

Supporting the development of a stronger private seed sector in Ethiopia



@ a glance

The programme on Integrated Seed Sector Development in Ethiopia supports the development of different seed systems, including the systems through which national seed companies and private seed producers operate. Seed producers are identifying new opportunities in the Ethiopian seed market and, furthermore, are striving for excellence in seed marketing and the cost-effective production of differentiated and superior seed products.

Promoting and supporting private seed producers

Ethiopia has an emerging sector of private seed producers. The ISSD programme aims to strengthen seed producers by supporting them in their development of seed business skills, business mindsets and business linkages. In addition, the programme contributes to improving their infrastructure and capacity through small investment grants. Complementary to this agenda is the support provided by the programme to the Ethiopian Seed Association (ESA), formally known as the Ethiopian Seed Growers and Processors Association. The ESA has an opportunity and the potential to play an active role in further developing and strengthening the Ethiopian private seed sector.

Providing training and capacity development

Private seed producers operate either as out-growers to larger companies, or as small- to medium-scale licensed producers, who have the ambition to grow and sustain their business. Such is the ambition of Mr Shaleka Yohannes of Yohannes Farm in Kilte Awilailo woreda, Tigray, who is a producer of quality onion seed pictured in the banner above (top-right). Through training and coaching, the programme strengthens their capacities in seed production and, importantly, seed business management. The vision for these private producers is to become more competitive and less dependent upon out-grower contracts. One strategy may be to invest in their capacities to add value to seed so that it can go directly to the market. The ISSD programme facilitated training on seed coating for value addition by bringing Dutch experts in the international seed industry to Ethiopia (shown to the right).

Supporting seed producers in finding their specific market niche

ISSD Ethiopia helps these seed companies and private seed producers to find specific market niches that provide profitable business opportunities for seed production, processing and marketing. Such

market niches currently being explored are forage crops, oil crops, vegetables, spices, seed potatoes and the seedlings of fruit and coffee trees. Currently, just those small- to medium-scale private seed producers add a rather diverse range of crops and varieties to the collective portfolio, as is shown in Box 1 overleaf. A number of larger nationally-operating seed companies are now also diversifying their business beyond maize to include crops such as pigeon pea, sesame, soybean and Niger seed. Through different fora and exposure visits the programme facilitates collaboration between seed companies, seed producers and research institutes. Furthermore, the programme supports small- and medium-scale private investors in acquiring private trading licenses by verifying their competencies and legal rights to produce, process and market quality seed.



Mr Frans Collee and Mr André Overmars of Incotec and Rhea Composites, respectively, provided training on seed coating for value addition in Ethiopia

Establishing business links both locally and abroad

The programme has also been active in exploring linkages between national and international seed companies with an interest in entering and investing in the Ethiopian seed sector. The programme has funded trade delegations of Ethiopian officials, and

Box 1: Results by numbers: small-medium scale private seed producers in Ethiopia in 2013

- 18 Seed producers supported through investment grants
- 13 Crops addressed by private seed producers
- 31 Varieties addressed by private seed producers
- 74,709 Quintals of seed produced by private seed producers
- 5,080 Quintals of seed potatoes produced by private seed producers

has facilitated visits by Ethiopian seed entrepreneurs to European, Asian and African countries for establishing initial business contacts. ISSD Ethiopia also collaborates in networking with the agro-processing industry. One example of such collaboration can be seen with Heineken’s expansion in the Ethiopian market, through the local sourcing of quality seed of improved malt barley varieties for domestic malt production and the manufacture of premium beer products. Here, the ISSD programme facilitated crucial linkages in their sourcing strategy.

Highlighting the importance of the ESA for seed producers

The ESA has an essential role to play in representing private seed companies and seed producers at the federal level, working closely with policy-makers through participation in relevant workshops and meetings. The Ministry of Agriculture and the Agricultural Transformation Agency have acknowledged the ESA as a partner in the development of a commercially sustainable seed industry in the country.



Dr Banti, Anno Agro Industry, sharing experiences in maize breeding at the ESA 2014 Annual Conference

Providing support to the ESA and its members

ISSD Ethiopia is assisting the ESA in its objective to become more visible, of greater assistance to its

members, and financially sustainable. The Strategy Plan, which was developed during the General Assembly of the ESA in April 2014, identified a number of areas of investment, including:

- Developing an informative web-based directory and database on seed entities in Ethiopia;
- Enhancing the image of Ethiopian seed quality and producers in the industry;
- Organizing training and workshops in seed business related production and marketing;
- Preparing state-of-the-art seed business planning templates, tools and training materials;
- Compiling of seed production technical guidelines;
- Establishing advisory services for all members;
- Linking the Ethiopian seed sector to important global contacts.

As the prospects for private seed sector development continue to increase, the ESA has to become a visible and proactive voice in promoting members’ franchises. The ISSD programme interacts regularly and strategically with the ESA management to support them in becoming financially sustainable.



Visit of seed entrepreneurs to Ethiopian Seed Enterprise laboratory to learn about quality control

Establishing a more favourable environment for investment

ISSD supports an entrepreneurial mindset among stakeholders in all seed systems. Together with ISSD, seed producers are identifying new opportunities in the seed market, and striving for excellence in seed marketing and cost-effective production of differentiated and superior seed products. The present optimism among seed companies and seed producers is a very good indication that the environment is becoming increasingly favourable for private investment in the Ethiopian seed sector.

Further information

ISSD Ethiopia – Programme Management Unit
Haramaya University
info@issdethiopia.org; www.issdethiopia.org
Amsalu Ayana, PhD aga.amsaluayana@gmail.com;

ISSD Ethiopia – Centre for Development Innovation
Wageningen University and Research centre
<http://tinyurl.com/ISSDethiopiaCDI>
Marja Thijssen, PhD marja.thijssen@wur.nl