Bittersweet Vanilla
The unsavoury story of vanilla farmers in Madagascar’s Sava Region

Field research, backgrounds and solutions
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"We put our vanilla “under vacuum” to protect us from thieves who do not hesitate to come and attack us in our houses. With the current insecurity, we are no longer leaving our vanilla to dry at the sun as before. [...] As long as police do not assure our security, we will always be in danger.”

(Richard Jaobotra)
1. In brief

This report highlights the riches that vanilla production delivers and the abject poverty many vanilla farmers experience. Vanilla is one of the most expensive and widely exported spices in the world, yet the large majority of the 80,000 smallholder vanilla farmers do not see this reflected in their income and are often even unable to provide food for themselves and their families. Indeed, more than 75 per cent of farmers live below the poverty line on $1.90 per day. However, there are a number of concrete changes that can be made to ensure vanilla farmers have the possibility of a brighter future, and some companies are taking initial steps to remedy some of the problems.

Fairfood and CNV Internationaal have devised a list of solutions to address these problems including measures to tackle vanilla theft, such as checkpoints, the tattooing of vanilla pods and the establishment of defence groups, as well as capacity training to help vanilla farmers organise and gain vital knowledge on topics such as modern agricultural techniques, financial planning, entrepreneurship. Fairfood has also held constructive dialogues with major multinationals who hold significant power in the value chain. Much of the power to effect change lies with these multinational companies.

It is through cooperation between all stakeholders in the value chain that the bittersweet story of vanilla can be rewritten, thus improving the working and living conditions of farmers. The goal of improving the lives of vanilla farmers can be reached through an integrated step-by-step approach, detailed in this report, and greater cooperation with buying companies who wield the greatest power.
"With the revenues of vanilla, we can access medical care. However, the quality and availability health facilities are lacking here."

(Jaobotra Richard)
2. Vanilla from Madagascar

2.1 Background: the issues behind the flavour

Vanilla is one of the most expensive and widely exported spices in the world. However, the majority of the 80,000 smallholder farmers who produce vanilla in Madagascar experience food insecurity and do not earn sufficient income to adequately provide food for themselves and their families throughout the year. This is reflected in the fact that one kilo of vanilla is equal to approximately six months’ salary. Madagascar is the world’s largest exporter of vanilla, exporting between 50 to 80% of the world’s vanilla over the last 10 years. Figure 1 shows the production for 2014.

Vanilla farmers live in poverty and lack skills, information, technology, logistics and finance (capital, savings and insurance). Many farmers need to borrow money to make ends meet, while only 20% get money from a micro-finance institution or bank. A major issue is the fluctuating price of vanilla. Throughout 2016, the price of vanilla has risen significantly, reaching its highest point in 10 years. In the last several years, the international price has ranged from USD 20 (in 2010) to USD 500 per kg of cured vanilla (in 2004).
Current political situation in Madagascar

After experiencing five years of political unrest and being internationally sidelined following the 2009 coup, 2014 was an important year for Madagascar. Democratic presidential elections took place, but the establishment of a new national assembly has been a time-consuming process and president Hery Rajaonarimampianina has been unable to form a stable government after a year in office. In addition, the unstable political situation in 2015 has resulted in civil unrest and protests, especially among personnel in state-owned businesses deeply affected by budget cuts.

Despite these problems, some hope has emerged in Madagascar, where Civil Society Organisations (CSOs) and others have gained more strength and some initiatives are being developed to address the problems of vulnerable groups in the country. Unions and CSOs are also striving for an independent council where they are able to negotiate working conditions. In addition, foreign investors and donors are gradually stepping up their activities and investments in the country. However, the lack of social dialogue remains a major issue, as well as the lack of reforms in public enterprises.

Weak growth and poor distribution have not improved working and living conditions in Madagascar. According to a national survey tracking 2012/2013 MDGs, over 70% of the population (77% in rural areas) live below the national poverty line. The rate of unemployment is very high among young people and precarious employment has become widespread following the 2009 crisis, affecting more than 81% of workers, particularly rural women.

<table>
<thead>
<tr>
<th>Type of Vanilla</th>
<th>Farmer</th>
<th>Rabbateurs</th>
<th>Commissionaires</th>
<th>Collector</th>
<th>Exporter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green vanilla</td>
<td>0.90 - 3.70</td>
<td>1.40 - 4.70</td>
<td>1.90 - 5.10</td>
<td>3.30 (average)</td>
<td>/</td>
</tr>
<tr>
<td>Black vanilla</td>
<td>11 - 25</td>
<td>12 - 24.50</td>
<td>13 - 25.50</td>
<td>14.70 - 45.95</td>
<td>20 - 50</td>
</tr>
</tbody>
</table>

Table 1

Overview of Prices in the Vanilla Value Chain (approximate USD/Kg) [2013]

Table 2

<table>
<thead>
<tr>
<th></th>
<th>Madagascar</th>
<th>The Netherlands</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td>23 million</td>
<td>17 million</td>
</tr>
<tr>
<td>Life Expectancy</td>
<td>65 years</td>
<td>81 years</td>
</tr>
<tr>
<td>Literacy rate</td>
<td>65%</td>
<td>99%</td>
</tr>
<tr>
<td>Average annual income per person</td>
<td>€1,378</td>
<td>€42,453</td>
</tr>
<tr>
<td>Score on the Development Index</td>
<td>0.5</td>
<td>0.9</td>
</tr>
</tbody>
</table>
Problems affecting vanilla farmers in Madagascar

Farmers often lack the resources to upgrade or improve their production. Vanilla farmers tend to harvest their vanilla too early or cure it too quickly, because they are desperate for an income and are afraid of theft, which negatively influences the quality of the crop. Because of its poor quality and early harvesting, farmers often get less for their vanilla than they anticipated. Finally, theft is a huge problem in the vanilla industry in Madagascar. As a result of this, vanilla farmers have less vanilla to sell and thus obtain a lower income than expected. One in three vanilla farmers have participated in technical training in the past, but these techniques have not been sustained over the years\(^5\). This phenomenon endangers future perspectives for the vanilla sector in Madagascar as a whole.

The Sava region at a glance

The newest data available regarding the Sava region reveals that:
- approximately 5% of Madagascar’s population is situated in the Sava region. The majority of population (90.5%) is rural;
- between 65% and 78% of the population lives on of less than $1.25 PPP per day\(^6\); the poverty rate is very high (71.5% in Madagascar);
- approximately 81% of the population are unable to reach the minimum threshold of 2133 kcal per day;
- over 85% of households are unable to accumulate savings;
- roughly 4 out of 10 households say that their earnings are just enough to cover their expenses;
- the region has a level of agricultural revenue that is below national averages, with approximately US$ 290.95 per household/year compared to US$302.48 per household/year.

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\(^6\) As of 30 September 2015, the World Health Organisation declared the poverty line to be $1.90. The desk research is based on the old figure of $1.25 and it can therefore be assumed that even more people live under the new poverty line.
2.2 Aim and scope of the report: improving livelihoods and ensuring a better income for vanilla farmers

This report provides an overview of the main labour and socio-economic issues that vanilla farmers face in the north-east of Madagascar and outlines solutions whereby companies, NGOs, consumers and other key stakeholders can play a meaningful role. This report focuses on the non-synthetic vanilla industry in Madagascar, its value chain and socio-economic issues affecting the most vulnerable actors in this value chain, namely the smallholder farmers.

The purpose of this report is to propose key recommendations and concrete solutions to improve the livelihoods of vanilla farmers and ensure they receive a better income. The actors to be involved are food and beverage companies, policymakers working for flavour houses, certification labels and multi-stakeholder initiatives relevant to the sector. The stakeholders are encouraged to engage with Fairfood and CNV Internationaal and its partners, and together identify best practices and develop solutions for improvements in the vanilla industry.

“A workshop like this has never happened before. It was very special and I’m very grateful that I could attend. It is important to discuss our problems and learn more about the vanilla value chain. I hope this collaboration with Fairfood and CNV continues in the future”

(Participant of programme for a focus group of vanilla farmers affiliated to trade union organisation SEKRIMA)
2.3 Research methodology: understanding the challenges vanilla farmers are facing and gaining insight on fair prices

Information and insights for this report were obtained through both desk and field research in the Sava region conducted between 2013 and 2015. The findings (see section ‘Findings of the Field Research’) were verified by additional field research in October 2016.

Field research was conducted by combining quantitative and qualitative methods utilising different techniques, such as questionnaires, field observations in three small villages (Ambohibary, Antsalalina and Marofinaritra), interviews and focus group with vanilla farmers. The aim was first to gain a better understanding of the challenges vanilla farmers are facing and secondly to gain more insight into what a fair price would be for their crops. Fairfood and CNV Internationaal also interviewed several key stakeholders including Care International, Positive Planet, GIZ and the Director of Regional Development in Madagascar.

CNV & Fairfood’s work in Madagascar

Fairfood International and CNV Internationaal have successfully collaborated on multiple projects since 2008. CNV Internationaal has a cooperation programme in Madagascar with the trade union confederations SEKRIMA and USAM. SEKRIMA is the largest and most representative trade union organisation in the country. The largest federation of SEKRIMA is FEKRITAMA: the federation of agricultural workers. CNV and Fairfood are collaborating in this project to further explore, as well as gather more in-depth knowledge, on the key socio-economic issues vanilla farmers face in Madagascar.

In 2015, CNV and Fairfood organised a training programme for a focus group of vanilla farmers affiliated to SEKRIMA. The farmers became aware of their position in the supply chain and profits made in the sector. They were empowered and started to play an active role in the supply chain. They met with decision makers in the sector to validate the outcomes of the workshop, and to garner support for the vanilla farmers. During the visit to Madagascar in September 2015, CNV and Fairfood met with several local stakeholders to discuss their work and approach to the issues in vanilla supply chains, and verify their findings. These stakeholders included the US Embassy in Madagascar, Regional Head of Development in Madagascar, Plateforme Régionale de Concertation pour le Pilotage de la filière Vanille, Groupement Vanille, Magnitra (Farmers Association), CARE International, Demeter, IFAD and CRS (Catholic Relief Services).

Visit / Meeting with the Vanilla-Sambava Regional Platform:

During September 2015, Fairfood and CNV visited the headquarters of the Regional Platform of Cooperation for the Control of Vanilla Region Sambava (PRCPV-Sambava Region) in Madagascar. The PRCPV-Sambava Region represents all the actors involved in the vanilla sector, including farmers, collectors, Vanilla preparers, exporters, communes, districts, but also the Ministry of Agriculture, the Ministry of Internal Affairs, the Ministry of Defense, the Ministry of Finance, the Ministry of Trade and Regional Administration of Sambava.

The General Assembly of the PRCPV represents the decision-making body and is composed of 47 members, including 16 vanilla planters (35%). This Assembly is responsible for fixing the price of vanilla per kg and to making decisions considering all the social and economic components of the vanilla sector, in particular the difficulties of the farmers (theft, insecurity, police harassment, collector scams, lack of training, etc.).
3. The complex value chain of the vanilla industry

From farmers, to brokers and in the end to food and beverage companies

Name: Bejo (70) from Tsaratanana, rural community of AnjangoveratraAmbodimatsko - Nosiarina, Sava Region. Children: 1 girl Brisca (10). Producing 30 kg green vanilla per year on 500m2 land. Can afford health care.

“I use my vanilla income to buy clothes, food [rice] and other needs for my daughter and I. […] For financial reasons, I was not able to send my daughter to school.”

(Bejo)
3. The complex value chain of the vanilla industry

Vanilla is one of the world’s most labour-intensive crops\(^7\). For this reason, vanilla farming is more suited to small-scale farming than large-scale production on plantations\(^9\). Cultivation and production of vanilla in Madagascar is a difficult and time-consuming process that requires a great deal of manual labour for pollination, harvesting and curing. Children are involved in various stages of the production process, and are frequently involved in the labour intensive pollination.

The conventional Madagascar vanilla value chain is very complex and it involves numerous actors both locally and internationally. There is very little vertical integration, as illustrated in Figure 3. Vanilla passes through the value chain in both its uncured and cured form. Uncured vanilla is often referred to as green vanilla. Cured vanilla can be red, brown or black.

The latest *Memorandum sur la Vanille*\(^11\), reported 80,000 planters, 6,000 collectors and 33 export companies in the Madagascar vanilla industry. Of these 80,000 vanilla farmers, approximately 80% are located in the SAVA region\(^12\).


\(^8\) IFAD (2007) Financial services and training allow vanilla-growers in Madagascar to invest in the future, retrieved online 20 February 2014, [http://www.ruralpovertyportal.org/country/voice/tags/madagascar/padane](http://www.ruralpovertyportal.org/country/voice/tags/madagascar/padane)


\(^11\) Plateforme Nationale de la Filière Vanille (2012) Memorandum sur la vanille, retrieved hard copy in their annual workshop

The vanilla market in the SAVA region is informal. Most of the farmers interviewed trade vanilla at the local market or sell it at their homes or plots to collectors. Almost none had formal sales contracts with collectors nor did they receive receipts. As a result, it is very difficult to trace vanilla back to a specific farmer.\(^{13}\)

Specifically, the Madagascar vanilla value chain is composed of four main stakeholder groups: vanilla farmers, collectors, export companies and international traders.

**Vanilla Farmers:** Smallholder vanilla farmers live in small, remote villages that are difficult to access.\(^{14}\) Because of their remote locations, vanilla farmers are disconnected from the top of the value chain. They usually inherit plantations from generation to generation and family members – including children – assist with daily activities. Children are involved in various stages of the production process, helping their parents. Some children do not go to school, as their parents lack the financial means to do so. Others do go to school and help their parents maintain the crops in their spare time.

Vanilla farmers are mostly dependent on one crop and few have any other sources of income. Their earnings allow them to survive the months after vanilla season, but they struggle during the lean season – between February and April.

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\(^{14}\) Actis (2013) Vanilla value chain SAVA region Madagascar – Report on survey findings
Commissionaires and rabatteurs: To sell their vanilla, they have to rely on a complex network of collectors, commissionaires and rabatteurs\(^\text{15}\) (figure 3), who travel to remote locations to buy, process and stock the vanilla. Commissionaires and rabatteurs are the actors who, in practice, determine the price of vanilla with farmers.

Collectors: Vanilla collectors are well-educated entrepreneurs involved in the processing part of vanilla (see also figure 3). They employ between 2 and 10 full-time workers in low seasons and a maximum of 80 informal workers in the high season. Collectors sometimes have contractual obligations with exporting companies, but in other cases they do not have any contractual agreement. Collectors usually are helped by commissionaires who contract freelance rabatteurs to travel to the farmers, buy and transport the vanilla.

Vanilla board: The vanilla board, established by private companies, determines when the farmers can start harvesting and what the price is on the market. However the farmers themselves have little or no voice. It is, in practice, a board of the traders!

Export companies: Exporting companies employ between 50 to 100 full-time workers and hire up to 300 seasonal workers during the high season. Exporting companies are in contact with collectors and international traders, but they also have direct connections with farmers in some cases. Many of them are also part of a certification scheme (e.g. Ecocert and Fairtrade).

International traders: There are four major traders in Madagascar. Traders negotiate export prices and represent the link between exporting companies and foreign companies that buy and transform vanilla into end products, such as food.

\(^{15}\) Rabatteurs (‘procurers’). Young men, who assist in finding vanilla and buying from vanilla planters for commissionaries.
4. Vanilla cultivation analysed: Field research findings

"The main problems encountered in 2016 because of the higher price of vanilla were: insecurity in the plantations for the next season, insecurity in the houses due to vacuum vanilla stocks, rising of the cost of living in general, widespread corruption of security forces causing higher insecurity."

(Richard Jaobotra)
4. Vanilla cultivation analysed: field research findings

4.1 Issues affecting vanilla farmers: income insecurity, vanilla theft, lack of organisation and infrastructure

Our research showed that about 75% of the farmers – including 60,000 smallholder vanilla farmers – live below the poverty line of US$ 1.90 a day and suffer extreme income insecurity. Vanilla farmers face several obstacles making them even more vulnerable in a market that is already volatile, such as insufficient access to markets and market information, financial illiteracy, lack of bargaining power, theft of their product, and crop spoilage due to poor storage and transportation.

The input gathered from vanilla farmers reveals that vanilla is the most profitable crop in the SAVA Region. Nevertheless, the farmers think that the price they are paid is too low and not enough to support their families. These farmers do not know how much they have invested in their business, although they feel it is a lot of money. The farmers also feel exploited by the collectors and security forces illustrating that the issues they encounter at work are also rooted in the society and in the culture of the vanilla production.

[Image of a vanilla plant]

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Bittersweet Vanilla: the unsavoury story of vanilla farmers in Madagascar’s Sava Region

The farmers interviewed provided deeper insights into the issues behind the production of vanilla and identified five main points:

1. Vanilla theft:
The biggest problem identified by farmers was the theft of vanilla. People (possibly collectors) steal farmers’ vanilla pods (and sometimes their entire plants), often before the harvest date. The thieves bribe the police and are allowed to leave the check points/villages without being arrested or their vanilla being confiscated. Farmers do not trust or feel protected by the police, authorities or the government. Additionally, farmers reported that they are often harassed by the police. Farmers also described theft as a violent act and said they were scared.

2. Vanilla farmers are paid unstable and (often) low prices for their vanilla:
Prices paid to the farmers vary greatly. However, a large proportion of the profits are unevenly distributed, often benefiting the more powerful players in the value chain. The market in Sava is not well organised. There is little transparency and most deals are done on the local market ‘tsena’ (50%) or at the homes of the planters (71%)¹⁵. Issuing receipts and keeping books are highly uncommon. Prices paid to farmers are often very low and insufficient to support themselves and their families. Farmers get paid much less than the other stakeholders due to the large number of intermediaries in the value chain. Farmers also feel exploited by collectors and other intermediaries, because they lack possibilities to commercialise their products themselves and to influence the price setting. Farmers lack information about prices at all levels and do not have negotiation power. Before the harvest, the exporter decides on the price and influences the decision of the vanilla platform.

3. Lack of organisation among farmers:
Farmers do not trust or want to join associations/cooperatives. This is due to several reasons, including a lack of governance and/or vision; groups are often formed top-down (i.e. by exporters) and do not benefit the farmers; and intermediaries and exporters try to break down associations that benefit farmers or make them less powerful, leaving farmers despondent.

4. Vanilla farmers lack access to resources, infrastructure, support and information:
Vanilla farmers do not have access to training, resources (including agricultural equipment, tools, financial means to pay for labour), information (especially concerning prices and the value chain) and skills/technical capacities required to produce quality vanilla. Furthermore, due to poor infrastructure and lack of access to roads, vanilla farmers are often isolated and cannot access the markets. Farmers have also reported that diseases affecting their plants are a problem.

5. Vanilla sector and vanilla farmers are not well represented:
There is no independent body that the farmers trust and which represents their rights and needs. Farmers are not involved in decision-making (especially regarding setting the harvest date, in order to attempt to control the quality) and do not know how the price is set. The industry is also not well regulated or controlled and there is a great amount of corruption at all levels. Bad practices (such as using vacuum packing), which negatively affect the quality of vanilla, are allowed in the industry.

About 75% of the farmers – including 60,000 smallholder vanilla farmers – live below the poverty line of € 1.77 a day and suffer extreme income insecurity.
4.2 Proposed solutions

Based on research and interviews with focus group of Malagasy farmers Fairfood and CNV Internationaal propose the following solutions to resolve each issue.

1. Solutions to resolve vanilla theft:
   a) Local community can work with police to regulate/control checkpoints and patrols during day and night. Tattooing vanilla pods is introduced and monitored throughout the value chain.
   b) Implement better control of who enters the village.
   c) Raise awareness with international buyers and companies and encourage them not to buy stolen vanilla (i.e. two-pronged approach).
   d) Train village self-defense groups in control and protection techniques, legal bases related to vanilla thefts, etc.
   e) Lobbying towards legislative bodies to review and enrich the legal texts that deal with vanilla theft through sanctions.
   f) Push the government to set up a regional office of BIANCO in the SAVA (Independent Anti-Corruption Bureau) equipped with means to effectively fight corruption especially during the vanilla campaign.

2. Solutions to overcome the lack of organisation among vanilla farmers:
   a) Encourage farmers to collaborate with each other (possibly by forming cooperatives, farmers’ groups or associations). Start strengthening the capacities of a small group and once this group is successful, more farmers and communities can be included.
   b) Provide training, materials and support to farmer groups/collaborations in order to improve internal coordination, organisational development and governance/management.

3. Solutions to resolve the access to resources, infrastructure, support and information:
   a) Provide training, materials, low interest micro-finance grants and support to farmer groups/collaborations. Focus on: agriculture (including topics such as intercropping, soil treatments with natural products, cultivation techniques, pollination, caring for plants, preventing disease etc.) and curing techniques (including why not to use vacuum packing) to improve yield and/or quality suitable for export; microfinance; and financial training including calculation of costs, budgets and savings (both for the farm and personnel).
   b) Encourage research on vanilla that directly benefits farmers (e.g. how to prevent/treat the diseases affecting plants). Implement best practices.
   c) To have access to farm financing, it is important to support peasants / farmers or farmers’ organizations to secure their land. To do this, it is necessary first to revitalize the existing land offices or to set up land offices in the rural communes. Then, it is necessary to set up a project or initiative to accompany the certification of land belonging to the vanilla planters. Land certificates or land titles will enable them to negotiate more easily with local financial institutions (microfinance for the most part).
4. **Solutions to improve representation of vanilla sector and vanilla farmers:**

a) Form an independent body that includes all stakeholders and promotes the rights of the farmers, or each stakeholder should have own association (e.g. umbrella organisation for vanilla farmers) and be trained to keep their independence.

b) Get an independent body to introduce ID cards for farmers and implement the required monitoring steps.

c) Vanilla platform/independent body should allow farmers to set the campaign date for each village/district taking factors such as the climate into account.

d) Organise (media) campaigns denouncing corrupt practices, intimidation and threats by some police officials, intermediaries and authorities at local, municipal and regional level.

e) Revise (by involving all stakeholder), translate and disseminate texts, orders and laws governing the sector of vanilla in the Sambava region in the local language. Ensure implementation of the relevant laws/decrees.

f) Ban the use of vacuum packing.

5. **Solutions to the problem of unstable and low prices Farmers receive for their vanilla:**

a) Provide farmers with entrepreneurship training and support (including access to market information at all levels (via radio or cell phones) and negotiation training).

b) Calculate crop costs, costs to cover livelihoods etc. and together with companies find a way to implement this into company practices (possible via pilot projects).

c) Re-introduce village markets so farmers can together decide on price with the collectors.

d) Assign middlemen that farmers trust to buy vanilla from the farmers.

e) Shorten the value chain by removing collectors, rabatteurs and commissionaires.
4.3 Major companies working in the vanilla industry in Madagascar

The value chain is comprised of a complex network of actors located both locally and internationally. Initial desk research revealed that four multinational companies, Nestle, Unilever, McCormick and General Mills, and four international flavour houses, Givaudan, IFF, Symrise and Firmenich were some of the most powerful players in the vanilla industry. In 2013 and 2014, Fairfood held constructive dialogues with all eight companies, during which they discussed the main issues vanilla farmers faced and how the companies was addressing these issues. It was concluded that all eight companies were somehow addressing the issues vanilla farmers faced but more should be done, especially to ensure that prices paid to vanilla farmers are high and stable enough for farmers to earn a decent income.

The industry is making a concerted effort to address issues in the vanilla supply chain. The Sustainable Vanilla Initiative, hosted by IDH, aims to promote the long-term stable supply of high-quality, natural vanilla, produced in a socially, environmentally and economically sustainable way, benefiting all partners along the value chain. The goals of the SVI are to: expand the supply of traceable and sustainably produced vanilla; improve incomes and livelihoods of vanilla farmers (economic sustainability of producers) and stabilise/improve quality of vanilla.

Project partners include Authentic Products, Barry Callebaut, Costco, DeMonchy Natural Products, Firmenich, Frontier Coop, General Mills, Givaudan, Mane, Mars, McCormick, Nestle, Nielsen Massey, Prova, Rodelle, Silver Spoon, Symrise, Touton, Unilever, and Virginia Dare.

Symrise is a global supplier of fragrances, flavorings, cosmetic active ingredients, raw materials and functional ingredients as well as sensorial and nutritional solutions. With a market share of 12 % (2015), Symrise is one of the world’s top three suppliers in the F&F market.

Most recently, Symrise has embarked on a 3-year project with Unilever, and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) and Save the Children aimed to help 50,000 people in 10,000 households, across 70 villages.

'We are committed to making the vanilla supply chain more sustainable and helping the most vulnerable people in Madagascar. Through our work in the Sava Region with Unilever, GIZ and Save the Children, as well as our participation in the Sustainable Vanilla Initiative, we feel we are on the right path to sector-wide improvement by 2020.'

Prova, a leader in the manufacturing of vanilla, cocoa and coffee extracts and flavours for the sweet food industry and is supporting vanilla farmers on the ground.

"In this context where farmers also benefit from this disproportionate increase in prices, our mission is, on the one hand, to raise their awareness on the fact that this profitability is temporary and, on the other hand, to accompany them in the good management of these new resources. Thus, we concentrate all our efforts on education and training through the administration of domestic resources by encouraging them to save - investing in the schooling of their children, for example. We support the farmers with several GAPP [Good Agricultural and Preparation Practices] trainings and, reinforcing consistently on that the quality of the vanilla they produce is the only guarantee of a stable market. Our objective is to enable the villagers and planters to become stakeholders in their own development, take ownership of these projects and ensure their long-term sustainability."

-Alessandra Ognibene-Lerouvillois, CSO/CRO at Prova, leader in manufacturing vanilla extracts for the sweet food industry.
5. Heading in the right direction: Conclusions and recommendations

"As vanilla farmers, we have lived in misery for a long time because of our problems. It was very good and important to discuss these solutions and try to find a way out."

(Participant of programme for a focus group of vanilla farmers affiliated to trade union organisation SEKRIMA)
5. Heading in the right direction: Conclusions and recommendations

The rising prices of genuine vanilla, one of the most expensive spices in the world, appears to be associated with rising problems in the vanilla supply chain. Due to these severe problems 75% of the 80,000 smallholder vanilla farmers in Sava, Madagaskars’ vanilla region live below the poverty line and quality and continuity of the vanilla production is affected. The research concludes problems are complex and interlinked. Therefore it’s indispensable that all stakeholders in the value chain collaborate to achieve safe working and living conditions and a decent income for vanilla farmers.

An integrated step-by-step approach on five levels is recommended to effectively solve the issues:

1. At the level of the vanilla farmers
   Together with its local federation of farmers FEKRITAMA (affiliated to the national trade union confederation SEKRIMA) and other local partners, CNV Internationaal will continue empowering and building the capacity of the farmers to improve their organisation to enable them to better represent the interests of the farmers.

2. At local community level
   Communities, police and local authorities need to be mobilised to join their efforts to alleviate vanilla theft.

3. At national government level
   SEKRIMA and CNV Internationaal will continue to call upon government institutions to improve and better implement regulations. Farmers through their trade union confederation SEKRIMA should to be represented at national level in the vanilla board.

4. At supply chain level
   CNV Internationaal and Fairfood call upon the industry to get involved in initiatives to improve security and ensure a decent income in the vanilla fields.

5. At consumer level
   Awareness has to be raised among consumers in the Netherlands and internationally regarding the importance of decent working and living conditions of vanilla farmers.

CNV Internationaal and Fairfood are moving towards realising this multi-level intervention approach in order to maximise impact both in Madagascar and in the Netherlands. We believe this will improve the income and contribute to decent working and living conditions of the farmers and their communities as well as improve stability and quality of vanilla production for the buying companies.
About Fairfood International

Fairfood is an international non-profit organisation that advocates a sustainable and fair food system. Fairfood envisions a food system in which those who work on farms and at food processing facilities can live in dignity, the environment is respected, and there is social and economic value for all. We perform solid research and gather contextual knowledge, hold direct, proactive dialogues with food and beverage companies, and establish constructive and effective public campaigns.

About CNV Internationaal

CNV Internationaal is the international department of CNV, the Confederation of Christian Trade Unions in the Netherlands. CNV mostly works in the Netherlands to strengthen the position of workers, but for us that job does not end at the border. We are connected to workers around the world through international supply chains. CNV Internationaal contributes to ‘decent work’ in developing countries, as defined by the International Labour Organisation, through strengthening the position of workers.

Our work is centered on three themes:
1. Strengthening social dialogue
2. Improving labour rights in supply chains
3. Increasing youth employability.