



*Feasibility of seed production and commercialization by
smallholder farmers in Zimbabwe.*

PUM Netherlands senior experts

Date:	25/02/2012
Name expert:	Ab van Peer
Project number:	62117 ZW
Name applicant:	CTDT (CTDO)
Address applicant:	P.O.Box 7232, Harare
Contact person at the applicant:	Patrick Kasasa
Project dates:	from 19/01/2013 to 03/02/2013
Status of the report:	final

Contents	Page
Summary	3-4
Problem definition, Project definition, Focus	5-6
Analyses	7
Cases	8-9
Conclusions	10-11
Recommendations	12-13-14
Annexes	
1. Acronyms	15
2. Contacts and typical remarks	16-17
3. legal opinion from the AG's office	18-19-20
4. Further reading	21

Acknowledgements.

It was with pleasure and curiosity that I accepted the assignment to support CTDO regarding the feasibility of the production and commercialization of small farmers seed in Zimbabwe. Pleasure, because I have been working frequently in various parts of Africa, curiosity, because it was my first visit to Zimbabwe.

I have to thank CTDO and especially Patrick Kasasa for an excellent organization of my stay in Zimbabwe. It was not always easy to meet all the people we wanted to meet but as a conclusion on this I can say; "we did what we could do considering the limited amount of time we had".

I also have to thank the people from FACHIG and RUZIVO for their contributions on this assignment.

During this assignment we noticed that as usual time is precious and running short, so we had to set our priorities. We could collect limited information about markets and the figures we could collect were sometimes contradicting. Also financial institutions did not get the attention they should have got.

In spite of this I am glad that overall there are ample opportunities and a good spirit to realize seed production and commercialization of farmers seed.

Of course I have to thank all the people we visited and where ready to share with us their thoughts and suggestions. This report gained a lot of quality trough their views .

Ab van Peer, Dedemsvaart 04/03/2013

SUMMARY . (please find annex 1 for abbreviations and/or acronyms)

As a partner in a newly formed consortium from 5 NGO' called ZABC, (CTDO, Ruzivo, Fachig, Dabana and Zoppa), CTDO requested PUM expertise to study the feasibility of seed production and seed commercialization by smallholder farmers. The five organizations work in different parts of Zimbabwe and support farmers with the whole pallet of support tools ranging from empowerment to technical and financial assistance and crop production and are all supported among others by Oxfam/Novib.

Over many years the role of small farmers in the **formal** seed market is limited to seed production via contract farming for Seed Companies. Since the great land reform in the year the roles and numbers of different players in the market have been changed however dramatically. The Fast Track Land Reform Program, which began in 2000, allocated to new farmers over 4,500 farms (A1 and A2) making up 7.6m hectares, 20% of the total land area of the country, according to (admittedly rough) official figures. This represents over 145,000 farm households in A1 schemes and around 16.500 further households occupying A2 plots, not taking into account the number of farmers from the old resettlement scheme, which would bring the total up to 200.000 (See figures 1 and 2)

Figure 1. Almost 200.000 new farmers after the fast track land reform occupying more than 11 million hectares.

Land category (x1million)	1980 area	2000 area	2010 area
Communal area's	16.4	16.4	16.4
Old resettlement	0	3.5	3.5
New resettlement: A1	0	0	4.1
New resettlement: A2	0	0	3.5
Small scale commercial farms	1.4	1.4	1.4
Large scale commercial farms	15.5	11.7	3.4
State farms	0.5	0.7	0.7
Urban land	0.2	0.3	0.3
National park and forrest land	5.1	5.1	5.1
Unallocated land	0	0	0.7

Since a lot of these farmers did not farm before the great land reform, they lack production knowledge and management skills. And because their landholding tenure is not clear , they also lack access to markets and funds. This requires technical and financial support programs that cannot be met by existing government extension services (Agritex) and financial institutions. On top of that deterioration of input and extension support services in Zimbabwe since the year 2000 has contributed to low productivity in the agricultural sector as a whole, resulting in an **informal** seed production and marketing system, where barter trade still plays an important role and were quality of seeds is a lesser concern.

Small farmers however will and can have a significantly increased role in the market place, since established Seed Companies are not particularly active in the market segments were small farmers could play a role. (= everything except maize).

Therefore, it might well be possible for small farmers to both produce seed and commercialize seed production if limitations mentioned above are being tackled and taken away. In view of this it will be very important for farmers to get proper landholding tenure because this will enable them to operate as an individual business. That will be a long shot however.

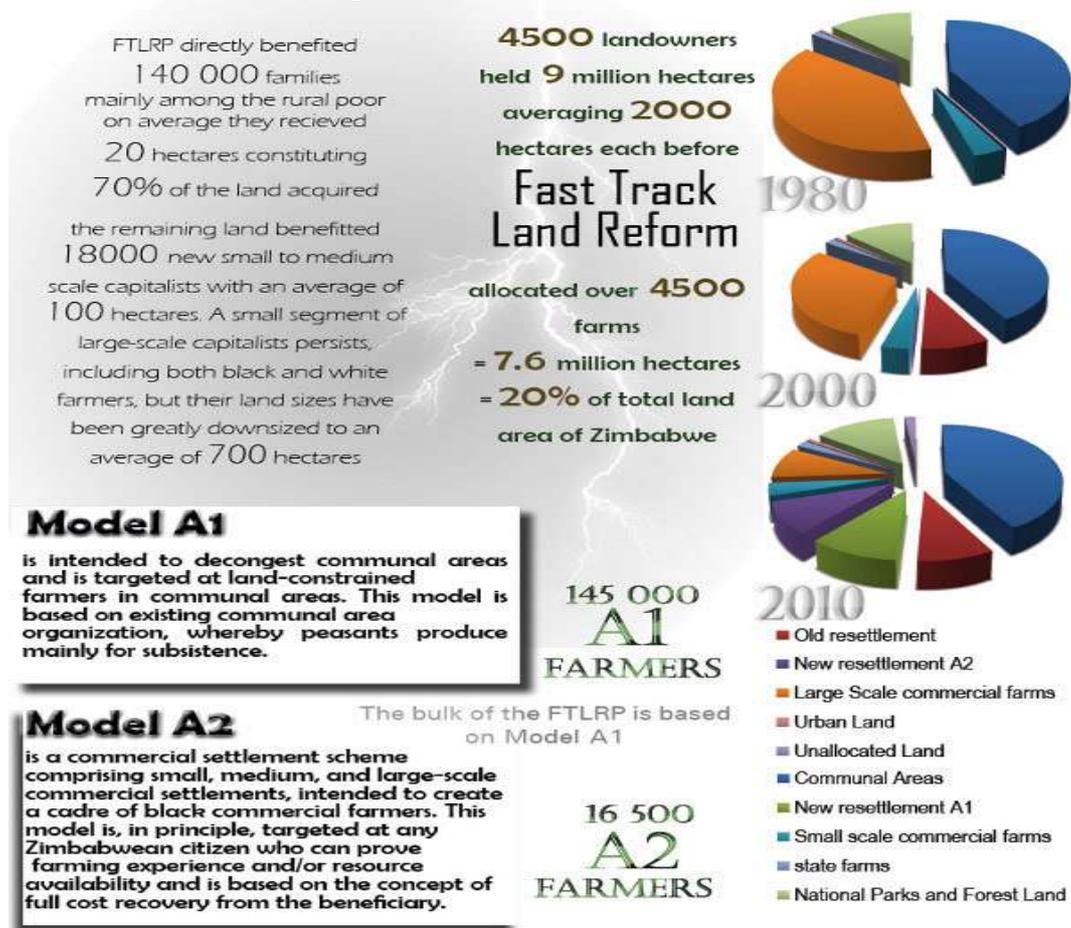
The first step to overcome this obstacle is to legalize existing or new farmers groups, associations or other entities as business units, being active in the field of production of certified seed, followed by branding their own produced seeds and commercialize this.

There are no legal restraints regarding small farm groups to commercialize seed production. (see annex 3).

Financing however will not be an easy task and requires support from NGO's active in this field, but there are positive examples (FACHIG and ZAKA)

Above mentioned road to independent seed production and commercialization should however not prevent small farmers from continuing to produce seeds via established contracts with Seed Companies in the case that the last ones do not see a conflict of interests or even might consider this as an opportunity.

Figure 2. More details on the land reform



Sources: Moyo, Yeros 2009
 Fast Track Land Reform and Agricultural Productivity in Zimbabwe.
 Precious Zikhali

Source derives from various government sources and
 compiled by the African Insitute of Agrarian Stuides

PROBLEM DEFINITION

Small holder seed producers have limited access to markets, due to (among others)

- a. the size of their farms (required isolation for PURE seed production will be difficult)
- b. the landholding tenure uncertainty with (as a consequence) limited access to capital
- c. the deterioration of input and extension support services in Zimbabwe since the year 2000 (great land reform) resulting in low production volumes
- d. the role of Seed Companies as provider of foundation seed, fertilizer and pesticides.

Their products reach the market via middle men or via contract farming with the Seed Companies . Might there be exceptions in the production of certain food- and consumer crops (some products go to open markets or auctions like tobacco), the seed production is always based on contract farming for Seed Companies. Seed Companies however prefer to outsource their seed production to larger farms because these farms usually do not have the problem of not reaching quality standards, (isolation, clean , pure and healthy seeds, hybrid breeding) standards that are more difficult to reach by small holder farms.

As a result many small holder farmers still create their own seed supply system by retaining seed from the previous crop with the consequence that over the years seed quality and yields are deteriorating. (These seeds mainly come from OP varieties). In this system there is no difference between seed and grain (food) and the influx of quality seed is limited.

Farmers either buy or barter their seed need in their own social circles (informal market), which makes it very difficult for them to change their existing subsistence farming model into a business model where they would have access to sound economic systems with better products and opportunities to commercialize their production and subsequently improve livelihood.

PROJECT DEFINITION

For the 5 partners of Oxfam/Novib Netherlands an assessment will be done to identify the seed requirements and availability of seeds from its beneficiaries, both in terms of quality and quantity. To be able to analyze opportunities and obstacles, visits are paid to many stakeholders, ranging from governmental institutions, lawyers, ngo's, unions, seed contractors and last but not least farmers. Most visits were organized by CTDO, some of them through input of the PUM expert. Unfortunately, due to time restraints and lack of reliable data, the collection of useful marketing information is limited. See annex..... for contacts.

FOCUS

This report mainly focuses on farmers in ecological zone IV and V, (See figure 4) where limited and erratic rainfall results in a maize crop failure in four out of five years. Suitable crops for these areas are Millets (pearl- and finger millet); Sorghum (red and white), Cowpea and Ground nuts, Sweet bean (dry beans) and in a lesser extent Soya bean . Some of the consortium partners are reaching successful scales in their projects on seeds for food security and therefore Oxfam Novib likes to explore through these partners the possibility of scaling up seed production through the commercialization of farmer's seed in Zimbabwe in order to:

- 1. Protect and increase biodiversity by the use of OPV's.**
- 2. Define the most suitable crops and seeds for ecological zone's IV and V in relation to the effects of climate change on small farmer crop production.**
- 3. Commercialize seed production for farmers groups in these specific regions.**

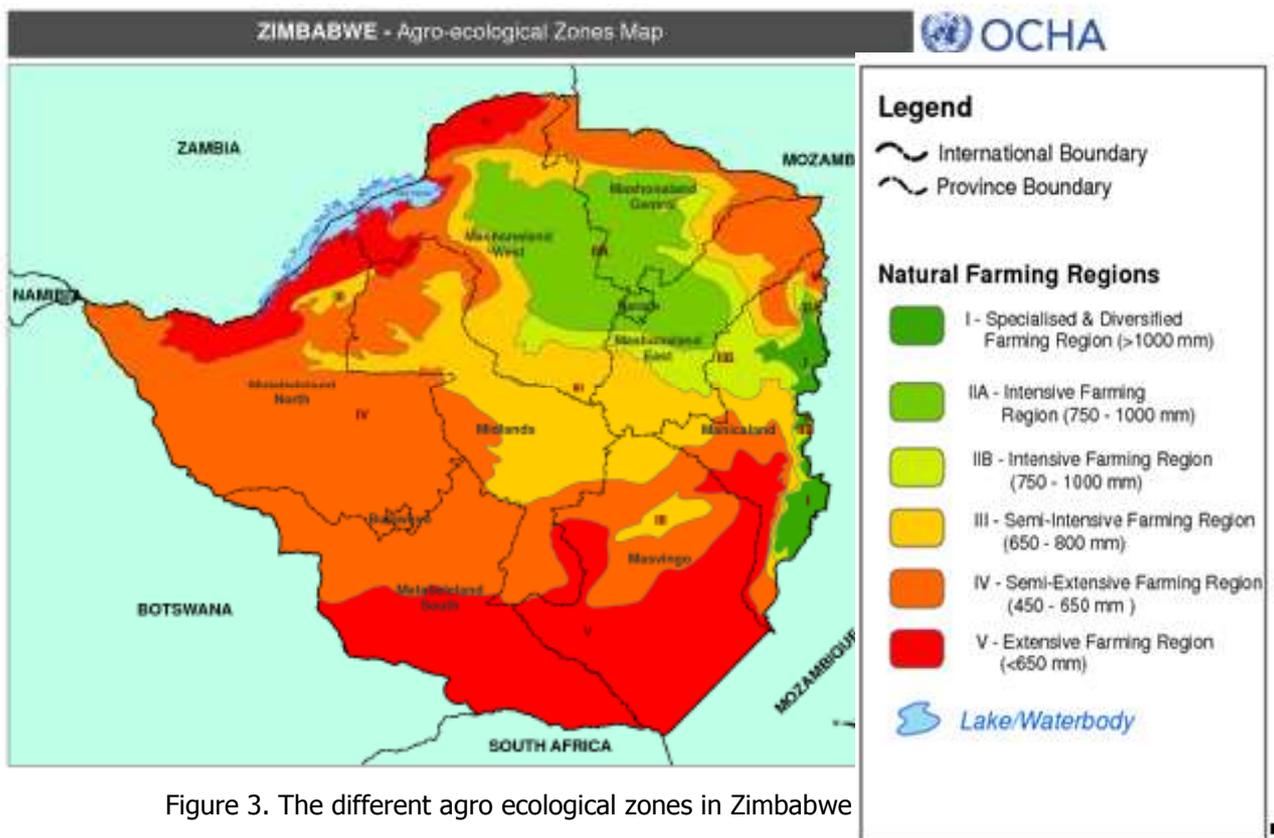


Figure 3. The different agro ecological zones in Zimbabwe



Figure 4. Farmers meeting in a Pearl Millet production field in Tsolotsho during the visit of the PUM expert

ANALYSIS

As mentioned before, the production of seeds from the by far most important staple food maize in Zimbabwe is in the hands of Seed Companies. Breeding is done on owned farms in Zimbabwe or abroad (e.g. South Africa and the USA), while bulking (multiplication) is done by medium and/or large contract farmers. Most of the maize seed comes from hybrids, there are only a few OPV's. There are a few varieties with a short growing period (DTM 85-90 days), but up till now there is no good maize variety with a **proven** record in zone IV or V.

Although the Seed Companies are somewhat involved in small grain seed production through smallholder farms, the limited and especially erratic volumes sold from these products do not stimulate marketing and certainly not breeding in these crops. As a result, only Cimmyt (maize, wheat) and ICRISAT (Millets, Sorghum) will be able to supply foundation seed from crops of interest for the zones IV and V. They are also the only parties involved in breeding climate resilient seeds

This again leaves an opening for the seed production of these crops through small scale farmers.

The situation on the market of small grain is very peculiar. Millet is statistically mentioned as a crop that has an annual grain production of roughly 40.000 tons per year, but there is mixed information from several parties. The farmers group in Tsholotsho was not able to get their 15 ton seed yearly production sold. One of the seed companies we visited has 50 tons Sorghum seed and 30 tons Millet seed in stock for over 1 year now. However, these problems might be related to communication and logistics instead of market related.

NGO's and Government are important customers buying important quantities of small grain for food relief but are considered non reliable or at least unpredictable offtakers since demand is driven by either politics or crop failure. Did they change their policies? Exports might be an explanation although no exports are mentioned in the statistics. The records on small grain are very poor anyway.

Data below in yellow columns are presented by John.F.MacRobert from Cimmyt during a workshop of the Zimbabwe Seed Trade Association in Harare (26-27/1-2012)

Table 1. Total small grain production in Zimbabwe

Data is compiled from different sources. Cow pea figures could not be confirmed. This table shows however that seed requirements are stable or increasing for most crops, while registered areas for small grains (except maize) are stable or decreasing, which points on barter trade and seed exchange between farmers.

	2008		2009		2010		2011	
	seed/mt	ha registered						
maize	45240	9648	40877	3599	42030	11336	42030	12367
sorghum	6548	670	5454	502	5620	746	5620	472
soya	4200	3927	2940	2955	3900	956	3900	774
millet	3477	10	3576	0	3447	10	3551	6
groundnut	10000	454	10000	75	10000	69	10000	72
sugar beans	4263	358	4047	254	4972	950	4972	517
cow peas*	6000	406	6000	527	6000	632	6000	470

Another negative aspect is the perception of Millet as a food. For the majority of the people maize is the main staple food, supported and confirmed by a strong support from government and seed companies and by food relief programs. Millet is considered as old fashioned and has a poor image in the market (is however reaching a very specific niche market as an expensive health product). **For reasons of nutritional values and farmers support in regions IV and V it might be worthwhile to revive the Millet market again. However, in that case one has to work on the whole value chain: Producers-Processors and End users. It has been tried before by several NGO's with mixed results.**

Case 1. The Millet production of CDTO.

CDTO started multiplication of Pearl Millet seeds in the Tsolotsho area starting season 1999-2000, contracted by Seed-Co, the biggest seed company in Zimbabwe. Foundation seed was acquired via ICRISAT. This contracting stopped after season 2003-2004. The following season there was no contract, but from 2005-2006 till 2009-2010 Agriseeds contracted the same farmer group. However, Agriseeds experienced difficulties in reaching the markets and subsequently the farmers were producing in season 2010-2011 and the following season without access to markets. On top of that it turned out that the seed was contaminated and not pure any more, so finally 30 tons got finished as food in stead of seed.

Case 2. The cowpea production of FACHIG

Fachig entered into cowpea farming with the quasi government ARDA seed company. They established good contacts with the seed company in such a way that they are able to negotiate seed off take prices for farmers , based on calculated production costs. Until now this contract is in place, but since one year farmers are facing financial problems since they do not get their money in time. Unfortunately there are no reliable market figures on cowpea production.

Case 3. Farmers seed production by ZAKA.

Under the brand name Zaka Super Seed, a group of farmers around the village Zaka are producing and selling farmers seeds from crops like sugar beans (dry beans), cow peas, groundnut, rice and maize. The group has been legalized as a seed production and selling company, and the seed production area,s are being registered by Seed Services and inspected regularly in order to facilitate the production and selling of certified seeds.



The start-up phase is funded by SDC, who is providing funds for logistics (motorbikes for AGRITEX extension officers, agricultural input (seeds, pesticides and fertilizer) rent of office space and seed cleaning

and packaging equipment. The latest all locally bought for a total of about \$35000.00

Farmers involved in the program do have to pay for fertilizer and chemicals to the Zaka organization into a revolving fund. Only the foundation seed is provided free. Year 2012 was the first year of production, with 30 tonnes of certified seeds sold. Main lesson learned in the first year was that too many farmers were involved (450), which makes field inspections and controlled harvesting very troublesome and costly. So for the year 2013 only 300 farmers are involved, while production of seeds is planned to be double (60 tons) The Zaka seeds bought from the farmers are sold with a mark up between 75 and 100 %, which is on average 50% lower than the established seed companies.

Cases 1 and 2 are clearly showing the negative aspects of contract farming. To get their produce to the market, farmers are completely depending on the Seed Companies regarding their access to markets, production volume and financial rewards. **So as mentioned before, small farmers access to markets is problematic.**

On the other hand, once a good relation ship has been established with a Seed Company, a contract-farmer knows that he always can sell his product.

One should not forget that Seed Companies are taking a risk by involving small farmers into their seed production systems.

One of the biggest risks is the phenomenon of side marketing. Side marketing means that a contract farmer is selling part of the produced seed to another party than the contracting seed firm. This can be caused by several reasons:

1. The Seed Company usually provides an input package to the farmer, consisting of seed to be multiplied, fertilizer and chemicals to control diseases. The costs for this package are retained when the farmer turns his yield in. If the farmer simply ignores his contractual obligations and sells his product to another party, he fetches more money, resulting in a debt and no seeds for the contracting Seed Company.
2. Prices in the market can be better than the Seed Company is offering, so the farmer sells part of his seed to another party or uses it as food. He usually sells just enough product to the contracting seed firm to settle the debt of the input package.

Legal aspects.

After consulting the applicable stake holders, it can be concluded that in principle there are no limitations for small holders to breed, multiply and commercialize seeds. (See confidential letter from the Attorney General's Office in Zimbabwe.(annex 3) Important is that seed producers co-operate with the Seed Services (Department of Research & Specialist services from the ministry of Agriculture) in order to get seed certification. Without seed certification seeds cannot be sold in the formal market.

A good example is the farmers group in Zaka, producing and commercializing certified farmers seed since one year.

Financial aspects.

The fact that all seed production is in the hands of Seed Companies is partly a result of the lack of funds on farmers level. Individual farmers or farmer groups can not get loans, even if they want to start a business, since one of the requirements from the banks is that a farmer can show records from successful financial transactions over a period of time. (This is the chicken or the egg situation) However, recently there are possibilities to get fund via the Zimbabwean Agricultural development Trust, in liaison with SNV. SNV is also financing a limited number of individual farmers on an experimental base. Also the Commercial

bank of Zimbabwe is co-operating with some NGO's in order to stimulate agricultural development. (This is hear –say, I could not confirm this).

The five partners in the newly formed consortium are all NGO's and as such they are not directly involved in marketing farm seeds. So they have no position in the market at all. However, they have all the tools to empower farm communities and they have proven records that they are doing that successfully.

They can support production and commercialization of farmers seeds in three ways :

1. Support farmers producing their seeds with existing seed firms.
2. Assist farmers in setting up their own business groups and market their own seeds.
3. Assist farmer groups in doing both (1+2)

CONCLUSIONS & RECOMMENDATIONS

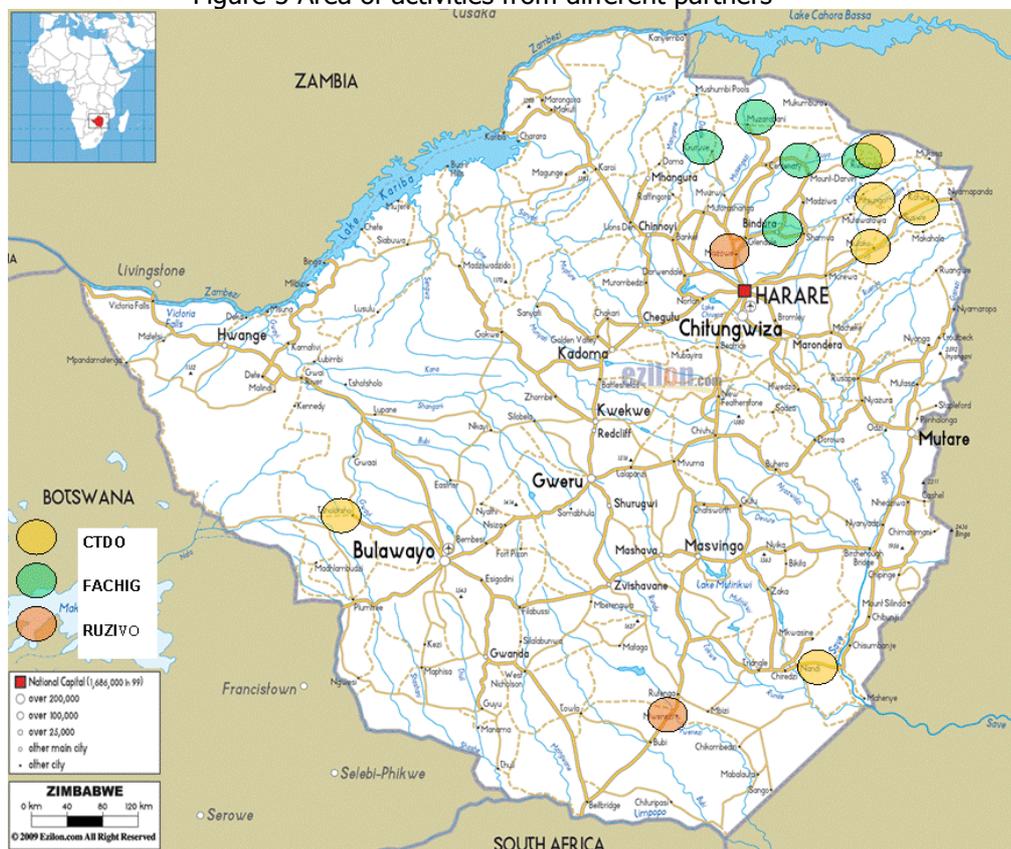
General conclusion.

The production and marketing of small grains (Millet, Sorghum, Cowpea, Ground nut, Soy bean and Sweet bean) by small farmers would not be difficult if markets were stable. In that case contracts with seed firms would be a perfect stable and low risk (although subsequently low profit!) way of production for small farmers.

However, access to the market of small grain markets (both selling and buying) is problematic, even for the bigger seed –companies, due to erratic supply and demand; leaving a place for smaller entities, operating with specific crops (small grains) in isolated area's . (Area IV and V, see figure 5)

This offers opportunities for farmers or farmers groups to produce and commercialize farm seeds in rural area's at their own risk, provided they get the right type of support. (See recommendations)

Figure 5 Area of activities from different partners



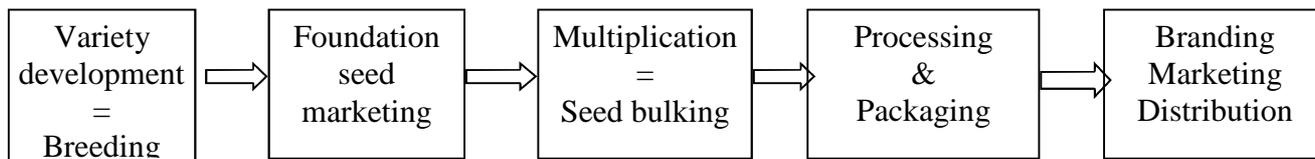
1. From the consortium 3 out of five partners are well positioned to support seed commercialization. **CTDO** is well positioned in various locations in agro-ecological zone IV and V. (See map above) Building on the experience of the Millet growers in Tsolotsho, they could be very instrumental in setting up a seed growing business with millets, sorghum, groundnut, cowpea and in a lesser extend sweet beans. As said before, CTDO has experience in pearl millet.
2. **FACHIG** has a very well organized farm group producing cowpeas on a contract with ARDA. They established good contacts with the seed company in such a way that they are able to negotiate seed of take prices for farmers, based on calculated production costs. However, as mentioned before, farmers do not get their money in time so they might want to take the opportunity to market part of their seeds directly and go into different crops as well.
3. **Ruzivo** has the possibility to set up a sugar been production group in their Mazowe area with farmers groups they already work with
4. **Dabana** trust and **Zoppa** are mainly focusing on food security and livelihood improvement (Dabana) and marketing of organic products (Zoppa) and are probably not first hand partners for seed production in the specified area's, although Dabana expressed interest in producing sunflower and tomato seeds in irrigated area's.

Figure 6. Pum expert joining farmers meeting in Mazowe



Recommendations.

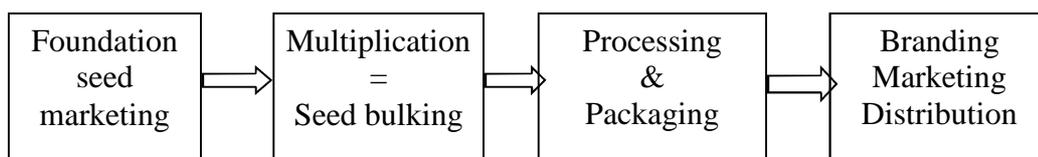
A seed production and commercialization business would normally cover the following value chain:



The ZABC consortium could become an important player in the emerging markets of farmer's seed commercialization due to its experience and country coverage. As demonstrated with the Zaka Super Seeds experience, there is a local market for certified seeds (1e year 30 tons sold)

However right now covering the whole value chain as mentioned above would be one step to far and not necessary. There is good foundation seed available that first has to be tested in the selected area's to show their potential. Only if this is not satisfactory, breeding with existing institutes might become an alternative. Breeding small grains in the harsh environment of the selected areas is a long and painstaking process and requires highly specialized skills.

So for a startup, activities to set up the seed business should be limited to:



Most important for a proper set up of a professional seed business is the involvement of the Seed services right from the beginning. Before any seed can be multiplied and certified, the land has to be inspected and certified by SS.

Concentrate on the following crops: Millet, Sorghum, Groundnuts, Cowpea, Sugar beans and Soya beans. **For Millet and Sorghum it would be interesting to discuss with the producers of beer and animal feed to better define the market.** You might also want to produce maize seed, but do not start maize seed production until you have a variety with a proven performance in the area's you are selling in. On top of that selling maize seed might cause problems with existing Seed Companies.

Although seed production of vegetable seeds seems lucrative, there is only one company (East West Seeds) actually producing vegetable seeds in Zimbabwe and they are open to co-operation. However, practically all vegetable seed is imported and quantities are small.

Branding suggestion!

ABC SEEDS
From Farmers For Farmers

Step by step approach to develop farmer's seed production and commercialization.

- 1. Define the proposed crops and the area's where local seed production might be profitable for farmers (and distributors).**
- 2. Find out about the local seed needs and their availability or shortage in those areas.**
- 3. Define the number of farmers in each area in relation to the number of crops and the amount of seeds to be produced.**
- 4. Define the number of agri-distributors that will market the produced seeds.**
- 5. Discuss with relevant parties the availability of foundation seed for the proposed crops.**
- 6. Inquire about the availability and prices of seed cleaning and packaging equipment.**
- 7. Design a system for seed quality control.**

After collecting this information, most ingredients to set up a business plan should be available, which takes us to step 8.

- 8. Start building a business plan. The by PUM provide guidelines will be very helpful, but future project partners/financers should be involved as well right from the beginning.**
- 9. Based on the business plan, start locating seed producing farmers, seed collection and packaging locations, agri dealers involved and one or two locations to show farmers the performance of seeds you are intending to produce and sell. (Demonstration plots, preferably close to farmers locations.)**
- 10. Once financing has been realized, start up logistics for financial systems (bank accounts etc), extension services, manpower, input package distribution and quality control measures.**

Some suggestions on applicable agronomy

1. Avoid too many farmers and limit your selection to the best ones.
2. Introduce a model that turns farmers into business man right from the beginning. Like in the Zaka case they should pay for inputs. This makes them more responsible and more committed.
3. Staff, farmers and extension workers need specific training on seed production technology and quality control. This is of utmost importance because your future clients should be able to trust the quality of your seeds right from the first sales.
4. Discuss with farmers how they can improve their farming methods side by side with seed production. Improvements are possible on:
 - a. Soil conservation
 - b. Intercropping
 - c. crop rotation
 - d. controlled use of fertilizers, manure and pesticides) and show these methods in your own demonstration plots.
5. For some crops in regions II and III irrigation will increase both yield and quality of the applicable crops. (Sweet beans, Soya beans.)
6. Your pallet of crops should be as broad as possible to attract customers to buy your seeds. Some parties suggested introduction of new crops like cassava, pigeon pea and sesame seed.

Annex 1. Acronyms, Abbreviations, Explanations

PUM	Netherlands Senior Experts
ZABC	Zimbabwean Agriculture Biodiversity Consortium
CTDT	Community Technology Development Trust
CTDO	Community Technology Development Organization
FACHIG	Farmers Association of Community self-Help Investment Group
RUZIVO	(ruzivo means "knowledge" in Shona language)
DABANE	
ZOPPA	Zimbabwe Organic Producers & Promoters Association
SNV	Netherlands Development Organization <i>(Stichting Nederlandse Vrijwilligers)</i>
Oxfam/Novib	Netherlands branch of Oxfam International
Agritex	Department of Agricultural, Technical and Extension Services
Oxfam/GB	British branch of Oxfam International
Cimmyt	International Maize and Wheat Improvement Center <i>(Centro Internacional de Mejoramiento de Maize y Trigo)</i>
OPV	Open Pollinated Variety
DTM	Drought Tolerance Maize
SDC	Swiss Development Corporation
ZAKA	Farmers group producing and selling farm seeds. <i>(Zaka is the village they are located)</i>
ICRISAT	International Crops Research Institute for the Semi-Arid Tropics

Annex 2. List of contacts and visits

Name	Comments	Address	Person	Contact details	e-mail
Popvriend seeds	Independent seed company in the Netherlands. Recommends visit to Prime Seed, their distributor in Harare. Requirements for growing seed: Isolation, Pest control, purity.	Middenweg 52, 1619 BN, Andijk, NI	Dick Visser	+31 228 591462	
CTDT	Introduction and Program	286 Nothway road, Harare	Patrick Kasasa	+263 772863811	patrick_kasasa@yahoo.com
Ruzivo	Mazowe woman farmers are ready to go into sweet bean seed production. "We do not eat Millet because we eat Maize"!	Greendale Avenue 28, Harare	Sheila, Calvin	+263 772877827	sheila@ruzivo.co.zw
Fachig	Organization of farmer's results in a better negotiation position versus seed Companies. However, farmers have no say on national level.	5808 Atherstone Rd, Bindura	Mucha	+263 772758041	smuchazondida@gmail.com
Dabane	Dabane is interested seed production for sunflower and tomatoes.	P.O.Box 3331, Bulawayo	Stephen W. Hussey	+263 912232521	s.w.hussey@dabane.org
Zoppa	Concentrating on marketing and promotion of organic products	10 natal Road, Harare	Fortunate Nyakanda	+263 712619537	fortunate@zoppa.org.zw
Pannar Seed	If you norganize the seed production of small grains, we are willing to market it!!	P.O.Box 99, Ruwa	Patrick Zonke	+263 912409577	patrick.zonke@pannar.co.zw
Agriseeds	Based on experience Agriseeds predicts that in future small farmers will produce food, not seed, because they cannot meet the qualifications to produce seed.	5 Wimbledon Drive, Harare	Rob Kelly	+263 772249198	rob@agriseed.co.zw
Seed Services	Seed Sevices director Mr.Mguni will be more than happy to support seed commercialization by small farmers.	5th Street Extension, Harare	C. Mguni	+263712611772	mguni@iwayafrica.co.zw
Attorney General's Office	There are no restrictions for small farmers to produce and commercialize seeds	Government Composite Offices, Harare	Elisabeth Hove	+263 772412880	kwinha84@gmail.com
Hivos	Concentration on Green entrepreneurs program. Stipulating that microfinance institutions claiming high % of interest.	20 Philips avenue, Harare	Margreet v. Doodewaard	'+263 4706704	margreet@hivos.co.zw
SNV	Starts to finance individual farmers (on trial base) and works with the Zimbabwe Agricultural Development Trust	6 Caithness Road	Erik Boonstoppel	+263-4-776136/7	eboonstoppel@snvworld.org
			Thembi Mauze		smaunze@snvworld.org

Annex 2. List of contacts and visits (continued)

OXFAM GB	After food insecurity relieve OxfamGb is now focusing on Sustainable Livelihood Economic Initiative		Lynette Thembela	+263 912 275 807	-
Icrisat	Promises to share a World Vision survey regarding farmers and small grains	P.O. Box 776	Mrs. Kudzei	+263838311	icrisatzw@cgiar.org
Water Mark Consultancy	Sitting on a huge quantity of garlic from a previous project. Worked with World Vision in food for asset project.	17 Sable Road, Bulawayo	Piet te Velde	+2639284019	piettevelde@gmail.com tevelde@telconet.co.zw
Mazowe Rural Districts Council	Courtesy visit	P.O.Box 35, Concession	L. Mufandaedza	+263 3752252	mazoweceo@gmail.com
Agritex Mazowe	Soya seed is bought by middleman.Olivine company buys for producing oil.Keeping seeds in stock will improve price.		Mr.Garati, Mrs. Edwick		
Prime Seeds	Having 50 tons Sorghum and 30 tons Millet seed in stock for over a year. No customers	318 Hillside Road, Harare	Willie Ranby	+2634480501/2	willie@primeseed.co.zw
ZFU	Recovering from collaps. Private organization with members. Levies from \$2-\$10, depending in farm size. Works with Agritex, but also has own extension workers.	Harare			
Agritex Harare	Agritex has applicable crop information, but distribution and multiplication is a problem due to limited resources.Total of 3200 extension workers		Mr. Mache, director Ag. Services		
Arda Seeds	Main crops for them are maize, Soya bean, Sugar beans, Cowpeas, wheat.	Marver factory complex	Amon Mwashaireni	+263772133020	amwashaireni@yahoo.com
The Capsicum Company	Side marketing can be tackled by making farmers pay for their input packet.		Romee Fisher	+263772296060	fisher@zol.co.zw
East-West Seeds	For vegetable seed production there are limited regulation. Production requires high skill. Ready to co-operatewith CTDO	P.O.Box BW 141	Marietta van der Werff	+263772572637	marietta@ewszim.co.zw
Zaka super seeds	Produced 30 tons. Sold almost everything exept rice seed.Quality control starts at collection point.	Zaka	Nelson Munyaka	+263 4796787	nelson@grm.co.zw
Nyati travel& tours	Former Pum representant	29 Rhodesville Ave, Harare	Goof de Jong	+263 772240518	dj@nyati.co.zw

31st January 2013

Attention: Patrick Kasasa

REQUEST FOR LEGAL OPINION ON THE PRODUCTION AND SALE OF SEED BY SMALLHOLDER FARMERS

Legal Query

You seek our legal opinion on the status of the law regarding the production and sale of produce on a commercial scale by smallholder farmers.

Applicable Law

In rendering this legal opinion, we have relied on the following texts:

1. The Seed Act [*Chapter 19:13*]; and
2. Seeds (Certification Scheme) Notice. 2000 published in Statutory Instrument 213 of 2000.

Background

Smallholder farming is the backbone of African agriculture and food security. Of the two-thirds of sub-Saharan Africa's population that resides in the rural areas, the majority can be considered as smallholder farmers. Their importance is derived from their prevalence, their role in agricultural and economic development and the concentration of poverty in rural areas. The term 'smallholder' refers to their limited resource endowments relative to other farmers in the sector.

Thus, the definition of smallholders differs between countries and between agro-ecological zones. In favorable areas with high population densities they often cultivate less than one ha of land, whereas they may cultivate 10 ha or more in semi-arid areas, or manage 10 head of livestock. Often, no sharp distinction between smallholders and other larger farms is necessary.

Smallholders have demonstrated their capacity to respond positively to appropriate incentives, not only in Zimbabwe, but in other countries such as Uganda and China, and thereby contribute significantly to economic growth, poverty reduction and the food security of the population. However, the degree to which this potential is realised depends on the economic incentive structure and institutional environment which are determined by national economic reforms and globalisation.

Legal Opinion

Reading the legislation it appears clear that a person is required to take certain actions before he or she may sell seed commercially, sections 4, 8, 10, 18 and 23 of the Act read as follows:

“4 Registration of sellers of seed and seed testing laboratories

(1) Every application for registration as a seller of seed or as a seed testing laboratory shall be submitted to the registering officer in the prescribed form and shall be accompanied by the prescribed registration fee.

(2) On receipt of an application for registration and any further information he may require, the registering officer may register such seller or such laboratory in a register kept for the purpose.

(3) Any registration under this section may be made subject to such conditions as may be fixed by the registering officer and shall be valid for such period as may be prescribed.

(4) A registration certificate in the prescribed form shall be prominently displayed on the premises of a registered seller of seed or seed testing laboratory, as the case may be.

...

8 Unregistered person or laboratory may not sell or test seed

(1) Subject to subsection (2), no person shall—

(a) sell seed unless he is registered as a seller of seed; or

(b) test seed otherwise than in a laboratory registered as a seed testing laboratory.

(2) Subsection (1) shall not apply to the sale of seed which is grown by any farmer and sold by him to a person for use as seed by such person...

...

10 Requirements relating to seed sold

(1) No person shall sell any seed unless such seed—

(a) complies with the prescribed requirements; and

(b) is packed in a container which complies with the prescribed requirements:

Provided that the Minister may prescribe classes of seed which shall be exempt from this section if sold subject to such conditions as may be prescribed.

(2) Any person who contravenes subsection (1) shall be guilty of an offence and liable to a fine not exceeding level six or to imprisonment for a period not exceeding six months or to both such fine and such imprisonment.

...

18 Requirements relating to seed exported

(1) Subject to this Act, no person shall export from Zimbabwe seed unless such seed—

(a) complies with the prescribed requirements; and

(b) is packed in a container which complies with the prescribed requirements; and

(c) has been examined by an officer referred to in subsection (2).

(2) Any officer in the Public Service authorized thereto by the Minister may examine and take samples of any seed intended for export.

(3) The provisions of section fifteen relating to the taking and transmitting of samples and the testing, examination or analysis of samples taken shall apply, *mutatis mutandis*, in respect of samples taken in terms of this section.

(4) Any person who contravenes subsection (1) shall be guilty of an offence and liable to a fine not exceeding level six or to imprisonment for a period not exceeding six months or to both such fine and such imprisonment.

...

23 Prohibitions on production or sale of seed

(1) Subject to this section, the Minister may, by order in the Gazette, prohibit—

(a) the production for the purposes of sale; or

(b) the sale for the purposes of reproduction or multiplication;

of seed, whether certified or uncertified, of a particular kind or variety by any person or body, other than a person or body which certifies that particular kind or variety of seed on behalf of a person or body designated in terms of paragraph (f) of subsection (1) of section thirteen.

(1a) Subject to this section, the Minister may, by order in the Gazette, prohibit the production, multiplication, sale or importation of seed—

(a) which, if used as reproductive material in Zimbabwe, would be likely to cause a deterioration in any domestic variety of plant, whether through cross-pollination, physical admixture or other means; or

(b) which is unsuitable for use in Zimbabwe; or

(c) the use of which would not be in the general interests of agriculture, forestry or horticulture in Zimbabwe.

(2) Before issuing a prohibition order the Minister shall cause to be advertised in the Gazette and in a newspaper circulating in Zimbabwe notice of his intention to issue the prohibition order and calling for any objections to be lodged with the Registrar in writing within one month of the date such notice is first advertised in the Gazette.

(3) If, after the expiry of the period referred to in subsection (2) and after giving consideration to any objections lodged in terms of that subsection, the Minister still intends to issue the prohibition order, he shall cause to be advertised in the Gazette and in a newspaper circulating in Zimbabwe a draft of the proposed prohibition order and notice that the proposed prohibition order will be published on such date, being not less than thirty days after the publication of the notice, as may be specified in the notice unless an appeal against his decision is lodged with the Registrar in writing within one month of the date such notice is first advertised in the Gazette.

*(4) If any appeal is lodged in terms of subsection (3), the Registrar shall notify the Registrar of the **Administrative Court and thereafter the Administrative Court Act [Chapter 7:01]** and any rules made thereunder shall apply in respect of such appeal.*

(5) The Minister shall not issue a prohibition order until the expiry of the period referred to in subsection (3) and if, during that period, an appeal is lodged in terms of subsection (3), until the appeal is determined by the Administrative Court or the Supreme Court, as the case may be, and, subject to the right of appeal in terms of section 19 of the Administrative Court Act [Chapter 7:01], the decision of the appeal board or of the Supreme Court shall be binding on the Minister.

(5a) Any person who contravenes or fails to comply with a prohibition order shall be guilty of an offence and liable to a fine not exceeding level six or to imprisonment for a period not exceeding six months or to both such fine and such imprisonment.

(6) In this section—

“prohibition order” means an order referred to in subsection (1) or (1a).”.

Conclusion

It is clear from the legislation relating to seed and in particular the trade of seed that any person may trade in seed commercially regardless of the state of his or her farm, provided that he or she adheres to the requirements of the legislation.

Disclaimer

This legal opinion is rendered solely for your information pursuant to your query and cannot be relied upon by any third party and for any other purpose without the prior approval and consent of this Office.

Be advised accordingly

Further reading, documentation etc.

1. Zimbabwe's Land Reform. A summary of findings
<http://zimbabweland.net/Zimbabwe's%20Land%20Reform%20Booklet%20Web.pdf>
2. Seed system Security Assessment Zimbabwe.
http://ciatlibrary.ciat.cgiar.org:8080/jspui/bitstream/123456789/6640/11/zimbabwe_2009_final_report.pdf
3. Assessment of Agricultural Information needs in African, Caribbean & Pacific states. Country study Zimbabwe.
http://icmpolicy.cta.int/filesstk/Finalreport_Zimbabwe_12.10.07_.pdf
4. Seed Business management in Africa. John.F.MacRobert. Cimmyt 2009.
<http://apps.cimmyt.org/english/docs/manual/SeedBusinessAfrica.pdf>
5. How to Cultivate a Commercial Seed Sector.
<http://www.syngentafoundation.org/db/1/447.pdf>
6. Seeds and farmers rights. http://www.bede-asso.org/lang/angl/actu_EN/last_publications/semences_reglementations_EN.pdf
7. Contracting small holder farmers. SNV 2009 .
http://www.snvworld.org/sites/www.snvworld.org/files/publications/zw_contract_farming_in_zimbabwe_-_business_unusual.pdf
8. Potential of Sorghum and Finger Millet to enhance household food security in Zimbabwe's Semi Arid regions.
[http://ufh.netd.ac.za/bitstream/10353/368/1/Mukarumbwa%20\(M%20Sc%20Agric\)%20Agricultural%20Economics.pdf](http://ufh.netd.ac.za/bitstream/10353/368/1/Mukarumbwa%20(M%20Sc%20Agric)%20Agricultural%20Economics.pdf)
9. Commercialization Prospects for Sorghum and Pearl Millet in Tanzania.
<http://www.icrisat.org/journal/mpii/v3i1/impi3.pdf>
10. Zimbabwe Seed sector. A baseline study/survey. <http://afsta.org/wp-content/uploads/documents/ZAMBABWE%20SEED%20SECTOR%20BASELINE%20STUDY.pdf>
11. Celebrating innovative seed growers in Zimbabwe. The ZAKA case
[.http://www.fanrpan.org/documents/d01122/](http://www.fanrpan.org/documents/d01122/)