



Sweetpotato for Profit and Health Initiative (SPHI)
Sweetpotato Seed System and crop management Community of Practice (SSS-CoP)
Summary of online Discussion

TOPIC 12: Strengthening public-private partnerships for enhanced vine marketing
Lead discussant: Dr. Sammy Agili, Senior Research Associate, International Potato Center (CIP)

The first SSS-CoP online discussion in 2017 and the 12th overall was held in March 2017. The discussion was led by Dr. Sammy Agili (CIP) and it focused on how to strengthen public-private partnerships (PPPs) for enhanced vine marketing. The topic attracted fourteen respondents who contributed 18 times (Table 1). For the first time, there was a contribution from the Caribbean increasing the number of regions reached.

Table 1: Summary of the respondents of the 12th SSS-CoP online discussion

Duration	No. of contributions	No. of unique respondents	No. and type of institutions	Number of countries
7/3/2017 – 3/4/2017	18	14 (12 males and 2 females)	NARIs: 1 CIP: 9 Private sector: 2 University: 1 NGO: 1	10 (Barbados, Ethiopia, Ghana, Kenya, Mozambique, Rwanda, Switzerland, Tanzania, Uganda and USA.)

There was a consensus that PPPs have a role to play towards establishing reliable seed systems for sweetpotato. However, since majority of farmers are not used to buying vines it might take a while to establish a fully commercial system therefore limiting participation of the private sector. A better vine market is important towards establishing a sustainable seed system. Public and private sector have different comparative advantages which if harnessed synergistically can lead to better strategies for production and commercialization of quality seed for sweetpotato. The two sectors are complementary creating enormous results when they work in synergy. For instance, the public sector has an upper hand in developing improved sweetpotato varieties and virus cleaning whereas the private sector is better placed in bulking up planting material through tissue culture and setting up satellite nurseries in various locations. However, public-private partnerships (PPPs) do not always work due to conflicting interests. The private sector is largely motivated by profits hence adhere to basic business principles that will enable them sustain their businesses and continue making high returns. On the other hand, the public sector mostly focuses on non-profit public good research. Understanding the strengths and weaknesses of the two sectors will enable building of strong and efficient relationships that can be an effective vehicle in production and delivery of quality sweetpotato planting material to farmers. Through the discussion, the SSS-CoP members

shared suggestions on how to improve public-private partnerships for enhanced marketing of quality sweetpotato planting material. The following are the key approaches proposed:

- a) **Improving root markets to create a demand pull.** The gross margin of sweetpotato may not be significantly higher than that of the competing staples especially in the absence of a structured market. A robust market for roots can therefore be a key driver for seed purchase. Investments that would enhance private sector participation in processing, storage, transportation as well as consumer messaging and education would create the necessary pull for increased quality services including quality planting material.
- b) **Starting with decentralized seed multipliers and strengthening their capacities along the way.** Private companies especially startups are largely profit driven and may not invest easily in sweetpotato seed chain if the market cannot be predicted to a certain degree of confidence and will be eroded by home saved seed. Vegetatively multiplied crops are different from hybrids as farmers are not dependent on seed suppliers for planting material. Therefore, the specialized private seed companies may not be very much interested in breeding and multiplying this kind of crops. However, the Irish potato sector shows that this is not always the case. Irish potato seed is also vegetatively multiplied and farmers can reproduce their own seed. Nevertheless, there is a huge and very profitable global seed industry. The heartland of this industry is the Netherlands. The country has fostered participatory plant-breeding whereby farmers actively select for better potato varieties, either as individuals or in liaison with private sectors. Some of the middle-sized potato seed companies were originally farmer-breeders that evolved over time and scaled-up their breeding and selection activities. This is an important point for sweetpotato seed systems given the nascent nature of the sector with a few enterprising farmer-multipliers.
- c) **Demonstrating to farmers why they should renew seed regularly.** They may be comfortable with their current yield levels especially when the price of fresh roots is not attractive enough to encourage further investment in yield enhancing technologies.
- d) **Understanding the different interests of the three key actors in the seed system: The private sector, public institutions and farmers.** The private sector is driven by profit and will breed and multiply crops that can be sold easily. It will also want property rights established to ensure that it will have a return through royalties and lock out what it considers free riders. Because of its mandate to do research for public good, the public sector must invest in all crops including those that are not commercially attractive but are important for food security. On their part, farmers want cheap planting material that will ensure food and market security.
- e) **Use of intellectual property rights (IPR) tools to stimulate private sector investment in seed dissemination as well as providing a market feedback mechanism and support to public breeding.** For instance, through the facilitation of Syngenta Foundation's *Seeds2B* legal team, the Kenya Agricultural Livestock and Research Organization (KALRO) has a non-exclusive licensing agreement with a private seed company to sell

KALRO- registered Irish potato varieties in Kenya. The success of this partnership represents private delivery of public goods to small-holder farmers who purchase the (certified) seed. North Carolina and California states in the US also have royalty programs like the KALRO one. The North Carolina State University (NCSU) supplies sweetpotato seed to certified seed growers who then disseminate to commercial growers. It is a profitable system for at least 14 seed growers, some of whom are totally vertically integrated, meaning that they produce their own seed for their own farms and supply to their contract growers also. Generally, they produce proprietary varieties such as Covington and the University collects a royalty from the sales of Seed. A portion of the royalties goes back to the breeding programs to sustain the breeding program.

- f) **Reducing or phasing out free vine distribution.** Free vine distribution undermines the efforts of the few private companies in expanding their vines' markets through setting up satellite nurseries and encouraging secondary multipliers to invest in protected nurseries and act as outlets.

- g) **Being clear about strengths, weaknesses, opportunities and threats (SWOT) for both public and private entities.** Have business plans that can guide decision-making on partnerships and investments. These should include strategies for effective communication, plan for execution of joint activities and follow up of the same.

In conclusion, sustainable production of quality planting material for sweetpotato highly depends on its profitability and uptake by the private sector. It might take time for this to be realized given the vegetative nature of the crop and the common habit of free farmer-farmer exchange of material. The free exchange of planting material narrows the market therefore discouraging those who might want to invest in seed production. However, demand for quality planting material for sweetpotato is likely to increase since most countries are at advanced stages of enacting standards for production of quality seed. Successful implementation will likely lead to a reduction in farmer-farmer exchange of vines therefore giving an opportunity for emergence of viable seed enterprises. With increased markets, current farmer-multipliers can expand into medium-scale seed companies. Success of private sweetpotato seed production enterprises will highly depend on the commercial value of the crop. Therefore, a robust root-processing sector is important. Achieving this will depend on private sector investments. In the short-term the following are likely to happen:

- High investment of the public sector in breeding and production of pre-basic seed.
- Emergence of enterprising medium-scale multipliers.
- Continued investment of the private sector in tissue culture multiplication and root processing.

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