



About NFPP



Nedspice believes that backward integration and sustainability are some of the main challenges for the food industry in the years ahead. To ensure that spice farming remains financially attractive and offers a sustainable livelihood for farmers Nedspice has initiated the development of backward integration programmes for farmers in the countries it works in. This ambition is laid down in the Nedspice - Farmers Partnership Programme (NFPP) which defines the approach, key principles as well as the expected results. In this update you will find information about the latest NFPP activities for pepper in Vietnam.

Crop stage



- The crop is in berry setting stage, showing less berries than last year, but without any disease attack so far.
- During vegetative and spike formation stages, the crop received less rainfall than last year, causing drought in some project areas. This impacted the general formation of spikes and was not good for the setting of pepper berries.
- Farmers reduced their investments in pepper farms due to low prices. Yield is expected to be lower by c. 30-40% versus the previous season.

Climate development in NFPP area (2019/20 season)¹

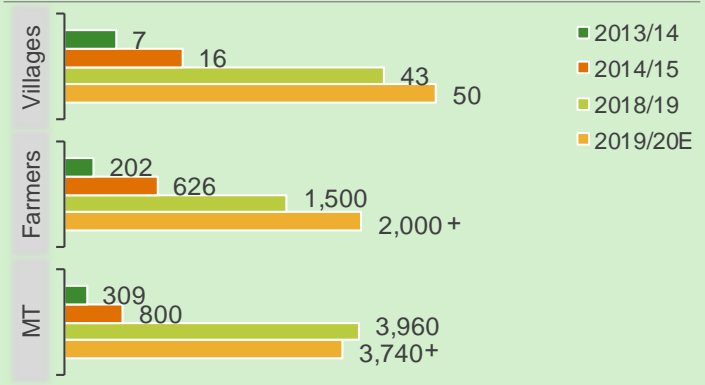
Stage	Period	☀️ °C	Mm ☁️	Days	📅
Vegetative	May – Jun	2%	(27%)	(30%)	✗
Spike formation	Jun – Aug	1%	(3%)	20%	✗
Berry setting	Aug – Oct	(2%)	(40%)	n.a.	✗
Berry ripening	Oct – Feb				
Harvesting	Feb – May				

Developments



- The NFPP started in 2014 in 7 villages within the Binh Phuoc province, involving 202 farmers and delivering 380 MT of pepper.
- After 5 years, over 2,000 farmers are now participating in the programme, with 500+ farmers having the Rainforest Alliance (RA) certificate.
- Under NFPP Franchise channel, Nedspice continues to expand its network with local collectors who are trained to source qualified products and work closely with farmers, ensuring complete traceability.
- For the 2019/20 crop, 5,000+ MT with 100% traceability is expected to be procured from NFPP farmers and franchisers.

Programme impact and evolution (excl. NFPP Franchise)



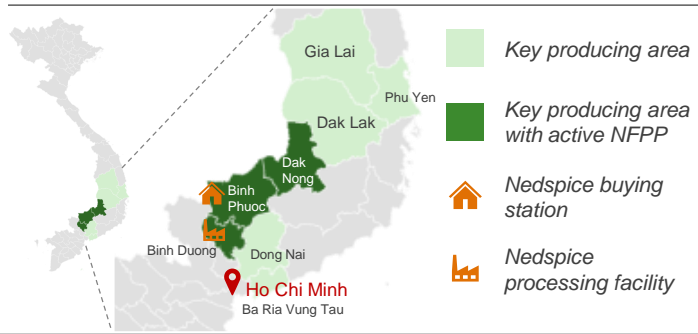
New crop



- In general farms in the project area expect a lower yield this season due to less berry setting.



NFPP area overview



¹⁾ Stages are indicative for the Vinh Linh variety. The percentages represent the change versus the same period last year, considering data till 17-Aug-19. Rainy days are defined as days with >15mm rainfall. Temperature is based on the average of day maximum temperatures over the period



Activities

- Jun - Jul-19: Farmer training in the NFPP project areas of Binh Phuoc and Dak Nong province:
 - Topics: Post harvest practices, farm preparation and input materials for the new crop. Training was conducted by WASI experts (Western Highlands Agriculture & Forestry Science Institute) and Nedspice agronomists.
- Jul - Aug-19: ToT (Training of trainer) in the NFPP project areas:
 - Training was conducted by WASI which is organized twice per year to update new technologies, knowledge and skills with farmer club leaders and field staff. They will later deliver knowledge to farmers.
- 5 - 15-Aug-19: Review meeting and expansion of RA Certification programme:
 - The review meeting was organized in 5 districts with farmer club leaders and local stakeholders to review the crop results;
 - RA certification programme applied for 2 new districts (Bu Dang and Bu Gia Map) in Binh Phuoc province, which will involve c. 500 new farmers to the NFPP project.

Training in the NFPP area of Dak Nong



ToT for farmer leaders



What's next?



- 22 - 23-Aug-19: Sustainable pepper development workshop:
 - The meeting will be organized by Ministry of Agriculture and Rural Development, involving key partners from Ministry of Industry and Trade, State Bank, Institute for Policy and Strategy to review developments within the pepper industry around the Free Trade Agreement sustainability requirements.
- 05-Sep-19: Nedspice Corporate Social Responsibility activities:
 - Renew the village meeting room facilities and kindergarten classes in Loc Thien, Loc Ninh, Binh Phuoc province, expected to finish in early September.
- 19-Sep-19: Nedspice NFPP team will participate the "EU forum on sustainable agriculture" workshop in Hanoi to share knowledge on creating sustainable farmer networks in Vietnam.
- Sep - Nov-19: Yearly internal RA audit:
 - 100% RA farmers will be audited for compliance on standards and policies prior to official external audit end of Nov-19.

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