



# Cooperating

for **high-quality**  
chilli production



The Malaysian  
Chilli Project



Bayer CropScience

## Where it all started

Nestlé is in a long-term contract with PPK Bukit Awang for the purchase of fresh chillies for subsequent conversion to puree. PPK Bukit Awang is a branch of the State Farmers' Cooperative involved with chilli and rice farmers. The chilli farmers, who are mostly members of the cooperative, receive technical advice and aid in the form of incentives from PPK Bukit Awang. Currently, chilli production is around 16 tonnes per month from a planting area of 220 acres. PPK Bukit Awang has just set up a puree processing plant in the vicinity, with Nestlé as their technical advisors in this project. This plant has a potential capacity of 2 tonnes/day or 60 tonnes/month. The puree produced is for the production of Nestlé's Maggie chilli sauce.

The main purpose of the long-term contract between PPK Bukit Awang and Nestlé is to produce high-quality fresh chillies and puree. PPK Bukit Awang's contract chilli farmers need to be more skilled and knowledgeable in good agricultural practices (GAP) because this will lead to higher-quality produce that is accepted by Nestlé and compliant to their standards.

## What we aim to achieve

The food chain partnership programme was initiated by Bayer CropScience for Nestlé and PPK Bukit Awang. In this programme, Bayer CropScience provides training courses and farm visits for PPK Bukit Awang's contract farmers and the processor Nestlé. This initiative includes Bayer CropScience's all-in crop solutions, identification of pests and diseases, their prevention and control as well as good agricultural practices (GAP) and safety in the food chain. This food chain partnership programme will eventually increase the quality of the chillies produced and, at the same time, increase yield. It will also give the growers insights into the quality of produce required by Nestlé and consumers as well.

## Who got involved in the project

**PPK Bukit Awang:** Since the members of the farmers' cooperative are traditional chilli farmers, they know little about pesticides and application techniques and need effective all-in crop solutions for their chilli produce.

**Nestlé (Malaysia) Berhad:** A multinational food-processing company that gets its fresh chilli supplies from PPK Bukit Awang's contract chilli growers. Nestlé is concerned about food safety and quality, and also about having a consistent supply of fresh chillies.

**Bayer CropScience:** Bayer CropScience provides training on pests and diseases with information about good agricultural practices so that farmers can produce safe and quality chillies. Bayer CropScience also instructs farmers about complete crop solutions and application techniques to improve the harvest.





## The partnership solution

Bayer CropScience sees itself as a socially responsible company that helps traditional chilli farmers in PPK Bukit Awang to improve their living standards and instructs the farmers about pests and diseases and good agricultural practices. Helping farmers to produce consistently safe, high-quality food reassures the food processor Nestlé with regard to the consistent quality of the fresh chillies. Bayer CropScience Sales and Marketing teams are always in touch with the partners in this programme, to address any issues affecting both PPK Bukit Awang and Nestlé, such as:

**Good agricultural practices:** Bayer CropScience experts provide the contract chilli growers with all-in crop solutions and train them regularly to meet Nestlé's demand for safe and quality produce. The farmers are encouraged to use pesticides judiciously to avoid issues relating to maximum residue limits.

**Correct application techniques:** Traditional contract chilli growers need basic pesticide application techniques and knowledge of the correct use rates to minimise wastage and also improve product efficacy. They are also taught about the correct way to use the personal protective equipment to minimise contamination by pesticides.

**Ongoing communication with Nestlé:** Bayer CropScience stays in constant touch with Nestlé to discuss issues relating to the recommended all-in crop solution and food safety. Bayer CropScience also converses with Nestlé about current consumer needs.



## What we achieved

The food chain partnership training programme started in March 2009. Since then, PPK Bukit Awang and Nestlé have realised the benefit of this programme and decided to continue it on a longer term. The ongoing program and support from Bayer CropScience then led to the signing of a memorandum of understanding (MOU) on 12 July 2009, by PPK Bukit Awang and Bayer CropScience. The main details of the MOU, which was also endorsed by Nestlé, were as follows:

- Bayer CropScience has committed itself to working together with PPK Bukit Awang and Nestlé, to lead and help their contract farmers under the food chain partnership programme to ensure safe and higher-quality chilli produce that is acceptable to Nestlé and compliant with their standards.
- Bayer CropScience offers the contract chilli growers complete crop solutions in line with good agricultural practices for safe and sustainable agriculture.
- The farmers understand and follow pesticide application guidelines and spray volumes based on chilli-plant height and variety.

A food chain partnership to achieve  
the common objective of producing  
high-quality and high-value products  
in a sustainable agriculture business





Consumers are becoming increasingly conscious of the need for healthy nutrition. Food chain partnerships help to supply consumers with high-quality fresh produce, which forms the basis of a healthy diet. But such partnerships can only succeed if they involve every player in the food chain – from the farmer and processor to the exporter or importer and retailer. Bayer CropScience has the global experience and cutting-edge expertise to create a successful partnership at every level.



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