

## **AFSTA POSITION PAPER ON SEED SUBSIDIES AND FAKE SEEDS**

**(Adopted by AFSTA AGM on 6<sup>th</sup> March 2014 in Tunis)**

AFSTA recognizes seed as a vital input to agriculture and that availability of quality seeds to farmers is crucial for food security and sustained agricultural development. Indeed, farmers should have access to reliable seed supply in order to produce a surplus to improve their livelihood. To this end, government has intervened to help them to access to quality seeds by conducting seed subsidies programs.

AFSTA notes that agricultural inputs subsidies were primary ingredient to agricultural development during the green revolution that swept through Asia and Latin America in the 1960s and 1970s, but the African continent was left out. This consequently contributed to the rising agricultural productivity in Asia and Latin America, while that of Africa has stagnated over the years contributing to food insecurity in most parts of the continent. However, the way that seed subsidy program was implemented usually distorted the seed market and undermined the efforts of the private seed companies to provide a reliable source of high quality seeds. This should be rectified so that it meets its objective of helping farmers and at the same time strengthening the formal seed supply systems for which the private seed sector plays an important role.

AFSTA appreciates the African Union Abuja Declaration on Africa Green Revolution of 2010 about the action plan of an improved implementation of agricultural input subsidy programs referred to “smart subsidy”. This declaration adheres to a number of the program designs, among others, the seed market-based solution, which support the development of private seed supply system whose aim was to enhance the efficiency in seed supply by encouraging establishment of seed companies and promoting competitiveness in the seed market.

AFSTA is concerned that the market-based seed supply system still faces a number of challenges such as distortion of the seed market due to inappropriate implementation of seed subsidy program resulting in unfair competition amongst the seed suppliers, opening avenues for “Fake Seed” and poor seed supply to farmers.

AFSTA recommends that the seed subsidy programs should take a market oriented approach to avoid seed market distortion by involving the private seed companies such as the use of “Voucher System” through the National Seed Trade Associations to allow farmers to freely choose their seed suppliers and gives equal chance to all seed suppliers.

AFSTA calls upon seed stakeholders to join hands to fight against any factors disturbing the seed systems especially “Fake Seed” and seed regulators and government to take drastic actions to stop and punish fake seed traders and to ensure an enabling environment for seed business in which the private seed companies will efficiently work.