



# Overview of commitments at COP26 related to the agricultural sector and policies and plans for implementation



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# Viet Nam's NDC and new commitments at COP 26 related to AFOLU sector

Sector	Contribution with domestic resources		Contribution with international support		Total contribution with both domestic resources and international support	
	Compared to BAU scenario (%)	Reduction amount (Mil. tonnes of CO <sub>2eq</sub> )	Compared to BAU scenario (%)	Reduction amount (Mil. tonnes of CO <sub>2eq</sub> )	Compared to BAU scenario (%)	Reduction amount (Mil. tonnes of CO <sub>2eq</sub> )
Energy	5.5	51.5	11.2	104.3	16.7	155.8
Agriculture	0.7	6.8	2.8	25.8	3.5	32.6
LULUCF*	1.0	9.3	1.3	11.9	2.3	21.2
Waste	1.0	9.1	2.6	24.0	3.6	33.1
IP	0.8	7.2	0.1	0.8	0.9	8.0
<b>Total</b>	<b>9.0</b>	<b>83.9</b>	<b>18.0</b>	<b>166.8</b>	<b>27.0</b>	<b>250.8</b>

*Note (\*): increase in GHGs sequestration*

- Net zero emission by 2050
- Glasgow Forest and Land Use Declaration
- Ecological Transformation of Agro-food System

## By 2030

- Methane cut of 30% compared to 2020 (GMP)
- Growth rate of GAPV 2.5-3%/yr
- Ag Labor productivity 5.5-6%/yr
- Income in Ag sector: 2.5-3 times compared to 2020
- Export value growth: 5-6%/yr
- Multi-dimensional poverty HH reduced 1-1.5%/yr (10.83 và 5.77 at 1/2022)
- Timber harvested: 50 mill. m<sup>3</sup>



## ***2. Reduce global methane emissions***

*approved by 103 countries*

- Commitment to collectively reduce global methane emissions by at least 30% below 2020 levels by 2030
- Reduce methane emission through improving the production procedure and applying technology
- Apply the methane emission inventory to the highest tier of IPCC inventory methodologies and to improve the transparency, accuracy and comparability of inventory reporting
- Develop and implement the action plan for methane emission reduction by 2030 (Decision 942/QD-Ttg dated 5/8/2022)

### 3. Glasgow Leaders' Declaration on Forests and Land Use

*signed by 141 countries, including Vietnam*



**To halt and reverse forest loss and land degradation by 2030 while delivering sustainable development and promoting an inclusive rural transformation.**



Conserve forests and other terrestrial ecosystems and accelerate their restoration



Facilitate trade and development policies, that promote sustainable development, and that do not drive deforestation and land degradation;



Reduce vulnerability, build resilience and enhance rural livelihoods



Implement and redesign agricultural policies and programmes to incentivise sustainable agriculture, promote food security, and benefit the environment



Reaffirm financial commitments and significantly increase finance and investment, while also improving its effectiveness and accessibility, to enable sustainable agriculture, sustainable forest management, forest conservation and restoration, and support for local communities



Facilitate the alignment of financial flows with goals to reverse forest loss and degradation, while ensuring robust policies and systems to advance forest, sustainable land use, biodiversity and climate goals

## 4. *Policy action agenda for transition to sustainable food and agriculture*

17 countries participated

- “ **Sustainable agriculture**
- Supports the generation of better economic livelihoods and incomes for farmers
- Eliminate the negative impact on environment and natural resource base
- Uses inputs and resources efficiently
- Includes overall benefits for ecosystem integrity
- Promotes agricultural practices that sequester or minimize GHG emissions
- Protect air and water from pollution



## Related policies

- National Green Growth Strategy (Decision 1658/2021), Action Plan on National Green Growth (882/QD-TTg -07/2022), Agriculture Sector Plan to implement National Green Growth Strategy (3444/QD-BNN-KH/9-2022)
- National Strategy in Response to Climate Change to 2050 (896 / QD-TTg - 7/2022)
- Strategy for Sustainable Agriculture and Rural Development (Dec.150/QD-TTG, 2022)
- Target programs: Agricultural economic restructuring and disaster prevention; Strategies for livestock, fisheries, forestry and natural disaster prevention
- Implementation of the Paris Agreement (Decision 2053/QD-TTg 2016); Dec. No. 891/QD-BNN-KHCN (2020)
- National Adaptation Plan (1055 QD/TTG, 156/BNN-KHCN. 2021)
- Vietnam's NDC (2020)-newly updated
- Decree 06/2022 (GHG reduction action plan and CH4) – GHG emission reduction plan and environment for agriculture and rural development to 2030, vision to 2050 (under completion)
- Other action plans (converting the chain of sustainable agricultural products, forests and land use, ..)

# Decree 06/2022/ND-CP regulations on reduction of greenhouse gas emissions and protection of the ozone layer

Ministry in charge	Sector	Minimum emission reduction target to 2030 (Mt CO <sub>2</sub> eq)
<b>MOIT</b>	<ul style="list-style-type: none"> <li>- Energy production</li> <li>- Energy consumption in manufacturing sector</li> </ul>	268,5
<b>Ministry of Transportation</b>	<ul style="list-style-type: none"> <li>- Energy consumption in transportation sector</li> </ul>	37,5
<b>MARD</b>	<ul style="list-style-type: none"> <li>- Energy consumption in agricultural sector</li> <li>- Agricultural production</li> <li>- Forestry</li> </ul>	129,8
<b>Ministry of Construction</b>	<ul style="list-style-type: none"> <li>- Energy consumption in cement production</li> <li>- Industrial processes</li> <li>- Commercial buildings</li> </ul>	74,3
<b>MONRE</b>	<ul style="list-style-type: none"> <li>- Waste treatment</li> </ul>	53,7

# Action Plan for Methane Emissions Reduction by 2030

The objective is to utilise national efforts to reduce overall methane emissions from cultivation, animal husbandry, solid waste management, wastewater treatment, oil and gas extraction, coal mining and fossil fuel consumption, by at least 30% below 2020 level by 2030.

Tasks and solutions are:

- Make investment in small-scale and inter-field irrigation works or facilities that are advanced, modern, synchronous for specialised rice production zone; apply active water draining during the crop time; apply water-saving irrigation system that suits each eco-region.
- Widely adopt rice - shrimp farming model and convert from flooded rice paddy to upland crops with higher economic efficiency in conformity with specific conditions of each province; adjust crop structure, farming seasons, processes and techniques in order to improve economic efficiency and reduce methane emissions.
- Terminate burning of agricultural waste and by-products by means of innovation and development in a large scale processes and technologies for collection, classification, treatment, recycling, circulating and repurposing of agricultural waste and by-products in order to enhance economic values, convert from carbon stored in plant biomass to sustainable carbon and clean energy, and increase soil-based carbon sequestration and thus reduce methane emissions.
- Change, improve and use appropriate preparations in food serving sizes in order to increase productivity and economic values in livestock breeding and reduce methane emissions; carry out crossbreeding and improve domestic livestock breeds using foreign high-yielding breeds in order to improve productivity and efficiency in animal husbandry; effectively develop biogas model and apply technologies to production of organic fertilizers using waste from animal husbandry; recover and use methane emissions generated from breeding waste treatment for livestock breeding and electricity generation.



# SECTOR MITIGATION TARGETS

By 2030, achieving a net emission reduction of 129.8 million Mt CO<sub>2</sub>eq; methane emission will not exceed 45.9 million Mt CO<sub>2</sub>e (30.9 MtCO<sub>2</sub>eq in crops and 15.2 Mt CO<sub>2</sub>e in livestock production);

Contribute to the country's net zero emissions by 2050, while ensuring sustainable development and growth, reducing environmental pollution, improving efficiency, added value and competitiveness of the agricultural sector

## Targets and mitigation roadmap

### Arrive 2025

#### Agriculture :

- To reduce emission by 14.35 % compared to BAU (15,67Mt) of which 12.17 Mt CO<sub>2</sub>e from crop production and 3.49 Mt CO<sub>2</sub>e from LP
- Methane emissions : does not exceeds 42.2 Mt CO<sub>2</sub>e in Crop and 16.8 Mt CO<sub>2</sub>e in Livestock

**FLU: GHG reduction of 27.7 MtCO<sub>2</sub>e ( net emissions - 65.6 MtCO<sub>2</sub>e)**

### Arrive 2030

#### Agriculture:

- To reduce emission by 31 % compared to BAU (34.74 MtCO<sub>2</sub>e) of which 28.27 MtCO<sub>2</sub>e from crop production and 6.47 Mt CO<sub>2</sub>e from LP
- Methane emissions : does not exceeds 30.7 Mt CO<sub>2</sub>e in Crop and 15.2 Mt CO<sub>2</sub>e in Livestock

**FLU: GHG reduction of 84.5 MtCO<sub>2</sub>e ( net emissions - 95.3 MtCO<sub>2</sub>e)**

### Arrive 2050

#### Agriculture:

- Total reduction of 58 MtCO<sub>2</sub>e of which 44.96 Mt CO<sub>2</sub>e from crop production and 13.04 Mt CO<sub>2</sub>e from Livestock
- Total GHG of the sector will not exceed 56 Mt CO<sub>2</sub>e

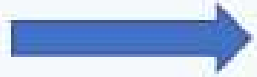
**FLU: GHG reduction of 125 MtCO<sub>2</sub>e ( net emissions - 185.2 MtCO<sub>2</sub>e)**

# Develop an action plan for “Glasgow Leaders' Declaration on Forests and Land Use”

- “ An action plan for ‘Glasgow Leaders' Declaration on Forests and Land Use for the period 2022-2030’ is under preparation and to be submitted for approval by 12/2022;
- “ Objective:
  - Up to 2030, basically reverse deforestation and forest land degradation; effectively control forest conversion; harmonize economic and environmental goals
  - Up to 2030, strive to improve quality of 50% of degraded forests; improve productivity, economic efficiency and sustainability of plantations
  - Perfecting institutions and policies in the direction of breakthroughs for sustainable production without causing deforestation or land degradation; improve resilience, reduce vulnerability to climate change ...
- “ Mission: 6 main missions ( slide 4)

# Policy action agenda for transition to sustainable food and agriculture

1. Transforming the food system through enabling ecological farming, promoting commercial production with high-value, meeting domestic and international market demands, applying modern processing and treatment technology, becoming the top exporters for many commodities.



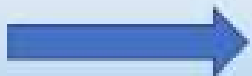
Promote agriculture restructuring toward meeting market demands and high competitiveness for crop, livestock, aquaculture and forestry



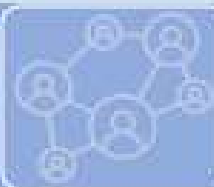
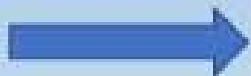
Improve the efficiency and promote sustainability: varieties, infrastructure, inputs, mechanization



Establish specialized production zones, processing and service clusters. Promote processing industries, form concentrated materials zones



Switch from supply chain to value chain. Promote agricultural cooperatives, strengthen farmers-business relationship



Develop pilot model for scalability: ecological farming, green farming, organic farming, circular farming, smart farming, hi-tech farming, agriculture - manufacturing - services combi

# Policy action agenda for transition to sustainable food and agriculture

2. **Develop the national action plan for transition to sustainable, responsible and transparent food system in Vietnam for the period 2022-2030**
3. **Identify and implement the actions to direct private investment and partnership toward sustainable food and agriculture, including:**
  - 4 Consolidate the views of public and private actors to identify the enabling conditions that promote the financing towards sustainable agriculture and food systems;
  - 4 Identify suitable public-private partnership mechanism that reduce the risk of investments in sustainable food and agriculture
  - 4 Conduct discussions to translate ideas into action and different mechanisms to facilitate the transition: e.g. Co-investment

# Decision 01/2022/QĐ-TTg promulgating the list of sectors, greenhouse gas-emitting establishments subject to greenhouse gas inventory



link: <https://vanban.chinhphu.vn/?pageid=27160&docid=205181&classid=1>

Sectors subject to greenhouse gas inventory
energy
transportation
Construction
Industrial processes
Agriculture, Forestry and land use
Waste

6 sectors

Establishment subject to mandatory inventory of greenhouse gases
Factories with annual emission level $\geq 3.000$ Mt CO <sub>2</sub> eq
Industrial factory, thermal power plants with total annual energy consumption $\geq 1.000$ ton of oil equivalent (TOE)
Transport companies with total annual energy consumption $\geq 1.000$ TOE
Department and commercial building with total annual energy consumption $\geq 1.000$ TOE
Hard waste treatment factories with annual operating capacity $\geq 65,000$ tons

1912 units

# Establish and develop the carbon market



Law 72/2020/QH14 on Environmental Protection 2020 was enacted during 10th meeting by the National Assembly of Vietnam XIV. Effective from 01/01/2022

**Article 139. Organizing and developing domestic carbon market:**

The domestic carbon market covers the **exchange of GHG emission quotas and carbon credits** obtained from the participation in domestic and international carbon credit exchange and offsetting mechanisms in accordance with regulations of law and international treaties to which the Socialist Republic of Vietnam is a signatory.

# Emission allowance

Goals of emission reduction at national and sector level

Emission cap

Emission inventory results



- Issue the allowance for emissions per unit of product for each type of business
- Assign emission allowance for business units for the period 2026-2030 and annually



# Carbon Pricing



Carbon pricing curbs greenhouse gas emissions by placing a fee on emitting and/or offering an incentive for emitting less (definition by UNFCCC)

## Tools for carbon pricing



# Carbon credit trading mechanism (carbon credit)

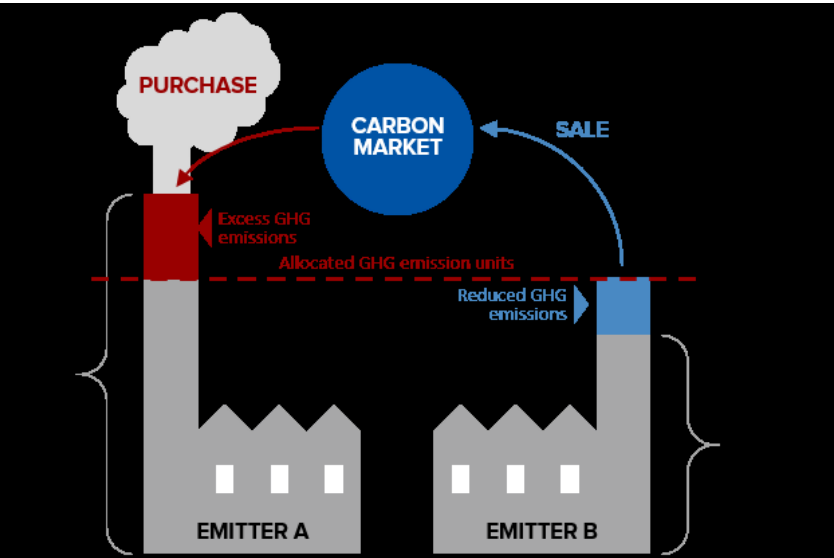


## Degree 06/2022/NĐ-CP (Point 5, Article 3)

“carbon credit exchanging and offsetting mechanism” means mechanisms of registration and development of programs and projects on mitigation of GHG emissions and generation of carbon credits by methods certified by Vietnam or international countries.

The carbon credits from these programs and projects are exchanged on the carbon markets or offset against GHG emissions exceeding GHG emission quotas allocated.

# Emission allowance and carbon credit trading in the domestic carbon market



- Firms can auction to receive additional emission allowance to their assigned allowance within the committed period
- Firms can transfer their spare allowances to the future year within the committed period
- Firms can borrow the allowances in future year within the committed period;
- Firms can use the carbon credit from projects under credit exchange mechanism, to offset their greenhouse gas emissions within the committed period (max 10%)

*Emission allowance is the limit on emissions that a country, firm, individual is allow to emit in certain period of time. The unit for emission allowance is ton of CO<sub>2</sub>*

Thank you

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Good food, Good life



# Welcome to Nescafe Plan Viet Nam Regenerative Agriculture

Oct 20<sup>th</sup>, 2022

Ngoc, Pham Phu

Agricultural Services Manager

Chief Company Representative

in the Central Highlands Regions

Nestlé Vietnam



# NESTLÉ'S NET ZERO ROADMAP

## Our path to regeneration for future generations

Solving the problem means identifying the problem. We found Nestlé emitted 92 million tonnes of greenhouse gas emissions in 2018\*. Now we know the extent, we know the road ahead.

\*Total GHG emissions were 113 million tonnes (CO<sub>2</sub> equivalent) in 2018, 92 of which are in scope of our UN 1.5°C pledge.

Companies and their emissions grow over time. That's why we're promising to be net zero based on our 2018 baseline, no matter how much our company grows.

— Path to zero emissions by 2050  
 - - Business as usual

Emissions by operation  
 (million tonnes of CO<sub>2</sub>e, 2018)

65.6	Sourcing our ingredients
7.0	Manufacturing our products
11.0	Packaging our products
7.5	Managing logistics
0.8	Travel and employee commuting

## Moving faster

We're excited to hit the soil running. We're accelerating our work in manufacturing, packaging and carbon-neutral brands. We're also investing CHF 1.2 billion to help spark regenerative agriculture across our supply chain, as part of a total investment of CHF 3.2 billion by 2025.

### Our milestones

- 100% deforestation free for primary supply chain by 2022
- Switch our global car fleet to lower emission options by 2022
- 100% certified sustainable palm oil by 2023
- 100% renewable electricity in all our sites by 2025
- 100% of our packaging recyclable or reusable by 2025
- 100% certified sustainable cocoa and coffee by 2025
- Source 20% of key ingredients through regenerative agricultural methods by 2025
- Cut virgin plastic in our packaging by a third by 2025
- Plant 20 million trees a year
- Nestlé Waters becomes carbon neutral by 2025

## Scaling up

Further down the greener path, we will invest in new technologies and fundamental changes to our products and businesses around the globe.

- Use more renewable thermal energy in our manufacturing
- Source 50% of key ingredients through regenerative agricultural methods by 2030
- Plant 200 million trees by 2030

## Delivering our promise

Advanced agricultural techniques will deliver a regenerative food system at scale, supported by zero emission logistics and company operations. We will balance any remaining emissions through high-quality natural climate solutions that benefit people and the planet.

By 2050, we will reach

# net zero

By 2025, we will reduce our emissions by 20%

By 2030, we will reduce our emissions by 50%

2018

2021

2025

2030

2050

# NESTLÉ'S NET ZERO ROADMAP

BY 2025, we will reduce our emission by 20%

BY 2030, we will reduce our emission by 50%

BY 2050, we will reach **NET ZERO**



Product emissions from farm to fork



# OUR FOCUS ACTIONS BY 2025



## Nestlé's total GHG emissions by Scope

million tonnes of CO<sub>2</sub>e, in 2018

### Scope 1

**Emitted directly** 3.3 3.0%  
from sources we own or control such as on-site combustion (coal, natural gas, fuel for company's vehicle fleet).

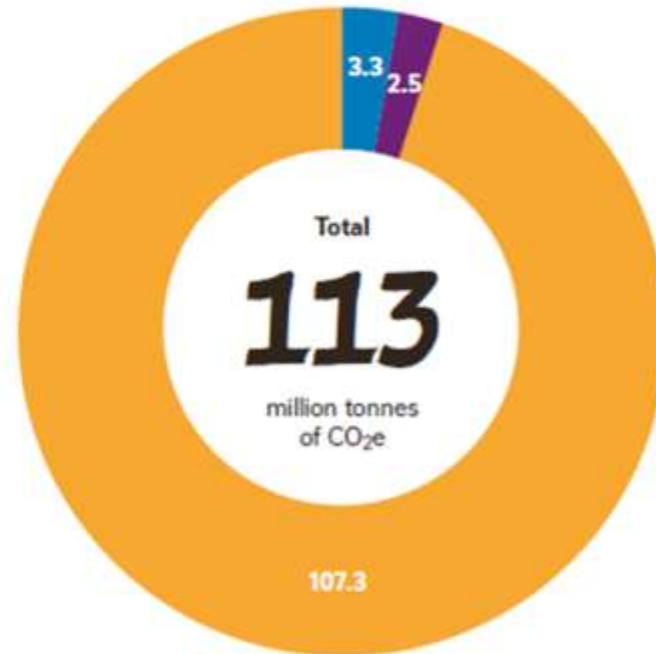
### Scope 2

**Emitted indirectly** 2.5 2.2%  
from the generation of purchased energy like electricity and heating/cooling network.

### Scope 3

**All other indirect emissions** 107.3 94.8%  
in our value chain, both upstream and downstream, such as sourcing and use of sold products.

Figures have been rounded.



## Renewable energy & logistic

- Low emission car fleet
- 100% Renewable electricity at all sites

## Sustainable sourcing

- 100% certificated sustainable ingredients
- 20% ingredients from regenerative agriculture

## Sustainable packaging

- 100% of our packaging are recyclable or reusable
- Reduce our use of virgin plastics by 1/3

## Caring water

- AWS Certification
- Net Positive Water Impact
- Water savings in operation

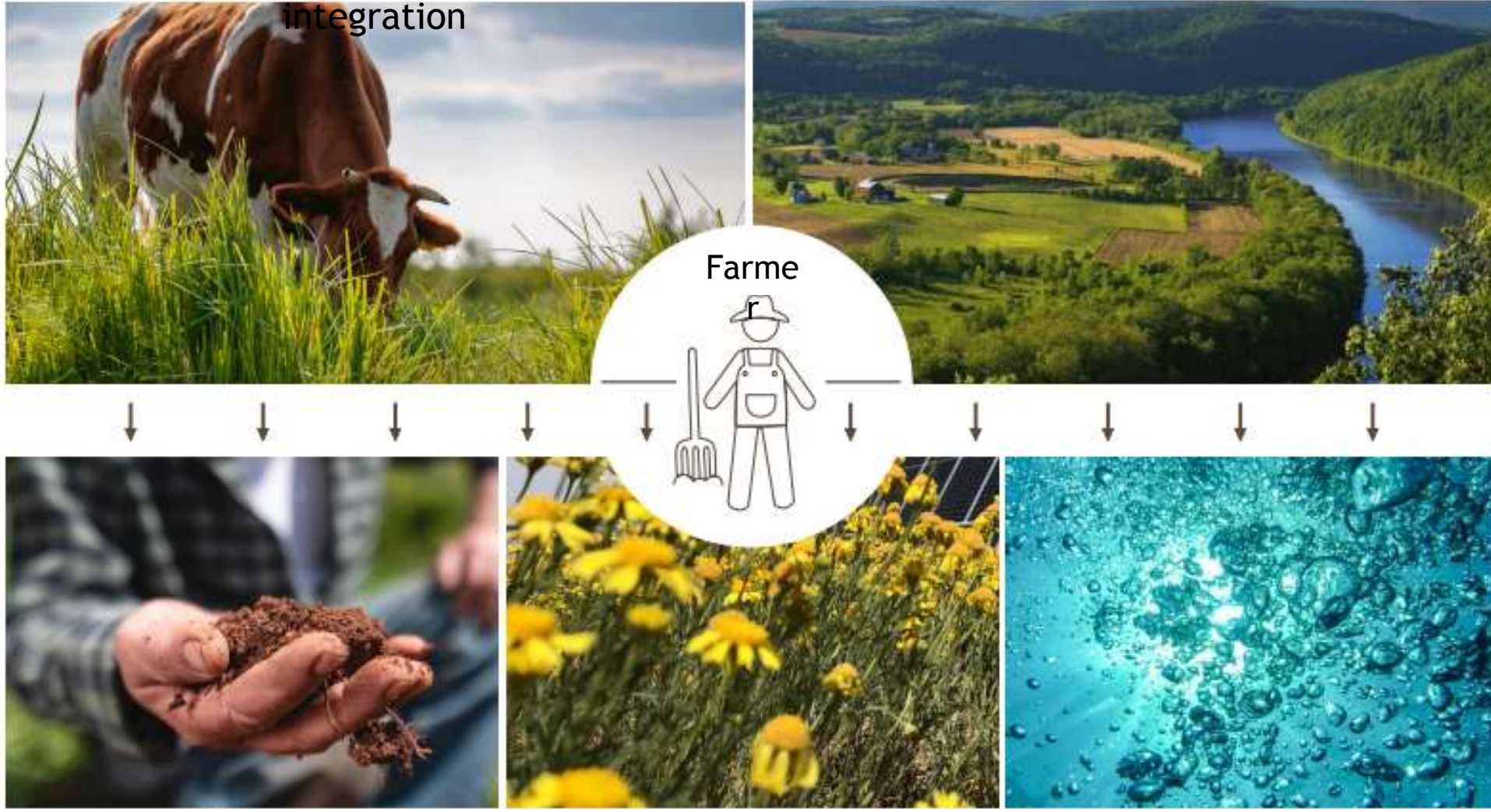


# REGENERATIVE AGRICULTURE THE HOLISTIC MODEL

We are guided by agroecological principles and practices

Diverse cropping systems & livestock

Collective & landscape actions



Soil health

Biodiversity

Water security & quality

# MAIN REGENERATIVE AGRICULTURAL PRACTICES

1. Cover crops [I]
2. Diversified crop rotation [I]
3. Mulching & crop residues cover [I]
4. Minimum tillage [I]
5. Organic fertilizers [I]
6. Irrigation technology [II]
7. Riparian buffers [III]
8. Integrated nutrient management [I]
9. Intercropping [III]

10. Agroforestry & silvo-pastoral systems [III]
11. Hedgerows, green buffers [III]
12. Integrated pest management & bio-controls [III]
13. Precision farming [I]
14. Manure storage & process [I]
15. Herd management [III]
16. Integrated pasture management & grazing strategies [III]
17. Landscape-scale collaboration [I]II

# SOIL CONSERVATION & SOIL HEALTH



*According to the FAO in 2017  
“... soils have become one of  
the most vulnerable resources  
in the world. Soils are a major  
carbon reservoir ...*

Depending on their condition,  
soils act as carbon sinks or net  
carbon emitters. Soil  
management practices can play  
a major role in affecting the  
dynamics of the flow of these  
gases

- Without healthy soil we would not be able to grow our food. In fact, it is estimated that 95% of our food is directly or indirectly produced on our soils.
- Soil is a fundamental asset. Soil health and fertility must be protected and restored.
- Soil organic matter is an important measure of soil fertility. Unfortunately, there is extensive evidence showing it is declining, even in the world’s most fertile agricultural landscapes.
- Change of land use and continued use of conventional farming practices are some of the main drivers of the loss of soil organic matter.
- Soil erosion is a growing concern too: soil erosion from agricultural fields is estimated to be currently 10 to 20 times (no tillage) to more than 100 times (conventional tillage) higher than the soil formation rate. Some studies suggest that in 60 years the arable fertile layer may be exhausted.
- In addition to the above, soils play a key role in global climate processes, through the emission of three major GHGs: carbon dioxide (CO<sub>2</sub>), nitrous oxide (N<sub>2</sub>O), and methane (CH<sub>4</sub>)

# WATER AND WATER CONSERVATION



*Water saving irrigation is mandatory for any crop, especially for the most consuming crops i.e., wet rice, coffee. Integrated water and biodiversity need to be in place for both water and soil conservation and improve biodiversity*

- Water is an essential resource. Without water, plants cannot grow and ensure food security.
- Water is a renewable resource, but two crucial challenges must be addressed to manage it correctly: the use/replenish balance; and where and when water is made available.
- Since 1961 the use of irrigation has doubled and now, around 20 % of total crop land is irrigated. Agriculture accounts for approximately 70 % of global freshwater use increasing to 90% in some developing countries. Some 1.2 billion people live in areas where severe water shortages and scarcity create challenges for agriculture, with very high drought frequency for rainfed crops and pasture areas or very high-water stress experienced in irrigated areas.
- In addition to water scarcity, the other main management challenge is the impact of agriculture on water quality. Overuse of fertilizers, poor manure management and unregulated run-off can lead to local contamination of aquifers and river streams and eutrophication.

# BIODIVERSITY



*“Nature and its vital contributions to people, which together embody biodiversity and ecosystem functions and services, are deteriorating worldwide.”*

- “Resilience to extreme weather events is also linked to on-farm biodiversity, a typical feature of traditional farming systems”.
- Ecosystem services are critical to humanity and affect all aspects of people’s lives, including food and medicines. 70% of the drugs used to treat cancer are either naturally derived or built from synthetic substances based on natural equivalents.
- In theory, over 7000 edible species can be used for food, but only 150-200 are commercially cultivated. Four plant species provide 50% of the world’s energy needs. Food production systems have been oversimplified to increase their productivity, but now there is a need to diversify them in order to increase efficiency and resilience.
- The use of pesticides / herbicides and the use of highly productive varieties has contributed to tremendous increases in yields, (x 3 since 1960), providing food to an expanding global population. Their overuse has, however, also contributed to the deterioration of ecosystems.
- Loss of genetic diversity reduces the natural resilience of production systems to attacks by pests and plant diseases, threatening global food security
- We require a radical change of practices and new innovations aiming to reverse this trend and help protect crops and animals and maintain and increase food production

# REGENERATIVE AGRICULTURE

What have happened under Nescafé Plan Vietnam?



# BEFORE NESCAFÉ PLAN



VIETNAM

TRUST?

Sustainable?



Coffee aging?



Poor practices?



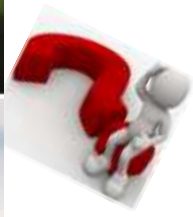
Poor practices?

Farmer organization?

Drought



Problems



Poor GC



Income?



GAP/ NBFP



Water shortage?



Green cherries picking habit?



Semi hulling?



VIETNAM

>600k  
Ha of coffee

1.6 mio  
Metric tons

500k  
Coffee Farmers

1 Mio  
Job creation

3.4 bio  
USD turn-over

# WELCOME TO NESCAFÉ PLAN VIETNAM



Solutions



Sustainable NCP



Best practices

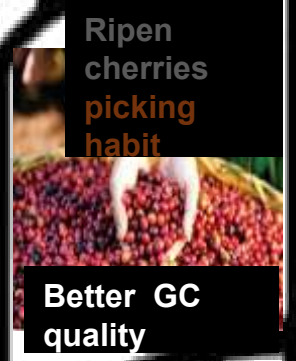
Compost fertilizers



Saving Watering



Appropriated Intercropping



> Income



Ethnic + Women Empowerment





# RESOURCES



THE NESCAFÉ PLAN VIETNAM



Partners

NESTLE supporters



GC Zone AOA

R&D Tours

TM Team

HR /CA/ RA

Nescafe Team

Sale Team

Farmer Group Leaders



NGA.NGUYEN  
PLANTLETS MANAGEMENT



HIEN.PHAM  
QUALITY TRAINER/ADM



8  
Agronomists

21K  
Farmers household

274  
Farmer Group Leaders

34K  
Ha coffee area

150K  
Metric tons

NESTLÉ FARMS  
TUONG.NGUYEN  
AGRONOMIST LEADER  
DAK NONG PROVINCE



NGOC.PHAM  
ASD MANAGER



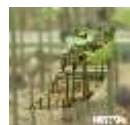
THONG.NGUYEN  
AGRONOMIST LEADER  
LAM DONG PROVINCE



VUONG.LE  
AGRONOMIST LEADER  
GIA LAI PROVINCE



THUAN.NGUYEN  
AGRONOMIST LEADER  
GIA LAI PROVINCE



Our values are rooted in respect

# PROGRESSIVE NESCAFE PLAN FARMER CONNECT YEAR ON YEAR

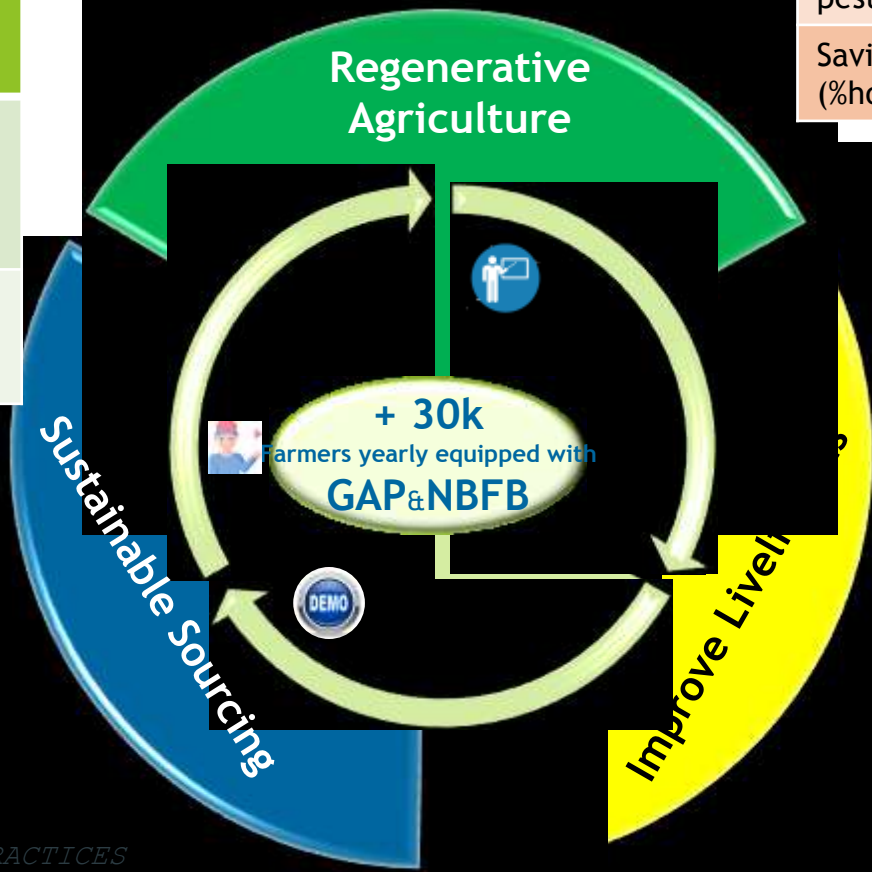
1.8 mio  
ktons

20%  
Buy total GC of VN



	2011-2021	2022-2025
Regenerative Agriculture (quantity of GC certified by Reg Agri) (kton)	4 (in 2021)	+14 yearly
Agroforestry, intercrops rate (%)	65%	75%
Reduce 20% Chemical fertilizers & pesticides (%household apply)	65%	80%
Saving 40% water for irrigation (%household apply)	65%	80%

	2011-2021	2022-2025
Distribution of high-yielding plantlets (mio tree)	53	+10 yearly
Sustainably sourced supply to TRIAN (ktons/year)	550	+40 yearly



	2011-2021	2022-2025
Diversified and increased farm income %	30%-100%	35%-150%
Sustain coffee productivity tons/ha (Max 5 tons/ha)	3.5 - 4	4 - 5



GAP: GOOD AGRICULTURE PRACTICES  
NBFP: NESCAFE BETTER FARMING PRACTICES

INNOVATION • DIGITALIZATION • SUSTAINABILITY

# Vietnam: Nescafé Plan

- Beneficiaries > 21,000+ 4C certified farmer households and more than 15,000 farmers/year in the Central Highlands Provinces via plantlet distribution (2011-2021)
- Activities;
  - 330,000+ training sessions on sustainable coffee cultivation
  - 63.5 Mio rust leaf tolerant and high yielding coffee plantlets distributed in collaboration with WASI as of Aug 2021
  - Embarking in regenerative agriculture through promotion of proper intercropping models, integrated weed management, reducing 40% water consumption in irrigation and optimizing 20% fertilizers usage by introducing compost fertilizer making from coffee husk & residue.



## Impact > Annual M&E Assessments done through Rainforest Alliance

- 63,000+ Ha of coffee land renovated with improved material
- Farm productivity increased to a significant higher level than the country average (av of 3.2 MT GC/ha vs 2.8 MT/ha)
- 20% decrease in Production Cost
- 40%-60% irrigation water saving & 20% of synthetic fertilizers reduction

# SHIFT OF CROPPING PATTERN



**CROP BIODIVERSITY**



**MONOCULTURE**



**Intercrops**



## FARMER PROFILE



### Background information:

§ Name: Y Hung Bya, son of Y Ty Bya

§ Age: 26 (1996)

§ Address: Pu Hue Village, Ea Ktur Commune, Dak Lak Province

Total area: 1.7 ha (rejuvenated 800 trees), intercropped with black pepper 500 trees, he keeps 3 rows of coffee and intercropped with two rows of black pepper. Yield: 4.2 tons coffee and 2.5 tons black pepper from last season (2021-2022)

Y Hung has been taken over the coffee farm of his father (Y Ty) since 2015 after rejuvenated. He has 2 years in Israel as a worker for a Thai company, then back home to support his farmers on coffee production.

His family has joined Nescafe Plan since 2014 and rejuvenated his aging coffee plantation since 2015.

The farm has fully engaged in Regenerative Agriculture interventions, by applying an appropriated intercropping model by mulching application from residues (branches, weeds after pruning, etc.,) and reduced 40% water for irrigation, no pesticides and herbicides used at all.

All activities have been fully recorded on digital FFB for CO<sub>2</sub> & production cost calculation, this will support his family to decide when to sell their coffee and black pepper at the best profitable period and improve farms' income.

# FARMER PROFILE

## COFFEE FARMS INCOME CALCULATION



Name: **Y Hung Bya**,

Son of Y Ty Bya

Age: 26 (1996)

Address: Pu Hue Village,  
Ea Ktur Commune, Dak  
Lak Province

Farmer Name: Y Ty Bya	Total	Rejuvenated	Remains
Area (Ha): 1.7	1.7	0.50	1.20
Production (MT): 5	5	2.50	2.50
Int' rate (1 USD~VND)	24,000		

No	Name of crop	2019 - 2020 Crop Season			2020 - 2021 Crop Season			2021 - 2022 Crop Season		
		Production (kg)	Selling Price (VND)	Total Cost (VND)	Production (kg)	Selling Price (VND)	Total Cost (VND)	Production (kg)	Selling Price (VND)	Total Cost (VND)
1	Coffee	3,000	35,900	107,700,000	3,300	37,000	122,100,000	4,200	42,500	178,500,000
2	Black Pepper (intercops)	2,500	40,000	100,000,000	3,000	56,000	168,000,000	2,500	77,000	192,500,000

No	Name of crop	2019 - 2020 Crop Season			2020 - 2021 Crop Season			2021 - 2022 Crop Season		
		Gross Venue	Total expenditures	Profit	Gross Venue	Total expenditures	Profit	Gross Venue	Total expenditures	Profit
1	Coffee	107,700,000	82,000,000	25,700,000	122,100,000	79,670,000	42,430,000	178,500,000	86,920,000	<b>91,580,000</b>
2	Black Pepper (intercops)	100,000,000	38,000,000	62,000,000	168,000,000	53,000,000	115,000,000	192,500,000	35,400	<b>192,464,600</b>
	<b>Total income (VND)</b>	<b>207,700,000</b>	<b>120,000,000</b>	<b>87,700,000</b>	<b>290,100,000</b>	<b>132,670,000</b>	<b>157,430,000</b>	<b>371,000,000</b>	<b>86,955,400</b>	<b>284,044,600</b>
	<b>Total income (USD)</b>	<b>8,654</b>	<b>5,000</b>	<b>3,654</b>	<b>12,088</b>	<b>5,528</b>	<b>6,560</b>	<b>15,458</b>	<b>3,623</b>	<b>11,835</b>

# FARMER PROFILE

## Background information:

### 5 General information of Dak Lak Province



Criteria	2021
Average income/ ha	165,741,411
Cost/ 1ha	59,705,017
Gross income/ 1ha	119,089,201
Net profit/ 1 ha (VND)	59,384,184
Net profit/ 1 ha (USD)	2,593
Income increased vs 2011 %	103
Income increased/ year	2.81
Total income increased	43.77

Cultivation Method	Carbon (kg)	Kg (Co2)	CO2 emission (Kg CO2e)	CO2 gain (Kg CO2)	Average (Kg CO2)	Emission/1kg GC
Intercropping	20,723	76,053	6,012	76,053	70,041	1.43
Mono Cropping	6,993	25,664	6,012	25,664	19,652	

Excel File - Tính toán  
hệ số Phát thải



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**THE NEXT**

INNOVATION • DIGITALIZATION • SUSTAINABILITY

# NESCAFÉ PLAN 2030

Renewing the world of coffee to help uplift lives and livelihoods with every cup

## 2030 Vision

An integrated strategy to use regenerative agriculture to help address climate change, aiming to:

Reduce greenhouse gas emissions



Increase farmers' income



Create better social conditions



## Our goals:

By 2025

- › 100% responsibly sourced coffee
- › Source 20% of our coffee through regenerative agricultural methods

By 2030

- › Source 50% of our coffee through regenerative agricultural methods
- › 50% greenhouse gas emissions reduction



### Agroforestry

Help farmers to improve soil health, water management and biodiversity by combining coffee with shade or border trees



### Land restoration

Support farmers to plant native trees to capture CO<sub>2</sub> in and around coffee farms, improving biodiversity and water management



### Green borders (riparian buffers)

Help farmers improve water sources and biodiversity by restoring vegetation along the water margins



### Financial support

Supporting coffee farmers in accelerating their transition to regenerative agriculture



### Human rights and child protection

Reinforcing monitoring and corrective actions across our value chains



### Women and Youth empowerment

Enhancing business and financial skills through training, including record keeping and farm management



### Optimized fertilization (including organic fertilizers)

Support farmers to improve productivity and quality, reduce CO<sub>2</sub> and improve soil health by tailoring the fertilizer to the soil needs



### Farm renovation

Support farmers to improve yield and quality, and to reduce CO<sub>2</sub>, while aiming to improve income through pruning and/or the introduction of new improved coffee varieties



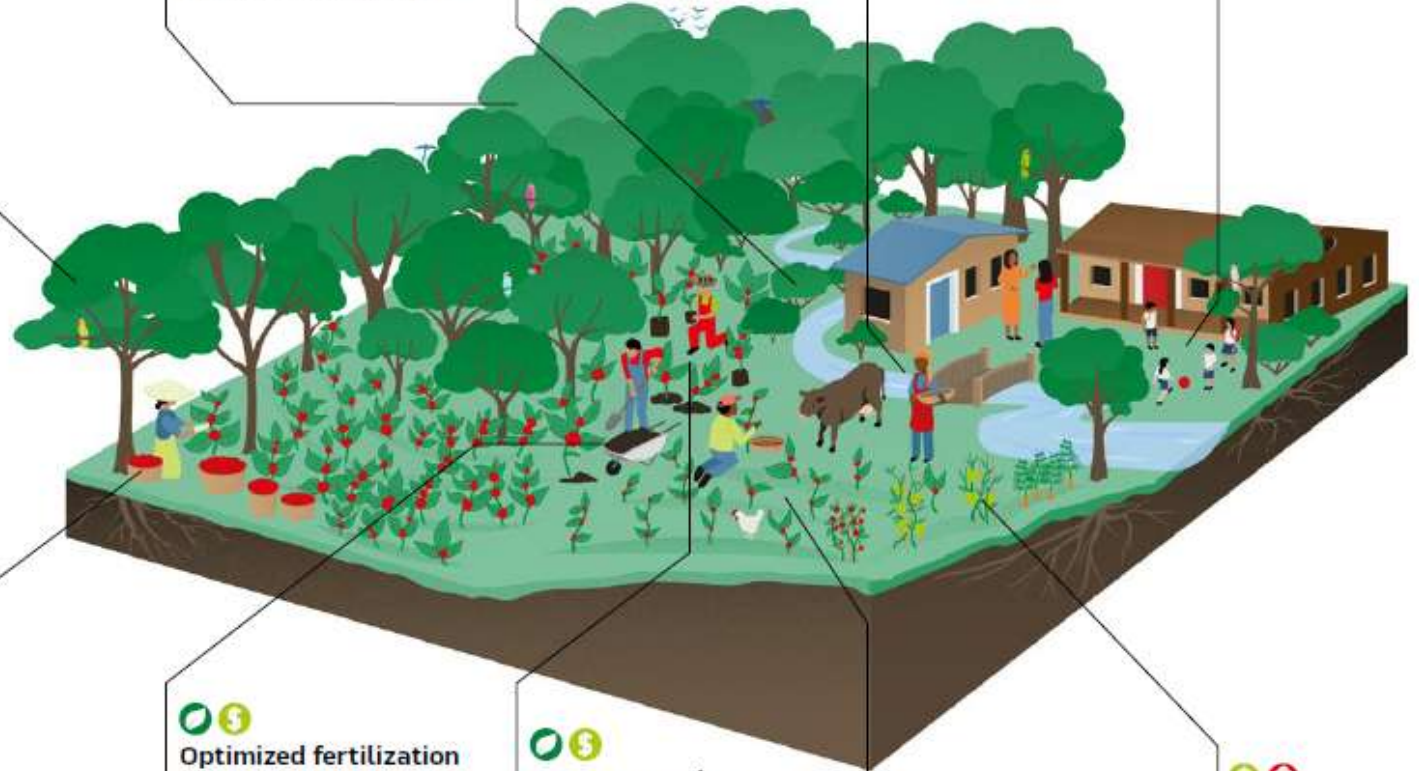
### Cover crops

Help farmers to improve soil health and biodiversity, whilst reducing agrochemical usage



### Income diversification (including intercropping)

Promoting different crops within the coffee farm to enhance income diversification, soil health and biodiversity









*Thank You!*

#extraOrdinary AWARDS

OUR WORLD. THEIR FUTURE

THE NESCAFÉ PLAN

Thank You!



It all starts with a  
**NESCAFÉ**