



# Better Rice Initiative Asia (BRIA II)

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



## The Challenge

National economic development and food security in Thailand, Vietnam and Indonesia depend largely on the rice sector. In all three countries, rice production has ensured national self-sufficiency and job creation.

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 organisation and characterised 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.

*“Rice is both a victim and a cause of climate change. South-East Asian rice farmers are among the world’s most vulnerable to climate change impacts. What is needed now are large retailers to brand sustainable rice production. It’s the only way we can reduce emissions, use less water and grow more. Win. Win. Win.”*

*Sunny Vergheze, CEO of Singapore-based Olam*



A lack of knowledge and the inappropriate use of chemical fertilizers have led to high pesticide residues in agricultural products and poor farmer health and safety. Inappropriate post-harvest handling remains a significant obstacle to food safety and limits smallholders' access more lucrative markets. There is thus increased pressure to modernise agricultural value chains for export commodities like rice.

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

## The Solution

In a public private partnership, Olam International Ltd., a leading global food and agri-business company, and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, are integrating small-scale rice producers into the value chain by building long-term business relationships between producers, processors and retailers. The German Federal Ministry for Economic Cooperation and Development (BMZ) has commissioned the project within the scope of the develoPPP.de program.

The goal of the partnership is to improve the long-term sustainability of the market-oriented value chain (MSVC) and secure market access for 35,000 smallholder rice farmers in Thailand, Indonesia and Vietnam. By effectively integrating them into the MSVC, the partnership aims to improve the livelihood of farmers and to secure their main source of income.



## Contact Information

**Deutsche Gesellschaft für  
Internationale Zusammenarbeit (GIZ) GmbH**  
Felicitas Siek German Mueller  
T + 49 (0) 6196 79 6121 T + 66 2255 4202  
E felicitas.siek@giz.de E german.mueller@giz.de  
I www.develoPPP.de

**Olam International Ltd.**  
Paul Nicholson  
T + 65 6339 4100  
E paul.nicholson@olamnet.com  
I www.olamgroup.org

## Our Services

To effectively advance the integration of smallholder rice farmers into BRIA II, it is crucial to improve farming and post-harvest practices and ensure compliance with sustainability and quality standards. Hence, 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 goal, the Sustainable Rice Platform (SRP) - a multi-stakeholder initiative of Olam and GIZ, incorporating private companies, governments, research institutes and civil society organization – 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 group management system.

In 2016, Thailand's Rice Department, GIZ, Olam and UTZ, a label and programme for sustainable farming, jointly piloted the SRP standard with two rice farmer groups under the Better Rice Initiative Asia (BRIA) to improve market access for resource-poor rice farmers in selected areas. This intervention resulted in an impressive 84% farmer compliance with the standard. BRIA II builds on these activities and continues to promote resource efficiency and sustainability in the global rice sector.

In order to support smallholder farmers in improving their agricultural practices, trainers will be qualified to teach sustainable farming practices in "Farmer Field Schools". Farmers will also have access to insurance and financing services.

The establishment of learning centres and demonstration plants for seed production creates additional sources of income for rice farmers. Close cooperation with relevant ministries, governmental extension services, local enterprises and processors is expected to strengthen existing relationships and structures, and create high local ownership for the project and beyond.

## Impacts and Results

- Smallholder farmers gain access to agricultural inputs and services and adopt the principles of sustainable rice cultivation
- Increase the volume of sustainable high-quality rice for export and the domestic markets within the partner countries
- Improved productivity by adopting good farming practices, and promoting local rice varieties and local knowledge
- Increased income from rice cultivation for 35,000 smallholder farmers in Thailand, Vietnam and Indonesia

### At a glance

<b>Duration</b>	01 April 2018 – 28 February 2022
<b>Country</b>	Thailand, Vietnam and Indonesia
<b>Objective</b>	To improve the livelihoods of smallholder rice farmers in Vietnam, Thailand and Indonesia
<b>Partners</b>	Olam International Ltd. and GIZ Co-Financing Partner Thailand: Croplife International
<b>Targets</b>	<ul style="list-style-type: none"><li>▪ 80% of the targeted 35,000 smallholder farmers (25% women) increase their net income from sustainable rice production by at least 20%</li><li>▪ 70% of the targeted smallholder farmers confirm that they have access to most significant inputs and services</li><li>▪ 80% of farmers comply with the SRP Sustainability Standard for rice production</li><li>▪ Production of sustainable and high quality rice (with only marginal residuals, only few broken rice) has increased to 150,000mt in Thailand, 150,000mt in Vietnam and 100,000mt in Indonesia</li></ul>

Published by

Deutsche Gesellschaft für  
Internationale Zusammenarbeit (GIZ) GmbH  
Registered Offices: Bonn and Eschborn, Germany  
Development Partnerships with the Private Sector  
(develoPPP.de)  
Dag-Hammarskjöld-Weg 1-5  
65760 Eschborn  
Germany  
T + 49 (0) 61 96 79-73 77  
F + 49 (0) 61 96 79-11 15  
E develoPPP@giz.de  
I [www.giz.de](http://www.giz.de)

As at

August 2019

A project of

**develoPPP.de**



Implemented by

**giz** Deutsche Gesellschaft  
für Internationale  
Zusammenarbeit (GIZ) GmbH

On behalf of

Federal Ministry for Economic Cooperation and  
Development (BMZ)

Division

Cooperation with the Private Sector;  
Sustainable Economic Policy