

Paprika Production Agreement No.

Zambia

Small-scale growers \_\_\_\_\_ season

Made the ..... day of ..... between ..... (“Purchaser”) and

Last Name ..... First Name(s)  
..... (“Grower”)

NRC 

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Group ..... Village ..... District  
.....

IT IS HEREBY AGREED THAT:

1. Grower is contracted by Purchaser to produce ..... limas of whole pod paprika at 150 kg/lima in the 2003/2004 season.
2. Grower produces paprika for Purchaser only. All of the paprika produced, including any surplus production above the contracted quantity, shall be supplied to Purchaser. Grower shall not sell or give any of the contracted paprika to a third party. In the event it is established that Grower has been delivering short of the contracted quantities as a result of side selling, Grower shall compensate Purchaser on undelivered quantities, set at \$ \_\_\_\_\_/kg paprika.
3. Purchaser undertakes to assist Grower to its best ability with horticultural advice and service through written production guidelines, newsletters, site visits or field days, and with improvements of yields, colour and cost savings. Purchaser cannot accept any liability for the advice given on production, harvest and handling.
4. Written clearance shall be obtained from Purchaser prior to use of chemicals not mentioned in the [NAME OF THE COMPANY] production manual. Recommended rates and pre-harvest intervals should be strictly adhered to. Grower shall record each chemical application on chemical spray record forms. These must be presentable at any time if so required by Purchaser.
5. Purchaser shall purchase from Grower all paprika pod (maximum 28% seed, without stalk) that meets the following quality standards:
  - a. Variety as supplied by the Purchaser (or Papri Queen from Peto Seeds)
  - b. Chemical residue level below American Spice Trade Association/EU levels
  - c. Maroon/purple, red or orange/red in colour
  - d. Free of foreign matter (e.g. excreta, stones, soil/dust, hairs, etc.)
  - e. Free of fungal, bacterial or any other diseases

- f. Free of insects or insect eggs
- g. Moisture content 10 - 14 %
- h. Sweet / non-pungent
- i. Non-transparent
- j. No loose seed added

Paprika seed supplied separately shall be yellow and clean, stalk supplied separately shall be green and free of diseases.

**5.1** Grower shall grade paprika pods into 4 grades as in grading samples available from Purchaser:

- |    |                 |   |  |
|----|-----------------|---|--|
| A. | A grade paprika | → | dark maroon / purple without damages                 |
| B. | B grade paprika | → | dark maroon / purple with maximum 25% spots or marks |
| C. | C grade paprika | → | red  |
| D. | D grade paprika | → | orange / red   |

6. Purchaser retains the right to down-grade produce which does not comply with the quality standards as laid down in paragraphs 5 and 5.1, and adjust prices in accordance with the actual quality level of delivered produce. Purchaser retains the right to reject non-marketable produce due to unacceptable quality and/or chemical residue levels that may damage the reputation of Purchaser. Unsatisfactory or non-graded lots of paprika shall incur a grading charge.

7. Paprika shall be packed preferably in 90 kg polypropylene bags with an ideal weight of 20-30 kg paprika. Grower shall deliver paprika to Purchaser's warehouse in \_\_\_\_\_ (minimum delivery quantity is 250 kg, however if the total seasonal production is less than 250 kg it shall be delivered as one lot), or to one of Purchaser's depots.

8. Full payment for paprika pods, seed and stem shall be made within 15 working days of delivery. Purchaser shall deduct from payments for delivered produce any outstanding payment for seed, chemicals and/or cash credit supplied to Grower. An interest rate of 1.5% per month shall be charged on any credit, in US\$ equivalent, supplied by Purchaser to Grower.

Variety: ..... Lot No.: ..... Seed quantity supplied: .. x 300 gram

Value: ZMK ..... Payment made: ZMK ..... Credit due: ZMK .....

IN WITNESS whereof the representatives of the parties hereto have hereunto set their hands the day and year first above written

Signature: ..... Signature: .....

Name in full: ..... Name in full: .....  
*On behalf of Purchaser* *On behalf of Grower*

Witness Signature: ..... Name in full: ..... Address:.....