SEED MARKETS : REACHING SMALLHOLDERS IN AFRICA

Focus on the Customer

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USAID FROM THE AMERICAN PEOPLE

seed system *Strengthening smallholder farmer seed systems*

Clients in drought-prone zones

In Drought Zones

- **Low harvest**
- **High incidence of 'disaster'**
- **Remote**

Clients: malnourished-/undernourished

Undernourished

- **Mostly small-scale farmers /plots**
- **Low purchasing power**
- **Diets geared to 'cheap' calories**

Where so smallholders actually source their seed ?

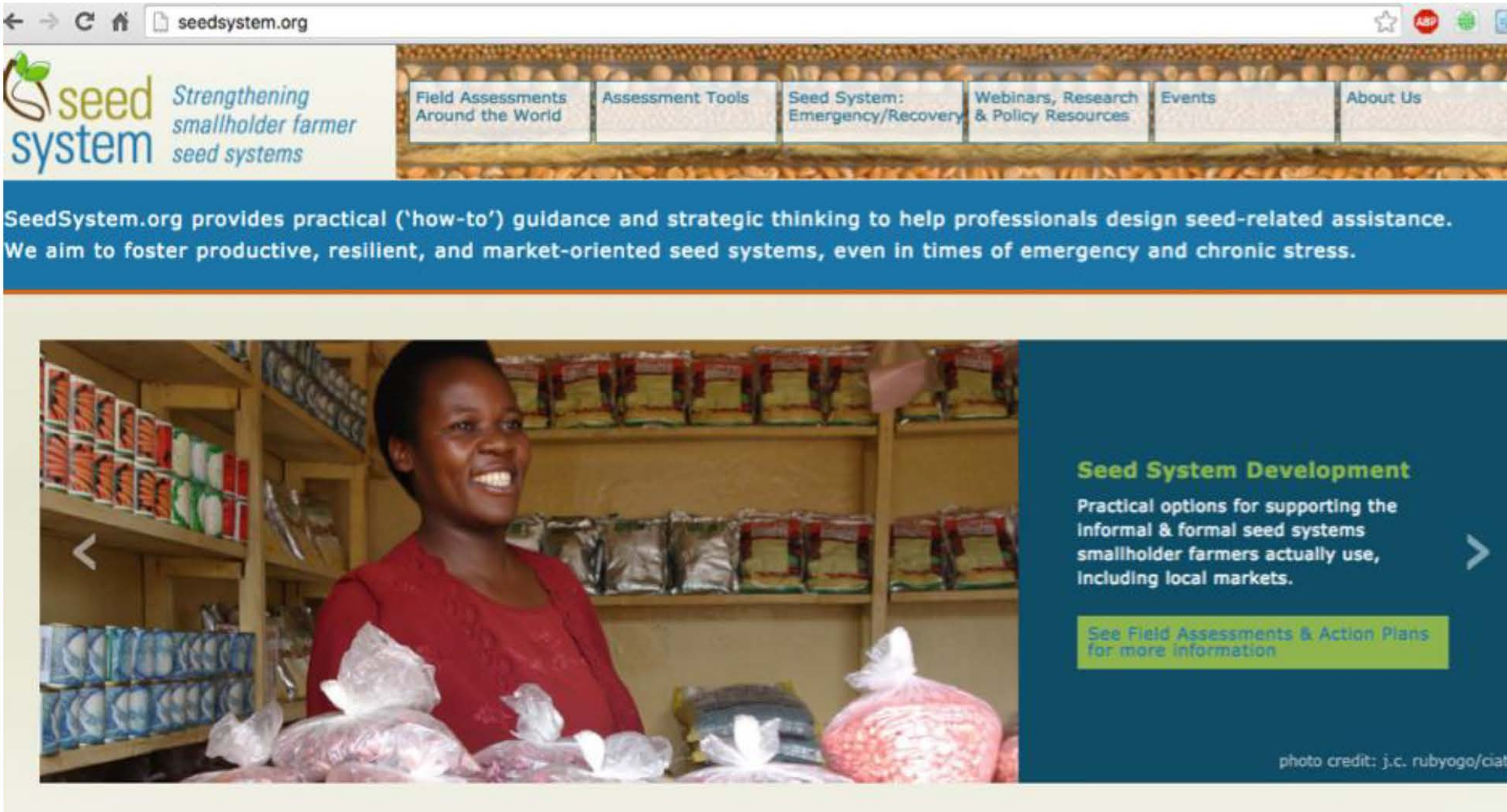
Seed System Security Assessments :

Global N=15,744 transactions

Africa N=10,684 transactions

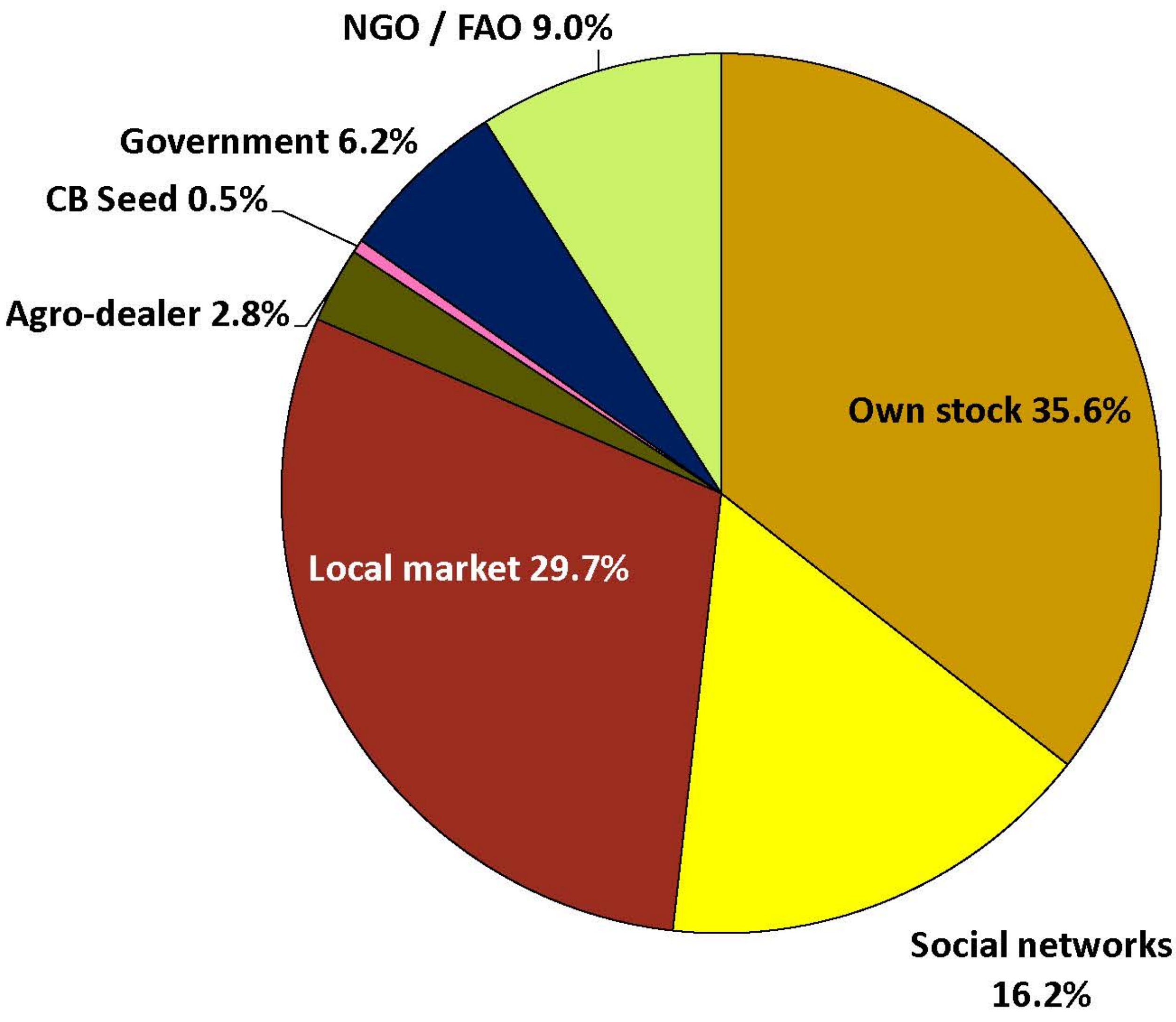
SSSA Country (Africa only)	Date
Malawi	2011
Kenya	2011
DR Congo (Katanga)	2012
South Sudan	2010
Zimbabwe	2009
Zambia	2013
Madagascar	2013
Ethiopia	2016
DR Congo (Kasai Oriental)	2017
Burundi	2017
Zimbabwe	2017

http://seedsystem.org



Seed sources of all crops: Africa

N transactions = 10,489



Seed markets

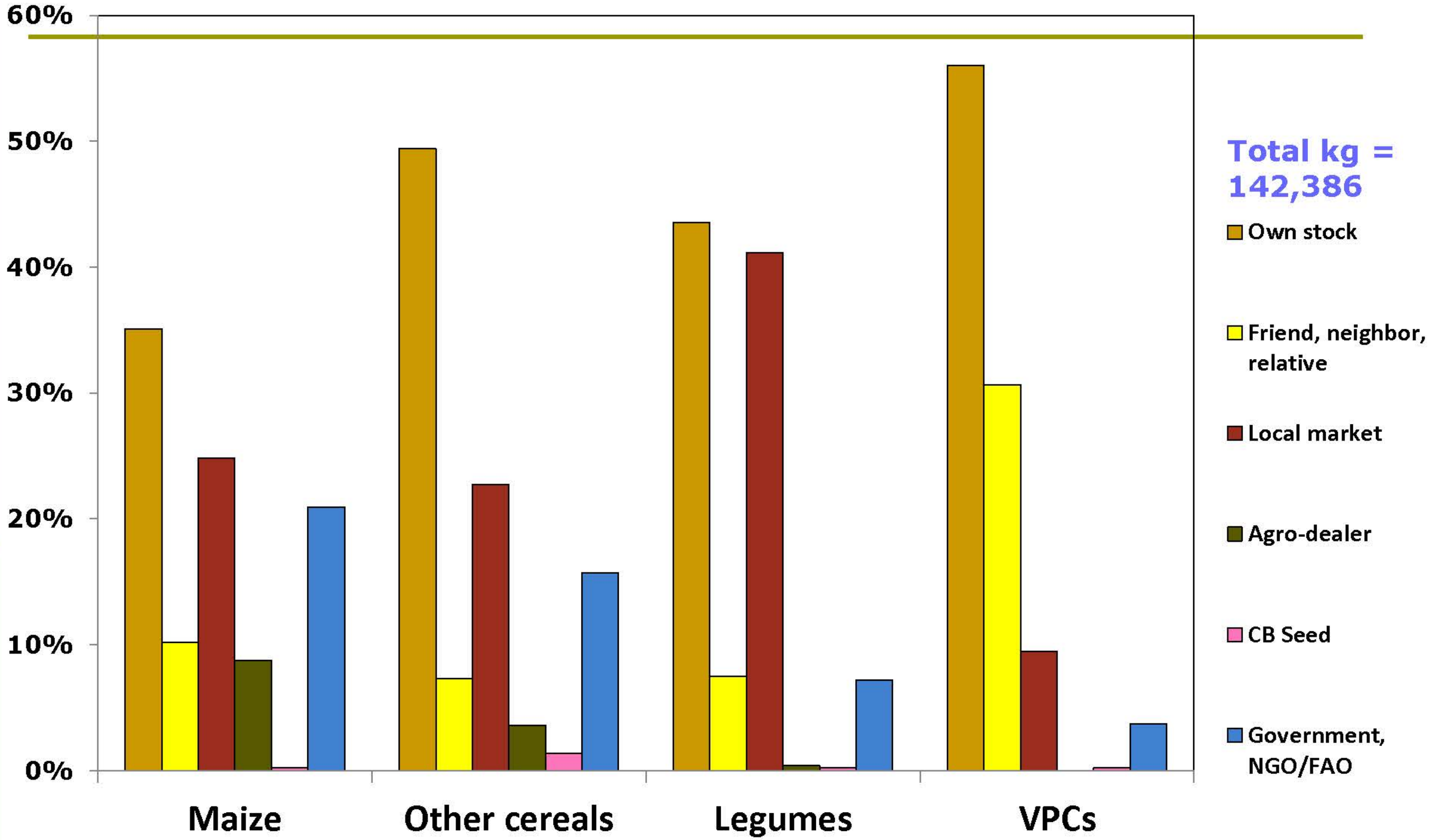
Informal/local seed markets

Many crops: cereals , legumes

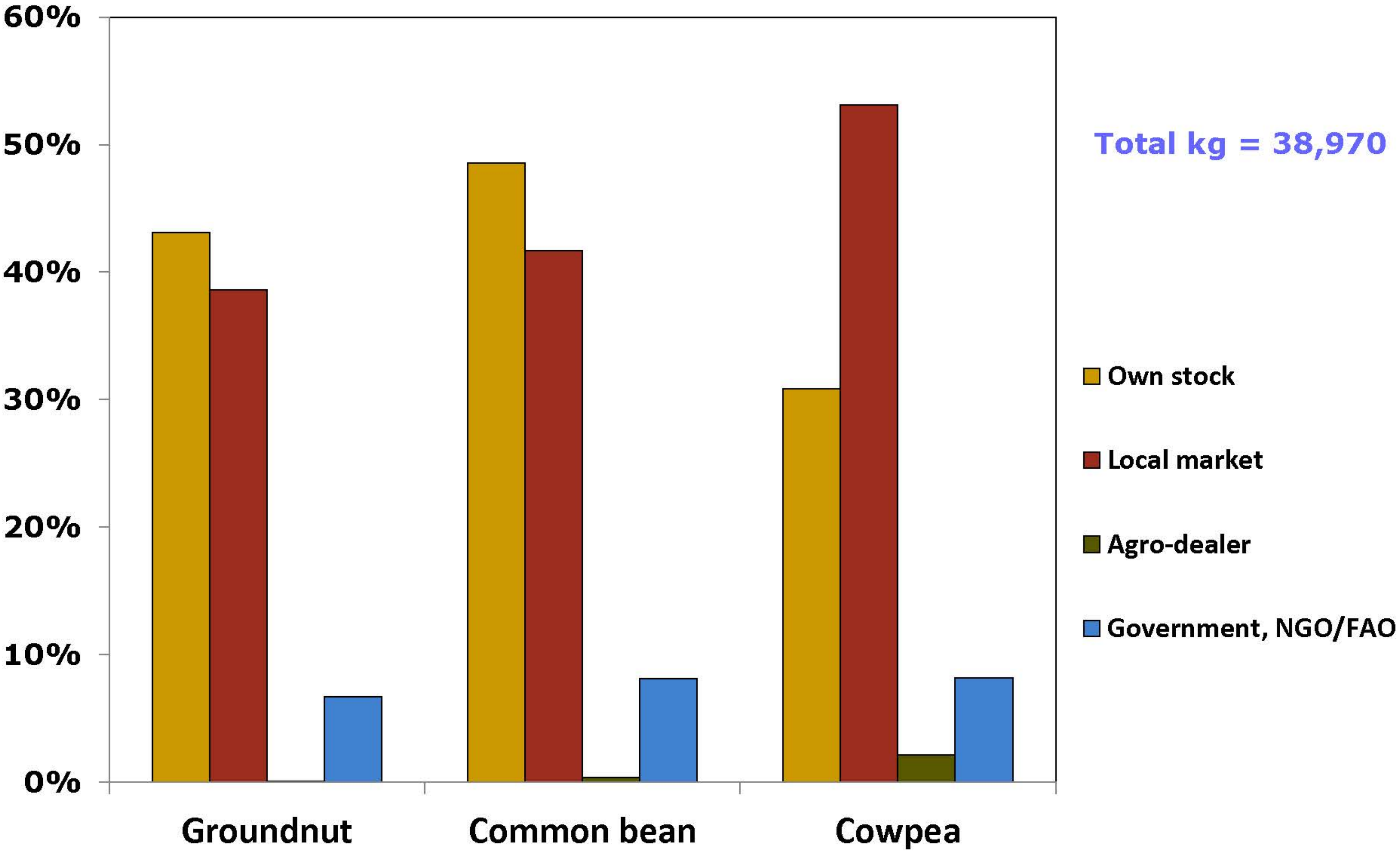
Agro-dealers/ seed companies

Maize, vegetable seed

Seed sources of key crop groups at African sites (kg-basis)



Seed sources of key legumes

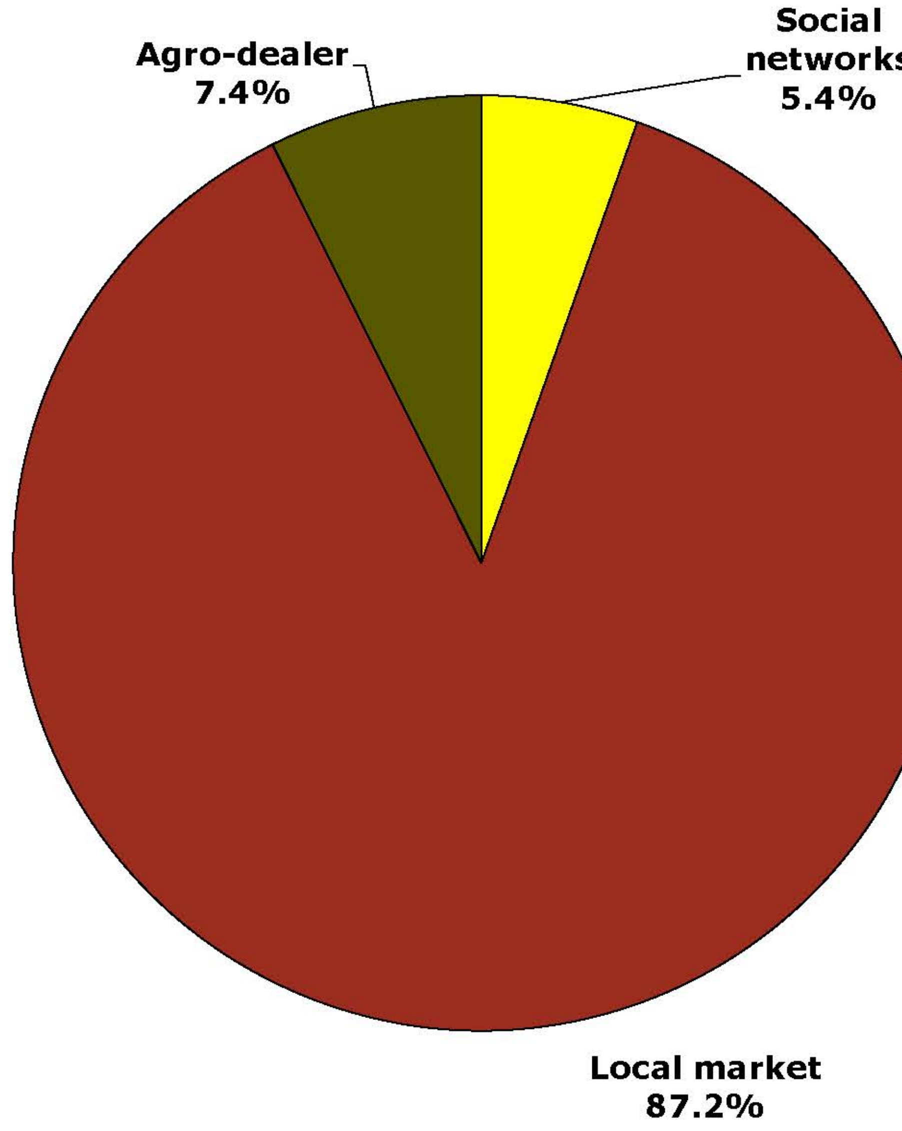


Means of seed access (transactions)

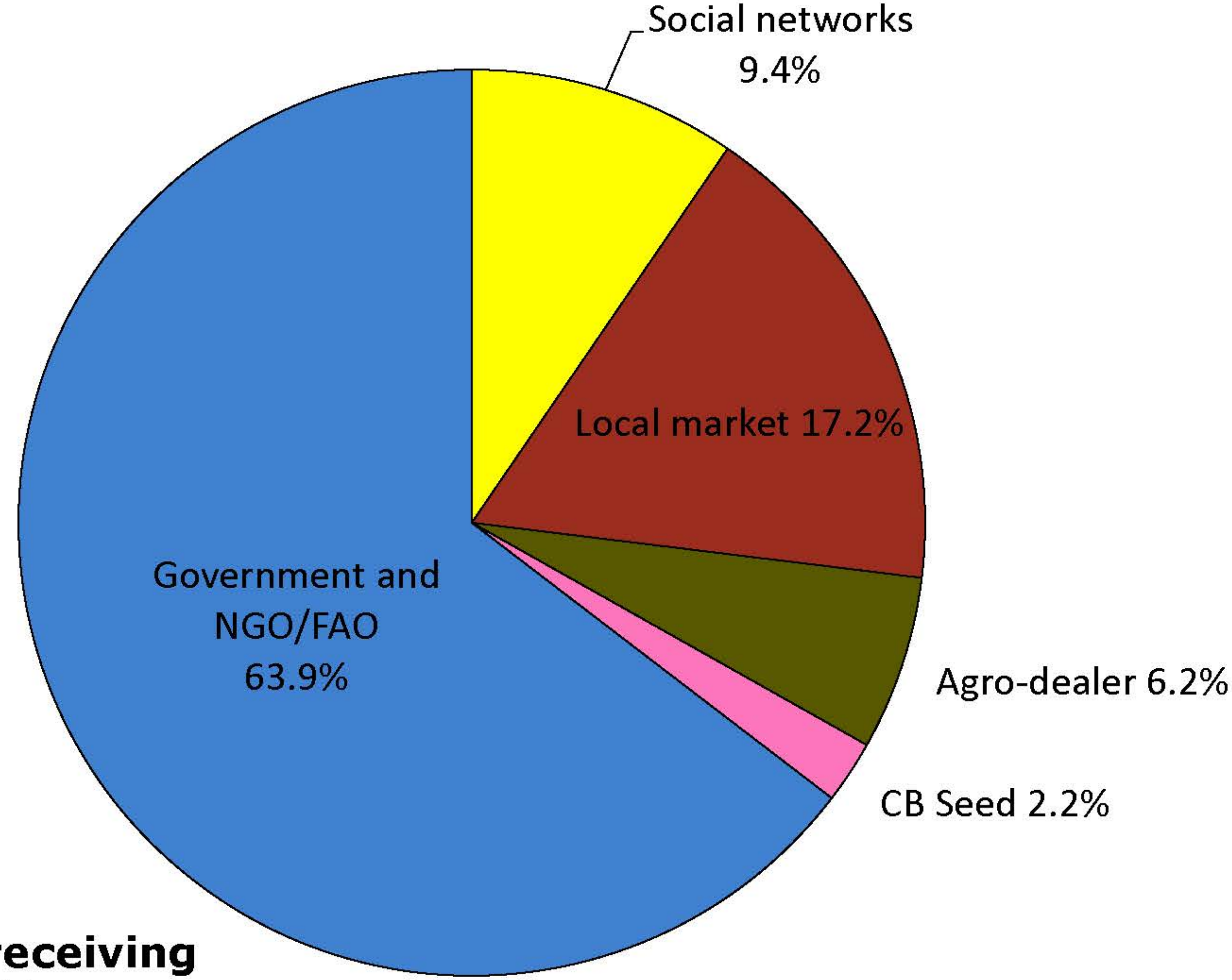
Means of seed access	All crops		Excluding VPCs	
	N	%	N	%
Saved from own stock	3,732	35.1%	3,176	33.9%
Exchange	110	1.0%	105	1.1%
Gift	1,360	12.8%	940	10.0%
Buy	3,824	36.0%	3,654	39.0%
Vouchers	141	1.3%	133	1.4%
Direct seed distribution	1,117	10.5%	1,054	11.2%
Seed loan	223	2.1%	200	2.1%
Food aid	23	0.2%	20	0.2%
Money credit	9	0.1%	8	0.1%
Other	21	0.2%	20	0.2%
Casual labor	60	0.6%	60	0.6%
Total	**10,620**	**100.0%**	**9,370**	**100.0%**

Main sources of purchased seed

Seed sources	N transactions	%
Social networks	191	5.4%
Local market	3,079	87.2%
Subtotal	**3,270**	**92.6%**
Agro-dealer	260	7.4%
Total kg	**3,530**	**100.0%**



Sources of new varieties
(n=2518)

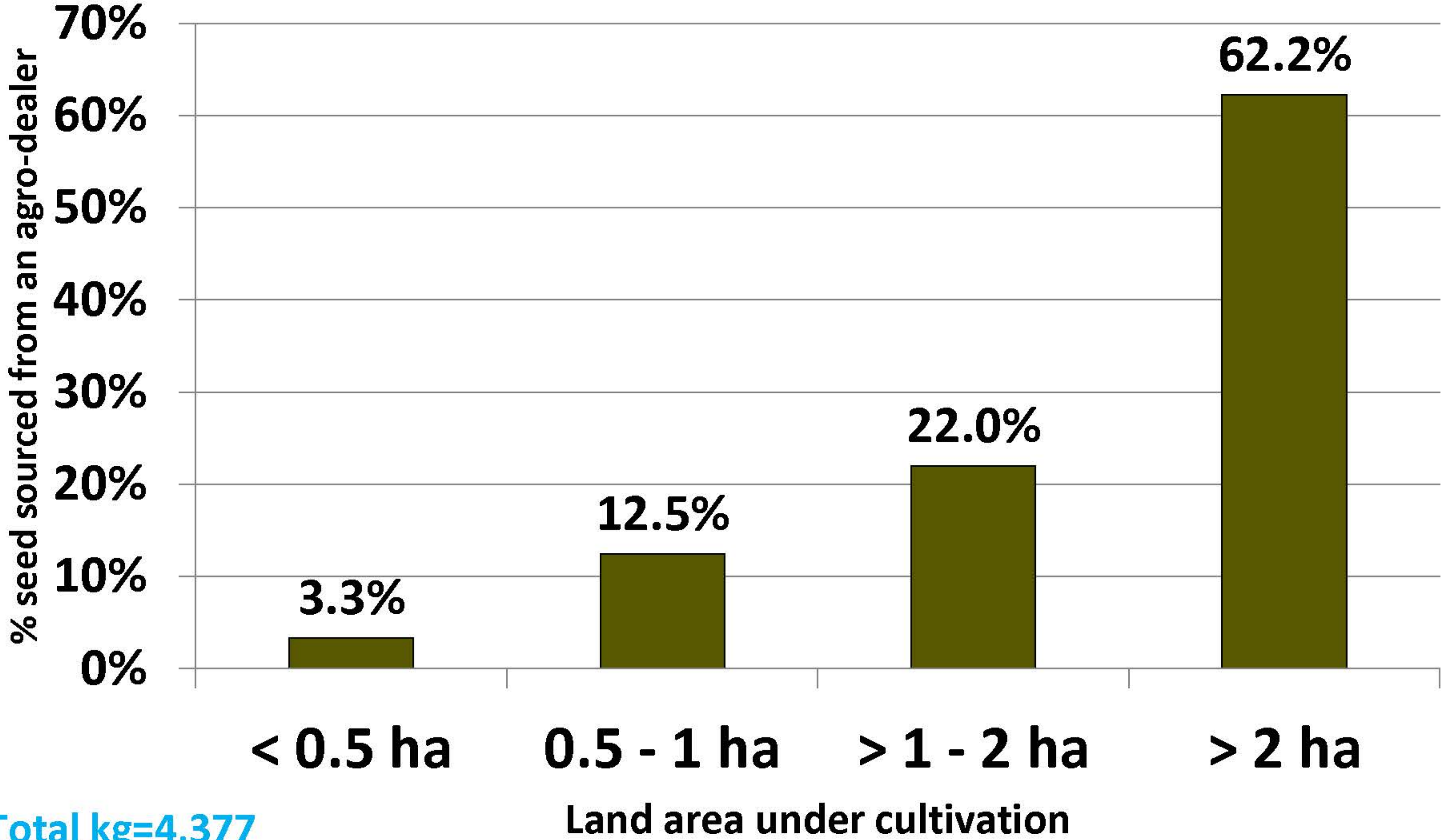


% of households receiving new variety = 52.2%

Seed purchased from agrodealers: Crops

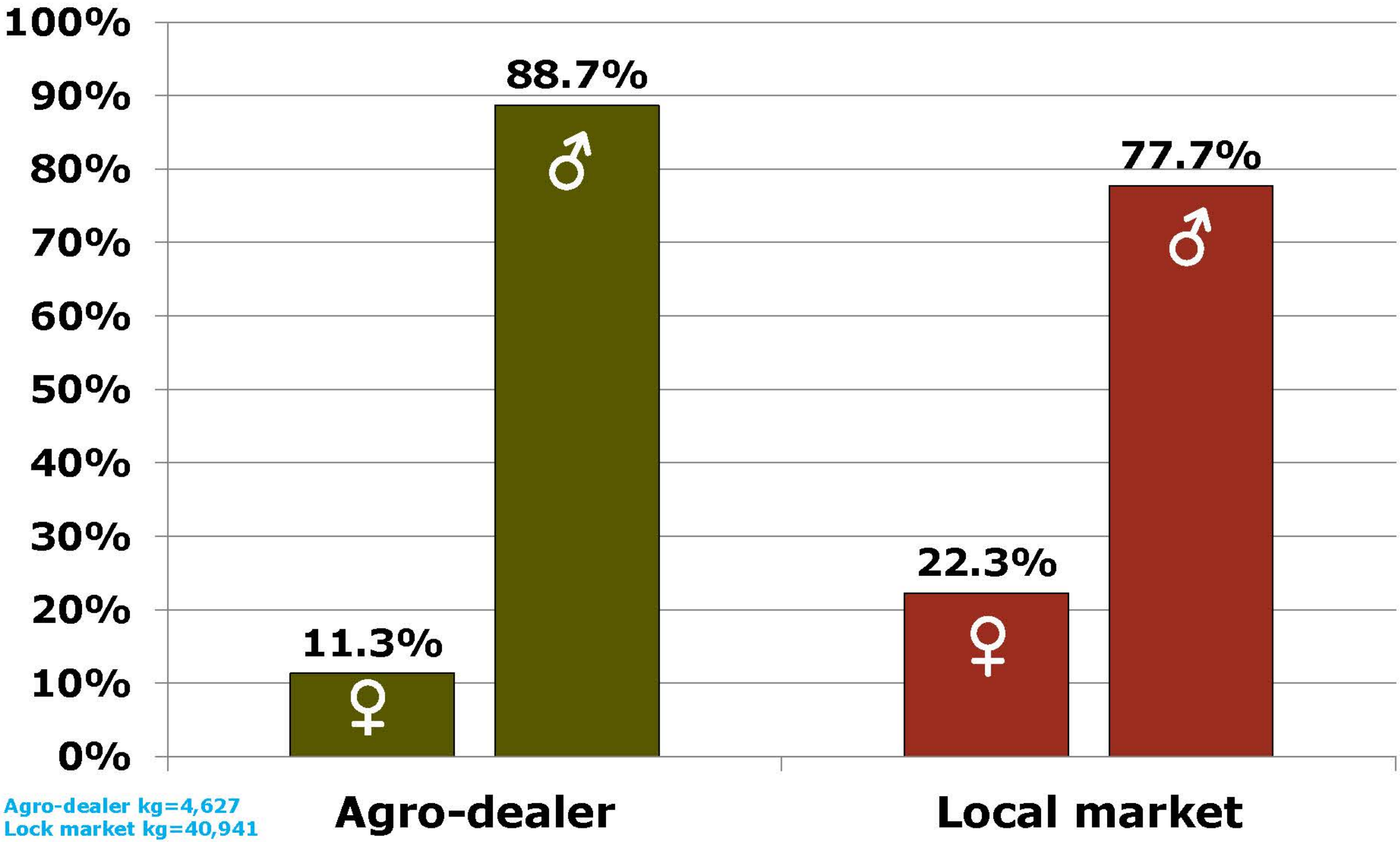
Crop	N transactions	%
Maize	174	66.9%
Cotton	23	8.8%
Green Grams	12	4.6%
Mustard	12	4.6%
Cowpea	11	4.2%
Common beans	6	2.3%
Sunflower	6	2.3%
Sorghum	3	1.2%
Soya bean	3	1.2%
Wheat	3	1.2%
Groundnut/peanut	2	0.8%
Bok choi	2	0.8%
Millets	1	0.4%
Sesame	1	0.4%
Barley	1	0.4%

Seed sourced from an agro-dealer, stratified by land area under cultivation



Total kg=4,377

Market-based seed sources, stratified by sex of the household head



Agro-dealer kg=4,627
Lock market kg=40,941

SUMMARY Smallholder Seed Data (2)

Sources

- ✓ Main sources across crops: own stocks and local markets
- ✓ Community-based--- 'invisible'
- ✓ Agro-dealers- 2.8% overall - only real impact- maize
- ✓ Local markets- key for most crops, especially legumes

➔Need differentiated seed sector source strategy, depending on crop

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Transactions

- ✓ Buying ! Most common way to get seed- buying !
- ✓ Current buying source: #1 local market;#2 neighbors #3 agrodealers

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New varieties

- ✓ Over 50% HH got new varieties
- ✓ Free!

SUMMARY Smallholder Seed Data (2)

Agro-dealers/ (Seed Companies)

- ✓ Overwhelming used for maize
- ✓ Overwhelming used by those with larger land areas
- ✓ Possible (??) bias linked to use of household head by gender

➔ **We need to do much better (crop by crop)**

➔ **There is LOTS of opportunity. Farmers ARE buying**

Moving forward toward reaching more smallholders
key questions

1. What are the options for extending 'Last Mile Delivery' (sale)
    1. Bundling (other products)?
    2. Non-seed outlets (rural kiosks?)
    3. Private service providers ?

2. What are specific strategies for moving climate-smart crops/varieties ('to stressed areas')

3. What are specific strategies for moving nutritionally-enhanced crops/varieties ('to malnourished')

www.seedsystem.org