

SEEDS OF DEVELOPMENT PROGRAM (SODP)



2007 Annual Monitoring and Evaluation Report

November 2007



ACKNOWLEDGEMENTS

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COVER PHOTO

Josephine A. Okot, Founder and Managing Director, Victoria Seeds Limited and 2007 Yara Prize laureate. Ms. Okot started her company in 2004 with the help and support of SODP.

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1. INTRODUCTION

1.1 About this report

This report presents findings of the annual monitoring and evaluation exercise conducted for the Seeds of Development Program (SODP) to track the performance of the program through its contribution to the respective companies and to rural communities in the areas where these companies serve.

The report starts with a brief description of SODP, the activities offered by the program and the commitment to monitoring and evaluation. It continues by summarizing the evaluation or the SODP program activities and the performance indicators for the program overall and then broken down by country. The report concludes with a summary of the views of SODP Fellows regarding the most useful activities of the program, the benefits from the training workshops and networking events and suggestions for additional activities that could enhance the program.

1.2 About the Seeds of Development Program

SODP was initiated in June 2003 with a mission to alleviate rural poverty through improved access to appropriate seed varieties and increased on-farm productivity in Southern and East Africa. The program is a collaborative effort by Market Matters Inc. (a not-for-profit organization based in Ithaca, NY, USA), Cornell University's Emerging Markets Program, Stellenbosch University, and local universities and seed industry stakeholders.

The program seeks to accomplish its mission through management training of small and medium-sized indigenous seed companies and market analysis of domestic seed industries. Twenty-five small and medium-sized seed companies in seven countries (Kenya, Tanzania, Uganda, Zambia, Malawi, Mozambique and Zimbabwe) currently benefit from this program as Fellows. This innovative program consists of six major capacity building and networking activities: workshop training, distance learning, field visits, student attachments and research, and the Seed Trading Forum. The program directly targets indigenous seed companies that are working with smallholder farmers and other stakeholders in the seed industry. Ultimately, the program seeks to impact positively the livelihoods of smallholder farmers.

SODP aims to alleviate rural poverty through improved access to appropriate seed varieties and increased on-farm productivity. The specific objectives of SODP are threefold:

- i. To build management capacity of small to medium-sized local seed companies in order to improve their market delivery systems for poor farmers;
- ii. To create platforms for networking among African seed companies, research institutions and other seed industry stakeholders to improve their effectiveness in meeting the needs of smallholder farmers;
- iii. To conduct research on the seed industry that will guide strategies of the local small and medium-sized companies serving resource-poor farmers and inform public policy.

1.3 SODP Activities

Small and medium-sized seed companies that serve smallholder farmers in Africa are carefully selected to become members of a Fellows Program. SODP objectives are accomplished through six major capacity building, networking and research activities: Workshop Training, Distance Learning, Field Visits, Seed Trading Forum, Student Attachments, and Research.

Workshop Training: Each year, selected managers from the participating seed companies attend an executive agribusiness management training workshop - the "Making Markets Matter" workshop in Stellenbosch, South Africa. Starting in 2006, an additional workshop exclusive to seed companies has been added to address technical aspects of seed production and distribution.

Distance Learning: Management modules suitable for the seed industry are provided to Fellows based on identified needs. Fellows are kept up-to-date with new developments in the global, regional and domestic seed industry through an email listserv.

Field Visits: Fellows visit successful seed companies in a country with a more advanced seed sector to learn about relevant aspects of seed production and marketing and to explore business opportunities.

Seed Trading Forum: Every year between harvest and the next planting season, SODP brings together managers from participating companies to network and explore opportunities for seed trading and other collaborative initiatives.

Student Attachments: As part of its capacity building effort, SODP facilitates attachments for university students to address specific management and marketing challenges facing Fellow companies.

Research: Through the Emerging Markets Program at Cornell University, SODP conducts research on seed systems in Africa. Research findings are used to guide strategies by private companies and to inform seed industry policies and regulations by governments.

1.4 SODP's commitment to monitoring and evaluation

The outcomes and success of SODP are most evident in the program's direct impact on participating companies. In order to track the outcomes and success of the program and its impact on participating companies an annual monitoring and evaluation exercise is conducted amongst SODP companies in which the companies report on a number of key performance indicators. These include the number of employees, number of seed growers, area under seed production and multiplication, number of varieties offered, peak seed processing capacity, seed production, seed sales, domestic market share, sales revenue, average sales breakdown by market type and product type. Besides the key performance indicators the participating companies are requested to rate the activities of the program including which activities of the program are most useful, how the company has benefited from the workshop training, and how the company has benefited from the networking opportunities. Results from the monitoring and evaluation exercise are used by program coordinators to continuously fine-tune the program to meet the ever changing BDS needs of emerging seed companies in Africa.

The following sections detail the results of the annual monitoring and evaluation exercise conducted for 2007. Since at least 10 companies only joined SODP in 2006 and several of them are no older than two years old, the results for this monitoring evaluation only show indicators for 2006 and 2007.

2. EVALUATION OF PROGRAM ACTIVITIES

SODP Fellows were asked to indicate if a number of activities offered to the SODP fellows had been beneficial to their companies. Figure 1 summarizes the SODP Fellow's responses to a number of questions. From this graphical representation it is notable that SODP Fellows agree that all the activities offered by the program are beneficial to their businesses. The three most important events or activities that the fellows identified are (i) the Making Markets Matter workshop training series, (ii) Field trips to visit other seed companies, and (iii) networking events like the annual Seed Trading Forum. These three events and/or activities were identified as being overall most beneficial to companies within the SODP program.

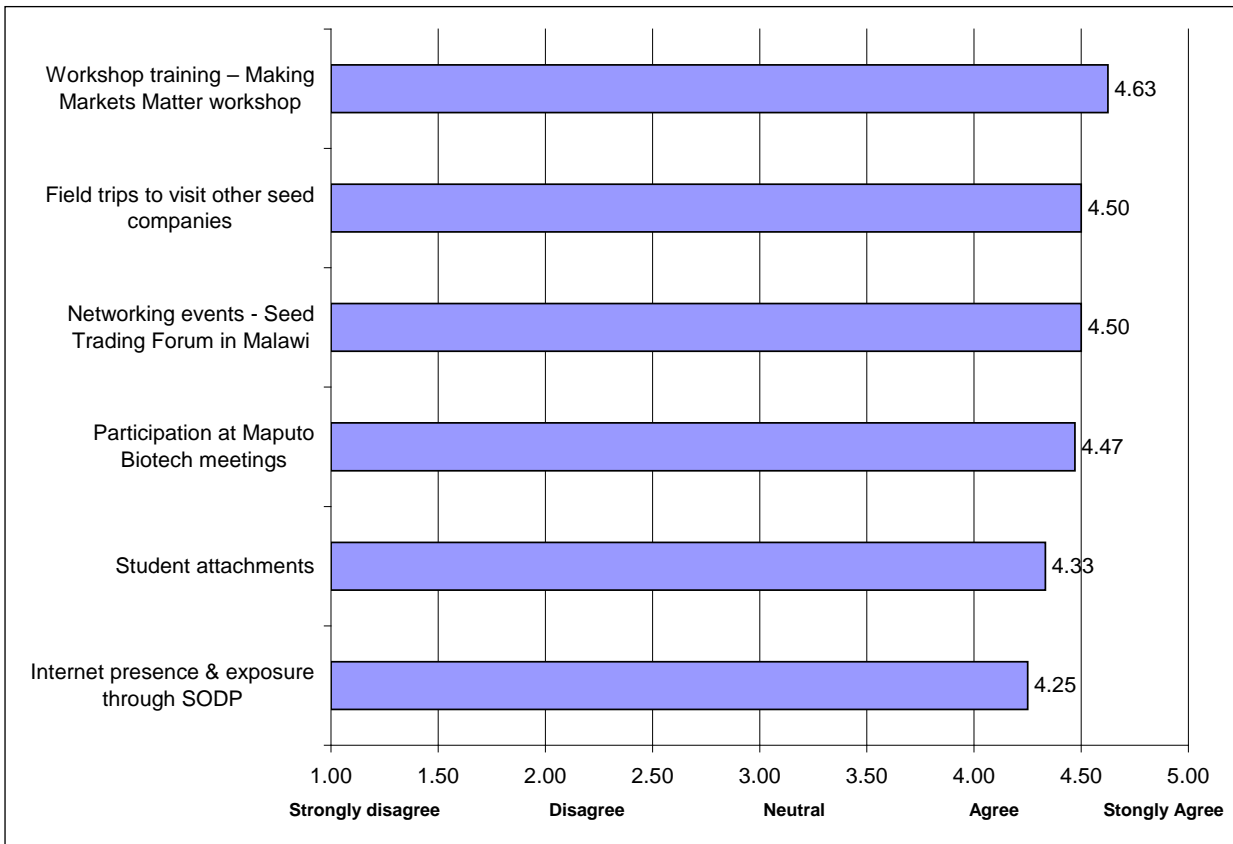


Figure 1: Participants' opinion of various SODP activities and their value.

3. FELLOWS' PERFORMANCE INDICATORS

3.1 Overall indicators

SODP's outcomes and successes are most visible in the performance indicators of the participating companies. This section summarises selected and quantified performance indicators that measure the performance of participating companies.

Table 1 presents the average performance indicators of SODP Fellows in 2006 and 2007¹. These statistics show remarkable growth by SODP Fellows as measured by number of employees, number of varieties offered, sales revenue and domestic market shares, and total volume of seeds produced. While it is not possible to assign all growth to SODP interventions, it is important to note that the rate of growth for most growth indicators increased after the companies had joined the program. To distill the impact of SODP intervention would require a statistical analysis that would compare similar sized companies that are Fellows vs. non-Fellows. Data available at this time is insufficient to conduct such quantitative analysis.

Table 1: Average Performance of Seeds of Development Program

Variable		2006	2007	Change
Number of employees	Permanent	21.62	25.81	19.38%
	Casual / seasonal	66.19	95.15	43.75%
Number of seed growers used		76.56	60.88	-20.48%
Area under seed production and multiplication	Maize	314.53	485.70	54.42%
	Others	220.31	245.83	11.59%
Number of seed varieties offered	Maize	5.67	6.84	20.74%
	Others	10.75	9.50	-11.63%
Seed peak processing capacity (tons per day)		29.93	34.88	16.54%
Total seed production (tons)	Own Farm	294.25	320.81	9.03%
	Contract growers	833.53	1,262.83	51.50%
Seed sales (tons)	Maize	722.03	1,130.25	56.54%
	Others	3,363.93	2,315.59	-31.16%
Domestic market share (% of all marketed seed)		20.32	21.50	5.81%
Sales revenue (US \$)		1,077,248	1,453,667	34.94%
Sales breakdown by market Segment (% of total sales revenue)	% commercial farmers	14.73	11.65	-20.91%
	% smallholder farmers	56.47	55.25	-2.16%
	% relief / NGO	22.93	21.06	-8.16%
	% export	5.87	12.04	105.11%
Average sales breakdown by Product Type (% of total sales revenue)	% Seeds	80.54	80.34	-0.25%
	% Agrochemicals	6.32	8.16	29.11%
	% Farm Implements	1.41	2.11	49.65%
	% Other	11.73	9.39	-19.95%

¹ Note that part of the 2007 data reflects projects made by the companies for the balance of the year. All statistics are self reported by companies and have not been independently verified.

There are two important variables in Table 1 that do not relate to company performance - sales breakdown by market and product. As illustrated in Figure 1, the sales breakdown by market shows how market segments served by Fellows have remained stable across the years with more than 75% of the sales going to smallholder farmers (about 55% in direct sales and 22% through NGOs). This finding also dispels a widely held misconception that SME seed companies primarily target the NGO/relief market which is perceived as “low hanging fruit.” As illustrated in Figure 2, the sales breakdown by product shows that seeds are indeed the primary portfolio for SME seed companies accounting for more than 80% of sales revenue in 2006 and 2007. Both of these points support the theory of change behind SODP that place SME seed companies in the vanguard of improving access to improved seed by smallholder farmers.

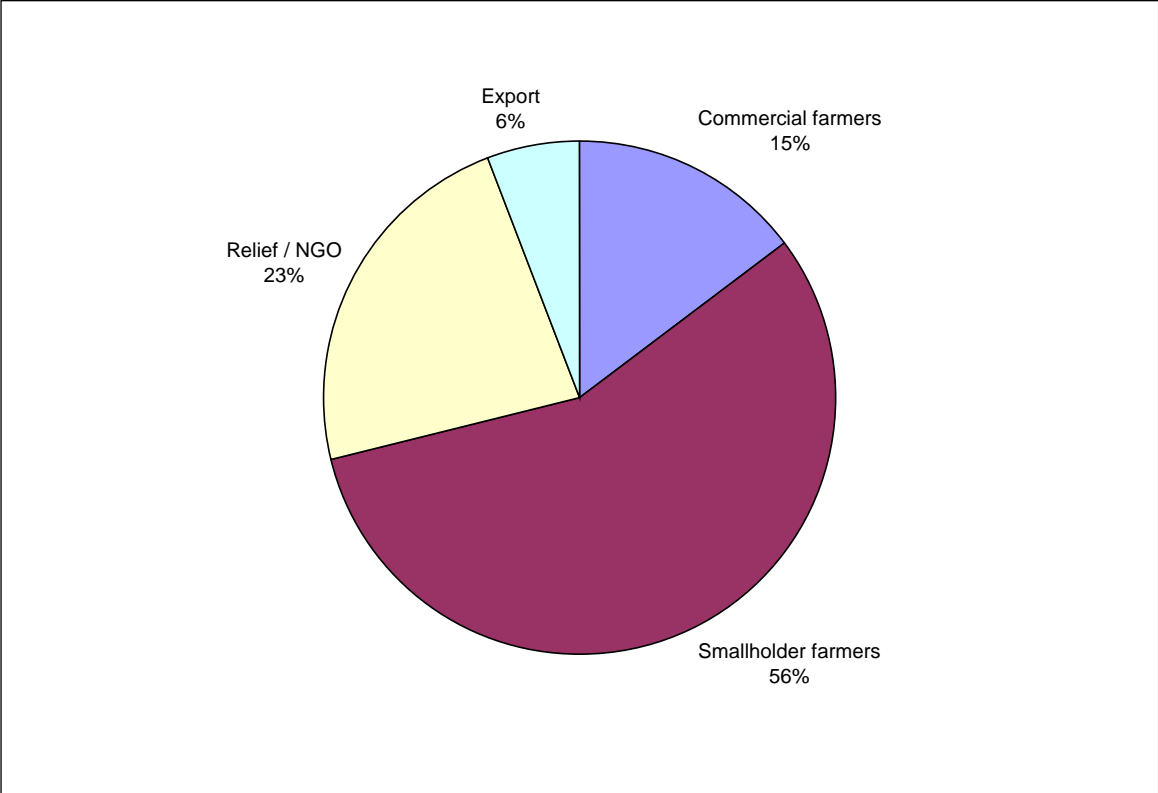


Figure 2: Sales breakdown by market segment (2006)

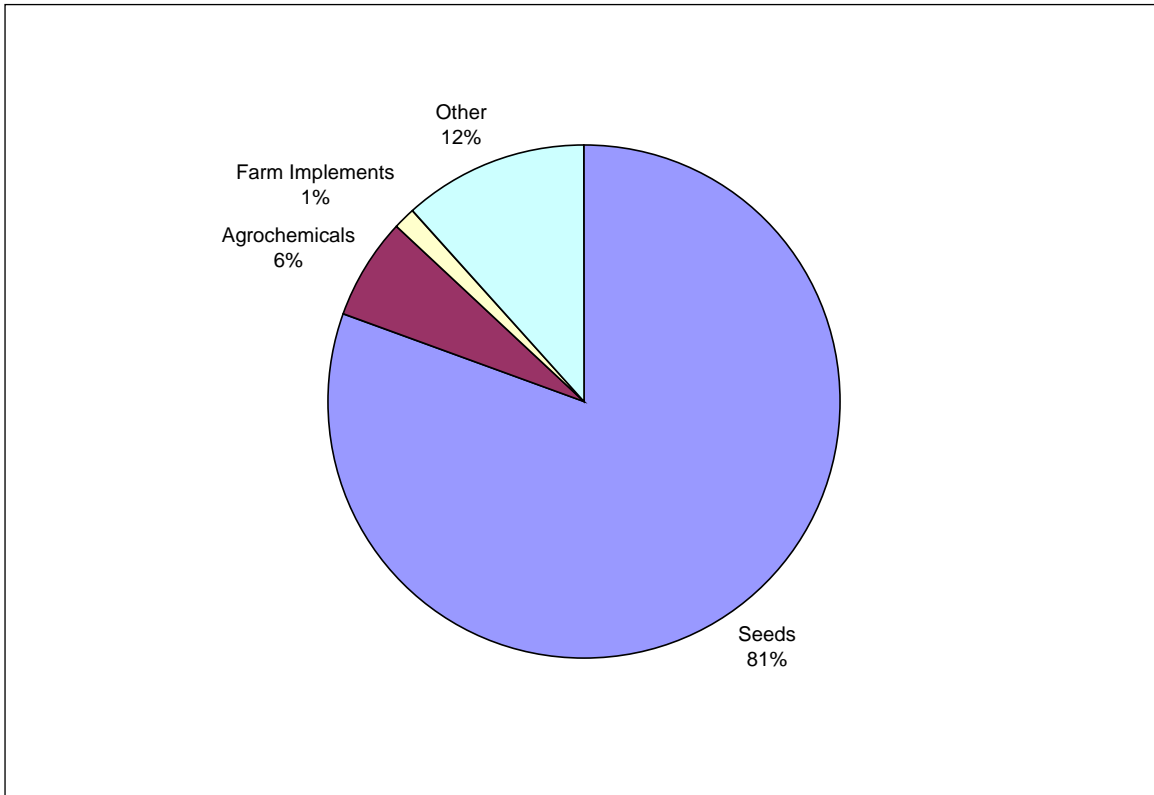


Figure 3: Sales breakdown by product type (2006)

3.2 Country breakdown

Wide variations exist in the size, structure and economic performance of emerging seed companies across different countries. The average performance indicators of the SODP Fellows by country in 2006 and 2007 are summarised in Tables 2 and 3 respectively. Based on the average sales revenue of companies in the program it is notable that Malawi and Mozambique host the smaller companies in the program while Zambia, Uganda and Tanzania host the larger companies in the program.

Table 3: Average Performance Indicators of SODP Fellows by country 2006

Country		Uganda	Kenya	Tanzania	Malawi	Zambia	Zimbabwe	Mozambique
Number of employees	Permanent	22.00	18.25	24.67	27.67	38.33	6.67	1.00
	Casual / seasonal	111.00	81.25	62.00	17.00	102.00	24.33	5.00
Number of seed growers used		201.67	66.00	29.00	76.50	17.33	60.00	2.00
Area under seed production and multiplication	Maize	641.00	301.25	166.50	42.50	361.33	201.67	100.00
	Others	458.50	100.00	59.00	20.00	100.33	183.33	-
Number of seed varieties offered	Maize	5.75	3.50	8.33	1.00	16.50	1.50	2.00
	Others	12.33	10.00	11.00	4.00	19.50	3.00	-
Seed peak processing capacity (tons per day)		30.00	7.67	12.50	5.50	66.00	69.00	-
Total seed production (tons)	Own Farm	875.00	60.00	180.00	85.00	194.17	200.00	-
	Contract growers	1,775.00	558.75	372.33	115.00	773.33	1,387.50	60.00
Seed sales (tons)	Maize	1,212.50	443.50	514.19	85.00	1,033.33	1,500.00	60.00
	Others	925.00	20,100.00	919.03	10.00	173.50	333.33	-
Domestic market share (% of all marketed seed)		31.67	2.78	50.00	1.25	31.67	2.01	-
Sales revenue (US \$)		1,611,250.00	682,762.75	1,455,666.67	66,000.00	1,973,225.00	291,000.00	-
Sales breakdown by Market Segment (% of total sales revenue)	% commercial farmers	17.08	3.00	7.85	-	20.67	24.00	-
	% smallholder farmers	36.25	86.00	50.71	97.50	38.33	61.67	100.00
	% relief / NGO	36.25	2.50	32.97	2.50	30.67	14.33	-
	% export	10.42	8.50	8.47	-	10.33	-	-
Sales breakdown by Product Type (% of total sales revenue)	% Seeds	81.25	82.75	67.07	100.00	86.67	71.00	-
	% Agrochemicals	8.75	-	13.33	-	11.67	3.33	-
	% Farm Implements	5.25	-	1.96	-	-	-	-
	% Other	4.75	17.25	17.63	-	1.67	25.67	-

Table 4: Average Performance Indicators of SODP Fellows by country 2007

Country		Uganda	Kenya	Tanzania	Malawi	Zambia	Zimbabwe	Mozambique
Number of employees	Permanent	24.25	22.25	32.67	29.67	43.33	12.33	2.00
	Casual / seasonal	132.50	135.00	93.33	23.33	111.00	70.00	10.00
Number of seed growers used		201.67	215.00	17.25	19.00	80.00	18.33	25.67
Area under seed production and multiplication	Maize	767.50	537.50	152.00	110.00	516.67	716.67	160.00
	Others	700.00	50.00	39.00	32.50	117.33	213.33	340.00
Number of seed varieties offered	Maize	6.25	5.25	9.67	1.50	20.00	3.33	2.00
	Others	13.67	3.50	12.33	3.00	22.00	4.00	5.00
Seed peak processing capacity (tons per day)		30.00	35.00	21.00	15.00	9.00	69.00	72.50
Total seed production (tons)	Own Farm	1,150.00	175.00	174.75	110.00	233.67	50.00	200.00
	Contract growers	2,175.00	572.50	422.17	125.00	1,250.00	2,866.67	400.00
Seed sales (tons)	Maize	1,600.00	712.50	693.33	187.50	1,066.67	2,500.00	200.00
	Others	1,362.50	10,060.00	526.67	25.00	235.00	420.00	400.00
Domestic market share (% of all marketed seed)		31.67	34.33	3.50	50.00	2.00	33.33	2.51
Sales revenue (US \$)		1,611,250.00	1,981,060.50	1,012,962.50	1,786,666.67	168,500.00	2,033,198.00	1,282,333.33
Sales breakdown by Market Segment (% of total sales revenue)	% commercial farmers	13.59	2.19	9.98	2.50	19.00	12.33	10.00
	% smallholder farmers	41.62	83.82	61.62	87.50	46.67	50.67	60.00
	% relief / NGO	34.37	-	20.95	7.50	26.67	18.67	20.00
	% export	10.43	13.99	7.46	2.50	7.67	18.33	10.00
Sales breakdown by Product Type (% of total sales revenue)	% Seeds	78.33	84.50	62.83	100.00	85.00	76.67	80.00
	% Agrochemicals	10.00	-	13.33	-	13.33	10.00	15.00
	% Farm Implements	5.33	-	4.70	-	-	1.67	5.00
	% Other	6.33	15.50	19.14	-	1.67	11.67	-

4. FELLOWS' VIEWS

4.1 Usefulness of SODP activities

SODP offers a variety of activities to Fellows including Workshop Training, Distance Learning, Field Visits, Seed Trading Forum, Student Attachments and Research. To establish which of these activities are having the most impact on company performance, the companies were asked to indicate "*Which aspect of the program has been most useful to your company? Why and how?*". Below are the direct quotes from their responses².

Zanobia Seeds - "Attending workshops, field trips to India and Malawi for seed trading forum."

Zum Seeds Limited - "Management Training Workshop provided me a theoretical foundation for use in analysis of business performance with modules as emphasis on how to recognize emerging problems and how to solve them through application of economic logic."

Naseco 1996 Ltd - "Meeting other seed companies and possibilities to share information (research/equipment/...) and ideas. The several opportunities to meet are also motivating and strengthening with the idea that you are not the only company struggling for survival."

Farm Inputs Care Centre (FICA) Limited - "Networking events like the Seed Trading Forum in Malawi has been most beneficial. Looking at the enlisted aspects of the SODP, they are all useful in a number of aspects. However, in case of Networking events, possibly because CEOs are involved, the outcomes after these gatherings have resulted in visible tangible benefits in case of FICA. For instance, today, FICA has a geographical market niche for its products in 5 countries through deals entered during the networking forums."

Progene Seeds - "Being very new it has not had any financial benefits yet however the networking has been massively important and the future will be huge having the capacity to test and market seed throughout the region without having to set up research and testing centres as well as sales departments in the countries! This will be the biggest benefit of all I think."

Suba Agro-Trading &Engineering Co. Ltd - "The student attachment has benefited our company mostly. The students helped to develop our company profile, marketing brochure and review of our company marketing plan. Either strategic report that was written by one of the students helped us to revise our business plan and strategies."

Tanseed International Ltd - "Seed trading forum for Africa has been most useful, coming together, exchange strategies and discuss business face to face."

Tropical Seeds - "Basically all SODP programs are very useful to the company. They revealed to the company all the potential challenges in the seed world. By

² Some of the quotations from Fellows have been minimally edited for clarity and brevity.

participating in various fora, the company is developing new strategies to be a most preferred source of both new technology and information."

Victoria Seeds Ltd - "Through field visits organized by SODP in India, we have been able to identify a reputable grower and supplier of vegetable seeds from India."

Kamano Seed Company Limited - "The Making Markets Matter workshops paved the way for export markets for the company by the fact that we have met and known a lot of different fellows."

Harvest Farm Seeds Ltd - "The Seed Trading Forum has been very useful to our company. The networking opportunities for business development opened new market opportunities and contacts."

Pristine Seeds - "Field trips have been useful because they have exposed the company to other companies and the experience has always been fruitful both financially and experience wise. The one trip by our General Manager in November yielded a company Semente Perfeita which has successfully qualified for funding by PROGRA."

Semente Pefeita - "The Maputo biotech meeting was a very useful event for our company. It networked us with various stakeholders from various walks of life as far as the seed business is concerned (e.g., blend of NGOs and financing institutions)."

Freshco Kenya Ltd - "Workshop training - Making Markets Matter workshop. This has contributed a lot in capacity building because most of our personnel have had formal training in agribusiness management. Student attachments - This is because the attachments are just like free consultancies where a company is dissected, examined by the students and they provide valuable advice and propose new business models."

Qualita Limited - "Networking gives us an opportunity to discuss future business. We do not always have the money to travel from company to company and the SODP give us the opportunity to meet all the fellows at one's. SODP gave Qualita the opportunity to go international."

Western Seed Company Limited - "Networking events. By getting into closer contact with other seed companies we have shared experiences and learnt from each other."

Oil Crop Development Ltd - "We have benefited from the workshop training which has helped us gather knowledge on various aspects of marketing and managing our business better. We have also benefited from the field trip to India as it has exposed us on the various opportunities there and how to exploit them. The student attachments helped us develop our website."

Funwe Farm Ltd - "We have learned so much about the types of problems that the other Fellows face and how they overcome them. But this is not achievable simply by interacting with the other Fellows - the success of this networking derives from the way in which Ed and Danie facilitate it."

Hygrotech Zambia Ltd - "Networking, meeting and talking to different people in the seed industry"

Seed Tech - "One aspect SODP has been useful is on MMM training workshops which has strengthened the capacity building through the lectures, group discussions and most importantly the handbook. The other aspect is the field visits which provide the opportunity to see and learn how others perform in the seed industry and the kind of seed processing equipment others utilize."

MRI Seed - "Networking opportunities created by the Seed trading Forum as well as the opportunity created to get to know the local market and seed industry dynamics."

4.2 Benefits from training workshops

Concerning the workshop training provided by Market Matters Inc the companies were asked how their company has benefited from the workshop training provided by SODP. Their direct, quoted responses are given below.

Zanobia Seeds - "Attending various activities organized by SODP has given us direction and goals and capacity to solve our problems and improve management skills."

Zum Seeds Limited - "Workshop Training has equipped me with basic analytical tools and principles in business management and provides a background for more advanced courses."

Naseco 1996 Ltd - "The company is more focused on its research/product development and marketing issues. There is also some kind of maturity between all the companies (in Uganda), especially where prices are concerned. The various companies attending the training have a clear understanding on profitability and avoid predatory pricing."

Farm Inputs Care Centre (FICA) Limited - "We have realized improved performance among our staff who have attended training workshops in different business aspects. For instance, marketing staff are able to prepare sales plans and promotional budgets. The Farm Units Manager was exposed to financial management skills and on the farm, budgeting and financial management has improved considerably."

Progene Seeds - "I have been extremely involved in the development of new germplasm and material for sales being a new company and was not looking to produce public domain material. I have not switched direction but now have a greater realization that sales must be concentrated on - since the SA workshop. I am in the process of negotiating with a sales team to do the sales for Progene Seeds. This has changed the major current focus that was on breeding and research, however this will still continue."

Suba Agro-Trading & Engineering Co. Ltd - "The company employees who attended the workshop gained skills in marketing, strategy setting, management and financial management skills. The skills obtained have been very useful to the company in achieving its set objectives."

Tanseed International Ltd - "Now able to target market correctly, set good market strategy and strategic planning and manages finance properly than before. Seed sales have been improving year after another."

Tropical Seeds - "The company has indeed benefited exposing it to new marketing strategies and providing it with tools to develop a new approaches to its marketing."

Victoria Seeds Ltd - "Workshop training has helped us improve our skills in seed marketing, distribution and processing. Fellow's participation in specialized activities and sessions designed exclusively for the seed industry has improved our skills."

Kamano Seed Company Limited - "We have received a lot of knowledge and we have opened up more markets to sell our products."

Harvest Farm Seeds Ltd - "Company staff who participated are better equipped to handle marketing issues, deal with competition and improve market share."

Pristine Seeds - "Yes we have benefited our staff have come back with more experience and exposure and have certainly been able to apply their workshop experience in their everyday marketing duties unfortunately two came back and started their own businesses but for me its positive if the workshop was that inspiring."

Semente Pefeita - "Meeting different people form different countries with different experiences in a single room makes learning easy, fruitful and beneficial. Our company benefited from the shared experiences of modern ways of doing business (Developing a successful and vibrant marketing strategies and financial management)."

Freshco Kenya Ltd - "Freshco now has 5 senior members of staff who have gone through the training workshop and their contribution to the company has been enormous due to their new analytical approach in decision making."

Qualita Limited - "We met a lot of new companies. It gave us the opportunity to see how they are facing their problems, so that we do not make the same mistakes. The main benefit is the networking with the fellows."

Western Seed Company Limited - "Marketing skills in MMM workshops."

Oil Crop Development Ltd - "This has given us an opportunity to be able to analyze our business processes differently and consequently improving it."

Funwe Farm Ltd - "MMM has given us a much clearer idea of the concept of a marketing strategy and tools to prepare one. We have used these tools in producing our first marketing strategy and are now implementing it."

Hygrotech Zambia Ltd - "Yes, especially the Making Markets Matter workshop. It has given me an insight in the different aspects of marketing and how to approach certain marketing situations."

Seed Tech - "Seed-Tech Co has benefited a lot from the MMM training workshops by increasing its capacity to perform better than before on management side how to strategize when managerial problem arises through the case studies and the strategic plans that we learn and practiced and the marketing solutions for the product to

consumer channels and then the Business Plan for a formal financial request for funding.”

MRI Seed - “It allowed one of our middle-management marketing persons to get amore exposure to seed industry and people outside her immediate surroundings (i.e. outside of Zambia.)”

4.3 Benefits from networking opportunities

In terms of the networking opportunities provided through SODP the companies were asked how their company has benefited from this activity. They were asked to specify their collaborative partners and the nature and value of deals made in the past year.

Zanobia Seeds - “We are collaborating with SUBA AGRO for the past three years and earned about USD 60,000 through such deals.”

Zum Seeds Limited - “Networking Forums and the establishment of the SODP Group Hub have opened up varying business opportunities in Eastern and Southern African region. For example Opportunities for germplasm exchange and formation of joint ventures. This is a good way to do business.”

Naseco 1996 Ltd - “Naseco is currently in collaboration with Western Seeds on one of its maize materials WH403 released in Uganda. The collaboration has just started but is expected to reach a commercial value of 150.000 USD/year, from 2008 onwards.”

Farm Inputs Care Centre (FICA) Limited - “FICA and HSG are in a partnership for maize variety development. In terms of value, a variety released will be worth US\$ 500,000. Likewise, FICA has been able to supply 150MT of 6H maize seed to Tanzania through contacts established during the networking events worth US\$ 105,000. Similarly, 320Mt of Longe 4 were supplied through networking contacts to Tanzania worth US\$ 140,000. More 120Mt of Longe 4 maize seed have been exported to Kenya worth US\$ 48,000. FICA is also bulking inbred maize lines for a hybrid maize variety for ZUM Seeds, Malawi and HSG in Tanzania. The volumes bulked so far are worth US\$ 88,000.”

Progene Seeds - “Being new in the system we are not selling yet but are starting in the next few months, no deals made so far in the network of any value but our usual sales continuing in Zambia and negotiations still on outside the network. However in Mozambique started negotiations with 2 large organizations still confidential. I have also negotiated with Uganda (Chris Kaijuka), Tanzania (Rajinder Mand and Gerhardt van Dyk) Scott Wallace from the IFDC in Nigeria to move seed into these countries as well as other business linkages are being discussed. We are importing seed into Zimbabwe from Mozambique but pricing structures of imported seed is problematic. This also goes for fertilizer which we are finding problematic to be financially competitive.”

Suba Agro-Trading &Engineering Co. Ltd - “Our collaborative partners are Seed Co. in Zambia, Bejo seed in India, Agrico in South Africa, and Sulphur Mill in India. We are the country agent for seed co seeds in Tanzania, we have registered sulphur mill chemicals and we are currently trading those chemicals under our trade name in

Tanzania and we also import vegetable seeds from Bejo seeds of India. The value of deals made for the last 13 months are approximately US\$ one million.

Tropical Seeds - "Tropical has developed a network of companies in both Africa and Europe. In Africa the company is working with Agricol towards a franchise to market pasture seed in Zimbabwe and beyond. And the company is also attempting to develop relations with Qualita. In Europe the company has developed a working relationship with Technisem of France for a franchise to market vegetable seeds in Central Africa."

Tanseed International Ltd- " (1) Opportunity to know CIMMYT Zimbabwe and able to access its germplasm:Tanseed has registered three CIMMYT - ZM maize seed varieties in Tanzania, Tanseed received free seed business consultancy from CIMMYT seed system expert. (2) Business opportunity with Chinese Vegetable and agrochemical technologies Vegetable seed deal with Zhongdu Seeds Co. Ltd. China, and Zhejiang top chance chemical industry co., ltd., China (3) Seed export/import from/to Naseco seed company Uganda (4)Collaboration with ZUM seed company, Malawi."

Victoria Seeds Ltd - "Through Safal Seed Company, we have been able to get reputable suppliers of seed processing machinery."

Kamano Seed Company Limited - "The networking has introduced us to companies who have been able to supply us with affordable seeds and fertilizers as opposed to dependence on the local suppliers in our country before we joined the SODP. It has also given us chance to work with CIMMYT who have given us some varieties of Hybrid and OPV Maize seed which we have pre-released and are now bulking up in Zambia."

Harvest Farm Seeds Ltd - "We have identified new partners to supply vegetable seeds from Beijing, China. New Hybrid(maize) lines from MRI in Zambia are on the way."

Pristine Seeds - "SODP has facilitated that we start a new company in Mozambique which is a three nation partnership Semente Perfeita which has successfully joined SODP. The partners in Semente are FICA Pristine and a Mozambican farmer and breeder."

Semente Perfeita - "Not yet so far. Semente Perfeita is still new, but it is promising."

Freshco Kenya Ltd - "Out of collaboration with Faida seeds as contract processors we have done business together worth USD 40,000."

Qualita Limited - "Qualita started a company in Uganda with FICA seeds. Progene joint venture distributing Qualita vegetable seeds in Zambia and Zimbabwe. Qualita will register Progene's hybrids in Mozambique. Qualita will start to supply Komano seeds in Zambia. Qualita started to supply Seed Tec in Malawi. Rajinder from Dodoma transport is transporting vegetable seeds with his transport to Malawi and Zambia from Arusha Tanzania for NO CHARGE."

Western Seed Company Limited - "Useful contact with MRI Zambia, SADEC Tanzania. No deals made in the last 13 months."

Oil Crop Development Ltd - "We have been able to work with Freshco Kenya Ltd better in exploiting the various strengths within each company to strengthen ourselves in the seed industry in Kenya"

Funwe Farm Ltd - "We have not yet made any business deals with the other Fellows, but almost sold our entire maize seed output to a contact kindly provided by Qualita Seed. Four Fellows have offered us hybrid parent material if the Malawi Government breeders cannot supply it to us."

Hygrotech Zambia Ltd - "In a limited way. Have been talking to ZUM Seeds to start collaboration of marketing vegetable seeds in Malawi. Also have been talking to Zanobia Seed, the AVRDC and CNFA, but not much progress. Especially very disappointed with AVRDC in Arusha and CNFA in Nairobi as they never responded to my numerous e-mails."

Seed Tech - "Yes, with Pristine Seeds Co connected Seed-Tech Co to CYMMIT (basic seed) and Dichwe Implements for processing equipment, and Qualita Seeds have agreed to supply vegetable seed on soft terms under a certain brand name and the deal may value \$ 10,000 per annum."

MRI Seed - "No deals have been made yet but hopeful that we will be selling some seed in Malawi this year due to the opportunity created by SODP to go there and get to know the country/market/players. Also, hopeful that some of the contacts with other SODP members will yield some type of licensing or relationship over the next year."

4.4 Suggested additions to SODP activities

SODP Fellows were also asked *what activities, that are not currently organized through SODP, they would like to see included in the program*. Their direct responses presented below.

Zanobia Seeds - "Field trips to similar climate conditions such as low rain fall areas such as Australia, India and Brazil. What can we learn from their successes?"

Zum Seeds Limited - "Due to limited resource endowments (land, labour, capital) we need SODP to help catalyze the quest for sourcing of kick-start capital."

Farm Inputs Care Centre (FICA) Limited - "One of the activities I would propose is an improvement on networking events like the Seed Trading Forum. The forum should be adjusted to involve a wider coverage of attendants, especially drawn for a wider stakeholder calling in the seed industry. For instance, bankers, scientists, policy makers etc all invited to attend and discuss chosen topical issues with CEOs during the forum."

Progene Seeds - "I would like to have the ability to have more visits to other countries for germplasm research and exchange to explore markets and expansion opportunities. I am unique in that I produce material rather than use public domain material. I am also involved in the export of my material across borders and am in the process of expanding and finally getting to use the material I have developed. In this light my unique opportunities of being strongly research and development organized at present

can be utilized and assisted by promoting this use of other material in the research department. E.g. I have an interest in 25 000t of seed maize for west Africa but do not have the finances to pursue it at the moment but will do when I get the finances from sales this season."

Suba Agro-Trading &Engineering Co. Ltd - "Monthly/quarterly newsletter which will be used to inform fellow member on various issues such as seed markets and industry trends in the region. Long term training and or attachments among the fellow members."

Tropical Seeds - "Technical workshops on staff development especially for companies wishing to go into research and development."

Victoria Seeds Ltd - "Seed companies from the Developed world should be invited to attend Seed Trading Forum held every year so that the small companies can have better opportunities to explore."

Kamano Seed Company Limited - "Making it easy for the countries to import and export their products without a lot of difficulties along the borders."

Harvest Farm Seeds Ltd - "During the training workshop, participants should handle a seed lot and perform practical seed quality tests on it."

Pristine Seeds - "Sending staff on short courses for example the IAC course in Holland held every year in Seed production and marketing."

Freshco Kenya Ltd - "Sponsor short term training opportunities in plant breeding, seed production & marketing."

Qualita Limited - "The country that host the event must give us the procedures how to register a company in there country, and tell us how they attract investors to there country."

Funwe Farm Ltd - "I feel we are learning OK about marketing. Now our main weakness as a company is the actual managerial skills and quality of work of our senior and middle-level managers (specifically Farm Manager, Assistant Farm Manager and five departmental heads). So it would be great if SODP could send a trainer or facilitator or consultant or mentor who could spend some time at Funwe helping them to improve those skills (e.g. planning and budgeting, monitoring progress, line-managing people, controlling expenditure, inter-personal and communication skills). Alternatively we could send our managers to training courses but that means time away from work and is usually more expensive than sending the trainer to Funwe to do it on the spot."

Hygrotech Zambia Ltd - "Facilitate technical assistance to emerging seed companies, i.e. assistance in setting up breeding programs, technical assistance in seed production, especially vegetables."

Seed Tech - "Linking up seed SMEs with the aid agencies for funding and to play a significant role to broker to make SODP complete cycle."

5. CONCLUSION

The outcomes and successes of the Seeds of Development Program are most visible in the program's direct impact on participating companies. This monitoring and evaluation report indicates that SODP Fellows have experienced statistically significant gains in the following areas: sales revenue, maize seed production, other seed production, number of varieties offered and total volume of seed sales. The program has been highly successful and was recently awarded the L.A. Potts award for an innovative program showing significant impacts on economically disadvantaged communities. A key element of the companies' success lies in the capacity building and networking provided by SOPD. Fellows consistently report that they value and make use of opportunities to exchange information and experiences with other seed companies from the continent. Further, SODP Fellows have created numerous successful business deals. These collaborations include not only seed sales but other products, such as chemicals/fertilizers, equipment, and germ-plasm processes that are essential to increased productivity by rural farmers. In short, the SODP network allows Fellows to expand their contacts, participate in business deals they would not otherwise have access to, and gain experience in providing seed products/services in domestic and/or regional markets.

Through its successful work with African seed companies, SODP's broader impact in smallholder farming communities has become visible. First, Fellow companies create additional employment, as virtually all companies have experienced growth and the concurrent need for additional labour, whose earnings support immediate and extended families. Company sales data also show that the bulk of sales (more than 80%) go to smallholder farmers. By offering a wider variety of seeds, including higher-yielding, disease- and drought-resistant varieties, and other inputs such as fertilizers, SODP companies help smallholder farmers increase food security for their families and communities. Building on its success so far, SODP's goal is to continue to grow its network of African seed companies that will lay the foundation for a well-functioning, locally-owned, and continent-wide seed marketing system.

APPENDIX 1: SODP Monitoring and Evaluation Form

Company Name:		Year Established:	
Address:			
Phone number:		Fax number:	
Email:		Website:	

Please indicate if the following SODP activities have been beneficial to your company (only respond to activities that your company has participated in). You can indicate your choice by **bolding** the number.

SODP Activity	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Participation at Maputo Biotech meetings	1	2	3	4	5
Workshop training - Making Markets Matter workshop	1	2	3	4	5
Networking events - Seed Trading Forum in Malawi	1	2	3	4	5
Student attachments	1	2	3	4	5
Field trips to visit other seed companies	1	2	3	4	5
Internet presence & exposure through SODP	1	2	3	4	5

1. Which aspect of SODP has been most useful to your company? Why and how?

2. How has your company benefited from the workshop training provided by SODP? Please be specific.

3. How has your company benefited from the networking opportunities provided through SODP? Please specify collaborative partners, nature and value of any deals made over the last 13 months.

4. What activities, not currently organized by SODP, would you like to see have added to the program?

Year		2006	2007 Projected
Number of employees	Permanent		
	Casual / seasonal		
Number of seed growers used			
Area under seed production and multiplication	Maize		
	Others		
Number of seed varieties offered	Maize		
	Others		
Seed peak processing capacity (tonnes per day)			
Total seed production (tons)	Own Farm		
	Contract growers		
Seed sales (tons)	Maize		
	Others		
Domestic market share (% of all marketed seed)			
Sales revenue (US \$)			
Sales breakdown by Market Segment (% of total sales revenue)	% commercial farmers		
	% smallholder farmers		
	% relief / NGO		
	% export		
Sales breakdown by Product Type (% of total sales revenue)	% Seeds		
	% Agrochemicals		
	% Farm Implements		
	% Other		