COMMUNITY OF PRACTICE ON LEGAL ASPECTS OF CONTRACT FARMING

Co-leaders

- The International Institute for the Unification of Private Law (UNIDROIT)
- The Food and Agriculture Organization of the United Nations (FAO)
- The International Fund for Agricultural Development (IFAD)

Background

Contract farming, broadly understood as agricultural production and marketing carried out under a previous agreement between producers and their buyers, supports the production of a wide range of agricultural commodities and its use is growing in many countries.

Contract farming helps increase agricultural productivity, improve the livelihood of the rural poor, and may play a role in preventing rural exodus. These and other potential economic and social benefits explain the interest of many domestic policy makers and international organizations in promoting sustainable contract farming models as part of their efforts to achieve food security.

Over the last years UNIDROIT, FAO and IFAD have partnered together to create a global soft-law instrument providing legal guidance for contract farming operations, the UNIDROIT/FAO/IFAD Legal Guide on Contract Farming, which was published in July 2015. The Legal Guide intends to raise awareness among all stakeholders regarding the legal dimension of contract farming and to generally enhance fair and economically beneficial relationships between agricultural producers and contractors. It intends to serve as a “good practice” reference by providing guidance for parties engaged in contract farming operations, and for policy makers in the context of the formulation of public governance instruments to sustain agricultural development. The Guide provides an additional tool available to international organisations and bilateral cooperation agencies as well as nongovernmental organisations engaged in strategies and programs in support of contract farming in developing countries.

UNIDROIT, FAO, IFAD have established - within the framework of the Global Forum on Law, Justice and Development (GFLJD) - a Community of Practice to promote a favourable legal environment for contract farming operations to support agricultural development. The Global Forum on Law, Justice and Development (GFLJD) provides an innovative and dynamic framework for the exchange of law in development knowledge, connecting developing countries, think-tanks, regional and international organizations, international financial institutions, and civil society organizations with relevant research and practice.
Objectives of the Community of Practice

The Community of Practice has the main objective of promoting a favourable legal environment for contract farming operations through knowledge sharing and dissemination, as well as projects pursued individually by the partners and members or on the basis of joint initiatives.

A dedicated internet webpage serves as a repository of information and a platform for the exchange of knowledge among partners, and the dissemination of tools and projects in furtherance of the objectives of the Community of Practice.

The Community of Practice provides an opportunity for partners and members to give visibility to their activities and build synergies with potential partners, including sponsor and financing institutions, for the development of products and projects.

Partners and members of the Community of Practice

Participation in the Community of Practice is open to international and national institutions working in the development, legal harmonisation and agricultural fields, private and public sector groups representing both agricultural producers and buyers, as well as academic and research institutions or individual experts with an interest in the area.

Projects and activities of the Community of Practice

Activities and projects contemplated for the period 2015-2017 will focus on:

- establishing and maintaining a network of partners and members, mainly with international organizations, representatives and counsels of the farming community and the private sector, academic legal circles and government entities;
- developing additional content for the Community of Practice Website. As a repository of legal resources, the website will include, *inter alia*, the research material collected during the preparation of the Guide, as well as tools and instruments developed by partners and members;
- promoting divulgation events, academic and research activities and the preparation of knowledge instruments;
- preparing communication tools and strategy to support the activities of partner institutions.