



**Sustainability:
A Long Term Investment
in the World Wide
Supply of Spices**



Agenda

Why our industry and your company needs sustainability

1. **Alfons van Gulick** - Sustainable Spices Initiative (SSI)

- SSI- objectives and members
- SSI Vietnam – Cooperation between ASTA, ESA and IDH

2. **Alex Morgan** – Chief Markets Officer, Markets Transformation, Rainforest Alliance

- Primary drivers for corporate action on sustainability issues

3. **Donald Pratt** – Managing Director, McCormick Global Ingredients

- McCormick Purpose-Led-Performance program

4. Q&A



Sustainable Development

“Meeting the needs of the present without compromising the ability of future generations to meet their own needs.”

1987 - UN Report by Norway's former prime minister Gro Harlem Brundtland

Triple Bottom Line - People, Planet, Profit

1995 – John Elkington

Transforming our World: The 2030 Agenda for Sustainable Development

2015 – Resolution adopted by the United Nations General Assembly



SUSTAINABLE DEVELOPMENT GOALS



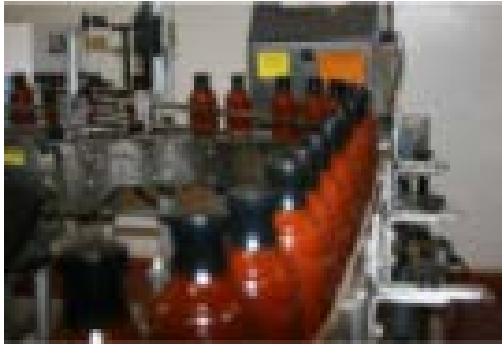


The spice sector needs change!

Our Credibility is at stake!

Key sustainability concerns addressed

1. Traceability



- Transparency
- Control

2. Food Safety & Quality



- Microbiological contamination
- Agrochemical use & residues
- Toxins
- Allergens
- Heavy metals
- Adulteration

3. Supply



- Restricted entrance to EU/US
- Quality problems
- Low productivity
- Farmers leaving spices for other crops
- Price volatility

4. Reputation & Social Responsibility



- Health and safety
- Decent work for women, migrants, and elimination of child labor
- Smallholder livelihoods
- Biodiversity



Solutions...

- Outreach to the stakeholders i.e. farmers , governments , NGO's, Trade Associations, companies
- Knowledge sharing and education
- Change in regulations and law
- Co-funding producer support projects
- Create demand for sustainable spices
- Building commitment

Bringing...

- **Business to farmers:** assuring future production at improved livelihood conditions
- **Traceability:** control and link farm to consumer
- **Companies closer to farmers:** building loyalty and insight
- **A positive story,** e.g. source of living for smallholders
- **Credibility and market access**



The Sustainable Spices Initiative



Intertaste
Food Ingredients

Unispices Wazaran®
United Indonesian Spices



WORLD SPICE ORGANISATION



Intersnack



Both ENDS



Royal Tropical Institute



NEDSPICE





The Sustainable
Spices Initiative



Private companies
&
NGO's



Local
Platforms



SSI Vietnam



SSI India

2025 Covenant



Vision

Fully sustainable spices production and trade in the sector (100%)

Ambition

> 25% sustainable sourcing in at least 3 top products in 2025

Commitment

Achieve or exceed 10% point growth for top 3 products in 2021



So, what does it mean to be a member of SSI ?

- Make clear statement to the market that your care about people, planet and profit
- Work in a pre-competitive manner to improve our supply chains
- Share knowledge in a pre-competitive manner
- Commit to SSI's objectives

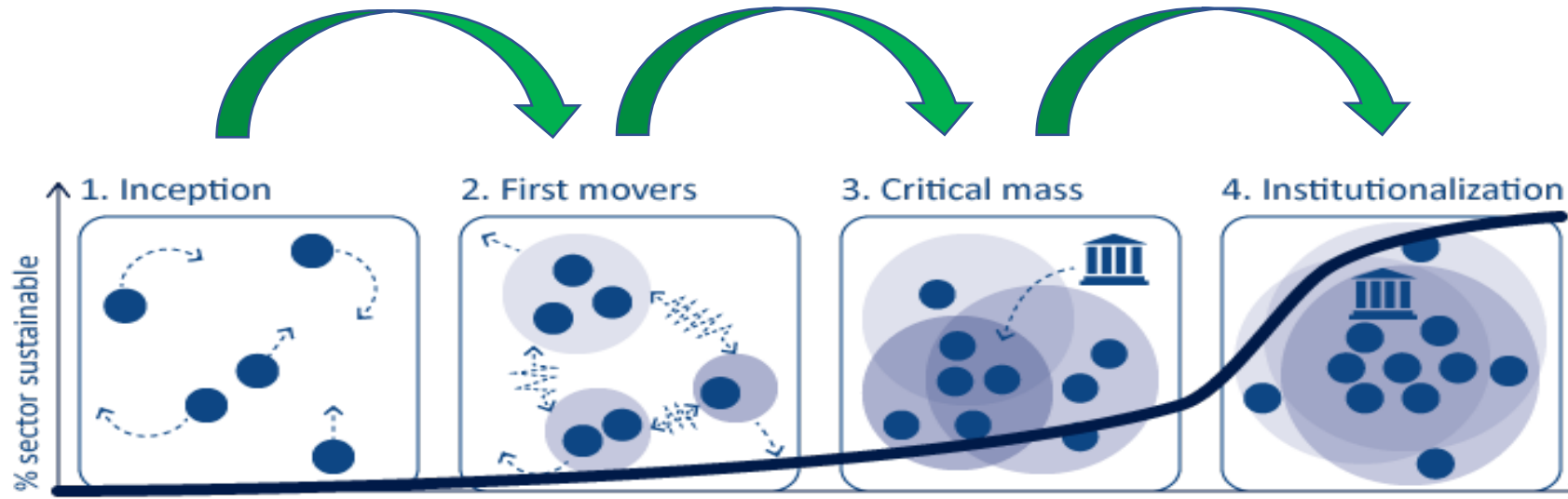


What do you need to do as a member of SSI:

Depending on where you are in the supply chain you need to take actions

- **Origin operators/ processor** – engage in backward integration project to work with governments and educate farmers
- **Importers/manufacturers** – work with origin operators and participate in backward integration projects. Commit to source sustainable product
- **Retail** – commit to source ingredients from sustainable supplies

Market transformation towards a sustainable spices and herbs supply chain





Local Platforms



SSI - Vietnam

SSI Vietnam

MARD

Ministry of Agriculture and Rural Development



Partnership for Sustainable
Development Vietnam



The Pepper Task Force

ESA – advisory role

ASTA - advisory role

**Vietnam Pepper
Coordination Board**

PPD

IDH

VPA

Private
Partners

SSI Vietnam

SSI Vietnam

Actions

- ASTA, ESA, IDH to co-invest in hiring of staff for Pepper Task Force
- Promote setting up backward integration projects private companies
 - Nedspice, McCormick, Olam, Others
- Set up Vietnam Pepper Coordination Board (2018)
- Develop National Sustainability Curriculum for Pepper (2018)
- Develop farmer app on use of agro-chemicals
- Work together with organization Croplife on improved application of Agro-chemicals

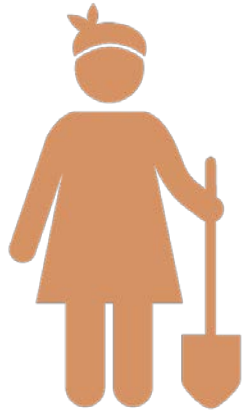
Results

- Pesticide Carbendazim banned from use in Vietnam for pepper
- Discussion ongoing to ban other pesticides
- Partnering with PPD (Plant Protection Department) in reduction of pesticide application



SSI - India

SSI India



Trained 24,000 small-holder farmers on sustainable agricultural practices



Reaching approximately 25,000 ha

Members: Nedspice, Jayanti Group, Kancor Ingredients, Akay Spices, Nani Agro, World Spice Organization, Synthite, Nestle India, ITC Limited, Griffith Foods and Olam



www.sustainablespicesinitiative.com

