



## Case Study

# Pepper

Viet Nam is the world's largest producer and exporter of black pepper – representing 60% of the world's traded pepper volume. 97% of Vietnamese pepper has been exported to 109 countries and territories<sup>2</sup>. Pepper production provides jobs for 50,000 pepper smallholder farmers, of which 35% belong to ethnic minorities. For many years, this production has contributed to poverty reduction in pepper growing regions.

However, excessive use of agrochemicals, which negatively impacts the environment and human health, has led to the emergence and spread of pests and disease outbreaks. In worse case scenarios, pepper is generally grown by small and marginal farmers, who are typically unable to absorb the impact of unstable pepper prices.



### The Public-Private Partnership Task Force on Pepper

Formed in 2015, the PPP Task Force is co-chaired by MARD's Plant Protection Department, the Viet Nam Pepper Association, representing the private sector, and IDH the Sustainable Trade Initiative as the coordinator and co-funder. The Task Force brings together domestic and foreign companies, research institutions, and civil society to discuss ways to cope with the sector's sustainability challenges and catalyze joint actions.

### Partnership for Sustainable Agriculture in Viet Nam (PSAV)

PSAV supports the Task Force and synergizes resources of partners by encouraging the adoption of sustainable production practices, fostering information flow within the value chain, and enhancing enforcement of quality standards to improve Viet Nam's credibility as a leading pepper producer.

- Facilitate and coordinate plans and activities, especially joint initiatives with the Agrochemicals Task Force.
- Provide cross-sectoral learning and organize experience sharing events to promote the adoption of best practices
- Organize a Pepper Outlook Conference and related policy dialogues to foster discussion among key stakeholders and encourage pre-competitive collaboration and commitment among actors

<sup>2</sup> The Voice of Vietnam; "Vietnam's pepper industry about to burst", 20 February 2018; <https://english.vov.vn/economy/vietnams-pepper-industry-about-to-burst-368980.vov>



### National tri-sector behavior and collaboration

- Developed a long-term comprehensive strategy with objectives and solutions to address the most urgent sectoral sustainability issues.
- Established a multi-stakeholder Advisory Board to provide strategic direction on both policy and practices at the provincial level and linkages across agencies.
- Conducted policy dialogue discussions amongst PPP to discuss solutions for common issues and challenges.
- Developed and rolled-out the NSC for pepper production, a handbook for GAP including responsible agrochemical management.
- Launched a mobile app for farmers and plant protection officers with a database of agrochemical products used in coffee, pepper and tea cultivation.
- Implemented various field-level projects to promote sustainable production practices.
- Removed technical barriers to pave the way for pepper export such as MARD's petition to the EU Commission to extend the transition period for Chlorpyrifos and Chlorpyrifos-methyl MRLs.
- Organized experience-sharing workshops promoting the exchange of knowledge and lessons learned between companies.

## Sector Impact

**Improved understanding and knowledge** on Maximum Residue Levels (MRL) in different markets and international product specifications



**68,000 MT** of Vietnamese pepper production was compliant with MRL requirements in 2019.



**Increased farmer awareness** through training and value chain collaboration for better access to the international market.

## Smallholder Impact in 2019



**61,387** farmer training impressions



**17,914** farmers adopted improved farming practices

### Targets by 2025

- **25,000** farmers trained and provided with improved agricultural services
- **60,000 tons** of sustainable pepper produced
- **25%** of farmers with 20% income increase
- **75%** of pepper produced in Viet Nam meeting MRLs



“Previously we regularly sprayed high quantities of pesticides as we did not know much about the negative impacts. After learning and applying sustainable farming methods, my crop yields have improved and have become stable. I also follow the procedure taught in my sustainable farming training, using only a sufficient amount of fertilizer and agrochemicals appropriately.”

**Mr. Tran Van No**

Pepper farmer in Ea To commune,  
Krong Nang District, Dak Lak Province

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“ We must strengthen our nation’s food safety control to ensure the sustainable development of the pepper sector and promote pepper export. A systematic approach is needed to develop safer pepper cultivation areas. Also, the Ministry is encouraging Vietnamese enterprises to increase investment in the pepper sector by developing sustainable material zones which are strongly linked with producers and deeper processing to increase the export value of pepper products. PPP is an effective cooperation mechanism to draw in private investment and create institutional breakthroughs that foster the sustainable development of the sector. ”

**Mr. Nguyen Quy Duong**

Deputy Director General, Plant Protection Department,  
Ministry of Agriculture and Rural Development of Viet Nam

“ The Pepper Task Force has successfully attracted the active participation of key industry players and direct engagement of MARD. However, the Advisory Group goes a step further, by institutionalizing the PPP governance platform, to support MARD for the long-term sustainable development of the pepper industry. There is still a lot to be done given the stricter technical barriers imposed by importing countries which are posing challenges to exporters. A more comprehensive strategy to deal with agrochemicals will be developed. As a co-chair of the Task Force, IDH commits to supporting the restructuring of the industry more sustainably. ”

**Mr. Huynh Tien Dung**

Country Director,  
IDH, the Sustainable Trade Initiative