

Improving the livelihoods of smallholder rice farmers in Thailand, Vietnam and Indonesia through sustainable Market Oriented Smallholder Value Chains



Context

The majority of rice producers are smallholder farmers who often manage areas of less than one hectare and who occupy a weak position along the supply chain. Caused by a low degree of organization and characterized by poor infrastructure, rice farmers lack access to knowledge, technical advice, quality farm inputs and machinery as well as to financial services.

At the same time, consumers' concerns about the quality and origin of rice has resulted in the gradual emergence of complex regulations and requirements to ensure safe, high-quality, sustainable, traceable and certifiable production systems. However, rice suppliers from Thailand, Vietnam and Indonesia face major difficulties in complying with the regulations of food safety authorities of main importing countries. As long as linkages among and between farmers and enterprises remain weak, the quality control of rice remains challenging.

Additionally, the agricultural sector is greatly affected by climate change through land-use related emissions. Smallholder rice farmers thus face the increased risk of being excluded from globalizing markets as they struggle to cope with climate developments, leaving them and their families without an income and with deteriorated living conditions.

Objective

To enable smallholder rice farmers in Thailand, Vietnam and Indonesia to access sustainable Market Oriented Smallholder Value Chains

Approaches

The project works on reducing pesticide residuals in the rice value chain and is introducing a quality assurance system. These measures support compliance with food safety laws, international conventions and national regulations regarding social and environmental criteria for sustainable rice production and processing. The main strategy is to establish long-term business partnerships and facilitate effective collaboration between relevant actors.

To achieve this strategy, the Sustainable Rice Platform (SRP) - a multi-stakeholder initiative, incorporating private companies, UN institutions, governments, research institutes and civil society organizations - has developed standards setting out environmental, economic and social criteria for sustainable rice cultivation in a measurable and comparable way throughout the entire value chain. These are the first global sustainable rice cultivation standards that make the sustainability claim credible and tradeable, aiming to improve livelihoods of smallholder farmers through capacity building and a group management system.

In 2016, Thailand's Rice Department, OLAM, GIZ and UTZ, a label and programme for sustainable farming, jointly piloted the SRP standard with two rice farmer groups to improve market access for resource-poor rice farmers in selected areas. The project also supports the establishment of learning centres and demonstration plants for seed production to create additional sources of income for rice farmers.

Results so far

- 9,226 smallholder farmers (4,225 male farmers and 5,003 female farmers) in Thailand, Indonesia and Vietnam have been trained about Sustainable Rice Production and access to sustainable value chain, with the result that their income has increased by 20%.
- 4,291 smallholder farmers in Thailand have certified for SRP standard and received a 93.86% compliance score on average, meaning that they are producing rice with sustainable cultivation.
- 19,413 Ha of planting areas are now cultivated sustainably, producing 67,780 metric tons of sustainable rice paddy that is delivered to the sustainable rice value chain.
- 34 organizations (Public and Private; Local and capital) are collaborating in improving sustainable rice value chain.

Commissioned by: The German Federal Ministry for Economic Cooperation and Development (BMZ) and OLAM International

Co-commissioned by: Crop Life

Countries: Thailand, Vietnam and Indonesia

Project partners: Relevant Ministries in Thailand, Vietnam, and Indonesia, Olam International and Crop Life.

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More Information: www.thai-german-cooperation.info, www.asean-agrifood.org

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