SEED SECTOR DEVELOPMENT IN UGANDA

Embassy of the Kingdom of the Netherlands in Kampala (EKN)

Call for full proposal: Seed Sector Development Project

The Embassy of the Kingdom of the Netherlands in Kampala (EKN) is pleased to announce a call for full proposals for a new project within its Food Security portfolio. This initiative aims to foster the inclusive development of Uganda's seed sector, with a two-pronged approach, aiming at small holder farmers and the commercial sector. EKN invites qualified organizations to submit comprehensive project proposals for its implementation.

Detailed context and the main features of the envisaged program are provided below. Key selection criteria are also outlined in this document. The maximum budget allocated for this five-year program is EUR 8 million. Please note that only one proposal will ultimately be selected for this project.

Please note that, for unforeseen reasons beyond EKN's control, there is a possibility the program may not ultimately be awarded. Furthermore, annual funding approval is subject to the condition that sufficient funds are made available by the budget legislator.

Inquiries regarding this planned intervention or document can be submitted via email to KAM-OS@minbuza.nl until July 5, 2025. Responses to all questions will be published on our website by July 11, 2025.

The deadline for the submission of full proposals is **August 22, 2025, at 12:00 EAT**. All proposals must be submitted to KAM-OS@minbuza.nl.

Download the Project Document (.pdf) or read the full text below.

1. Preamble

The Embassy of the Kingdom of the Netherlands in Uganda (EKN-KAM) plans to invest in interventions that enhance access to quality seed by smallholder farmers (SHFs) thereby contributing to increased agricultural productivity, improved food security, strengthened business growth, increased incomes, creation of employment opportunities, and sustainable market-based growth in the seed sector. This document calls for proposals for such interventions. The proposed project should build upon the experiences, successes, and lessons of the Integrated Seed Sector Development Plus (ISSD Plus) project¹ – implemented by Wageningen University & Research (WUR) and partners from 2012 to June 2021 – and other EKN-KAM-supported projects like REACH-Uganda², BRIGHT³, and HortiMAP⁴. The call for proposals outlines the intended project's scope, goal and objectives, and principles of approach which are aligned with the policy and results frameworks of the Minister for Foreign Trade and Development, the Multi-Annual Country Strategy of EKN-KAM⁵, and relevant policies and programs of the Government of Uganda. The document concludes with the selection criteria and procedure of the call for proposals.

2. Public Consultations

In the month of May 2025, a series of five meetings and several bilateral interviews with stakeholders in Uganda and from the Netherlands were conducted with the purpose of eliciting multiple stakeholders' perspectives on the relevance and importance of the provisional outline of the project, including its goal and desired outcomes. Stakeholders were asked to reflect on how topical the project outline's provisional components are with respect to their perceived challenges and opportunities in Uganda's seed sector, and their respective capabilities to contribute to the endeavor. Further, stakeholders were requested to indicate their willingness to support the project and invest complementarily - including in knowledge and technologies transfer or the creation of access to proprietary material -, under what conditions this would be possible, and what practical outputs or activities could be pursued that contribute to the project's goal and expected outcomes. In Uganda, a total of 45 informants (representing Ministry of Agriculture (MAAIF), National Agriculture Research Institute Organisation (NARO), Ministry of Trade, District Local governments, private seed companies (Dutch and Ugandan companies), development partners, financial institutions, academia, agri-input dealers, Grain council, local seed businesses (LSBs), and farmers) participated in 2-day consultative meetings. In the Netherlands, 41 informants participated in bilateral consultative meetings/interviews with Dutch civil servants, representatives of Dutch support organizations to the seed sector (regulatory services, NGOs, foundations, knowledge institutes, and consultancies), and personnel in Dutch seed enterprise. This call has integrated the major findings of the consultation meetings.

3. Introduction

Agriculture is a main economic sector in Uganda, providing 26% of BNP and 75% of the labor opportunities. Around 95% of the farmers are smallholders (SHF) who are responsible for the largest part of the agricultural production. These farmers offer a huge potential for growth and are attractive for private sector, such as seed and animal feed producers, as well as market actors. At the same time SHF are under pressure of limited

¹ ISSD_Final_Report_2017.pdf

² Resilient Efficient Agribusiness Chains in Uganda (REACH-Uganda) - IFDC

³ <u>Building Resilience and Inclusive Growth of Highland farming systems for rural Transformation (BRIGHT)</u> - IFDC

⁴ <u>Climate-Smart Agriculture: Q&A with HortiMAP Project Director - TechnoServe</u>

⁵ Included as annexes to this document

land availability, climate shocks, market failures and agricultural services that are not well-aligned to their priorities. These challenges, together with the very limited availability of jobs, may lead to outflow of rural areas to urban centers and dissatisfaction under rural populations, potentially having effects on the stability in the region.

The Government of Uganda prioritizes agricultural development, playing a key role in the country's economic growth and poverty reduction, and aims at increasing production, productivity, and commercialization levels in agriculture. Ugandan farmers strive to produce a marketable surplus to derive an income, while simultaneously satisfying their household and community food needs. To achieve better yields, increased crop productivity, improved market access, and enhanced food security, quality seed is a vital and essential input. For this contribution to happen, farmers need to have physical access to quality seed in sufficient quantities at the right time that is affordable and of a variety performing well in their agroecological environment. Unfortunately, due to challenges in availability, accessibility, and stability, quality seed of farmer- and market-preferred varieties is sparsely used; less than 15% of the cultivated area of Uganda is planted with certified or quality-declared seed. This continues to hamper crop productivity, food security, and market-oriented farming.

In Uganda (as elsewhere), commercial seed companies generally focus on the production of certified seed of maize and certain vegetables, which fetch a relatively higher premium on the price of grain and fresh produce. Seed of many important local staples in Uganda, including pulses, oilseeds, and roots, tubers, and bananas, are considered commercially less interesting in certified seed production and are of lower or no priority to commercial seed companies. This limits investment in their production, promotion, and marketing, and burdens public projects in research and development. Yet the adaptability and resilience to shocks and stresses of local food crops are essential for sustainable farming systems, contributing to food security, especially for SHFs, agrobiodiversity, and inclusive economic development in Uganda.

The Government of Uganda recognizes different seed systems, or pathways through which farmers obtain seed, namely: i) formal, ii) intermediary, and iii) informal seed systems. This is evident in the National Seed Policy of 2019 and National Seed Strategy, 2014/15-2019/20⁶, which appreciate interventions in formal, intermediary, and informal seed systems. As a result, a new seed class – Quality Declared Seed (QDS) was introduced and incorporated in seed and plant regulation. QDS is produced by registered farmer seed producers (individuals or groups) from foundation seed and conforms to minimum standards of purity and germination. This was an important achievement of ISSD Plus in local seed business (LSB)⁷; an intervention in intermediary seed systems (partly formal, partly informal, and/or semi-regulated). However, QDS supply in recent years has stagnated after initial support by ISSD Plus and others.

In informal seed systems – or more appropriately termed, farmer-managed seed systems (which contribute up to 85% of the seed planted) – seed production is integrated in crop production; farmers save a part of their harvest as seed for the next season. Additionally, farmer-saved seed is obtained through exchange with other neighbors, friends, and relatives or sold informally by traders at local informal markets, alongside and often not differentiated from grain and fresh produce intended for food. The seed is of self-pollinated crops – such as rice, millets, pulses (e.g., beans and cowpeas), and oilseeds (e.g. soyabean, groundnuts and sesame) for which it is easy to maintain genetic purity through successive generations – and also vegetatively

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⁶ uga175068.pdf

⁷ Quality Declared Seed Class for Farmer Groups - Complying with Seed Quality Standards in Northern Uganda

propagated crops like cassava, potato, sweet potato, bananas, and some tropical fruit trees. Informal seed systems are largely driven by livelihood ambitions, but the provenance and quality of this seed is often unknown and affects both the quantity and quality of production variably.

Meanwhile, formal seed systems are mostly driven by registered commercial seed companies producing and marketing certified seed of improved varieties on the national list. It is sold by agro-dealers and distributed through other regulated channels to farmers. Breeding and foundation seed supply are a part of the organized chain of activities, which are often performed by different stakeholders than commercial seed companies, including the National Agricultural Research Organization (NARO). Yet commercial seed company interests are an important determinant of the performance of formal seed systems, also in terms of the diversity of crops and varieties in the portfolio.

For the seed sector to be vibrant and resilient, it must meet diverse demands for crops and varieties across multiple farming systems and address the needs of both SHFs and commercial farmers in different agroecological zones. A well-functioning integrated seed sector is therefore essential in ensuring that farmers obtain access to affordable quality seed of a diverse portfolio of crops and farmer- and market-preferred varieties adapted to their farming conditions. Individual farmers rely upon multiple seed systems in satisfying their diverse needs and obtain their seed from a multitude of sources. This means that an integrated approach to seed sector development demands attention to all seed systems, recognizing their strengths, weaknesses, opportunities, and threats, and investing in interventions where they are needed the most in promoting pluralism.

SHFs are also not a homogenous group; they have diverse seed demands, depending on their economic situation, their geographic location, and level of market integration. For example, there is a category of SHFs that cannot afford the relatively high cost of certified seed coming from formal seed systems and another category whose needs are not fully catered for by seed that is commercially available. Uganda also has the highest number of refugees in Africa, many of whom are reliant upon small-holder farming. Formal seed systems are not adequately prepared to serve the diverse interests of different groups of farmers, especially the 95% that are SHFs.

Available studies show that the majority of Ugandan farmers largely depend on informal seed systems. QDS, if expanded, can greatly empower farmers to achieve higher yields, reduce costs, and adopt more sustainable farming practices. The need to scale up the quantity and distribution of both QDS and certified seed to meet the diverse demands of farmers cannot be overstated. Further, promoting and building the capacity of farmers and their organizations, including cooperatives, in models like LSB, with a focus on important local staples and traditional farming, is needed in order to increase agricultural productivity and production for more inclusive and sustainable agricultural and economic development. Strengthening intermediary seed systems, in part through the expansion of QDS, is complementary to formal seed systems development and certified seed supply, particularly for those crops relevant to farmers that are not addressed by private domestic and international seed companies. This will help reduce the seed gap and provide a niche for crops like millets, beans, groundnut, cassava, and potato, which are currently less commercially interesting for seed companies or for which the availability and costs of quality seed impede its use by SHFs. By structurally improving access to affordable quality seed of improved varieties of these important staples, an important and lasting contribution can be made to the agricultural economy and national food security.

Having said that, domestic and international companies still have an important role to play. Seed industry in Uganda is still at a nascent stage and has some progress to be made also in responding to the needs of farmers. Of particular relevance to nutrition in rural as well as urban markets and for income by farmers and traders, is vegetable

production. Comparatively high returns on investment on relatively small plots of land can be achieved through vegetable production, making it an interesting business case for SHFs. This has been demonstrated by Hortimap in collaboration with, among others, East West Seed Knowledge Transfer⁸ – the not-for-profit foundation of the commercial company, East West Seed – and Holland Greentech, another company with Dutch roots. Vegetable seed supply is highly consolidated in international supply chains and traded globally. The Netherlands excels in the research and development of high value varieties of vegetables and potato and is the global leader in the trade of such seed, hence, it has a lot to offer. The trade as well as development of varieties adapted to Uganda's climate and farming systems holds a great deal of promise, yet investment by Dutch seed companies is held back by unfavorable phytosanitary practices, variety release and protection procedures, and business climate in general in Uganda. Support to enhance the business climate around the seed sector can stimulate interested companies to make complementary investments in knowledge and technology transfer. Increases in vegetable productivity and production require a combination of quality seed of adapted varieties and good agronomic practices. If both interventions are not matched, farmers may fail to close their yield gaps, produce marketable fresh product, and earn their investment back in quality seed and complementary inputs. It is therefore highly relevant to link strategies and activities of the project to other Netherlands funded projects that operate around a large number of value chains, farmer organizations and access to credit for SHF and SMEs.

In a recent survey among Dutch stakeholders conducted by SeedNL, Uganda was identified as one of the countries with the largest potential to increase access to quality seed for SHFs. A scoping mission to Uganda by SeedNL, with the support of Integrated Seed & Sector Development (ISSD Uganda, once the project office of ISSD Plus but now an independent locally registered organization), further recognized the need for strengthening multi-stakeholder collaboration, creating a more enabling environment, facilitating institutional capacity building, increasing SHFs' uptake of new varieties, supporting local private sector development, as well as integrating efforts to strengthen all of Uganda's informal, intermediate, and formal seed systems as potential targets of investment. The proposed project on seed sector development addresses these concerns and strives to enhance the complementarity of Uganda working in partnership with the Netherlands in seed sector development.

4. Problem Statement

Complementing the introduction of this call for proposals, this section elaborates several challenges pertinent to the anticipated results and outputs of the project.

Absence or weak implementation of enabling policies and regulation

Policy and regulation integral to Uganda's seed sector development are in place, but awareness and enforcement lag. This also has to do with the constrained capacity of institutions central to their implementation. The case for decentralization of regulatory services has been made during recent consultations with stakeholders in Uganda, as well as from the Netherlands, in the month of May⁹. One example is QDS¹⁰, which although enshrined in Ugandan policy and for which regulation and a system of labelling exist, formal procedures still lack for the submission of planting returns to district agricultural

⁸ Sowing the seed: Adoption processes of good horticulture practices in northern Uganda - Wageningen University & Research

⁹ The findings are incorporated in the Call.

¹⁰ QDS is a system of seed inspection and testing originally introduced by FAO in 1993 and updated in 2006, and recognized class of seed in Uganda: FAO (2006). Plant Production and Protection Paper 185; Government of Uganda (2020). Seed and Plant (QDS) Regulations.

officers for field inspection services and laboratory results for obtaining the green tamperproof QDS label. Systems for payments for both inspection and testing services are also opaque. This hampers QDS performance and expansion. Another example has to do with ambiguity in seed import and quarantine protocols and the process of releasing and registering new varieties in the market. Of particular interest to foreign investors, including Dutch breeders of vegetable and potato varieties, is enactment of regulation for the Plant Variety Protection Act of 2014. This would trigger stronger interest of foreign companies to invest in and trade with Uganda's seed sector.

Absent in the National Seed Policy of Uganda (2018) is any mention of the undesirable effects of seed aid and institutional markets on the development of a vibrant and competitive local seed market. Silence with regards to this important topic of concern to stakeholders consulted in the preparation of this call for proposals begs the questions: what are good principles and practices of seed aid; and how can humanitarian and development efforts complement each other rather than compete in providing farmers improved access to quality seed? National dialogue on the vision and road map for the seed sector may well prompt an update to the National Seed Policy including this and other important concerns not currently addressed in the version of 2018.

Weak performance in the release and protection of new and imported varieties

A competitive seed industry requires efficient release and registration of varieties to result in more rapid turnover of products suited to the market. Foreign breeders plead for stronger protection of their intellectual property and punitive measures against unscrupulous behavior like the theft of proprietary material. This is a major reason why, in particular, new varieties of seed potato are not introduced, because they are vegetatively propagated and easy to reproduce. Potato breeders would like to see a legal framework for the operationalization of royalty payments for the multiplication of their varieties, thereby recovering investments in research and development that are, sometimes, more than 12 years in the making.

Not only foreign breeders but those domestic, both public and private, have an interest in more rapid and affordable variety release procedures. Currently, Uganda lags far behind its peers and ranks 19th in Africa in the quality of its variety release and registration process; only three new varieties were released in the three years leading up to 2023¹¹. Farmers depend on a steady inflow of new varieties to adapt to changing abiotic and biotic stresses and new market demands.

Slow roll-out of seed tracking and tracing

Uganda has introduced a seed tracking and tracing digital system with the support of the WUR, ISSD Uganda, and SeedNL¹². The system needs rolling out to combat, among other sources of substandard seed in the market, illegal practices of seed adulteration and counterfeiting. Reportedly, there is high prevalence of fake seed in the market, which defrauds seed customers and seed companies alike, the latter who stand to lose reputation and trust from farmers.

Weak capacity in seed inspection and testing

The performance of seed quality assurance systems is tenuous. Public seed inspectors are too few and lack the resources, including transport means , to adequately inspect the area under seed production. And as mentioned above, transparent procedures are lacking for the submission of requests and payment of services in field inspection and laboratory testing. And seed quality testing is currently restricted to just one laboratory under the supervision of MAAIF's Seed Certification Services, which is insufficient. As a

¹¹ African Union, TASAI & AGRA (2024). <u>SSPI report 2023 web.pdf</u>

¹² STTS Uganda - Seed Laws Toolbox 2023 - SeedNL.pptx

result, seed quality assurance takes strain and creates opportunity for substandard seed to enter the market. Either capacity needs to be increased or decentralized and outsourced to licensed private inspectors and testing facilities. Exemption of selected seed producers could be considered after risk-based assessment of their competencies in internal seed quality control.

Lack of awareness for seed quality standards and regulations

Whilst regulations may be in place, they are poorly socialized to date. Stakeholders, including civil servants responsible for their enforcement, lack a thorough understanding of quality standards and procedures of control. This is certainly the case for QDS where implementation misses adequate support from public institutions.

Insufficient dialogue, coordination, and collaboration among seed stakeholders

Issues in the seed sector, including those captured here, are complex and difficult to solve without integrating the efforts of many. Platforms and channels for communication, information sharing, performance monitoring, and coordination are fragmented as seed is an intersecting topic in many agendas on agriculture. There is scope for once again converging discussion on pertinent issues to the seed sector and promoting multistakeholder partnerships, as ISSD Plus once did. This requires sector-wide knowledge and skills in the practice of partnership facilitation. Stakeholders who informed this call for proposals also suggested establishing a national seed sector working group (including representatives of relevant ministries and departments, Private sector companies (both Ugandan and Dutch), donors, regulatory departments, civil society, research and knowledge institutions, local seed business, farmer cooperatives, farmers, financial service providers, etc) under the supervision of MAAIF. The role of such a body in convening dialogue, coordinating efforts, sharing information, and driving interventions could be explored.

Limited availability and access to early generation-/foundation seed

Production of QDS and certified seed remains dependent upon public supply of starting material. Neither LSBs nor domestic seed companies (with one/few exceptions) operate their own breeding and foundation seed programs, rendering them fully reliant upon supply from NARO and, in exceptional cases, CGIAR-institutes or foreign breeding companies for which they have obtained access to or license for proprietary materials. Unfortunately, the supply of foundation seed is insufficient in meeting the demand for QDS and certified seed production. This constrains LSBs and domestic seed companies' production of quality seed of improved varieties. Public breeders find it difficult to predict demand for their varieties and produce foundation seed in insufficient quantities, and it takes two-to-five seasons to bulk adequate supplies of foundation seed. Apart from that, public breeders have an intrinsic motivation to conduct research and develop new varieties, whilst the production of foundation seed is neither planned, prioritized, nor budgeted properly.

Access to finance

Capital expenditure in seed production, storage, and marketing is constrained regionally. Commercial lenders are insufficiently invested in the business of agriculture, which is deemed too risky compared to other portfolios like construction. Banks are often collateral driven and not cash flow driven, but even good collateral doesn't make a bad loan better. Banks prefer to procure physical assets than offer cash loans, as equipment can be seized later in case of default. But seed companies need large volumes of working capital to procure their inputs, pay laborers, and afford their storage, processing, and marketing costs before bridging the three-to-six month gap between harvest and sowing when revenues are generated from sales. Seed stocks are rarely considered collateral, making it difficult for particularly small- to medium-sized seed companies that have yet

to make significant capital expenditures in collateral-assets to leverage credit. Banks often insist on 100% collateral in terms of loan-size equivalence. And lastly, customers in seed markets are agro-dealers and individual farmers; seed markets lack large off-takers to whom loans can be offered to finance activities upstream in seed production.

Poor demand orientation of foundation and commercial seed producers

Understanding and predicting seed demand is very challenging. Farmers often wait right until the onset of the rains before making their choice in seed, and sometimes even later if replanting is necessary. This, coupled with farmers' practices of saving and exchanging or trading seed informally – thereby having an anticyclic effect on seed demand – makes planning seed distribution costly in case of over- or under-supply¹³. Nevertheless, market intelligence is an important area of investment by any seed producer, which is lacking. Due to the dependence of domestic seed producers on third parties for their access to foundation seed, purchase orders need to be prepared in advance and sufficient funds mobilized for production. Foundation seed producers also face challenges in generating sufficient bulk to satisfy emerging demands. This calls for greater knowledge and skill in seed demand forecasting and scenario planning and stronger relationships in information sharing and collaboration among stakeholders in seed value chains.

Constraints in reaching the last mile in commercial seed distribution

Uganda faces a lack of infrastructural capacity in reaching higher levels of seed processing, packaging, storage, and distribution. Seed retail is limited to a diffuse network of agro-dealers in peri-/urban areas that do not penetrate deeply into SHFs markets. This, further to those issues already mentioned, constrains SHFs' access to quality seed of improved varieties. Whilst improved access to finance may help certain stakeholders in seed value chains enhance their capacity in seed marketing, this requires more significant levels of investment of government and its development partners to be leveraged. Coupled with low-cost interventions in last-mile seed distribution, this needs attention. Low-cost interventions may include seed resale by other input distributors than agro-dealers – like cooperatives and individual vendors, potentially youth – mobile vendors (travelling by light vehicle or motor-/bike), working with traders at local informal markets, and seed fairs, field days, demonstration plots, and other promotion activities where small quantities can be distributed and sold ¹⁴.

Concerns about the affordability of and return on investment in quality seed

Commercial seed from formal seed systems is regarded as high in cost, yet many farmers are willing to pay a premium for, for example, maize and vegetable hybrids. Input affordability is a complex product of multiple variables; not just farmers' purchasing power, but also expected rates of return on investment, and the prices obtained by farmers for their grain and fresh produce. That is why maize and vegetable hybrids, despite having relatively high costs, sell. Good quality seed of market-preferred varieties and good agronomic practices raise yields in both quantity and quality, thereby increasing marketability and their return on investment. Demonstration and farmer training on the application of quality seed, improved varieties, and good agronomic practices, coupled with farmers' increased access to markets can turn the tide on negative perceptions of seed affordability, for not only maize and vegetables, but other crop types for which seed companies and LSBs market seed. Demonstration and training is as relevant to farmers as it is to agro-dealers and extension workers in agricultural

¹³ Seasonal seed scenario planning: co-design of a generic framework for matching seed supply and demand using seasonal climate forecasts - ScienceDirect

¹⁴ LAST-MILE SeedSystemsCaseStudy Final 508 lowres.pdf

innovation systems¹⁵. Public agricultural extension services have limited capacity and the project should encourage local and international seed companies and their retailers to increase their skin in the game in the promotion of quality seed and good agronomic practices; who better to promote the uptake of these technologies than the ones valorizing their use?

Limited application of sustainable agricultural practices

Good agronomic practices increase yield and quality, but for how long and at what cost to people and planet? Integrating natural resources management, ecosystem goods and services, climate, biodiversity, and nature, and more desirable socio-economic outcomes into farming practices, completes the picture of sustainability. More and more trade-offs have to be taken into account today due to competing claims on resources and to tackle food insecurity, malnutrition, climate change, and biodiversity loss, for which our food systems are responsible. Collaboration among international knowledge institutes, public research and extension, and commercial seed retailers should be supported for the uptake of sustainable agricultural practices.

Weak uptake of new, diverse, locally-adapted, and climate-resilient varieties

Several of the aforementioned challenges limit quality seed availability, accessibility, and stability, with a negative outcome on farmers' use. The previous two challenges point to farmers' awareness of the importance of quality seed, improved varieties, and sustainable agricultural practices. Due to the lack of both knowledge and opportunity to derive benefits from the use of quality seed, its uptake remains low. This needs to change for new, locally adapted, and climate-resilient varieties available to Ugandan farmers, and cover a diverse portfolio of options in terms of crops and varieties for when conditions change. Resonating with the point made above in the previous two challenges, commercial seed suppliers need to upscale their efforts in product promotion. Good products do not necessarily sell themselves and need demonstrating; seeing is believing.

Lack of support to farmer-managed seed systems

Due to insufficient investment in delivering quality seed to farmers of improved varieties of the archetypes of crops that are not easily commercialized, farmers only sources to turn to are informal. In fact, a motion was recently adopted with broad support in the Dutch House of Representatives for a more integrated approach in seed sector development policy to provide the means for development of informal seed systems alongside support to commercial seed systems¹⁶. Unless triggered by institutional markets, farmers are often cut off from supplies of new and improved genetics and uniform and healthy material that germinates and is pest- and disease-free. The model of LSB is one promising intervention (to which QDS applies), but other interventions lack support. Piloting, testing, consolidating, and scaling interventions that increase farmers' access to and use of quality seed of improved varieties in farmer-managed and community-based seed systems are worth trying, especially given that attempts at scale are far and few between. Despite the groundwork of NGOs like Oxfam, Pelum, ESAFF Uganda, and CIDI, efforts still need to be taken to counter perceptions that farmer-managed seed systems are a threat to certified seed use.

Limited use of PGR

The Plant Genetic Resources Centre of NARO established its genebank in 2004, conserving today over 5,200 accessions of crops and wild relatives. Although diversity is conserved ex-situ, getting material back into farmers' fields is difficult for the same

¹⁵ Sowing the seed: Adoption processes of good horticulture practices in northern Uganda - Wageningen University & Research

¹⁶ Included as annex (in Dutch)

reason that certified seed remains out of reach; non-commercial models of delivery are lacking. Whilst PGR conservation is beyond the scope of the project, efforts should be taken to diversify crop and varietal portfolios of supported seed producers as an important avenue of re/introducing agrobiodiversity in farmer fields. This equips farmers with the diversity needed to adapt to changing conditions and build resilience to shocks and stresses.

4. Project outline

The project will develop and implement strategies and interventions that enhance access to quality seed by smallholder farmers and commercial medium and large scale farmers, thereby contributing to increased agricultural productivity, improved food security, strengthened business growth, increased incomes, creation of employment opportunities and sustainable market-based growth in the seed sector.

EKN-KAM aims to contribute meaningfully to the National Development Plan (NDP IV) and seed policy of Uganda and to the food and nutrition security policy objectives of the Netherlands Ministry of Foreign Affairs, especially with regard to the objective to increase production and income of SHFs, improve nutrition, and to enhance sustainable use.

The contribution of the project as described in the proposals, to the objectives, outcomes, and outputs, need to be specific, measurable, achievable, relevant and time-bound. The need to be well-articulated in an accompanying theory of change.

In addition, the project proposals are encouraged to explore positive impacts on security and stability, and prosperity in Uganda, as well as trade with the Netherlands, with the involvement of Dutch companies already active in Uganda and investment by the Dutch private sector.

Goal: The goal of the project is to enhance resilience and increase of smallholder farmers agricultural productivity and income through the availability and use of quality seed.

Main Objectives:

The overarching objective is that quality seed of new, improved, and adapted varieties are available and accessible to and utilized by SHFs in Uganda.

- 1. Increased quality, availability, affordability and use of QDS and other farmer-managed seeds by SHF.
- 2. Increased quality, affordability, availability and use of commercialized seed.
- 3. Enhanced enabling environment leading to strengthened regulation, coordination, and investment in the seed sector through the development and strengthened capacity of institutions in the implementation of policy, regulation, and research and development in the seed sector that is vibrant, dynamic, pluralistic, and demand oriented.

Expected Outcomes

In accordance with the project goal and objectives, desirable outcomes of the project include, but are not limited to:

- Increased number of SHFs whose livelihood became more resilient to climate shocks and stresses
- Increased use of improved seeds by SHFs
- Efficient and effective farmer-managed seed systems including the registration of farmer varieties i.e. enable seed farmers to produce ODS

- Reliable quality control along the value chain for QDS
- Strengthened capacity of seed sector institutions and agencies (for example local seed businesses (LSBs)/local seed (growers) cooperatives, seed certification agency, seed inspectors etc.) leading to professional management and operations in the production, storage and marketing of quality seed
- Increased production (volume), quality and variety of crops served under QDS
- Improved performance of supported micro-, small- and medium-scale enterprises (MSMEs) in seed production, processing, distribution, and retail¹⁷
- Number of seed MSMEs gaining access or improved access to value chains
- Number of Dutch and international companies with a supported plan to invest, trade, or provide services in Uganda
- Increased use of certified commercial seed: measured in number of crops, # of farmers, and volume
- Improved policies and regulation benefitting at least seed MSMEs, international seed companies, and SHFs
- Number of strengthened organizations contributing to a sustainable local business climate in the seed sector
- Raised amount of mobilized private finance (in thousands-of-euros) in seed production, processing, distribution, and retail

4. Expected Results and Outputs

The following results and outputs will contribute to achieve the mentioned outcomes. This is a minimum list of outputs; the proposals are encouraged to add and develop the results and outputs.

- Enabling policies and regulation are in place and implemented for quality (declared) seed
- Efficient and improved process and institutions for the release and protection of new and imported varieties leads to increased release of high-yielding adapted, and climate resistant varieties
- Seed tracking and tracing is rolled out, revealing substandard seed in the market
- Capacity of seed inspection and testing is strengthened, professionalizing quality management in seed production, storage, and marketing
- Awareness for seed quality standards and regulations is increased in all seed systems
- LSB and other seed producing farmers have the capacity to produce high quality and affordable QDS
- Dialogue, coordination, and collaboration among seed stakeholders is strengthened
- Improved and reliable availability and access to early generation-/foundation seed to produce certified and QDS is improved
- (Inter)national seed producers supply early generation-/foundation seed and support local production and supply for QDS system
- Increased production and quality of QDS of relevant crops, including oil seeds, beans and potatoes
- · Demand orientation of foundation and commercial seed producers is enhanced
- Last-mile distribution of commercial seed is expanded by commercial seed sector actors
- Affordability of/return on investment in quality seed is improved due to increased efficiency in production, promotion, and utilization of quality seed
- Sustainable agricultural practices are promoted for increased valorization of seed
- Climate resilient varieties developed and produced by Commercial seed companies
- Commercial seed companies reply to demand

¹⁷ Including, but not limited to, local seed businesses producing the class of quality-declared seed

- Uptake of new, diverse, locally-adapted, and climate-resilient varieties by SHFs is increased
- Support to farmer-managed seed systems is improved, including (potentially) the registration of farmer varieties and expanded assurance of QDS
- Crop and varietal portfolio of SHFs and commercial farmers is diversified
- Enhanced business relation between Dutch and Ugandan seed sector actors

5. Target Groups, Crops, and Geographies

Given the overwhelming majority of SHFs in Uganda – approximately 95% of all farmers – proposals must target these households as key participants in interventions. It is assumed that if SHF access to quality seed is enhanced, this will also be the case for medium and larger farmers. Medium-scale commercial farmers need not be excluded and are recognized as potentially important participants in activities. Potential collaborators are myriad, but should include the Ugandan Ministry of Agriculture, Animal Industry, and Fisheries (MAAIF); NARO; and Dutch/international companies, local private sector companies, and organizations.

Clear efforts should be taken to embed capacity and ownership of interventions locally for the sustainability of their impact beyond the horizon of the project's implementation.

No limitations are placed on crops of focus, provided that the rationale for their inclusion contributes to food and nutrition security (also possible through an increased income) and secondarily, to private sector development. Private sector development should be considered a means to food and nutrition security as an end, and that should also drive crop selection. Further, the private sector involvement should stimulate trade and investment in the seed sector. Where the commercialization of seed of a given crop promises limited gains in food and nutrition security in Uganda, such a crop should not be given priority by the projects. Crop selection should reinforce the objectives of strengthening farmer-managed seed systems, supporting the commercialization and uptake of quality seed of market-preferred varieties, and promoting a vibrant and pluralistic seed sector in Uganda.

Geographic coverage includes but is not limited to Kigezi, Rwenzori, Busoga, Lango, and Elgon, where Dutch-funded food security projects are active. There, synergies need to be sought. The programme should also seek synergies with other Dutch funded programmes, such as interventions for refugees or the CBI programme for oil-seeds in Uganda.

6. Policy Coherence

Project proposals must align with the outline and way of working as described in this call. The results frameworks of, namely, the Department of Inclusive Green Growth (IGG) on food and nutrition security (FNS) and Department of Sustainable Economic Development (DDE) on private sector development (PSD) need to be incorporated and reflected in the strategy and results framework of the project, where relevant. The call aligns with the EKN-KAM's Multi Annual Country Strategy (MACS, which will be revised this year) and the policy letter on international development of 21 February 2025; and relevant policies and programs of the Government of Uganda form essential input to understand the context of this call.

Policy Letter on International Development

The letter on international development, dated 20 February 2025, from the Minister for Foreign Trade and Development¹⁸ underlines Dutch policy interests in trade and the economy, in security and stability, and in migration, The policy ties aid with trade by including opportunities for Dutch private sector to cooperate in international development whilst upholding principles of clean and fair trade. By encouraging Dutch companies to cooperate in international development, the Netherlands aims to stimulate innovation in finding solutions to local problems. The Dutch agri-food sector is known internationally for its 'Dutch Diamond' approach, which entails cooperation between businesses, knowledge institutes, civil society, and government.

Results Frameworks of IGG and DDE on FNS and PSD

IGG and DDE are responsible for the implementation of the Netherlands Ministry of Foreign Affairs policy on FNS and PSD respectively. Results frameworks of FNS and PSD are available for use¹⁹. Program proposals should demonstrate a clear and coherent approach to contributing towards the desirable outcomes of FNS and PSD, integrating these logically but not exhaustively into their theories of change and own results frameworks. It is not necessary to contribute to all targeted results of IGG and DDE but to make the contributions explicit. Other relevant and complementary results may be targeted, where they align with the policy objectives of EKN-KAM specifically, the Government of Uganda or actual objectives and inherent strategy of the proposal on seed sector development in Uganda.

EKN-KAM's MACS

The current MACS of EKN-KAM spans the period of 2023-2026 and is informed by international development policy of the Netherlands; the policies, plans, projects, and ambitions of the Government of Uganda; other concerned stakeholders in Uganda. A new Country Strategy 2026-2029 will be written the coming months, building on the current MACS and infusing the new directions of the policy letter. The MACS identifies that SHF are the foundation of Uganda's agricultural sector and provide an important potential for growth and economic development. Main bottlenecks faced are that agricultural research and extension are not based on the farmers' ambition and opportunities, leading to low adoption of innovations/improvements. Next to land tenure security, climate change, market distortions and famer organization levels, seed has been identified as an important aspect to enhance productivity and resilience of SHF.

Relevant initiatives funded by EKN-KAM include the following:

EKN finances a number of activities with which the seed project will seek collaboration and synergy. The include:

1. BRIGHT: Building Resilience and Inclusive Growth of Highland Farming Systems for Rural Transformation. (IFDC, 2022-2026)

Summary: The project will increase resilience and income of smallholder farmers in the highlands of Rwenzori, Kigezi and Elgon. The project will build resilience for external and internal shocks and stresses, like climate, market, disease, and other shocks. The project will start from the vision and ambitions of smallholder farmers and build support for farming systems and several value chains. Sustainable land use is an important component of the project as sustainable land use is key for both resilience and production.

¹⁸ Policy letter on International development | Parliamentary document | Government.nl

¹⁹ These documents are included as annex to the call

2. <u>CommonGround</u>. Restoring Resilience of highland farmer communities and agroecosystems in Uganda. (WENR and ISSD, 2022-2026)

Watersheds and livelihoods are under threat in the highlands of Uganda. Increased pressure on land and inappropriate agricultural practices, amongst others, lead to erosion and decreasing carrying capacity of the land. Many interventions to address these challenges are focussed on the fast solutions instead of long-term change based on stewardship by the communities. Starting with the perceptions and visions of farmers, this project aims to sustainably develop the smallholder agricultural sector by restoring the resilience of highland watersheds and farming systems. The goal of the activity is: to build resilient farmer communities and agro-systems based on sustainable farming systems, restored watersheds, and improved marketing opportunities.

3. <u>Horticulture Market Acceleration Program (HortiMap).</u> Technoserve (2021-2025)

The overall aim of HortiMAP is to support market actors to chart their own course towards a vibrant, sustainable Ugandan horticulture sector. The goal of the program is to transform the horticulture sector to a modern, efficient, competitive, technology and knowledge-driven sector through increased productivity, reduced food losses, improved access to rewarding markets, strengthen resilience to shocks, and a strong and facilitating government. The project contributes to poverty reduction, adequate food and nutrition security and job creation through an inclusive, competitive, and transformative horticulture sector HortiMAP works on three areas: Increased productivity, improved access to markets and strengthened service provision within the value chain project.

4. A-GRIP (Cordaid, 2023-2028)

A-GRIP is implemented by Cordaid and works in some districts in ALL regions where EKN funded projects are active or planned.

The project will finance Local Governments (LGs) to perform their roles in the following sectors:

- Land registration (CCO)
- Agricultural extension and other services
- Regulation

Based on indicators and targets, LGs will be financed based on results achieved (results-based financing: RBF).

The relation between other EKN projects and the LGs in the relevant districts will change, as projects will no longer directly finance LG participation and activities. LG can also use RBF to expand the activities of the projects beyond the intervention areas of the projects.

This implies that the financing mode shifts from input to results-based financing. In the districts where A-GRIP is not active, the other projects will continue to collaborate with LG as before.

5. INCLUDE (2024-2028) implemented by SNV.

The project works on livestock development for smallholders. It aims to increase smallholder farmer income and resilient livestock-based livelihoods in Busoga, Rwenzori, Kigezi and greater Ankole.

The project will work through a participatory approach that will be the basis for the development of all interventions and help the farmers to strengthen their resilience, and increase sustainable land use, productivity, and access to markets.

6. <u>Dairy and Horticulture Credit Fund.</u> Uganda Dairy Credit Facility (UDCF) for low-cost investments at smallholder farms (PCP 2022-2030)

The project will enhance the access to finance for smallholder farmers (SHF) and Micro Small and Medium Enterprises (MSME) in the dairy and horticulture sector. PCP, the

implementer, will provide finance to SACCOs for lending to those target groups. The projects TIDE and HortiMap will provide technical support to the SACCOs to develop credit products, and support SHF and MSME to make efficient use of the available credit.

7. Farmers' Organisations for Rural Transformation (FORT): (2024 - 2029) and is implemented by Agriterra

FORT strives for the transformation of rural areas whereby a variety of organised farmers and their households are expected to increase their resilience to shocks through the strengthening of their farmers' organisations (FOs). Its strategy is to support the development of farmer-led centres of service delivery, focused on production, finance, and marketing services, upon a governance framework of enhanced internal and external agency and institutional strengthening of formal and informal FOs. These FOs will have a variety of sizes, ranging from informal groups to primary cooperatives, Area Cooperative Enterprises and the Apex organisation. In addition to producers' organisations, FORT intends to strengthen the functioning of rural SACCOs to better serve the needs of rural households while reinforcing their savings and credit portfolios and the foundations of governance and financial management.

8. <u>CBI - oil seeds programme (OILseeds Uganda - Organic and Inclusive</u> Linkages | CBI) (2023 to 2028)

The project Oil Seeds Uganda – promoting Organic and Inclusive Linkages within the oilseeds sector in Uganda aims to contribute to a socially, environmentally and economically sustainable organic oilseeds sector in Uganda. The goal is fair value distribution and opportunities for all stakeholders. The project also aims to create a more inclusive oilseeds sector for farmer households. This should result in increased income and a fair and transparent connection to the market.

To achieve these goals, the project will focus on 3 areas:

- 1. Improved vertical integration
 - Improving linkages between smallholders and other market actors;
 - Promoting a more inclusive and transparent value chain; and
 - Ensuring smallholders benefit more from the production of organic oilseeds.
- 2. Promoting organic (oilseed) agriculture
 - Promoting the adoption of organic agricultural practices;
 - Ensuring produce meets organic market requirements; and
 - Linking organic market actors and service providers.
- 3. More effective and adequate service delivery
 - Developing market-driven services that suit the needs of actors in the organic oilseeds sector.

9. <u>Connecting Youth to Gainful employment - Y-CONNECT (2024 -2026) and</u> is implemented by AVSI:

The project focuses on providing vocational skills to in and out of school youth in the Nakivale refugee settlement with the aim of helping beneficiaries to start small businesses, access finance, and link them to potential markets. This will in turn increase employment of the youths and indirectly contribute to economic development of Uganda. It targets refugees and host communities with supported access to finance. The project will link over 1000 refugees and host communities with blended financing options including: self-financing through VSLAs and SACCOs, linking beneficiaries to other access financial programs, supported by the embassy (EMATA and PCP), and providing small grants as start-up capital for small enterprises. It will reach refugees and host communities with education and entrepreneurship, and employment with dignity to strengthen self-reliance of beneficiaries. It targets to reach 1400 refugees and host

communities with vocational skills training in agribusiness targeting both in school and out of school youths in Nakivale refugee settlement.

Government of Uganda

The Uganda Vision 2040 aspires to transform the agriculture sector from subsistence farming to commercial agriculture and make agriculture profitable, competitive and sustainable to provide food and income security to all the people of Uganda and create employment opportunities along the entire commodity value chains. The vision 2040 further recognizes the need for investment in agriculture to increase the availability of quality seed as an essential condition for increasing agricultural productivity. The National Development Plan (NDP IV 2025/26–2029/30), seed policy, seed act/law and plant and seed regulations are important documents that will guide the design and development of this project.

The NDP IV recognizes quality seeds as essential raw materials to drive the value-addition agenda. They provide opportunities to increase production, food & nutritional security, employment, household incomes, and stimulates rural development. Interventions to support production, multiplication, and distribution of quality seed and inputs are mentioned as priority interventions for increasing production and productivity in agriculture.

7. Provisional Components and Activities

Provisionally, this call for proposals outlines four major components and areas of output. Activities should be designed to support these components, their outputs, and ultimately their contribution to the expected outcomes and goal of the project.

Component 1: National Seed Road Map

This component will be implemented alongside the other three components. The results may lead to adaptations of the other 3 components.

To design relevant and effective interventions and adapt the project in a way that is systemic, holistic, and integrated in responding to the changing needs of the seed sector, an assessment of the seed sector's performance is required. The seed sector assessment should extend across all seed systems, seed value chains, crops, and market segments they serve, and assess the current state, trends, drivers, and performance of constituent activities and functions in the market- (production, value addition and distribution, service provision, and utilization) and governance- (stakeholder organization, regulation, coordination, and funding) domains of the seed sector and in its contribution to food system outcomes (food security, nutrition, and both socio-economic and environmental outcomes). The multi-faceted seed sector assessment should be complemented by active and inclusive participation and ownership of multiple stakeholders in a road map for seed sector development in Uganda. The road map should capture their respective interests and indicate divergent and/or conflicting interests and non-consensus. Strategies developed in the road map could lead, where relevant to adaptations of the project work plans for the three other components project (below). Such flexibility in the design and management of the project is encouraged and permitted. The road map as such will not be implemented by the project.

Farmer-Managed Seed Systems

LSB and QDS are proven interventions in farmer-managed seed systems that need scaling.

Some of the results areas of this component could be:

- a) Technical development (including basic seed production) of QDS production for 10 major crops: potato, beans, sweet potato, sorghum, peanuts, cassava, simsim, and others (selected through a participatory process (PIP).
- b) The quality and reliability QDS certification process strengthened.
- c) Availability of basic genetic material for QDS production improved
- d) Strengthen the role of PS actors (next to NARO) to produce basic/foundation material for QDS seed production at farmer level.
- e) Strengthened and expanded Local seed businesses/networks that produce quality and quantity QDS affordable for farmers.
- f) Improved extension services and the role of LG in the certification process.

Further, new and innovative solutions to problems in farmer seed producers' access to improved genetics and production, storage, and dissemination of quality seed will be developed, piloted and tested. Through a participatory process 10 crops were identified as important in farmer-managed seed systems, amongst others: sorghum; beans; groundnut; sesame; cassava; potato and sweet potato. These need to be given attention in activities building the capacities of farmers, local traders, and supporting institutions in PGR conservation, management, and use, foundation seed supply, LSB, QDS, seed post-harvest loss reduction, seed marketing and last-mile distribution, and seed use. New and innovative partnerships between stakeholders should be explored to overcome more systemic challenges in improving the performance of farmer-managed seed systems.

Seed Commercialization

The introduction of varieties adapted to Uganda and the increase of the use of commercial seed will be promoted by the project with the objective to improve the availability, affordability and uptake of commercial seeds, like horticultural seeds, grains (maize and rice), potato, sunflower and soya through increased performance of the commercial seed sector. The following result areas may be considered:

- 1. Introduction of climate resistant varieties.
- 2. Development of outlet market systems, including to remote areas.
- 3. Implement and develop demonstrations and access to insurance.
- 4. Increased quality, diversity and affordability of quality seed, leading to increased utilization by SHF.
- 5. Combat poor quality of seed (counterfeits) in the market.
- 6. Stimulate seed companies to engage LSB for the last mile production of seed to enhance availability, affordability and uptake at village level.
- 7. Stimulate seed companies to find ways to share foundation material for LSBs for non-hybrid crops.

A number of strategies and activities will be developed and supported by the project. One approach will be building partnerships between local and international (Dutch) seed companies and their distributors, NGOs, and foundations. These will be important to work pre-/competitively on the improved uptake of quality seed, including vegetables and tubers.

Partnerships may collaborate on:

- precompetitive trials for exploring new markets; breeders test/screen new varieties for local adaptability and market suitability in-country.
- Second are competitive demos; in these cases, companies already have products in the market and want to increase their share. Widespread demos, field days, and farmer training are employed to popularize released varieties and the uptake of sustainable agricultural practices, while expanding retail networks.

Other activities that contribute to sector-wide developments; engage in a range of interventions, in addition to the above, including dialogue on new policies, piloting reforms to procedures of import, quarantine, variety release and protection, and seed

certification, intern-/traineeships, transferring knowledge and skills to local entrepreneurs like seedling or young plant raisers, and improving labor conditions. The proposal will elaborate what the role of the project will be and how it will collaborate with NL and UG private sector actors and knowledge institutions.

Furthermore, partnerships with large off-takers in commodity value chains can be explored to create more draw for quality seed of improved varieties. Variety trials, contractual foundation and commercial seed production, value chain finance, and other activities integrating seed producers into commodity value chains should be explored to this end.

Enabling Environment

Enabling policies need to be developed and implemented. Mapping the policy and non-policy constraints in seed sector governance during the seed sector assessment and road map should give directions for interventions here. Certainly, institutions in the enabling environment need capacity building and innovations in seed regulatory service provision are called for. The problem statements for both components 2 and 3; farmer-managed seed systems and seed commercialization respectively, point out the need for such interventions (e.g., official procedures of QDS-producer registration and submission of requests and more rapid release of imported varieties). Further, multi-stakeholder dialogue, information sharing, coordination, and collaboration are needed. It is important that the complementarity of public and private stakeholders is acknowledged and enhanced through these efforts to avoid duplication, confusion, and competition of efforts. And lastly, digitalization of regulatory service provision and seed tracking and tracing have been cited as specific opportunities of improvement in the transparency and accountability of service provision. A more enabling environment and business climate for the seed sector should also foster increased levels of investment in R&D.

8. Sustainability

When the project ends specific activities, it must do so responsibly, making use of lessons learned. Partners will ensure that a clear exit strategy is built into each new project.

9. SeedNL

SeedNL is the partnership organization of the Netherlands Ministry of Foreign Affairs (BuZa); Ministry of Agriculture, Fisheries, Food Security, and Nature (LVVN); and private sector, represented by the trade association for plant propagation materials (Plantum) and Netherlands Potato Organization (NAO). The goal of SeedNL is to strengthen cooperation at the crossroads of aid and trade in the seed sector, involving government, businesses, civil society organizations, and knowledge institutes in making high-quality seed available to farmers worldwide. Services that SeedNL delivers are:

- Promoting and sharing knowledge and experiences of the Dutch Diamond, or partners in government, industry, civil society, and knowledge institutes
- Supporting the development of new and innovative partnerships in the seed sector in partner countries of the Netherlands
- Increasing visibility and impact of public contributions and private investments in the seed sectors of partner countries

SeedNL is expected to support the selected implementing organisation in the above mentioned services. It will therefore support EKN in the advisory capacity in relation to the implementation of the project. Further, SeedNL is willing and capable of liaising with

Dutch private sector and knowledge institutions in securing its engagement in the project.

10. Effect-Based Management

From the start, partners must seek to ensure that the project results can be measured and evaluated. When objectives are clear, it becomes possible to evaluate whether policy is useful, efficient and effective and make mid-course adjustments where necessary. Achieving development results is a long-term undertaking that comes with risks. Partners should weigh these risks carefully.

Effect-based management should be data-driven, with an emphasis on activities that have demonstrated their effectiveness. Learning from evaluations and using what has been learned during the seed sector assessment and dialogue on a vision and road map for the seed sector, the project should be adjusted responsively and phased out responsibly.

11. Guiding principles

- Recognize the relevance of both formal and informal seed systems and facilitate
 interaction of both systems through different components of the seed chain (e.g.
 availability of foundation and early generation seed, seed
 production/multiplication and management practices, inspections etc.). Each
 system has its own strengths and limitations.
- Access to quality and affordable seed for SHF is an indication of the performance of the seed sector and indicates that larger farmers have access.
- The project will be based on the experience of, amongst others, the ISSD and Hortimap projects.
- Recognize and support the complementary roles of the public and private sector (combining food security and profit maximization objectives)
- For sustainability, it is essential that private sector invests directly in the development of their business and market chain.
- Explore opportunities for enhancing financial access/availability to the target participants (SHFs) to increase their investment in the uptake of quality seed .
- The project will build synergies with the NL-funded food security projects in Uganda, amongst others in Kigezi, Rwenzori, Busoga, Lango and Elgon regions.
- The project will work closely with MAAIF/NARO, seed sector institutions and private sector (including Dutch private sector).
- Enhance and support seed entrepreneurship through local seed businesses (i.e. making a business out of seed production and distribution and/or related seed services). Local seed businesses need to be viable and operate at a profit.
- Investment in building and equipping new laboratories for seed quality inspection and testing services will be limited. However, where capital expenditure can be leveraged and a financially viable model of private or social enterprise (i.e., non-profit) can be presented, complementary investment may be considered if it will strategically benefit the development of the broader sector.

Selection procedure:

The selection of the successful applicant will be done in two stages, during stage 1 the proposals will be assessed on the threshold criteria. The submissions that pass the threshold criteria will then be assessed on the full content.

Stage 1 - Threshold criteria check and organizational capacity.

Applications received on time will first be assessed for compliance with the threshold criteria (1A) set out in section 12.1 and organizational capacity assessment (1B) set out in 12.2

The threshold check comprises criteria which an application must in any case meet to be eligible for a contribution/grant. Applications that do not meet all the threshold criteria will be rejected. Applications that meet all the threshold criteria will go on to stage 1b of the selection process.

For the organizational capacity assessment applications need to score at least 35 out of 50 points. If the assessment is lower, the application will be rejected.

Decision on threshold criteria and organizational assessment:

The decision on the assessment of the threshold criteria and organizational assessment is at the discretion and responsibility of the EKN. Decisions of EKN are final and binding and not open for appeal. Applicants will be informed in writing if the threshold criteria are not passed, or the organizational assessment is below the threshold of 35 points.

Stage 2 – Qualitative assessment of the full project proposal

In stage 2, the quality of the full proposals submitted on time and that have passed the threshold and organizational criteria, will be assessed based on the qualitative criteria set out in section 12.3. To be eligible an applicant must score at least 70% on the qualitative check of the project proposal. The application with the highest score will be awarded the contribution/grant.

The **full proposal** will be **maximal 30 pages** (excluding annexes). The main document will be stand-alone document that will allow assessment of the full proposal as specified under 12.3. Annexes will only be considered for information and will not be considered in the assessment process.

12.1 Threshold criteria check (Stage 1A).

Threshold criteria need to be met. If not, the full project proposal will not be considered. The following **threshold criteria** are applied:

- a. The proposal is submitted before the deadline and the full proposal is not more than 30 pages (excluding annexes).
- b. The lead partner has proven experience in the management of single-projects of USD 10 million or more in which the lead partner is the lead (or contract) party. The following information is required: name of the project, thematic area, main results, total budget (including currency) and the contact details of the contact person of the donor organization.
- c. The current lead partner's total annual in-country budget is more than 50% of the value of the project proposal per year. Annual financial statements of 2020, 2021 and 2022 to be submitted.

- d. The lead partner has submitted the following documents:
 - a. Annual financial statements for the last three years (2022, 2023 and 2024)
 - b. Organizational chart
 - c. Audit reports and management letters of the last three years
 - d. Registration certificate in Uganda
 - e. Corruption/fraud/SEAH policy
- e. The lead partner has proven experience with the implementation of **seed sector development projects in one country** at a comparable scale in terms of finance. Details of projects need to be submitted and include at least: the duration, the budget (including currency), the lead donor, the objectives, the strategy, and the planned/achieved results.
- f. The lead partner has proven experience with the implementation of agricultural development projects targeting smallholder farmers in two countries as well as collaboration with private sector actors and market development at a comparable scale in terms of finance. Details of projects need to be submitted and include at least: duration, budget (including currency), donor, objectives, strategy, and planned/achieved results.
- g. The applicant will declare that:
 - a. The TL will be in charge of project operations and supervise ALL project staff (including from other contract/consortium partners).
 - b. The allocated budgets to the partners are indicative and can be changed when deemed necessary by the lead (after consultation with EKN) or EKN.
 - c. The composition of partners may change when deemed necessary by EKN or the lead in consultation with EKN.
- h. Applicant will declare that the project will be implemented by the applicant itself (with partners if applicable) and that it will not simply act as an intermediary channel to provide financing to other implementing parties or subcontract those to execute most of the work. At least 50% of the activity budget should be implemented directly by the project staff of the applicant and eventual consortium partners.
- i. EKN has no objection/no preference for consortia. If the application is submitted by a lead party on behalf of a consortium, the application must include a partnership agreement signed on behalf of all consortium partners (the lead party and all co-applicants), which has been concluded with a view to implementing the activities for which a contribution/grant is requested, in any case laying down undertakings on:
 - i. how each of the consortium partners will contribute to the consortium's activities;
 - ii. how decisions are made within the consortium;
 - how costs and risks will be shared among the consortium members;
 - iv. how the consortium members will ensure that the lead party fulfils the obligations towards EKN in respect of the contribution/grant, including responsibility for the joint aggregated reports (including IATI-compliant reports);
 - v. how the consortium members will keep each other informed, in particular concerning their financial health;
 - vi. how the partnership can be adapted; both in composition and in budget allocation to the different partners.

vii. the role of each of the consortium members in monitoring and evaluating progress in the activities for which a contribution/grant has been received.

EKN will not accept a consortium in which activities and budgets are divided between the partners without a clause that these allocations are preliminary and can be amended at any time during the project implementation if requested by EKN or judged necessary by the consortium lead and approved by EKN. This clause needs to be explicitly mentioned in the partnership agreement, the CN and the FP.

- j. Applicants (and possible consortium members) should declare having a preemployments scanning (including on SEAH) in place; The applicant (and possible consortium members) should declare to include this specific requirement in the possible contract with the subcontractors.
- k. The applicant is a non-government or consultancy firm. International research institutes are not eligible.
- Applicants should have an office in Uganda for at least 3 years. Scanned copy of the organization's registration certificate should be included in the submission package.

12.2 Qualitative criteria concerning the organization/track record (stage 1B).

Stage 1.B of the selection procedure comprises qualitative checks of the organization/track record based on the criteria set out in this section. Applications must score at least 35 points at stage 1.B.

<u>Organizational and track record check: qualitative criteria concerning the organization</u> and the applicant's/consortium's track record (50 points)

The criteria below are used to assess the quality of the applicant's/consortium's organization and track record.

(In demonstrating the experience, the applicant or all the consortium partners together may also refer to experience gained by members of their staff, who are proposed for a position in the project, in a previous job with another organization.)

1. Experience (32 points).

In case of a single partner (with subcontractors):

The extent to which the applicant has successful and relevant experience, in at least two countries, with carrying out projects at scale:

- a. Smallholder farmer agricultural development (5)
- b. Market access for SHF (4)
- c. Access to quality seed for SHF (5)
- d. Addressing climate shocks (4)
- e. Work with participatory planning approaches.(4)
- f. Building and facilitating partnerships between government, private sector and farmer organizations. (5)
- g. Stimulate companies to invest in order to reach remote and smallholder farmers (5)

Details of projects need to be submitted and include at least: duration, budget, donor, objectives, strategy and approach, and results achieved for each sub section.

In case of consortium:

The extent to which the consortium partners have successful and relevant experience, in at least two countries, with carrying out projects at scale:

- a. Smallholder farmer agricultural development. (4 points)
- b. Market access for SHF.(4)
- c. Access to quality seed for SHF (4)
- d. Addressing climate shocks (4)
- e. Work with participatory planning approaches. (4)
- f. Building and facilitating partnerships between government, private sector and farmer organizations. (4)
- g. Stimulate companies to invest to reach remote and smallholder farmers (4)
- h. Relevant experience of the consortia members to work in a consortium and achieve expected results. (4)

Details of projects need to be submitted and include at least: duration, budget, donor, objectives, strategy and approach, and results achieved for each sub section.

2. Collaboration (18 points).

The extent to which the applicant/consortium has experience working in collaborating with local/regional organizations, including (inter)governmental organizations, knowledge institutions, private sector parties and farmer organizations in the countries where the referred activities have been implemented. Details of projects need to be submitted and include at least: duration, budget, donor, approach of collaboration and the results achieved of the collaboration per type of organization.

12.3 Stage 2: Assessment of Full Proposal (FP)

Stage 2 is comprised of the qualitative assessment of the full proposals that have past stage 1. To be eligible for funding the applicant must attain at least 75% of the maximum score. The draft evaluation criteria for the full proposal (FP) are presented below, the final criteria may be slightly amended at the discretion of the embassy.

Selection and decision

EKN will select the full proposal that best meets the requirements. Decisions of EKN are final and binding and not open for appeal. Applicants will be informed in writing on the outcome of the selection. After the selection a discussion with the selected applicant will start to discuss potential weak areas of the proposal and to investigate if a successful project can be implemented. A refinement of the proposal may be part of this process. After this stage the selected best applicant will be requested to finalize its proposal based on indications by the Embassy.

Evaluation criteria for the Full Proposal (FP) (total 100 points)

- 1. Understanding of the call and the context (9):
 - a. Understanding of the call.
 - b. Description of the present condition of the different components of the seed sector (such as; policy, regulation, business, QDS, commercial seed, etc.)
 - c. Description of the challenges and opportunities.
- 2. Theory of Change and summary of the result framework (10).
- 3. Description of the components of the project and their linkages (15).
 - a. Strategy and approach of the project.
 - b. Description on how the project strategies and activities will enhance the availability, affordability and quality of seed for SHF.
 - c. Describe how the use of quality seed will reduce the vulnerability of SHF to climate stress and market imperfections.

- d. Realistic estimation of the number of direct beneficiaries (specified by gender) that the project will reach, for the different components.
- e. Feasibility of the project, to reach the expected outcomes and impacts.
- f. Realism of the expected contribution/participation of private sector actors (NL, international and Ugandan) in the implementation of the project, its strategies and activities.
- g. Realism, relevance and quality of the gender and inclusion strategy and its implementation.
- h. Collaboration with current existing projects (financed by The Netherlands)
- 4. Main approach and interventions (20). The below areas of attention should be reflected and elaborated in the FP:
 - a. The translation of the different outcomes, results and major components into a comprehensive and efficient project design, strategy and main interventions.
 - I. Detailed analysis of the seed sector and the challenges and opportunities to address the need for quality and quantity seed by Ugandan farmers.
 - II. Detailed description on the strategies and intervention to enhance the enabling environment.
 - III. Approach to address climate change challenges by the seed sector.
 - IV. Strategies and interventions to reach sustainable scale and quality in the production and use of QDS by SHF.
 - V. Strategies and interventions to improve the functioning of the commercial seed sector, with emphasis of enhancing availability, affordability and quality of seeds adapted to Uganda and the challenging environmental aspects.
 - VI. Approach and activities to strengthen functioning of, and access to (local) seed markets for SHF.
 - VII. Strategy and approach to attract investment of (inter)national commercial seed sector companies in the implementation of the project and the seed sector.
 - VIII. Strategies, approach, and activities to involve, collaborate and partner with different actors: smallholders, entrepreneurial farmers, farmer organizations, government, NGOs and businesses.
 - IX. Financing modalities of innovations and others, and the relation to credit facilities.
 - Including an access to finance strategy.
- 5. Sustainability; the proposal should make clear how sustainability will be built in from the start of the project. (4)
- 6. Risks: both internal and external main risks will be described, their probability and potential impact on the project and its mitigation measures. (4)
- 7. Budget (6). Showing the major budget categories major budget and details on staff cost composition. Maximum allocation for personnel costs (including sub-contracted and consultancies) is 35% of the total budget. The project team should be capable to manage the project, therefore no major costs for support by general office staff can be budgeted. Maximum overhead allocation is 12%. Minimum budget for activities is 50%.
 - The budget should be presented in a table showing the main budget lines per calendar year.
- 8. Description of activities, planning and results of the inception period (6).
- 9. Argumentation on how the project will achieve scale and sustainability (4).
- 10. Organization (contract organization and partners) (7):

- a. One organization will be contracted. This organization may sub-contract to other organizations or form a consortium. The description of the capacities of the implementing organization and possible sub-contracted parties in relation to the described project should highlight their complementarity and the comprehensive coverage of all relevant areas described within the project outline (chapter II).
- b. Relevant experience of the lead/consortium partners organization with the key components of the project.
- Evidence of the organization's capacity and flexibility to field a well-performing team and to adapt the team when necessary.
 The assessment of the organizational and management capacity after 1,5
 - years of implementation will be included in the proposal.
- d. Elaboration of the relationship with sub-contracted local organizations, clarifying the way of working, the way the local organizations overall capacity will be build, and the overhead allocations.
- e. Set up of the organization:
 - i. Division of tasks.
 - ii. Staffing for the different components.
 - iii. Job description of principal staff
 - iv. Division of roles between the partners.
 - v. Set up of project structure and organization to ensure proper coordination and synergy between the components.
 - vi. Geographical organization of the team.
- f. It is required to show how flexibility will be assured. Shift in, for example, priorities or strategies need to be accommodated, even if budget reallocations are required between the partners.
- g. Partnership agreement or MoU between partners that stipulate that division of activities and budgets between the partners are preliminary and can be amended at any time during the project implementation if requested by EKN or judged necessary by the consortium lead and approved by EKN.
- h. The document should clearly indicate measures in case of under/non-performance of a partner.
- i. The proposal outlines how the contract party will include local organizations as subcontractors in the implementation of the project and how their capacity will be strengthened.
- 11. Adequate quality of the project team regarding (15):
 - a. Composition of the team: the proposed functions in the team cover the different subject areas of the project.
 - b. The TL will have at least 10 year relevant <u>international</u> experience and be able to steer the different components. (CV to be included).
 - c. An experienced professional (at least 8 years relevant experience) will head each main component (cv for one component lead to be included).

As the quality of the team is essential for the success of a project, the EKN may reject the proposed candidates at its discretion.

And any other relevant matter, please use the outline and components presented as your reference.

Full Proposal document:

Develop the proposal in a way that allows easy reference and assessment of to the above-mentioned criteria.

The full proposal will have at least the following chapters:

- a. Understanding of the call
- b. Context analysis and problem statement
- c. Theory of change, and results framework
- d. Target groups description

- e. Strategy and approach
- f. Project components: strategies, activities and implementation
- g. Cross-cutting themes
- h. Inception phase
- i. Organization and management
- j. Monitoring evaluation and learning
- k. Risks and mitigation
- I. Budget

Annexes:

- CV of proposed TL
- CV lead of one of the components

Any other chapter that the applicant considers important to assess the proposal on the outline of the project and evaluation criteria.

V. Indicative timeline

Full proposal	
Submission of full proposal	22 August 2025 at 20:00 Ugandan time.
Decision on full proposals submitted on	No later than 15 September 2025
time	
Discussion with selected applicant	15- 19 September 2025
Submit revised proposal	10 October 2025
Contract and start of activity	One month after final approval of the full
	proposal

Annexes

- 1. Results frameworks Food and Nutrition security
- 2. Results frameworks for Private Sector Development,
- 3. Multi-Annual Country Strategy (MACS) of EKN-KAM,
- 4. Motion for an Integrated Seed sector Development by the Dutch House of Representatives (in Dutch)