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“Bridging the gap between increasing knowledge and decreasing resources”

Management in Agri-Food Chains: What Do We Know about Contracts and How to Move Forward?

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Abstract

Today's increase in number of people consuming food and expecting its timely and quality supply urges to introduce new ways of coping with scarce resources. From the available knowledge bases, the emerging interdisciplinary approaches combine practical agricultural, economic, business, social and legal principles in order to assist sustainable development. This is particularly the case in supply chain management of agri-food systems in developing countries where different stakeholders engage in activities that secure delivery to the markets. The research focuses on one aspect of chain management - the contracts between company and farmers - and the role they play in Sub-Saharan African context. The main problem explored by the study is the status of contracting; namely under which conditions it works and what it brings to involved parties. In addition, the following question leads the research: how can we move further in understanding the contracts to make them work better for the poor and concurrently support economic progress? The gap in the literature involves lack of systematic review and exposure of evidence from Sub-Saharan Africa that could enable comparison of topics such as (i) benefits for farmers, (ii) benefits for companies, (iii) motivation for participation, (iv) contract preferences, (v) risk sharing, (vi) political surrounding and does it support contracting, (vii) market characteristics, and (viii) other external factors influencing contract implementation. The aim of the research is to analyse and synthesize the data on contracts from selected African countries and discuss the findings in the light of multidisciplinary lens. This will secure drawing more informed and in-depth conclusions, since connecting various disciplines and testing the evidences against their paradigms helps to indicate where the contracting does (not) work. In reviewing the literature, research employs adjusted systematic review method that tracks 9 steps: writing the protocol, literature searching, screening, obtaining sources, selection, quality assessment, data extraction, analysis and synthesis, and discussion. The study included 25 published scientific studies from 2000 to date. It finds similarities in reported benefits and problems, and differences in policy and market characteristics that enable contracting in studied countries. Further research should explore and develop tools for assessing the contract efficiency.

Keywords: Analysis, contracts, supply chain management, systematic review