

Second Brief

Nigeria Seed Sector Review

27 September 2019



Nigeria and the Netherlands have agreed to work together enhancing the performance of Nigeria's seed sector. This introductory brief informs stakeholders on a review shaping the collaboration and presents its initial steps.

Policy context

The Ministry for Agriculture and Rural Development of the Federal Government of Nigeria and the Embassy of the Kingdom of the Netherlands in Abuja have agreed to collaborate in the development of Nigeria's seed sector. One of the steps to shape this collaboration is to conduct a seed sector review with the aim to support the development of a multi-year seed sector development strategy or Seed Road Map, endorsed by the major seed sector stakeholders in Nigeria. The Seed Road Map shall be used to develop the Nigeria-Netherlands Seed Partnership, which will become part of a multi-annual collaborative horticulture and seed sector development programme.

Focus group discussions

The team has organized seven focus groups discussions (FGDs) or expert consultations. Each FGD will focus on one crop group and 5-7 representatives of public, private, civil society and knowledge stakeholders participated. A total of 45 organizations participated in the seven FGDs. Two targeted each maize and vegetables, while one was organized for yam, Irish potato and legumes each. The FGDs were structured based on projections of the gap between estimated seed supply and demand, e.g. the seed production gap. The gap estimation triggered participants to identify primary challenges resulting in the gap and brainstorm on potential strategies to address those challenges.

Crop & seed projections

The FGDs were structured based on the estimation of crop production, productivity and area for 2025 and

2030, and based on that calculate the potential demand for quality seed of improved varieties. In the case of maize and tomato value chains, the FGD distinguished between OPV and hybrid varieties. Key lessons learnt from the exercise is that for maize hybrids, legumes, and various root and tuber crops, the estimated gap between seed supply and demand is foreseen to remain more than 90%, despite foreseen significant growth in the amount of seed produced. In the case of vegetables, given tomato and onion seed primarily is important, a different scenario is relevant, it is more about the increased use of farmers of quality seed of hybrid or improved varieties.

Challenges and strategies

The discussion following the projections highlights a large range of topics that are relevant across commodities, but also topics that are specific. The team further synthesized this using the framework of seed sector transformation, grouping the topics as a description of the current and desired (2025/30) situation in terms of the performance of the seed sector. Figure 1 illustrates the topics identified that are sector wide.

Donor consultations

The team interacted with several donors and development projects with activities relevant to the seed sector. Some donors (BMGF, AGRA, USAID) have a strong presence in the area of seed, while most others including major multilateral and bilateral donors (ISDB, IFAD, World Bank, BMZ/GiZ and USAID) are active in value chain development of specific commodities and private sector development. These value projects are relevant to the development of the seed sector, as they are a basis for creating a more sustainable demand for quality seed of superior varieties.

Seed sector transformation: vision and strategic options

Service provision	Seed production systems	Seed market development
<p>The capacity of the sector to provide high quality, inclusive and differentiated services to producers and value chain actors</p> <ul style="list-style-type: none"> Public capacity for variety dev. & EGS supply Research-farmers linkage Variety release procedures and implementation Financial services and products for seed companies Business support services to seed companies Extensionist/farmer ratio & involvement of seed companies in extension 	<p>The viability and sustainability of production systems</p> <ul style="list-style-type: none"> Seed company capacity in production, financial - and marketing management Seed producers' and company's infrastructural capacity Structure and processes for EGS supply Predominance of institutional markets The presence of non-genuine seed companies and traders 	<p>The efficiency, fairness and transparency of value chains</p> <ul style="list-style-type: none"> Structure and functioning of value chains, crop production practices Farmers' awareness of quality seed and improved varieties Engagement of agro-dealers in the marketing of fake seed Farmers willingness to pay for quality seed Distortion of the functioning of seed markets due to institutional buyers Farmers trust in seed companies and agro-dealers Farmers' willingness to invest in crop production due to instability in grain markets
Revenue generation & re-investment	Seed sector coordination	Seed sector regulation & management
<p>The capacity of the sector to generate revenues and make strategic re-investments</p> <ul style="list-style-type: none"> Short term business perspective of business Presence of tailored soft loans and finance for seed companies and operations Financial structure of quality assurance services Costs for variety release Presence of government/NGO and project subsidies in the seed market Status of Plant Variety Protection Absence of zero duty for seed 	<p>The degree of coordination and alignment among different stakeholders, and promoting accountability</p> <ul style="list-style-type: none"> Friction between public and private stakeholders' interests FMARD structure in value chains Seed sector governance structure including division of responsibilities SEEDAN structure and functioning Availability and reliability of data on seed A structured seed sector platform Donor and development organizations coordination in the sector 	<p>Rules and systems that govern markets, production systems, service delivery and coordination</p> <ul style="list-style-type: none"> Food security policies and prices in the grain markets Enforcement of ECOWAS policy on variety release Enforcement of quality and fake seed Seed import conditions at ports and borders Status of the Plant Variety Protection law and its implementation

Figure 1: Seed sector transformation – vision and strategic topics

Other sources of information

In addition to the information gathered through the FGDs and donor consultations, the team has decided to use public information available through various global efforts measuring the performance of the seed sector.

The team will use for the assessment the following:

- Enabling Business in Agriculture (WorldBank)
- The African Seed Access Index (TASAI)
- Access to Seeds Index (AtSI)

The publication in October 2019 of the TASAI coincides with the current review.

Assessment report

The team currently is compiling the assessment report, that it will first circulate amongst the partners and key stakeholders. The assessment report is structured based on insights and available information, that contribute to a situational analysis/description of the current performance of the seed sector, using the seed sector transformation framework. This allows the team compiles a desired state in which the performance is enhanced, e.g. the seed sector functions in terms of being competitive, inclusive, transparent, responsive, innovative, resilient, and sustainable.

Partners

Wageningen University & Research (WUR), Wageningen Centre for Development Innovation (WCDI) has been selected as lead party to conduct the review. It collaborates with Sahel Consulting, Agriculture & Nutrition Ltd., East-West Seeds and its Knowledge Transfer Foundation. Critical national partner is the National Seed Council (NARC); the team has approached Seed Entrepreneurs Association of Nigeria (SEEDAN) to complement the partnership. The team further works with the Embassy of the Kingdom of the Netherlands.

Next steps

The team compiles the assessment report and consults partners for verification. A third briefing document will share in summary the outcomes of the assessment. The team will further develop a draft outline for structuring the National Seed Road based on the topics and desired state. It will use the seed sector transformation framework to guide this process. **A multistakeholder workshop will be organized on Wednesday 30 October in Abuja** during which specific strategies and actions will be identified. The outcomes of the workshop will contribute to the development of the seed road map.