



<b>1. Project Data :</b>
<b>OEDID:</b> L3183
<b>Project ID:</b> P002143
<b>Project Name:</b> National Seed and Quarantine Project
<b>Country:</b> Nigeria
<b>Sector:</b> Other Agriculture
<b>L/C Number:</b> L3183
<b>Partners involved :</b> None
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**2. Project Objectives, Financing, Costs and Components :**  
Goal: Increasing agricultural production and farm incomes.  
Objectives: To assist in the cost effective and timely production of good quality seed; including implicitly the prevention of the introduction of exotic diseases of plants .  
Components:  
i. Develop a national strategy focusing on commercialization of the role of public sector institutions in the seed industry (pricing, seed certification and quality control ), and strengthening private involvement.  
ii. For the National Seed Service (NSS), institutional reform, improved quality of seed production, strengthen variety testing, registration and release mechanisms, and a supportive role for the private sector.  
iii. For the Plant Quarantine Service (PQS), institutional change, improved laboratory and field facilities, and human resource development .

**3. Achievement of Relevant Objectives :**  
The National Agricultural Seeds Decree (1992) provided the policy framework for reforms in the seed sector, while the National Seed Sub-Sector Development Plan provided the basis for implementation of reforms . (See Table 1 of ICR for detailed NSS achievements, and Table 2 for PQS achievements). In summary, National coordinating committee meetings, indicative of "ownership" and national coordination, achieved 25 to 100% SAR (as modified by a Mid-term Review) targets, PQS staffing achieved 21 to 56%, Seed Production and Quality Control achieved 19 to 80%, most hardware items were procured at 100% of targets, (although a significant proportion were unable to clear customs at the time of the ICR, and were thus not installed ), local training was at 60% of target, overseas training varied from 26 to 77%. Counterpart funding was only 56% of target, and much below this level in the early years .

**4. Significant Achievements :**  
National Agricultural Seed Decree. Production of foundation and certified seed was successfully transferred to private seed companies and outgrowers . Other achievements were mixed: (a) several committees were formed, but meetings were irregular, (b) the SAR recommended structure of the NSS was implemented only in 1992, after which it was further reformed (the ICR takes no position as to whether this was a further improvement), (c) as agreed ADP's (Bank sponsored Agricultural Development Projects) withdrew from Certified Seed (CS) production in order to promote private sector seed development, and (d) a Revolving Fund was established for the Seed Production Program, but was eroded as it was used to substitute for counterpart funding .

**5. Significant Shortcomings :**  
PQS is only operational at land entry points, leaving air and sea ports served by the Port Health Service, which at best implied two centres of expertise . Much of the purchased hardware had not been installed (or cleared customs) at the time of the ICR. (Custom clearance has been completed since issue of the ICR). Foundation Seed pricing continued to be an administrative decision, and did not provide the expected incentives to the private sector .

6. Ratings :	ICR	OED Review	Reason for Disagreement /Comments
<b>Outcome :</b>	Satisfactory	Satisfactory	
<b>Institutional Dev .:</b>	Substantial	Substantial	
<b>Sustainability :</b>	Uncertain	Uncertain	
<b>Bank Performance :</b>	Satisfactory	Satisfactory	
<b>Borrower Perf .:</b>	Satisfactory	Satisfactory	
<b>Quality of ICR :</b>		Satisfactory	

#### 7. Lessons of Broad Applicability :

Lessons cited by the ICR, with which OED agrees are (a) need for training to facilitate project take-off, (b) early appointment of needed consultants, (c) proper planning of procurement (and customs clearance), (d) successor projects are needed to assure sustained impact . None of these lessons are new.

The Region would add that the project demonstrated that ADPs no longer need to be involved in the production of Certified Seed. OED does not disagree.

#### 8. Audit Recommended? Yes No

**Why?** The ERR is not well documented, casting doubt on most ratings . Dimensions which need to be looked into are (a) the basis for the increased yield assumptions, a simple 10% increase is *assumed* (b) sustainability is "uncertain" but the benefit stream does not decline, and (c) no allowance is made for re-sale by farmers of composite seed, often a major way of disseminating improved seed . Hybrid maize seed was left to the private sector, with hybrid available, what demand was there for composite? At US\$ 14 million a 33% return is only US\$4.6 million per year.... given the size of the Nigerian agricultural sector why was it not much higher? A quarantine service which is not operational at air and sea ports would appear *prima facie* unsatisfactory; as would a project where, at completion, much of the hardware is still tied up in customs (the customs problem has subsequently been resolved). There is a question as to the efficiency of quarantine at land borders, where there is substantial informal contact. Finally, there is the relation between the NSS supported in this project, and the earlier ADP outgrower production of CS. (Was the earlier Bank supported system in need of replacement? The Region argues "yes".)

The Region argues, probably correctly, that if the above factors were taken into account, including the sustainability of formal and informal private seed sales, the REER would be much higher than in the ICR . When taken in conjunction with the follow-on project, the Outcome rating might rise to Highly Satisfactory

#### 9. Comments on Quality of ICR :

The ICR provides a good factual account of project design and implementation . Item 8 above lists some points which could have been better documented or discussed more extensively, and which suggest some internal inconsistency . It is hard to tell whether the rather anodyne and well known "lessons learnt" represents a lack of candor or weak analysis; but the reader is left wondering (a) why the Government (and the Bank?) wanted land entry points guarded by PQS, but not the ports? (b) why hardware was not cleared from customs expeditiously? (c) why such a small impact was achieved? what proportion of farmer seed is now derived from project seed? (d) whether ADP withdrawal from CS production represented a policy decision? (e) why was the NSS further re-organized after 1992? A plan for future operations, which projects modest growth in seed certification activity, is included in the ICR .

The Region has provided responses to some of the above questions (a) Government is planning, with Bank endorsement, to down size the PQS at land points, (b) the delay reflected a changed policy which would have required duty to be paid on equipment even for bank projects, this has been resolved, (c) potential yield gains are cited as 30% for rice, 60% for wheat and 40% for maize. It is further claimed that improved varieties now cover 40% of the area in maize, 80% of the area in rice, and 78% of the area in wheat.