



Inclusive Contract Farming (iCF)

ABF – Business Support Facility for Resilient Agricultural Value Chains

Context and approach

Inclusive contract farming is a powerful approach to strengthen sustainable and resilient agricultural value chains. By promoting fair agreements between farmers and buyers, it enables smallholder farmers to access stable markets, improve productivity, and increase their incomes. At the same time, buyers benefit from a more reliable supply of quality products and reduced sourcing risks. Strengthening trust and transparency between all actors contributes to long-term business relationships, making agricultural systems more competitive and resilient. To support this, GIZ promotes inclusive contract farming models that drive economic growth while ensuring small-scale producers are not left behind. The GIZ methodology to promote contract farming as an inclusive business model (iCF) is based on four principles: Trust that builds on fair and transparent communication, scope of negotiation that recognizes farmers as business partners, incentives for mutual benefits, and mitigation and sharing of risks.

New features in training materials

ABF has developed a revised set of training materials that includes new features such as

- ✓ a didactic guide for trainers and coaches
- ✓ enhanced interactive elements
- ✓ an economic tool for cost-benefit analysis
- ✓ a linear responsibility chart to clarify roles

Project name	Agri-Business Facility for Africa Co-implementing the Joint Action "Business Support Facility for Resilient Agricultural Value Chains"
Partner Countries	Africa (BMZ) All 79 OACPS member states (under EU Cofi)
Volume	37,498,821 EUR (23,810,854 EUR by EU; 13,687,967 EUR by BMZ)
Duration	January 2020 to June 2027
Implementing Partners	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH



Training objectives and target group

The training includes a 1-day Sensitization Workshop and a more in-depth 3.5-day Basic training, with options for complementary targeted sessions, field visits, or coaching. It is designed for decision-makers in off-taking companies and producer organizations at both the management and operational levels. Each session accommodates 16 to 24 participants, ensuring a balanced mix of off-takers and suppliers, whether potential or existing contract partners.

What is the iCF training about?

The sensitization workshop aims to raise awareness about opportunities for increasing supply chain efficiency and improving product competitiveness through the development of inclusive contract farming business models that tap into market opportunities. It also introduces the GIZ methodology for promoting iCF as an inclusive business model. The basic training enables participants to design or optimize iCF schemes tailored to their specific context. The training covers the following topics:

- Context, partners, definitions, and principles
- Roles and responsibilities for successful collaboration
- Business models at the interface between buyers and suppliers
- Economics of Win-Win partnerships
- Pricing mechanisms and incentives
- Contract features and negotiations
- Management systems in contract farming



"I think contract farming will really help women and smallholder farmers, especially in most of the communities where the women always lag. Contract farming provides the collaboration that these groups need to thrive and receive inputs that can sustain their farms (...). With this approach, even farmers with 2 or 3 acres can benefit." Huzeima Abdulai, Field officer, Ndi Suglo Farms, Ghana.

"I realized it that it's mostly down to communication and making everything known from the beginning, by spelling out all the key issues and terms surrounding the contract. I think communication is key, should not just be at the contract formation stage, but throughout the whole process down to when the off-takers receive their goods" Hisham Seidu, General manager, Kukobila Nasia Farms Limited, Ghana.



The training uses a mix of input from contract farming experts and interactive methods, including plenary discussions, working groups, case studies, role plays, and practitioner sessions. They introduce practical tools such as the Business Model Canvas (BMC), an Excel-based economic tool for cost-benefit analysis, and the Linear Responsibility Chart. Participants are encouraged to share experiences, ask questions, and engage actively, as this workshop for professionals is not just about learning from the trainers, but also about learning from one another.



Group discussion during the iCF pilot session in Tamale-Ghana

Scaling inclusive contract farming

After the successful piloting of a revised set of materials in February 2025, ABF is looking forward to scaling up the approach with partners in West, East and Southern Africa. ABF supports interested companies, organizations, or development programs in implementing the training within their value chains and in promoting viable and inclusive contract farming schemes. Parties interested in engaging in or improving existing contract farming schemes can build on documented impact, cost-effective standard tools, and an Africa-wide network of Master trainers and coaches.

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