

FACT SHEET: UNDERSTANDING THE NATIONAL AGRICULTURAL SEEDS COUNCIL ACT, 2019



Date Passed by the Senate: 17th April, 2019

Date Passed by the House of Representative: 11th December, 2018

Date Assented by the President of the Federal Republic of Nigeria: 24th June, 2019

Overview

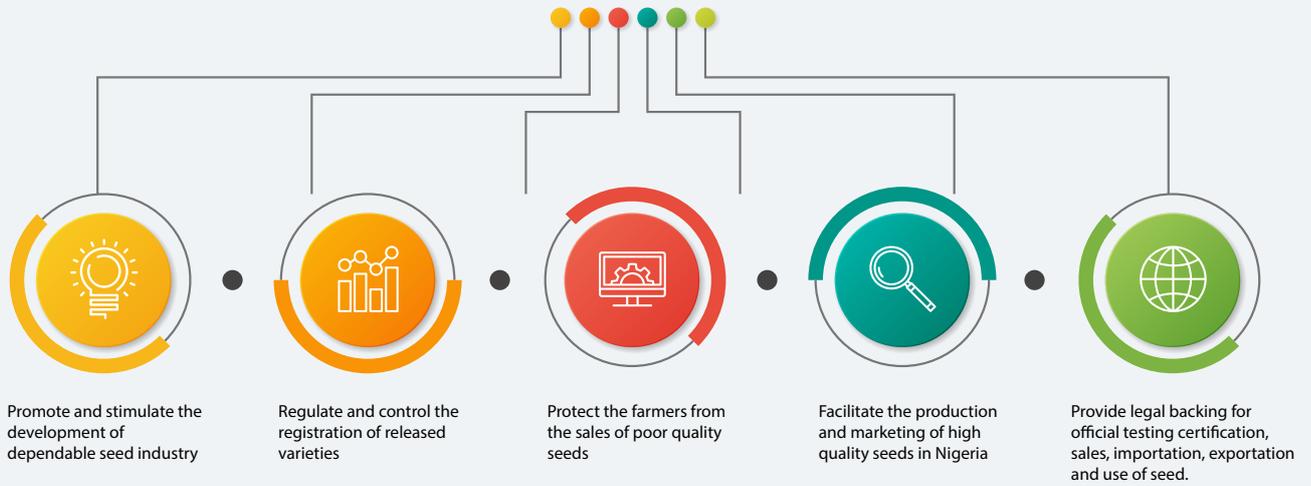
Nigeria is a country with a population of almost 200 million people which is estimated to nearly double to 400 million by 2050. It is therefore imperative to put policies in place that will enhance strategic investments in the agriculture sector by availing crop varieties to farmers with the potential to feed an ever-growing population and ensure national food security.

Nigeria's Agriculture Promotion Policy (2016-2020), which was released in 2016, serves as a comprehensive implementation strategy for achieving four priorities, the first of which is food security. The implementation strategy envisioned by the Agriculture Promotion Policy highlights the importance of providing a conducive legislative and agricultural knowledge framework for enhancing access to adequate inputs such as seed, as well as institutional mechanisms for coordination of the seed sector. It also encourages facilitating a shift in leadership in the commercial aspects of the seed industry to the private sector and the need for a strong government role in the provision of support services important for the effective development of the seed industry (Agriculture Promotion Policy, 2016-2020).

The signing into law of the national agricultural seed act, 2019 by President Muhammadu Buhari has further strengthened the legal and regulatory sector to create a thriving market for high-quality seed; the expected outcome is an enhanced agricultural productivity, increase in food security, and improvement of the livelihood of rural farmers.

Agricultural Seeds includes cereals, legumes, oil seed, grass, fibre, root, tuber, tree or any other kind of crop seed or seedling commonly recognised within Nigeria as agricultural seed, lawn seed, vegetable seed, forestry seed and seedlings, conventional or genetically modified seeds, horticultural seeds and seedlings, conventional seeds, seed mixtures and all planting materials as the Minister of the Federal Ministry of Agriculture and Rural Development may designate.

What the National Agricultural Seeds Council Act is expected to achieve



"The National Agriculture Seeds Council Act, 2019 is divided into Thirteen (13) Parts, two (2) Schedules and 55 Sections."

Part 1 – Establishment of the NASC
Part 2 – Functions of the Council
Part 3 – Appointment of the Director General
Part 4 – Appointment of Seed Inspectors
Part 5 – Seed Registration and Release
Part 6 – Seed Certification and Quality Control

Part 7 – Seed Production and Processing
Part 8 – Support to Plant Variety Development and Plant Breeders Rights.
Part 9 – Infringements and Offences
Part 10 – Establishment of the Seed Fund.
Part 11 – Establishment of Departments and Zones
Part 12 – Powers to Prosecute
Part 13 – Miscellaneous

What is NASC? - National Agricultural Seeds Council (NASC)

The National Agricultural Seeds Council (NASC) is the apex regulatory body for the Nigerian Seed Industry. NASC was statutorily established as an agency under the supervision of the Federal Ministry of Agriculture and Rural Development (FMARD). It is saddled with the responsibility of developing and regulating Nigeria's agricultural seed space.

Mission: To transform the Nigerian Seed System into a leading seed industry in Sub-Saharan Africa worthy of generating foreign exchange, key employer of labor and contributing positively to the country's economy

Vision: To build a market-driven seed industry for the production and distribution of high quality and improved planting materials that are available, accessible and affordable to all farmers.

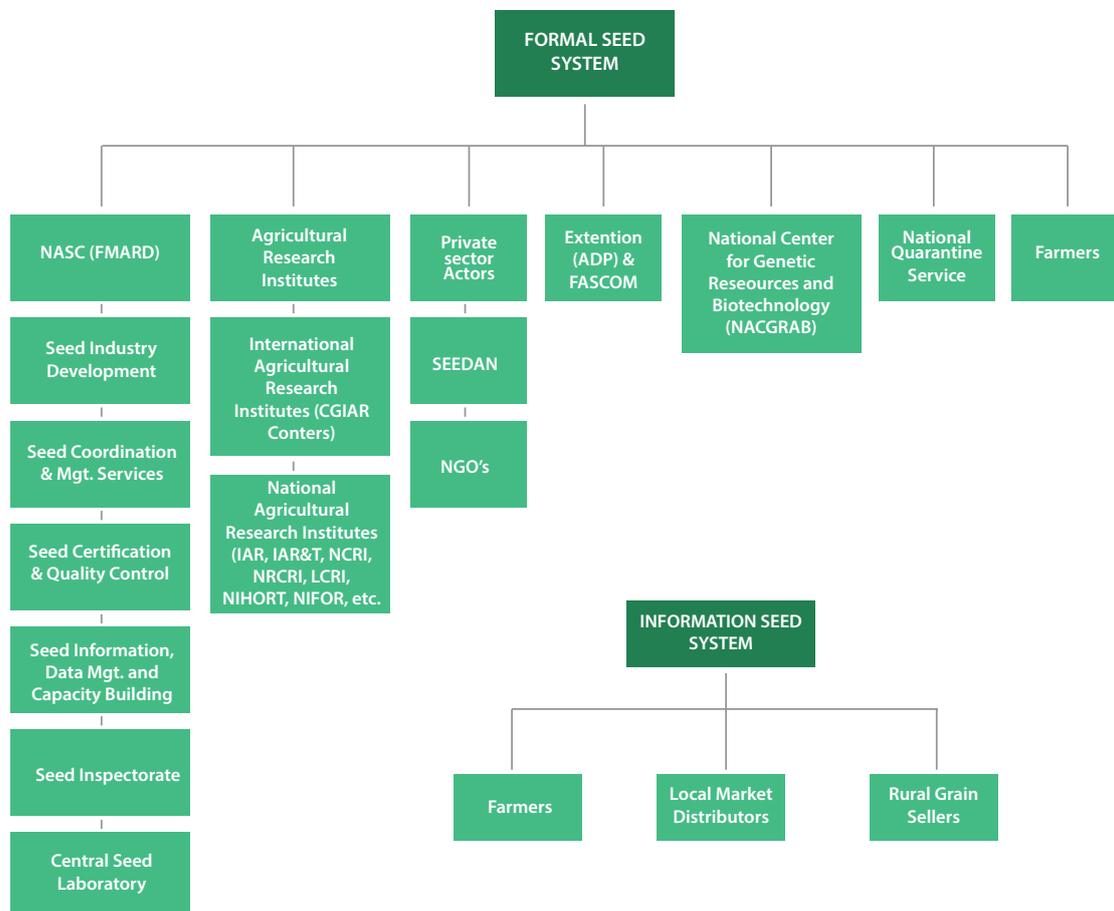
Functions of NASC (According to the National Agriculture Seed Act, 2019)

The Council shall...

- a) Analyze and formulate programs, policies, and actions regarding seed development and the seed industry in general, including legislation and research on issues relating to seed testing, registration, release, production, marketing, distribution, certification, quality control, supply and use of seeds in Nigeria, importation and exportation of seeds
- b) Design improved management systems and procedure relating to the administration of seed activity
- c) Implement official quality control and certification of seeds, and facilitate enrolment of any approved private body in seed certification
- d) Advise the Federal government on the organisation, management and financing of seed programs
- e) Approve seed standards
- f) Advise national research systems on the changing pattern of seed demand and farmers' needs
- g) Plan, monitor and evaluate the achievements of the national seed system and recommend improvement thereto
- h) Encourage the establishment in Nigeria of seed companies for the purpose of carrying out research, production, processing and marketing of seed;
- i) Issue license and permits under the Act
- j) Approve policies and strategies to protect small seed producers, local varieties and to promote quality seed production
- k) Regulate the seed industry in Nigeria
- l) Represent Nigeria and work closely with the West African Committee on Seeds for the development of the seed sector
- m) Establish and manage a seed sector support fund

- n) Perform such other related functions as may be required of the council subject to the approval of the board.

Key Regulatory Institutions and Stakeholders in the Nigerian Seed Sector



Source: NASC, 2019

Roles of Key Stakeholders in the Seed Sector

| Variety Development | Variety Development | Variety Development | Variety Development | Variety Development | Variety Development |
|---|------------------------------------|---|---|------------------------|--|
| National Agricultural Research Institutes (NARIs) | National Variety Release Committee | National Agricultural Research Institute (NARIs) | National Agricultural Research Institute (NARIs) | Private Seed Companies | National Agricultural Seeds Council (NASC) |
| International Agricultural Research Centers (IARCs) - CGIAR | | International Agricultural Research Centers (IARCs) - CGIAR | International Agricultural Research Centers (IARCs) - CGIAR | | |
| Private Seed Companies | | Private Seed Companies | Private Seed Companies | | |

Highlights of key improvements of the Seed Act, 2019

In order to make the Seeds Act consistent with the current dynamics in the global seed trade and create a better conducive atmosphere for private sector participation in the nation's seed industry, the Seeds Act was reviewed and amended through a series of processes involving national and international bodies

1. Modification of penalty for infringements.

In the 1992 Act: To ensure that it serves as deterrent. In the old draft, under PART IV — APPOINTMENT OF SEED INSPECTORS under section titled "Offences and penalties page 11, stipulates 500 Naira fine for first offender and 1,000 naira for a repeat offender or "imprisonment for a term which may extend to six (6) Months" or both.

In the 2019 Act: According to Part IX; Section 42; "Infringements and Offenses"

A person who commits an offense under this act is liable upon conviction –

- a) As a first offender, to imprisonment for a term not exceeding one year or a fine not exceeding N1, 000, 000; and
- b) In the event of such person having been previously convicted under this section, he is liable to imprisonment for a term not exceeding two years or a fine of N2, 000,000 or both.

2. Broader Scope for improved Quality Assurance:

The introduction of a provision for quality control for registered varieties for which there is no seed certification standards and unregistered or obsolete of interest to Nigerian farmers under section 35 titled "informal seed" in the new Act.

3. Certification of Planting Materials: Under Section 18 "seed categories" on page 9, No. 4. The Seed Act recognises 'planting materials' as a certifiable entity and empowers the Minister to approve categories of planting materials for certification purposes.

The Minister shall approve, by regulation, the categories of planting materials for certification.

There is no recognition of planting materials in the 1992 Seed Act. In the light of the importance that planting material in Agricultural Promotion Policy e.g. cassava, yam, bananas etc.

4. Plant Variety Protection (PVP): On Sections 39 "Protection of Breeders' Rights" (PBR) and "Temporary measures to protect Farmers' Rights"

The Minister shall promote policies and strategies to foster registration of new plant varieties and protection of farmers' rights.

Infringement and Offences (According to the National Agriculture Seeds Council Act, 2019)

Amongst other, the following constitutes a breach of provision of the Act and its enabling regulations;

- a) Prevention of a seed inspector from taking sample under the Act;
- b) Prevention of a seed inspector from exercising any other power conferred on him under the act;
- c) Production and marketing of seed without license by the council;
- d) Marketing of seed without accreditation;
- e) Misleading information on seed labelling, willful modification or alteration of labelling and use of any trickery to mislead third parties as to the quality of the seeds;
- f) Distribution from animal or human consumption of seeds treated with substances dangerous to human or animal health and unfit for consumption;
- g) Failure to keep proper records and documents as laid down under section 9 (2) of the Act;
- h) Import and export of conventional and genetically modified crop seed violation or applicable declaration;
- i) Obstruction of official inspection or control activities;
- j) Non-compliance with the condition of admission for control; and
- k) Fraud or attempted fraud in the utilisation or marketing of seeds.

A person who commits an offense under this act is liable upon conviction –

- c) As a first offender, to imprisonment for a term not exceeding one year or a fine not exceeding N1,000,000; and
- d) In the event of such person having been previously convicted under this section, he is liable to imprisonment for a term not exceeding two years or a fine of N2,000,000 or both.

COST-BENEFIT ANALYSIS

1. Smallholder farmers

The implementation of the revised Seed Act, 2019 will afford farmers to have access to improved seeds, and this will have impact on the yields obtained

from crops. The yield gaps form major staples In Nigeria is presented in Table A. The table reveals that there is a significant difference increase in crop yields by adopting the use of improved seeds and complimentary inputs.

| Crop | Actual Yield | Potential Yield | Yield Gap | Actual as a % of Potential yield | Yield Gap in % |
|-----------|--------------|-----------------|-----------|----------------------------------|----------------|
| Maize | 1.78 | 5 | 3.22 | 35.6 | 181 |
| Rice | 1.98 | 6 | 4.02 | 33.0 | 203 |
| Sorghum | 1.5 | 5 | 3.5 | 30.0 | 233 |
| Cassava | 13.4 | 28.4 | 15 | 47.2 | 112 |
| Millet | 1.1 | 2.4 | 1.3 | 45.8 | 118 |
| Yam | 11.8 | 18 | 6.2 | 65.6 | 53 |
| Soya Bean | 0.93 | 2 | 1.07 | 46.5 | 115 |

Highlights of key improvements of the Seed Act, 2019

Other benefits to be derived from using improved seeds include increased participation in farmers' associations and enhanced social and business relations among stakeholders.

Source: Report on regulatory Impact Assessment of the revised Seed Act by African Center for Shared Development Capacity Building to Alliance for Green Revolution in Africa (AGRA) (March 2017).

2. The Government

A number of benefits will accrue as a result of implementing the revised Seed Act. The major benefits include revenue earned from activities of the NASC, foreign exchange earnings resulting for exports of seeds from Nigeria, reduction in Nigeria's food import bill, conserving foreign exchange, improvement in national food security, employment creation and reduction in social vices.

- The implementation of the revised Seed Act is expected to yield net benefit income of N205.673 Million Naira to the government. This revenue will be generated from the activities of the NASC, such as registration of seed companies, issuance of certifications, sales of seed tags, taxes and levies, and so on.
- Since the Seed Act will be harmonized with ECOWAS seed law and regulations, it is anticipated to create additional market outlets for sales of seeds within the ECOWAS region. Hence, there is scope for exports of seeds from Nigeria with benefits of earning foreign exchange to the economy.

- The implementation of the Seed Act will boost production of crops, which effectively reduces the level of food imports, especially rice, maize, soybeans, vegetable oils, and so on.
- The increased productivity and resulting increase in national output of food crops effectively increases the availability of food in the national economy, and enhanced food security.
- There is expected to be increase in employment opportunities, especially along the seed value chain and generally in the agricultural sector

Conclusion

The modified penalty for parading fake seeds by merchants ensures that it is severe enough to discourage culprits. This will curb the sale of fake and adulterated seeds reducing health risk due to more quality seeds being supplied in the market.

Finally, it is expected that the implementation of the Seed Act will motivate private sector participation in Agriculture and promote the uptake of quality seeds while attracting investments into the seed subsector. This will jettison the current issues of unacceptably low yield experienced by farmers thereby improving their livelihood.

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