



SEMI -ANNUAL REPORT

JULY – DECEMBER 2013

USAID CA # AID-OAA-A-13-00029

Submitted to

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Submitted by

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January 2014

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CDP SEED ALLIANCE QUARTERLY REPORT

I. PROJECT SUMMARY

To test our development hypothesis that cooperative alliances can provide a commercially sustainable supply chain for distribution of improved hybrid maize seed in Rwanda and Tanzania, the Seed Alliance project will conduct a series of interrelated diagnostic, strategic planning and capacity building services. The program will start by assessing the market feasibility and the potential for cooperative alliance formation in Tanzania and Rwanda. Following diagnostic evaluation, the program will focus efforts in one country to implement subsequent alliance formation activities.

USAID resources, with matching contributions from Land O'Lakes, Seed Co. and local cooperatives will be used to undertake the diagnostic and strategic planning work in Rwanda and Tanzania including: 1) market feasibility assessment; 2) strategic fit assessment with local agricultural cooperatives; and, 3) partnership alliance meetings with high-potential cooperative alliance partners. Although the ultimate goal of these potential alliances is the commercial distribution of new maize seed varieties; formal product testing, validation and commercialization may or may not be taken within the scope of the activity, subject to the findings of our viability assessments described in more detail in Section 1.1.2. A primary outcome of this work will be the documentation and dissemination of processes, tools and learning from our diagnostic and strategic planning work which we expect to result in more and better cooperative alliances in the future.

Project Performance Results to Date

The project has had to overcome a slow start-up in 2013 following a series of delays. The first delay was the lengthy process and request for modification due to inconsistencies in the signed contract agreement. This request was originally rejected, but re-considered later in the year and at the end of 2013, a formal modification was approved. Perhaps the largest delay was due to contracting the alliance facilitators. The competitive search process to identify quality firms to serve as alliance facilitators took several months. This was followed by a lengthy approval process with USAID. We submitted the approval request on October 15, 2013 and final approval was received on December 26, 2013.

Project Partners

After we received final approval for the alliance facilitators' indefinite quantity contracts, I quickly submitted work orders for each consultant. The initial work orders serve as a contract with each facilitator to perform market feasibility assessments and coordinate logistics and meetings with key stakeholders during an

upcoming trip by Land O'Lakes International Development staff as well as Winfield Solutions staff (see more below) to Tanzania and Rwanda Feb 16 – Feb 28, 2014.

The timing of the trip according to the workplan submitted in 2013 was delayed, in part because of the lengthy approval process and contracting. The project team will work hard in 2014 to aggressively move all deliverables forward as according to project design. The first visit to Tanzania and Rwanda will be important for building important relationships with cooperatives and agribusinesses involved in maize and seed in each respective country. The visit will also provide us with an opportunity to debrief more with each alliance facilitator and look at details of the market feasibility that will include but not be limited to information and data regarding: country investment attractiveness; agriculture sector attractiveness; the legal environment; maize sector market; enabling environment and distribution channel landscape.

A summary of the key partners are listed below:

Winfield Solutions

Land O'Lakes subsidiary Winfield Solutions is the largest wholesaler of crop seed and crop protection products in the United States. The business brings significant expertise in business-to-business relationships through cooperative models and the distribution of inputs and crop solutions. Winfield also has some early stage exploratory partnerships to develop tropical varieties of hybrid maize seeds. The business will be a key partner of the Seed Alliance in assessing the viability of business models that involve cooperative alliances in Tanzania and Rwanda. Winfield will also help support technical assistance work by leveraging their experience and expertise working with coop-coop models in the United States.

Seed Co

Seed Co is a Zimbabwe based company (www.seedco.co.zw) that develops and markets hybrid maize seed, cotton seed, wheat, soya bean, barley, sorghum and ground nut seed. Currently Seed Co has presence in 13 countries – primarily markets in Eastern and Southern African. Seed Co is actively expanding in the two targeted countries of the Seed Alliance. In Tanzania, Seed Co operates a network of distribution agents and produces around 40% of the needed seed in country. In Rwanda, the business is also rapidly growing through a combination of public / private partnerships. The company sees high potential to work with cooperatives, given their reach and span in many rural communities. However, there have been historic challenges in reaching effective alliances with different organizations. Seed Co will work with the project team and leverage in depth expertise of the seed markets and distribution channels for seeds in each country and will also be included in potential alliance discussions with interested cooperatives.

CSDI Tanzania

Center for Sustainable Development Initiative (CSDI) has been contracted to serve as an alliance facilitator in Tanzania. CSDI brings extensive experience and in-depth knowledge of the Tanzanian Ag-sector and cooperatives. Lead consultant William Massawe has worked closely with many Agribusinesses and cooperatives in the Southern Agricultural Growth Corridor (SAGCOT) as part of partnership with the African Development Foundation (ADF).

[ADC Rwanda](#)

African Development Consultancy (ADC) has been contracted to serve as an alliance facilitator in Rwanda. ADC also brings extensive experience to the Rwandan market as a key implementer of ADF program activities in Rwanda. Lead consultant John Bosco Ruzibuka has worked closely with cooperatives in the maize sector and was previously engaged as a value chain consultant with the USAID post-harvest loss program led by CARANA. John Bosco also lived and worked in Tanzania for over a decade. His knowledge of both countries and maize markets will greatly benefit the Seed Alliance Program.

Progress in Activities by Project Phase

Contract Seed Alliance Facilitator

In December 2013, approval was received for hiring two alliance facilitators – one for Rwanda (ADC) and one for Tanzania (CSDI). Both have signed contracts with Land O'Lakes Seed Alliance project covering project work up to February 2015.

Market Feasibility Assessment

First trip planned to Rwanda and Tanzania – (Feb 16-Feb 28)

Underway – results will be highlighted in great detail in the semi-annual report to be submitted July 31, 2014

Strategic Fit Assessment

Planned for late 2014

II. PROJECT PERFORMANCE

Nothing to Report as of December 31, 2013

Indicator name	Unit of measure	Baseline		Target		
		Year	Value	Year 1	Year 2	Life of Program
GOAL: Commercially sustainable supply chain for distribution of improved hybrid maize seed in Rwanda and Tanzania through cooperative alliances developed						
Number of cooperative alliances explored	Number (#)	2013	0	0	1	1
Component 1: Cooperative alliances evaluated, Initiated, Supported and Promoted						
Number of cooperative alliance partnership meetings held	Number (#)	2013	0	0	2	2
Number of cooperative alliance strategic fit assessments completed	Number (#)	2013	0	2	2	4
Number of cooperatives receiving USG-funded technical assistance to improve management practices related to the evaluation and initiation of strategic business alliances	Number (#)	2013	0	0	30 (15 per country)	30
Component 2: Resource Center for international cooperative development designed						
Number of cooperatives receiving cooperative alliance guide one on one coaching	Number (#)	2013	0	0	2	2