

SUSTAINABLE AGRICULTURE IN ASIA

PRIVATE AND PUBLIC PARTNERS WORK
TOGETHER FOR LASTING IMPACTS







Sustainable agriculture that works for everyone

Public-Private Partnerships

More than one billion people in the Asia Pacific region work in agriculture – from growing coffee in the Philippines, to harvesting rubber in Indonesia; from rice farming in Thailand to pepper production in Vietnam. This makes the sector one of the largest, and most dynamic in the world. Agriculture has the potential to transform lives and livelihoods, combat hunger and poverty. But too often, farming methods in this region rely on outdated and inefficient practices, and fail to maximise the sector's strengths. Far-reaching, long-term changes are needed, but these are not possible with public funds alone.

Today, a growing number of private companies are stepping up and investing in agricultural projects that help achieve sustainability goals. They comply with social and environmental standards along their supply chains and offer assurance to their customers about the origin and safety of their products. But this is by no means easy. Many companies face challenges, such as the risks associated with climate change, a lack of awareness of local political and economic conditions and unclear supply chains, so that the well-being of producers is hard to guarantee.

This is where GIZ comes in: a reliable, strategic partner that helps to identify and overcome such challenges. Together with our private partners, we combine the expertise, strengths, and resources of the public and the private sectors. This enables us and our partners to achieve our individual goals while addressing global challenges and multiplying developmental impacts.

In the following pages, we invite you to explore successful public-private partnerships from Vietnam, Thailand, Indonesia and the Philippines. Each story is unique and shows the tailored approach that GIZ applies to creating sustainable projects with its partner companies. We look forward to working with you!

GIZ

a skilled and strategic partner for companies

As a service provider in the field of international cooperation for sustainable development, GIZ is dedicated to shaping a future worth living around the world. Our expertise is based on decades of implementing projects across a wide range of thematic areas – from sustainable supply chains and climate-smart farming, reliable sourcing and certification schemes, to income diversification and promotion of organic agriculture. Sustainability is one of our core competencies.

When it comes to working in complex environments, it's not just 'what' you know, but also with whom you partner up with. Contacts with the private sector, civil society and political actors form the basis for successful cooperation and sustainable economic development. GIZ operates globally, but acts locally – it has the skills to plan, manage and implement projects and programmes in developing and emerging economies. Aside from public commissions, GIZ's expertise is also made available to private companies. If you – as a representative

of a private enterprise – enter into a public-private partnership, identify potential partner companies, co-fund an ongoing project, or begin work on an idea, we will help you to define your sustainability activities, develop suitable projects and implement these in partner countries.

The goals of development cooperation and the private sector often overlap in the agricultural and food sector. German development cooperation provides concrete support where entrepreneurial opportunities and developmental needs meet. If both sides pool their resources and expertise, secure partnerships and projects can be developed that achieve both development policy and business goals.



To find out more about GIZ – visit us here https://www.giz.de/en

Private Businesses





Working together

and achieving impact through tailor-made solutions

Through our projects, we support companies in achieving their sustainability goals. Together, we develop sustainability strategies and implement them around the world.



As your partner, GIZ can:

- support you in developing partnership projects and programmes that create an impact.
- provide sustainability specialists from a wide range of areas. We can help to make your supply chains more sustainable, more aligned with international standards, train suppliers and embed expertise locally – all of which facilitates long-term access to sustainablysourced raw materials and products.
- complement your company's sustainability commitment through promotion and upscaling of innovations and technological solutions that drive positive impacts in developing and emerging economies.
- connect you with the right partners in government, business and civil society in our partner countries worldwide. This boosts the effectiveness of your sustainability activities, reduces your project risks and means a more rapid return on your investment.
- organise sustainability dialogues in crosssectoral, multi-stakeholder processes.
- assume responsibility for project management from planning and execution to impact management and evaluation.



- Philippines | Pages 10, 14
- Indonesia | Pages 10, 14, 18





GIZ is active throughout Asia.

In the following pages, you'll find examples of public-private partnerships from four countries.







Improving smallholder coffee farming systems in Southeast Asia

(Coffee+)

Indonesia, the Philippines and Thailand have a long history of producing coffee. Yet, although demand for coffee is growing in the region, over-aged stocks, climate change and outdated agriculture practices have led to a decline in production levels in recent years. Nestlé and GIZ joined forces to make coffee farming more productive and financially rewarding for farmers. In training courses, coffee producers learn more about coffee agronomy, agricultural entrepreneurship and farm management, increasing yields and income. And Nestlé can depend on a sustainable supply chain of responsibly produced coffee in all three countries.



Deutsche Gesellschaft für Internationale

Zusammenarbeit (GIZ) GmbH

develoPPF





In the past, we recorded everything manually on paper. In farmer business schools, we were taught about coffee plantation management and to keep our records up-to-date in order to manage income and expenses. With an app we can directly view our income and expenses from the plantation.

YAKUP SETIAWAN

FARMER, DATARAJAN VILLAGE IN TANGGAMUS-LAMPUNG

Treating farming

as a business

Entrepreneurial know-how is one of the key takeaways in Farmer Business Schools. Farmers learn how to run their farms as efficient businesses while complying with sustainability standards for the coffee sector. Trainings on good agricultural practices cover the rejuvenation of old coffee trees and soil, and nutrient management. Agronomists coach coffee farmers with financial data management (money in & out) and demonstrate new farm archetypes with crops and trees intercropped. This helps farmers to improve their management skills, increase their farm productivity and returns, optimise costs, mitigate risks and diversify their income.

This is what we have achieved in the first three years of the project:



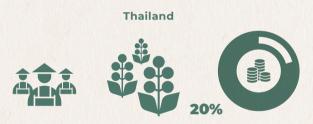
Indonesia	Thailand / Philippines /		
			A RANGE
6,300	2,3	300	1,500
10,000			

By the end of 2021, more than 10,000 farmers had learned more about coffee farming as a business (6,300 in Indonesia, 2,300 in Thailand and 1,500 in the Philippines).

The impacts varied depending on the country:



In the Philippines, farmers increased their incomes on average by 62% and productivity by 134% after the trainings.



In Thailand, farmers learned to grow mixed crops with coffee. Using this practice, known as intercropping, farmers are able to diversify their income sources and earn 20% more.



In Indonesia, trained farmers earn 40% more with a 36% increase in productivity.

Under the develoPPP programme by the **German Federal Ministry for Economic** Cooperation and Development (BMZ), GIZ and Nestlé joined forces through a public-private partnership project. Nestlé provides in-kind contributions, such as demonstrating new techniques and coffee growing approaches, training and advising coffee farmers on better farming practices.

Learn more about the developpe funding programme on page 34.



The integrated Farmer Business School approach, which is adapted to the local situation and combined with training in best farming practices, has proven successful. By training the farmers to look at farming as a business, they get a better understanding of their income and expenses. Linking this knowledge with coaching ensures the farmers adopt the best agricultural and economic practices in a diversified system and helps them make their farms more successful and

WOUTER DE SMET

GREEN COFFEE FARMER CONNECT MANAGER, NESTLÉ, ZONE ASIA OCEANIA AND AFRICA









Sustainable certified coconut oil production (SCNO)

From cooking to cosmetics, coconut oil-based products are in high demand. This is good news for the three million coconut farmers in the Philippines and Indonesia. But consumers around the world are paying more attention to the quality and sustainability of consumer products. With this in mind, BASF, Cargill and Procter & Gamble have worked with GIZ to support farmers making their coconut production sustainable and achieving certification through the Rainforest Alliance Standard. While Cargill and GIZ trained the farmers of project partners on the ground, BASF and P&G contributed through co-financing and developing a certification scheme for the supply chain. The companies are funding a sustainability premium for certified farmers. Companies benefit from reliable coconut oil supplies and credible certification, while farmers improve their livelihoods and make their farming systems more productive and sustainable.



Deutsche Gesellschaft für Internationale

Zusammenarbeit (GIZ) GmbH

Indonesia:

Amurang, North Sulawesi



The SCNO project is a truly entrepreneurial and out-of-the-box approach for the development of certified sustainable coconut oil production. The joint project has proven that certified sustainable coconut oil production is possible and that it improves smallholder farmers' lives. We are proud of the achievements we have made together with our partners over the last few years.

INA BOOS

PROJECT MANAGER AT BASF

Training for sustainable

farm management and certification

For effective and sustainable coconut oil production, smallholder farmers needed to start treating their coconut farming as a business. In training courses, they learned about good agricultural practices, intercropping, internationally recognised sustainability standards, and agricultural economics and management. This paved the way for the Rainforest Alliance certification. In 2018, the first Rainforest Alliance CertifiedTM coconut oil was sustainably produced in the Philippines.

This is what we have achieved:



More than 1,600 farmers working on almost 5,000 hectares of land have been certified by Rainforest Alliance.



Through direct deliveries to Cargill, the farmers receive better market prices and a premium for coconuts from certified farms.



BASF, Cargill and P&G developed a chain of custody for the certified coconut oil supply chain. This coconut oil is now used for the manufacturing of ingredients for cosmetics, detergents, cleaning agents and food applications.



Trained and certified farmers benefit from 26% higher harvests and 47% higher incomes than their peers who have not participated in the project.



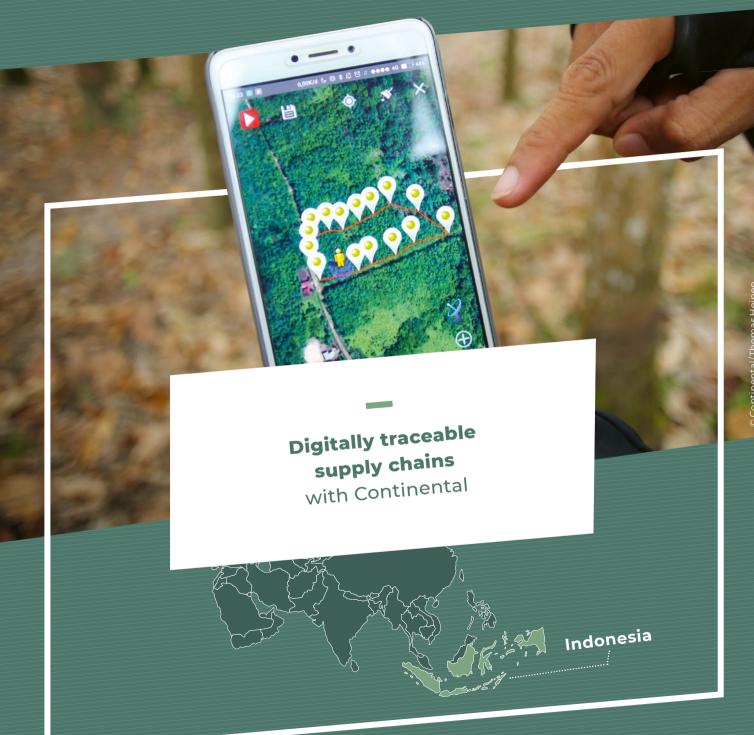
The project's training approaches have reached more than 4,000 farmers and are being upscaled through the national Department of Agriculture and the Philippine Coconut Authority.





The project changed practices on the coconut farms as well as the mindset of farmers towards more environmental awareness. The project kick-started the world's first mass balanced Rainforest Alliance certified coconut supply of oil.







Sustainable natural rubber

from deforestation-free supply chains

Transparent supply chains are important to companies and increasingly also to consumers. The natural rubber industry is no exception, but companies have struggled in the past to build appropriate structures. The mobility supplier Continental Tyres and GIZ jointly implemented an end-to-end traceability system from production plots of independent smallholder farmers to the market, thereby increasing the production of fully traceable, deforestation-free natural rubber for independent smallholder farmers.



Product

Natural rubber

West Kalimantan in Borneco



Partner

Continental Reifen GmbH



Timeframe

2018 - 2024

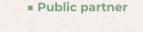


Budget

1.7 million euros in total

■ Private partners 978,000 euros

790,000 euro











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We need a rethink in the global economy to better protect people and nature. I am delighted that pioneers like Continental are demonstrating that in the digital age, social and ecological minimum criteria can be monitored along the supply chain. Through sustainable cultivation methods and a digital traceability system, we are helping to stop the destruction of nature and improve the incomes of small local farmers.

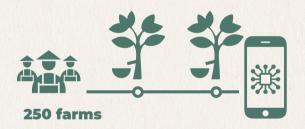
GERD MÜLLER

FEDERAL MINISTER FOR ECONOMIC COOPERATION AND DEVELOPMENT (2013 - 2021)

Education and digitalisation

Training in good agroecology practices has helped farmers in Indonesia to cultivate their trees in a sustainable way. They use this know-how to improve the quality and quantity of rubber produced on their farms. The producers are then linked to buyers that value sustainable, deforestation-free products. This protects areas with high conservation value and allows farmers to achieve higher sales prices for their quality natural rubber. The sustainable production of the raw rubber is documented in the digital traceability system, along with spatial information on the exact production areas, the amount of rubber delivered and the sales prices.

This is what we have achieved in the first years of the project:



The digital end-to-end traceability system ensures a deforestation-free supply chain. Today, more than 250 farms are included in the system, allowing Continental to expand transparency across its natural rubber supply chains.



Continental uses a catalogue of standards in order to make its rubber production environmentally friendly, socially responsible and economically sound. This reduces pressure on the remaining natural forest and helps the Kapuas Hulu Biosphere Reserve become a sustainable production region that supports fair and deforestation-free supply chains.



In a pilot, 400 independent smallholder farmers received training and now benefit from improved production practices, better product quality, higher incomes and access to the global rubber industry. The project is now set to expand and aims to train 4,000 farmers by 2025.



This project is jointly funded by Continental and the German Federal Ministry for Economic Cooperation and Development (BMZ). The cooperation began as a public-private partnership project under the developpp programme. GIZ trains farmers in sustainable growing practices. Continental contributes its expertise on international supply chains and ensures that trained smallholder farmers can sell their product directly.

See page 34 for more about the developpp funding programme.



Thanks to the success of the pilot project, we are now able to seamlessly trace a rubber supply chain from cultivation and processing to our tyre plant in Germany. This involves working with our partners to ensure greater transparency and to help secure the livelihoods of the small farmers involved in the project.

CHRISTIAN KÖTZ

HEAD OF THE TYRE BUSINESS UNIT AND MEMBER OF CONTINENTAL'S EXECUTIVE BOARD







Sustainable **Aromatic Rice Initiative (SARI)**

Rice is the main staple food in many countries, but crops are being impacted by the changing climate. At the same time, rice production is one of the biggest sources of greenhouse gases in the agricultural sector. In order to grow rice more sustainably, MARS Food commissioned GIZ to introduce climate-smart techniques to farmers in Thailand. The benefits of these techniques are threefold: soil and plants are better nourished and protected, farmers' livelihoods improve, and consumers of MARS's rice products enjoy more sustainablyproduced food.





Product

Sustainable aromatic rice



Partner

MARS Food



Timeframe

2018 - 2021







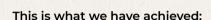
For decades, I spent so much money on seeds, fertiliser and water to grow my rice. I didn't have any left to send my daughters to school. In 2018, I joined the MARS rice project, tested my soil and learned more about climate-smart rice growing techniques. Today, I have a better understanding and attitude towards the career I love. I cut the fertilisers by almost half, save water and rice seeds, energy and overall production costs. I can finally save money to send my daughters to school.

WANCHAI MASRAKHU

RICE FARMER

Better soil and higher margins

On behalf of MARS Food, GIZ inspected farmers' fields and organised training courses on much-needed skills. Rice farmers learnt how to identify nutrient deficiencies in their soil and adjusted the way they use fertilisers. Today, these farmers grow rice sustainably, while using fewer seeds, water, energy and fertiliser.





400 farmers

400 farmers have been certified by the Sustainable Rice Platform (SRP) and now produce "sustainably cultivated rice", which they can sell to MARS Food, HERBA (Ebro) and other companies.



1,200 farmers in the northeast of Thailand learned about sustainable rice cultivation and the advantages of forming farmer groups.



New skill sets and techniques mean farmers can reduce agricultural inputs, while increasing their production by 20% - farmers now earn 33% more.



We appreciate GIZ's support to give farmers a seat at the table. Farmers, often women, have become ambassadors of sustainable farming in their communities and are proud that the sustainable rice they produce is being enjoyed by consumers around the world, while their livelihoods improve too. GIZ and the community of farmers have been important partners as we work to provide better food today for a better world tomorrow.

VITA JAROLIMKOVA

GLOBAL FOOD SUSTAINABLE SOURCING MANAGER AT MARS





Agriculture Project(ReCAP)

Farmers around the world must increasingly contend with human-caused environmental degradation and climate change. Many are turning to regenerative agriculture, where the focus is on improving the health of soil and increasing biodiversity on farms to create farms filled with delicious intercrops, green cover crops and buzzing pollinators. Regenerative agriculture can also draw carbon dioxide out of the atmosphere: a practical contribution to solving a global problem. Harmless Harvest, which is committed to creating a net positive impact on the environment and farming communities, and Danone Ecosystem Fund, which supports projects dedicated to strengthening inclusion and environmental sustainability, commissioned GIZ to bring regenerative agriculture to selected provinces in central Thailand that cultivate the popular Nam Hom coconuts. Thanks to the project, smallholders will be enabled to practise a way of coconut farming that rewards them both financially and environmentally.





Product

Nam Hom coconuts



Partner

Danone Ecosystem Fund

Harmless Harvest and its Fair-Trade Development Fund



Timeframe

2020 - 2023







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Joining the coconut project has broadened my horizons as a farmer.

I have had many ideas about how to farm more sustainably, but
I didn't know where to start. By working with the project team,
I learned how to manage my coconut farm in an innovative and
holistic way. Now that I am a regenerative farmer, I can see the many
benefits this farming approach brings: for my farm, for myself and for
the environment. This makes me a proud farmer.

WANNARAK KAENAMPORNPAN

NAM HOM COCONUT FARMER, RATCHABURI, THAILAND

Five modules for sustainable farming – beyond organic production

Over a five-day training course, farmers learn to grow coconuts according to regenerative organic agricultural practices. They also receive support on how to manage their farms and diversify their income sources. By visiting model farms, farmers get to see for themselves what successful regenerative organic farms look like. The training curriculum, which is designed by GIZ and developed together with pilot farmers, comprises five modules: farming as a business, soil health, organic inputs, pest management and regenerative organic practices.

The project objectives include:



In trainings, 350 farmers learn to restore the resources of their farms, rather than exhaust them.



800 hectares

A minimum of 800 hectares of land is converted to regenerative organic agriculture.



Income sources of farmers are diversified so that they don't depend on one crop only. This makes the farmers more resilient to market fluctuations.



A newly established entity supports the regenerative organic landscape by providing farmers with access to organic inputs for their farms, sharing knowledge and materials, and offering a platform for farmers to network.



In this video coconut farmers share what they have to say about their regenerative journey:

https://www.youtube.com/watch?v=g82cD8RYqV0





Sustainable **Pepper Initiative (SPI)**

Vietnam is the world's largest producer and exporter of pepper, making the sector essential for the country and the global pepper market. But local farmers often use large amounts of pesticides and insecticides on their pepper plants, jeopardising their own health and the quality of the pepper. Chemical residues in pepper also have an impact on profit: the more contaminated pepper becomes, the more expensive it is to process for consumer markets. With a view to improving crop quality, the spices and tea supplier Keith Spicer partnered with GIZ on to promote integrated pest and crop management principles. This approach ensures the protection of the environment, the health of the farmers and product quality.





Product

Sustainable pepper



Partner

Keith Spicer Ltd.



Timeframe

2016 - 2019



Budget

336,000 euros in total

■ Private partner

■ Public partner

177,000 euros 159,000 euros









As farmers, we used to chase quantity and used large amounts of pesticides, regardless of the consequences. The project changed our thinking on sustainable pepper production. Now we only use pesticides when necessary. We understand that sustainable products protect the health of producers and consumers, and the health of our resources, including our pepper gardens.

TRẦN LÔC

PEPPER FARMER AND GROUP LEADER

Less is more

In trainings, farmers were taught to reduce pesticides while maintaining yields. From new production methods and the use of protective equipment, to achieving the optimal ratio between chemical input and product output, the farmers learned to apply methods that take into account health, climate and the environment. Today, they produce pepper more sustainably and at a higher quality, apply better agricultural practices and and comply with food safety standards. With better management, farmers have been able to increase their yields and benefit from a higher income.



1,050 farmers in Vietnam learned about integrated crop and pest management to produce high quality pepper for end-users across the world.



750 farmers received Rainforest Alliance certification.



Despite decreasing pepper prices, the farmers increased their yields and income. Some of the farmers receive twice as much income as farmers outside the project today.



Today, farmers receive premiums for deliveries with no or minimal pesticide contamination and are guaranteed purchases by VinaHarris, a local collector and partner of Keith Spicer.



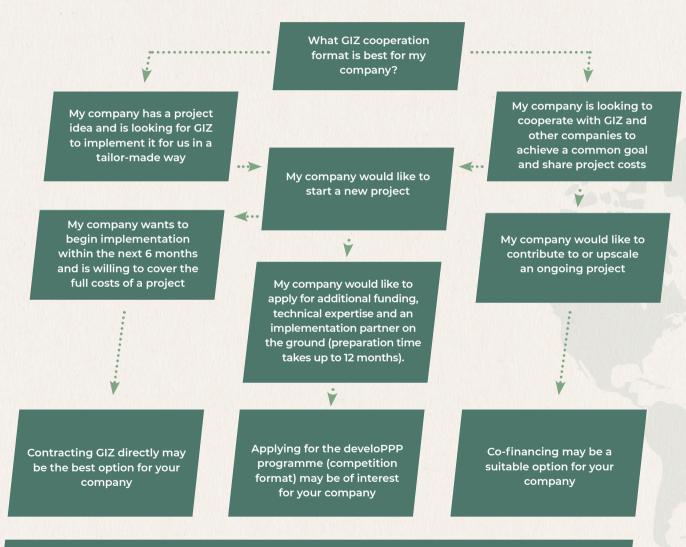
Quality management and traceability systems were introduced, ensuring that the pepper deliveries could be assigned to the individual producers.



How can we

work together?

We offer various forms of cooperation to support your company in achieving its sustainability vision. The best option for you depends on the areas, objectives and impact you wish to focus on. As one of the world's leading development organisations, GIZ is present in over 120 countries worldwide. We work with you and on your behalf to develop tailor-made solutions: from traceable sourcing and training farmers, to developing new emission-cutting farming techniques and more.



If you would like more information, or to discuss your company's plans, please contact GIZ's Companies and Foundations Section.

Email: privatesector-cooperation@giz.de Telephone: +49 6196 79-1796

https://www.giz.de/en/workingwithgiz/63968.html

Development Partnerships

with the develoPPP-programme

If you want to develop a project idea together with GIZ and potentially other private partners to reach a common objective and share the project costs, then the development partnership model could be the right fit for you. With developPP, the German Federal Ministry for Economic Cooperation and Development (BMZ) promotes private-sector activities where entrepreneurial opportunities and development policy potential meet.

This approach enables partners to pool their expertise. GIZ provides its knowledge and contacts and coordinates measures, while companies bring technologies, capital and specialist expertise to the table. If your company meets the eligibility requirements, then we can support you in applying for the develoPPP fund. If successful, you can receive financial and technical support worth up to 2 million euros under this programme for partnerships that can last up to three years and cover a wide range of sectors and topics.

Find more information here:



www.develoPPP.de

Commissioning GIZ directly – with GIZ International Services

If you have a project idea in mind, need a tailormade solution and are willing to cover the full cost of a project, you can commission GIZ to carry out a project for you. We will advise you on how to put in place your project ideas: from conceptualisation to implementation. You will benefit from GIZ's extensive experience and global presence, networks of experts and focus on sustainability. There is no need to worry about project management and monitoring either – we see to it all for you. We specialise in designing customised and flexible solutions that support sustainable development. This form of cooperation is very versatile and can be initiated at short notice.

Find more information here:



https://www.giz.de/en/workingwithgiz/76712.html

Cofinancing

If you wish to contribute to a project or upscale it to allow it to fit your purpose, you can support the project by cofinancing it. For example, you can support training measures in a specific region or promote specific certifications. The funding you provide is used to increase the impact of the projects or expand its outreach in your area of interest. Cooperation in many different fields is possible.

Contact us for more information:



privatesector-cooperation@giz.de



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Status

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