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AGRI-JOBS 4 YOUTH!
GFA CONSULTING GROUP
AFRISCOPE RESEARCH

CASE STUDIES

Driving Success in the Inclusive Contract (iCF) Farming Portfolio

To illustrate how the iCF model operates across different value chains and institutional arrangements, the following two case studies highlight contrasting yet highly successful models from the Western Kenya portfolio.

Under the Agri-Jobs **4 Youth** initiative, GIZ in partnership with GFA Consulting Group, has implemented the Inclusive Contract Farming (iCF). The approach strengthens inclusive, commercially viable partnerships between agribusinesses and smallholder farmers through structured market linkages, capacity building, and investor readiness support.

CASE STUDY 1:

Regulated-Chain Discipline and Cluster Governance

Enterprise:
Harvester Road Organic Foods Ltd.

Value Chain:
Certified Soybean Seed Multiplication

Location:
Siaya (North Gem, Bondo) and Kisumu (Ahero)

The Challenge

Multipliers of certified agricultural seeds in Western Kenya frequently struggle with high contamination risks, isolation distance violations, informal seed retention, and severe side-selling when grain buyers offer spot cash. Without rigorous oversight, seed quality degrades rapidly, disqualifying producers from formal markets governed by the Kenya Plant Health Inspectorate Service (KEPHIS).



A soybean seed farm in Siaya county supported by Harvester Road Organics.

The Intervention

Harvester Road partnered with GIZ AJ4Y to deploy a **Centralized iCF Model** anchored in structured **Common Interest Clusters**. Rather than dealing with scattered individual smallholders, the enterprise works through democratically elected lead farmers who oversee local clusters. Every farmer enters a formal, written agreement (backed by Kiswahili summaries) and receives foundation seeds, biofertilizers, and continuous agronomic supervision. Delivery, weighing, and quality inspection happen at designated cluster collection points, with payments processed securely within 7 to 14 days.

The Outcome & Impact

- **Lowest Portfolio Diversion Rate:** Strict cluster governance and prompt payment kept side-selling of committed volume **below 8%**, the lowest recorded across all ten assessed schemes.
- **Full Traceability:** Every harvested seed lot maintains complete backward traceability from the warehouse to the specific production field, satisfying rigorous statutory certification standards.
- **Testimonial / Operational Insight:** Cluster members confirmed that localized input distribution and transparent grievance-handling procedures built enduring trust, transforming smallholders into professional commercial seed multipliers.

CASE STUDY 2:

Circular Economy and Aligned Incentives by Design

Enterprise:

Gare Holdings Ltd (trading as Mzuri Organics)

Value Chain:

Organic Fertilizer and Bio-Inputs (Vermicompost)

Location:

Kakamega County (Musembe, Lugari)

The Challenge

Organic waste management across rural and peri-urban Western Kenya remains a major environmental hazard, while smallholder farmers desperately need affordable, high-quality soil amendments to combat acidic, depleted soils. Traditional input supply models often fail because rural households cannot afford commercial chemical fertilizers.

The Intervention

Mzuri Organics pioneered a **Hybrid Out-Grower & Circular Economy Model** through its *Inclusive Regen Circles*. Instead of growing a traditional crop, participating rural households convert their own organic farm and kitchen waste into high-grade vermicompost. Mzuri Organics provides technical capacity building, quality assurance monitoring, and guarantees weekly offtake at its Musembe processing facility, issuing fixed Friday mobile money or cash payments.

The Outcome & Impact

- **Zero Diversion by Design:** Because households utilize their own waste to produce an input processed locally with no competing buyers, side-selling (diversion) is non-existent.
- **External Quality Certification:** Finished biofertilizers carry official Kenya Bureau of Standards (KEBS) marks and KEBS-tested verifications, opening access to large-scale institutional agricultural markets.
- **Inclusive Empowerment:** The low barrier to participate (no land ownership required) creates steady, reliable monthly income streams specifically suited for rural women and youth, turning an environmental liability into a profitable commercial asset.



Youth inspecting a vermicomposting unit.

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