Opportunities for Youth in the Seed Sector

60 percent of Sub-Saharan Africans are under 25 years of age. The majority of youth lack the skills needed to gain employment in the formal sectors, with rural youth typically, but often fruitlessly, emigrate in search of economic opportunities. Increased participation by youth in the agriculture value chain in the region is imperative and vital to facilitate food and nutrition security now and in the future.

Seed business is an emerging opportunity for youth in agriculture in Africa. The seed sector has seen a rise in community-based schemes. There is a market opportunity to supply farmers with quality seed of improved varieties. The youth, being the future of African Agriculture must realise the potential presented by the sector. This newsletter presents FANRPAN’s work in the seed sector and opportunities for the youth.

What Youth Need to Know about Seed Availability in Africa

- The global seed market is worth $47 billion and Africa’s market share is only 3%.
- Most farmers in Africa obtain their seeds from informal channels such as farm saved seeds, seed exchanges among farmers or/ and local grain/seed market.
- Informal channels contribute to about 90-100% of seed supply depending on the crop.
- Seed quality is a challenge as there is fake seed. Unscrupulous traders buy grain, colour the grain red or green, package it in new seed bags, and sell the ‘seed’ to unsuspecting farmers. This fake seed may not germinate at all.
- Farmers have difficulty in accessing the seed market – it is far from farmers.
- Majority of food crops are grown by smallholder farmers and most of them have little resources.
- In Africa, trade barriers between member states have prevented seeds from moving quickly across borders when there is a seed deficit due to disasters such as flooding, drought or pest infestation.
- Fragmented seed legislation in Africa has meant that sourcing seeds between neighbouring countries is a complicated and lengthy process that leaves farmers without the seeds to grow crops.
Harmonisation of Seed Legislation in SADC

The Harmonised Seed Security Project (HaSSP) is a FANRPAN project funded by the Swiss Agency for Development and Cooperation. The project seeks to address seed security in the SADC region by aligning national seed policies in order to increase availability of and access to quality affordable seed for smallholder farmers. The project also seeks to empower smallholder farmers, especially women and youth farmers, by strengthening their capacity to produce and access high quality seed. Therefore, a major part of the project is the establishment and/or strengthening of community-based seed production enterprise by smallholder farmers (with a bias for women farmers) in each of the project pilot countries.

HaSSP was developed through a consultative process and is currently being piloted in four countries, namely, Malawi, Swaziland, Zambia and Zimbabwe. The period of the pilot project is 1 January 2010 to 31 December 2013. As a result there are funded activities for farmer selection and farmer mobilisation, procurement of inputs, seed production and processing, as well as seed certification and quality control. The HaSSP also funds farmer training through community seed workshops, as well as provision of small-scale seed processing and storage equipment. This component of the project provides youth with opportunities.

<table>
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<th>HaSSP has five main objectives:</th>
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<td>• Align seed variety release policies according to the SADC Seed Regulatory System</td>
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<td>• Align seed certification policies according to the SADC Seed Regulatory System</td>
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<td>• Align phytosanitary policies according to the SADC Seed Regulatory System</td>
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<td>• Strengthen seed certification facilities and equipment</td>
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<td>• Assess institutional and individual capacity needs, and capacity strengthening.</td>
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### The SADC Seed Regulatory System Pillars

The SADC Seed Regulatory System has three pillars as follows:

- **The SADC Variety Release System** which makes it easier and cheaper for new and existing varieties to gain access to SADC Countries – thus stimulating availability of more varieties, encouraging more companies to invest in seed business in SADC countries and therefore, increasing farmers’ choice.

- **The SADC Seed Certification and Quality Assurance System** which ensures that seed of varieties listed in the SADC Regional Variety Catalogue and traded among SADC Member States is of consistently high and known quality, and that movement of the seed is more efficient and thus less costly.

- **The SADC Quarantine and Phytosanitary Measures for Seed** which reduce costs related to seed trade, and encourage faster and safer movement of seed. This will be reached through (i) establishment of transparent and science-based common Standards and Procedures for seed movement in the SADC region, supported by documentation; and (ii) through the introduction of rationalised SADC pest lists for the movement of seed between Member States, and from outside countries into the SADC region.
The SADC Seed Sector

Smallholder farmers currently use almost 10% of improved seed varieties as a result of limited access to quality improved seed varieties at affordable prices. This limited access is caused by poor road infrastructure in communal areas where smallholder farmers reside thus restricting access to markets for their inputs and produce. The price of agricultural inputs is not affordable for the smallholder farmers. Therefore, improved market access drives productivity in that it provides a greater demand pool. This would encourage smallholder farmers to use improved seed varieties which improve crop productivity and profitability.

Seed companies can only market their seed in countries where it has been tested in yield and variety performance trials. The seed must also be registered under the national variety release and certification scheme. This makes the SADC region unattractive to investors as it takes a minimum of four years to register seed varieties and to market them in other countries. Through the harmonisation process varieties can be registered in the SADC Variety Catalogue. Seeds of varieties listed in the Catalogue can be sold in all SADC member states without restrictions related to variety. This therefore, opens up borders and increases the SADC seed sector and attracts more investors.

Seed stakeholders in a SADC country find it difficult to import or export seed from other countries as minimum standards across SADC countries are quite different. This makes it especially challenging in times of need such as droughts. Therefore, by aligning to the SADC Seed Regulatory System through the harmonisation process there will be easier, cheaper and faster seed movement between SADC member states as import and export requirements will be uniform. This will also eliminate duplication of effort and cost in terms of conducting seed quality tests in both the exporting and importing countries.
Opportunities for the Youth in the Seed Sector

Smallholder farmers are forced by circumstances to recycle previous seasons harvest as seed while specialised commercial farmers would be interested in high-performing single-cross hybrids with special traits. This directly affects productivity as the quality of the seed is not assured. There are opportunities along the Seed Value Chain that can be explored by young people.

The Seed Value Chain

Regulatory Environment

Certification and control bodies

Research
Certification
Multiplication
Control and support
Packaging and marketing
Storage
Wholesale
Retail
Farmers

Financial service provision

Transportation

Market information

Formation

Source: NEPAD¹

Research is an important aspect in the seed sector. It is important to identify the target market so that, relevant issues can be researched using efficient tools. There are opportunities for young scientists to engage in breeding and development of varieties that are suitable for various agro-ecological zones. This research in the seed sector involves opportunities identify the market in which the end product will be targeting, laboratory investigations, planting the actual seed for testing and selection.

There are four inter-related components of research in the seed sector; breeding; product development and advancement; seed production research; and marketing and agronomic services. If all four components work in harmony, the chances of business success increases. Young people must be mindful of the fact that seed markets frequently shift due to changes in farmer preferences, consumer and industrial requirements, environmental impacts and activities of competitors, therefore as an entrepreneur one needs to be agile and active in product provision.

¹ http://www.cmaoc.org
**Seed production** therefore provides an opportunity for young people to bring their technological skills to bear and produce high quality seed. Seed production requires a long term view if the business is to be sustainable, as decisions made in one year may affect seed availability two to three years later.

Furthermore, seed is monitored and tested at various stages from the field until the packaging phase. In the formal sector, seed is only deemed seed once it has been certified; therefore, **Seed Certification** forms a key part of the value chain creating opportunities for youth. However, rules and procedures for certifying seed are laid down in seed regulations of the country in which the seed is produced.

Therefore, before venturing into the seed business, one need to familiarise themselves with these regulations. Certified seed varieties must be multiplied in order to increase availability, therefore, **Seed Multiplication** also presents an opportunity within the value chain. Youth can engage through contract growing for seed companies.

**Packaging and marketing** of seed forms an integral part of the value chain. For market credibility, seed has to be well packaged before it can be marketed. There are opportunities for youth to provide packaging material to seed companies; chemical treatments and coating used for seed identification.

Seed value losses due to factors such as improper harvesting, poor drying and storage of seed are the biggest challenges in the seed sector; therefore, **post-harvest** care for seed and **storage** facilities are an opportunity that can be explored. This is however associated with high capital costs but in the long term is beneficial.
Linking farmers to markets through the provision of **Market Information** is an opportunity for youth as they have access and skills in new technologies and mobile devices. **Wholesale and retail** of seed is an opportunity for youth that want to pursue entrepreneurship in the sector. Seed unlike normal crops has the potential for high return as it is a specialised component in agriculture. This also requires a higher standard of management by adhering to seed certification regulations; this increases the potential of any crop.

**Transportation** of seed from field to testing centres and markets is a challenge for farmers and they require support in this regard.

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**Business Options in the Seed Sector**

There are different business options in which the youth can get involved in the seed business, one can be a **Sole trader** – with the business owned and managed by one person; **Partnerships and cooperatives** – an association of two or more persons who establish and manage a business and co-owners; **Incorporated company** – the business becomes a legal entity in itself, even though the owners still have direct control over the business as shareholders.

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**HaSSP Mid-Term Review**

This year, the HaSSP project is halfway through its life cycle, as a result a Mid-Term Review (MTR) was conducted. The purpose of the MTR was to assess progress against the five project objectives; that is to assess to what extent the project is on track. The MTR provided lessons learnt to date with clear recommendations to inform future implementation and improve project delivery for the remainder of the project.

The review was done through country consultations where farmers (as project beneficiaries); implementing partners and other stakeholders were organised into focus groups to discuss the project. The MTR process culminated with a two day Regional MTR Findings, Validation and Dissemination Workshop.
Recommendations of the HaSSP MTR:

- In the alignment of seed variety release policies, it was reported that all four countries have instituted the necessary technical requirements for national variety release in conformity to the SADC Seed System. The main outstanding issue is for national seed acts to be aligned to the SADC Seed System to enable SADC Variety Release.

- Policy training must be a priority to improve legal understanding and capabilities;

- SADC Seed Centre must develop and publish the list of VCU descriptors and other relevant information for specified crops so that National Seeds Authorities can curate the appropriate information in variety lists.

- On the alignment of seed certification policies and strengthening of seed certification facilities, it was recommended that, Legal officers from the relevant ministries be engaged from outset. This entails working with the highest ranking government officials to get all stakeholders involved throughout the process in order to improve communication, collective goal-setting and taking ownership of the project.

- The alignment of phytosanitary policies experienced challenges such as lack of suitably trained staff in some countries, lack of resources, a lengthy review process and the fear of the unknown. It was recommended that:

  - Regulatory process assessments should be conducted to engage with all stakeholders throughout the process, to introduce an online permit-issuing system.

  - The Community Seed Production Enterprise discussion highlighted that there was a need to match production and demand in some countries. It was recommended that:

    - More attention must be given to the marketing function at this level.
HaSSP Seed Elders

HaSSP deals with sensitive issues such as national policy and legislation. It becomes difficult to expedite the process between Heads of State or Ministers signing the regional MoUs/protocols and the national alignment. To assist the process of alignment, FANRPAN formed a committee of Seed Elders in all four pilot countries. Committee members are former senior government/non-state officials who have first-hand knowledge and experience in how policies are made in their respective countries.

The mandate of the committee is to assist project implementing partners to understand processes of the respective governments, advise where necessary and act as neutral partners between government and implementing partners. Project implementers in all four countries acknowledged the contribution made by the Seed Elders and attributed some of their project successes to the Elders’ interventions.

This document has been produced with the financial assistance of CTA, USAID and SDC. The views expressed herein are those of the author(s) and can therefore in no way be taken to reflect the official opinion of CTA; USAID; SDC; representative of FANRPAN or of the cosponsoring or supporting organizations.

About FANRPAN

The Food, Agriculture and Natural Resources Policy Analysis Network (FANRPAN) is a multi-stakeholder, multi-national policy network that supports the development and implementation of better food, agriculture and national resources (FANR) policies in Africa. Its members include universities, research institutes, the business sector, farmer groups and other civil society organisations that have a stake in FANR policies. FANRPAN’s membership is organised into national nodes in sixteen countries, with a national secretariat hosted by an existing national institution that has a mandate for agricultural policy research and advocacy. FANRPAN also has a mandate to work Africa wide.

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