

# Contribute to Better Rice Production and Nutrition in South East Asia

## Better Rice Initiative Asia - Monthly Update

Volume: 19 - September 2016



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## Editor's Note

### Collaboration to Improve Regional Rice Sector



BRIA has sought collaboration with international and local government organizations to improve the sustainability of rice production, resource use efficiency and regional food security. BRIA works collaboratively with the Sustainable Rice Platform (SRP) to introduce the SRP standard for sustainable rice cultivation to farmers and relevant local authorities. This September issue of the BRIA newsletter features training of farmers on the sustainability standard in Ubon Ratchathani Province conducted by Thai Rice Department, supported by BRIA, Olam International and Bayer.

In the Philippines, BRIA has recently signed a Memorandum of Understanding (MoU) with the International Rice Research Institute (IRRI). Under this MoU, both BRIA and IRRI intend to jointly support sustainable rice systems and expand current outreach activities to contribute towards improving the rice sector in Southeast Asia.

In Kien Giang Province, Vietnam, BRIA collaborates with Hon Dat Agricultural Extension Division of Kien Giang Agricultural Extension Centre to implement the VietGAP-oriented Large Scale Rice Field Programme in the 2015-2016 winter/spring season. According to the general evaluation conducted by Hon Dat Agricultural Extension Division, farmers participating in this PPP model enjoy lower production costs, higher productivity and gross margins.

In Indonesia, the BRIA Regional Secretariat recently held a regional in-house workshop with contribution from ASEAN Sustainable Agrifood System (SAS) to promote knowledge sharing in strengthening the rice value chain in each BRIA pilot country. The BRIA participants from the four countries worked on various value chain models based on the ValueLinks methodology developed by GIZ. ValueLinks is an action-oriented approach to promote economic development with a value chain perspective. It offers essential know-how on ways to improve employment and the income of small- and medium-sized enterprises and farmers by enhancing the value chains they are operating in.

Suriyan Vichitlekarn, **BRIA Regional Director**  
Kamol Taukitphaisarn, **BRIA Communication**

# Training Thai Farmers on the SRP Standard



On 5-6 July 2016, BRIA together with Thai Rice Department (RD) and OLAM International organized Sustainable Rice Platform Standard (SRPS) training for rice farmers in the northeast of Thailand. Both the RD and OLAM serve on the SRP's Advisory Committee, and OLAM is also a partner in BRIA's 'market linkages' component.

A group of 32 rice farmers who had participated in the SRP baseline survey in Bua Ngam Sub-district, Det Udom District of Ubon Ratchathani Province took part in this two-day SRPS training. The training consisted of ten modules, with the objective of enhancing farmers' capacity in rice cultivation and promoting sustainability in rice farming practices. The training received excellent support from the RD in providing experts for each module.

The RD in collaboration with BRIA and OLAM developed the ten modules based on the SRP Standard for this SRPS training, covering the following topics:

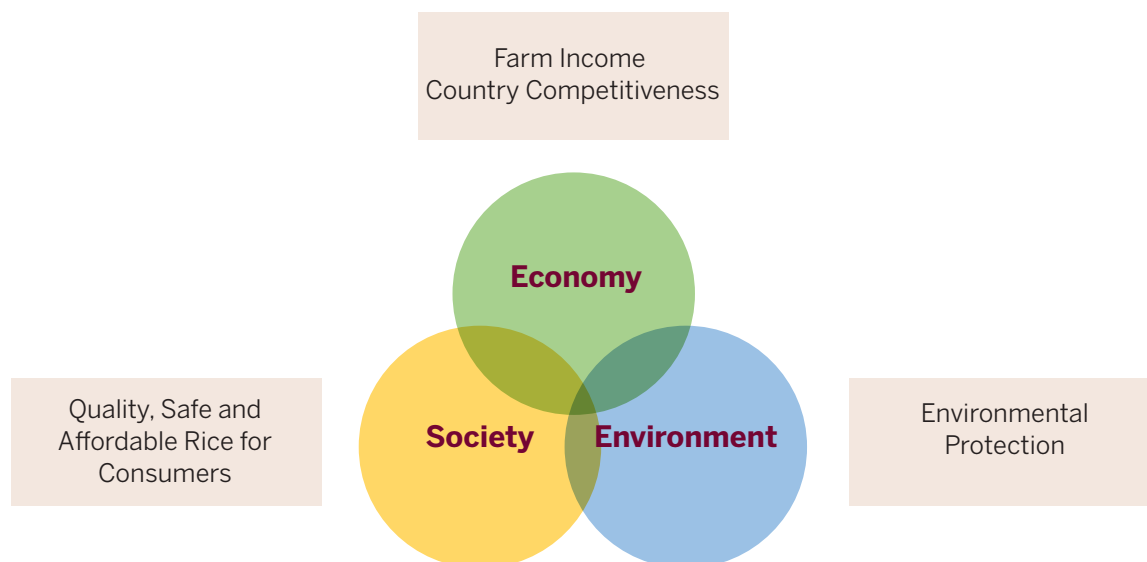
- 1 What is 'Sustainable Rice Production'?
- 2 Crop Calendar
- 3 Land Preparation and Management
- 4 Water Management
- 5 Nutrient Management
- 6 Pest Management
- 7 Harvest and Postharvest
- 8 Health and Safety
- 9 Labour Conditions
- 10 Moving forward to the Sustainable Rice Standard

The expected outcomes of the training were as follows:

- 80% of trained farmers understood the requirements of the SRP standard.
- 60% of trained farmers developed a favourable attitude toward the sustainability standard.
- 50% of trained farmers put knowledge gained into practice.

The training contained two more modules in addition to the SRP topics- an introduction to the concept of sustainability, and participatory assessment of the way forward. Using these modules, farmers will gain a deeper understanding of sustainability, and how they can improve their own farm management system to sustain their lands (environmentally) and their rice businesses (economically).

**Sustainable rice cultivation seeks to balance the economic, social and environmental dimensions.**



**The SRP standard promotes Good Agricultural Practice (GAP), management of soil and water resources, farmer wellbeing, labour rights, farm profitability.**

BRIA conducted pre- and post-tests for this group of trained farmers to assess gaps in their knowledge of the Standard. The assessment showed that trained rice farmers performed significantly better in post-SRPS training. The average knowledge score increased from 7.4 to 9.5 from a maximum score of 10 after training. Furthermore, an attitude test was conducted with trained rice farmers to evaluate their confidence level in adopting the SRP Standard. Following training, farmer confidence level rose from 4.23 to 4.65 out of a maximum score of 5.

Ms. Pornsiri Senakas, RD Expert on Farmer Empowerment, suggested to BRIA that in order to promote SRP, incentive mechanisms should be developed to gain farmers' cooperation. There should be a follow-up program after training to encourage farmers to apply the SRP Standard. Community-level quality assurance should be promoted. Farmers who can implement the

SRP requirements should be awarded with a certificate. Rice produced per the SRP Standard should be actively marketed to consumers to generate local demand.

BRIA and its partners will continue to organize SRPS training for farmers in this province and follow up on the outcomes in the upcoming months. Bayer has also joined in this endeavour.

# BRIA signs an MoU with IRRI to improve regional rice cultivation and value chains



BRIA entered into an MoU (Memorandum of Understanding) with the International Rice Research Institute (IRRI) on “Joint Cooperation in Outreach Initiatives to Contribute towards Improving the Rice Sector in the Southeast Asian Region” on 2 August 2016 at the IRRI headquarters in Laguna Province, the Philippines.

Dr. Andreas Kalk, Resident Director of GIZ Regional Office for the Philippines and the Pacific, and Dr. Matthias Bickel, BRIA Focal Person, represented the BRIA project while Dr. Matthew Morell, Director General, inked the MoU on behalf of IRRI. The purpose of this MoU is to provide a framework of cooperation and understanding and to facilitate collaboration between the two parties to foster scaling-up of rice sector technologies in various outreach initiatives in Southeast Asia.

Furthermore, both IRRI and BRIA intend to jointly support the ASEAN endeavours for sustainable and climate smart rice systems, also making reference to the “ASEAN Regional Guidelines for Promoting Climate Smart Agriculture (CSA) Practices” by building on and expanding current BRIA and IRRI outreach activities. IRRI has now become a member of the BRIA Steering Committee.

## Areas of Cooperation

Under the framework of this MoU, the two parties intend to support the R&D and the outreach initiative in improving the rice value chain in the ASEAN countries, especially where BRIA is actively involved and to support the strategy of the BRIA project expansion.

IRRI and BRIA recognize specific areas of cooperation derived from synergies among their respective mandates. The areas of cooperation may include the following:

**a) ICT (Information and Communication Technology)**  
ICT tools to support farmers in improving their agricultural practices and to assist farmers in accessing more qualitative information on rice cultivation and the rice value chain.

## b) Farm Mechanization

Farm mechanization is needed to improve the net profitability of rice farming and secure food security. In order to mitigate labour shortages, mechanization should be promoted where appropriate.

## c) Climate-Smart Agriculture

Rice farming is highly exposed to climate change as it is directly dependent on climatic conditions. Recognizing the importance of adopting climate-smart practices, policy frameworks and access to finance in the region, climate-smart agriculture should be jointly promoted.

## d) Joint Proposal Development

The parties intend to jointly develop project proposals in order to foster the outreach of technologies in the rice sector in Southeast Asia with funding from third parties.

## e) Public-Private Partnerships

The parties intend to more closely cooperate on fostering public-private partnerships in the ASEAN region, e.g. under the Sustainable Rice Platform (SRP) and exploring possibilities of collaboration with the World Economic Forum / GrowAsia and its partner initiatives in the rice sector as well as to regularly exchange information on relevant PPP initiatives and best practices.

In addition, IRRI and BRIA will also explore other avenues of collaboration on a case-to-case basis.

Last but not least, BRIA also seeks to strengthen its cooperation with the “Remote Sensing-based Information and Insurance for Crops in Emerging Economies” (RIICE) project that deals with risk management and crop insurance and is implemented by IRRI and GIZ.

So, with support from IRRI and RIICE, BRIA intends to jointly support various outreach initiatives aiming at contributing towards the improvement of the rice value chain in the region, especially in the areas where IRRI and GIZ outreach activities are already being conducted.

# Implementing LSRF-based PPP Model in Kien Giang Province



Farmer Training



Pre-harvest Checking



Grain Moisture Measuring

BRIA Vietnam realizes that the development of large scale rice fields is necessary to improve rice quality and sustain rice production. BRIA and Kien Giang Agricultural Extension Centre have provided financial and technical support for a Public-Private Partnership (PPP) model to be applied in the Large Scale Rice Field (LSRF) in Phuoc Tan Hamlet, My Phuoc Commune. The model was entitled the VietGAP-oriented Large Scale Rice Field for Jasmine 85 and implemented by Hon Dat Agricultural Extension Division in the 2015 – 2016 winter/spring season.

The objectives of the scheme are as follows:

- To encourage and support farmers to apply advanced techniques in rice farming with VietGAP orientation to achieve better efficiency and sustainability
- To impart to farmers VietGAP requirements on safety for consumers, producers and the environment, and to strengthen the traceability system
- To allow farmers to practice taking notes in field diaries
- To set up large scale concentrated rice production areas to meet increasing demand for exports
- To establish linkages among stakeholders in rice production, raise the price and quality of the produce and reduce production costs

## Expected outputs:

VietGAP-oriented large scale rice fields are established and recommended techniques are applied on at least 40% of the area in the first season and 50-60% of the area from the 2<sup>nd</sup> season onward.

A large raw material area for rice is established and 50–60% farmers can practice field diary note taking.

Maintain the 2015 VietGAP large scale rice fields and scale up the impact to other areas.

## Implementation

A VietGAP-oriented large scale rice field was established, equipped with a closed irrigation system. Rice farming techniques applied in the field should follow the “1 Must Do, 5 Reductions” principle. All farmers used the same variety of certified Jasmine 85, with the same sowing time from the 20<sup>th</sup> to the 28<sup>th</sup> of November, 2015. Farmers were provided with the training on and should apply techniques of 1 Must Do, 5 Reductions.

The location was Phuoc Tam Hamlet, My Phuoc Commune, Hon Dat District. My Phuoc is located in Long Xuyen Quadrangle with a natural area of 4,379 ha. Rice cultivation, the main cultivation system, occupies an area of some 3,934 ha.

The large field covers 163.5 ha, with stable embankments. Farmers could actively control the water irrigated for their fields and decide the proper sowing time according to a crop calendar.

## Farmer Training

An opening workshop was organized at the beginning of the season to introduce the program, policy support for participating farmers, crop calendar, training schedule, requirements from the project for farmers.

There were 4 training sessions with 142 participants:

The 1<sup>st</sup> training covered land preparation, seed treatment & sowing, weed control, 1<sup>st</sup> nutrition application, guidance on field diary note taking.

The 2<sup>nd</sup> training covered water management, pest and disease management at tillering stage, guidance on field diary note taking.

The 3<sup>rd</sup> training featured water management and pest & disease management before and after heading, off-type removing, guidance on field diary note taking.

The 4<sup>th</sup> training was on off-type removing, harvest and harvest loss reduction, guidance on field diary note taking.

Apart from the training, field supervision was carried out frequently by technical staff and the LSRF management team to tackle emerging issues and provide direct technical guidance for farmers in applying the “1 Must DO, 5 Reductions” principle.

Each farmer was supplied with a field diary. Technical staff provided guidance and supervised farmers in field diary note taking.

## General Evaluation

Farmers were willing to learn and apply the trained techniques in their fields; thus they could reduce the input costs.

Mechanization in harvesting was applied on the whole field, which contributed to the reduction of harvest loss and facilitated the selling process.

As for strengthening the linkages between farmers and rice traders, the Extension Centre obtained the cooperation from Kigimex (state-own Kien Giang Import-Export Co., Ltd.) to buy rice paddies from the farmers in this winter/spring season, in addition to providing training to the farmers.

Farmers in the project site could increase their gross profit margin (1.933.000 VND/ha or 90 USD/ha) compared with that generated by farmers outside the large field.

The average production cost per ha inside the LSRF area is 1.198.000 VND lower and yield is 150kg higher than corresponding figures obtained outside of the project area. The gross margin calculated for the whole large field of the project site of 163,5ha is 316.045.500 VND higher.

### Cost and Profit Analysis.

Unit: 1000 VND

Description	Average number – inside the project	Average number – outside the project	Difference
<b>I. Cost</b>	16.401	17.599	-1.198
1. Land preparation	1.300	1.300	0
2. Seed	1.440	2.160	-720
3. Fertilizers	3.852	4.019	-167
4. Herbicides	496	509	-13
5. Pesticides	3.342	3.499	-157
6. Fuel	407	413	-6
7. Labour for gap filling	300	350	-50
8. Labour for caring	2.165	2.250	-85
9. Harvesting & transporting	2.000	2.000	0
10. Others	1.100	1.100	0
<b>II. Income</b>			
1. Yield of fresh paddy (tons/ha)	7.0	6.85	0.15
2. Selling price (VND/kg)	4.900	4.900	0
3. Total revenue	34.300	33.565	735
4. Gross margin	17.899	15.966	1.933
5. Production cost per kg (VND/kg)	2.343	2.569	-226

## Regional BRIA Workshop to Promote Knowledge Sharing in Strengthening Rice Value Chain



A lack of coordination among production, processing and marketing activities and inefficient and environmentally hazardous use of resources may restrain the rice value chain in a country. FAO describes “**Market Linkages**” as “a physical connection between the producer and the ultimate consumer.” However, strengthening linkages between value chain actors up to full integration may lead to concentration and cause the risk of creating power imbalances and unfavourable dependencies of weak actors in the chain (IRRI 2010).

BRIA aims to upgrade the rice value chain in the region by strengthening farmer organizations and facilitating multi-stakeholder dialogues among value chain actors. In order to reflect upon its commitments to strengthen the market linkages on its project indicators, the BRIA Regional Secretariat held an in-house workshop at Taman Simalem Resort (TSR), in North Sumatra, Indonesia, from 31 August to 1 September, 2016. In the third year of project implementation, BRIA countries have implemented various strategies and interventions. This regional workshop therefore allowed BRIA teams in the four countries to share and exchange experiences and lessons learnt to sharpen the market linkage strategies. To accumulate internal and external expertise on rice cultivation practices and to enhance joint collaboration, representatives of ASEAN Sustainable Agrifood System (SAS) and other GIZ related projects were also invited to join this event.

This workshop helped the participants to gain a common understanding of upgrading the market linkages in each specific project country as some general principles needed to be clarified with regard to the understanding of food-marketing systems within a development context. To make any effective interventions in the systems, it is necessary to define the types of marketing channels, their linkages and functions.

Specifically, the workshop sought to achieve the following objectives and expected outputs:

- To exercise the value chain analysis under the framework of the ValueLinks methodology developed by GIZ
- To work on various relevant market linkage models in the region under the ValueLinks framework (value chain analysis methodology)
- To understand and document the rice market in the region through lessons learnt in various BRIA countries
- To revisit and improve BRIA’s market linkage strategies
- To share market linkage models and strategies in each BRIA country
- To analyze and document BRIA interventions in the value chain area



Prior to the start of the workshop, the participants took part in a field visit on 30 August to explore the value chain models in North Sumatra by visiting small- and medium-sized millers, rice farmers (Rice Value Chain), the Taman Simalem organic farm & market (Organic Horticulture VC), seed growers and the association (Rice Seed VC). The participants had opportunities to assess the current supply chain, actors and functions and potential VC upgrading in the province.

### Value Chain Analysis with ValueLinks

At the workshop, the participants assessed supply chain models from the project’s interventions covering the pre-production, production, up until the customers or consumers, from the farmer group level, to the district, provincial and national levels. They then presented the relevant value chain mapping to show all the various actors and their functions, challenges as well as potentials, and analyzed lessons learned from the upgrading solutions.

The participants based their analyses on the ValueLinks framework covering the following guiding topics:

- ① Market situation of the commodity in a specific chain (variety/type, quantity, prices, channels, level, specific region, im/exports, demand and supply)
- ② Actors of the supply chain (SC), roles and shares
- ③ Constraints involved along the SC
- ④ Project’s interventions and key strategies
- ⑤ Supply chain mapping, market linkages, upgraded map
- ⑥ Economic benefits/added to VC actors at different levels
- ⑦ Environmental impacts to/from the VC, social impacts of the VC at different levels
- ⑧ Progress/results of the selected solutions
- ⑨ Lessons learned until now (What works well and what does not? What are the key success factors and what are key concerns/obstacles? What would be done differently next time?)
- ⑩ Drivers of product marketing (product quality, pricing, value proposition, risk management, relationship with customers, market trend (value and preference: taste, color, certification, etc.), global trends, guaranteed supply, etc.)
- ⑪ Some elements that need to be considered such as the relationship between farmers and middlemen, product grading (quality), policy on the standard, infrastructure, logistics, etc.

The BRIA Regional Secretariat believes that this second regional workshop has helped the BRIA teams to better contribute to VC upgrading, market access solutions and implementation strategies in their respectful countries. The first in-house workshop entitled “Capacity Development to Boost the Rice Sector” was organized in Bangkok, Thailand in May of last year.



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Published by:



**BRIA Regional Secretariat Office**

39/1 Soi Sukhumvit 13, Sukhumvit Road, Klongtoey Nua, Wattana, Bangkok 10110 Thailand

[bria@giz.de](mailto:bria@giz.de)

[www.better-rice-initiative-asia.org](http://www.better-rice-initiative-asia.org)

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**Responsible for the content:**

Suriyan Vichitlekarn (BRIA Regional Director)

**If you want to be added or removed from this mailing list, please contact:**

[kamol.taukitphaisarn@giz.de](mailto:kamol.taukitphaisarn@giz.de)