



GIZ-Keith Spicer Public-Private Partnership

SUSTAINABLE PEPPER INITIATIVE – VIETNAM

2016-2019

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HARRIS FREEMAN GROUP



HARRIS TEA

Largest private label packer of tea in the United States

HARRIS SPICE

Top 5 well-recognized spice suppliers in the world

*India and Russia locations include Jayanti Group facilities

HARRIS FREEMAN VIETNAM

- Total spice annual capacity : 10,000 MT
- Main Product : Black and white pepper
- Certifications
 - BRC 7 Grade A
 - HAACP
 - RFA
 - Organic

THE HARRIS PROCESS

Farm management

Procurement & Storage

Production

QA/QC

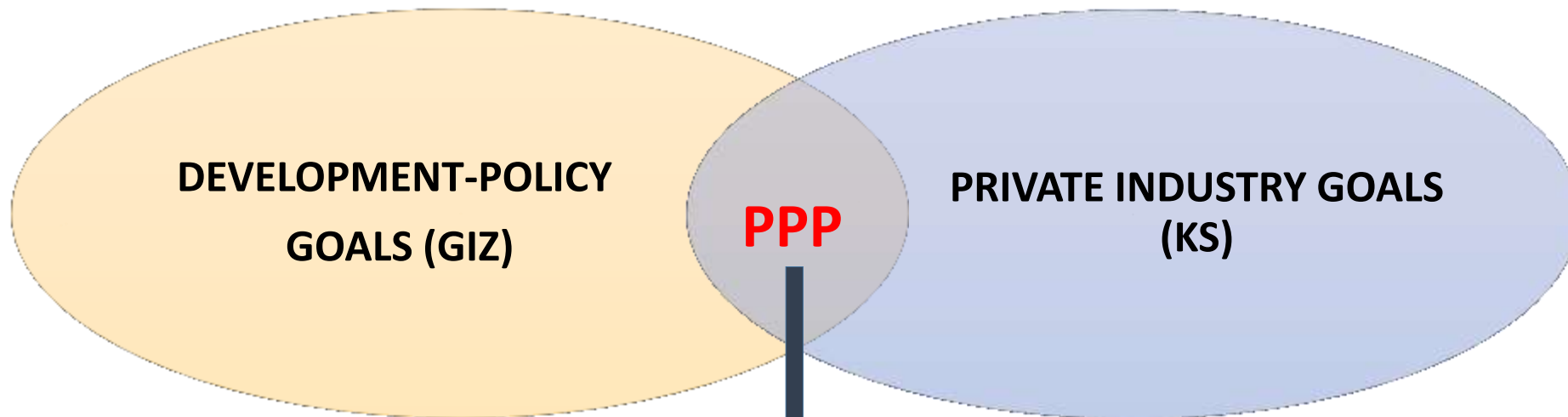
Logistical



THE GIZ-KS PUBLIC-PRIVATE PARTNERSHIP SUSTAINABLE PEPPER INITIATIVE – VIETNAM

Objective

- Enhancing sustainable pepper production
- Promoting work safety and environmental standards among farmers and food safety



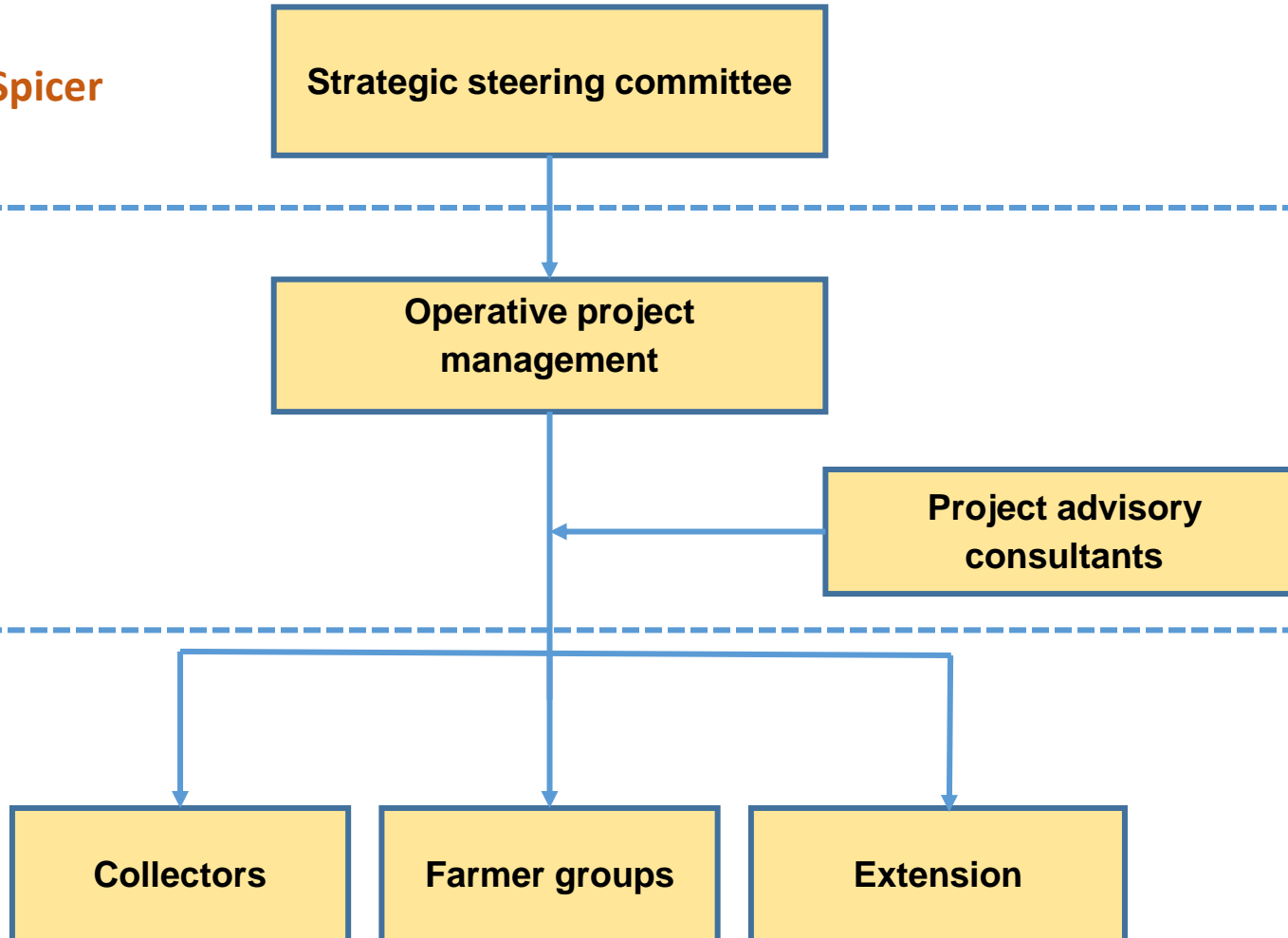
The partnership idea: Joining forces for success

Enhancing sustainable pepper production among smallholder farmers
Thus the project contributes to the Sustainable Development Goal

THE GIZ-KS PUBLIC-PRIVATE PARTNERSHIP

Sponsor

- BMZ
- Keith Spicer



- Keith Spicer Ltd
- GIZ (ASEAN-SAS)
- Department of Agriculture and Rural Development
- Xuyen Moc District People committee

- VinaHarris Co., Ltd
- ASEAN-SAS

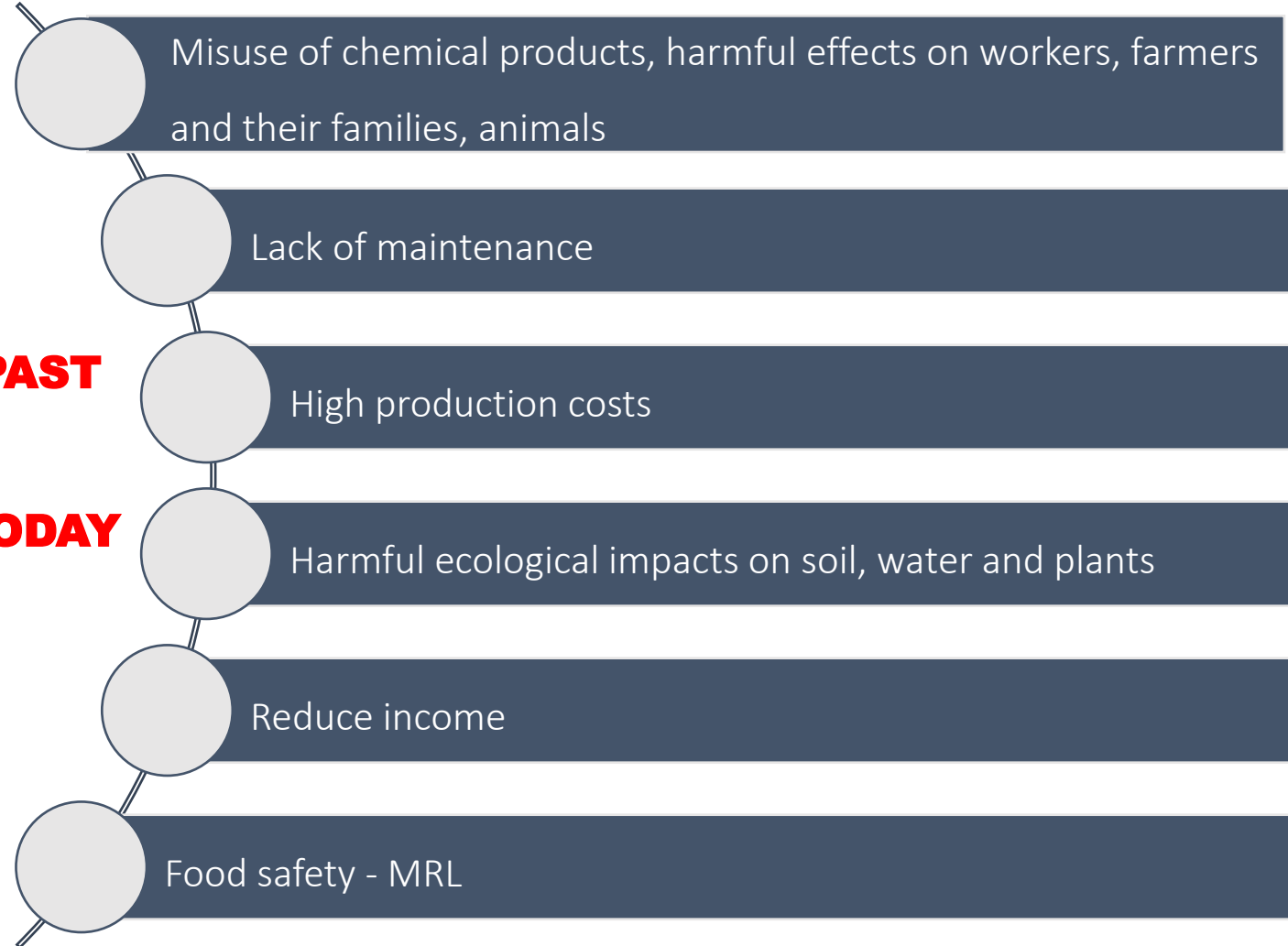
- Ba Ria –Vung Tau Pepper Association
- Xuyên Mộc Farmer’s Union
- BR-VT Plant Protection Dept.

WHY IS THIS PPP NEEDED?



**PROBLEMS OF THE PAST
ARE STILL**

THE PROBLEMS OF TODAY



FOUR MAIN COMPONENTS



1. Organization of farmer groups at community level and cooperation modalities

- Screening to select farmers group from 600 farmers list
- Forming farmers groups and group leaders
- Baseline study and MRL (Maximum Residue Limit) testing

2. Training Preparation and Capacity Development

- Set up expert group
- Developing technical package and training material
- Training: TOT, FT, collector training

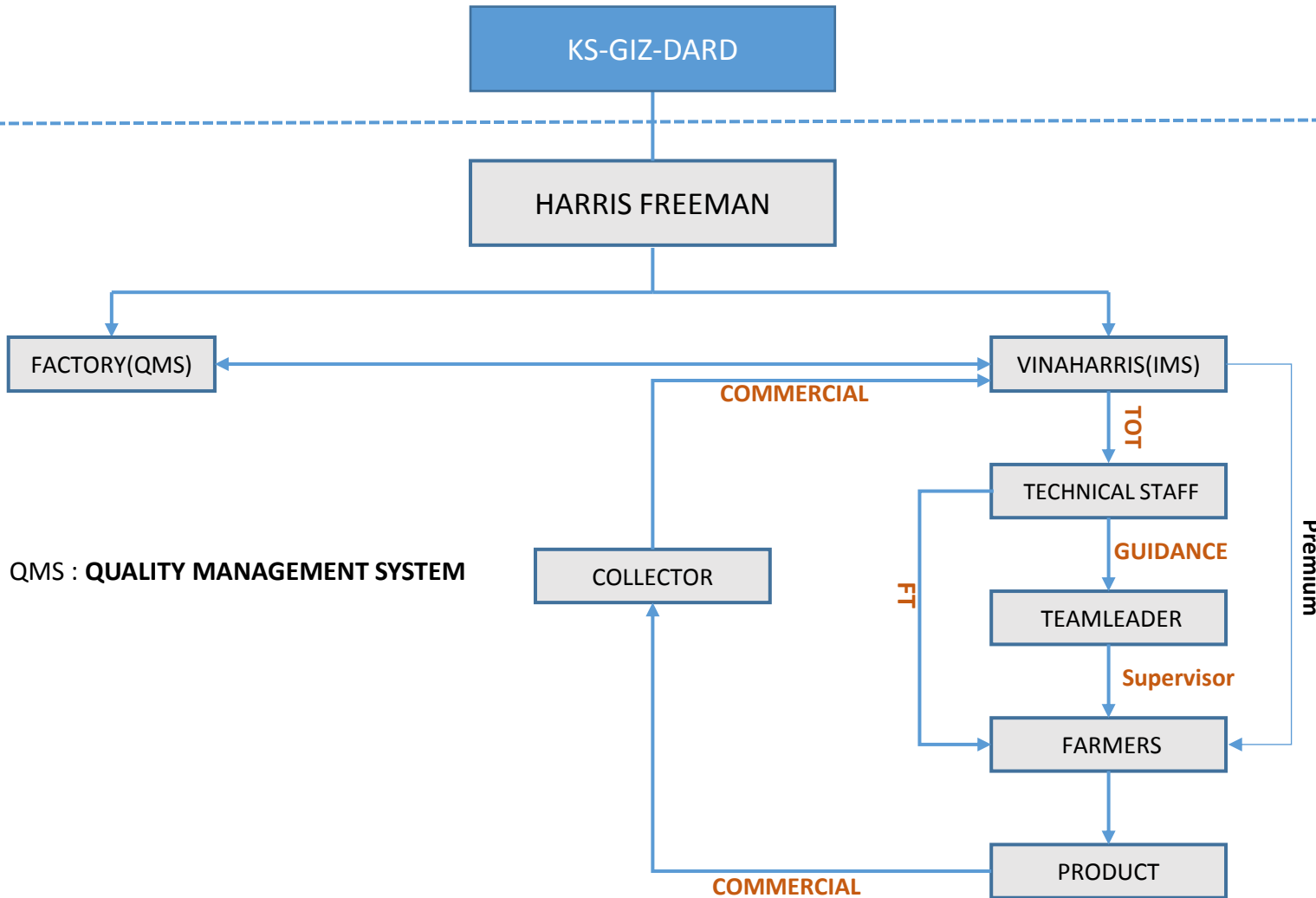
3. Implementation of technical package and RFA certification throughout the supply chain from farm to finished products

- The RFA SAN standard
- Certified and clean pepper will be honoured by a premium additional to the market price

4. Evaluation and dissemination of results

- Survey
- Lesson learn and hand over to DARD

WHAT WE DOING: STRUCTURE OF THE PROJECT ORGANIZATION AND TARGET GROUPS



QMS : QUALITY MANAGEMENT SYSTEM

Project implementation unit

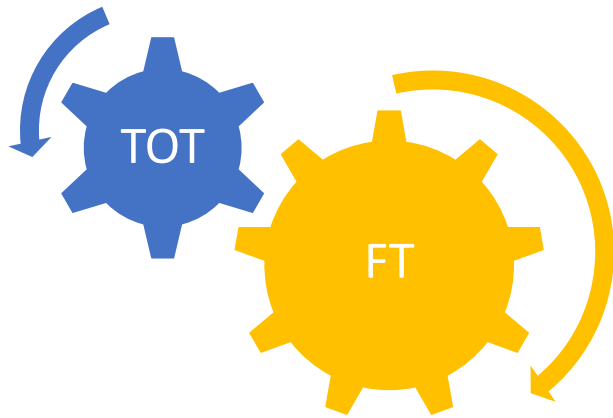
Training and Supervisor

- HFV : Harris Freeman Viet Nam Co., Ltd
- VHS : Vinaharris Spice Co., Ltd
- SubPPD : Sub Plant Protection Department
- ASEAN – SAS
- Farmers Associate of Ba Ria- Vung Tau
- Farmer’s Union of Xuyen Moc Ba Ria Vung Tau

Commercial

- Ba Ria Vung Tau Pepper Association
 - KIEU NGUYEN Collector
- VHS
- HFV

TRAINING PROGRAM



TOT : Training for trainer

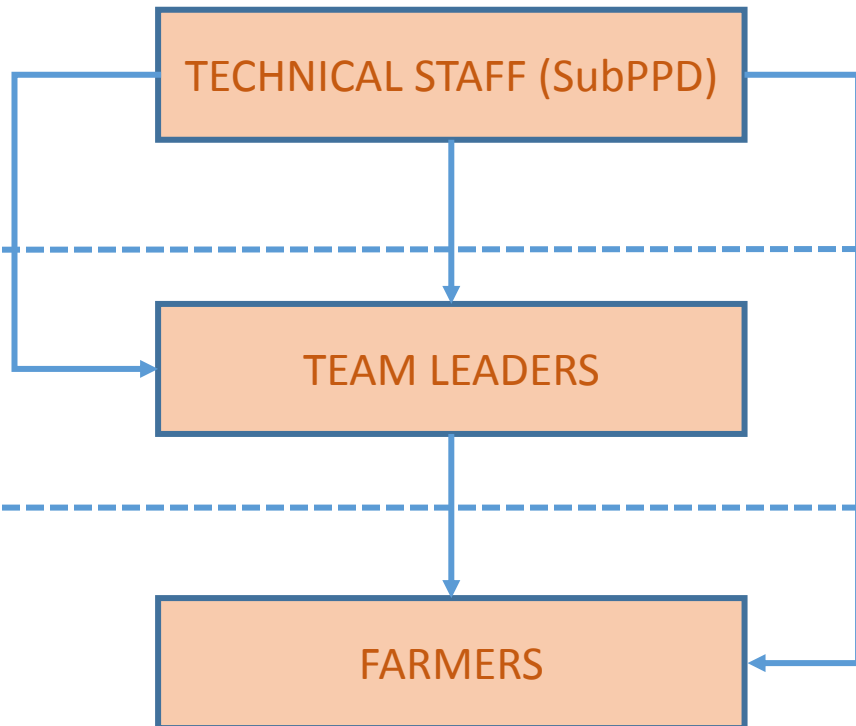
FT : Farmer training

ICM : Integration crop management

SAN : Sustainable Agriculture Network

SUBJECT	TOT	FT	RESPONBILITIES
MRLS – HARVEST & POSTHARVEST	TECHNICAL STAFF & TEAMLEADER	FARMERS	HFV-VHS
FARMFORCE	TECHNICAL STAFF		HFV-VHS
SAN STANDARDS	TECHNICAL STAFF & TEAMLEADER	FARMERS	Consultant service
ICM	TECHNICAL STAFF & TEAMLEADER	FARMERS	GIZ (SAS)

SUPERVISOR



MISSION

- Training for farmers
- Guidance for team leaders
- Technical support
- Report

FIELD CHECK/MONTH

2 times/month

- Support technical staff
- Farmers judging
- Follow and supervision
- Report

4 times/month

- Commitment to comply SAN standards
- Follow technical staff's instructions

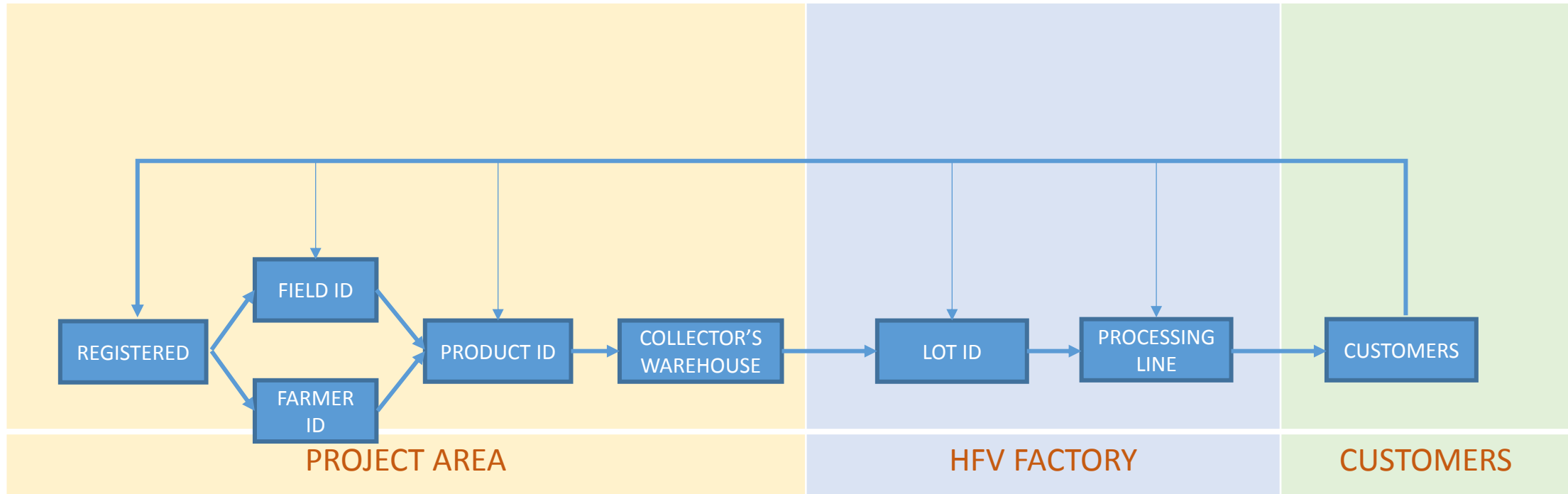
COMMERCIAL

Black pepper is purchased through an authorized collector by HFV, there are 3 main points which must be followed in this procedure

- The price of black pepper will be announced by HFV
- The project materials are isolated at executive collector's warehouse, daily reporting the purchased quantities to HFV
- Ensure the traceability up to farm level



TRACEABILITY



- Farmforce software and smartphones used to assist the traceability and monitor inputs in real time
- Each farmer have registered their field size (hectare) and estimated selling quantities at the beginning of season
- Re-confirm the data with team leader, technical staff and Harris project team.
- Provide the standard packing material to each farmers based on registered quantity, each farmer ID must shown on each bag to assure the right quantity/quality for future premium paid (if meeting the MRLs)

PROJECT IMPACTS

- Up to 90% of selected pepper samples meet the EU Maximum Residue Limit of pesticides by the end of the project
- At least 420 (or 70%) of the selected farmers are certified following the RFA - SAN standard.
- At least 90% of certified farmers have 10% higher annual net income per hectare.
- Use IPM instead of chemical pesticides to tackle problems of production and productivity of pepper

The introduction of ICM and IPM protects the environment and makes the soil more productive in the future.

Using an international standard provides product quality assurance, and improves market transparency and access

FIRST YEAR RESULTS

- From 255 farmers at the beginning, 170 farmers have reached the SAN standard (165.7 ha)
- The reductions of some main agrochemical residues in project after 1 year

AGROCHEMICAL	2016 (ppm)	2017 (ppm)	OUT OF PROJECT (ppm)	EU MRLs (ppm)
Carbendazim	0.99	< 0.01	0.54	0.1
Metalaxyl	0.15	0.22	0.15	0.1
Permethrin	<0.02	<0.02	<0.02	0.1
Cypermethrin	0.11	0.11	0.05	0.1
Dithiocarbamates	1.3	0.4	1.5	0.1
Imidacloprid	< 0.01	< 0.01	< 0.01	0.05

2017 : Immature berries test(Sampling on Dec-2016)
2016 : Dry pepper test

ADVANTAGES AND CHALLENGES

ADVANTAGES

- The enthusiasm of the 255 farmers participating
- Good support from local government (provincial level up to Communes level such as DARD of Ba Ria – Vung Tau (Sub-PPD), Xuyen Moc District People's Committee, Xuyen Moc Farmer Association, Hoa Hoi and Hoa Hiep communes)
- Introduce an organised programme on pepper sustainable cultivation through group farming, integrated pest & diseases management, educating on good agriculture practice of black pepper to different stake holders starting from farmers to collectors/suppliers, using warehousing facilities at the production centers.
- Increasing the training and media for green berry and clean production
- Developing the models of contract farming to control quality and following market demands
- Supporting the spices industry to produce the best quality of pepper supplying to end users in the world.

ADVANTAGES AND CHALLENGES

CHALLENGES

FARMERS	AUTHORITIES	HARRIS FREEMAN	OTHERS
<ul style="list-style-type: none"> - Small and marginal farmers - Old and senile plants - Incidences of pests & diseases - High costs of inputs - Scarcity of labourers - Farmers are not much aware about the SAN standards or pesticide residue compliance to import countries. 	<ul style="list-style-type: none"> - There is little research and technical into disease resistant plants, nor Bio-Control Agents to replace chemicals. - No focused unit to update regularly the changing food safety control systems used in import countries, (especially important in high value markets such as EU, America, Japan). 	<ul style="list-style-type: none"> - Difficult to guide farmers to follow the procedure of pepper sustainable production. - Not getting 100% materials from project because farmers have committed to sell certain quantity to local collectors/dealers due to long time relationship. - Hard to pay the bonus for meeting the pesticide residue if farmers have not sold material in one time, they tend to keep material for long time (1-2 years) 	<ul style="list-style-type: none"> - Have not yet tapped the huge potential to develop agriculture products like pepper at local levels. For example not worked hard enough in gathering available information which could be used to create a successful package of practices for improving pepper productivity. - Lacking the advocacy activity linkage between farmers and enterprises to the policy makers in the central and local government for agriculture supporting the pepper industry.

CONCLUSION AND SUGGESTIONS

The Vietnam pepper industry has been focused on yield and acreage. Little effort concentrated on improving product quality, people and food safety as the first priorities for pepper sustainable development.

It is recommended that all stakeholders do more to support sustainable pepper production in areas such as:

- Expanding Good Agriculture Practice (eg RFA SAN standard) and using IPM (Integrated Pest Management) in production.
- Changing the management practices for planting materials, using and handling fertilizers and pesticides.
Review practices to improve the monitoring, control and management.
- Consider Marketing and Branding for National Vietnamese Pepper to improve the value chain.
- Increasing information availability and communication to catch up and to update the trends of market demands, particularly in the high value markets (EU, US, Japan etc.) where they require high quality products.



**Thank you for
your attention**