

## Project summary

# Ethiopia-Netherlands Seed Partnership



The mission of the Ethiopia-Netherlands Seed Partnership is to enable the private sector in Ethiopia to deliver farming men and women high quality seed of improved varieties much needed for food security and nutrition, and climate resilience. The Partnership will increase 150,000 households' crop productivity and diversity by 50%, create 2,000 jobs and increase the area under sustainable agricultural practices. Furthermore, women's access to finance, entrepreneurship opportunities, managerial and leadership roles, and life-long learning will be improved.

### The Ethiopia-Netherlands Seed Partnership

This Partnership builds on achievements of ISSD Ethiopia, recommendations of stakeholders, and ambitions of the governments of Ethiopia and the Netherlands. Objectives align well with the Ministry of Agriculture (MoA) of Ethiopia, the Embassy of the Kingdom of the Netherlands (EKN) and SeedNL, a partnership between the Netherlands Ministry of Agriculture, Nature and Food Quality; Ministry of Foreign Affairs; and the seed association Plantum.

### Ministry of Agriculture vision to transform seed sector

In 2019, MoA published the document 'Transforming the Ethiopian Seed Sector: Issues & Strategies'. We underscore the agenda's objectives, which are structured according to: production; value chain development; service provision; consumption; stakeholder organization; regulation; coordination; and investment. Our strategy follows this logic.

### The value proposition of the Netherlands

The Netherlands has a lot to offer in terms of trade, investment and knowledge. Dutch government, private sector, civil society and selected knowledge institutes, often called the Dutch Diamond, have a strong interest to share their products and knowledge with Ethiopia. With the collaboration of international companies, we intend to raise € 1.2 million in addition to € 6.5 million from EKN.

### Three primary outcomes

#### 1. Private sector strengthened

Activities will double the production and diversity in the portfolio of 10 domestic seed businesses – three of which are women owned – and increase their access to finance. We will also work with international companies to start or expand local production of seed in Ethiopia. This will employ nationals, generate foreign currency and improve Ethiopia's balance of trade. Furthermore, the Partnership supports ESA in strengthening its organization and value proposition to the sector.

### Partnership Management

Partners include the Ethiopian Ministry of Agriculture, Embassy of the Kingdom of the Netherlands, Ethiopian Seed Association, Plantum, Resilience, and Wageningen University & Research (WUR). WUR plays a crucial role in facilitating the Partnership and strengthening local capacities. Local experts will be employed at Stichting Wageningen Research in Addis Ababa to execute activities. Strategic guidance will be given by a Steering Committee comprising representatives of the public and private sector. Stakeholders will be united in various platforms and forums.

#### 2. Uptake of innovations and empowerment

Three knowledge institutes will perform better and more gender transformatively, and 100 graduates – of which at least half are women – will have enrolled in internships in the seed sector. Curricula on seed technology, seed business and seed systems will be improved, and scholarships for MSC study and fellowships to international trainings will be awarded. Furthermore, 40,000 farmers (50% women) will have been trained on sustainable agricultural practices.

#### 3. Business of the seed sector is enabled

This will be measured by two improvements to major seed regulations and € 12 m invested by domestic businesses and international companies in seed production in Ethiopia. By improving the coherence of regulations with the practices of businesses, and these businesses' compliance with the rules of the game, increased trade and investment will be leveraged. Furthermore, five seed regulatory bodies will be strengthened in their leadership, human resources, cost recovery and provision of quality services.

### Crops and target groups

Crops important for human nutrition will receive extra attention. Support to domestic private sector will broaden the seed product portfolios of food security crops, including cereals, pulses and oilseeds. International companies will be complementary, introducing new varieties of fruit and vegetables, potato and forage. Support will be given to public services, private sector, and men and women youth, farmers, entrepreneurs and professionals.

### Collaboration with other initiatives

Our scope is delimited from the Agricultural Growth Program and Agricultural Transformation Agency. Collaboration with these two and others including AGRA, GIZ, HortiLIFE, BRIDGE and RAISE-FS will take place.

## Components and activities

Activities are organized under three components, each corresponding with a primary outcome. In order of mention, these are: (1) Private sector development; (2) Innovation and empowerment; and (3) Enabling business. The following sections elaborate a non-exhaustive list of activities.

### 1) Private sector development

Support will be given to sole proprietors, PLCs and cooperative societies in the production and marketing of quality seed, including nurseries propagating young plants in Ethiopia. The main targets are: the production and diversity of the seed product portfolio of no less than 10 domestic seed businesses – of which at least three are predominantly women owned – doubled; 10 seed businesses (three women owned) with increased access to finance; ESA strengthened for a more sustainable local business climate; and four value chains important for nutrition perform better and more gender responsively. The Partnership will achieve these results by: (1) doubling and diversifying seed production; (2) organizing private sector; and (3) improving the performance of value chains for nutrition.

#### *Doubling and diversifying seed production*

The Partnership will work intensively with selected small- and medium-sized domestic businesses to boost their seed production capacity, quality, sales, profitability and sustainability. At least three of these will be predominantly women owned. They will receive business coaching, technical training, and business planning support. They will also compete for modest financial grants and/or be linked to affordable sources of financing. They will be trained on gender and climate change mitigation and adaptation in agriculture.

Activities include, but are not limited to:

- Analysing the potential of domestic seed producers and selecting at least 10 for direct support
- Organizing group trainings and exchange with foreign experts and peers
- Linking seed producers to CGIAR institutes, EIAR and RARIs in obtaining (exclusive) access to public varieties
- Increasing access to finance for seed production
- Introducing a modest competitive and gender- and climate-sensitive grant scheme and/or guarantee fund

The Partnership will also collaborate with a minimum of three international companies to start or expand their operations in seed production in Ethiopia. International companies can play an important role in raising Ethiopia's seed sector performance by improving its balance of trade through export, employing semi-/skilled labour and farm workers, and transferring knowledge and technologies. We will strongly encourage international companies to take internationally recognized standards of business conduct on board, and to be responsible regarding their impact on climate and society.

#### *Organizing private sector*

ESA is a partner and accordingly services to the private sector will be embedded within the association with technical assistance from Plantum, collaborating companies and Resilience. In the process, ESA will be supported in its own organizational development.



*The Partnership strives to empower women in seed business. Credit: Mirjam Schaap, WUR*

Tentative activities include:

- Improving ESA's value proposition to the seed industry
- Networking internationally
- Strengthening ESA's human resources
- Organizing a yearly seed sector conference
- Reforming ESA's organizational strategy, structure, systems and culture

#### *Improving the performance of value chains for nutrition*

Under this activity we will support four value chains that link seed producers with (groups of) farmers and a buying company. As already stated, priority will be given to the value chains of fresh fruit and vegetables, pulses and forage, because of their direct and indirect value to human and maternal, infant and young child nutrition.

Activities may include, but are not limited to:

- Identifying four large agro-processors that want to improve sourcing reliability and quality
- Making value chains more gender sensitive
- Making value chains more climate sensitive
- Developing four integrated projects between the seed producers, farmers and agro-processors/wholesalers

### 2) Innovation and empowerment

Through this component, we will increase employment and the uptake of innovations. The main targets are: three selected knowledge institutes relevant to food security and

nutrition perform better and more gender transformatively; 100 young graduates – at least half of whom are women – enrolled in internships in the seed sector; 40,000 farmers (50% women) trained on sustainable agricultural practices; and 20,000 of these trainees (50% women) having adopted improved varieties and sustainable agricultural practices. The Partnership will deliver these outcomes by: (1) improving the performance of selected knowledge institutes; (2) enrolling young men and women in internships; and (3) increasing the uptake of sustainable agricultural practices.

#### *Improving the performance of selected knowledge institutes*

Wageningen Centre for Development Innovation (WC DI) has experience facilitating curriculum development at higher education institutes about seed science and technology, seed business, and seed systems. While a few modules, manuals and materials are relevant and available, support to selected universities will be given in tailoring these to the Ethiopian context. Participation in existing education and training programmes will be encouraged through fellowships to international short courses and MSc scholarships, at least half of which will be offered to women, and by promotion in popular media.

Specific activities include, but are not limited to:

- Evaluating the relevance and importance of seed-related curricula offered at two Ethiopian universities
- Sharing relevant and important manuals, modules and materials for improved curricula development
- Popularizing E-learning modules
- Selecting promising candidates for inter/national MSc scholarships
- Awarding fellowships to professionals and entrepreneurs for relevant and applied short course training (abroad)

#### *Enrolling young men and women in internships*

Young men and women will be supported in their professional development through coaching and placement in internships with seed companies and related service providers.

Specific activities include, but are not limited to:

- Recruiting promising young entrepreneurs and graduates as interns
- Coaching interns in their personal professional development
- Networking

#### *Increasing the uptake of sustainable agricultural practices*

Under this activity, we aim to combine state-of-the-art variety testing and variety demonstrations with on-farm training activities for farming men and women on sustainable agricultural practices to promote increased uptake of improved varieties. The Partnership will achieve this with predominantly vegetable seed companies in the lead but will work in collaboration with HortiLIFE as well.

The following activities are proposed:

- Establishing partnership projects with 8-10 international seed/young plant companies
- Introducing nutritionally dense vegetables to Ethiopia

- Demonstrating improved varieties and related technologies of crops given less attention
- Training farmers on sustainable agricultural practices
- Developing and sharing crop management (e)guides

Mentioned already, domestic businesses will be linked to CGIAR institutes, EIAR and RARIs to obtain better access to improved varieties that have been developed with public funds. Combining testing and demonstration of these public varieties in farmer field days with financial, technical and legal support to domestic businesses, we will create a business case for local production of quality seed of these varieties, including in particular those that have been bred for improved climate resilience and nutritional benefits.

To address this, the following activities are proposed:

- Licensing public varieties
- Increasing market intelligence in the seed sector
- Supporting demonstration of varieties and production practices for those crops given less attention by others



*Demonstration and training will be conducted at hundreds of sites across the country. Credit: Rijk Zwaan*



*Dialogue and coordination will be important for enabling seed business. Credit: Lex Schmeetz, Four Corners*

### 3) Enabling business

This component will enable the business of the seed sector by ensuring that: at least two major reforms to seed regulations are enacted; € 12 m of investment by domestic businesses and international companies in seed production in Ethiopia is leveraged; five seed regulatory bodies are strengthened in their capacity to provide services; and five solutions to systemic problems are identified and promoted. The Partnership will realize these outcomes by: (1) leveraging trade and investment in the seed sector; (2) enhancing the provision of seed regulatory services; and (3) identifying and promoting solutions to systemic problems.

#### *Leveraging trade and investment in the seed sector*

Under the first area of activity, we will work with MoA to review existing seed laws and regulations in consultation with stakeholders in the sector and propose amendments to them. Amendments will focus on clarifying and wherever possible simplifying key regulatory services, on ensuring that these are implemented without prejudice, and on attracting far greater rates of private domestic and foreign direct investment in the seed sector.

The Partnership Platform will be established with the objective of raising options for increased domestic and foreign direct investment in and trade with Ethiopia. The agenda for these meetings will be prepared jointly by Partnership staff, in consultation with the private sector, and MoA. Studies can be undertaken to review certain aspects of the enabling environment, compare these with best practices abroad, and provide options for reforms.

In addition, the following specific activities are proposed:

- Facilitating biannual Partnership Platform meetings
- Analysing possible solutions to major seed regulatory bottlenecks
- Raising awareness for and collaboration on the recommendations of the RVO-supported institutional mapping and needs assessment of Ethiopia's public seed sector services

One of the main factors inhibiting the proliferation of businesses in the seed sector in Ethiopia is the lack of finance. Established businesses have difficulties accessing loans and grants for further investing in seed production and marketing. Though related to our efforts in strengthening the capacity of private sector, this area of activity is broader and

includes a more political dimension – ensuring that government priority is given to encouraging private domestic and foreign direct investment in the seed sector.

We propose the following activities:

- Developing a seed sector investment plan together with MoA
- Increasing access to hard currency for the importation of high value seed products

#### *Enhancing the provision of seed regulatory services*

Activities in this area will strengthen capacities of the federal and regional state seed regulatory authorities and introduce improved models of regulatory service provision that operate under increased rates of cost recovery. The Partnership will do this working closely with the four regional state seed regulatory authorities and the Agricultural Authority (AA) established at federal level.

The following specific activities are proposed:

- Developing a one-stop-shop and digitized system for processing applications for services
- Piloting national performance trials for a few selected crops under the management of the AA
- Helping establish the AA
- Modernizing seed quality assurance
- Lobbying for the purchase of 10 new vehicles for the branches of seed regulatory authorities
- Improving quarantine and phytosanitary services
- Organizing trainings, coaching and experience sharing for the five seed regulatory authorities to improve their implementation capacity and quality and efficiency of service provision
- Introducing revenue collection and re-investment mechanisms to regulatory authorities



*Seed regulatory services are in need of greater investment. Credit: Lex Schmeetz, Four Corners*

*Identifying and promoting solutions to systemic problems*  
Focussing on more underlying complex problems in the Ethiopian seed sector, opportunities for system innovation will be explored together with our colleagues in RAISE-FS. This includes learning from innovations that have proven their value in other African countries.

The activities mentioned below follow an action-oriented approach to researching these solutions:

- Identifying knowledge questions in consultation with stakeholders in the seed sector
- Funding short-term consultancies and more longitudinal studies at Ethiopian and Dutch Universities
- Piloting, consolidating and scaling up solutions
- Communicating the results of research and pilots, and recommendations for evidence-based policy making



*Testing and promoting new varieties will be crucial in adapting to climate change. Credit: Mirjam Schaap, WUR*

Concerned about climate change and the complex challenge it poses to the seed sector, other agri-food sectors and food systems in Ethiopia, we will research systemic solutions to the problem. Whilst climate resilient varieties have an important role to play, they are part of a bigger risk mitigation strategy for seed and crop production. Looking for systems transformation, we will consider all dimension to more sustainable farming systems, including a shift away from monocropping, conserving biodiversity on-farm, more integrated approaches to pest and disease and soil fertility management, and reducing dependence upon mineral fertilizers and fossil fuels.

### **Gender and social inclusion**

The Partnership has a vision of inclusive and equitable seed sector transformation in Ethiopia and strives to be both transformative and responsive with regards to gender dynamics and social inclusion. Part of our strategy is to transform opportunities for education and employment as important socio-economic drivers of an inclusive and equitable seed sector.

Men and women youth, farmers, entrepreneurs and mid-career professionals will be given equal opportunity to participate in education, training and internships. The Partnership will also succeed in transforming seed business for ensuring that women's access to financial services, entrepreneurship opportunities, managerial and leadership roles and life-long learning are improved. Catering to the

needs of both men and women, we will make seed products and selected value chains more gender responsive. And, to sum up our strategy on gender and social inclusion, the Partnership will layer its interventions in the seed sector upon those of others addressing gender inequality. In this way we will enhance and sustain our impact on the seed sector and the socio-economic outcomes to which it contributes.

### **Conflict sensitivity**

The Partnership is inclusive in how it offers its support. Not only do we see collaboration with others as essential to the achievement of the intended outcomes, but we also believe that it will generate social capital in the way that the Partnership's predecessor ISSD Ethiopia did, which goes a long way in resolving conflicts. We perceive no tension in providing support to domestic businesses and at the same time to international companies. The two apply different business models and target different market segments and as a result do not compete in product portfolio. Despite this, our allocation of resources is tilted in the favour of capital constrained domestic businesses, significantly when personnel costs are also considered.

### **Approach to ME&L**

The Partnership adopts an approach to monitoring, evaluation and learning (ME&L) that serves the following purposes:

- Accounting to the donor
- Improving performance of the Partnership
- Informing stakeholders

Learning is equally important to stakeholders and the sector in general as it is for the internal management of the Partnership, therefore, we will develop instruments for ME&L that answer both their and our own learning questions.

Adaptation of the Partnership's work plan will be done in an agile way, for which we manage an iterative cycle of learning and decision making. Dialogue with and among stakeholders will be organized for feedback. We strive to create a competitive and level playing field for seed business. This will be part and parcel of our dialogue with the sector, outlined above for the purposes of adapting the work plan.



*We aim to transform education and employment opportunities in the sector. Credit Mirjam Schaap, WUR*

# Ethiopia-Netherlands **SEEDPARTNERSHIP**



## Partners



Ministry of Agriculture of Ethiopia



Ministry of Foreign Affairs of the Netherlands

Embassy of the Kingdom of the Netherlands in Ethiopia



The Ethiopian Seed Association



Plantum, the Dutch seed trade association



Resilience BV



Wageningen University & Research |  
Wageningen Centre for Development Innovation



The Ethiopia-Netherlands Seed Partnership is a flagship project of SeedNL

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