



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 set out in the Nedspice - Farmers Partnership Programme (NFPP), which defines the approach, the key principles and the expected results. In this update you will find information about the latest NFPP activities for pepper in Vietnam.

Crop stage



- The harvest finished last month and preparations for the new crop started. So far, high day temperatures and less rainfall reduced the vegetation of pepper vines, with c. 20% of the farms affected in the project area.
- The weather conditions during the spike formation stage from now till August will be a key determinant for the crop.
- Farmers are expected to maintain pepper farms at low cost. Meanwhile, pepper is intercropped with other crops such as coffee and durian to maintain income.

Climate development in NFPP area (2020/21 season)¹

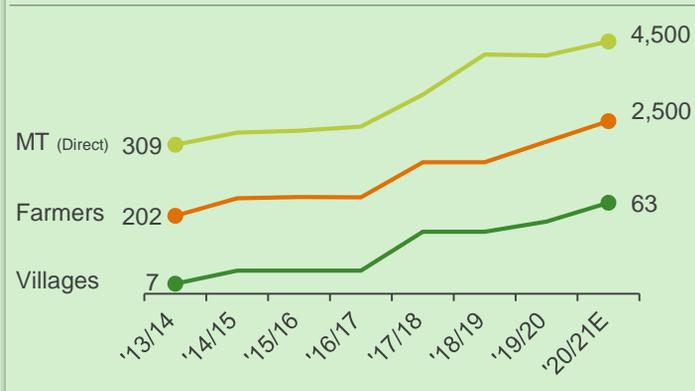
Stage	Period	☀️ C°	Mm ☁️ Days	📅	
Vegetative	May – Jun	6%	(62%)	(67%)	✗
Spike formation	Jun – Aug				
Berry setting	Aug – Oct				
Berry ripening	Oct – Feb				
Harvesting	Feb – May				

Developments



- The NFPP started in 2014 in 7 villages within the Binh Phuoc province, involving 202 farmers. After 6 years, 2,500+ farmers are now participating in the programme, with 500+ farmers having the Rainforest Alliance (RA) certificate and another 500 farmers are planning to get the certificate in Jul-20. With this direct channel, Nedspice aims to procure most volumes from registered farmers.
- For the 2018/19 crop, Nedspice launched the NFPP Franchise Programme which enabled more local collectors and farmers to cooperate with Nedspice, ensuring to deliver qualified products with traceability from farm level.
- For the 2020/21 crop season, 9,000+ MT with 100% traceability is expected to be procured from the direct and franchise channels together.

Programme impact and evolution (Direct channel)



New crop



- Unfavourable weather conditions are expected to impact c. 20% of pepper farms in the project area.



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 1-Jun-20. Rainy days are defined as days with >15mm rainfall. Temperature is based on the average of day maximum temperatures over the period



Channel	The 2014/15 crop season		The 2019/20 crop season	
	EU MRL	Purchased volume (MT)	EU MRL	Purchased volume (MT)
NFPP Direct	70%	880 Direct Franchise	90%	4,000 8,000 Direct Franchise
Franchise	–		68%	

EU MRL: European pesticides - Maximum residue levels.

- Jan-May: Social distancing requirements limited travel and training activities in peak at coronavirus outbreak.
- Feb-20: Nedspice opened a new warehouse at the center of Binh Phuoc province, this will enhance the collecting capacity from the key growing areas.
- May-20: Nedspice delivered medical masks and hand sanitizers to schools and NFPP farmers, to protect people from the coronavirus.

The new Binh Phuoc warehouse



Nedspice CSR during coronavirus outbreak



What's next?



- Jun – Jul 20: Launch of the pepper e-learning materials:
 - Nedspice in collaboration with IDH (The Sustainable Trade Initiative) and NAEC (National Agricultural Extension Center) will finalise and launch the pepper e-learning materials. These online training materials are easy to access, and focus on good agricultural practices during different crop stages.
- Jun-20: RA Audit for the NFPP farms and the new Binh Phuoc warehouse.
- Jul-20: The first year audit of Nedspice's organic farm, expect to have the certificate for the next year crop.

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