

PN-ACS-479

APRP - RDI Unit

USAID CONTRACT No. 263-C-00-97-00005-00

Report No. 49

**Egyptian Seed Association
(ESAS)
Mission, Agenda and Services
(Seed Association Consultation)**

Prepared by

James C. Delouche

Seed Industry Consultant

November 1998

Reform Design and Implementation Unit

Development Alternatives Inc. Group: Office for Studies & Finance, National Consulting Firm, Development Associates, Cargill Technical Services, The Services Group, Training Resources Group, Purdue University, University of Maryland

TABLE OF CONTENTS

	Page
<i>Acknowledgments</i>	1
0. Executive Summary	2
0.1 Egyptian Seed Association (ESAS)	2
0.2 Terms and Objectives of Consultancy.....	2
0.3 Findings, Commentary and Recommendations	3
0.4 Conclusions.....	4
1. Introduction	5
1.1 ESAS - Organization and Mission	5
1.2 Terms and Objectives of Consultancy.....	5
2. Background	6
3. Findings, Revision and Commentary	8
3.1 Findings	8
3.1 ESAS Strategic Plan.....	9
3.2.1 ESAS Objective 1(Legal & Regulatory Issues)	9
3.2.2 ESAS Objective 2 (New Technologies & Quality Control)	11
3.2.3 ESAS Objective 3 (Representation in MALR Councils).....	13
3.2.4 ESAS Objective 4 (Code of Ethics)	13
3.2.5 ESAS Objective 5 (Membership).....	15
3.2.6 ESAS Objective 6 (Finance).....	15
4. Recommendations	16
5. Conclusions	18
Annexes	19
<i>Annex A: Agenda for Legal and Policy Reform</i>	20
<i>Annex B: Maize Seed Division Draft Petition</i>	30
<i>Annex C: Horticulture Division Draft Petition</i>	33
<i>Annex D: Seeding Division Draft Petition</i>	36
<i>Annex E: Advocacy Recommendations (by Anthony Way)</i>	38
<i>Annex F: Advocacy for ESAS: Strategy, Methods, Tactics (by Anthony Way)</i>	44
<i>Annex G: Terms of Reference</i>	49

ACRONYMS LIST

<i>ACRONYM</i>	<i>DESCRIPTION</i>
APRP	Agricultural Policy Reform Program
ARC	Agriculture Research Center
CAPMAS	Central Agency for Public Mobilization and Statistics
CASC	Central Administration for Seed Certification
CASP	Central Administration for Seed Production
Co.	Company
COP	Chief of Party
DAI/B	Development Alternatives, Inc./Bethesda
EAO	Egyptian Agriculture Organization
ESAS	Egyptian Seed Association
EU	European Union
Fed.	Feddan = 4200 square meter
GATT	General Agreement on Tariffs and Trade
GOE	Government of Egypt
GTZ	German Technical Assistance Agency
HC	Holding Company
HSU	Horticultural Services Unit
Kg.	Kilogram
LE	Egyptian Pound
LOE	Level of Effort
MALR	Ministry of Agriculture & Land Reclamation
MMT	Million Metric Ton
MoTS	Ministry of Trade & Supply
MVE	Monitoring, Verification & Evaluation Unit
NARS	National Agricultural Research Center
NGO	Non-Governmental Organization
OVR	Office of Variety Testing & Registration
PBDAC	Principal Bank for Development and Agricultural Credit
PMU	Project Management Unit
PVP	Plant Variety Protection

<i>ACRONYM</i>	<i>DESCRIPTION</i>
SPC	Seed Privatization Committee
STTA	Short Term Technical Assistance
TA	Technical Assistance
TOR	Terms of Reference
UPOV	Union for the Protection of Plant Varieties
USAID	United States Agency for International Development
US\$	United States Dollar
VAV	Valve for Cultivation & Utilization
WB	World Bank
WG	Working Group
WTO	World Trade Organization

ACKNOWLEDGMENTS

The author is grateful for help and good arrangements for and during the consultation from **Max Goldensohn**, COP, APRP-RDI Unit, **Jane Gleason**, **Mohamed Zaki Gomaa**, and especially **Lawrence Kent**, who managed the consultation in a professional but very considerate and flexible manner. **Ron Krenz**, economist-consultant and long time fellow worker on agriculture reforms in Egypt, shared observations on many aspects of input marketing and usage in Egypt. The RDI office staff arranged transportation, printed diskettes, and did a lot of photocopying. **Steve Joyce** was of great help in organizing and settling on a format for the Nov. 4 workshop. **Dr. A. S. Gommaa**, counter-part consultant, brought us up to date on changes in MALR and some important trends in the seeds sector. **Joe Pietrius**, consultant on constraints and issues in the horticulture area, and **Rich Magnani**, RDI, shared findings and ideas on problems in the availability, production and marketing of seedlings and nursery stock.

Chris Weisbecker, GTZ seed project, helped in the elucidation of some policy issues and, as always, provided some privileged information and good advice. **H. Froemberg** and **B. Homeyer** of the GTZ projects also shared their views and ideas.

Finally, I wish to acknowledge and state my appreciation for the expertise in advocacy, understanding, and cooperation of **Anthony Way**, Advocacy Advisor, and partner in this consultation. We worked as a team and, I hope, accomplished in full the terms of work and expectations. And, I must thank **Eng. Salah Wanis**, retired Under-Secretary of CAS and CASC, now advisor to the GTZ cotton project and still the source of information and good-sense advice on all matters related to seeds in Egypt, for discussing some difficult and complex issues with me and guiding me in the right direction. .

James C. Delouche

Cairo

November, 1998

0. EXECUTIVE SUMMARY

0.1 Egyptian Seed Association (ESAS)

The establishment of the Egyptian Seed Association (ESAS) in accord with Decree No. 1335 issued March, 1998, fulfilled the terms of a long standing benchmark for the seeds subsector in the GOE/MALR's agricultural policy reform agenda. It also represents an important step in the organization of the private sector for larger and more influential roles in defining and advocating the policy reforms, legal measures and regulatory changes needed to establish and sustain a favorable environment of private sector investment and participation in all segments and phases of the seeds industry. ESAS is a non-profit association organized under Law 32 by private sector seed producers and traders,"to represent their common interests. *The ultimate goal is to create a liberalized and integrated seed industry conducive to private investment for the benefit of Egyptian farmers, exports and agriculture.*" The RDI unit of the Agricultural Policy Reform Program project (APRP) has assisted ESAS in developing a mission statement, formulating a strategic plan, and, more recently, in preparing a financial plan and budget.

0.2 Terms and Objectives of Consultancy

The RDI unit is continuing assistance to ESAS with priority on helping it establish a generally acceptable and meaningful agenda under the first objective of its Strategic Plan, viz.,...improve the legal, regulatory and competitive environment in the seed subsector, and to develop and initiate implementation of an appropriate advocacy strategy and plan to address and achieve the agenda. The present consultancy of expatriates James C. "Curt" Delouche, Seed Industry Advisor, and Anthony Way, Advocacy Advisor, with timely and selective support of Egyptian consultants Drs. Yaseen Osman, and A. S. Gommaa, both senior advisors to MALR, constitute part of RDI's continuing assistance to ESAS. The objectives of the consultancy were:

- "1. To work with ESAS to review and refine its advocacy agenda for legal and regulatory reform.
- "2. To work with the association to develop a practical advocacy plan to influence policy-makers and achieve the policy reform agenda - a plan to communicate effectively with key GOE units such as the MALR, ARC, CASC, CASP, and HSU.
- "3. To work with the association to begin implementation of the advocacy plan, focusing on one or more of the policy issues defined in the agenda for legal and regulatory reform."

The consultancy was managed by Lawrence Kent, RDI unit, and coordinated/assisted in many critical ways by Dr. Mohamed Zaki Gomaa representing both the RDI unit and ESAS. The objectives were addressed in multiple meetings with the ESAS Board and key members of ESAS's four divisions. The consultancy also drew heavily on the advice and views of the leaders of the three GOE-GTZ seed projects and key retirees from MALR seed units, especially Eng. Salah Wanis, former Undersecretary of CAS and CASC.

The accomplishments or outputs of the consultancy in fulfillment of the objectives stated above were submitted to L. Kent for final review and, it is hoped, adoption by ESAS: viz., an advocacy agenda for legal, regulatory and policy reform consisting of 10 items with a detailed explanation and situation for each (obj. 1) ; parallel advocacy strategies and plans that addressed each of the 10 items (obj. 2): and three specific issues formulated as draft petitions to the Minister, MALR, with detailed advocacy strategy and plan and initial implementation steps for each (obj. 3). The agenda and a general discussion of the purposes and principles of advocacy with examples were presented in a Workshop for ESAS members and potential members held 4 Nov. in the Ag Club. Nearly 100 persons attended the general sessions of the Workshop and more than 50 remained to participate in the working groups to prioritize the agenda.

This report gathers the contributions of the author in the consultancy and contains additional observations and commentary on ESAS and its Strategic Plan.

0.3. Findings, Commentary, and Recommendations

0.3.1 Findings. ESAS has developed a very comprehensive and ambitious strategic plan consisting of six main goals or objectives with many sub-objectives. The **Strategic Plan** is characterized as **Long-Term - A Three- Year Vision**. Considering that ESAS was not organized until this year (1998) and is in a rather fragile circumstance as regards membership, recognition and credibility, three years is near-term rather than long-term. ESAS must recognize its limitations and focus in the near-term on the core concerns for any association, viz., *membership, finance, recognition and credibility*, and only on the most urgent items in its advocacy and services agendas. There is no doubt that ESAS considers the first objective in its Strategic Plan,...“*improve the legal, regulatory, and competitive environment in the seed subsector,*”as its first priority apart from the core concerns. This position is fully justified in considering the important constraints and inequities in the regulatory framework of the seed industry and the implementation thereof that inhibit if not prevent its further development and limit access to important advances in crop varieties taking place in other countries and even within the country.

ESAS Objective 1, “Improve the legal, regulatory and competitive environment,” addresses its first priority. It was discussed in multiple sessions with the ESAS Board and members of the Maize Seeds, Horticultural Seeds, Seedlings, and Potato Seed Divisions. On the basis of these discussions **Objective 1** was reformulated, reorganized and refined into an *Agenda for Legal and Regulatory Reform* which is in ANNEX A. Some points of the agenda were further organized as “draft petitions” for advocacy to the MALR: *Maize and other Field Crops (Issue - GOE/MALR Involvement in Seed Production and Supply)* and *Horticultural Crops (Vegetables) (Issue - Variety Registration and Seed Import/Export Regulations)*; and *Seedlings and Nursery Stocks (Issue - Lack of Regulations)*. These draft petitions are in ANNEXES B, C and D.

Don Humpal, DAI/Bethesda sent a MEMO to Dr. Max Goldensohn, dated 10/27/98 relating views of U.S. seed companies on Egyptian seed policy and regulations. The memo was received after first draft of the Agenda for Legal and Regulatory Reform was completed. It was interesting, therefore, to compare the Agenda to the American Seed Trade Association (ASTA) priorities. The seven issues identified by ASTA members are *fully addressed* in the

Agenda for Legal and Regulatory Reform

0.3.2 Commentaries. There was also an opportunity, and it was taken, to review and comment on the over-all ESAS Strategic Plan and the remaining five strategic objectives with recommendations deemed appropriate. This is done in italicized review and commentary following verbatim presentation of the main and sub-objectives of the ESAS Strategic Plan.

0.3.3 Recommendations. Several specific recommendations are offered relating to ESAS's organization, membership, advocacy agenda and service programs.

0.4 Conclusions

The organization of ESAS is an important and long overdue step in the development of a vigorous and self-reliant private sector component in the seeds sub-sector. It has gotten off to a good start and has already developed a rather comprehensive and very ambitious Strategic Plan with six objectives. ESAS and its supporters must be mindful that it is an organization still very much in its infancy- that ESAS will have to learn to walk before it can run. But, good management and continued support combined with careful selection of the issues it addresses, the positions it takes, and the changes it advocates could soon position it as the "voice" of the seed industry and a weighty counterforce to elements in the MALR that still cling to the outmoded belief that the private sector is exploitative and that government paternalism is necessary.

EGYPTIAN SEED ASSOCIATION ---ESAS---

Mission, Agenda and Services

1. INTRODUCTION

1.1 ESAS - Organization and Mission

The establishment of the Egyptian Seed Association (ESAS) in accord with Decree No.1335 issued March 1998 fulfilled the terms of a long standing benchmark for the seeds subsector in the GOE/MALR'S agricultural policy reform agenda. It also represents an important step in the organization of the private sector for larger and more influential roles in defining and advocating the policy reforms, legal measures and regulatory changes needed to: a) *establish and sustain a favorable environment for private sector investment and participation in all phases of the seeds industry;* b) *ensure adequate supplies of quality seeds at reasonable prices for Egyptian farmers;* c) and *prepare Egypt for the high-tech, globalized agriculture of the next millennium.*

ESAS is a non-profit organization organized under Law 32 by private sector seed producers, importers and traders, *"....to represent their common interests. The ultimate goal is to create a liberalized and integrated seed industry conducive to private investment for the benefit of Egyptian farmers, exports and agriculture."* The RDI unit of the Agricultural Policy Reform Project (APRP) has assisted the newly organized ESAS in developing a mission statement, formulating a strategic plan consisting of six objectives, and, more recently, preparing a financial plan and budget with options. ESAS's first objective or goal is, *"To improve the legal, regulatory, and competitive environment in the seed sub-sector."* This objective and its sub-objectives or desired achievements deal with many of the long standing and most troublesome issues and problems in the seeds sector reforms initiated in the first year of this decade, some of which are among standing and proposed policy benchmarks under the APRP.

1.2 Terms and Objectives of Consultancy

ESAS's two central and inter-dependent tasks are to interest other persons and segments in the seeds industry in its organization and mission to increase the membership and make it more inclusive, and gain recognition as the "voice" and representative of the private sector participants in the seed industry in both government and business councils. Accomplishment of these tasks will be facilitated if not determined by the commonality and meaningfulness of the issues ESAS elects to address, the specific reforms it espouses, how well it articulates the common aspirations of its present and potential members, the type of services it provides and how soon it can claim some success in its representations and advocacy. The RDI unit of the APRP is continuing assistance to ESAS with priority on helping it establish a generally acceptable and meaningful agenda under its first objective, *viz., improve the legal, regulatory and competitive environment in the seed subsector,* and to develop and initiate implementation of an appropriate advocacy strategy and plan to address and achieve its agenda. The present consultancy of expatriates James

C. Delouche, Seed Industry Advisor, and Anthony Way, Advocacy Advisor, with timely and selective support of Egyptian consultants Drs. Yasseen Osman, Chairman of the National Seeds Council, and Abdel Salam Gommaa, both senior advisors to the MALR, constitute part of RDI's continuing assistance to ESAS. The objectives of the consultancies were:

- “1. To work with ESAS to review and refine its advocacy agenda for legal and regulatory reform.
- “2. To work with the association to develop a practical advocacy plan to influence policy-makers and achieve the policy reform agenda - a plan to communicate effectively with key GOE units such as the MALR, ARC, CASC, CASP, and HSU.
- “3. To work with the association to begin implementation of the advocacy plan, focusing on one or more of the policy issues defined in the agenda for legal and regulatory reform.”

The consultancy was managed by Lawrence Kent, RDI unit, and coordinated/assisted in many critical ways by Dr. Mohamed Zaki Gomaa representing both the RDI unit and ESAS. The consultancy objectives were addressed in multiple meetings with the ESAS Board and key members of ESAS's four divisions: Maize Seeds; Horticultural (Vegetable) Seeds; Seedlings (nursery stocks, vegetative propagules); and Potato. The consultancy also drew heavily on the advice and views of the leaders of the three GOE-GTZ seed projects and key retirees from MALR seed units, especially Eng. Sallah Wanis, former Undersecretary of CAS and CASC.

The accomplishments or outputs of the consultancy in fulfillment of the objectives stated above were submitted to L. Kent, manager of consultancy for RDI, for final review and, it is hoped, adoption by ESAS: viz., an advocacy agenda for legal, regulatory and policy reform consisting of 10 items with a detailed explanation and situation for each (obj. 1); parallel advocacy strategies and plans that addressed each of the 10 items (obj. 2); and three specific issues formulated as draft petitions to the Minister, MALR, with detailed advocacy strategy and plan and initial implementation steps for each (obj. 3). The agenda and a general discussion of the purposes and principles of advocacy with examples were presented in a Workshop for ESAS members and potential members held 4 Nov. in the Ag Club. Nearly 100 persons attended the general sessions of the Workshop and more than 50 remained to participate in the working groups to prioritize the agenda.

This report gathers the contributions of the author in the consultancy and contains additional observations and commentary on ESAS and its Strategic Plan.

2. BACKGROUND

The development of the seeds production and supply systems in Egypt from the beginning implementation of regulations and controls in 1966 through the rise of the Central Administration for Seeds (state seed monopoly) in the 1970s and 80s, the termination of government maize seed production in 1980 to permit entry of the private sector, the phasing out

of the government's limited but significant involvement in vegetable seeds supply during the 1980s, and the comprehensive seed sector reforms addressed in the 1990s with many still pending, have been thoroughly reviewed and critiqued since the late 1980s in the reports of many consultancies under several USAID-funded agricultural policy reform projects and GTZ funded seed projects. Only a few of the relevant threads in the development of the Egyptian seed industry and the progress and lack thereof of seeds sector reforms advocated and pushed are summarized here.

The GOE/MALR declared a policy of liberalization and eventual privatization of the seeds sector at the 1st Egyptian National Seed Conference in mid-1991. Even at this beginning, however, it was fully recognized and appreciated that implementation of this policy would be prolonged and require many reforms and changes in the policies undergirding the CAS-PBDAC-EAO monopoly of seeds production and supply for all crops except maize, most vegetables, and berseem, and in a seed regulatory and control system that favored the monopoly. It was also recognized that organization of the private companies - and persons - involved in maize and vegetable seeds production, importation and supply, although relatively few in number, could serve as an important counterforce to the government monopoly, a forum for defining private sector positions on seed-related policy and regulatory issues, and a united front in advocating reform and change. Not surprisingly, organization of an "Egyptian Seed Association" became one of the earliest and most persistent recommendations (later benchmarks) in the seeds sector reform process. There were numerous attempts (under some pressure) to organize a seed association during the early and mid-90s but each foundered because of disagreements regarding the type of organization, e.g., union, umbrella society, the degree of government involvement (and control), the membership (inclusive or exclusive and restricted), and internal organization of the association, e.g., by commodities (kinds of seeds), by function or activity (producers, processors, traders, importers, etc.). An informal association of maize seed producers was organized mainly to sort out marketing and pricing problems, and there is an "Association of Egyptian Plant Breeders" which, however, appears to be more concerned with scientific and technical matters than privatization and business matters. The establishment of the Egyptian Seed Association (ESAS) in March 1998, therefore, not only fulfilled the terms of a long standing benchmark for the seeds sub-sector in the GOE/MALR'S agricultural policy reform agenda, but also a long perceived and recommended need in the further development and privatization of the seeds sector.

3. FINDINGS, REVISIONS, AND COMMENTARY

3.1 Findings

ESAS has developed a very worthy and straight-forward mission statement:

ESAS is a non-profit organization established by private sector producers and traders to represent their common interests. The ultimate goal is to create a liberalized and integrated seed industry conducive to private investment for the benefit of Egyptian farmers, exports and agriculture development.

It has also developed a very comprehensive and ambitious strategic plan consisting of six main goals or objectives with many sub-objectives. The **Strategic Plan** is characterized as **Long-Term - A Three-Year Vision**. Considering that ESAS was not organized until this year (1998) and is still in an embryonic stage and a rather fragile circumstance as regards membership, recognition and credibility, three years is near-term rather than long-term. It is very important in the beginning phase that ESAS recognize its limitations and focus in the near-term on the core concerns for any association, viz., *membership, finance, recognition and credibility*, and only the most urgent items on its advocacy and services agendas. For the near-term, the other very worthy objectives and goals should be viewed and treated as mid- to long-term, i.e., 3 to 7 years. When and if the core concerns are under control and resources are available, some of the less urgent objectives and goals can be moved up the agenda.

There is no doubt that ESAS considers the first objective, *“improve the legal, regulatory, and competitive environment in the seed sub-sector,”* as its first priority apart from the core concerns. This position is fully justified in view of the current and very serious threats to the financial viability of the maize seed companies, which have occupied the premier place in the seed industry since the early 1980s. There are also important constraints and inequities in the regulatory framework of the seed industry and the implementation thereof that inhibit if not prevent the further development of the seed industry and limit access to important advances in crop varieties taking place in other countries and even within the country.

The present consultancy was very properly focused on assistance to ESAS for elaboration and refinement of an Agenda for Legal and Regulatory Reform with some attention to policy reform, the development of practical advocacy plans for achieving the agenda, and initiation of selective implementation as time permitted. These works were accomplished. There was also opportunity to review and comment on the over-all ESAS Strategic Plan and the remaining five strategic objectives with recommendations deemed appropriate. The results are set forth in some of the sections that follow with italicized review and commentary following verbatim presentation of the main and sub-objectives.

3.2 ESAS Strategic Plan (August, 1998)

3.2.1 ESAS Objective “1. Improve the legal, regulatory and competitive environment”.

3.2.1.1 Objective 1 - Reformulated, Reorganized and Refined. Objective 1 addresses ESAS’s first priority. It was discussed in multiple sessions with the ESAS Board and members of the Maize Seeds, Horticultural Seeds, Seedlings, and Potato Seed Divisions. On the basis of these discussions **Objective 1** was reformulated, reorganized and refined into an *Agenda for Legal and Regulatory Reform* which is in ANNEX A.. Some points of the agenda were further organized as “draft petitions” for advocacy to the MALR: *Maize and other Field Crops (Issue - GOE/MALR Involvement in Seed Production and Supply)* and *Horticultural Crops (Vegetables) (Issue - Variety Registration and Seed Import/Export Regulations)*; and *Seedlings and Nursery Stocks (Issue - Lack of Regulations)*. . These draft petitions are in ANNEXES B, C and D. The eight points under Objective 1 in ESAS’s Strategic Plan are copied in the remainder of Section 3.2.1 that follows this paragraph. Comparison of the original points with those in ANNEX A show that all except point 8 were taken into account in preparation of the Agenda. Point eight deals with market development which is an important sub-objective but not properly in the legal and regulatory reform agenda.

3.2.1.2 Comparison of ESAS Agenda with USA-ASTA Views on Priorities. Don Humpal, DAI/Bethesda sent a MEMO to Dr. Max Goldensohn, dated 10/27/98 relating views of U.S. seed companies on Egyptian seed policy and regulations. The memo was received after first draft of the Agenda for Legal and Regulatory Reform was completed. It was interesting, therefore, to compare the Agenda to the American Seed Trade Association (ASTA) priorities. Seven issues were identified. These are given below in priority ranking with equivalent ESAS agenda items in italics.

1. Absence of PVP Law and enforcement of intellectual property rights.
Agenda Item 1. Seed Law Revision (contains provision for PVP-IPR)
2. Lack of transparent and equitable plant variety registration procedures.
Agenda Items 5 & 6, Variety Testing and Registration
3. Failure to implement privatization program mapped out years ago.
Agenda Item 3 (3.1 & 3.2), Privatization of Seed Production and Supply
4. Unclear and burdensome phytosanitary inspection procedures.
Agenda Item 7, Seed Import and Phytosanitary Requirements
5. Conflict of interest between regulatory and commercial roles of MALR.
Agenda Items 3, 4, 5, 6, 9
6. Variety registration regulations follow European multi-year testing model.
7. Lack of procedures for registration of Genetically Modified Organisms.
Agenda Item 1, Seed Law Revision

It is evident that the policy and regulatory reforms advocated and promoted in Egypt since the early 1990s under successive agricultural policy reform projects are not theoretical or doctrinaire but address “real” issues and constraints.

3.2.1.3 ESAS Objective 1, continued (from ESAS Strategic Plan.....)

“1. Implement decree limiting the government’s role to the production of breeder seeds and their maintenance programs.

“Prepare study of the role of GOE in seed production and distribution and propose policy changes.

“Initiate dialogue with GOE in coordination with APRP.

“2. An announced government policy for seed production that encourages the private sector to perform the governmental role in seed production to fully cover all crops with a definite time schedule.

“Prepare study of the private sector capabilities in full coverage of seed production and distribution for all crops.

“3. MALR offers all breeder seeds for all new varieties to registered private sector companies via a competitive process, with safeguards to prevent any dominant company from winning most of the varieties.

“Participatory workshops with GOE personnel.

“Prepare and publicize a position paper as part of an advocacy campaign.

“Initiate dialogue with GOE in coordination with APRP.

“4. The extension service concentrates on its role in the promotion of awareness about high quality seeds and provides technical information on all registered varieties.

“Prepare a study on the roles of the extension service and other government agencies in seed promotion and distribution.

“Initiate dialogue with government in coordination with APRP.

“Participatory workshop with government representatives.

“5. Transparent seed policies and regulations.

“Assess transparency of seed policies and regulations.

“Monitor new issues.

“Initiate dialogue with government in coordination with APRP.

“6. Propose needed changes to existing and proposed seed laws, ministerial decrees, policies and

regulations to improve the legal, regulatory and competitive environment.

“Monitor and analyze proposed legislation.

“Propose legislative changes through analytical processes leading to the design of new legislation for submission to GOE.

“Initiate dialogue with government in coordination with APRP.

“7. Achieve uniform application of rules and regulations governing the seed sector.

“Identify key measures for uniform application, determine key GOE decision makers, and provide suggestions to GOE on implementation.

“Collect and disseminate all laws, decrees and regulations governing the seed subsector.

“Initiate dialogue with government in coordination with APRP.

“8. Improve access to international local markets.

“Establish an information database and Internet web site.

“Prepare and circulate relevant information and data regarding policies, acreage forecasts, seed production and trade, etc.

“Prepare and circulate an agricultural periodical showing developments affecting the agricultural economy and the association’s positions and activities.”

3.2.2 ESAS Objective “ 2. To adopt new technologies and arrangements in seed production, processing, trade and quality control to expand farmer adoption of high-quality seed of high-yielding crop and horticulture varieties.

“1. Develop quality control standards.

“Assess current government (CASC) quality control systems.

“Study international practices and how to benefit from them in Egypt.

“Suggest a plan for developing improved quality control systems and redefine the government and private sector roles.

“Conduct public awareness workshops and training courses

“Disseminate news about developments in international quality standards to the main producing seed governorates in Egypt.”

(Commentary. There appears to be some confusion about regulatory controls and the quality assurance and control procedures that are or ought to be part of the management system in any production or service operation. Regulatory controls are imposed by law to protect the interests of the consumers of products or recipients of services and the scrupulous providers against those that are unscrupulous. Assessment of the appropriateness and reasonableness of the present regulatory framework implemented and enforced by CASC, comparison of its provisions to those in other countries, assistance to its members in compliance (workshops, procedural guides, etc.), and recommendations for improvements are, indeed, important items in ESAS’s over-all agenda. So-called internal quality assurance or control should also be in ESAS’s portfolio of

informational and training services. It should be noted that Egypt has gone a bit further than most countries in insisting - via regulations - that seed companies have capability for internal quality assurance/control. Unfortunately, this provision lacks clear and full specifications of what is expected. The smaller seed companies, especially the start-ups, would have great difficulty complying with any level of quality control beyond that implicit in good technical and operational management. They certainly need all the help that ESAS can provide.)

“2. Provide internal quality control services to members.

“Establish central quality control lab.

“Conduct national and international training courses for technicians, under supervision of MALR.”

(Commentary. Quality assurance/control even at its smallest and simplest levels is much more than testing, i.e., a quality control lab. Testing essentially determines or verifies that the quality assurance procedures in place and practiced have produced the desired results, i.e., the product (e.g., seeds) produced or developed or the service package offered meet established quality standards, or, put in a simpler way, that “the things that were supposed to have been done were done.” A quality assurance program or system, of course, also detects quality problems, identifies their causes and indicates the most cost effective solutions. The crucial elements in quality assurance are the establishment of quality standards and management’s commitment to achieve and adhere to them. ESAS should give very careful consideration to the matter of establishing a quality control lab before getting involved. It should not take on responsibility for quality assurance for its members which might be a consequence of organizing and operating a quality control lab. It would be far better for ESAS to concentrate on providing information, guidance, training and technical assistance in quality assurance and control systems to its members and leave the testing to the individual companies, CASC or an independent, authorized lab in the business of testing seeds on a fees charged basis. The International Seed Testing Association (ISTA) has recently instituted an accreditation process for “commercial” seed testing laboratories and seed analysts. In the past accreditation was confined to government labs. Accreditation of commercial testing laboratories recognizes that private labs can provide product test results that are equal to those from government labs. ESAS might also consider establishing ESAS quality standards on a purely voluntary basis for the different kinds of seeds that would be above those specified in the certification regulations. Seeds that meet the ESAS standards could be labeled with a sort of ESAS “seal of approval” in addition to the certification label. Some companies, of course, will establish still higher quality standards for their “brand” to differentiate their seeds from those of competitors in terms of quality.)

“3. Introduce new seed production, processing, management, and marketing techniques.

“Establish contacts with related local and international organizations.

“Conduct case studies to identify technical solutions to industry problems.

“Local and international specialized training programs and workshops for technicians with knowledge shared with government extension staff.

“Hold trade fairs and participate in national and international fairs.”

(Commentary. ESAS could and should play an important role in establishing contact with local, regional and international organizations, problem identification and solving, keeping up with and providing information on new technologies and seed related products, representing the Egyptian seed industry in national and international business forums and trade fairs.)

3.2.3 ESAS Objective “3. Establish effective partnerships with GOE decision-making bodies affecting the seeds subsector.

“1. Extending representation of all divisions of the seed association to all relevant GOE seed councils and committees, nominated by ESAS.

“Initiate dialogue with government in coordination with APRP.

“2. Close and active contacts with legislative bodies and agencies affecting the seeds subsector.

“Provide legislative bodies and agencies with relevant information and analyses.

“Requesting hearing sessions in the People’s Assembly and El-Shoura Assembly to express ESAS positions on relevant draft legislation.”

(Commentary. This objective is addressed in the Agenda for Legal and Regulatory Reform discussed in Section 3.2.1 and set forth in ANNEX A. Unquestionably, Objective 3 is at the core of ESAS’s raison d’entre. First, it needs to be recognized as the representative and “voice” of the seed industry in all GOE/MALR committees and councils so that it can effectively convey and advocate the industry’s interests and positions on all matters related to seed production, marketing, importations, breeding and variety improvement research, and so on. Second, it needs to forge close and trustworthy relationships with administrators and directors of government regulatory, research and service (e.g., extension) agencies in order to gather essential information on technical matters, government intentions, markets and other economic trends for its members. Third, it needs to use the relationships forged with key government officials to ensure that they - the government officials - are fully informed about new technologies, developments and opportunities nationally and globally.)

3.2.4 ESAS Objective “ 4. Develop and implement an industry code of ethics consistent with international standards.

“1. Code of ethics consistent with international standards.

“Hire consultant to help develop code of ethics taking into consideration similar codes of international associations.

“2. Establish industry sanctions to curtail unethical conduct by firms in the seed subsector.

“Establish an ESAS subcommittee to decide on unethical industry practices, with ascending sanctions and impartial arbitrators as needed.”

(Commentary. Business ethics, which is what an industry code of ethics would be, is a very gray and sensitive area for ESAS to enter. We - Delouche and Way - cannot think of any good models among business associations. Social associations and many professional associations, e.g., lawyers, medical doctors, do have a code of ethics some aspects of which are legally enforceable. In business, however, practices are "regulated" and /or determined by regulations under which a business operates, e.g., Pure Food and Drug regulations in U.S.A., and the well established and tested provisions of business law, e.g., contract law. Business associations do establish criteria and/or qualifications for membership which may have ethical implications in terms of keeping out unqualified persons or companies from the association, but this does not prevent such unqualified persons or companies from engaging in business. They can be prevented from doing so, or are "policed" under legally sanctioned regulations, e.g., the seed law and regulations imposed thereunder. Professional associations can impose a system of ethics when practice of the profession requires a license which is obtained by review of qualifications and examination under the purview of a professional association recognized by law, i.e., American Medical Association, American Bar Association. Violations of the code of ethics can result in actions such as "disbarment" which is the loss of the license to practice the profession enforceable by the police powers of the state. All of this is to say again that a code of ethics for a business association is a gray and sensitive area. As desirable as a code of ethics might be in the seed industry or any industry, honesty, fair-play, commitment, and the other ingredients of ethics cannot be imposed. There is much discussion and controversy in U.S. Business Schools about the amount of attention given to "ethics" and even the appropriateness of including it as a teaching/learning objective. Ethics should not be confounded with membership qualifications, trade rules, business law, and so on.)

3.2.5 ESAS Objective "5. Expand membership base to cover all seed-related activities.

"1. ESAS office up and running.

"Acquire office space, hire staff, develop logo and slogan, print promotional material, and develop budget consistent with funding sources.

"2. Public awareness campaign.

"Workshops: 8 for GOE personnel in Cairo and regions: 3-4 for producers; 12 for traders and growers in governorates; ongoing for media.

"Newspapers: information on ESAS in specialized agricultural papers; slot in "green Egypt" and others.

"TV: "Good Morning Egypt" and other agricultural programs.

"3. Represent all sub-divisions of the seed industry.

"Decide on membership qualifications for categories in seed subsector.

"Establish specialized subcommittees as needed.

"Specify business roles and organizational relations outside ESAS.

“4. Establish branches of ESAS in governorates.

“Assess need for and interest in governorate branches of ESAS.

“Encourage governorates to establish ESAS branches.”

(Commentary. ESAS is acquiring new offices, it has developed and adopted a logo, and printed some promotional materials. It has been given some publicity in the media but needs more. Expansion of membership is one of ESAS's central concerns and tasks. But it should not be just a game of numbers. ESAS's goal should be representation of all segments of the seed industry but with some reasonable qualifications or criteria for full, voting membership. These qualifications or criteria could relate to the type of business, volume of business, number of employees, maintenance of a business office, and so on . In other terms, membership should be both selective and inclusive. In time ESAS may want to establish an Associate Membership for persons and firms with business relationships to the seed industry such as suppliers of packaging materials, seed treatment materials, processing and specialized office equipment. The HEIA has established an associate membership and many of the seed associations in other countries have an associate member division. ESAS should reconsider its change in division names and concerns from Field Crops to Maize Seeds. While maize seed companies are arguably the most prominent and influential and many of them are also involved in limited production of wheat, rice and other kinds of self-pollinated crop seeds, the absence of any reference to field crops seeds can have some unintended meanings: that ESAS has no interest in these kinds of seeds; that ESAS relegates these kinds of seeds to the government sector; that ESAS is only interested in very profitable kinds of seeds; that ESAS is not much interested in the agriculture welfare of the country; etc. ESAS could change the name of the Maize Division back to Field Crops Division, or organize a separate division for field crops other than maize.

Governorate branches of ESAS is a good but distant vision - well into the future. For the present ESAS should seek out a good representative or coordinator for the governorates represented in its membership, mainly to establish relationships with firms or persons engaged in seed activities who are not members of ESAS, i.e., a membership recruiter.)

3.2.6 ESAS Objective “ 6. Expand ESAS financial resources.

“1. Voluntary fee paid on each seed container producer, imported, exported or handled.

“Hire expatriate consultants to help study needed funding approaches and procedures.

“2. Donor financial support.

“Study financial support provided to HEIA and Egyptian Export Association.

“Hire expatriate consultant to help develop a financial support proposal.

“Submit proposals for donor funding.

“3. Governmental financial support.

“Assess sources of government financial support.

“Submit proposals for financial support.”

(Commentary. ESAS should give priority to increasing its financial resources through increased membership [fees collected], and donor assistance. The voluntary fees per unit of seed container produced, imported, etc., suggested is good but somewhat premature. This “voluntary” fee is essentially a “check-off” system such as used for cotton, soybeans, rice and other commodities in the U.S. It would probably need to be legally sanctioned. Then, once agreed to by a majority of ESAS members, it would be essentially compulsory, and only theoretically voluntary. In time, however, installation of an equitable check-off system for support of ESAS and its advocacy activities could ensure ESAS of the financial resources it needs. But first, ESAS has to earn credibility as the “voice” of the seed industry and achieve some successes in its advocacy efforts.)

4. RECOMMENDATIONS

Suggestions are offered in the commentary under each of the six objectives in ESAS’s Strategic Plan including an agenda for legal and regulatory reform and related draft petitions in **ANNEXES A, B, C and D**. Some of these suggestions are recast as recommendations in this section and additional recommendations are offered relating to ESAS’s services and relationships. .

ESAS should proceed carefully and very deliberately with implementation of its agenda of six main objectives. The near term agenda should be limited to the priority items: viz.,

Building membership, assuring financial sustainability and completing ESAS organization; (details in 2. and 3. below)

Establishing ESAS’s credibility as the representative and “voice” of the seed industry; (see 3. and 4. below for details)

Selective (priority) implementation of the agenda for legal and regulatory reforms.

If substantial financing can be obtained from a donor, work should be initiated on some service aspects, perhaps by contracting it to experts from ARC, CASC and the Universities. (see 5. and 6. below for examples).

ESAS can be seriously damaged if it becomes involved in too many areas, promises more than it delivers, generates confusion rather than understanding, and arouses antagonism rather than support.

2. (Near term.) ESAS should recruit and appoint a strong, full-time Executive Director. The person should be knowledgeable about the seed industry but not involved in it in any way or

“retired” from it. The person should be known and respected in both MALR and private sector circles. The person should have a strong personality but be of the type that would be faithful to instructions from and decisions of the ESAS board and not overbearing.

3. (Near term.) ESAS should seek to build a membership that is representative or inclusive but selective in the sense of confining membership to bonafide participants in seed industry operations. It should consider establishing an Associate Member Division. The associate (non-voting) membership would take in firms or persons not directly involved in seed operations but that supply materials or services to the seed industry: packaging materials, tags and labels, printed materials, seed treatment chemicals, specialized equipment and so on. These recommendations should be carefully considered (examine HEIA model) with good preparations before implementation.

4. (Near term.) ESAS should explore areas of mutual interest with other associations and unions in the agriculture inputs and produce arena, e.g., HEIA, the Potato Grower’s Union, Egyptian Association of Plant Breeders, Seed Traders Union (?), and some Cooperatives. Since there is much current activity and support in organizing associations, several other associations are likely to emerge in the near future with goals and objectives of interest to ESAS.

(Near term.) ESAS should undertake the compilation, analysis and abstracting of the laws, ministerial decrees, memoranda and other legal documents from Law 53 of 1966 to the present that form the legal framework for the seed industry so that members can be informed and kept informed of their rights and responsibilities as seed producers, importers, and suppliers. (See Attachment to ANNEX A.)

6. (Selectively mid-term and continuing.) ESAS should initiate a variety of service programs for its members; some examples:

A seed industry directory with listing of all seed companies and suppliers, sources of seeds of important varieties, suppliers of materials needed by seed companies such as packaging, materials, key MALR officials on Seed Committee, Arbitration Board, CASC, and so on. This need not be done exhaustively at first, but in time it should become the *first reference on all persons, places and things of concern in the seed industry*. There are good examples of “seed directories” in the U.S.A. .

Information sheets on, for example: essential provisions of the regulations that govern the seed industry; procedures for obtaining registration as a seed company and applying for registration of a variety; equipment and facilities needed for processing different kinds of seeds and sources of equipment; principles and precepts of good seed storage including insect control; and many others in time.

Sponsor and/or organize conferences and workshops. ESAS should sponsor conferences and workshops selected in part on the basis of requests of its members. Examples of workshop or conference subjects are: Compliance with Seed Regulations; Selecting and Managing Contract

Seed Growers. Examples of training courses include: Detasseling (Emasculation) of Maize Female Lines; Organizing and Implementing Internal Quality Control; Roguing Seed Fields of Self-Pollinated Crops. Expertise for the workshops and training courses could be supplied by personnel from the more experienced member companies, and especially by specialists from ARC, professors from the Agricultural Universities, and CASC technicians. Involvement of ARC breeders and other researchers and CASC technicians in the workshops and training courses with suitable compensation would provide good and continuing opportunities to establish close and understanding relationships.

5. CONCLUSIONS

The organization of ESAS is an important and long overdue step in the development of a vigorous and self-reliant private sector component in the seeds sector. It has gotten off to a good start and has already developed a rather comprehensive and very ambitious Strategic Plan with six objectives. ESAS has been fortunate to find temporary quarters in DALTEX but it is very important for it to move into new offices when they are ready. This will reduce if not eliminate the feelings of some members and potential members that ESAS is too strongly influenced by some of the founding members. ESAS must mount and sustain a campaign to increase its membership and to develop an adequate financial base.

ESAS and its supporters must realize that it is an organization still very much in its infancy. It will have to learn to walk before it can run. Fortunately or unfortunately, depending on one's view, the private sector seed companies and ESAS as their representative are faced with some tough problems that can age it rather rapidly. But, good management and continued support combined with careful selection of the issues it addresses, the positions it takes, and the changes it advocates could soon propel it to the forefront as the "voice" of the seed industry and a weighty counterforce to elements in the MALR that cling to the view that government paternalism is necessary in the agriculture sector because the private sector is exploitative.

The ESAS board and members of the various divisions participated fully in the refinement of Objective 1 in ESAS's Strategic Plan (improve the legal, regulatory and competitive environment for the seeds subsector) into an Agenda for Legal, Regulatory and Policy Reforms. Even during the brief period of this consultation there seemed to be a big increase in cohesiveness, unity of purposes and resolve. If this continues ESAS will, in time, fulfill its mission and achieve its objectives.

ANNEXES

ANNEX A

Draft for Discussion

EGYPTIAN SEED ASSOCIATION (ESAS)

AGENDA FOR LEGAL AND REGULATORY REFORM

1. Seed Law Revision. ESAS seeks *early enactment of the revised seed law* presently before the People's Assembly which modernizes and clarifies the language in the old Law 53 of 1966, prescribes specific procedures for crop variety registration and liberalizes the testing period, updates and increases the penalties attached to violations of provisions of the law and regulations promulgated thereunder, and, most importantly, sanctions the development and implementation of a system of plant variety protection (PVP) in conformity with the relevant UPOV convention and international protocols.

Situation/Explanation. A revision of seed provisions in Agricultural Law No. 53 of 1966 that revises several important provisions, provides for plant variety protection (breeder's rights), clarifies and up-dates the requirements, specifications and penalties has been "pending" for several years. It was introduced into the People's Assembly as part of a revised omnibus agricultural law, but was recently separated from the omnibus bill through the initiative of a key member of the Agriculture and Irrigation Committee. This was a very fortunate change since there was a good probability that opposition to some aspects of the omnibus bill would hold up action on the relatively non-controversial seed components. While prospects for favorable action on the seed law in the forthcoming session of the People's Assembly are greatly enhanced, it cannot be assumed that such action will automatically ensue. The ESAS and other interested parties, therefore, must continue and even intensify their advocacy of swift and final action on the legislation.

2. ESAS Representation on GOE/MALR Councils. ESAS seeks *representation as an association and/or for its several divisions on all GOE/MALR seed councils, committees and task forces* through nominations made by ESAS.

Situation/Explanation. There has been substantial progress in gaining representation of the private and cooperative sectors in GOE/MALR councils and committees that deal with seed policy, regulatory and technical issues, e.g., National Seed Council, Seed Privatization Committee, Arbitration Committee. Presently, representation is on an individual person basis and the same individuals may be on most of the important councils and committees. This is good in terms of continuity and influence but it would be better if by addition or substitution the representation had the weight of an association (many) rather than or in addition to the weight of the individual involved. The person or persons nominated and accepted as ESAS representative on a council would be fully informed of ESAS's views and position and faithfully represent them. In addition to the councils and committees mentioned above, ESAS is seeking representation on the important MALR Seed Committee that deals with seed imports and exports

and the Technical Committees now being organized in the Crop Variety Registration Office established under Ministerial Decree No. 82 of 1998.

3. Privatization of Seed Production and Supply. ESAS seeks *strong and unequivocal reaffirmation* of the GOE/MALR'S declared policy for liberalization and privatization of seed production and supply in Egypt

3.1 Seed Production and Supply for Hybrid Varieties of Maize. ESAS seeks the withdrawal of all GOE and/or MALR institutions and units from the production and supply of certified class or equivalent seeds of hybrid varieties of maize effective for the 1999 crop season.

Situation/Explanation. Although a decision was taken in 1980 to terminate the involvement of CASP, the former MALR seed production unit, in maize seed production so as to encourage and enable the organization of private seed companies, the maize program (MP) group of the ARC's Field Crops Research Institute (FCRI) continued to produce 1000 - 2000 MT of seed. ARC claimed that this level of government seed production was required to provide breeder and foundation seeds for the 5 - 7 private companies engaged in maize seed production and seeds for research, demonstrations and special campaigns. This claim was tenuous, at best, and there were many complaints from the private companies about FCRI/MP's excessive and subsidized production of maize seeds for sale to farmers. In time, however, the FCRI/MP's level of production was more-or-less accepted, other companies (presently more than 30) entered into the production of maize seeds and a substantial, skillful, and experienced maize seed industry developed in the private sector with the capacity for production of all of the quality hybrid maize seeds needed in Egypt. Many of the larger companies have seed processing and packaging plants, seven companies have breeding research programs in various stages of development, and several companies have access to the genetic and varietal resources of international maize genetic and breeding firms through joint ownership and licensing arrangements. *There have been no shortages of maize seeds in Egypt or in seed production capacity.*

This situation in the maize seed industry was drastically changed in 1997/98. HSU took control of all single crosses and breeder/foundation seeds for three-way crosses from the FCRI/MP. CASP, MALR's seed production unit operating under the supervision of HSU, undertook production of about 6000 MT of hybrid maize seeds with an additional 1000 - 2000 MT by other government units which totals to about 75% of the market demand in the past several years. Overall, it appears that about 20,000 MT of hybrid maize seeds were produced by private companies and the government in 1998 for the next season - about twice as much as has been "distributed" during the past several years. The effects of these events on the financial condition of the private companies are serious and will become even more serious considering the advantages of HSU and CASP, the government units, in gaining favor in major segments of the distribution system and the price-cutting that is already underway. Continuation of the MALR's large scale involvement in maize seed production will bankrupt some companies, force others to withdraw from the seed industry, cause still others to terminate investments in breeding research and market development, and, very importantly, result in loss of interest by international breeding firms in the Egyptian seed industry. These consequences would have a devastating impact on development and privatization of the seeds sector and the country's crop agriculture.

There is no justification, no reason for the MALR's re-entry into large scale hybrid maize seed production after making possible the development of a responsible, responsive private sector maize seed industry during the past 18 years..

In addition to the crisis situation caused by re-entry of the GOE/MALR into large scale maize seed production, the private maize seed producers are deeply concerned about the continued reliance on just a few hybrids for most of the area planted to maize. Experiences in the U.S.A in the early 1970s dramatically demonstrated the vulnerability of crop agriculture planted with a narrow genetic base, i.e., overuse of same lines in most hybrids. Additional hybrids are urgently needed in Egypt to broaden the genetic base and better fit the agro-ecological diversity in the country. The private maize seed producers feel that this could be accomplished in a relatively short time through the forging of a true partnership between them and the ARC maize research program with great benefits to both parties and, most importantly, the farmers. .

3.2 Seed Production and Supply for the *Varieties of Self-Pollinated Field Crops*. ESAS advocates *development and adoption of a specific plan and schedule* for the phasing out of GOE/MALR involvement in the production of certified class or equivalent seeds of varieties of the *major self-pollinated field crops, namely wheat, rice, faba bean, soybean, barley*. The plan and schedule should take into account the conclusions and recommendation of the Seed Industry Privatization Committee presently charged with elaboration of a suitable privatization plan, and the the private sector's views, interests and activities relating to the production and supply of these sorts of seeds which do not have the high potential for commercialization held by seeds of hybrid varieties, vegetable crops, forage and fiber crops.

Situation/Explanation. The GOE/MALR monopolized seed production for the self-pollinated field crops, which includes the important crops of wheat, barley, rice, and faba bean, until the MALR announced a policy of liberalization and progressive privatization of the seeds sector at the 1st Egyptian National Seed Conference in 1991. Subsequent to declaration of the liberalization and privatization policy and implementation of several seed sector reforms assisted by donors, some of the companies engaged in maize seed production began to produce seeds of wheat, rice, and faba bean. The private sector share of the production of these important seeds increased to about 25% in 1996/97, which represented very substantial progress in privatization for these sorts of seeds by any measure. Further progress, however, will be difficult in the absence of a clear and unequivocal reaffirmation of the GOE/MALR policy for privatization of the seeds sector and the establishment of a firm schedule for implementation of the policy. The MALR has appointed a Seed Industry Privatization Committee to determine the extent and schedule of further progress in privatization. This effort is being supported by the major donors, especially GTZ and USAID. ESAS will organize and sustain a strong effort to support the efforts for privatization and influence their direction with the specific aim of securing a specific plan and schedule for the phasing out of government seed production. This is essential to permit companies to determine the feasibility of the several possible initiatives or expansion in production of wheat, rice, faba bean, barley and similar kinds of seeds.

4. Access to New Crop Varieties Developed by MALR Research Units. ESAS seeks the exclusive release of new crop varieties developed by ARC and other research units of the MALR

to qualified and registered private companies on a tendered and competitive basis in a fully transparent manner with safeguards to assure an equitable distribution of the varieties among the competing companies.

Situation/Explanation. The private seed industry in Egypt is in its formative stages and very dependent on the variety improvement and development programs of the MALR, mainly the ARC. This is the expected situation as the mature seed industries of the developed countries were also very dependent on government research programs for improved varieties until the 1970s and even today for some of the minor, self-pollinated crops, e.g., rice and groundnuts in U.S. Recent experiences (last 20 years or so) in both the developed and developing countries indicate that advancement of the seed industry is facilitated and accelerated and the interests of the national agriculture are best served by awarding exclusive rights for seed multiplication and production of newly registered, publicly developed varieties to qualified private companies based on competitive tenders and/or lots in a wholly transparent manner. A company with exclusive rights to a variety can justify and carry out a vigorous market promotion campaign to persuade farmers to buy seeds and switch production to the new improved variety, which is, of course, the main aim and justification of crop breeding research. When the variety is made available to all companies, however, the individual companies are reluctant to spend money on advertising and promotion that would benefit all possible suppliers of the seeds. The usual results of this situation are under-utilization of the variety and its premature demise as a sought-after input. Exclusive variety releases have been and are being made in Egypt, but they are not always on a valid competitive or lots basis and not as transparent as they need to be. Further, some single cross hybrid varieties of maize are not released to the private companies on any basis, but are held by special MALR units for monopolistic production and marketing. Release of inbred lines to companies on an exclusive basis would permit those with breeding research programs to combine ARC inbreds with their own inbreds to create new hybrids which would increase farmers' choices and the genetic diversity of the maize crop. Exclusive releases would be an important source of revenues to ARC and permit concentration of efforts on research instead of commercial activities to generate funds.

In the more progressive of the developing countries the National Agricultural Research System (NARS) cooperates closely with the private sector to introduce new technologies and *new varieties* and gain as rapid and widespread acceptance as possible. The NARS and private sector join forces as *partners for advancement of the country's agriculture* rather than stand apart as competitors, which, unfortunately, is too often the situation in Egypt.

5. Field Crops Variety Testing and Registration. ESAS urges and strongly supports the organization and implementation of a bonafide, objective, transparent and technically proficient crop variety testing and registration system that is independent of plant breeding and variety development research and in full conformity with international norms and protocols, especially those of OECD members, the EU and the more advanced and progressive members in the WANA Seed Network.

Situation/Explanation. Agricultural Law 53 of 1966 and ministerial decrees issued thereunder require the testing and registration of crop varieties before commencement of seed production

and marketing. The ARC has been responsible for varietal testing and has had the dominant voice in the registration process. Since ARC has long been the major developer of crop varieties in Egypt, assesses and collects royalties for varieties developed by its institutes, and has been involved in commercial seed production, it was placed in the position of carrying out tests and rendering judgements on crop varieties submitted by the private companies and Universities that compete with its varieties. There have been many complaints for many years about bias, blatant favoritism, and inefficiencies in the crop variety testing and registration process. Reform of this very undesirable situation has long been among the priority reforms advocated by private seed companies, the CASC and its predecessor, and it has been repeatedly highlighted in donor assisted consultations and studies.

Some of the needed reforms are in progress. The revised seed law now before the People's Assembly deletes the specification of "testing for 3 years" with direction that the testing period is to be established for the different kinds of crops based on careful study and promulgated in a Ministerial decree. This will permit variation in the testing period from 3 years to 0 years (no testing) based on the importance of the crop, its mode of reproduction, and the risks associated with poorer than expected performance of the variety. The revised law also defines and distinguishes between DUS (distinctiveness, uniformity, stability) and VCU (crop value and utilization) testing, a serious weakness in the present law. In furtherance of the reform process Ministerial Decree No. 82 of 1998, Agriculture Crop Variety Registration - Protocols and Guidelines, was issued 17/1/1998. This decree contained essentially all the changes recommended and sought by the private seed companies, CASC and seed consultants with the one exception that the program or system was retained under the general supervision and authority of the Director, ARC, rather than assigned to an agency totally independent of crop breeding and variety development, e.g., CASC. Nevertheless, there is general and substantial optimism that a greatly improved crop variety testing and registration system and implementing agency can emerge out of the organizational activities in progress if the affected and interested parties participate fully, are vigilant and persistent in their insistence on efficiency, transparency, and objectivity. ESAS feels strongly that it should have a major role as the relevant association or society in the organizational activities in progress in addition to the current involvement of individuals from the private companies.

There are several options to organize variety testing and registration so that it is independent of any plant breeding and variety development research. In some countries, especially in Europe, variety testing and registration is organized and carried out in special institutes or agencies. This is one option. A second option followed in many other countries is organization of an Office of Variety Testing and Registration (OVR) as an independent agency but use the technical expertise and resources of the national agricultural research system (NARS) to conduct the tests on a contractual basis. Application for registration is made to the OVR which codes the seed samples for testing, designs the tests, provides instructions on test locations and time of planting, then contracts the actual work of testing and technical evaluations to the NARS. The test data are gathered and analyzed by the NARS then returned to the OVR for review and decision regarding registration. In this way costly technical personnel and resources are not duplicated, while the goal of objectivity and lack of bias in variety testing and registration is achieved. An OVR would not require a large staff. In Egypt, organization of the OVR in the CASC would achieve

the independence desired. The same system could be used for the testing required for the protection of new varieties, PVP, i.e., awarding of plant breeder's rights.

6. Horticultural Crops Variety Registration. ESAS urges continuation of reforms in the process and requirements for registration of varieties of vegetable and other horticultural crops to simplify and speed-up the application procedures, confine testing to DUS (eliminate VCR), reduce the testing period to one season, ensure that testing is promptly begun in the proper season with adequate and timely reports on evaluation results, and eventually eliminate testing entirely for specified crops when the candidate variety has bonafide registration and protection under the laws of other countries or communities, e.g., Morocco, EU.

Situation/Explanation. The situation/explanation set forth in Item 5 for Field Crop Variety Registration is fully applicable to Horticultural Crop Variety Registration since both are aspects of the more encompassing Crop Variety Registration addressed in the seed law and regulations promulgated thereunder. Horticultural or vegetable crops, however, differ in many important ways from the mainline field crops: the government is not significantly involved in vegetable seeds production, importation and marketing; GOE/MALR research units are only marginally involved in vegetable crop breeding and variety development; and most new varieties of vegetable are developed by international vegetable breeding/seed companies and introduced into Egypt by national companies under exclusive business arrangements. Some additional and special issues and constraints connected with variety introduction and registration for vegetable crops arise out of the differences enumerated. The major problems confronting the vegetable seed companies occur in two different but not always distinct areas: the required variety testing and registration before seeds can be produced or introduced and marketed; and requirements and regulations pertaining to seed imports and exports including the phytosanitary provisions of the plant quarantine regulations. The former are dealt with in this objective or issue, the latter in Item 7.

The major problems related to the variety testing and registration regulation have been: testing period too long; admixture of DUS and VCU testing; registration fees too high; inefficiencies and inconsistencies in the application and evaluation process. Significant reforms have been made and are under consideration. The testing period for vegetable crop varieties has been reduced from 2 years to 2 seasons, which effectively reduces the period to 1 year since many vegetable crops can be grown in 2 seasons per year in Egypt. The registration fee has been reduced from an exorbitant US\$ 5000 to 10,000 to a maximum of Le 2500 for the major vegetable crops and Le 1400 for the minor crops. Some of the recent difficulties encountered by vegetable seed companies in applying for and gaining registration of varieties appear to be the result of confusion arising from implementation of changes in crop variety registration procedures. The action agency has been changed from the Horticulture Research Center, ARC, to the Crop Variety Registration Office, also ARC, a coding system has been adopted to ensure objectivity, and some procedures have been changed.

Experiences in Egypt and many other countries, the application of intellectual property rights conventions to plant varieties, the relatively low level risks associated with lower than expected performance of vegetable crop varieties, and the relatively high benefits associated with their

early registration and utilization indicate that further reforms in registration of vegetable crop varieties are needed and justified. Specifically, VCU testing (evaluation of the crop value of the variety) of vegetable varieties which are grown for many reasons other than yield (e.g., earliness, taste, special processing, appearance, even shape) is essentially impossible and meaningless. Therefore, variety testing should be confined to assessment of DUS - distinctness, uniformity and stability. Most vegetable varieties submitted for registration in Egypt have been registered and protected (PVP) under the laws of another country and recognized by several other countries under reciprocity agreements. Many have been tested for adaptability in Egypt by the private company holding import rights to the variety. The risks associated with lower than expected performance of a variety of all except the most important vegetable crops are also marginal compared to those associated with varieties of wheat, rice, or cotton. In view of these considerations, elimination of the testing period for registration of varieties of most vegetable crops is justified and would be beneficial. Registration could be based on *pro forma* evidence of registration and protection granted in other countries, and on performance data from other countries or pre-registration trials by vegetable seed companies.

The application and evaluation procedures and processes should be carried out by the Crop Variety Registration Committee or Office in a transparent and unbiased manner with adequate and timely reporting of evaluation results to applicants. See last paragraph under Item 6 for comments on organization of a Crop Variety Registration Office.

7. Simplification and Rationalization of Seed Import and Phytosanitary Requirements.

ESAS seeks simplification of the application procedures for seed import license, efficient processing of applications and the review and rationalization of the phytosanitary requirements and standards for importation of seeds.

Situation/Explanation. Obtaining a import license for seeds is often a time consuming and frustrating process. Apart from the time wasted and frustration, delays in completion of the formalities can be costly to the applicant and the potential users of the seeds. A delay in approval of the license beyond the planting time for the crop means that the seed order will have to be canceled or the seeds held in storage until the next season or even next year. The farmer-growers waiting for the seeds will have to switch to another crop or variety, perhaps with loss of market. Considering the great importance of vegetables for local consumption and export and the dependence on imported varieties and seeds, simplification and acceleration of the processes involved in import of seeds would substantially benefit growers, marketers, consumers, and exporters without significant cost or risk. Imported seeds must also conform to phytosanitary requirements. Phytosanitary requirements are important but often over-protective, antiquated and/or irrational. They frequently act intentionally or non-intentionally as non-tariff barriers to trade. The phytosanitary requirements and enforcement procedures in effect in Egypt need to be expertly reviewed with the aim of simplification and rigorous rationalization of the specifications.

8. Regulation of Production and Marketing of Seedlings and Nursery Stocks. ESAS urges the development and implementation of a regulatory framework for production and marketing of seedlings and nursery stock to: (a) assure consumers (buyers) that propagating materials offered

for sale are of good quality, correctly labeled, and free from serious diseases; (b) foster the development of a professional and disciplined seedling/nursery stock industry; (c) police careless and unscrupulous practices that damage buyers and the industry; and (d) improve the quality and variety of fruits and other produce for local and export marketing.

Situation/Explanation. Except for strawberry seedlings (runners) the production and marketing of seedlings, root stocks, scions and other planting materials (e.g., for apples, peaches, mango, citrus, figs, grapes, date palms, ornamental shrubs) is essentially unregulated. There are, however, *provisions in Law 53 of 1966, the revised seed law presently before parliament, Ministerial Decrees 38 of 1997 (certification regulations) and Ministerial Decree 82 of 1998 (crop variety registration) which authorize the regulation and certification of vegetative propagules and empower the Minister to establish procedures and standards and decree them.* In the absence of a regulatory framework, seedling and nursery stock companies that try to operate in a professional and responsible manner have to compete with individuals or companies that move into and out of the seedling and nursery stock industry in search of fast profits without commitment or attention to source, identity and quality of the materials they market. These opportunistic, often unscrupulous elements can and do seriously damage customers and the credibility of the industry. The potential damage to customers (buyers of seedlings) is especially serious. An investment in seedlings, land, land preparation, transplanting and orchard establishment is relatively long term as compared to a rice, cotton, or maize crop. Misrepresentation of the seedlings regarding variety, type of rootstock, and freedom from serious diseases might not become evident until production commences in 5 to 10 years. This is long time to invest money and effort into an enterprise that can turn out to be unprofitable or even worthless because the seedlings planted are of mixed and obsolete varieties or seriously diseased. There are examples of loss of export markets for seedlings because of misrepresentations and poor quality, e.g., strawberry runners in Tunisia. .

There is general consensus among the major companies involved in seedling production and marketing that suitable controls and regulations on production and marketing are required to install discipline on the industry, police careless and unscrupulous practices, and foster the development of a professional seedling industry. Regulation of strawberry runners is cited as a case that has benefitted both producers and customers. One of the GTZ projects has assisted with a study of citrus seedling production and marketing and additional assistance is expected to establish a suitable regulatory and certification system for citrus that could be implemented by CASC. Since over-regulation can be as damaging as no regulation, the essential first step will be to persuade one of the interested donors to commission a study of seedling production and marketing in Egypt to include the importation of varieties and need for patent or variety protection, and to assist the MALR, ESAS and other interested parties with formulation of an adequate but not overly intrusive and restrictive regulatory framework for the seedling and nursery stock industry in harmony with that in place in EU and other North African countries including Israel.

9. Neutrality and Refocus of MALR Extension Service Seed Related Activities. ESAS seeks the elimination of bias and favoritism in the Extension Services's involvement in seed marketing and its phased withdrawal from such marketing activities with redirection of efforts into a

cooperative “good seed awareness campaign” with CASC and ESAS to increase the adoption and proper use of improved seed varieties by farmers.

Situation/Explanation. The “Extension Service” is still an important segment of the marketing system for seeds and some other inputs. Most private seed companies view this situation as undesirable but necessary as a near-term measure until GOE/MALR seed policy is clarified and stabilized and larger investments in market systems and distribution channels can be justified. There is near consensus among ESAS members, other private companies and the MALR regulatory and production units that all parties including the Extension Service need to join together in a “good seed awareness” or “use improved seeds” campaign to demonstrate the benefits of quality seeds of improved varieties to farmers and increase their adoption. ESAS will explore the development of a crop varieties and seed sources directory and descriptive lists of the varieties handled by its members.

10. Oversight of Implementation of Seed Law and Regulations. ESAS seeks the establishment of a Joint Seed Regulatory Oversight Committee under the purview of the National Seeds Council (NSC) with specific responsibilities for review and oversight of the implementation of regulations for seed production, marketing, importation, and exportation and half of the membership from regulatory agencies and half from the companies regulated.

Situation/Explanation. The NSC has general oversight on most matters relating to the regulation of the seed industry but a more specific and dedicated mechanism is needed. In many countries oversight is accomplished by a Joint Seed Legislation and Regulatory Control Board or Committee responsible to the Minister or a designated First Secretary or equivalent with equal representation from the regulatory agencies and the private companies. The Joint Committee would need access to a designated, part-time secretariat, procedures for receiving complaints and holding hearings, and meet on a regularly schedule..

Draft revised: 05/10/1998

Attachment

A seed regulatory information and database would be one of the essential resources for the development and implementation of a meaningful advocacy plan and member services program. The development of this resource should be one of ESAS’ priority activities.

Seed Regulatory Information and Data Base. ESAS will undertake the assembly, legal interpretation and abstracting all of the laws, ministerial decrees, memoranda and other legal documents that prescribe the conditions for seed production and marketing in ARE and regulate the activities involved. The information and data base will be use to keep ESAS members informed of their legal rights and responsibilities as seed producers, importers, and suppliers, and to identify obsolete, obscure and constraining provisions that need to be rescinded, clarified, and/or amended.

Situation/Explanation. Many of the complaints of seed producers related to compliance with specifications and requirements in the regulatory framework for seed production and marketing appear to arise from ignorance or misunderstandings of its provisions and specifications. This is not surprising as the basic Law No. 53 of 1966 is interpreted and applied in many ministerial decrees, associated memoranda, and procedural guides issued during the past 32 years, some of which are unknown or poorly comprehended by both the public agencies involved in regulatory activities and the management of private seed companies. ESAS will undertake the compiling, abstracting and analysis of the relevant documents, publish a handbook with periodic updating on compliance with the regulations that affect the seed industry, and conduct workshops on compliance for its members.

ANNEX B

Draft for Discussion

ESAS: /MAIZE AND OTHER FIELD CROPS

Issue: GOE/MALR Involvement in Seed Production and Supply

Draft Petition to HE, Minister, MALR

Background. The GOE/MALR's Central Administration for Seeds (CAS) terminated its involvement in maize seed production in 1980 to *encourage and permit* the organization of maize seed production in the private sector. The private sector responded promptly to the challenge and opportunity. Three maize seed companies were organized and began seed production of both composite and hybrid varieties of maize. Excellent hybrid varieties were developed by ARC and some were introduced from international seed companies. Additional companies were organized for production of maize and other kinds of seed, especially after the GOE/MALR declared its policy for privatization of the seed industry in 1991 at the 1st Egyptian National Seed Conference. A substantial, skillful and very effective maize seed industry developed consisting of more than 20 private companies with the capacity and capability to produce and/or supply all of the seeds of hybrid varieties of maize and other field crops needed by Egyptian farmers. The larger companies have their own seed processing facilities, and *seven of them have breeding research programs* in various stages of development. Most of the companies, however, still depend on ARC's research institutes for development of improved varieties, breeder and foundation seed, which is also the situation in other developing countries and even in some developed countries with very mature seed industries, for example the U.S.A. In the more progressive of these countries the National Agricultural Research System (NARS) cooperates closely with the private sector to introduce new technologies and *new varieties* and gain as rapid and widespread acceptance as possible. The NARS and private sector join forces as partners for advancement of the country's agriculture rather than stand apart as competitors, which, unfortunately, is too often the situation in Egypt.

Situation. A MALR decision during the 1996/97 season transferred control of all of the ARC maize program's inbred lines, single crosses, breeder and foundation seeds for three-way crosses to the Horticulture Services Unit (HSU), a special MALR unit, which also supervises the activities of the MALR's Central Administration for Seed Production (CASP). HSU retained exclusive rights to use of the parental lines and breeder seeds for production of seeds of the single cross Giza 10, the most widely planted maize variety in Egypt. Other single cross hybrids developed by ARC have either not been released or made available to the seed companies. Breeder and foundation seeds of hybrid varieties available to the private sector were sold to CASP for allocation and resale to private companies. In the 1997/98 season CASP arranged for production of about 6000 MT of hybrid maize seeds, mostly of popular Giza 10 hybrid, and an additional 1000 to 2000 MT were produced by other GOE entities. This unexpected increase in maize seed production by GOE/MALR units has resulted in a seed supply about twice the usual demand and a serious crisis among the private maize seed companies. Maize seed marketing and distribution is severely disrupted, price-cutting and ruinous competition are underway, and the

financial resources of the companies are under great strain. Continuation of this situation will bankrupt some companies, force others to withdraw from the seed industry, and still others to reduce or terminate investments in breeding research and market development which would seriously set back privatization of the seeds sector.

In addition to the crisis situation caused by re-entry of the GOE/MALR into large scale maize seed production, the private maize seed producers are deeply concerned about the continued reliance on just a few hybrids for most of the area planted to maize. Experiences in the U.S.A in the early 1970s dramatically demonstrated the vulnerability of crop agriculture planted with a narrow genetic base, i.e., overuse of same lines in most hybrids. Additional hybrids are urgently needed in Egypt to broaden the genetic base and better fit the agro-ecological diversity in the country. The private maize seed producers feel that this could be accomplished in a relatively short time through the forging of a true partnership between them and the ARC maize research program with great benefits to both parties and, most importantly, the farmers. .

Petitions to HE, the Minister, MALR. After much serious and thoughtful deliberation, ESAS has reached consensus on the several petitions stated below that it respectfully addresses to HE, the Minister, MALR.

1. Production and Supply of Seeds of Hybrid Varieties of Maize

ARC should retain responsibility for maintenance of the parental lines and varieties it develops and the production of breeder and foundation seeds.

All GOE and/or MALR units involved in certified seed production should terminate the production and supply of seeds of *hybrid varieties of maize* in the next season.

The breeder and foundation seeds produced by ARC for its hybrid varieties should be allocated and sold *direct to the seed companies for a reasonable premium above that for certified seeds rather than through CASP.*

Breeder seeds of the Giza 10 single cross, which has been in production for a long time, should be made available to all companies that want to produce seeds based on their qualifications in terms of experience and capacity.

The exclusive release arrangements for double cross and three-way hybrids presently in effect should continue to be honored.

New single cross and three-way hybrid varieties produced by ARC should be assigned exclusively to companies with assessment of reasonable royalties on a competitive basis or by lot system in a wholly transparent manner with appropriate safeguards to ensure that companies awarded exclusive rights *are capable of producing and supplying the amount of quality seeds needed by farmers and that the varieties are equitably distributed among the competing companies.*

ARC should join the private companies in a true partnership to speed up the development and release of inbred lines with good agronomic traits and combining ability and hybrids to broaden the genetic base of the Egyptian maize crop and better fit the different agro-ecological conditions.

2. Production and Supply of Seeds of the Self-Pollinated Field Crops.

ARC should retain responsibility for maintenance of the varieties it develops and the production of breeder and foundation seeds for allocation and sale - including the collection of royalties - to the private companies according to their capabilities and responses for production of certified seeds with the remainder to CASP to take care of seed needs not covered by the private sector. These allocations should be made in a transparent and equitable manner.

GOE and/or MALR involvement in the production and supply of seeds of wheat, rice, faba bean, and other major self-pollinated crops should be *phased out in a period of time and to the extent (degree) determined by recommendations of the Seed Privatization Committee now in session and the private sector's capabilities, interest and participation.*

The varieties of the self-pollinated field crops developed by ARC should be assigned to the private companies on an exclusive basis with assessment of reasonable royalties through a transparent competitive process with safeguards to ensure that competing companies are qualified and capable of producing enough quality seeds for maximum utilization of the varieties and that the releases are equitably distributed among them. Varieties not sought by qualified companies should be taken up by CASP until its activities are phased out..

Benefits. The private maize seed producers feel that the granting of these petitions would produce great benefits to the country, the farmers, the ARC and seed producers.

The country would benefit from the substantial impact of high quality seeds of superior varieties on agricultural production and the rural economy.

The farmers would benefit from assured supplies and wide choices of high quality seeds of adapted varieties to carry out their planting intentions.

The ARC would benefit from royalties paid by private companies for varieties and lines released exclusively to them which would permit it to drop seed production beyond the breeder and foundation seed stage and devote more time to research and variety development.

The private companies would benefit from elimination of the uncertainties and inequitable competition associated with GOE/MALR involvement in seed production, which would permit development of long term business plans and investments.

Draft revised: 02/11/1998

ANNEX C

Draft for Discussion

ESAS: HORTICULTURAL CROPS (Priority Policy/Regulatory Issues) Variety Registration and Seed Import/Export Regulations

Draft Petition to HE, the Minister, MALR

Background. The horticultural or vegetable seeds segment of the seed industry differs in several important ways from the field crops and even maize seed segments. a) The vegetable seed segment is predominately in the private sector whereas the public sector is dominant for field crop seeds excluding maize. b) Vegetable seed suppliers are much less dependent on MALR research for new varieties than those involved with field crops. c) A large portion of the vegetable seeds planted in Egypt is imported compared to small amounts for field crops. d) The value and performance of vegetable varieties are determined by many factors other than yield and adaptability which are of paramount importance in field crops. e) Only a few of the vegetable crops are important enough in terms of food security and the agricultural economy to be considered strategic in the same sense as wheat, rice, maize, faba bean, cotton.

These differences need to be taken into account in the restructuring and implementation of a regulatory framework for vegetable seeds that permits the producers and markets to take full advantage of the many important advances in vegetable crop varieties throughout the world and ensures an adequate supply of quality seeds.

Situation. There have been substantial reforms in the regulations governing the introduction and registration of vegetable varieties and the import of vegetable seeds. The quantities of seeds that can be imported for testing, trials and demonstrations were established by Ministerial Decree in the early 1990s for the different kinds of crops including vegetables according to their strategic importance and type. Ministerial Decree No. 38 of 1997 sets forth the responsibilities, regulations and procedures for import, export and trade in seeds including vegetable seeds. Ministerial Decree No. 82 of 1998 establishes the responsibilities, protocols, guidelines and specific regulations for the Registration of Crop Varieties required under provisions of Law 53 of 1966 and the revised seed law presently before the People's Assembly. Ministerial Decree No. 368 of 1998 establishes the sampling and testing procedures and standards for certification, import, and export of crop seeds including those related to seed health and phytosanitary requirements. The important reforms and changes contained in these Decrees relating to vegetable seeds are given below.

Responsibility for Variety Registration has been transferred from the Horticulture Research Center to the Agricultural Crop Variety Registration Office in ARC with provisions for technical committees - presently being organized - for each category of crops including a Technical Committee for Horticultural Crops, and the coding of candidate varieties to ensure objectivity and eliminate favoritism.

The testing period for registration of vegetable crop varieties has been progressively reduced from 3 years to 2 years and then to 2 seasons. Since many vegetable crops can be grown in 2 seasons per year, the testing period has been effectively reduced to 1 year for them.

The registration fee has been reduced from an exorbitant US\$ 5000 to 10,000 to a maximum of Le 4000 for the most important vegetable species and a minimum of Le 1500 for the minor species. There is an additional but quite reasonable variety testing fee.

Responsibility for seed health testing for imported seeds has been transferred from the Plant Pathology Institute to CASC.

The reforms and changes enumerated above have been very helpful to vegetable seed producers, importers and traders and will be of even greater help when fully and routinely implemented. There are, however, several remaining issues and problems which ESAS feels needed to be addressed and resolved to modernize the vegetable seed industry in Egypt and prepare it to operate fully, efficiently and competitively in the global seed and produce markets. These are set forth in the next section in the form of petitions to the MALR

Petitions to HE, the Minister, MALR. After careful and deliberate review of the progress and constraints in the production, importation and supply of vegetable crop seeds in the country, ESAS's Board of Directors and Horticultural Seed Division respectfully address the petitions stated below to HE, the Minister, MALR.

ESAS seeks representation on the MALR's Seed Committee responsible for decisions on the import and export of seeds, and on the Technical Committee for Horticultural Crops in the Crop Variety Registration Office that is being organized for implementation of Ministerial Decree No. 82 of 1998. *(These are very important committees that deal or will deal routinely with introduction of varieties, variety registration and the import of seeds)*

VCU testing of candidate vegetable varieties for variety registration should be eliminated because it is relatively meaningless for vegetable crops that are now produced for many qualities other than yield and adaptability and it has been dropped from the variety registration requirements in many countries, e.g., France, U.S.A. *(The value of a vegetable variety is determined by many attributes and properties such as the size, shape, color, taste, texture, chemical composition, processing quality, and so on with yield and adaptability usually of secondary or minor importance. The evaluation of most of these properties is very complex and requires sophisticated procedures and standards that are beyond the capabilities of the government regulatory labs in most countries and in any event are best left to the market and users.)*

The DUS testing requirement for registration of varieties of vegetable crops should be dropped for all vegetable crops except the 3 or 4 crops that are most strategic and important with decision regarding registration based solely on *pro forma* evidence of the registration and/or protection (PVP or PBR) of the candidate variety in another country, the results of pre-registration trials in the country, and/or performance data from other countries. *(The risks attached to the introduction*

of varieties of all but the 3 or 4 most important vegetable crops are essentially "business" risks and marginal compared to those associated with the main food grain crops such as wheat and rice while the benefits of early introduction of new varieties can be great.)

The phytosanitary and quarantine standards for imported vegetable seeds should be expertly reviewed to bring them up-to-date and in conformity with current state of knowledge relating to seed health and control measures for seed borne diseases.

Draft revised:10/11/1998

ANNEX D

Draft for Discussion

ESAS: SEEDLINGS AND NURSERY STOCKS

Issue: Lack of Regulations for Production and Marketing

Background. It appears that the term “seeds” is broadly defined in Law 53 of 1966 to include not only true seeds in a botanical sense but also vegetative planting material (propagules) in the broad agricultural or functional sense, i.e., propagative units ranging from wheat seeds to strawberry runners to “seed” potatoes which, of course, are tubers (specialized underground stems) used for propagation. This definition carries over into the seed revisions and amendments to Law 53 now before the Agriculture and Irrigation Committee of the People’s Assembly, including the provisions for plant variety protection (breeder’s rights). Legally, therefore, the existing seed regulations that are applicable, i.e., have meaning, to vegetative propagules could be implemented and enforced. Except for strawberry runners or seedlings and “seed” potatoes, the production and marketing of seedlings of fruit trees, palms, and nursery stocks is essentially unregulated except for required licenses which are said to be routinely issued without inspection of nursery sites and procedures. Some of these essentially unregulated planting materials are sold for establishment of orchards and plantations of fruit species of great importance in the local and export markets such as citrus, apples, peaches, grapes, mango, almonds, figs, date palms, and nursery stocks for spices and ornamentals.

Situation. In the absence of a framework of appropriate regulations for the seedling and nursery stock business, companies that try to operate in a professional and responsible manner have to compete with purely opportunistic individuals and companies. The latter move into and out-of the seedling and nursery stock business in search of fast profits without attention to source, identity, and quality of the materials they market for planting and without any commitment to the welfare of customers. Opportunistic and unscrupulous elements of these sorts can and do seriously damage customers and the credibility of the entire seedling and nursery stock industry. The potential damage to buyers of seedlings and nursery stocks is great. An investment in seedlings, land, land preparation, transplanting, and orchard establishment and maintenance is relatively high and long term as compared to that in an annual crop such as wheat or cucumbers. Misrepresentation of seedlings and nursery stock regarding variety, type of root stock, graft position, and freedom from serious diseases, insects and nematodes might not become evident until production commences in 5 to 10 years. This is a long time to invest money and effort in an enterprise that can turn out to be unprofitable or even worthless because the seedlings planted are of mixed or obsolete varieties, the roots succumb to soil insects and rots, and /or the plants are diseased and soon die. There are some examples of the loss of export markets for seedlings because of poor quality and misrepresentations, e.g., strawberry runners in Tunisia.

There is general consensus among the major companies involved in seedling production and marketing that suitable, fully and fairly implemented controls and regulations on production and marketing are needed to install discipline on the industry, police careless and unscrupulous operations, and foster development of a professional and responsible seedling industry.

Regulation of strawberry runners is cited as a minimum model of the type of regulatory controls needed. GTZ has assisted with an analysis of citrus seedling production and marketing and additional assistance is expected to establish a certification system for citrus propagating materials that could be implemented by either CASC or the Plant Pathology Institute or both. Since over-regulation could be as damaging as no regulations, the essential first step would be to persuade one of the donors to commission a study/analysis to extend the work done on citrus by GTZ to other important fruit and ornamental species, perhaps all of them since there will be more similarities than differences. Assistance to the MALR, ESAS and others in the industry would then be needed to formulate and begin implementation of an adequate but not overly intrusive and restrictive regulatory framework for the seedling and nursery stock industry in harmony with that in place in EU, and other North African/Near East countries including Israel.

Draft Petitions to HE, the Minister, MALR. ESAS in the name and interests of members in its Seedling Division respectfully address the following attention to HE, the Minister, MALR.

Request donor assistance for a study and analysis of seedling and nursery stock production and marketing to determine the type of regulatory system needed to: (a) ensure buyers that propagating materials offered for sale are of good quality, correctly labeled, and free from serious diseases; (b) foster the development of a professional and disciplined seedling and nursery stock industry; (c) police careless and unscrupulous practices that damage consumers and the industry; and (d) improve the quality and variety of fruits and other produce for local and export marketing.

Establish by decree the regulatory system determined to be appropriate for Egypt in the study and analysis and authorize implementation.

Draft revised: 05/11/98

ANNEX E:

EGYPTIAN SEED ASSOCIATION (ESAS) DRAFT AGENDA FOR LEGAL AND REGULATORY REFORM ADVOCACY RECOMMENDATIONS

Introduction

This paper outlines the advocacy activities that are recommended to begin to deal with the challenges facing the seed industry, as stated in the document entitled 'Draft Agenda for Legal and Regulatory Reform'.

These activities are general guidelines for ESAS to follow. Each issue will need further examination and more specific steps developed as it is taken up for advocacy. The numbering and issue titles are identical in the two documents to allow immediate cross-referencing. The activities are listed as separate bullet points (except where specific explanation is required) for clarity. It should be remembered that, as well as trying to cause legislative change in these activities, ESAS is developing a corporate identity and recognition for itself as an organisation.

Newsletter

An advocacy and communications tool that ESAS will find useful for a number of these issues is a newsletter. This could take the form of a simple, black and white photocopied document that does the following:

Always states that ESAS wants to represent the entire seed sector in Egypt, and welcomes new members with suitable qualifications

Outlines the major issues ESAS is currently advocating for and the position the association holds on each

Considers other potential legislative and policy issues that the government or ESAS are considering for the future, to try to get debate underway within the association early

Ensures that members are informed of advocacy successes (and failures), and outlines the next steps involved in ensuring that change happens.

Step-by step advocacy recommendations for ESAS Agenda list.

Seed Law Revision

ESAS to identify individuals or bodies responsible for Assembly time tabling and submission of legislation (sponsoring department, MALR; Chairman, Agriculture & Irrigation Committee; others?)

Ensure through the ESAS Board (if necessary) that all members support the measures included in the Seed Law Revision

Prepare letter from ESAS, listing member company names and signed by the Board, expressing the association's support for these measures and its importance to the development of Egyptian agriculture and the private sector.

Seek meetings with the Committee Chairman and Minister Wali to present the letter (and discuss the calendar situation if appropriate)

Monitor developments through the Committee Chairman to check progress

Repeat meetings if necessary to continue to maintain pressure

When passed, prepare a newsletter edition to inform members and main non-members of the exact changes and ESAS' part so the private sector has the same information. (This demonstrates that ESAS is working on behalf of its members, and ensures that there is clarity about how the law now stands).

ESAS Representation on GOE/MALR Councils

ESAS to review existing involvement with councils, and identify others on which ESAS is yet to be represented

For both existing and new councils, ESAS working group to examine councils' Terms of References and discuss/establish ESAS agenda (what ESAS wants to get out of each council) and opportunities for influencing

Identify suitable ESAS members to represent the association and ensure that they (whether already involved in the council or a new ESAS representative) fully understand and comply with ESAS' agenda. Councils should not be used to further individual ends of the representative. Agree and undertake elections of individuals to represent ESAS. (Terms of Reference to include time of service on the council before re-election is required)

Board to undertake application to 'new' councils for membership

Each individual to request an opportunity to outline ESAS' activities and how it can assist the council concerned. (This reinforces the point that it is ESAS being represented, not an individual company).

Privatisation of seed production and supply

Seed production and supply privatisation is clearly one of the most critical issues facing the Egyptian private sector. The media should be used carefully by ESAS to help promote and support this liberalisation – it forms an additional push to the Seed Privatisation Committee's work. Exact media involvement would require additional consideration, but general recommendations are:

Select and brief a small number of responsible journalists representing printed media, radio and TV on the background to and expectations of a privatised seed sector

Inform the journalists of *general* ESAS activities to support the government's privatisation efforts. (It would be bad tactics to publicise ESAS' petitions before they are presented to the Minister)

After meetings with the Seed Privatisation Committee and obtaining the results of submission of Ministerial Petitions to reaffirm the government's privatisation policy, (assuming success), brief the media again in order to obtain extensive coverage. This (a) informs all members and non-members of the reaffirmation, and ESAS' involvement in the success, and (b) will help to ensure no 'backsliding' by the government

As a related campaign, consider providing all ESAS members and main non-members (plus associations of farmers?) with a draft letter text demonstrating support for ESAS' petition in this area. Ask all parties to send the letters, signed by themselves, to arrive at the same time as the presentation of the petition to the Minister for maximum impact.

Seed Production and Supply for Hybrid Varieties of Maize and other field Crops

ESAS has already begun to act on this through the Maize Division. The advocacy activities for Maize have already been detailed in a separate paper dated October 29th 1998.

Seed Production and Supply for the Varieties of Self-Pollinated Field Crops

ESAS to set up a working group (WG) to research members' intentions for operating in the self pollinated field crops sector (assuming government exit, and allowing for competitive companies not detailing exact development and marketing plans)

The ESAS member already a member of the Seed Privatisation Committee (SPC) to familiarise WG with SPC deliberations to date

ESAS to develop a position paper on private sector intentions of operating in the sector: possible crops grown; research programmes; estimates of total yields over a three year period

As part of this paper, WG to consider producing a potential schedule, time tabling government exit, *from a private sector perspective*. This should be done after consultation with APRP/SPC to ensure all are aware of each other's actions

WG to request meeting with SPC to present the paper and obtain feedback

WG also to inform senior MALR advisors of activities in order to gain views and support.

(ESAS is also concerned with building strong, long term relationships with these individuals)

ESAS to inform members of presentation and recommendations through a Newsletter

Key aim: to achieve restatement and clarification of government intention to privatise the seeds sector

Access to New Crop Varieties Developed by MALR Research Units

ESAS to restate argument, based on government stated policy of seed industry privatisation, of exclusive releases to the private sector, not government units. Concentrate on importance of free market operation, transparency, efficient distribution of resources

As part of argument, state need to recruit (via donor agency) consultant to develop practical and fair tendering system

ESAS to create working group to assist consultant in advising on private company registration, tendering and awarding system

ESAS to identify relevant Ministerial advisors and present argument to them

If unsuccessful, prepare for meeting with Minister direct

If successful (advisors agree, recommend to Minister, action occurs), use Newsletter to present full situation to members (and main non-members)

Carry out members' workshops to present new tendering system. Involve relevant government bodies to ensure mutual agreement on key areas and good future co-operation

Call in key journalists (newspapers, radio, TV) to present argument and brief them on the agreed change, in order to let all private sector know and end-users

ESAS working group to take responsibility for ensuring changes are made and varieties are switched to another distribution system. Report back to Board regularly on progress.

Crop Variety Testing and Regulation

ESAS to request formally of the Minister in a letter signed by the Board that the Testing programme should be finally transferred into neutral hands by assigning overall supervisory powers to CASC

ESAS also to request that the association be represented in the agency that manages Testing ESAS to review and monitor changes outlined in Decree No. 82 of 1998, Agricultural Crop Variety Registration – Protocol and Guidelines and discuss progress internally every three months. Formal feedback provided to Ministry based on members' feedback

Specifically, members to 'test' secrecy of coding system by trying to obtain identification of their product undergoing testing from ARC and report to Joint Oversight Committee (see point 10).

(This demonstrates ESAS efforts to ensure a fair and competitive playing field for variety testing)

ESAS to report on progress to members in each Newsletter.

Horticultural Crop Variety Registration

(To be considered in conjunction with point 7, below)

ESAS to review all registration requirements to examine those that need revising and those not. Issues may include VCU testing, testing time, fees incurred, and anecdotal reports on bias and unfair application of the testing rules

Members to be informed through Newsletter of: exact requirements of current rules to ensure clarity, and changes ESAS will be recommending (to show proactivity on behalf of members)

ESAS to develop a Crop Registration Issue Paper, denoting suggested changes. Paper might include suggestions for co-operation in training with officials from Crop Variety Registration Committee on use of coding system and procedures involved, and time period for removal of VCU testing

ESAS to request external consultant assistance from donor in compiling information database on regulations/protections in other, suitable countries (US, EU), for inclusion in paper as suitable targets to emulate

ESAS to put forward one member to act as liaison between Crop Variety Registration Committee and ESAS

ESAS to invite CVRC member to attend ESAS meetings where registration issues are discussed

ESAS to inform members of developments as they occur; press also to be advised as policy of maintaining regular contact with them and providing article-worthy material

Simplification and Rationalisation of Seed Import and Phytosanitary Requirements

(Dealing with this issue gives ESAS the opportunity to demonstrate concern both for its members in minimising compliance time and therefore increasing the efficiency of business, and for end-users in being able to plan their crop schedules more precisely, without having to deal with distribution delays)

ESAS to approach the Seed Committee Chairman (Ali Saada) for representation at its weekly meetings

ESAS to prepare a 'current situation' paper, based on reports from members, on time and cost delays caused by excessive compliance requirements. The report could include an example case that illustrates the 'knock-on effect' on all parties (growers, marketers, consumers and exporters) of delaying a license

ESAS to request of donor an external consultant to assist in examining all phytosanitary and

seed health procedures, identify areas for simplification and recommend changes

ESAS Committee member to present report to Committee and CASC

If accepted, ESAS to work with CASC in identifying best ways of publicising changes to private sector audiences and customs officials. Depending on complexity, this could be by Newsletter or short, regional workshops, to explain new requirements

8. Regulation of Production and Marketing of Seedlings and Nursery Stocks

Establish a Seedling WG to drive regulatory process forward

Obtain ESAS Board approval for principle of government regulation

Develop and present case to donor for external consultant to review GTZ citrus study; examine other seedling stock regulatory systems for ideas and similarities; examine Egyptian seedling sector requirements

Inform MALR senior advisors of project to obtain views and approval

Once developed, review results and recommendations with ESAS Board and Seedling members through workshops on implications for sector

Prepare policy paper for formal presentation to Minister and senior advisors

If successful, undertake publicity campaign through:

media briefings on the economic case for seedling sector regulation

carry out regional presentations on the new system to seedling producers/importers/exporters on implications for sector

inform seedling regulators overseas

work up training programme for government regulators (to demonstrate ESAS confidence and organisation) involving ESAS members. Invite government official to write regulator's perspective in EAS' Newsletter.

Neutrality and refocus of MALR Extension Service Seed Related Activities

ESAS to appoint small WG responsible for this campaign

WG to work up formal ESAS position on: extent –if any – of Extension Service (ES)

involvement in seed marketing and over what time period until private sector can operate alone, based on larger distribution channels investment made possible by government statement on privatisation policy

Once achieved, WG to seek formal assurance from Minister and Head of the ES in a meeting that MALR will (i) expect and demand that the ES act impartially in any seed promotion that it undertakes (ii) will obtain agreement that ES will contribute to and participate in a training programme for staff in “good seed awareness campaign” (iii) ensure that all ES staff are informed of the plan

Once achieved, WG to enlarge to include (i) key ES officials (ii) MALR representative (iii) external consultant, to develop plan for ES training on ‘The need for, and how to sell idea of, better seed quality usage to end-users’

WG to obtain MALR agreement to plan before carrying out regional training sessions

Invite one or two key journalists to a training session; brief them also on expected gains to farmers

As separate campaign, inform end-users of work underway through printed handout and ESAS

distribution channels

Consider obtaining formal feedback on ES training success/problems arising, through farmers' groups reporting back to WG through distribution channels

Oversight of Implementation of Seed Law and Regulations

(Necessary to monitor actual implementation of seed related activities, for progress, fairness and need for revision or change)

Each Division to elect member to serve on potential Oversight Committee

Hold workshop with Board to agree draft terms of reference and membership for Committee

Select relevant Ministerial advisors and meet to discuss intentions (to gain their agreement and backing)

Produce paper for presentation to NSC for establishing a formal committee

Hold meeting with NSC to discuss options for Committee set-up; (to include discussion on how Committee reports back on issues to Minister and advisors)

If successful, publicise to members, main non-members and end-users through Newsletter and ESAS member distribution channels

All these individuals/bodies should be asked to direct comments on regulation implementation back to this Committee (so that ESAS members/private sector are recognised as becoming more organised and stronger)

ESAS Committee members compile main issues arising from this feedback and report regularly to Board. (This will provide information for further lobbying by ESAS).

Addendum: Seed Regulatory Information and Data Base

ESAS to use existing legal resource/hire a temporary lawyer to compile and analyse all relevant documents

Create lists of equivocal, unequivocal and duplicating legislative statements

Prepare ESAS' first newsletter for members (and main potential members from all product divisions) on clear statements. Invite feedback to ESAS Board on effects on private sector companies. Also list unclear statements, denoting intended ESAS action

Consider holding members' workshops on compliance issues, covering what is involved, what government bodies can/cannot request, time involved, etc.

Discuss within ESAS the unclear areas and identify solutions where possible, (e.g. minimising compliance time in for private sector companies)

Identify government bodies (e.g. CASP, customs, extension services) involved with these areas
Identify and seek meetings with senior Ministerial advisors for clarification. Provide ESAS' solutions where appropriate

Provide twice-yearly updates to members and farmers (as appropriate) on changes

One ESAS member plus lawyer to take responsibility for ensuring progress and updates on these points.

ANNEX F:

ADVOCACY FOR THE EGYPTIAN SEED ASSOCIATION (ESAS)

STRATEGY, GENERAL METHODS AND SPECIFIC TACTICS

November 1998

1. Introduction

As part of the ESAS advocacy consultancy, performed October – November 1998, the Terms of Reference required an advocacy plan to be submitted to help influence specific seed policy issues. This is being done in a joint paper between Dr. J Delouche and Mr Anthony Way, the two consultants involved.

It has become clear during the consultancy, however, that it would be of more practical benefit to ESAS if some general advocacy guidelines were provided to help guide the association's lobbying efforts over the longer term. This is driven by the recognition that ESAS as a group is a new body, currently planning its agenda, and that the individuals within ESAS have not been used to formal advocacy in the past.

This note has been prepared to meet this need. It was used in a workshop on November 4th, in which the advocacy tools mentioned were put into practice on specific key policy constraints. These constraints are noted in the paper entitled: **ESAS: Draft Agenda for Legal and Regulatory Reform**. Some lobbying methods will be more appropriate than others in ESAS divisions' individual situations. Members will also develop their own techniques as the process becomes more familiar and understanding grows of the channels most effective in persuasion.

1.1 Outline of this advocacy paper

This note begins with general points relating to advocacy and ESAS. It is most important that members, and the Board in particular, are familiar with the 'whys', as well as the 'hows,' of this subject. It then suggests how ESAS could structure itself to ensure a smooth, unified advocacy programme. It finally focuses on some specific advocacy methods and tools.

2. General points

2.1 Reasons for advocacy

Advocacy is the presentation of a case to promote an interest. It is concerned with bringing about change and not accepting positions of government (or others) as being set in stone. It has two key aims.

To influence particular legislative regulations

To carry out a long term process of affecting changes in target audiences' views on a wide range of areas affecting an association's members.

A third, subsidiary aim is to encourage membership by demonstrating a clear agenda and successful achievements through lobbying efforts.

For ESAS, a general target is "to create a liberalised and integrated seed industry conducive to private investment for the benefit of Egyptian farmers, exports and agriculture development". Individual advocacy tools will be the methods to achieve this.

ESAS' advocacy will initially be based on *reaction* to the existing government legislation and policy facing the seed industry. Some will be specific to individual sub sectors (maize, seedlings), some common to several. Over long term, ESAS should be *proactive* in influencing government policy in a positive way, to help private sector and Egyptian agriculture. ESAS will become the natural voice to represent the private sector seed industry, which the government will consult when developing legislation.

Advocacy is therefore required at both pre-legislation and also during the legislation development process to ensure government decisions reflect private sector views. ESAS should also develop a follow-up capacity to ensure legislation is implemented and enforced. (Much of the industry's current problems appear to stem from inadequately enforced rules).

2.2 Recommended advocacy approach for ESAS

ESAS must be seen by all parties as an independent body, representing members' interests (a) to attract new members and (b) to build trust with the GOE, donors and foreign industry associations. **ESAS must act internally, and be seen externally, as a single, unified voice for the industry.** It must not break up into the representation of a few special interests of major companies involved in specific sub sectors. ESAS' approach should be *transparent, inclusive** of all the industry, *responsive* to members' needs, and adopt a *practical, constructive* approach to dealing with the government as it moves further towards the reduction of government involvement, as detailed in Decree 867 of 1997. All ESAS announcements and publicity should state that it represents the entire seed industry, and is run by the private sector for the private sector.

(*To convince government that ESAS is a responsible organisation, a set of clear, agreed, members' business practice guidelines will be developed in parallel with the association's advocacy efforts. No member should give government a reason to question the association's ethics and therefore ability to run the seed industry. Government should play a regulatory role, not a participatory one.)

2.3 Recommended ESAS structures for advocacy

ESAS' advocacy activities require internal organisation to ensure a consistent approach to issues of concern. A clear means of reporting on current and future policy and regulatory reforms is

needed. ESAS is a single body, should present a single voice, and each division within it should be aware of what the others are doing. To achieve this, the following is recommended.

Each division needs a single individual who takes responsibility for gathering colleagues' views (together with the central secretariat) on each issue. This could be arranged on a rotating basis to reduce the additional burden of work on each person

The Board should review all issues (major ones in particular) to examine whether planned actions are consistent with ESAS' overall aims and objectives

The central secretariat should maintain a register of divisional activities so that joint approaches between divisions can be developed where relevant

Note should be made, by the relevant individual or Working Group, of the advocacy tools used, the obstacles met, and the success or failure of issues in order to share this information across the divisions.

3. Advocacy targets and external influencers

There are several key target groups for ESAS advocacy. For each advocacy issue, decisions must be made on which group(s) need to be approached, singly or collectively, and whether the same or different advocacy tools should be used for each.

Members (to develop a single position on an issue, e.g. involvement of the extension services in marketing some/all/no seed products; government as competitor in the seed industry)

GOE: Minister; senior advisors for policy issue, junior officials for implementation issues; technical committees; other government bodies with which ESAS wants to develop good, long term relations

'Downstream' targets; extension services, export audiences, end users (farmers).

The key external influencing group will be the media: newspapers, radio and TV.

4. Main questions to be addressed for each issue requiring advocacy

Different issues will require emphasis on different elements of the advocacy process. Overall, the main steps involved include:

What is the issue to be advocated for?

Who does it affect?

What is the status of any legislation regarding it? (Does any exist or not? Is it in the form of an old law/decreed; is there any legislation being developed?)

What is ESAS' ideal position or result?

What are the arguments to support this position?
 Who/what are the individuals or bodies that will be the decision-makers on this issue?
 Are they likely to be for or against it? If for, how best to recruit their assistance? If against, how best to make them neutral/positive in their view?
 Who can bring positive influence to bear on the situation? (Egyptian organisations; foreign associations' experiences/rules; politicians; farmers?)
 What are the implications for Egyptian agriculture by NOT agreeing with ESAS' position?
 Is there a compromise position that we will accept?
 What time scale is realistic to achieve change?
 Which tools would be appropriate for this issue?
 How to go about beginning the change process within ESAS?
 How to monitor change within government/follow up on inactivity?

5. Some advocacy tools

Advocacy is the construction of an argument. The tools to use depend on the nature of the individual issue at stake.

i) Verbal

Informal conversations with deciders (government officials) to assess government views on a particular issue, involve them in the advocacy process, or provide advance notice of ESAS' position

ii) Written

Studies to research a particular issue of concern to assist ESAS in developing a position
 Position papers on an issue to outline arguments backing ESAS' position
 Formal policy papers to recommend legislative change
 Briefing notes to key target audiences
 Resolutions passed by ESAS and formally passed to government body
 Members' Newsletter, outlining main objectives; current issues and efforts to resolve them; future issues upcoming for discussion (eg. Government legislation); invitation to new members.
 Produced every two months; simple format, black and white photocopied document.

iii) Organisational

Workshops to discuss issues and develop arguments. Both for ESAS members and with other groups, eg. Government officials, end users
 Formal training sessions for groups involved with reform, eg. government officials/customs officers involved in seedling labelling
 Involvement of ESAS in all relevant government committees to provide a representative private sector voice
 Inviting officials to relevant parts of ESAS meetings to participate in discussions

iv) External influencers – using the media

The media, if involved selectively, can be of great benefit in short and long term advocacy campaigns. They can:

Influence ideas

Prepare the ground for presenting an argument

Ensure wide awareness amongst key audiences, including government bodies, members and end users

Help publicise successful achievements in order to help stop 'backsliding' by government

Invite potential members to contact ESAS

Methods:

Identify independent journalists/publications

Develop a relationship through informal briefings on the seed industry (background information on size; key sectors; main issues facing the industry; key factors for development)

Prepare press releases on specific issues of concern to obtain editorial coverage to set out ESAS' position

Carry out interviews on major subjects

Keep journalists interested by occasional updates on issue progress.

Conclusion and follow up

Each issue requiring advocacy needs to be addressed separately but within the overall framework of ESAS' general aims and objectives. Each ESAS Division should ensure that the Board is kept informed of progress and decisions.

Advocacy is a long term effort, with the approaches being constantly refined in order to become increasingly influential in providing recommendations and advice to government bodies.

Pressure is required both to enact policy and legislative changes, and to ensure that the changes achieved are not reneged on, either implicitly or explicitly. ESAS must take on a monitoring brief of government policies affecting its members and take action where necessary to maintain enforcement of declared policies.

ANNEX G:

TERMS OF REFERENCE

Agricultural Policy Reform Project REFORM DESIGN AND IMPLEMENTATION UNIT

Proposed Terms of Reference

To Provide Assistance to the Egyptian Seeds Association in its Policy Reform Advocacy Work

Justification for these terms of reference:

The Egyptian Seed Association (ESAS) is a non-profit organization recently established under law 32 by private sector producers and traders to represent their common interests. The association's stated goal is to create a liberalized and integrated seed industry conducive to private investment for the benefit of Egyptian farmers and Egyptian agricultural development. In June and July of this year, the RDI unit assisted the association to define its mission statement, strategic objectives, and operational plans through a series of meetings and workshops. During this process, the association decided to pursue six objectives, the first of which they defined as "to improve the legal and regulatory environment and market efficiency" in the seed industry. Under this objective, the association outlined a number of sub-objectives (achievements) and tasks to realize them, mainly involving advocacy work. Many of the policy issues that concern the association coincide with issues raised in a March 1998 report completed by APRP (Delouche et. al.) and with proposed APRP policy benchmarks. The RDI unit plans continued support to ESAS to help it build its capacity to advocate sustainably for liberalization in the seed sector and to achieve real policy reforms. RDI must support the efforts of ESAS to build a regular system of communication on policy issues with the Government of Egypt (GOE). This assignment is an important part of that support.

This consultancy will build on a separate but related consultancy to help ESAS develop a self-financing plan for all of its activities. A financially sound ESAS will be better able to pursue its policy reform agenda.

Objective of this short term assignment:

There are three objectives to this consultancy:

1. To work with the association to review and refine its agenda for legal and regulatory reform;
2. To work with the association to develop a practical advocacy plan to influence policy-makers and achieve the policy reform agenda -- a plan to communicate effectively with key GOE

units such as the MALR, ARC, CASC, CASP, and HSU;

3. To work with the association to begin implementation of the advocacy plan, focusing on one or more of the policy issues defined in the agenda for legal and regulatory reform.

In August and September 1998, the association is scheduled to begin the process of defining and prioritizing its agenda for legal and regulatory reform in the seed sector. The first objective of the consultants will be to review these efforts and help the association to refine this agenda and make it as specific and practical as possible. The expected output is a written Agenda for Legal and Regulatory Reform that has been thoroughly discussed with ESAS, that has been internalized and adopted by the association, and is consistent with sound technical and economic analysis. Because ESAS will have completed a draft agenda before the consultancy begins, this task should only take three or four days.

The second objective of this consultancy should be achieved during a second round of meetings with the board and members of ESAS to develop and draft a practical implementation plan to influence policy. This advocacy plan will define what specific steps that ESAS can take to achieve each of the items in its reform agenda. It may include tools such as workshops, the drafting of position papers, media events, meetings with key government decision-makers, proposing benchmarks, and establishing systems to monitor and analyze legislation affecting the seed sector. It should include steps to establish effective and regular communication channels with key GOE units such as the MALR, ARC, CASC, CASP, and HSU. On this issue it should draw on both international and Egyptian experiences with institutionalizing communication between associations and governments. The output should be a written Advocacy Plan that supports the policy agenda developed under objective one.

The third objective of this consultancy is to work with ESAS to begin implementing the advocacy plan associated with one or more of the issues on its agenda for legal and regulatory reform. These issues should be selected in dialogue with ESAS and reflect the association's first priorities for reform. It is under this objective of the consultancy that the consultants will be expected to delve deepest into the technical substance of seed policy reform. The tasks cannot be fully specified at this time, because the tasks must flow from the achievement of the first two objectives of the consultancy and the wishes of ESAS; however, the tasks are most likely to involve assisting ESAS in the development of policy position papers on the selected issues. This component of the consultancy will serve "to get ESAS going" in the implementation of its advocacy plan for at least two of the issues on its policy reform agenda. This work may serve as an example to ESAS as it pursues other items on its agenda without outside help.

Outputs:

As suggested above, there will be three outputs:

1. A written Agenda for Legal and Regulatory Reform that has been thoroughly discussed with ESAS, has been internalized and adopted by the association, and is consistent with sound technical and economic analysis (this is likely to be a refinement of a draft agenda developed by

ESAS in August and September).

2. A written Advocacy Plan that defines activities that will promote the policy agenda developed under objective one with specific measures to influence policy; and
3. Significant progress in implementing activities in the advocacy plan that are associated with one or more of the issues on the ESAS agenda, as measured by the drafting of a position paper on each of the selected issues.

Timing:

October-November 1998

Team and resources:

Two expatriate consultants will work together on this assignment. Dr. James Delouche is proposed because of his extensive expertise and experience in Egyptian seed policy. Anthony Way is proposed because of his complementary expertise in advocacy strategies. Proposed LOE is four weeks each in Egypt, with one extra day for Dr. Delouche in the U.S. to collect information on American seed association advocacy strategies. Two Egyptian consultants will lend additional support on selected aspects of the assignment. Dr. Yasseen Osman, head of the Seed Council, will provide fifteen days of LOE to assist in building lines of effective communication with the GOE. Dr. Abdel Salam Gommaa will provide fifteen days of support to build lines of communication to an important stakeholder group -- ARC officials and breeders. All of the consultants will work closely with the Board and Executive Director of ESAS.

RDI Unit Responsibility:

Agricultural Sector Support Services; Public Awareness

Tasks:

See objectives and outputs