

**SPEECH BY STAK CHAIRMAN DURING THE OFFICIAL OPENING CEREMONY AT THE 2021 AFRICA SEED TRADE ASSOCIATION (AFSTA) CONGRESS ON 29<sup>TH</sup> TO 30<sup>TH</sup> SEPTEMBER, 2021 AT DIANI REEF BEACH RESORT, MOMBASA**

**The Chief Guest, Prof Hamadi Boga;**

**His Excellency the Governor, Kwale County and Representatives from the Kwale County Government;**

**Representatives of Government Institutions;**

**The AFSTA Board and President;**

**ISF Secretary General;**

**Representatives of Seed Trade Associations;**

**Representatives of seed companies;**

**Representatives of agro-inputs dealers and agro-processers;**

**The Members of National Organizing Committee (NOC);**

**Distinguished Guests and Delegates;**

**Ladies and Gentlemen;**

How time flies.... As the National Seed association STAK and the NOC, we hosted the last the AFSTA Congress in Kenya on the 4<sup>th</sup> March, 2019 in North Coast.

We are delighted this morning to welcome you to the 21<sup>st</sup> AFSTA Congress 2021. I wish to take this opportunity to thank the Board and AFSTA Secretariat; The Seed Trade Association of Kenya (STAK) members and the Local Organizing Committee (LOC) members for co-ordination in convening this important annual event. The participation of various agriculture sector stakeholders including seed companies, agro-inputs dealers and machinery suppliers; among others to showcase technologies and share information on agricultural development is quite commendable. Stakeholders in the seed industry play a key role and contribute immensely in the

development and promotion of agricultural value chains to enhance food production and incomes of farmers in a given county.

**Ladies and Gentlemen;**

While discussions during this Congress will focus on topical issues involving the seed sector both in Africa and globally, my discussions will largely focus on Kenya.

Kenya Agriculture

Kenya's economy is highly dependent on the agriculture. The Ag sector contributes 25% to the Gross Domestic Product (GDP), accounts for 65% of total exports and provides employment for over 70% of the rural population.

Agriculture is fundamental in achieving enhanced economic growth, reducing poverty and hunger in the country. However, it has been seriously affected due to climate change. This crop season the rains have been erratic making planning difficult for both input providers and farmers alike.

**Ladies and Gentlemen,**

Production of major crops such as maize, wheat and rice have generally been below the country's demand. This is attributed to challenges such as changing climatic conditions, low adoption of modern technologies and high cost of agricultural inputs, among others.

Fall Armyworm (FAW) has also recently become a serious threat to the country's food security. I am happy to note the efforts being taken by stakeholders to combat FAW are beginning to bear fruit - as we heard from Dr. Prasanna's presentation yesterday, good progress is being made in identifying natural resistance to this pest that will greatly reduce the impact on FAW on food production.

What we call for is a strong collaborative initiative between CIMMYT and Kenya Agricultural and Livestock Research Organization (KALRO) and seed companies to ensure these innovations, and other products of agricultural research trickle down to the farmer. **This would also apply to the many varieties released annually but that never make it to the farmer.**

Private and public sector partnerships are critical in enhancing the development of the agriculture sector. An integrated approach by the two sectors will ensure increased agricultural productivity, employment creation, infrastructure development and increased access to markets by farmers.

### **Ladies and Gentlemen,**

Africa is currently witnessing unpredictable weather patterns that require continuous stakeholders' engagement on strategies, technologies and innovations to mitigate against climate change whilst providing quality seed; and Kenya is no exception. This forum therefore presents a learning opportunity on how different National Seed Associations and other actors in the seed industry have been able to manage this.

In Kenya, our partnership with the Ministry of Agriculture, Livestock, Fisheries and Cooperatives is

- to enhance food and nutrition security by increasing access to quality agricultural inputs and product markets by farmers;
- to promote of irrigated agriculture and
- to strengthening agro-processing and value addition of agricultural commodities.
- to improvement of research and capacity building to adequately respond to the needs of smallholder farmers
- to develop, create awareness and increased uptake of appropriate technologies.

Private and public sector partnerships are critical in enhancing the development of the agriculture sector. An integrated approach by the two sectors will ensure increased agricultural productivity, employment creation, infrastructure development and increased access to markets by farmers.

### **Ladies and Gentlemen;**

The importance of seed supply in enhancing agricultural development; food and nutrition security and improving rural livelihoods cannot be overemphasized.

Seed is the foundation for agricultural production but the seed industry faces numerous challenges that compromise reliable and adequate access to quality seed by smallholder farmers. These include

- long variety release and registration procedures,
- costly seed certification procedures and
- inadequate breeders' seed production.

- Seed distribution in some rural areas is poor resulting in limited use of certified seeds by a large proportion of farmers.
- the issue of counterfeit and adulterated seeds that also compromises certified seed supply to farmers.

I am happy to inform you that as STAK is in the fore front in addressing these challenges. We will be happy to learn from the experiences of the others too.

### **Ladies and Gentlemen,**

Kenya's seed industry is liberalized and the government's role has remained that of regulatory and quality control. The amended Seeds and Plant Varieties Act (Cap 326) of 2013 clearly provides for a liberalized seed industry – This has growth in the number of players in the sector **80** seed companies in 2010 to **131** currently.

KEPHIS has continued to play a critical regulatory role in streamlining operations of the seed industry to ensure that farmers have access to quality seeds.

Certified seed production has tremendously improved and seed companies continue to play an increasing role in research, breeding, production and trade of seeds of improved crop varieties.

Seed use and demand has increased particularly for maize seed with **62%** of farmers using certified seeds of improved maize varieties.

However, the formal seed supply for most of other crops such as beans, green grams, sorghum and millets is less than **30%** leading to use of low quality seeds by farmers.

In this regard, we have called for the recognition and inclusion of Standard Seed class to address issue of quality in these crops and I'm happy to report that phase one trials for a number of these crops are underway and I would wish to thank KEPHIS and the government for being responsive to this request from the industry

Seed companies need to increase investments in certified seeds distribution and security features for their seed packages to minimize counterfeit seeds. I am glad to note that discussions on self-regulation between STAK, KEPHIS and other actors in the seed industry are progressing well. It is commendable that steps have been taken to train seed inspectors and analysts.

### **Ladies and Gentlemen, (Cost of doing business)**

Although the seed industry has invested in providing quality seed for the various agro-ecological regions, a number of factors have affected the competitiveness of our seed sector

- In Kenya, trade vegetable seeds attract a 16% VAT an element that has contributed to impact negatively on our competitiveness in the region unlike Tanzania and Uganda where VAT is not charged on vegetable seed. This encourage lots of cross-border purchases of seed from neighboring counties and beyond – creating unfair competition Kenyan seed companies unfavorable competition.
- Our costs of power and energy in general have also heavily increase cost of doing business. The recent increase in fuel costs will result in higher costs of distribution and provision of extension services and these costs are finally transferred to the farmer. This makes the formal seed expensive to access, resulting in reduced production and Kenya becomes a major produce importer from our neighbors on items such as tomatoes, onions and watermelon.

- We can only appeal to the Government to find a lasting solution to these issues.

**Ladies and Gentlemen,**

Let me conclude my remarks by urging you all to rededicate your efforts and contribution in building the agricultural sector. Farmers should be encouraged to diversify their crop production and hence there is need to promote production of other crops such as potatoes, soya beans, sorghum, millets, beans, cowpeas and green grams among others. However, lack of good quality seeds of these crops has been a major challenge. Seed companies need to increase production, supply and availability of high-quality seeds of these crops to farmers to enhance their production. I urge you all to reflect on sustainable solutions for enhancing uptake of technologies for increased agricultural growth in the country.

On behalf of the National Organizing Committee (NOC), we wish all of you a pleasant and fruitful engagement during this congress that is being held during unprecedented times occasioned by COVID-19 and look forward to continued partnership with AFSTA and the International Seed Federation.

**Thank you and God bless you all.**