

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



Linking Small Farmers To Markets: Focusing on CONTRACT FARMING in IRAN

Mohammad Khaledi

Ministry of Agriculture
Department of Planning and Economic
Director General of Economic Affairs

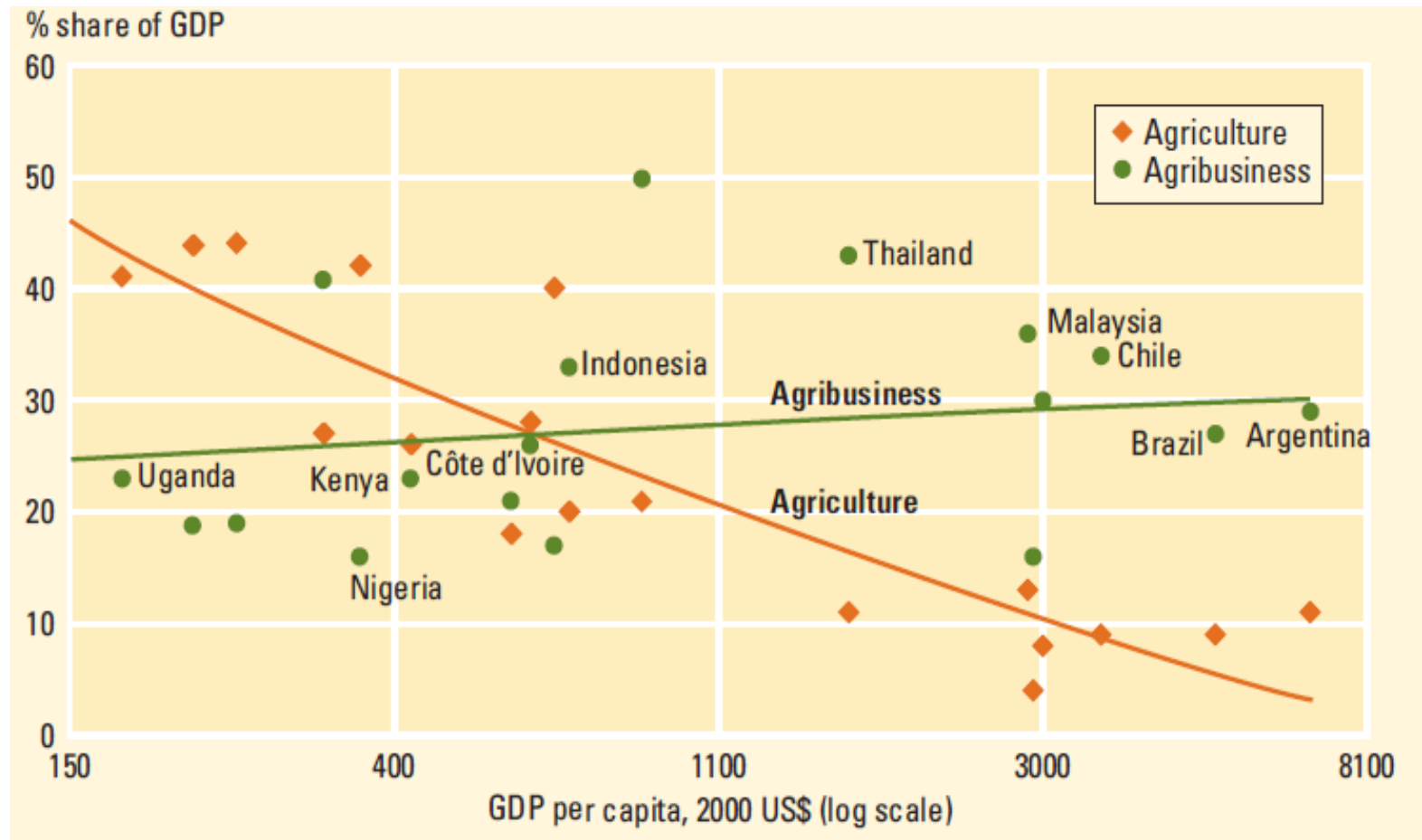
Contract Farming in IRAN

**7th Development Plan of
IRAN:**

**20% of Production Must
Produce Under**

Contract Farming

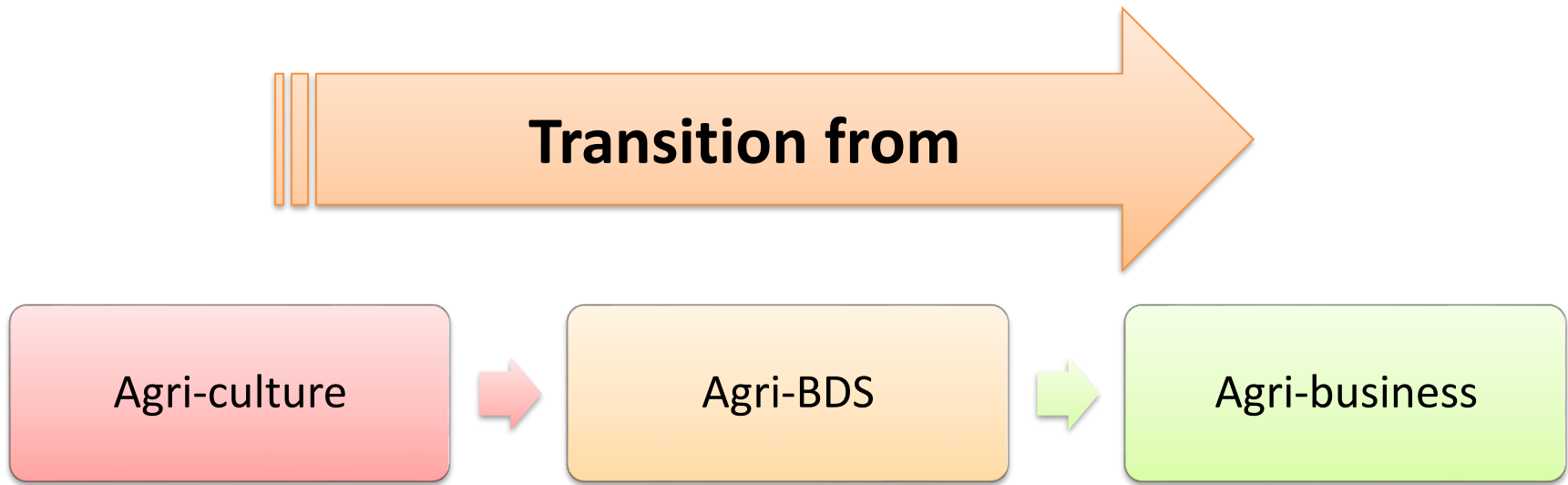
Relationship between the Share of Agribusiness in GDP and the Developing Degree



Changing the Share of Agribusiness in GDP of Some Developed and Developing Countries

<i>Country</i>	<i>Agriculture's Share of GDP</i>	<i>Agribusiness' Share of GDP*</i>	<i>Combined Agriculture and Agribusiness Share of GDP</i>
South Africa	4	16	20
Nigeria	42	16	58
Uganda	41	23	64
Kenya	26	23	49
Zimbabwe	18	21	39
Ghana	44	19	63
All SSA	32	21	53
<i>For Comparison</i>			
United States	1	13	14
Brazil	8	30	38
Argentina	11	29	40
Mexico	9	27	36
Indonesia	20	33	53
Thailand	11	43	54
Chile	9	34	43

Main Stagey: **Developing Agribusiness**



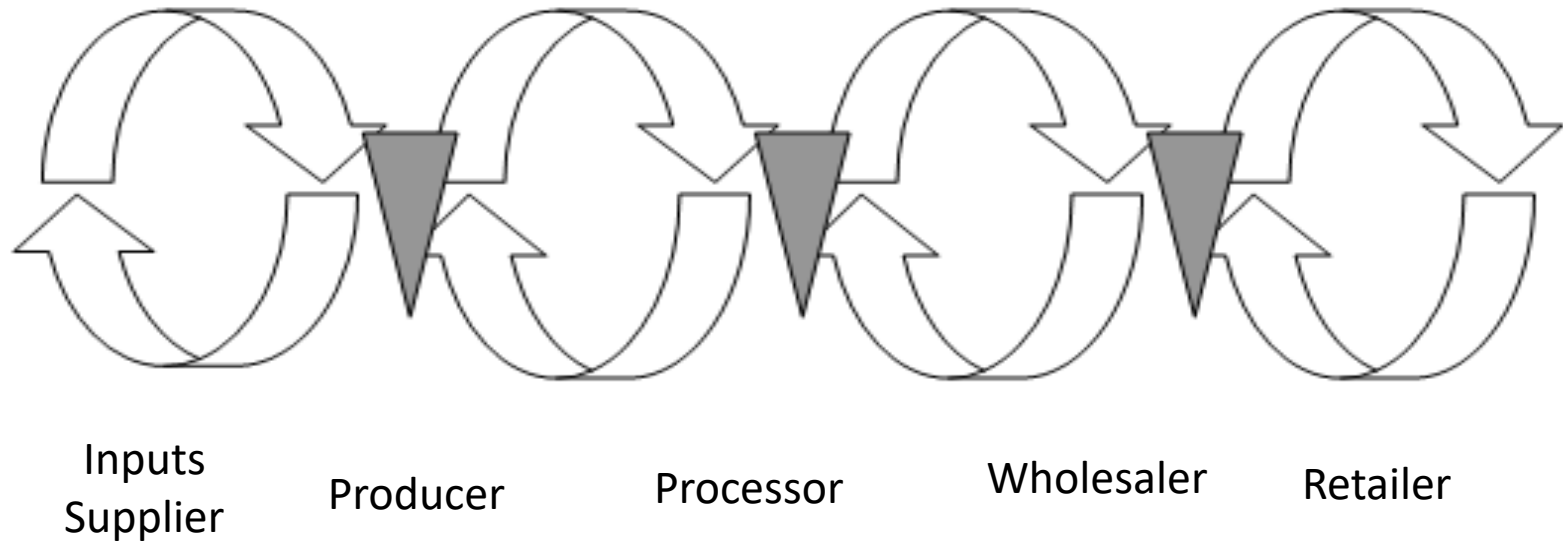
**Focusing on SC Management
(Contract Farming)**

The Main Challenges of Developing SC

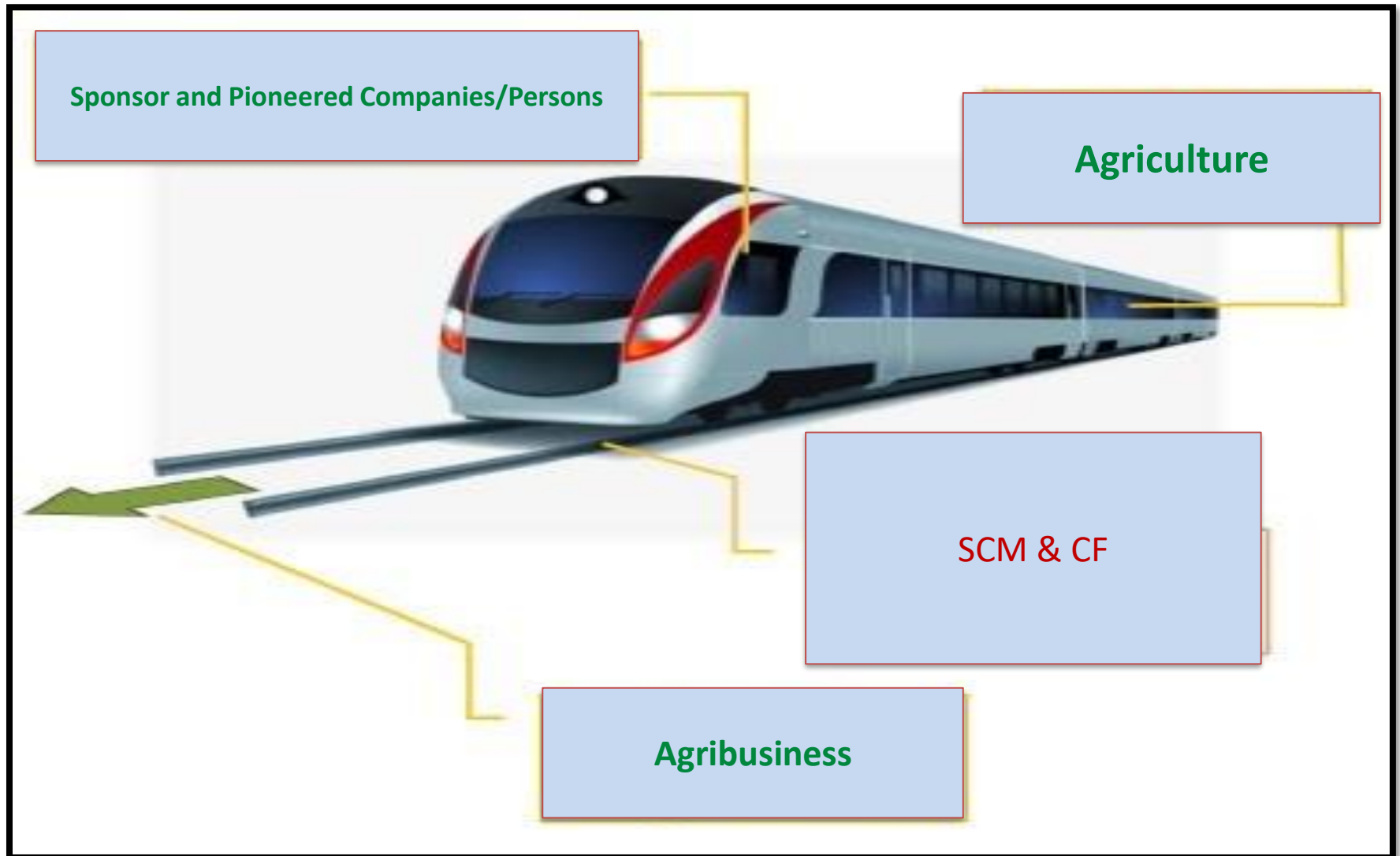
Low
Coordination
between SC
Actors



Traditional and Modern Approaches to: SC Actors



The Role of Sponsor Companies in CF Development



What We Done in Iran? for Developing Contract Farming

The Main Activities and Actions We Have Done

1

- Determining the Main **Competitive SCs** by Provinces and Agricultural Products

2

- Approving the **Contract Farming Finance Model** in Central Bank of IRAN

3

- **Preparing Procedures and Instructions** for Developing CF by Ministry of Agriculture.

The Main Activities and Actions We Have Done

4

- Establishing the **“National Working Group of CF”** with Members from Private and Public Sector.

5

- Distinguishing the Potential Sponsors in Different Areas of agriculture and **Issuing Certification** for them.

6

- Conducting **some Incentives** for the Sponsors and Farmers that follow CF Instructions, including loans, preferred loans, extension new methods of financing .

Thanks

