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Industry Council for Development

THE DEVELOPMENT OF THE IVORY COAST'S
NATIONAL SEED INDUSTRY

REPORT OF THE ICD MISSION

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COMMERCIAL SEED INDUSTRY DEVELOPMENT PROGRAM
(CSIDP)

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APPENDIXES

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I. SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

The successful implementation of the Ivorian Government's strategy for national food self-sufficiency requires the creation of a dynamic seed industry capable of meeting the growing demand by the nation's farmers for improved seed of high yielding varieties for the major food crops.

Seed production installations presently in place, owned by the Ivorian Government, are in good condition and are well operated by a group of dedicated staff and managers. However, considerable variations exist in management practices between seed farms. Prospects for the long-term growth of the industry will be considerably enhanced by its integration under a unified management structure, and its reorganization along commercially viable lines.

The mission recommends the consolidation of existing seed production activities in the Ivory Coast into a National Commercial Seed Corporation. An organizational structure designed to ensure the efficient management of the corporation, and to effectively integrate the research, production, and marketing functions, is proposed by the mission.

The mission has also considered four main categories of potential investors in the corporation: the Ivorian Government; private Ivorian investors; international development corporations (e.g., the Commonwealth Development Corporation and

the International Finance Corporation); and foreign private seed companies. The mission recommends that the equity structure of the corporation be divided as follows: the Ivorian Government, one-third; International Development Corporation, one-third; private investors (foreign, of both foreign and Ivorian), one-third.

The mission has described the respective functions of and the dynamics between, the corporation's shareholders, Board of Directors, General Manager, and division directors. The mission has also provided brief profiles of the types of individuals that will be needed to fill senior management positions within the corporation.

The mission has proposed a chronological plan of action for the establishment of the National Seed Corporation. The plan outlines essential steps which must be taken by the Government in order to attract investor interest, complete required legal and organizational measures, determine precise financial needs and market projections, and launch operations of the corporation.

The mission has also provided estimates of projected production of food crops in the Ivory Coast and estimated needs in improved seed to meet that production. Indicative figures have also been provided on present value of seed industry assets and required investment by respective shareholders. These data will provide investors with an order of magnitude

of estimated production and investment needs, pending the implementation of a definitive market and financial analysis in early 1984.

At the request of government officials, the mission has also provided comments on other subjects of priority relevance to the success of the proposed National Seed Corporation. These include priorities for different food crops, existing extension services for food crops, pricing policies, and agricultural financing.

II. INTRODUCTION

The Government of the Ivory Coast has determined that as a priority for national policy it will work towards achieving national self-sufficiency in food production. This policy was declared at the 7th Congress of the Democratic Party of the Ivory Coast (PDCI) and it has been announced by the Chairman of the Party, His Excellency Felix Houphouet Boigny, the President of the Republic of the Ivory Coast.

The policy has the following basic goals:

meeting local needs for food crops in rural and urban areas;

reducing the Ivory Coast dependence on food imports by promoting the production of goods which can be produced nationally at competitive prices.

As part of the government's strategy of food self-sufficiency, the production of high quality seed of improved varieties has been accorded highest priority. This involves a recognition that the long-term success of such a strategy will require the restructuring of present seed production activities into a viable and dynamic seed industry capable of meeting the growing demand for improved seed by the nation's farmers.

A. Origins of CSIDP Assistance

In May 1983 ICD received a request from the Government of the Ivory Coast, via The World Bank, for CSIDP assistance to the government's efforts to reorganize the national seed industry.

ICD responded to this request by sending a reconnaissance mission to the Ivory Coast, composed of V. E. Gale, ICD Senior Associate and Edward Gibson, ICD Program Coordinator, to meet with Government officials and agree on a CSIDP program of assistance to the Ivory Coast. The mission, which remained in-country from July 4 - 9, visited several Government seed industry installations throughout the country and held extensive discussions with Government officials, primarily Mr. N'Dri Brou Benoit, Director of Production of the Secretariat of State for Agriculture (SEA).

The SEA was established two years ago to promote food crop development as part of the government's new strategy of food self-sufficiency. The SEA, an agency within the Ministry of Agriculture, is headed by a Secretary with ministerial rank. Under the present division of labor between the Ministry and the SEA, the latter organization is responsible for the promotion of national food crop production, while the Ministry of Agriculture retains primary responsibility for the development of the Ivory Coast's traditional cash crops (i.e. coffee, cocoa, and other crops that have formed the mainstay of the country's export economy).

The ICD reconnaissance mission became familiarized with the present structure and organization of the Ivory Coast's seed industry. Extensive discussions were held with Mr. N'Dri Brou and SEA staff, on field trips and in meetings in Abidjan, regarding the Government's objectives and long-term plans for the industry.

B. Present Seed Industry Organization
and Government Objectives

Basically, seed production operations in the Ivory Coast are carried out by two types of organizations: The "Societies for Rural Development" (SODES), autonomous mixed societies charged with promoting overall agricultural development in different regions of the country;

and the Secretariat of State for Agriculture, under a project executed by BETPA, the Agricultural Studies Bureau. (Henceforth referred to as the BETPA Seed Project).

The three main organizations in the first group are the CIDT, the Central Textiles Development Corporation which today has been given the expanded role of promoting food crop development in the Savannah region; the SATMACI, the agricultural modernization organization which today promotes agricultural development in the northeastern region; and SODEPALM, formerly the national oil palm promotion agency and today given responsibility for agricultural development in the southern rain forest region. For all of these organizations, seed production is a secondary activity. A fourth parastatal, SODEFEL, is charged with the promotion of vegetable and fruit production. The most significant of these organizations, for the purposes of the present project, is the CIDT, which oversees an extensive extension network to farmers in the Savannah region, which is the country's most important food crop producing region.

The BETPA seed project was initiated in the late 1970's, primarily as a national soybean program. This project received extensive technical and financial support from

the Brazilian government. While the government's original objective for launching the program was to introduce soybean culture to the Ivory Coast, and to make the Ivory Coast a major exporter of the crop, its emphasis evolved to a seed production program for which rice and maize became by far the most important crops.

Through the BETPA project the Ivorian government owns and operates four seed farms. Each contains about 2000 hectares with 50% to 75% presently under cultivation. The seed farms are used for the production of foundation seed, certified seed, hybrids, composites, as well as for field trials of new varieties and hybrids.

The seed farms are well operated by a group of capable and dedicated managers. Each seed farm has a conditioning plant capable of handling the output of the farm, as well as anticipated production increases from additional contract growing acreage. The processing facilities are modern, well maintained, and in excellent condition.

However, considerable variation exists between the four farms in management structure and operating practices. There is clearly a need to unify management practices; a move which would bring improved efficiencies to all farms.

Government officials repeatedly expressed to the mission that a top priority of the food self-sufficiency strategy was the reorganization of the national seed industry along commercially viable lines. In their view, a first essential step was the conversion of the BETPA and SODES seed programs into one national commercial seed enterprise, which would also involve private sector participation. This was seen as the only kind of structure that offered the hope of a dynamic seed industry capable of meeting the needs of expanded agricultural production. It was repeatedly stressed that the physical requirements for such a seed industry already exist in the Ivory Coast, and that what was most needed was to devise a management system which would put "some order into the industry". This view was also expressed by the Secretary of State for Agriculture, who met with the reconnaissance mission before its departure.

C. Composition and Objectives of

CSIDP Advisory Mission

It was agreed that, as a first step to a cooperative program of assistance, ICD would send a seed industry advisory mission, led by D. D. Walker, ICD Senior Associate and former President of Funk Seeds International,

and former President of the American Seed Trade Association (ASTA), to advise the Government on the reorganization of the national seed industry, and to help develop a plan of action to launch a national commercial seed enterprise. Mr. Walker would be accompanied by Messrs. Gale and Gibson, who carried out the July reconnaissance mission. The attached proposal from ICD to the Government of the Ivory Coast (Appendix VI), as well as the Terms of Reference agreed upon with the Government (presented below), outline the main objectives of the CSIDP advisory mission. The mission arrived in the Ivory Coast 17 September and departed 9 October 1983.

III. TERMS OF REFERENCE

"Within the framework of the national food self-sufficiency strategy, the Government of the Republic of the Ivory Coast aims to launch a vast national seed program capable of producing and supplying improved seed to farmers.

The establishment of such a program implies a legislative framework, an administrative framework, and well-organized, specialized, and dynamic enterprises.

Objectives of Mission

- Evaluation of proposal for the organization of the national seed industry with a view to the integration and coordination of seed industry activities

carried out by the different organizations involved in the sector.

- Evaluation of production systems currently in place and analysis of existing infrastructure with a view to formulating proposals for the establishment of a national commercial seed production enterprise.
- The mission will, in particular, examine the type of organization which would be suited to the management of the administrative and regulative functions related to seed production on one hand, and on the other hand, to the operations of the national seed enterprise: mixed enterprise, private enterprise, cooperative, etc.
- The mission should also examine the economic environment of the sector (domestic market, eventual export), and provide indications on the best means of interesting private investors in the sector.
- The mission will, in a general way, permit the Ivorian authorities to express themselves clearly on the organization of seed production, and above all on the practical modalities for privatizing the young seed industry."

IV. ESTABLISHMENT OF A
NATIONAL SEED CORPORATION

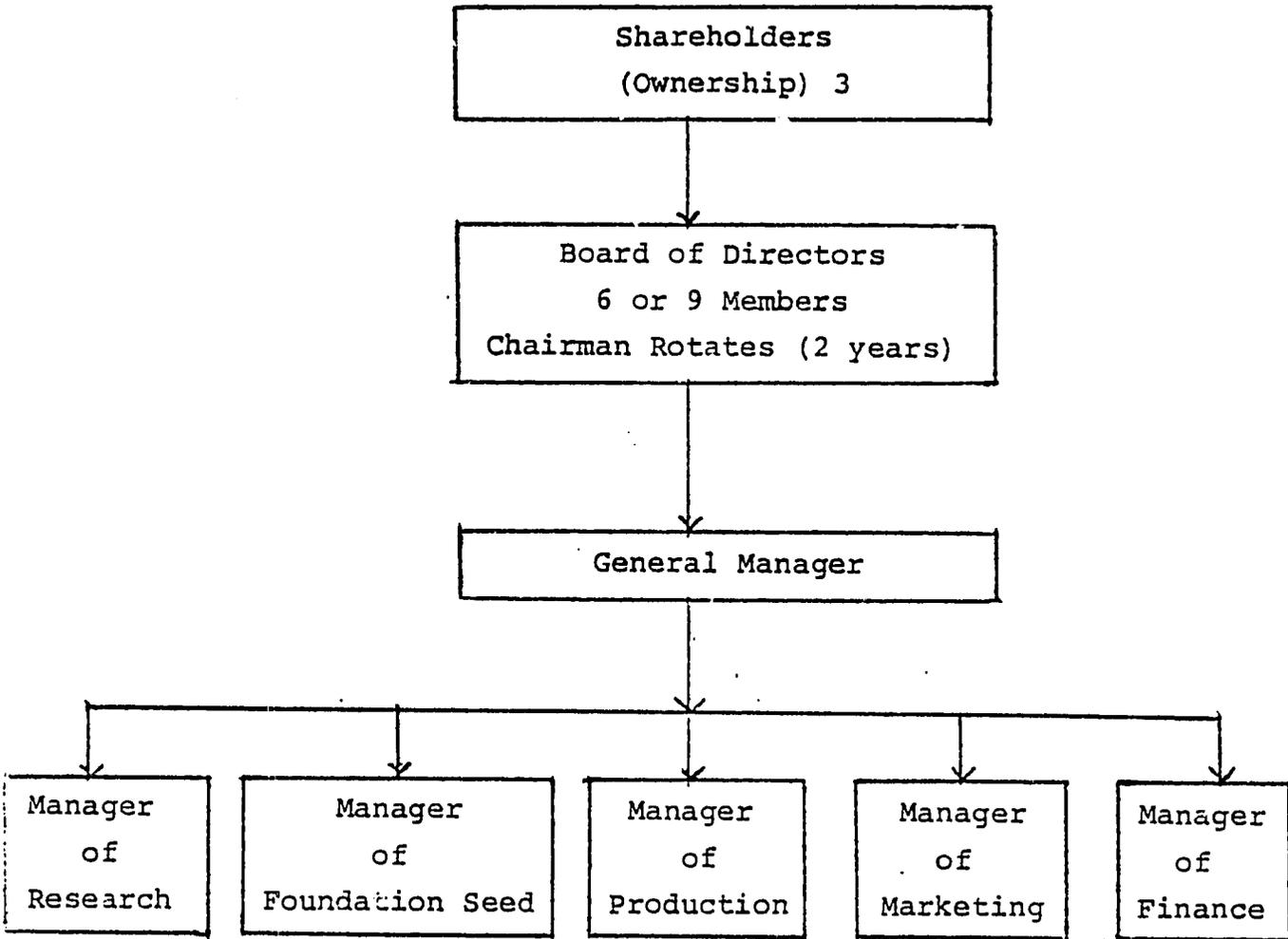
The following report presents recommendations for the

reorganization of present seed production activities in the Ivory Coast into a national commercial seed enterprise. The objective of these recommendations is to bring together, under unified management, the seed production centers presently dispersed throughout the country, and to develop a management structure which will assure the effective coordination of the several functional stages of seed industry operations. It is the belief of the mission that such a corporation, organized on a commercial basis and optimizing the use of local and foreign resources, will provide a firm foundation for launching a dynamic seed industry and meet the needs of an expanding agricultural sector in the Ivory Coast.

A. Organizational Structure of the
Proposed National Seed Corporation

An organizational structure for the proposed seed corporation has been developed by the mission in close consultation with SEA officials. This structure is presented diagrammatically on the next page.

ORGANIZATION OF THE PROPOSED SEED CORPORATION



The individual parts of the organizational structure are described in detail in the next several pages.

B. Shareholders

The mission considered the following types of shareholders:

i. Private Ivorian Investors

The Government's stated policy objective regarding the seed industry is to promote the privatization of the sector and maximize the involvement of the Ivorian private sector in the industry. There would be several advantages to the participation of Ivorian investors in the proposed national seed corporation, primarily in terms of providing expertise to the local private sector in the dynamics of seed industry operations. This would be particularly valuable both to the long-term success of the enterprise, and to the future expansion of a dynamic local private sector seed industry.

The mission sees two major options before the Government for attracting local investors into the corporation: a) to invite public participation by local investors through the issuing of public stocks in the corporation; and b) to invite the participation of an Ivorian company

presently engaged in agro-industrial, agro-marketing or other agro-related activities in the Ivory Coast. Such a company could bring to the seed corporation its knowledge of local commercial agro-industry operations and marketing practices.

The main disadvantage to the first option is that the issuing of public stock will most likely attract small, unsophisticated shareholders who might not fully understand the long-term nature of the undertaking. Their expectations for return on investment would be based on much shorter time horizons than would be realistic to expect from the new corporation. The mission has estimated that, based on the start-up time normally required for a seed corporation, it may take up to five years for the new seed corporation to become a profitable venture. Obviously, no dividends could be paid to shareholders during this period.

The same situation could arise with the second option listed above, that is, inviting a local agro-industrial concern to become a major shareholder in the corporation. If such a shareholder is not willing to take the long-term investment

approach required for the corporation, or, in the course of the first few years of operation places an emphasis on short-term profit maximization rather than prudent measures aimed at the long-term viability of the corporation, its participation could doom the corporation to failure.

Careful attention must be paid, if a local investor is to be considered for partnership in the corporation, to that investor's expertise in local agro-industry management, and to its history of investment in long-term agro-industrial ventures.

It is the mission's recommendation that public issuing of stock to local investors not be exercised at this time. However, at a future date, when the corporation becomes profitable, consideration should be given to involving the public as shareholders. This could represent an increase in capital for the corporation, or a transfer of assets owned by the government to the private sector.

The mission also recommends that consideration be given to inviting a local concern, ideally from the agro-industrial sector, if candidates

can be identified with the qualifications outlined above. If such an investor cannot be identified, or cannot be induced to investing in the corporation, local private sector participation in the corporation should be precluded until the corporation reaches a profitable stage.

ii. The Ivorian Government

The Ivorian Government now operates and controls the agricultural seed industry for the country. It has the four large seed farms, seed conditioning plants and warehouses as described above.

The seed farms are fully mechanized, and the government owns the necessary tractors, planters, cultivators and harvesting equipment for each farm. All of this equipment is in excellent condition and is adequate to handle the production on each farm, as well as anticipated production increases from contract growing.

Because of the absence of local private sector involvement in the seed industry, the government presently represents the only potential local partner with expertise in seed industry operations. At the outset, therefore, its participation in the corporation as a shareholder would be essential, either in lieu of local private investors

until the corporation becomes profitable, (at which time the government could sell its shares to local investors), or in addition to a qualified local investor.

It is the mission's recommendation that, at the establishment of the national seed corporation, the government be a major shareholder.

This will ensure a smooth transition from complete government ownership of the seed industry to participation by the private sector.

iii. International Development Corporations

International development corporations are institutions devoted to the long-term development of commercial enterprises in developing countries. Their advantages as shareholders in a venture such as this is that they are experienced in the long-term problems of development and they often can make relatively large investments in single lump sum payments. They are also a good source of policy development and managerial advice on such long-term projects. The mission strongly recommends this type partner in the seed corporation.

An example of such an international corporation

is the Commonwealth Development Corporation (CDC) which is based in the United Kingdom. It has operations in the Caribbean area, Asia, Pacific Islands and four regions of Africa. In West Africa it has operations in Cameroon, The Gambia, Ghana, Ivory Coast, Nigeria and The Sierra Leone. In the Ivory Coast, it has investments in hardwood forestry, oil palm, coconut and rubber projects.

Discussions were held by mission members with CDC representatives in London and Abidjan, at which CDC officials expressed a possible interest in becoming a shareholder in the proposed seed corporation.

The mission feels that the CDC would be a very suitable partner, and strongly recommends that its expression of interest be followed up by the Government.

Another important possibility would be the International Finance Corporation, a World Bank affiliate. While the IFC has not in the past invested in the seed industry, in part because of minimum investment requirements, IFC and World Bank officials have indicated a willingness to the mission to consider changes in that

policy, particularly in light of the current World Bank emphasis on the commercialization of developing country seed industries. An additional advantage of IFC involvement in the corporation would be the possible coupling of that investment with financial and technical support from the World Bank for infrastructure and public sector activities needed to support the development of a private sector seed industry.

The mission strongly recommends that the IFC be considered for partnership in the corporation, and that discussions be initiated with World Bank officials to that end.

iv. An International Private Seed Firm

The mission has also considered options for involving foreign private investors in the new corporation. Perhaps the most important contribution they could make would be knowledge of the seed business and management expertise at operating seed enterprises at a profit. They could bring years of experience in seed research, foundation seed production, commercial seed production and seed marketing to the new company. While it is not necessarily crucial

to the success of the new venture, it is possible that they could make contributions of their own germ plasm and seed lines to Ivorian agriculture. It is also possible that such seed firms could have an interest in the Ivorian vegetable seed business, which is not currently being developed.

Candidates for participation could include the following companies (base of ownership):

Asgrow Seed Company, a Division of Upjohn, Inc. (USA)

Northrup King Company, a Unit of Sandoz (Switzerland)

Funk Seeds International, a Unit of Ciba-Geigy
(Switzerland)

Pioneer Hi Bred International (USA)

DeKalb AgResearch Inc. (USA)

Limagrain (France)

Ferry Morse Seed Company, a Division of Limagrain
(France)

All of the above companies are international in scope with production and marketing of seeds in several countries. All the companies are active in agricultural seeds - especially maize, sorghum, soybeans and forages. Asgrow, Northrup King and Ferry Morse also have extensive vegetable seed operations.

During the mission's stay in the Ivory Coast, a senior executive of Asgrow, on an unrelated mission, met with Mr. N'Dri Brou and SEA officials to discuss investment possibilities in the Ivory Coast. It was indicated that Asgrow is interested in Africa, and in the Ivory Coast in particular, and would welcome further discussions. The mission would consider Asgrow a prime candidate for participation in the new seed corporation.

v. Equity Composition of the
National Seed Corporation

It is the mission's recommendation that the equity ownership of the new corporation be divided as follows: Ivorian Government, 1/3; International Development Corporations, 1/3; private investors (foreign or both foreign and local), 1/3.

vi. Assessing the Value of Corporation
Assets for the Investing Shareholders

A method must be arrived at for determining the asset values that go into the new corporation. All of the assets are presently owned by the Ivorian Government. Their value must be determined in a satisfactory way so that the new partners can be made aware of the amount of investment.

required for their respective one-third ownerships.

The first factor for consideration is the value of the large area of land now being utilized and which likely will continue to be used by the corporation. From the point of view of a private seed firm ownership of land is not necessary, as the majority of firms in the U.S.A. and Europe often do all their production by contract growing with farmers.

It is recommended that to solve this problem the land should not be considered as part of the assets of the National Seed Corporation. Instead, the Government should keep full title to the land and enter into a long-term (minimum of 25 years) lease with the corporation at a nominal (peppercorn) annual payment.

The remainder of the assets - tractors and field equipment plus the processing facilities and warehouses - should be calculated at depreciated values, that is, cost less depreciation at acceptable life expectations. The total of these depreciated values is the investment that the Government now has in the seed industry. This, then,

is the basis for determining the contribution of the new investors. The following illustration presents two options on opposite ends of the spectrum for the government to consider. Intermediate options will obviously arise during discussions between the Government and interested partners on a suitable financing plan. Let us assume that this total of depreciated assets is \$15 million:

1. The total investment of a seed corporation is to be this same amount - \$15 million. Thus, each of the two new shareholders would pay the Ivorian government \$5 million for a total of \$10 million. The Ivorian government would keep the \$10 million and the total capitalization of the seed corporation would remain at \$15 million. This would put a strain on the corporation's operating capital position, unless each of the partners agreed to add additional capital for operating expenses.
2. The second alternative is for each of the new shareholders to contribute the equivalent amount of the government investment - \$15 million.

This, then, would make the total investment in the seed corporation \$45 million.

The mission strongly favors the latter alternative to give the seed corporation adequate financial strength to keep it on a sound footing during the early years while it is growing into a profitable position.

These suggestions are based on the assumption that the corporation will not be responsible for any debts incurred by the Ivory Coast to the Brazilian Government under the financial and technical assistance program to the BETPA project.

It is further suggested that these contributions by the new partners be made in the form of cash so that adequate working capital is available for inventory expansion, management training, market development, purchase of spare parts, and irrigation of the seed farms.

vii. Investment Values for Farm Equipment,
Machinery and Warehouses

The Ivorian Government has made extensive investments in farm equipment, machinery for processing and conditioning seed, and warehouses for storing

seed and supplies. These investments began in 1979 and have continued through 1983. The expenditures have been of two categories; original construction and installation contracts (primarily of Brazilian origin) and local Ivorian expenses. The dates of these expenditures and the amounts in each category are as follows:

(These are in thousands of U.S. dollars)

<u>Year</u>	<u>Contractual Expenditures</u>	<u>Local Expenditures</u>	<u>Total</u>
1979	1,300	0	1,300
1980	10,472	1,404	11,876
1981	807	2,582	3,389
1982	2,481	1,410	3,890
1983	<u>1,091</u>	<u>732</u>	<u>1,823</u>
	16,151	6,128	22,278

These expenditures are divided among the four farms as follows:

(These are in thousands of U.S. dollars)

	<u>Contractual Expenditures</u>	<u>Local Expenditures</u>	<u>Total</u>
Touba	4,523	1,656	6,179
Odienne	3,875	1,535	5,410
Dekodougou	4,523	1,656	6,179
Bouafle	<u>3,230</u>	<u>1,281</u>	<u>4,510</u>
	16,151	6,128	22,278

These are undepreciated values. In calculating current values, allowance should be made for depreciation that has occurred since the time of purchase or installation. Also, it is necessary to consider any changes in replacement costs that may have occurred since installation or purchase.

These investment values include no amounts for land. It is assumed for this purpose, that the rental arrangement for the farms would be followed.

These values with consideration for depreciation and any adjustment for replacement costs, will serve as a basis for estimating the investment requirements for the new partners.

C. Board of Directors

It is suggested that the Board of Directors should be made up of a total of either six or nine members being selected by the three major shareholders as their representative on the Board. A Board of more than nine often is unwieldy and lacks the ability to reach decisions. A Board of less than six may be dominated by a single member.

The function of the Board of Directors is to develop

policy and strategy for the seed corporation. It develops the parameters within which the corporation will operate and establishes the line of products and the areas in which these products will be marketed.

i. Term of Office

Each Director should be elected annually for a term of one year. It is expected that directors will normally stand for reelection and so serve for more than one year, but the annual election allows more freedom for shareholders to reassign their representative to other duties if they so wish.

ii. Meeting Schedule for Board of Directors

The Board of Directors should adhere strictly to a regular schedule of meetings. This is especially important during the formative years of the corporation.

It is recommended that the Board should meet at least once each quarter. Perhaps during the first two years of the corporation even monthly meetings may be desirable.

It is important to point out that the Board of Directors is a policy-making body. It is not an operating unit. The operations of the corporation

are carried out by the General Manager and his staff who report regularly to the Board of Directors.

iii. Election of Chairman

The Chairman of the Board should be selected to serve for a two-year term. The two-year instead of one-year term is recommended to allow for continuity of policy.

It is recommended that the Chairmanship should be rotated among the three major shareholders. It is also suggested that a Chairman will not normally be called upon to serve for a second consecutive two-year term. This precaution will assure equal participation by all the three shareholders and avoid dominance by any one of them.

D. The General Manager

It is the duty of the Board of Directors to select the General Manager of the corporation and to fix his level of remuneration. It is also their duty to replace him if he is not carrying out his duties satisfactorily.

The General Manager is the head of the operating staff of the corporation. It is expected that at

each Board of Director's meeting, the General Manager will present results of operations to that date. He will draw attention to favorable results, as well as indicate difficulties and other operating problems of importance to the overall results of the corporation. He is the chief of operations within the corporation, responsible for carrying out the policies and strategies as developed by the Board of Directors by guiding the efforts of the team of divisional managers under him to achieve the optimum results for the corporation.

While he must be able to appreciate the importance of research, production, marketing and finance, he need not be an expert in all or any of these fields. The important thing for him to decide is whether or not the various sectors of the organization are being managed effectively and in such a way as to produce effective results. He must be a person of high intelligence and his primary focus should be efficient operation towards commercial viability. With this end in view it is recommended that he should have extensive experience in the commercial seed industry. He must have a working knowledge of all seed business but an important consideration is that he should be market-oriented and understand the importance of

finance and accounting for the corporation.

Remuneration

As qualities of the general manager can be such a significant factor in the success of the corporation, he must be motivated to achieve the highest possible results.

It is, therefore, recommended that as well as being offered a good base salary, an incentive program be established which will enable him to earn bonus payments for sharing superior performance, as measured by the profits of the corporation.

E. Divisional Managers

The heads of the five major operational divisions of the corporation, as recommended on page 12, will report to the General Manager i.e., the Managers of Research, Foundation Seed, Production, Marketing and Finance.

The recommended technical administrative qualities, the requisite experience and other desirable qualities, together with the suggested levels of remuneration and possible sources of recruitment for each of the posts, are set out in detail in Appendixes I - V.

However, the relative importance and major responsibilities of them can be summarized as follows:

i. The Manager of Research will have to perform one of the most important functions in the seed corporation. His job is difficult because he is coordinating research from a third party, nonmarket oriented organization (IDESSA) into a market-oriented profit-minded corporation.

He must be able to relate the needs of the farmer customers and the ease and cost of seed production back to the research scientists engaged in genetic research on new varieties and hybrids. He must be able to convince the scientists of the needs of their farmer customers irrespective of their own perceived preferences and policies.

ii. The function of the Manager of Foundation Seed is to multiply the small quantities of research seed received from IDESSA to levels required by the production department. It is extremely important that genetic purity be maintained during this process. Certain areas of the seed farms have been designated solely for production of foundation seed and processing equipment also exists for this function.

iii. The Manager of Seed Production is responsible for ensuring that the requisite quantities of

high quality seed are produced from the desired varieties, composites and hybrids. He must keep in close contact with the marketing division for details of quantities needed, as well as with the research and foundation divisions, to be sure ample foundation seed is available and that research is developing seed varieties and hybrids that can be reliably produced. His duties include seed production in the field and processing through the seed conditioning plants.

- iv. The Manager of Marketing will be responsible for ensuring that the product of the corporation reaches the customers' hands. This includes advertising and promotion, as well as the markets to be served. An important function of marketing is to select the channel of distribution to reach the farmer customer. This can be through a farmer dealer, a retail store, a cooperative or an agency such as CIDT. Often it is a combination of more than one such means.

A very important duty of the marketing manager is to communicate to research and to production divisions the needs and desires of the farmer customers. It is what the farmer perceives that he wants that determines the market. This may

or may not be what he actually needs for his welfare.

The marketing manager also needs to work closely with the extension service, whether it be performed by CIDT or by the Government. The extension services will advise farmers on how to increase their production. Marketing must follow up and tell farmers that the seeds the corporation has available fit these requirements.

- v. The Manager of Finance is responsible for the accounting procedures of the corporation and financial planning to meet the operational requirements of the organization. He determines on a regular periodic basis whether or not the corporation is operating at a profit. A good financial manager should be constantly on the alert for ways to improve profitability by suggesting a means of reducing costs (such as good inventory control).

F. Management Training

There will be a considerable need for management training in the corporation, especially during its first two years. This will be especially important for the marketing group. The financial group will need indoctrination into the special accounting practices that relate

to the seed production business. The research, foundation seed and commercial seed production groups will have more training and experience in the seed industry and their training demands will not be as great.

The marketing group will need exposure to sales strategies in the commercial mass market. A good source for this training will be management internships with U.S. and European seed companies. Also very useful would be training in other developing countries with successful private seed industries. Zimbabwe, Kenya, several Latin American and other developing countries could offer valuable lessons in private sector management and marketing operations of relevance to the Ivory Coast. Of prime importance will be training with the seed partner's headquarters. Key managers in the marketing group should spend three to four weeks learning packaging methods, advertising, sales outlet selection, pricing policies and all the other elements of a marketing program. There is virtually no substitute for this commercial exposure.

Financial training will also be important but should not require as much time. This experience can be at the seed partner's firm or with the development corporation.

ICD, as part of its program of assistance to seed industry development in the Ivory Coast, would be available

to assist the corporation in critical areas of management training program could include management internship programs with commercial seed companies overseas, (which ICD, through cooperative arrangements with the International Seed Trade Federation (F.I.S.) and individual companies, could sponsor), as well as in-country management workshops and training courses, tailored to meet specific management needs and priorities of the corporation.

Another important source of training would be the Food and Agriculture Organization, which through its Seed Improvement Development Program, has held in-country technical and management training courses in several developing countries.

G. Payment for Research

As has been indicated in the section describing the job requirements for the Manager of Research, there exists a problem in research management when the work is being done by a third party, such as IDESSA. They have their own research methods and philosophies which may not coincide with the best interests of the marketplace.

The mission recommends that consideration be given to a method of payment or reimbursement to IDESSA for work done to the benefit of the seed corporation. This would

provide leverage for the seed company to have a broader and stronger hand in the direction of research.

H. Spare Parts Inventory Policy

At present all farms utilize uniform tractors, planters, cultivators and combines - all of Brazilian assembly. Most of the equipment is 2-3 years old and has not yet reached peak demand for spare parts. In the next three years this peak demand will develop. With the present lead time of six months required to obtain spare parts, a serious bottleneck could develop.

The mission strongly urges that consideration be given to the establishment of a central spare parts inventory and control. It may well be that a decentralized inventory should be maintained for each farm but a central storage especially for items of less frequent demand should be instituted. A small computer with spare parts inventory storage information could also be valuable.

One final consideration for the farm equipment is the desirability of a preventive maintenance program.

The tractors and combines in particular are reaching the age where breakdown maintenance is not sufficient.

A plan of regular periodic overhaul should be considered.

I. Irrigation of Seed Farms

The current very dry crop year has emphasized the need to consider some measure of irrigation for the seed farms. In some cases seed yields are so low that harvest costs are difficult to justify. In other cases, maize seed for example, the genetic make-up of a composite might be altered by the drought conditions. Even in average years seed yields could be improved by 20-30 percent by the use of irrigation.

It has been proposed that 250 hectares of each farm be irrigated. The cost of the irrigation investment presents some problems relating to land values. For example, in the case of flood irrigation from a lake on the farm, the question arises as to whether this is an investment that goes into the land value or whether it is a depreciable asset.

It is suggested that as soon as the formula for ownership investment is resolved the question of land irrigation be addressed.

J. Market Analysis

In evaluating the potential market for seeds of the food crops in the Ivory Coast, the data available relate to the total land surface planted with these crops and the total production output from these plantings.

Total land planted in 1983 and estimated plantings for future years are as follows:

(1000 Hectares)

	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1990</u>
Rice	451	455	456	534
Maize	622	683	635	710
Sorghum	68	69	71	70
Peanuts	64	72	83	96
Soya	-	1.7	2.9	5

These surfaces are expected to have a total production as follows:

(1,000 Tons)

	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1990</u>
Rice	450	460	470	550
Maize	315	410	445	568
Sorghum	46	46.5	48	60
Peanuts	57	62	72	83
Soya	1.5	2.5	3.5	7.5

The seeds required to make these plantings are estimated as follows:

(1,000 Tons)

	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1990</u>
Rice	27	27.3	27.4	32
Maize	12.5	13.7	12.7	14.2
Sorghum	1.0	1.03	1.06	1.05
Peanuts	7.6	8.6	10.0	11.5
Soya	0.16	0.22	0.23	0.40

NOTE: These data are taken from Ivorian government agricultural statistics - 1981.

The actual usage of improved seed during this period will depend upon the rate at which desirable varieties and hybrids are developed and the acceptance of the improved seed by the farmers vs. saving seeds from their own crops.

As is pointed out below, in the Action Plan, additional market data should be gathered as soon as possible so that better investment analyses can be made and more actual sales planning may be effected.

V. PLAN OF ACTION FOR ESTABLISHMENT
OF NATIONAL SEED CORPORATION

The following is a suggested plan of action which outlines essential steps toward the establishment and launching of operations of a national seed enterprise:

To be Completed by 31 May 1984

1. Analyze ICD mission report, initiate procedures within Ministry of Agriculture and other agencies for necessary approvals.
2. Take following steps in the preparation of a prospectus for potential investors:
 - a. Calculate current asset values of seed farms (minus value of farm land) using the following linear tabulated guide:
 - i. Purchase cost of assets
 - ii. Estimated useful life
 - iii. Depreciation per year
 - iv. Years already expired
 - v. Accumulated depreciation
 - vi. Current (depreciated) value

<u>Item</u>	<u>Cost</u>	<u>Useful Life</u>	<u>Depreciation per year</u>	<u>Years Expired</u>	<u>Accumulated Depreciation</u>	<u>Depreciated Value</u>
Tractor	\$ 50,000	10 years	\$ 5,000	3	\$15,000	\$ 35,000
Warehouse	250,000	25 years	10,000	3	30,000	220,000

- b. Arrive at decision as to whether irrigation is to be part of investment plan. If so, add to asset value calculation the anticipated value of irrigation to be installed during the first year.
 - c. Convert these asset values into investment contribution to be made by the new investors.

- d. Obtain market data information on potential volume of seed by variety to be sold in the Ivory Coast. Also prepare for investors information on sales and marketing structure in the Ivory Coast e.g., marketing outlets, CIDT and other agencies, cooperatives, village organizations, retail outlets, farm dealers, etc. Possible sources for this information would be government studies, World Bank and UN System reports. The information collected for the investor prospectus will serve to give investors an initial indication of the market situation. A more definitive market and financial analysis for investors that have expressed a clear interest is recommended in Item 7 of this action plan.
- e. Prepare statement on government seed pricing policy. Investors will need assurance that government will not enforce unprofitable pricing policies.
- f. Obtain statement on government foreign investment code and policies in the Ivory Coast, particularly as they relate to the agricultural and seed industry sectors. Other general information on investment in the Ivory Coast should also be included.
- g. Prepare printed prospectus using best available graphic and promotional techniques.

3. Launch search for new investors. This will require the following steps:

Initial contacts should be made with the Presidents or Chief Executive Officers of the companies listed in this report. This should be done through a personal letter with the prospectus enclosed. Names of the appropriate individuals to be contacted are furnished in company Annual reports. The mission does not advocate contacting national or international seed trade associations until the list is exhausted. Such a move could lead to the Government being contacted by companies and individuals who would not possess the required expertise or required capital investment. A survey should also be initiated of local companies and agro-industrial concerns which might be suitable partners in the new seed corporation.

4. Explore and initiate legal procedures for establishing the new seed corporation. This will include:
 - a. Develop procedure for shifting assets from Ivorian Government to the new corporation.
 - b. Begin procedure for obtaining charter for the corporation.

- c. Begin drafting By-Laws for the new corporation. These and other necessary legal steps will require legal counsel.
5. Initiate legislation procedures for seed certification laws. This would include:
 - a. Developing legislation framework and draft regulations.
 - b. Ensuring that Government enacts enabling legislation.
6. Establish policy on relationship of seed corporation with CIDT, SATMACI, SODEPALM, IDESSA, and other agencies.
7. Implement definitive market and financial study which would assess the feasibility and long-term viability of the corporation, precise investments required, estimated return on investment, alternative financing packages, and other questions which will be considered essential by potential investors prior to making a final investment decision. Such a study could include the participation of a private investor that has expressed a clear interest in the venture, an independent commercial seed industry expert, and representatives of the Commonwealth Development Corporation and the International Finance Corporation. The possibility exists that one of these latter organizations would

also sponsor the costs of the feasibility study. Financing could also be available from other sources that finance such studies including the USAID Bureau for the Private Sector. ICD, through its Commercial Seed Industry Development Program, would also be available to participate in and sponsor some of the costs of the study.

To be Completed by 31 December 1984

1. Narrow down investor candidates to two or possibly three: Negotiations in progress with final candidates.
2. Complete selection of investors.
3. Select Board of Directors along the lines outlined in report.
4. Select Chairman of Board.
5. Complete transfer of assets to corporation.
6. Complete work with Ministry of Agriculture on seed certification act.
7. Begin search for General Manager.
8. Hire General Manager.
9. Begin search for line managers.
10. Hire line managers.
11. Formalize program of research with IDESSA.
12. Formalize program of marketing with CIDT, SATMACI, SODEPALM and cooperatives.
13. Formalize program of production.

14. Develop financial plan - profit and loss projection.
15. Develop capital expenditure program.
16. Study expanding contract grower network and acquisition of CIDT facilities.

VI. OTHER CONSIDERATIONS

The mission has considered other subject areas of priority relevance to the success of the proposed national seed corporation. At the request of SEA officials, it offers the following comments.

A. Priorities for Different Food Crops.

i. Rice

Rice is clearly the first priority food crop and is receiving top effort in terms of research, seed production and extension information. The varieties now in use have been developed out of local research work and seem well adapted to local conditions. It is therefore important that local germ plasm be kept in varieties which are released. This would also be consistent with the taste preference of Ivorians.

ii. Maize

While maize is a top priority food crop, it is not clear whether it is receiving the attention it requires in both research and production efforts.

There is widespread debate over whether maize research in developing countries should be directed toward hybrids or composites. In the Ivory Coast research efforts are directed primarily toward the latter. This may be due to the relationship with CIMMYT, whose management traditionally follows the composite route. While this seems appropriate at this stage of the development of Ivorian agriculture, the fact that hybrid development usually requires 7 to 10 years lead time should not be overlooked.

The testing of maize hybrids from countries of similar latitudes, elevations and general climatic conditions could well be expanded at this time. Kenya, for example, may have hybrids either developed or in developmental stages, that would fit in this country. The Kenya hybrid research

program has been in existence for many years. In the case of Kenya, the hybrids have outperformed the composites and have been well accepted by small landholders.

iii. Sorghum

The mission was surprised by the lack of efforts carried out on grain sorghum. Little or no work is devoted to hybrids, and most varieties do not yet contain the dwarf genes. The varieties cultivated are tall and very difficult to harvest. Grain yields are usually low.

The northern part of the country is dry and lends itself to sorghum growing. Expanded grain production can be used for milling, brewing, and poultry feeding.

Grain sorghum will be especially important as the country's agriculture becomes more mechanized.

iv. Soybeans

There has been considerable debate over the desirability of promoting soybean cultivation in the Ivory Coast. Most support to soybean development in the Ivory Coast has come from Brazil, through a financial and technical assistance program to the BETPA project which, as mentioned earlier,

was originally conceived as a soya project. The main objective of the BETPA efforts in this field is to test the adaptability of soybeans in Ivorian agriculture.

In the mission's opinion soybeans are receiving more promotional attention than can be justified under existing circumstances. This is partly due to the fact that the crop is readily mechanized, and could fill an important gap in a corn and rice rotation; particularly because of the residual manurial value. However, as the small farmer tends to remove the entire plant by hand at harvest, much of the manurial value is lost.

Also, soybean crop development in other countries has traditionally paralleled that of the soybean processing (oil extraction) industry. Soybeans are not suitable for human or livestock consumption and must be converted into oil and meal for utilization. There is only one extraction plant in the Ivory Coast, and a sufficiently sophisticated accumulation system for exporting the beans does not exist at this time.

While the mission recognizes that there may be a place for soybeans in the future of the Ivory Coast's agriculture, especially with the advent of

mechanization, it does not consider it wise, as far as the seed program is concerned, to place a high emphasis on the crop. This would in all probability be done at the expense of the more immediately important food crops --rice and maize-- as well as to the longer term development of such crops as sorghum and vegetables.

v. Root Crops

Root crops such as cassava and yams play an important role in the diet of Ivorians. This is especially true for rural populations. Some research work is being done on varieties and cultural practices; yet these efforts have been limited.

The mission does not recommend that the seed program focus efforts in this area. Root crops are far more difficult to handle, store, and transport than food grains. The new corporation would find it very difficult --and unprofitable-- to integrate this into its food crop operations.

vi. Vegetables

There is virtually no vegetable seed industry in the Ivory Coast. Seeds that are purchased are imported. No local research is being done on improved varieties.

The mission believes that a partner in the seed corporation who has an established line of vegetable seeds might well find this an attractive market for development. At the same time, this effort would be valuable in meeting a growing demand for vegetables, particularly in urban areas.

B. The Extension Service Program for Food Crops

The current extension service program for food crops is being carried out by the parastatal agencies that deal with cotton (CIDT), palm (SODEPALM) and cocoa (SATMACI). In CIDT alone, they claim to reach over 100,000 farmers in their extension efforts. One of the problems that is involved with the present system is that not all food crop farmers are reached. The CIDT, for example, puts their main effort on cotton and unless the same farmer is growing both cotton and a food crop, he may be missed in the extension effort. The same is true with the cocoa and palm agencies.

It must be said that these agencies have been very effective in their extension efforts. The extension people seem to be qualified and very dedicated to their work. They have been very successful in promoting the crops for which they were established.

No such governmental or parastatal agency has been established for food crops. The question then arises

as to whether it would be more effective to expand the efforts of the existing agencies or create a new agency devoted entirely to the food crops.

The mission feels that if the goal of self-sufficiency in food production is to be taken in its broadest sense, then a strong case can be made for developing an extension service exclusively for food crops.

C. Seed Pricing Policy

The mission is concerned about government pricing policy for the new seed industry. At the present the government, under its production and distribution program, has been furnishing rice and maize seed at no charge to the farmers. This, of course, is completely incompatible with private investment in the seed industry.

Ministry officials have assured the mission that freedom of pricing for seed for food grain would be allowed with the formation of the seed corporation. This policy must be followed in order to attract the new investors.

It is also imperative that new investors be assured that they will be able to remit profits from the Ivory Coast once the seed corporation becomes profitable.

D. Grain Pricing Policy

It is the mission's feeling that the grain pricing system which exists in the Ivory Coast is not conducive

to increased grain production or to increased use of improved seed by the nation's farmers. For example, the following schedule of rice prices has been established by the government:

60 CFAF* per kilo to farmers

75 CFAF per kilo delivered to miller

130 CFAF per kilo milled rice

Much rice is imported - mostly from the Far East. Local rice is preferred and usually demands a high premium over the 130 CFAF suggested by the government. However, the government has been reluctant to raise rice prices to farmers for fear of political repercussions in the cities.

The mission's findings do not support the government's thesis that prices for grains should be kept low. On the contrary, the mission feels that the raising of grain prices would produce the following results:

Farmers would have more incentive to produce and to adopt improved farming techniques, of which the use of improved seeds would be an integral part.

About 65 percent of families live on farms so benefits are spread to more people.

*Present exchange rate is US\$1 = 366 CFAF

Higher farm prices would increase output and cut imports thus improving the balance of payments.

Low farm prices are fictitious since demand in cities for domestic rice creates prices above those for improved rice.

The mission feels that reforms are sorely needed in the food grains pricing policy of the government. These reforms could materially improve the incentives for increased grain production.

E. Seed Certification Program

At present seed certification is handled by the research agency, IDESSA. They are doing a good job in view of the stage of development of the industry today. However, seed certification is not a related function to research and consideration is being given to the establishment of a seed certification program under the direction of the Ministry of Agriculture. The mission supports this measure.

A new laboratory is to be built and equipped at the University in Yamoussoukro. The mission supports this move completely. Prior to its departure, plans were completed for the funding of the equipment for the laboratory. The building is already provided.

The mission will be sending to the Government copies of model laws for seed certification and lists of laboratory equipment needed.

F. Agricultural Financing

The Ivorian banking system has not fully supplied the needs of the small landholder engaged in food crop production. The farmer is often illiterate in French and unfamiliar with the documents necessary to process a loan. The agricultural bank (BNDA) has had experiences on default of farm loans.

Some 300 farm cooperatives exist but most are small and poorly financed. While there is an implied effort to support the formation of cooperatives, there is no banking function expressly for their benefit. A central movement for a few large cooperatives had not developed - even amongst the farmers who grow for export.

Recently, there has been a move to make agriculture financing available on a village level. A single loan is made to the village which it, in turn, administers at the farmer level.

The fact is that for most small grain farmers there is not a day-in day-out working system of agricultural loans. The results may often be that the farmer does not purchase sufficient crop inputs and is forced to sell his commodities at distressed prices to get money

for living expenses.

This is clearly an area that needs government attention. Food crop yields could be improved with better inputs and better marketing by farmers could improve their financial base.

The mission has been assured that the Ivorian Government is conscious of this problem. Hopefully, the new emphasis on food production will stimulate action by the banking community.

APPENDIXES

DIVISIONAL MANAGERS
DESIRABLE QUALIFICATIONS, SOURCES OF RECRUITMENT
AND
SUGGESTED SALARIES

The qualifications, experiences and possible sources of recruitment for the managers of the five major divisions of the corporation are set out on separate papers, pages 2 - 8.

A suggested scale of salaries, in relative terms, for staff of the manager's grade is as follows:

<u>Position</u>	<u>Salary Scale (Relative)</u>
General Manager	200
Manager of Research	150
Manager of Marketing	140
Manager of Production	130
Manager of Finance	100
Manager of Foundation Seed	90

RESEARCH MANAGER

Qualifications

It is very important that the Manager of Research should have a high degree of technical ability. It would be preferable for him to have a Ph.D. degree, as well as overseas training in the U.S.A. or Europe. He must be able to debate methods of breeding with the research scientists of IDESSA with conviction but without friction, as ability to liase is all important in this post.

He will not have a large staff of scientists under him but nevertheless he must be able to guide their performance and structure their interests. This is no place for a weak or easily persuaded person.

Sources of Recruitment

If the right attributes can be found in a research staff member from IDESSA, this could be valuable initially in cementing relations between the two organizations. He would understand the inner workings of IDESSA and possibly could meld the goals of the two groups more easily than an outsider could.

If recruitment is from abroad, it would be worth considering candidates from within the organization of a private seed company. There are many companies with well-qualified scientists who might welcome the challenge.

Remuneration

With the high competence required for this job, a high salary level will be necessary to attract the right person. It is recommended, therefore, that the remuneration for this job should be second only to that of the General Manager.

APPENDIX II

FOUNDATION SEED MANAGER

Qualifications

Although the Manager of Foundation Seed must be well-qualified technically, he need not possess as high level training in genetics as a research manager. Training in crop production and/or plant breeding at a national technical or agriculture college and with 3 to 5 years of experience in foundation seed production should be sufficient.

The most important attribute necessary for a foundation seed manager is attention to detail. There can be no errors, no matter how small, in the work of this division as the genetic purity must be maintained.

Sources of Recruitment

Filling of the position for foundation seed manager should present little difficulty. There should be a number of well-qualified personnel within the BETPA program, within CIDT or also IDESSA to be considered for this post.

Remuneration

As is intimated from the above description of duties, the foundation seed manager should be in the lower half of the managers' salary range.

PRODUCTION MANAGER

Qualifications

The Seed Production Manager, like the foundation seed manager, needs to be well experienced in the methods of seed production. In this post experience will be as important, if not more so, than high technical qualifications.

A Bachelor of Science degree from a foreign or national university would be desirable but it would not be necessary to have a Ph.D.

Sources of Recruitment

Local recruitment from within the government seed farms, and CIDT should be explored first. Secondary sources of recruitment could be from the private seed company which make up the major shareholders in the corporation and the international development corporation.

Remuneration

The salary of the production manager should be at or above the mid-point of the scale for the group. He should be paid at a higher level than the foundation seed manager but lower than the manager of research.

MARKETING MANAGER

Qualifications

The Manager of Marketing needs to be experienced in the mass movement of agricultural products from warehouse and factories into the hands of farmer-customers.

He needs to be a combination of salesman, extension serviceman, as well as having the profit orientation of a businessman.

Sources of Recruitment

The Manager of Marketing will be one of the most difficult positions to fill, since there are no existing local commercial seed firms from which to draw. Local possibilities are agro-industrial and fertilizer companies or personnel of CIDT or other similar rural development agencies with marketing experience in seed for export crops. Additional marketing training would probably be necessary for the latter group. Another likely source is from a private seed company partner organization or possibly the international development corporation.

Remuneration

The marketing manager should be one of the highest paid of the manager group. He will have a pronounced influence on the success or failure of the seed enterprise since his efforts will largely determine the volume of seed handled by the corporation.

This will become even more evident as the business becomes more successful and sophisticated and moves out of the control of government.

FINANCE MANAGER

Qualifications

The Financial Manager needs to be well-qualified in accounting and financial matters. In many cases he will be reporting financial results to the Board of Directors. Experience in the financial department of a seed company would be useful but by no means essential.

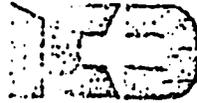
Sources of Recruitment

There are several sources available for recruiting a financial manager. CIDT should be a prime source with their experience in agricultural finance. The accounting and CPA firms would be another local source.

The private seed company and the International Development Corporation also represent potential sources.

Remuneration

The financial manager should be in the mid-grade manager salary scale. The reason for this is that the job does not require a high degree of technical training and personnel should be available in reasonable numbers.



Industry Council for Development

le 22 juillet 1983

Monsieur le Secrétaire
d'Etat à l'Agriculture
Ministère de l'Agriculture
Secrétariat d'Etat à l'Agriculture
Abidjan

Monsieur le Secrétaire d'Etat,

MM. Edward Gibson, Officiel des Programmes de l'ICD, et V.E. Gale, Associé Principal de l'ICD, m'ont fait un rapport détaillé sur leur mission d'étude en Côte d'Ivoire et sur le fond des entrevues qu'ils ont eues avec vous, M. N'Dri Brou Benoit et des autres officiels du Gouvernement. M. Gibson et M. Gale ont tous deux été très impressionnés par les efforts de votre Gouvernement d'établir une industrie nationale semencière, et par votre détermination de développer cette industrie sur des bases viables, tant économiques que sociales. MM. Gibson et Gale ont noté que la plupart des éléments physiques et techniques nécessaires dans ce but existent déjà en Côte d'Ivoire. Ils partagent cependant l'opinion de votre Gouvernement sur la nécessité d'une étude plus approfondie des stages nécessaires à la réunion des divers éléments dans une structure d'aménagement qui puisse répondre efficacement aux besoins agricoles de la Côte d'Ivoire, et fonctionner sur une base commerciale rentable.

L'Industry Council for Development serait intéressé par une collaboration avec votre Gouvernement pour l'aider à atteindre ces objectifs. Nous serions heureux de fournir de l'expérience dans l'industrie internationale semencière pour vous conseiller sur les mesures à prendre pour l'organisation et la gestion de cette industrie et, si vous le souhaitez, vous apporter notre assistance pour la mise en oeuvre de certaines mesures.

Comme première phase d'un programme coopératif d'assistance, nous proposons une mission de conseil de l'ICD dirigée par un spécialiste de longue expérience dans la gestion des entreprises semencières. Il travaillerait avec vous à l'évaluation de la structure et de l'organisation actuelles des opérations semencières, dans le but de déterminer comment une entreprise commerciale pourrait être lancée. Sur la base de cette évaluation, l'expert préparerait

65

des recommandations pour un programme d'action qui prendrait en compte:

1. L'intégration des activités semencières existantes, y compris celles dépendant des sociétés de développement (CIDT, SATMACI, etc.); du BETPA; et des autres organismes s'occupant de la production semencière.
2. L'intégration et la coordination des étapes fonctionnelles des opérations semencières, c'est-à-dire la recherche, la production, la commercialization, etc.
3. L'organisation d'une entreprise nationale de production sur une base commerciale.

La mission examinerait les différentes possibilités d'établissement d'une "société mixte". Cela comprendrait des options pour attirer la participation d'investisseurs privés ivoiriens et l'association avec l'Etat, aussi que du capital et de l'expertise de gestion étrangères. Les évaluations de la mission tiendraient compte des réalités ivoiriennes ainsi que de la politique et les priorités du Gouvernement.

Selon les souhaits de votre Gouvernement, exprimés pendant la visite de MM. Gibson et Gale, nous proposons que l'expert-conseil se rende en Côte d'Ivoire vers la mi-septembre en mission de 15 à 30 jours. L'expert que nous proposons pour la mission est M. Delmar D. Walker, ancien président et directeur de Funk Seeds International. Pour votre information, nous joignons à cette lettre un exemplaire de son curriculum vitae.

En ce qui concerne les frais de mission, nous vous proposons le partage des dépenses entre ICD et le Gouvernement de la Côte d'Ivoire de la façon suivante:

ICD, à travers de son programme "Commercial Seed Industry Development Program" (CSIDP), prendrait en charge les dépenses suivantes:

frais de transport aérien international de l'expert-conseil, règlement de ses honoraires, de ses repas et de ses dépenses qui ne soient pas d'hébergement, et également tous les frais, sauf le voyage local, des membres du secrétariat de l'ICD accompagnant l'expert-conseil.

Le gouvernement de la Côte d'Ivoire prendrait la responsabilité des voyages locaux de la mission, et des frais d'hébergement de l'expert-conseil.

Si ces conditions vous conviennent, nous serions heureux de recevoir de votre Gouvernement une demande officielle d'assistance avec les attributions que vous proposeriez pour la mission de l'ICD.

Je voudrais vous exprimer à nouveau notre enthousiasme à la perspective d'assister votre Gouvernement dans cette tâche très importante et je vous prie de croire, Monsieur le Secrétaire d'Etat, à l'expression de ma haute considération.



Walter W. Simons
Executive Director

cc: Mr. John Russell
Mr. V. E. Gale
Mr. D. D. Walker
bcc: Mr. M. Farbman
D. B. Smith
Mr. J. P. Erbe

Secrétariat d'Etat à l'Agriculture

Cabinet

N° 448 à ICA - C.A.P.

ANNEX VII

République de Côte d'Ivoire

Union - Discipline - Travail

Abidjan, le 25 AOUT 1983

Objet: Mission d'évaluation
I. C. D.

Le Secrétaire d'Etat à l'Agriculture,

à Monsieur le directeur exécutif
de Industry Council for development
200 East 44 TH Street
New York 10017

ETATS-UNIS

RECEIVED SEP - 6 1983

Monsieur le directeur,

J'ai examiné avec grand intérêt les propositions que votre organisation a bien voulu faire à mon gouvernement suite à la première mission de prospection effectuée par messieurs GIBSON et GALE, à ma demande, du 02 au 08 juillet 1983.

Je voudrais profiter de l'occasion pour insister sur la priorité que la Côte d'Ivoire entière accorde à la nouvelle stratégie alimentaire nationale qui vise l'autosuffisance alimentaire du pays.

L'utilisation de semences sélectionnées devant contribuer fondamentalement à l'amélioration de la productivité et des revenus des paysans, il a été décidé de réorganiser la filière semencière nationale pour la rendre plus dynamique et l'adapter aux nouveaux objectifs que nous nous sommes fixés.

C'est pourquoi je suis heureux de vous faire connaître que j'accepte avec grande satisfaction votre offre de collaboration.

Mes services et notamment Monsieur N'DRI BROU BENOIT ayant déjà identifié les principales composantes du programme d'action lors de la mission de messieurs GIBSON et GALE, je donne mon accord sur la personne de Monsieur DELMAR D. WALKER ainsi que sur la répartition des charges.

Pour les modalités pratiques de la mission d'évaluation, vos services voudront bien prendre contact avec Monsieur N'DRI BROU BENOIT.

Vous remerciant encore de l'intérêt que votre organisation porte à la Côte d'Ivoire, je vous prie de croire, Monsieur le Directeur, à l'assurance de ma parfaite considération.



[Handwritten signature]

MISSION ITINERARY AND CONTACTS

- 18 September 1983 - Arrived in Ivory Coast
- 19 September 1983 - Secretariat d'Etat à l'Agriculture (SEA)
 M. N'Dri Brou Benoit, Directeur de Production
 M. Guede Behman, Projet Semencier
 M. Mowadou Cherif, Projet Semencier
 M. G. K. Shams, Expert Semencier
- 20 September 1983 - Secretariat d'Etat à l'Agriculture, Abidjan
 M. Didi Languy, Directeur de Cabinet
- 21 September 1983 - Secretariat d'Etat à l'Agriculture
Ferme Semencière, Bouaflé.
- 22 Septemb 1983 - Compagnie Ivoirienne pour le Developpement
des Fibres Textiles (CIDT), Bouaké
 M. Amani Comoe, Directeur Du Developpment Agricole
 M. Chavat, Directeur General de l'Adjoint
 M. Bah, Directeur des Activités Semencières
 M. Sarazin, Directeur de Vulgarisation
- Institut des Savannes (IDESSA), Bouaké
 M. Goli Coffi
- 23 September 1983 - CIDT
Fermes Semencières, Ferkessedougou, Korhogo
Programme des Nations Unies pour le Developpement
(PNUD), Abidjan
 M. Alexander Rotival, Representant Resident
 M. Heinzdieter Ehrlich, Representant Resident
 Adjoint
 M. Wong, Officiel aux Programmes
- 24 September 1983 - CIDT, Bouaké
 Mm. Amani; Chavat

- 26 September 1983 - SATMACT, Man
Directeur du Secteur Agricole
- 27 September 1983 - SEA
Fermes Semencières, Touba
- 28 September 1983 - SEA
Ferme Semencière, Odienné
M. Gnahoure Logbré, Directeur
- 29 September 1983 - SEA
Ferme Semencière, Dikodougou
M. Alio Langui, Directeur
- CIDT
M. Sarazin
- 30 September 1983 - Banque Mondiale, Abidjan
M. Marc Blanc
- 3 October 1983 - Bank Mondiale, Abidjan
M. J. R. Peberdy
M. Marc Blanc
M. G. K. Shams
- 4 October 1983 - U.S. Agency for International Development (USAID),
Abidjan
Ms. Diana McLean, Agronome Regionale
- 5 October 1983 - Commonwealth Development Corporation (CDC),
Abidjan
M. Malcom C. Hodgeson, Representant Regional
M. J. R. Peberdy (Banque Mondiale)
- 7 October 1983 - Secretariat d'Etat à l'Agriculture, Abidjan
M. Giles Labhouet, Secrétaire d'Etat à l'Agriculture
- 10 October 1983 - Commonwealth Development Corporation (CDC),
Londres
M. Keith Atkinson, Dept. Ressources Natinels
M. J. Straugh, Dept. Investigations
M. M. Jack, Dept. Agriculture