



In Brief:

Recommendations to strengthen Nigeria's institutional seed markets

Learning from a multistakeholder study in support of the National Seed Roadmap of Nigeria



Introduction

Nigeria's institutional seed markets seed the Government, donors, NGOs and development partners procure and distribute seed in a centralised manner, either freely or through subsidised programmes. The processes are fundamentally important to increased farmers' use of quality seed and wider food security ambitions for Nigeria.

Yet the practices of organisations within institutional seed markets alter and distort the functioning of the wider seed sector, shaping unsustainable seed company behaviours and models and farmers' willingness to invest in quality seed. Institutional markets will continue to be a vital component of Nigeria's transforming seed sector and it is therefore necessary to understand prevailing issues and opportunities to boost sustainability, accountability and coordination.

To this end, the National Seed RoadMap (NSRM) of Nigeria prioritises improvements in the functioning of Nigeria's institutional seed markets, giving attention to gaining a deepening understanding the challenges and opportunities within existing seed procurement, dissemination and marketing practices of large value chain, private sector development, humanitarian and food security programmes as well as analysing the current business models and production capacity of seed companies that supply to institutional markets; assess the current institutional arrangement between institutional players and seed companies. With this learning in hand, the NSRM advocates for the exploration of innovative modalities of institutional coordination support to streamline and increase the effectiveness of institutional market practices.

CSP-Nigeria topic on Institutional Seed Markets

The Collaborative Seed Programme of Nigeria (CSP-Nigeria) selected the topic of Institutional Markets as one of eight programme topics. Sahel Consulting and Wageningen University have been leading research and dialogue with Nigerian and international partners active in the institutional seed market domain.

A major focal point of the work under this topic has been an extensive consultative study which was conducted across 2023 and 2024. The study explored and outlined the current state of the institutional seed markets, identifying key challenges and constraints encountered by market players and policymakers, while also studying effective strategies and processes. Together this data enabled the formulation and validation of actionable recommendations for the Nigerian seed sector to take forward.

Study Methodology: The study initiated with a comprehensive desk research on available knowledge, cases, initiative reports and policy and regulatory documentation. This was supplemented with an extensive stakeholder mapping. The result of the study were shared in a multistakeholder inception workshop which would further elaborate and validate upcoming research activities. Seventy six in-depth stakeholder interviews were then completed, engaging representatives from all major players and stakeholder categories. Interview findings were shared for validation in a second multistakeholder workshop, enabling the preliminary formulation of options and recommendations to be elaborated. The draft report including recommendations was shared and validated in a national seed sector workshop which also facilitated discussion and contribution with international seed experts, in Abuja in February 2025.

Key challenges within Nigeria's institutional seed markets

The study findings confirmed that the wide array of seed sector stakeholders commonly encounter the same systemic bottlenecks and challenges, with their own practices impacted in diverse ways.

Market distortion and dependency: Large-scale direct seed distribution (DSD) secured through bulk procurements discourage the market orientation, business models and investment strategies of private seed companies, who often place less emphasis on developing marketing channels and strategies and developing diverse product portfolios. This limits the available channels for other buyers to source quality seed, further entrenching dependency on the distribution of free seed and undermining the realisation of a vibrant and commercially-oriented sector.

Seed procurement challenges: Seed procurement processes often favour politically connected or financially powerful actors over technically competent suppliers. In some cases, contracts are awarded to companies lacking seed expertise, resulting in delivery failures and compromised seed quality.

Ad hoc procurement practices: There are few if any examples of longer-term procurement contracts in the institutional seed markets in Nigeria. The absence of consistent, long-term contracts between seed companies and institutional buyers leads to unpredictable production cycles. Without clear and predictable demand signals, seed producers face challenges in planning, often causing shortages or excess inventory.

Seed quality assurance: Insufficient regulations and weak enforcement have enabled poor quality seed, mislabelled seed, fake seed and seed not suited to local conditions to commonly enter the market.

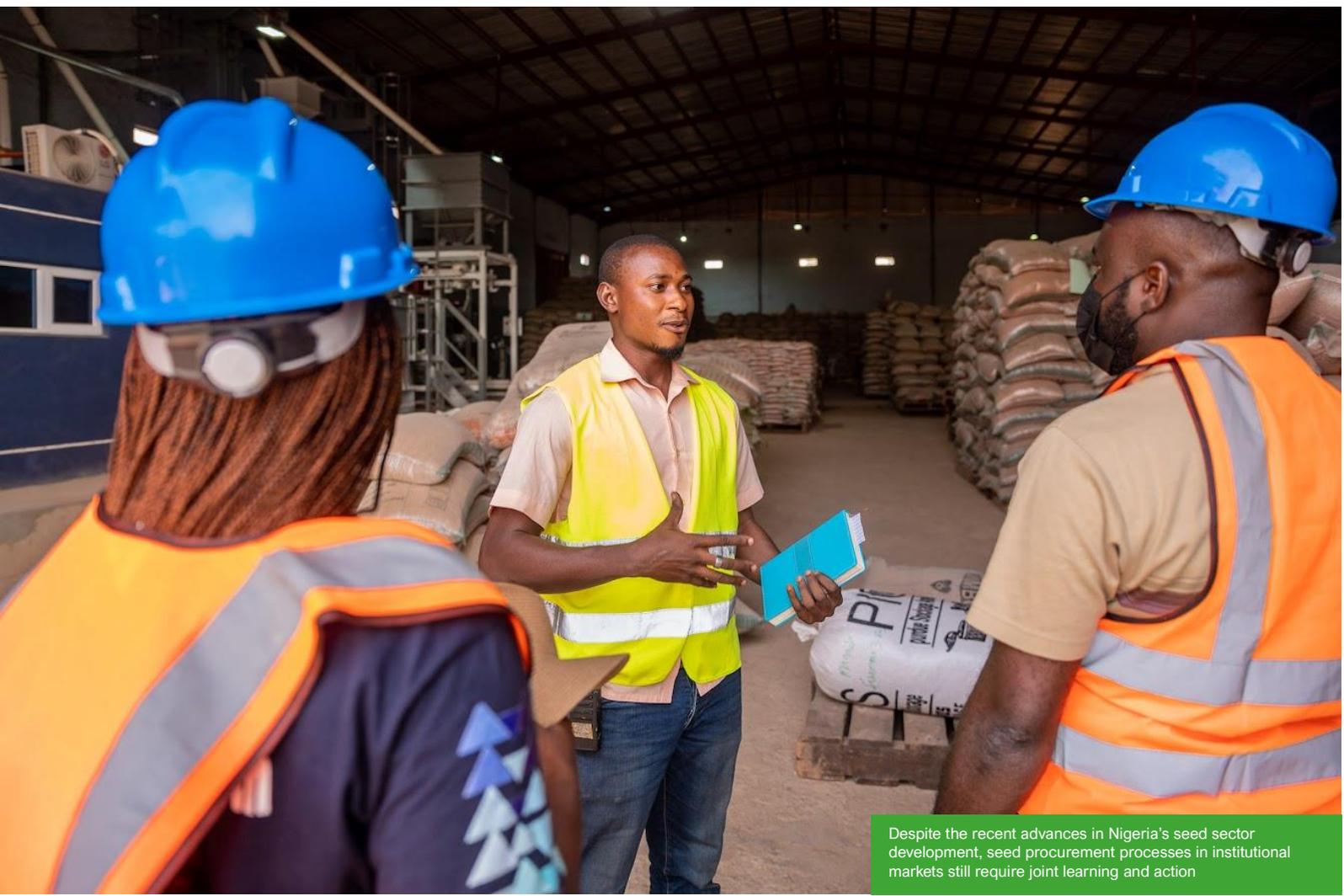
Farmers have to deal with lower germination and yield, eroding trust. Adulteration and tampering during storage and distribution further erode confidence.

Weak monitoring and evaluation mechanisms: The absence of robust monitoring systems prevents effective tracking of seed quality and performance. For example, seeds may not undergo proper germination testing before distribution. Weak enforcement mechanisms fail to hold suppliers accountable for poor-quality seeds.

Inadequate storage and distribution infrastructure: Improper storage conditions, such as exposure to heat and moisture, reduce seed viability. Delays in delivery often result in seeds arriving too late for planting, forcing farmers to use suboptimal inputs or miss planting windows altogether.

Insufficient attention to local realities: Farmers and local seed enterprises are often excluded from decision-making processes. In particular, women and youth are not supported with resources, training and opportunities to engage in discussions and seed business. Without this local inclusion, much distributed seed does not account for local agroecological conditions, increasing the likelihood of failed crops and wasting resources.

Insufficient capacity support: Weak extension systems result in a lack of farmer awareness of the benefits of adopting and investing in certified seed and improved farming practices. Local research institutions struggle with insufficient funding to develop and scale improved seed varieties. Particularly in the fragile areas of Nigeria, donor-driven programmes tend to prioritise short-term outputs over sustainable, long-term investments in capacity building for the seed sector.



Despite the recent advances in Nigeria's seed sector development, seed procurement processes in institutional markets still require joint learning and action

Recommendations to strengthen the performance and sustainability of Nigeria's institutional seed markets

Through the study and its multistakeholder consultations, numerous recommendations have been formulated and validated with seed sector partners addressing seed procurement and sourcing practices, seed distribution modalities as well as sector coordination and governance.

All of these recommendations are underpinned by shared demand for more active and inclusive multistakeholder engagement in the formulation of institutional market innovations and strategies. Further, partners share a desire to explore and adopt digital tools and systems to increase the efficiency and reliability of processes and systems. Partners also wish to see more attention to the realisation of more sustainable funding models which promote strategic investments and longer-term outcomes.

1. Seed procurement process recommendations

These recommendations aim to enable institutional players to ensure reliable access to high-quality seeds, strengthen seed company capacity, and promote sustainable market growth—ultimately enhancing agricultural productivity and resilience

1.1 Explore how the Nigerian seed sector can embrace the Principles for Good Seed Aid: Developed through international experience sharing, the 10 Guiding Principles for Good Seed Aid provide a framework for stakeholders to enhance the efficiency of seed procurement, ensuring timely access to quality seeds. The Principles can be a foundation for discussion on a potential Code of Conduct for seed companies and other actors to adhere to and as a basis to guide appropriate procurement contract terms as well as providing input to monitoring systems.

1.2 Engage with competent and experienced seed companies: Seed companies in intervention programs should have at least 3–5 years of experience and consistent production capacity to ensure expertise and high-quality seed supply. This standard will help promote reliability, enhance intervention efficiency, and strengthen the seed value chain.

1.3 Implement a system of longer-term contracts: Long-term seed production contracts enable seed companies to invest in sustainable strategies and capacity development. Such contracts deliver predictability and accountability, promoting sustainable market growth. Milestone-based payment agreements, with funds disbursed upon verified completion, ensure accountability and strengthen the monitoring process.

1.4 Engage with financial institutions for larger procurement processes: Including financial institutions in the seed procurement process will enhance accountability and help establish checks and balances. It will also foster relationships that build seed companies' credibility, improving their ability to secure funding beyond the intervention period.

1.5 Strengthen regulatory compliance through enhanced audits and the enforcement of penalties: Continuous audits of the seed procurement process should cover both financial management and seed quality. Parties found guilty of financial mismanagement or supplying poor-quality seeds should face appropriate sanctions to ensure accountability and maintain trust in the system.

2. Seed sourcing recommendations

The study has given evidence to the need to enhance transparency, traceability, and accountability in seed sourcing. These recommendations aim to foster trust in seed quality, improve

regulatory compliance, and ensure efficient distribution and better support for farmers and stakeholders across the seed system.

2.1 Scale digital innovations to strengthen seed tracking and traceability: Seed production and sourcing should be integrated within a digital seed tracking platform to ensure real-time monitoring of seed availability for locally produced varieties. Such a system will enhance transparency, enable efficient inventory management, and allow different stakeholders to have equal access to information on which make informed decisions.

2.2 Encourage seed importers to establish a formal local presence: International companies importing seed should be guided to establish a local branch to enable more efficient and reliable customer service and regulatory compliance. Such companies should be encouraged to form partnerships with local seed companies promoting shared responsibility, knowledge exchange, and business growth, improving seed quality and fostering trust with farmers and stakeholders.

2.3 Improve the integrity of seed packaging: Seed packaging should be durable, tamper-proof, and clearly labelled with essential details such as seed type, batch number, expiration date, company name, and logo. This ensures product integrity, prevents damage or contamination, and promotes transparency and traceability, fostering farmer confidence in the quality and authenticity of the seeds.

2.4 Prioritise, where feasible, local seed companies: Preference should be given to seed companies that produce locally and have seed production fields registered digitally on regulatory databases in order to participate in institutional markets.



Improving the integrity of seed packaging was highlighted as essential to boost confidence, transparency and traceability

3. Seed dissemination recommendations

A clear dissemination plan and diverse distribution channels ensure broad access and timely seed delivery. Assigning delivery responsibility to seed companies enhances transparency, accountability, and trust, ensuring farmers receive high-quality seeds efficiently.

3.1 Ensure a clear and standardised dissemination plan as part of procurement process: A comprehensive dissemination plan should be developed at the outset of the seed procurement process to ensure clear communication and stakeholder engagement throughout all stages. This plan should outline how information on procurement decisions, timelines, distribution methods, and seed availability will be shared with relevant stakeholders, including farmers, suppliers, and policymakers. Establishing this plan early helps create transparency, builds trust, and ensures that all parties are well-informed and aligned to support efficient and effective seed distribution.

3.2 Require distributors to be explicit about use of formal and informal channels in their dissemination plans: It is essential to utilise both formal and informal seed dissemination channels—such as Community-Based Seed Producers (CBSPs), agro-dealers, and other key stakeholders—to ensure broad and efficient seed distribution. Seed companies should be responsible for delivering seeds to farmers, mitigating the risks associated with transportation and ensuring timely, secure distribution. This approach enhances accessibility, strengthens the distribution network, and promotes accountability, ultimately ensuring that farmers receive high-quality seeds in a reliable and efficient manner.

4. Seed governance recommendations

Inclusive planning and a dedicated Governance Unit enhance transparency, collaboration, and accountability, ensuring accurate demand forecasting, quality assurance, and equitable seed distribution for a stronger institutional seed system.

4.1 Implement multistakeholder planning meetings as standard practice: Seed procurement planning meetings should involve all key stakeholders - farmers, seed companies, distributors, agro-dealers, and policymakers - to ensure inclusive decision-making and accurate demand forecasting. These meetings should focus on creating a collective plan to meet demand efficiently and equitably. To ensure transparency and fairness, participants in the planning process should be excluded from bidding or contracting decisions, fostering trust and accountability.

4.2 Empower a governance and coordination unit for institutional seed markets: A Governance and Coordination Unit should oversee seed procurement and distribution by setting quality standards, accrediting suppliers, ensuring compliance, and promoting transparency. It will also expand local participation, align market agreements, discourage short-term fixes, and coordinate demand and supply planning to stabilise seed markets. Further, any governance unit must have the authority to impose penalties and enforce compliance with the agreed code of conduct.

4.3 Implement a transparent and effective monitoring and evaluation system: The Governance and Coordination Unit should oversee seed procurement and distribution by monitoring compliance, evaluating suppliers, enforcing agreements, and conducting audits to address risks. It should also set performance indicators and feedback systems to drive continuous improvement, transparency, and accountability.

A call to multistakeholder action

The recommendations derived from the study were presented and discussed in an international workshop which brought together representatives of the Nigerian seed sector with international experts as part of the ISSD Africa Community of Practice. A specific session within the workshop enabled the presentation and validation of the study's findings and recommendations. These were universally endorsed by Nigerian partners present.

The message underpinning the study's findings and derived recommendations is that despite the substantial investments and advancements across the Nigerian seed sector, only 20% of farmers have sustainable access to quality seed. An estimated USD\$750 million is required to develop the seed sector to a point where it sustainably meets the needs of seed users.

The contributors to the study call on all stakeholders to reimagine their seed sector interventions and strategies and to work collaboratively to implement the recommendations outlined in this document.

Find out more

The study on Nigeria's institutional seed market was conducted as part of the Collaborative Seed Programme, CSP-Nigeria. This brief summarises the study's main recommendations.

For more information on the study, and other CSP Nigeria activities, [visit our website](#)



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The study shows widespread demand for greater multistakeholder collaboration – also including farmers – through seed planning meetings towards shared decisions