

# **REGULATORY IMPACT ASSESSMENT OF THE REVISED SEED BILL**

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# OUTLINE OF PRESENTATION

- Background and Problem
- Objectives
- Methodology
- Results
- Suggestions for moving forward

# Background and Rational for the study

## Nigeria's Agricultural Sector

- Mainstay of Nigeria's economy with
- over 70% of the population depending on it for household *food security, livelihood, and incomes*
- Major constraints facing the crop sub-sector is a lack of *quality planting materials, especially seeds*
- Most farmers have little or no access to improved seeds and continue to plant grains or recycle seeds
- Effects of dependence on these poor quality seeds have been **low yields** and **food insecurity**
- It estimated that only **10%** of farmers use improved seeds or cultivars

# Background and Rational for the study

## Study Objectives

- Conduct a RIA of the proposed reforms with regard to the revised Seed Act.
- Conducted from CBA perspective and with respect to key stakeholders:-
  - Government
  - Seed producers
  - Smallholder farmers,

# Background and Rational for the study

## Perceived Benefits of the CBA

- Benefits are perceived to accrue to the major stakeholders
  - a. Positive impact on seed companies, out grower producers and seed enterprises who market seeds
  - b. Farmers from *increased yields* using improved seeds and incomes from sales of crops
  - c. Government from *revenue earned, foreign exchange from seed exports, reduction in food import bill, national food security, employment creation and reduction in social vices.*

# METHODOLOGY

## □ Type and Sources of Data

- **Conducted stakeholder consultation. This was mainly:**

- a. Collected information for the cost-benefit analysis,

- b. Obtained stakeholders' views on implementation of the Revised Seed Bill

- **Field survey- including FGD, KII, (using check lists),**

- Designed questionnaires of various stakeholders

- Government agencies;

- Seed companies;

- Smallholder farmers

# METHODOLOGY

## □ Analysis

CBA – Using the NPV and B-C ratios incorporated in the partial RIA constructed for two options: with a 18% Discount rate

- a. With Seed Bill (Implementing the Seed Bill)
- b. Without Seed Bill (Without implementing the Seed Bill)

## RESULTS- Views of Stakeholders Regarding the Revised Seed Bill

### ❑ **The nature of the problem Perspective of Seed Producers**

The major constraints faced by seed producers includes:

- i) Inadequate finance to fund seed production activities, which limits the capacity of seed producers to expand their operations;
- ii) Inadequate planting materials, especially breeder and foundation seeds,
- iii) Inadequate land for the production of foundation and certified seeds, especially for Open pollinated seed varieties (OPV) and
- iv) Unstable government policies.

## RESULTS- Views of Stakeholders Regarding the Revised Seed Bill

### □ **The nature of the problem from *perspective of farmers*:**

- i) Inadequacy and timely availability of required seeds in sufficient quantity at all times as when required.
- ii) There is also the problem of accessing good quality seeds in the market.
  - In many cases, grains were sold to farmers as seeds.
  - When available the cost of such improved seeds were generally perceived to be high.

## RESULTS- Views of Stakeholders Regarding the Revised Seed Bill

### □ **The problem being addressed from the *perspective of government*:**

i) The quality of improved seeds in the market are generally indeterminate and vary from good quality to poor.

ii) Farmers do not have access to sufficient quality seeds as they would require.

➤ Hence, need for intervention to correct the problem as indicated by the gaps in existing seed bill.

➤ These gaps borders on *legislation, regulations and enforcement* of laws regulating the seed sub-sector in Nigeria.

## RESULTS- Views of Stakeholders Regarding the Revised Seed Bill

### ☐ **Justification for the Bill**

- Both government and the private sector acknowledged that regulation is needed
  - i) Absence of the reform the private sector cannot perform its expected functions of **meeting quality seed requirements** of farmers.
  - ii) Reform is necessary to provide **incentive** of supplying sufficient quality seeds that can be accessed by farmers at affordable prices.
  - iii) need to **deregulate some of the functions of the existing NASC** such that it is private sector-led with government performing only a regulatory role in the seed industry.

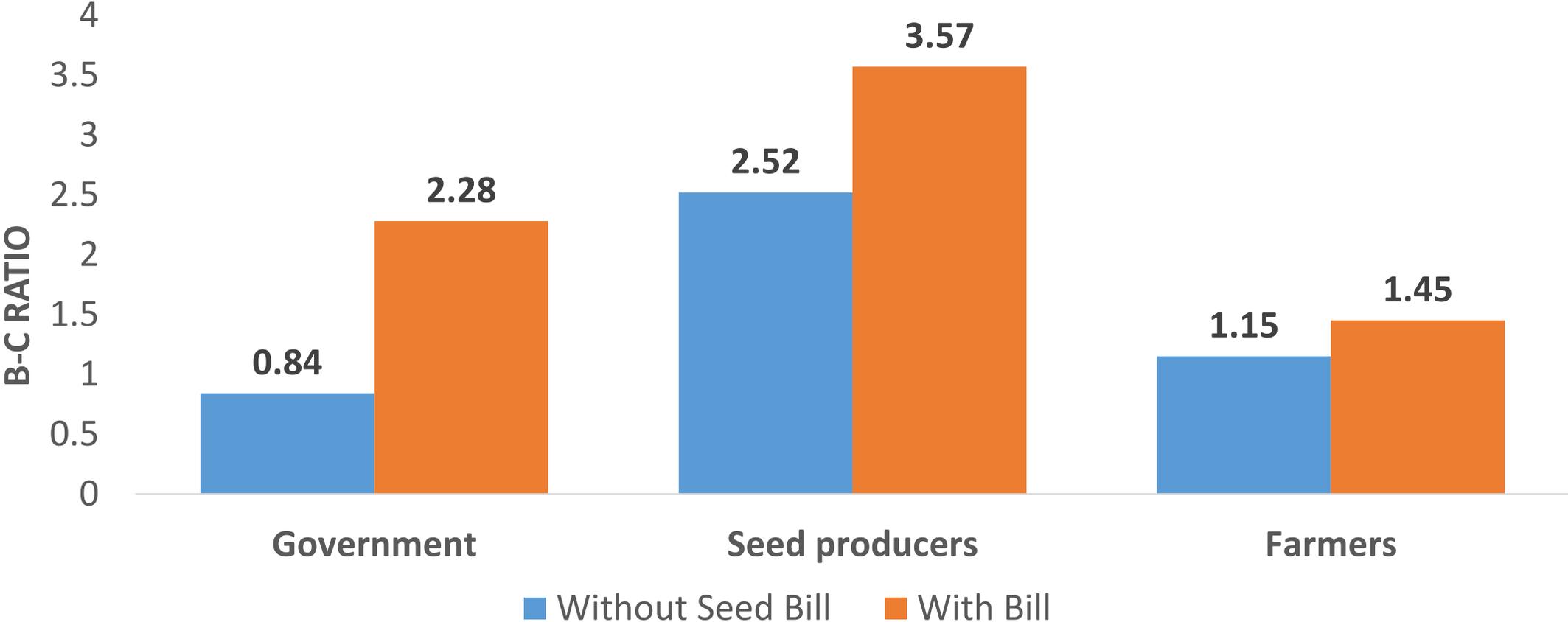
## RESULTS- Views of Stakeholders Regarding the Revised Seed Bill

- ❑ Resolving problems and weakness in the existing Seed Bill will benefit smallholder value chains in terms of:
  - enhance the **availability** and **affordability** of improved seeds for farmers
  - farmers will achieve **better yields from crops,**
  - expand **area under crop cultivation** and
  - encourage **more investment** in agriculture.

Summary table of Benefit-Costs Analysis of ‘without’ and ‘with’ regulation of the reformed seed bill (in Billion Naira)

Stakeholders	‘WITHOUT’ REGULATION			‘WITH’ REGULATION		
	Expected Costs	Expected Benefits	Discounted Net Benefits	Expected Costs	Expected Benefits	Discounted Net Benefits
Government	1.12	0.95	-0.17	1.25	3.87	2.63
<b>Seed Producers</b>	2.63	6.63	4.00	23.41	83.54	<b>60.13</b>
Smallholder farmers	5.40	6.22	<b>0.82</b>	6.26	9.06	<b>2.81</b>
<b>Total</b>	<b>9.15</b>	<b>13.79</b>	<b>4.65</b>	<b>30.91</b>	<b>96.48</b>	<b>65.56</b>

# Benefit-Cost Ratio for Stakeholders: Without and With Seed Regulations



# Suggestions for Way forward

- Ensure a quick and full Passage of the Revised Seed Bill
- The NASC has responsibility for implementation of the Seed Bill after its passage by the National Assembly
- Once approved and adopted the Seed bill, the implementation strategy should be operationalized.
- The first step in the implementation procedure is developing a seed bill plan or what is called Logical Framework for the Seed Bill
- The benefits of the revised Seed Bill policy will need to be communicated to all sector stakeholders
- A periodic review of the Seed Bill every 5 years to avoid obsolesce in the seed sector should be undertaken.

**END OF PRESENTATION**

**THANK YOU FOR LISTENING**