



E-Review

Electronic Newsletter of the African Seed Trade Association

April 2006

In this edition:

- *News from the Seed Trade Association of Malawi (STAM)*
- *Improving the availability of Foundation Seed of publicly developed varieties*
- *AFSTA congress 2006 in brief*
- *South African Genetically Modified Crop adoption in 2006*

NEWS FROM THE SEED TRADE ASSOCIATION OF MALAWI

Introduction

STAM was founded in September 2004 at a general conference held at Crossroads Hotel and was formally launched by the then deputy Minister of Agriculture Hon. Sidik Mia. The conference elected, Enock Chikava as its interim president, Patrick Khembo as its Deputy, Felix Jumbe as Secretary, Melvin Moyo as Treasurer and the following committee members: Dr. John Kumwenda, Mcleod Nkhoma, Lucia Mtabo and Ian Kumwenda all representatives of their respective organizations.

Achievements

The interim board has so far undertaken the following assignments:

- ❖ STAM has held five board meetings where various issues concerning the seed industry have been discussed and lobbied government on issues concerned policy. One most important issue was to persuade government to include hybrids in its programs and not only OPV seed maize.
- ❖ An interim Constitution is now in place, which has been adapted from the others in the region
- ❖ Unity of purpose, companies that used to regard each other as competitors are now

joining hands in market development with a view to increasing the use of improved seed by the farming communities. Currently only about 12% of land under maize are using improved seed.

- ❖ To underscore the importance of using improved seed members of STAM are hosting this year field-days on their joint demonstration plots. One of the high profile field days will be held on 5th May 2006 where the Minister of Agriculture will be the guest of honor.
- ❖ STAM has now a bank account, which was opened last year in November.
- ❖ STAM has been represented in several forums under SADC on harmonization issues and on many international forums as part of capacity building.

Challenges

The board is still looking at doing more in order for STAM to be perceived by its membership to be of service to them and see the value for their membership. Some of these challenges include:

- ❖ Establishing a sustainable Secretariat where two full time employees will attend to day-to-day operations of STAM and be able to respond to demands. A project proposal is already done and presented to some donors for funding.
- ❖ A strategic plan is in the process of production and STAM is looking for an interim donor to facilitate the establishment

of sustainable base of income in line with the services that are expected of STAM.

- ❖ STAM is looking forward to being part of the establishment of the Foundation Seed Enterprise in Malawi to relieve small-scale entrepreneurs on the entry barrier to seed business.

By Felix Jumbe, Secretary of STAM
E-mail: fejumbe@malawi.net

IMPROVING THE AVAILABILITY OF FOUNDATION (BASIC) SEED OF PUBLICLY DEVELOPED VARIETIES

In its efforts to promote seed trade in Africa, the African Seed Trade Association (AFSTA) has teamed up with the program for the Sustainable Commercialization of Seeds in Africa (SCOSA) to improve the availability of foundation seed of publicly-developed varieties. Significant public investments have been made to develop improved varieties but many of these never reach farmers because of poorly developed systems to maintain, produce and market foundation seed.

The success of any seed company is dependent on its ability to market something new and different than what farmers already have. In Africa the development of small- and medium-sized seed companies has only just started, and the success of such companies will depend to a large extent on their ability to source improved varieties from the public sector.

In several countries around the world - both developed and developing - the public sector has established Foundation Seed Enterprises (FSEs) to ensure the availability of basic seed. There is considerable variation in the strategies employed for FSEs, but they are almost always entities that are separate from the public plant breeding program, with their own staff and budgetary independence.

AFSTA is launching a program to support interested stakeholders in nine Francophone Countries to develop a strategy for improving the availability of foundation seed in their respective countries. Country teams composed of three people representing the national seed service, the national agricultural research system, and the seed trade association will be briefed on the principles underlying the development of commercial seed systems and the role that FSEs can play in supporting the development of such systems. They will then be given training in how to put together a business plan for a FSE. Following the initial workshop, the teams will then return to their countries and conduct a wider consultation with a broader range of seed stakeholders supported by AFSTA and SCOSA. Through this consultation it is expected that they will prepare a draft business plan, which will be refined and finalized at a second workshop. These business plans will then be marketed to interested development investors for financing.

The workshop will be conducted in French for the Francophone countries and in English for Anglophone countries. The first workshop for Francophone countries will be held in Bamako, Mali from 8th to 12th May 2006.

In West Africa the business plan training is being done in support of the Seed Industry Alliance being supported by USAID, which is aimed at promoting viable seed enterprises in West Africa.

Financial projections suggest that the FSEs can become self-sustaining after an initial period of support as the demand for foundation seed increases. Importantly these enterprises are expected to foster enhanced public-private partnership and to work in harmony with the public research organizations and commercial seed companies. For more information on

this initiative, please contact the AFSTA Secretariat at the contact addresses given at the end of this Newsletter.

Richard Jones
Program Leader of SCOSA
E-mail: r.jones@cgiar.org

AFSTA CONGRESS 2006 IN BRIEF

The African Seed Trade Association (AFSTA) sixth annual congress 2006 held from 29th to 31st March 2006 in Entebbe, Uganda was officially opened by The Right Honorable Prime Minister, Prof. Apolo Nsibambi, on behalf of the President of the Republic of Uganda. He emphasized the key role played by seeds in agricultural development and called upon all the seed stakeholders to join hands in promoting the use of high quality seeds in Africa. It attracted 118 delegates from 31 countries. Delegates included representatives from regional and international bodies.

It was an excellent opportunity for the participants to discuss and exchange information and views amongst themselves. All the technical sessions on important topics such as: financing for private sector investment in Africa with reference to agricultural sector in general and with the seed sector in particular, Common Market for Eastern and Southern Africa (COMESA): developing trade capacity for market access, importance and interests of seed treatments for sustainable agriculture, facilitating access to publicly available germplasm to support the development of the seed industry, challenges of the seed market in Africa for seed companies: discussions and recommendations on the way forward and situation of harmonization of seed policy and regulations, including biotechnology, in Africa were well attended. The congress was preceded by two half-day workshops: One on "how to install ISTA accreditation for governmental and seed company testing laboratories" facilitated by ISTA and another one on "strengthening small and medium African seed enterprises

of Seed of Development Program and facilitated by Cornell University.

The AFSTA General Assembly held on 21st March 2006 adopted position papers on the three following topics: Modern Biotechnology, International Treaty on Plant Genetic Resources for Food and Agriculture of the FAO, and Coexistence of Genetically Modified and Conventional seeds. A new strategy to face the challenges of the African seed industry was also adopted. Objectives for AFSTA continue to be the organization of technical training related to seeds to build capacity of its members in 2006/2007, among others strengthening the knowledge of its membership about seed quality insurance management, seed association management, seed marketing and business plan. It will continue to actively support the seed legislation harmonization process in the sub-regions.

It was confirmed that AFSTA annual congress 2007 will be held in an exciting place where you can combine fun and work, which is the Zambezi Sun Hotel in Livingstone, Zambia from 27th to 30th March 2007. The National Organizing Committee for AFSTA Congress 2007, headed by Mr. Marcel Kanungwe has been working hard to ensure that it will meet your expectations in every aspect.

By Justin Rakotoarisaona
AFSTA Secretary General

SOUTH AFRICAN GENETICALLY MODIFIED CROP ADOPTION IN 2006

GM maize doubles market share in 2006

Planting of genetically modified (GM) maize increased its market share from 14.6 per cent of total South African maize planted in 2005 to 29.4 per cent in 2006, according to a survey submitted by FoodNCropBio to the Maize Trust. The major unique trait remains insect resistance with 72 per cent of total GM maize, while herbicide tolerant maize now stands at 28 per cent. Actual hectares planted increased by 11 per cent to 455 287

despite total maize area having slumped by 45 per cent.

This increase builds upon past trends that amounted to 42 per cent GM maize growth in 2003, 44 per cent in 2004 and 20 per cent in 2005. White GM maize showed the most dramatic increase from 8.6 per cent of total white maize area in 2005 to 28.8 per cent in 2006. Yellow GM area planted grew from 24 per cent to 30.5 per cent of total yellow for the same period.

It is clear that farmers gain benefit from GM technology. Nevertheless, co-existence of GM and conventional maize farming has been accepted. Some farmers grow conventional maize under contract with buyers who serve non-GM markets, while various agribusinesses retain separate storage facilities for non-GM grain. Standards for identity preservation have been finalized so that certification of non-GM will be possible.

GM share of soybean crop stabilizes

Herbicide tolerance in GM soybeans has been the global driving factor in conservation farming by reducing ploughing and tilling practices. The share of GM soybean area planted was estimated at 135.000 hectares or 59 per cent of total soybeans, about the same as for the 2005 crop. Use of farm-saved seed continues to increase and may create problems for future non-GM production due to risk of seed mixing.

GM cotton still at 90 per cent

The anticipated increase in cotton area did not materialize due to low local cotton prices, aggravated by drought at planting time. The share of GM cotton remains at 90 to 92 per cent of the total. The stacked traits of insect resistance and herbicide tolerance, only approved for commercial release by government in September 2005, realized a 40 per cent market share in its first year. Varieties with only insect resistance had a 39 per cent share and those with only

herbicide tolerance stood at 13 per cent share. The remaining 8 per cent was planted to conventional cotton.

Total area planted to the three GM crops came to over 609 000 ha, up 18 per cent from the 2005 area of 515 000 ha.

The survey on GM maize conducted by FoodNCropBio was supported by a grant from the South African Maize Trust.

*By Wynand van der Walt, Senior Partner
FoodNCropBio consulting and facilitation
services.*

E-mail: wynandjvdw@telkomsa.net

Upcoming events:

- **8th to 12th May 2006:** Workshop on business plan writing for seed representatives from francophone African countries in West Africa Bamako, Mali.
- **15th to 19th May 2006:** SADC/AFSTA Workshop on Plant Variety Protection Lusaka, Zambia.
- **28th to 31st June 2006:** ISF annual congress, Copenhagen, Denmark.
- **26th to 29th June 2006:** ISTA annual meeting, Zurich, Switzerland

EDITORIAL TEAM:

- *Justin Rakotoarisaona, AFSTA Secretary-General*
 - *Susan Miyengi, Personnel Assistant*
- The editorial team would like to thank the contributors of this issue.*

Disclaimer:

The African Seed Trade Association takes every precaution in verifying the accuracy of information supplied by its Secretariat, but does not accept liability for errors, which may nevertheless appear in this newsletter. Submissions by contributors to the newsletter may not necessarily reflect the views of the AFSTA Secretariat, the Board or its members.

The African Seed Trade Association

Postal address: P.O Box 2428 – KNH Nairobi – Kenya

Tel: (+254 – 20) - 272 7860 / 272 7853

Fax: (+254 – 20) – 272 7861

E-mail: afsta@afsta.org

Website: www.afsta.org