

First RAIN DROP Excitement a #thaiRAIN Success Story



Isn't RAIN DROP refreshing?

Isn't it refreshing to feel raindrops falling from the sky? Just like that, RAIN's grant program, called RAIN DROP, aims to refresh Thai agriculture by enhancing the capacity of grantees, regarded as partners who will work scale technologies among farmers.

RAIN has prioritized grant programs, given that the project works with small companies and smallholder farmers who may require financial and technical assistance to drive changes in the agricultural sector. RAIN has created a detailed RAIN DROP grant program and pushed forward execution in line with Winrock's guidelines. The process is meticulous from setting criteria and screening potential grantees to evaluating and seeking approval.

An important part of the RAIN DROP program is for RAIN

to ensure that grantees meet criteria that demonstrate their ability to deliver within the scope of work. They include organizational management, experience, financial controls, and human resource technical abilities.

In June, RAIN announced the first RAIN DROP grant worth US\$2,406 for PWS Evolution System Co., a rice dealer that seeks to promote Thai rice farmers to use of soil test kits and customized fertilizer for sustainable practices. This is a success of RAIN's effort to improve small company capacity in the agrifood sector.

Mainstreaming Customized Fertilizer

The Thai government has encouraged smallholder farmers to use soil test kits and customized fertilizer, which helps them focus on the nutrients their plants need and lack in the soil, saving cost.

Chemical fertilizer accounts for a substantial portion of farmers' expenses, and Thailand relies on imports, exposing them to global fertilizer prices. Customized fertilizer will also reduce soil and water contamination and cut down nitrous oxide, a greenhouse gas derived from nitrogen that, according to scientists, lasts longer in the atmosphere than the others.

However, Thai farmers have been slow to adopt due to low confidence and a lack of convenient access to the equipment and materials.

It took eight months for RAIN's technical and grant

team to help PWS develop an eligible implementation plan and get approved for the grant. The grant's terms require the funds to be used to provide soil test kits and two mobile units of customized fertilizer blenders to 250 rice farmers this year as a pilot project. They are within the company's network from Nakhon Ratchasima, Chaiyaphum, Khon Kaen, and Ubon Ratchathani provinces.

The blender has been nicknamed the "Miximizer" after the verb "mixing" and the benefits of "optimizing" fertilizer use, "minimizing GHG," "minimizing" production costs, and "maximizing" yields and quality. Under cost-sharing terms, PWS will contribute to logistics, labor, and core fertilizer. Livelihoods Funds, an investment fund focusing on sustainability, will collaborate on the grant by training PWS staff and farmers on using soil test kits and fertilizer blenders to build a formula adapted to their specific areas. Nikhom Ruamsit, RAIN's Business Development Specialist, said RAIN recognized significant synergies from assisting PWS's initiative to train farmers on the approach and provide them with the soil test kits and Miximizer.

PWS buys rice from farmers in Thailand's northeastern provinces to process and supply large consumer food makers. This allows the company to promote the new practice and match the rice supply to companies looking to convert their supply chains to sustainable practices.

"As a newly founded company, some aspects of PWS's organizational management originally did not satisfy RAIN's grant criteria. RAIN worked with the company to address these shortcomings, such as accounting system and human resources for farmer training." Mr. Nikhom said.

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THAI RAIN'S BUSINESS DEVELOPMENT SPECIALIST

Pilot Project to Boost Farmer Confidence

Noppawan Paengwiset, PWS's CEO and founder, said the grant improves the company's capacity to pilot the blender. The company will train lead farmers to record data on cost savings and increased crop yields to evaluate results. It expects the pilot project's result will boost farmer confidence, which is important with the scale-up phase.

"Our approach focuses on strengthening farmer networks so that farmers will buy devices and manage them on their own in the future," Ms. Noppawan said. She said PWS would supply rice products to major consumer food producers. These are keen on suppliers who can prove their sustainable practices and encourage farmers to be verified for international sustainability standards, particularly the Sustainable Rice Platform.

"Farmers' inappropriate use of fertilizer on their soil has been ongoing for a long time. We are talking about a behavioral change among farmers; most are in their 50s and are confident in their usual practices," Ms. Noppawan said.

In the second phase, RAIN will expand its collaboration with PWS to include 2,000 farmers from two additional provinces, Roi Et and Yasotorn, to promote the use of blenders by 2028. PWS will then test a dry direct sowing machine to cut labor expenses and energy consumption when transplanting rice seedlings.

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FAST FACTS

RAIN IS FUNDED BY THE U.S. DEPARTMENT OF AGRICULTURE <u>FOOD</u> <u>FOR PROGRESS</u> PROGRAM, WITH PERIOD OF PERFORMANCE FROM 2022 – 2027.

EXPECTED RESULTS OVER LIFE OF PROJECT INCLUDE:

- **30,000 FARMERS** APPLYING IMPROVED PRACTICES
- 45 FIRMS PARTICIPATING IN PUBLIC-PRIVATE PARTNERSHIPS
- 30 CLIMATE-SMART INNOVATION IDENTIFIED FOR SCALEUP