

The Seeds of Development Program

Annual Report (Jan 1 – Dec 31, 2010)

Prepared by



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SoDP Fellow Mr. John Makoni (Pristine Seeds/Semente Perfeita) receives the African Agribusiness Entrepreneur of the Year Award at the 2010 "Making Markets Matter" Agribusiness Training Program.

Summary of Accomplishments

During the period of Jan – Dec 2010 the Seeds of Development Program (SoDP) carried out the following activities:

- **Capacity building** in the form of the “Making Markets Matter” Executive Training Program for the African Agribusiness Sector and one-on-one consultations with Fellows.
- **Network building** in the form of promoting business-to-business linkages, online communication.
- **Capacity building/network building** in the form of a Field Trip contributions awarded to five SoDP Fellow companies.
- **Other activities/highlights:** SoDP Fellows visit South African seed company; SoDP Fellow recognized by MM Inc.’s Agribusiness Entrepreneur of the Year Award,

Detailed Report

Capacity building: The “Making Markets Matter” Executive Education Program for the African Agribusiness Sector

The 2010 MMM program took place in Somerset West, South Africa on May 9-14, 2010. Thirteen seed companies were in attendance representing seed companies from Kenya, Uganda, Tanzania, Malawi, South Africa, and Zimbabwe. A detailed report of this event is available [online](#). Photos are also available [online](#).

In attendance was Dr. Dilip Shripad Gokhale from the Syngenta Foundation for Sustainable Agriculture, and we organized a special breakout session for the seed companies facilitated by Dr. Gokhale. Dr. Gokhale was also on hand throughout the week for one-on-one consultations with SoDP Fellows. Having access to individual Facilitators for one-on-one consultations is an integral part of the “Making Markets Matter” program.

Of further interest to seed companies in particular, on Friday the program included a visit to Agricol, a South African seed companies with offices in Cape Town. The visit gave SoDP Fellows a chance to learn about Agricol’s operations and, for those interested, the opportunity to explore business deals with the South African company.

An important feature of the 2010 program was the “African Agribusiness Forum.” Two-thousand-ten marked the tenth anniversary of “Making Markets Matter,” and to mark the occasion, this year’s program included a special one-day symposium/ networking event called the African Agribusiness Forum. The Forum was attended by all the participants of the MMM program, and invited guests from the South African agribusiness sector. The program featured a keynote address by Dr. Joyce Cacho, Chief Sustainability Officer for Novus International, and two panels, addressing two key themes for the African agribusiness sector: creating an enabling environment for agribusinesses and preparing for and mitigating the environmental challenges facing the Continent.

Network building

To increase the networking function of the “Making Markets Matter” program, we created formal and informal occasions for SoDP companies to discuss potential business deals. In addition, the presence of the South African seed company among the participants and the visit to Agricol gave additional opportunities for networking and business deals. These opportunities merely complemented the business linkages already formed by SoDP companies on their own. Table 1 below lists the business partnerships and deals among SoDP Fellows in 2010 as a result of their membership in the network. In the past SoDP networking has been centered around the annual Seed Trading Forum; however, in the last two years this activity has been folded into the “Making Markets Matter” training program and continuous online communication.

Table 1: Business deals resulting from SoDP networking.

Company	Business conducted with SoDP Fellows
AgriSeed (Zimbabwe)	<ul style="list-style-type: none"> Exchanged seed sales with SODP Fellows to the value of USD30,000
Suba Agro Trading (Tanzania)	<ul style="list-style-type: none"> Victoria Seed- \$133,400 Naseco Seed (Uganda) - \$162,500. Progene Seed (Zambia) - \$156,000.
Faso Kaba (Mali)	<ul style="list-style-type: none"> Conducted on-farm field visits in Mali with SODP fellows from East and Southern Africa in 2009, who were attending AGRA grantees' annual meeting in Bamako. Visited SEED CO headquarters in Zimbabwe. Negotiating to be a dealer of SEED CO products in Mali. General email communications with SoDP Fellows.
DSL Seeds (Kenya)	<ul style="list-style-type: none"> With Freshco - sharing information and germplasm. With Naseco - sharing information and germplasm. With Oil Crop - sharing information and germplasm.
SeedTech (Malawi)	<ul style="list-style-type: none"> Shared information with SoDP Fellows Pristine Seeds (Zimbabwe) and Semente Perfeita (Mozambique) on maize seed OPV availability and price, on quantities of 100mt (value US\$200,000). (Deal was not concluded due to high price in 2009. With Tansed (Tanzania) we set up demonstration plots to introduce new seed varieties into farming communities. Exchanged information with Dryland Seeds Co. (Kenya) on coping strategies in times of droughts.
Funwe Farm (Malawi)	<ul style="list-style-type: none"> Ongoing general interactions and information sharing with SoDP Fellows. Joint procurement of chemicals with SeedTech 2009. Visit to LELDET and other Kenyan seed companies.
Pristine Seeds (Zimbabwe)	<ul style="list-style-type: none"> On behalf of Kamano seeds sold 80 MT of sorghum seed. Sold to Semente Perfeita 30 MT of maize seed. We co-marketed about 50 MT of cowpeas, 10 MT of sorghum and 20 MT of groundnuts with Progene Seeds in Zimbabwe. The total value of these transaction is USD285 000.

SoDP Fellows' Field Trips

The grant from the SFSa provided funds for five field trips in 2010. The field trips have been a one of the most successful part of the SoDP: the small grants give SoDP Fellows the opportunity to visit countries and companies they otherwise may not have the funds to go to and engage in a brief period of intense

learning and/or pursuing business opportunities. To maximize the impact of our funds (and to create more ownership of the program by Fellows), we offered only partial funding for each trip, asking the companies to contribute the rest of the cost (generally about 50%). In return for the support, Fellows are asked to submit a detailed trip report and an expense report accounting for the use of the funds. Table 2 lists the field trips undertaken in 2010, and under separate cover we enclose all of the trip reports, including photos, submitted by the companies.

Table 2. SoDP supported field trips in 2010.

SoDP Fellow (and country)	Destination	Main purpose of trip
Victoria Seeds (Uganda)	China	Victoria Seeds wants to have all its crop protection products branded for efficient marketing and easier identification by farmers. It has been in discussions with Sinochem Shanghai Co., Ltd, a state-owned company and leading agrochemical sales center for herbicide, fungicides, insecticides and fertilizers Sinochem is willing to brand the products in our name and in small pack sizes for our markets. The purpose of this trip was to verify packaging quality, negotiate and conclude this arrangement and place orders in time for season 1, 2011.
Fica Seeds (Uganda)	Rwanda	To explore business opportunities for FICA especially for certified seed sales. The following specific objectives were set and achieved: (i) To check on the performance of the varieties introduced in the NPTs by visiting the stations where trials are being done; (ii) To meet and discuss business prospects for the Company's products in Rwanda with potential seed traders in the country; (iii) To meet and discuss with government officials in the Ministries of Agriculture and Trade who have been behind previous purchases of seed from Uganda, and (iv) To promote FICA products in Rwanda.
Naseco (Uganda)	Rwanda	To explore export market opportunities for the company's products in neighboring countries of Rwanda and Burundi. The sub-activities to be carried out were to: <ul style="list-style-type: none"> • Visit and make inventory of contacts of the existing stakeholders in the seed industry, both private sector and public sector to enable Naseco develop suitable and sustainable market entry strategies. • Follow up on variety release in those countries and undertake relevant market promotional activities. • Initiate contact with existing seed stockists with purposes of establishing business Linkages / partnerships
Kamano Seeds (Zambia)	DRC	To seal a Lease Agreement for a Sales Outlet that was identified in Lubumbashi Congo during a trade mission organized by Zambia Development Agency (ZDA).
Dryland Seeds (Kenya)	China	Dryland Seed Ltd has applied for an ASIF loan to procure seed processing equipment. Suitable equipment has been identified from SanLi Manufacturers in Shijiazhuang City, China. DSL MD Ngila Kimotho was to visit the equipment manufacturer and one of its clients where the equipment is in use to verify the information provided and to test quality.

Other Activities/Highlights

Twelve Fellows tour South African Seed Company

On the 14th of May 2010, twelve seed companies toured Agricol facilities in Cape Town. Agricol is a seed company that has made deep inroads into the South African and international markets for more than 50 years. During the tour, Fellows were exposed to Agricol's activities including plant breeding, production, international trade, processing and distribution of seed. Agricol's product range consists of agronomy crops, lawn and turf grasses, pasture, confectionary seed for human consumption and bird feed. Some Fellows are currently exploring business opportunities with this company emanating from the tour. (See more on the tour in the MMM10 program report.)

African Agribusiness Entrepreneur of the Year Award goes to a Seed Company

On May 13, 2010, Market Matters Inc. announced its 2010 recipient of the African Agribusiness Entrepreneur of the Year Award. The recognition went to Mr. John Lennox Makoni, CEO of Gross Food and Agriculture Holdings (Pvt) Ltd. The company is the holding company for several agribusiness companies including Pristine Seeds (Zimbabwe), Semente Perfeita (Mozambique), Pristine Seeds Limited (Malawi), Cropchem Zimbabwe, Pristine Horticulture and Hinplough Agriculture. The award is expected to raise the profile of recipient company and that of other emerging seed companies in general. Details of the award are available [online](#).

One-on-one consultations

On an ongoing basis, one-on-one consultation is provided upon request to SODP fellows by the program coordinator especially on matters of business strategy, marketing plans and business linkages. In 2010 companies that consulted extensively with the program coordinator include the following:

1. Pristine Seeds on linkages to NGO that are purchasing seed for smallholder farmers in Zimbabwe.
2. Dryland Seeds on developing a strategic plan, marketing plan for the company and in the application for a loan.
3. Progene Seeds in the exploration of business opportunities in West Africa and linkages to NGO that are purchasing seed in Zimbabwe.
4. Funwe Farm in the preparation of the company's strategic plan and marketing plan.

Availing information on recent development in the global seed sector

On an ongoing basis the coordinator of SODP forwards to Fellows any news and information that is relevant to emerging seed companies in Africa. This keeps the Fellows both current and engaged on matter relating to their business. An example of this was the [debate](#) hosted by *The Economist* on biotechnology and sustainable agriculture.

Representing SODP Fellows' interests at regional meetings

To represent the interests of emerging seed companies in Africa and gather information on new developments, SODP coordinator – Dr. Ed Mabaya – participates in various regional forums that are of relevance to Fellows. In 2010, Dr. Mabaya participated in the following key meetings:

1. *Harmonized Seed Security Project (HaSSP) Common Vision Workshop* held at the Kopanong Hotel in Centurion (South Africa) from the 20th to the 21st of May, 2010. Organized by FANRPAN the meeting was attended by 50 participants representing government, private sector, research

community, NGOs, development partners and regional economic community secretariats, who were involved at different levels in the development of the seed harmonization protocols in Southern Africa.

2. *The African Green Revolution Forum (AGRF)* held at the Accra International Conference Centre, in Accra (Ghana) from the 2nd to the 4th of September 2010. The forum focused on promoting investments and policy support for driving agricultural productivity and income growth for African farmers in an environmentally sustainable way.

Notable Achievements by SoDP Fellows, 2009-2010

Company	Biggest achievements in the past 2 years
AgriSeed (Zimbabwe)	<ul style="list-style-type: none"> Achieved sufficient seed production to meet market demand Established the Agriseeds brand in the market
Suba Agro Trading (Tanzania)	<ul style="list-style-type: none"> Achieving 80% execution of our 5 years development plan/business plan, including: <ul style="list-style-type: none"> completing seed warehouse- 6,000 sq. m; purchase of modern cleaning and dressing plant 10mt/hr; establishment of seed breeding program, and we expect to register own varieties/brand- 3 OPV and 8 Hybrids licensed from CIMMYT; purchase and establishment of research farm 1800 acres of which 300ha is under sprinkler irrigation; reduction on reliance on contract farming from 100% in 2007 to 20% in 2011. In 2011 season we expect to produce 80% of seeds from own farms - we have cultivated 1300ha of seeds. We have also increased seed market share from 2000mt in 2007/08 season to 6000mt in 2010/11 season.
Western Seed (Kenya)	<ul style="list-style-type: none"> Increase of production to 2500 m tons
Faso Kaba (Mali)	<ul style="list-style-type: none"> Sold a total of about 600 tons of quality certified seeds. This has largely contributed to the increase of the food crop production in Mali. This is an equivalent of about a 30 000 ha of maize over the two years. I received on June 21st in London the African Business Award for 2010. I have contributed to the training of farmers in the use of certified seeds as a good way to increase food production in Mali.
DSL Seeds (Kenya)	<ul style="list-style-type: none"> Produced new varieties including own breeder, foundation seed and increasing production and sales volumes.
SeedTech (Malawi)	<ul style="list-style-type: none"> Annual growth in seed production (in 2010 at 180mt up from 10mt four years ago); we are expecting 350mt (value US\$770, 000) in 2011 July/August Increased our middle management staff from 2 to 7 persons with seasonal employment from 10 people to 30 in the warehouse; Moved to a new and spacious warehouse/office.
Funwe Farm (Malawi)	<ul style="list-style-type: none"> Leased a second farm, Increased hectares planted and hence sales volumes, Recruited General Manager; Increased mechanisation and use of chemical herbicides; Elected to Executive Committee of Seed Trade Association of Malawi, Improved HR and admin systems and procedures.
Pristine Seeds (Zimbabwe)	<ul style="list-style-type: none"> Produced our own maize hybrid; it is now on the market and performing better than the competitors. Began to develop own agrodealers to grow our volumes.