The East African Community (EAC) investment climate program includes a component that removes constraints to seed markets and regional trade to expand business beyond national boundaries and open markets to competition. This component will help the program facilitate intraregional trade of certified seeds, increase access to quality seeds for EAC farmers, and boost productivity.

**CONTEXT**

The signing of the EAC Common Market Protocol in 2010 has been instrumental in facilitating the free movement of goods, labor, services, and capital in the EAC. It has helped improve the investment environment as well. The EAC is gaining momentum as Africa’s most promising regional economic community where small member states...
have the potential to build economies of scale and become more competitive. However, existing regulatory constraints in the region continue to impede economic activities within and across borders. Agribusiness, an important sector for the region, is faced with regulatory constraints that negatively impact agriculture inputs such as seeds.

Agriculture productivity is low in EAC countries. For instance, 0.36 to 0.89 tons of maize are produced per acre in Kenya, Tanzania, and Uganda, compared to 1.17 tons per acre in South Africa. Producers have limited access to quality seeds; adoption of improved seed varieties is 18 percent in Tanzania and 35 percent in Uganda. Seed companies in the region face a number of constraints due to the application of inconsistent seed standards and test methods that hinder trade and firms' abilities to enter new markets and compete on a level playing field. These issues discourage investment in the sector and reduce the likelihood of it reaching full market potential estimated at $490 million per year (equivalent of 330,000 tons of certified seed) for staple food crops.

OUR ROLE
Investment climate teams of the World Bank Group have been active in supporting the effort to develop EAC seed standards. After consultation with stakeholders, a review of the EAC’s list of priority standards pending revision, and analysis of trade flows, standards for the following seeds were selected: maize, sorghum, soybean, sunflower, and groundnut. Maize and groundnut are important for food security reasons, while sorghum, soybean, and sunflower have commercial value in the brewery and oil industries.

Partnering with established EAC institutions already working toward the harmonization of seed standards, investment climate teams facilitated regional working group meetings. The teams provided essential assistance in guiding discussions and aligning draft certification standards with international best practices and other regional agreements. This technical guidance included advice on provisions to allow for outsourcing of inspections and lab testing, as well as contract farming for seed production.

The teams continue to provide advisory services in national consultation workshops aimed at arriving at a regional position that will be submitted to the EAC Standards Committee for approval. National consultations serve a dual purpose: they facilitate the integration of stakeholders in the sector, allowing for clarity around current seed certification practices, and they create a forum for discussions about national seed policies. They also benefit countries that have not yet established national certification standards, such as Burundi and Rwanda.

The government stakeholders are optimistic that with the harmonization of the seed certification standards, the region’s seed sector will experience an improved investment climate, a boost in agricultural productivity for key crops, and a strengthened regulatory framework for increased trade and competition. Overall, the project expects to reduce administrative costs for trading seeds across borders, expand markets, improve investment in seed production, ease the adoption of quality seeds, and, ultimately, improve agricultural productivity.

“I wish to thank the World Bank Group for sponsoring and coordinating the development of the certification standards for key seeds in the region. Seeds are important as they are key inputs for production. Hence, the need for high quality standards.”

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