





INTERNATIONAL SYMPOSIUM ON CONTRACT FARMING AND OTHER INCLUSIVE BUSINESS MODELS

08-09 November 2018 Harare, Zimbabwe

KEY RECOMMENDATIONS

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Background

The Food and Agriculture Organization of the United Nations (FAO), Sam Moyo African Institute for Agrarian Studies (SMAIAS) and the International Institute for Sustainable Development (IISD) organized the *International Symposium on contract farming and other inclusive business models* on 08-09 November 2018 in Harare, Zimbabwe. The two-day International Symposium was organized within the framework of the FAO Umbrella Programme for supporting responsible investments in agriculture and food systems. The overarching objective of the International Symposium was to promote critical discussions and policy dialogue on contract farming (theory and practices) and other Inclusive Business Models, with a view of encouraging the establishment of responsible value chains in line with the Principles for Responsible Investments in Agriculture and Food Systems (CFS-RAI) and the OECD-FAO Guidance for Responsible Agricultural Supply Chains.

The International Symposium was attended by more than one hundred twenty (120) participants which included farmers, representatives of private sector companies, researchers, PhD students, civil society representatives and international organizations. The participants were drawn from 17 countries across Africa, Asia, Europe and Latin America. The Symposium was structured in a series of alternating presentations (case studies) and plenary discussions/debates. The first day was focused on debating different case studies on contract farming (contract farming in Argentina, Brazil, India and Zimbabwe) and policy dialogue on contract farming and other Inclusive Business Models. Whilst the second day brought together buyers (private sector companies) and farmers (producer organizations) in order to enhance discussions on how to improve contracts using the CFS-RAI, the OECD-FAO Guidance for Responsible Agricultural Supply Chains and the Model agreement for responsible contract farming.

Key recommendations

The following recommendations came out of the two-day policy dialogue and experience sharing:

- Various stakeholders (farmers, civil society, academia, and the private sectors) at the national level are generally unaware of the <u>Principles for Responsible Investments in Agriculture and Food Systems (CFS-RAI)</u>, therefore, there is a need for raising awareness about the CFS-RAI at the global, regional and national levels.
- Producer organizations (and other organizations that represent farmers) play a key role in the negotiation of better contracts for farmers, therefore, it is important to develop their capacities through training on contract negotiation and other key elements of contract farming.

- The comprehension of contracts by farmers is important in ensuring that they enter into contracts that provide mutual benefits for them and the private sector. Therefore, it is essential to train farmers within their organizations (producer organizations, village clubs, etc.) who can act as some type of 'para-legals' or 'legal advisors'. The 'para-legals' will require training on basic legal issues regarding contracts.
- Young farmers and women are generally excluded from contract farming operations because
 they often have limited access to productive resources like land and capital. Therefore, it is
 important to promote and support policies that promote their participation in contract farming
 such as increased access to agricultural land and participation in capacity development
 programs.
- Young farmers sometimes lack the skills and capacities required in managing contract farming operations. Hence, there is a need for capacity development programs that are tailor-made for young farmers and that are done through young farmers' organizations.
- The <u>model agreement for responsible contract farming</u> that was developed by FAO and IISD provides a good reference for improving the types of contracts that most farmers are currently using (in crop production). Therefore, there is a need to raise awareness about the model agreement and promote its use.
- The model template is a reference product which is intended to be adapted according to the specificities of the commodity under contract. Therefore, it is important to also develop more sample templates for other crops that are often grown under contract farming as farmers might find it difficult to simply adapt the existing samples (existing sample templates are for coffee and tomatoes). Developing model templates for livestock production is also important as the existing model is only for crop production.
- Farmers continue to have limited access to simplified information about contract farming, therefore, it is important to develop simple guides that ordinary farmers can use.
- Contract farmers who produce cash crops sometimes fall into food insecurity, therefore, contracting companies should promote the production of food crops together with cash crops (diversification) to ensure household food security.
- Governments can play a key role in building an enabling environment for responsible contract
 farming, in which, producers and agribusiness firms are supported to engage in responsible
 contract farming, for example by setting up regulatory frameworks and bodies that provide
 guidelines and oversight or putting in place legal frameworks that ensure that contracts are
 clear, fair, and include all the necessary elements.
- Smallholders face barriers to entry into public food procurement. These barriers should be addressed as public food procurement programmes are a type of inclusive business model that can represent an important business opportunity to smallholders and foster positive effects on their livelihoods and food security and nutrition.

Annex 1: List of participants

REGION	COUNTRY		NAME	GENDER	ORGANISATION	DESIGNATION
	Mozambique	1	Boaventura Monjane	M	University of Coimbra	Phd Student
SOURTHERN AFRICA	Zimbabwe	2	Walter Chambati	M	SMAIAS	Researcher
		3	Freedom Mazwi	M	SMAIAS	Researcher
		4	Grasian Mkodzongi	M	Tropical	Director
		5	Jessie Ngoma	F	Wadzanai CDT	Projects officer
		6	Termany Utete	M	China Cotton Zim	Administrator
		7	J. Nyirenda	M	ZNFU	Agribusiness
		8	Simbarashe Machekano	M	Farmer	Farmer
		9	Andrew Musviti	M	The Herald	Reporter
		10	Byron Mutingwende	M	Spiked Online Media	Editor
		11	Nersau	M	Media	Freelance
		12	M Chindimha	M	M & E	Participant
		13	Tabeth Ndoro	F	Peace and livelihoods	Director
		14	Ishmael Moyo	M	Boost Africa	Agribusiness
		15	Moses Bias	M	BTF	Director
		16	Cynthia	F	Star FM	Media
		17	Michelle Dzova	F	Capital k fM	Reporter
		18	Violete Mandishona	F	Zimbabwe Farmers' Union (ZFU)	Capacity building manager
		19	Brian Vere	M	Country Agro Tobacco	Director
		20	Yemurai Zhou	F	Nestle	Agribusiness
		21	Emmanuel Ndhlovu	M	UNISA	PhD Student
		22	Mike Biko	M	SUB Sahara Tobacco	Contracts manager
		23	Masimba Manyanya	M	SEATINI	Director
		24	Phides Mazhawidza	F	WFLA TRUST	Director
		25	Tobias Chipare	F	Zimbabwe Farmers Union	Director
		26	Mabonga Kudakwashe	M	Southern Cotton	OPS Manager
		27	Ndabezihle Nyoni	M	Zimbabwe Organic Smallholder Farmers' Forum (ZIMSOFF)	Comm Officer
		28	J T Maponga	F	CDWC	Programs Manager
		29	Yumi Sakata	F	Japan Embassy	Economic Affairs Officer
		30	Jabulani Chisipo	M	The Star	Media
		31	Tom Tom	M	Zimbabwe Open University	Lecturer

32	V Sakarombe	F	University of Zimbabwe	Student
33	Tafadzwa Mutacha	M	Newsday	Media
34	G Magaramombe	M	FCTZ	Programs Manager
35	С Моуо	F	University of Zimbabwe	Student
36	K Muchengetwa	M	Newsday	Media
37	M. Chikanda	M	Agricultural Marketing Authority (AMA)	Director
38	Thomas Heyland	M	Welthungerhilfe	НОР
39	Simbarashe Mandishona	M	Zimbabwe Farmers' Union (ZFU)	Farmer
40	Moses Moyo	M	University of Capetown	Phd Student
41	Molly Marovanyika	F	Independent Researcher	Programs Coordinator
42	Marie France Bornajee	F	University of Western Cape	Phd Student
43	Desmond Ndedzu	M	University of Zimbabwe	Lecturer
44	Florence Mahwata	F	The Space	Admin Officer
45	Langton Mukwereza	M	RT	Researcher
46	Qondisile Moyo	F	SMAIAS	Researcher
47	Kingstone Mujeyi	M	AEPRIC	Director
48	Lenox Mhlanga	M	Media	Media
49	Wadzanai Vere	F	SHDF	Director
50	Easter Chigumira	F	World Bank	Researcher
51	Kuda Mabonga	M	Southern Cotton	Agribusiness
52	Ndafadza Madanha	M	AgriNews	Media
53	Shadreck Makombe	M	Zimbabwe Commercial Farmers' Union (Z.C.F.U)	Farmer Association
54	L Makurumure	M	REF	
55	Caroline Chitsungo	F	The Space	Projects Coordinato
56	Abel Mzwakali	M	Media	Media
57	Abel Mzwakali	M	Media	Media
58	Kennedy Zimunya	M	TSF	Agribusiness
59	Moreblessing Chaibva	F	Welthungerhilfe	Program Officer
60	Patson Rabvukwa	M	Boost Africa	Agribusiness
61	Field Mashaninga	M	Voedsel Tobacco	Agribusiness
62	Gerald Murare	M	Voedsel Tobacco	Agribusiness
63	Abel Dzobo	M	HFLA TV ZIM	Media
64	V. Jeche	F	University of Zimbabwe	Lecturer
65	J Mukuruba	M	Agricultural Marketing Authority (AMA)	State Marketing Board

		66	Junior Manduna	F	Agricultural Marketing Authority (AMA)	Public Relations
		67	S Jumbe	M	Majestic	Participant
		68	A Zengeya	F	Zimbabwe Farmers' Union (ZFU)	Farmer-Activist
		69	Casper Mlambo	M	ZTA	Agricultural manager
		70	Tsitsi Zano	F	CCMT	Comm Officer
		71	Jonas Chindanya	M	CGA	Agribusiness
		72	Batsirai Sibanda	F	Environmental Management Agency (EMA)	
		73	Rodger Mpande	M	ZERO	Director/Activist
		74	Charity Rusere	F	SELF	Student
		75	Angeline Zengeya	F	Zimbabwe Farmers' Union (ZFU)	Farmer
		76	Ryan Ndadzungira	M	FCTZ	Officer/ Activist
		77	Courage Marange	M	Zimbabwe Farmers' Union (ZFU)	Officer/Activist
		78	Peter Chapoterera	M	Alliance Ginneries	Agribusiness
		79	D Tevera	M	Zimbabwe National Farmers Union (ZNFU)	Farmer Activist
		80	P Rabvukwa	M	Boost Africa	Participant
		81	F Mashaninga	M	Voedsel Tobacco	Agribusiness
		82	K Rozho	F	Zimbabwe National Farmers Union (ZNFU)	Farmer Activist
		83	Gerald Mangena	M	The Space	Media
		84	Diana Magwaza	F	Curverid Tobacco	Agribusiness
		85	Ngoni Chikowe	M	Zimbabwe Organic Smallholder Farmers' Forum (ZIMSOFF)	Farmer Activist
		86	Kwashirai Zvokuomba	M	Women's University	PhD Student/Lecturer
		87	Kaswarere Brian	M	Pamuka Pvt Ltd	Agribusiness
EAST AFRICA	Tanzania	88	Emmanuel Sulle	M	PLAAS	Researcher
		89	Richard Mbunda	M	University of Dar es Salaam	Researcher
	Kenya	90	Lyn Ossome	F	MISR	Senior Research Fellow
	91	Teddy Triza Nakanwagi	F	Makerere University	Phd Student	
	Uganda	92	Kabiito Denis	M	Young Farmers Federation of Uganda (UNYFA)	CEO
WEST AFRICA	Mali	93	Mamadou Goita	M	IRPAD	Director/ Researcher/Activist
	Ghana	94	Fatima Von	F	University of Cape Coast	PhD Student
		95	Ashok Dhawale	M	JNU- New Delhi	Professor

	India	96	Praveen Jha	M	JNU- New Delhi	Researcher/ PhD Student
		97	Manish Kumar	M	JNU New Delhi	Professor
ASIA		98	Sukphal Singh	M	CIPT	Associate Fellow
		99	Gurpreet Singh	F	Southwest University	Associate Professor
	China	100	Sit Tsui	F	Schumi	Co-founder
	Cillia	101	Ying Liang	M	Hong Kong University	Professor
		102	Paris Yeros	M	UFABC	Professor
	Brazil 104 105 106 N RICA	103	Jose Paulo	F	Federal University of ABC	Professor
		104	Andrea Santos	M	Federal University of ABC	Researcher
		105	Bruna Gaudencia	F	Federal University of ABC	Professor
		106	Thiago Lima	F	Federal University of ABC	Student
LATIN AMERICA		107	Gabriela Mendes	F	Universidad Federal De Pernsmbucco	Researcher
		108	Jenifer Queila Santana	F	University of Cambridge	Lecturer
	Colombia	109	Helena Perez Nino	F	SOAS	Lecturer
	Argentina	110	Agostino Constantino	F	Universidad Nacional de San Martin	Professor
EUROPE	Italy	111	Andrea Ferrante	M	International Agroecology School	Coordinator

FAO & IISD STAFF

112	Mr. Craig Chibanda	M	FAO HQ	RAI Team
				FAOR/SFS-
113	Patrick Kormawa	M	FAO Zimbabwe	Coordinator
114	Mr. Israel Klug	M	FAO HQ	Programme Officer
115	Mr. Michael Riggs	M	FAO HQ	RAI Team Leader
	Munyaradzi			Agribusiness
116	Machila	M	FAO Zimbabwe	Specialist
	Mr. Leonard			Communications
117	Makombe	M	FAO Zimbabwe	Officer
				Agriculture and
118	Ms. Sarah Brewin	F	IISD	Investment Advisor

INTERNATIONAL AGRIBUSINESS

				General Manager
				Nestle Zimbabwe,
119	Ben Ndiaye	M	Nestlé	Zambia and Malawi
				Public Relations
120	Yemurai Zhou	F	Nestlé	Officer
			CJ Cheil Jedang	
121	Byoung Soo Lee	M	(Myanmar)	Managing Director
	Daniel Gonzalez			Outgrowing and
122	Dellacha	M	Ferrero International	Development

				Head of
			Philip Morris	Diversification, Leaf
123	Andre Burkett	M	International	PMI

Annex 2 : Agenda of the International Symposium on Contract Farming and other inclusive business models

Day 1: Contract farming and smallholder agriculture: current contexts and prospects

	MORNING
08:30 - 09:00	Arrival and Registration
09:00 - 09:30	OPENING REMARKS Dr. Patrick Kormawa, Subregional Coordinator for Southern Africa, Food and Agriculture Organization of the United Nations (FAO) Mr. Joshua Nyoni, Chairperson, Sam Moyo African Institute of Agrarian Studies (SMAIAS) SESSION 1: RESPONSIBLE INVESTMENTS IN AGRICULTURE AND FOOD SYSTEMS: TRENDS AND CHALLENGES
09:30 - 10:10	 Moderator: Prof Sukhpal Singh, Indian Institute of Management Responsible Investments in Agriculture and Food Systems: Mr. Michael Riggs, Food and Agriculture Organization of the United Nations (FAO) Contribution of family farmers to investment in agriculture: Mr. Ngoni Chikowe, Zimbabwe Smallholder Organic Farmers' Forum (ZIMSOFF)
10:10 - 10:25	TEA BREAK
10:25 - 11:40	 SESSION 2: PANEL DISCUSSION- INCLUSIVE BUSINESS MODELS FOR SMALLHOLDERS Moderator: Dr. Ashok Dhawale, All Indian Kisan Sabha Contract farming as an inclusive business model: Ms. Sarah Brewin, International Institute for Sustainable Development (IISD) State-Led Contract Farming: Mr. Freedom Mazwi, Sam Moyo African Institute of Agrarian Studies (SMAIAS) Public Food Procurement: addressing barriers to entry: Mr. Israel Klug, Food and Agriculture Organization of the United Nations (FAO)
11:40 - 12:40	SESSION 3: REGIONAL PERSPECTIVES ON CONTRACT FARMING (AFRICA): CASE STUDY OF CONTRACT FARMING IN ZIMBABWE Moderator: Dr Lynn Ossome, Makerere Institute of Social Research Mr. Walter Chambati, Sam Moyo African Institute for Agrarian Studies (SMAIAS)
12:40 - 13:45	LUNCH BREAK
13:45 - 14:45	SESSION 4: REGIONAL PERSPECTIVES ON CONTRACT FARMING (LATIN AMERICA AND THE CARIBBEAN): CASE STUDY OF CONTRACT FARMING IN BRAZIL AND ARGENTINA Moderator: Prof Mamadou Goita, IRPAD Prof. Paris Yeros, Federal University of ABC (UFABC), Brazil Prof Thiago Lima, Federal University of Paraiba, Brazil Prof. Agostina Constantino, Universidad Nacional de San Martín, Argentina
14:55 - 15:45	SESSION 5: REGIONAL PERSPECTIVES ON CONTRACT FARMING (ASIA AND THE PACIFIC): CASE STUDY OF CONTRACT FARMING IN INDIA Moderator: Prof. Jose Pinto, Federal University of ABC (UFABC) Prof. Praveen Jha, Centre for Economic Studies & Planning (CESP), Jawaharlal Nehru University (JNU), India

15:45 - 16:00	TEA BREAK
16:00 - 16:35	SESSION 6: International perspectives on Contract Farming: Contract Farming in the Hazelnut Supply Chain Moderator: Dr Andrea Santos, Federal University of ABC
	Mr. Andrea Ferrante, Schola Campesina
	SESSION 7: Policy Dialogue: Synthesis, Policy Directions and Issues for Further Research
	Moderator: Prof. Sit Tsui, Southwest University, China
	Mr. Craig Chibanda, Food and Agriculture Organization of the United Nations (FAO)
16:35 - 17:45	Prof. Praveen Jha, Centre for Economic Studies & Planning (CESP), Jawaharlal Nehru University (JNU)
	Prof. Paris Yeros, Federal University of ABC (UFABC), Brazil
	Prof. Sukhpal Singh, Indian Institute of Management
	Ashok Dhawale, All India Kisan Sabha
	CLOSING REMARKS
17:45 - 18:00	Prof Praveen Jha, Centre for Economic Studies & Planning (CESP), Jawaharlal Nehru University (JNU), India Mr. Michael Riggs, Food and Agriculture Organization of the United Nations (FAO)

DAY 2: MULTI-STAKEHOLDER DIALOGUE ON CONTRACT FARMING AND OTHER INCLUSIVE BUSINESS MODELS

	MORNING
08:30-09:00	Arrival and Registration
	SESSION 1: THE STATE OF CONTRACT FARMING AND RESPONSIBLE INVESTMENT IN AGRICULTURE AND FOOD SYSTEMS
09:00-10:00	Moderator: Mr. Michael Riggs, Food and Agriculture Organization of the United Nations (FAO) Prof Praveen Jha, Centre for Economic Studies & Planning (CESP), Jawaharlal Nehru University (JNU), India Mr. Craig Chibanda, Food and Agriculture Organization of the United Nations (FAO) Ms. Sarah Brewin, International Institute for Sustainable Development (IISD)
10:00- 10:30	TEA BREAK
	SESSION 2: PANEL DISCUSSION: Raising the Voices of Family Farmers Engaged in Contract Farming
10:30-11:45	Moderator: Ms. Sarah Brewin, International Institute for Sustainable Development (IISD) Ms. Angeline Zengeya, Zimbabwe Farmers Union (ZFU) Dr Ashok Dhawale, All India Kisan Sabha Mr. Andrea Ferrante, Schola Campesina Mr. Denis Kabiito, Young Farmers Federation of Uganda (UNYFA)
11:45-13:00	SESSION 3: PANEL DISCUSSION: THE ROLE OF THE PRIVATE SECTOR IN ENSURING RESPONSIBLE CONTRACT FARMING Moderator: Mr. Michael Riggs, Food and Agriculture Organization of the United Nations (FAO) Mr. Daniel Gonzalez Dellacha, Ferrero International Mr. Andre Burkett, Philip Morris International(PMI) Mr. Ben Ndiaye, Nestlé Mr. Jonasi Chindanya, Cotton Ginners Association of Zimbabwe (CGAZ) Mr. Byoung Soo Lee, CJ Cheil Jedang (Myanmar)
13:00-14:00	LUNCH BREAK
	SESSION 4: THE WAY FORWARD- MOVING TOWARDS BETTER CONTRACTUAL ARRANGEMENTS BETWEEN PRODUCERS AND THE PRIVATE SECTOR
14:00-16:00	Moderator: Mr. Craig Chibanda, Food and Agriculture Organization of the United Nations (FAO) Ms. Sarah Brewin, International Institute for Sustainable Development (IISD) Prof. Mamadou Goita, l'Institut de recherche et de promotion des alternatives en développement (IRPAD) Mr. Denis Kabiito, Young Farmers Federation of Uganda (UNYFA) Mr. Byoung Soo Lee, CJ Cheil Jedang (Myanmar)
16:00-16:30	TEA BREAK
16:30 –17:00	CONCLUDING REMARKS Mr. Michael Riggs, Food and Agriculture Organization of the United Nations (FAO) Ms. Sarah Brewin, International Institute for Sustainable Development (IISD) Prof Praveen Jha, Centre for Economic Studies & Planning (CESP), Jawaharlal Nehru University (JNU), India