



GOVERNMENT POLICIES, SUPPORTS AND REGULATORY MECHANISMS FOR SMOOTH DEVELOPMENT OF SEED INDUSTRY

USAID Feed the Future Bangladesh Policy LINK Agricultural Policy Activity

February 12, 2023

SEED POLICY TIMELINE

Seed Ordinance 1974

Establishment of Seed Certification Agency.

Seed Ordinance 1977

First major seed law.

Seed Rules 1980

Defines functions of the Board, Seed Laboratory, Seed Certification Agency.

National Seed Policy 1993

National Seed Policy provides policy directives to increase production.

Seed Act (Amendment) 1997

Amendments related to structure of Board.

Plant Quarantine Rules 2018

Regulations on import permit of plant, plant products, etc.

Plant Quarantine Act 2011

Provision for establishment of National Plant Quarantine Authority.

Seed Act (Amendment) 2005

Restructuring of National Seed Board; quality control of seeds.

Seed Rules 1998

Rules for implementation of National Seed Policy, 1993.

Seed Act 2018

Repeal and re-enactment of Seed Ordinance 1977.

Plant Varieties Protection Act 2019

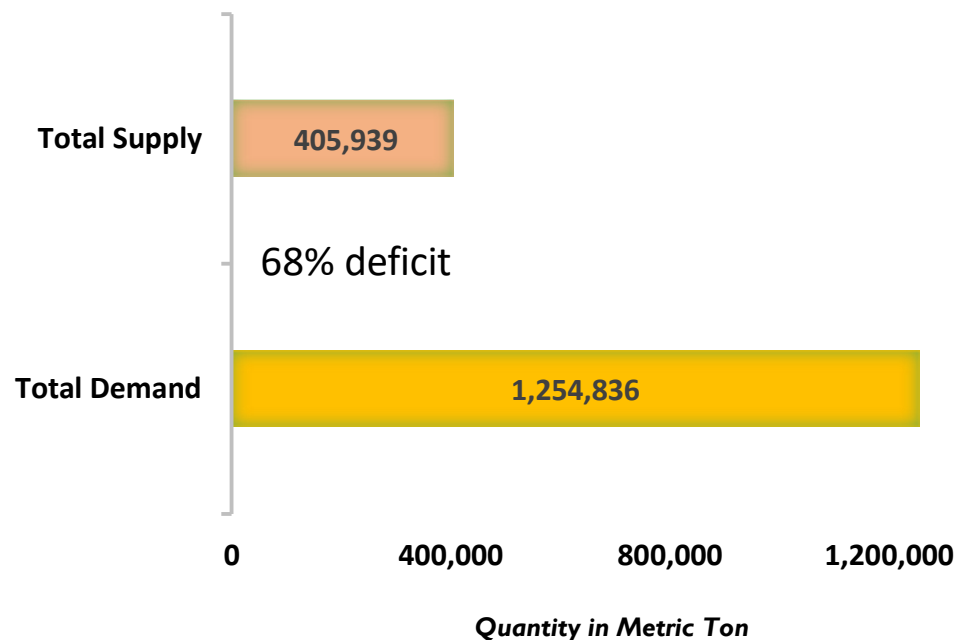
Provisions for establishment of Plant Varieties Protection Authority.

Seed Rules 2020

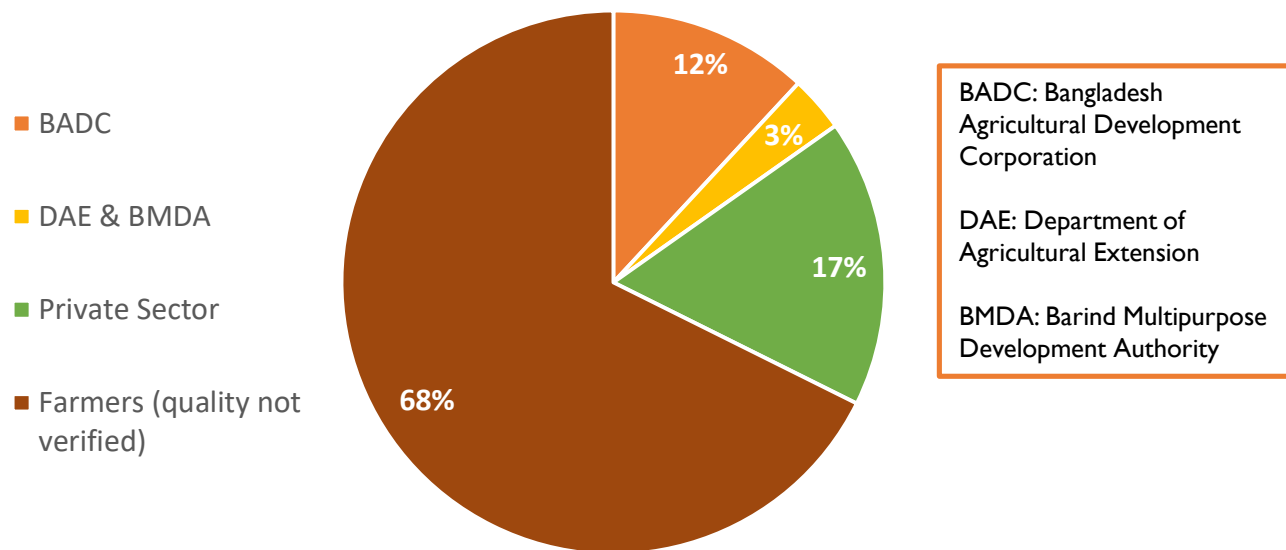
Rules for key stakeholder functions and responsibilities.

SEED LANDSCAPE IN BANGLADESH

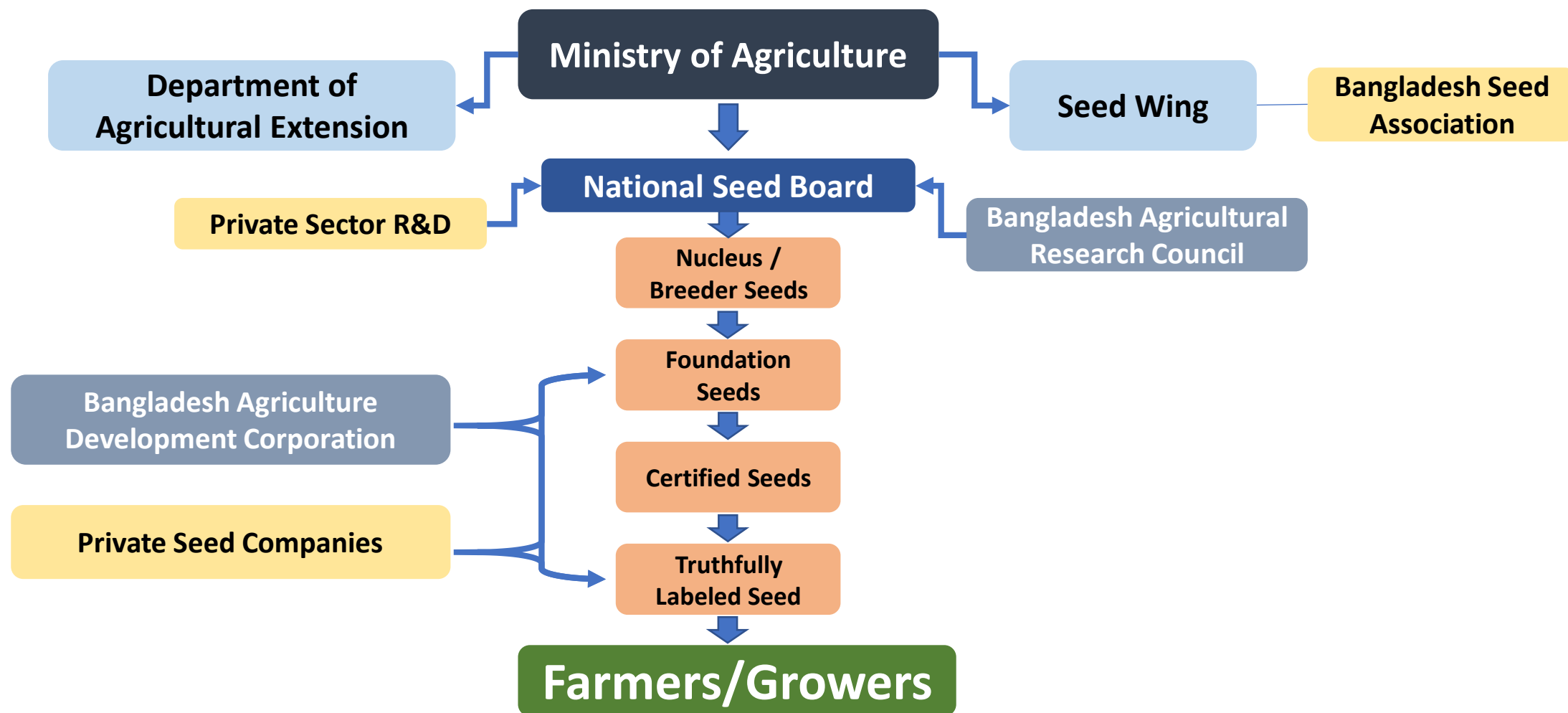
NATIONAL DEMAND VS. SUPPLY OF CROP SEEDS (2021 – 2022)



MAJOR SOURCES OF CROP SEEDS IN BANGLADESH



SEED SYSTEM IN BANGLADESH



PROJECT OVERVIEW & BACKGROUND



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BACKGROUND

Goal

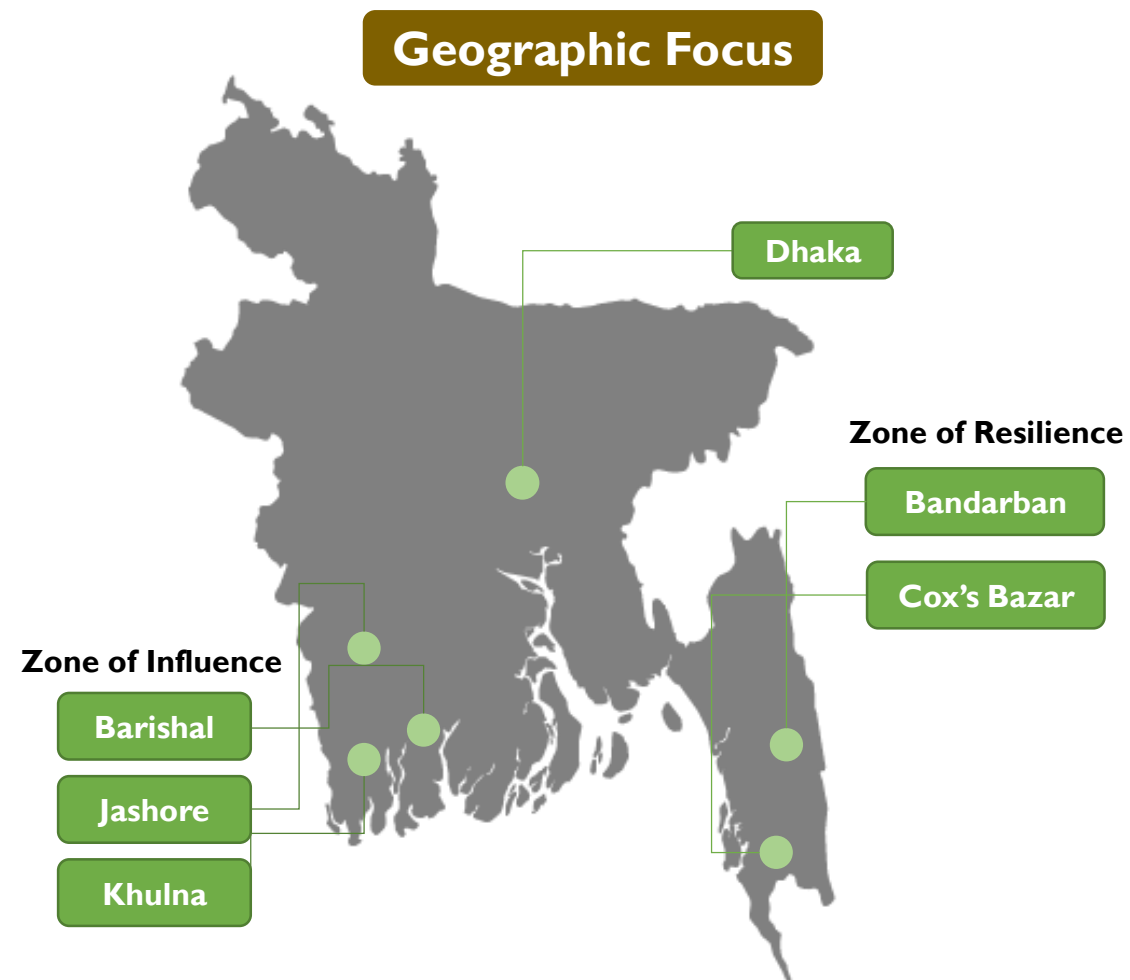
Strengthening capacities of Bangladesh's key agricultural actors & institutions, improving policy environment & cultivating policy-making decision processes to enable inclusive and sustainable agriculture-led economic growth, strengthen resilience among people & systems, & create a well-nourished population, especially women & children.

Objectives*

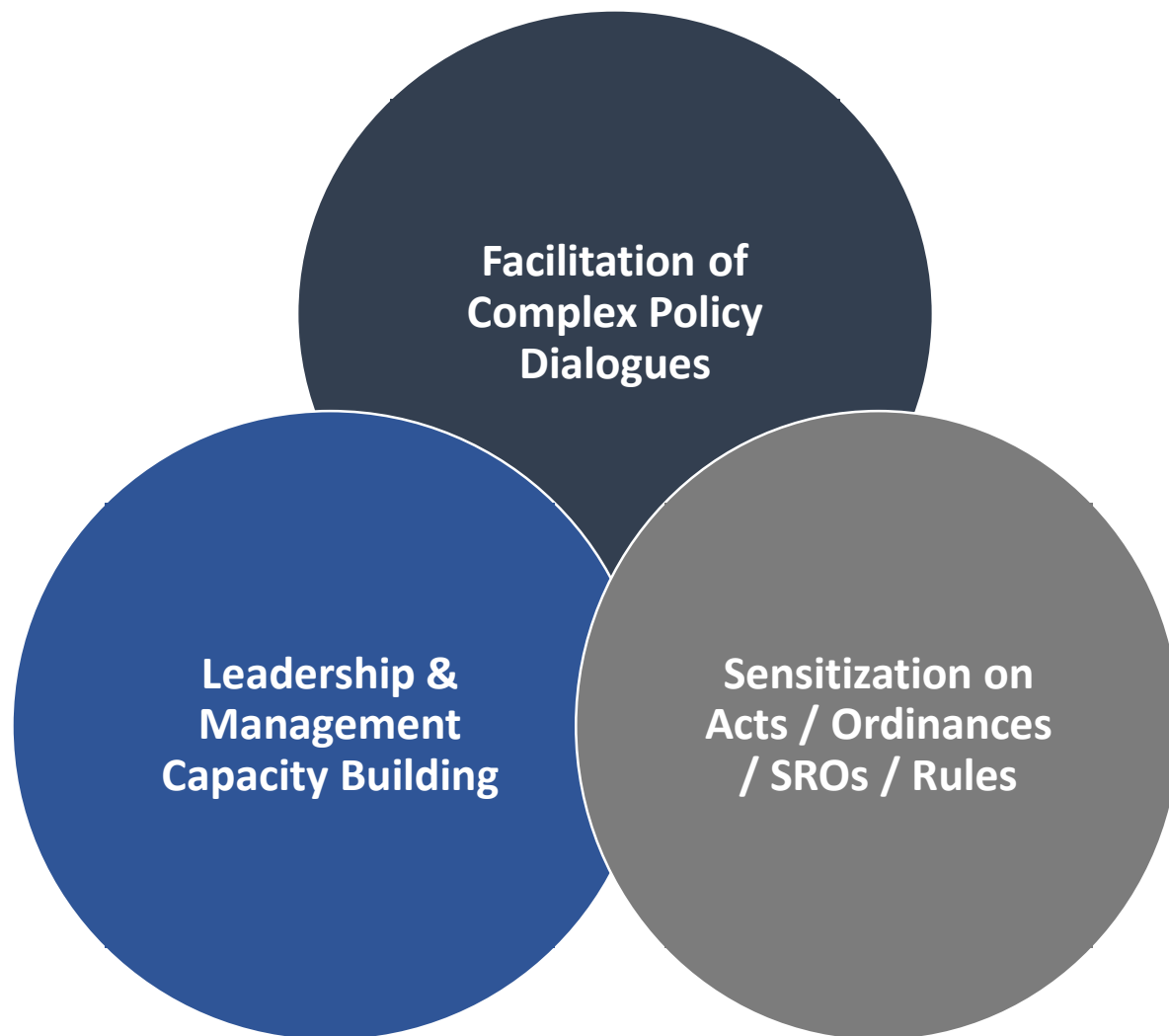
1. Enhancing food security leadership and management capacities.
2. Strengthening communication, coordination, and cooperation among institutions (e.g., research firms, think tanks, and universities) for more effective and accelerated policy implementation.
3. Increasing influence of local actors and communities to affect food security policy and governance decisions.
4. Promoting greater participatory policy learning and knowledge sharing practices at national and sub-national levels.

* These objectives cannot be taken in siloes as they are highly interconnected.

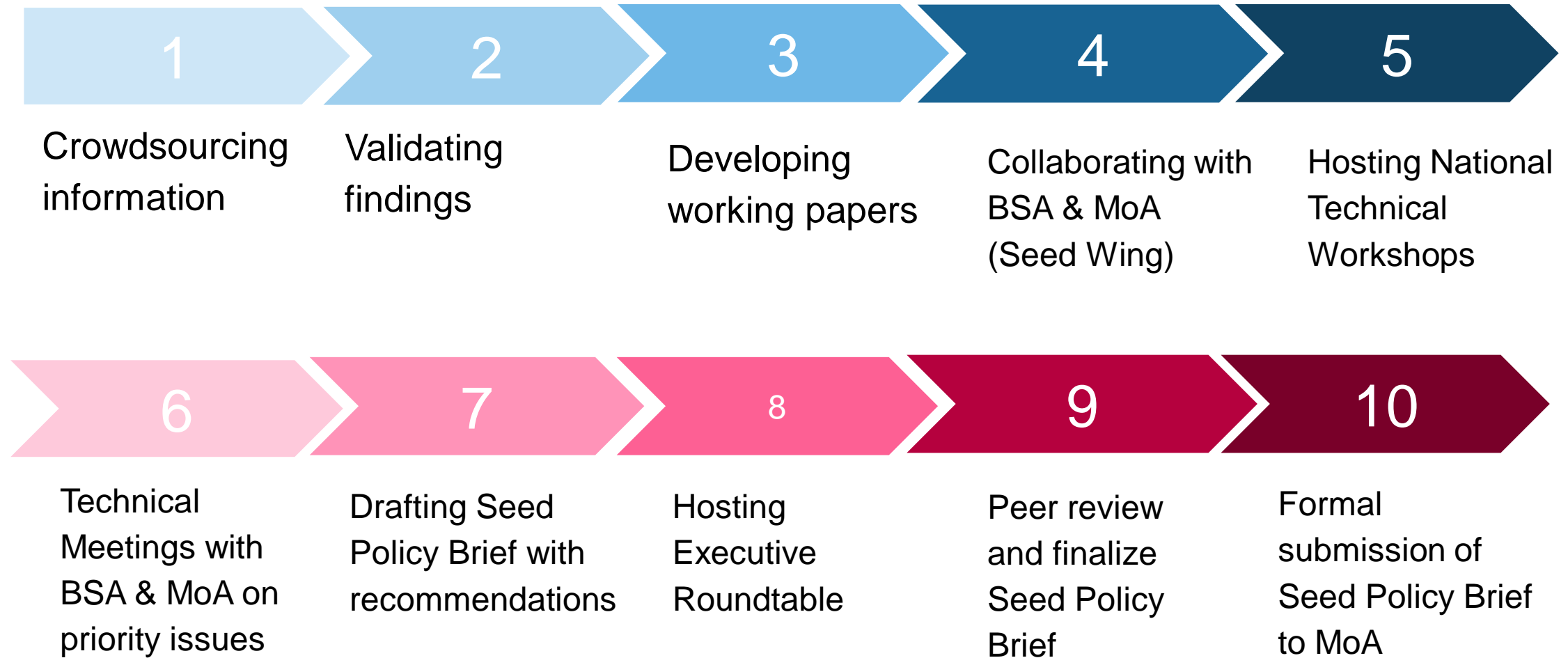
PROJECT OVERVIEW



OUR APPROACH



POLICY INTERVENTION PROCESS



STAKEHOLDER REACH – REGIONAL & NATIONAL

4

Regions

FtF Zone of Influence: Barishal, Khulna & Jashore

FtF Zone of Resilience: Cox's Bazar

145

Key Informant Interviews

74 interviews with regional stakeholders

70 interviews with national stakeholders

16

Consultation Workshops

738 participants

68 institutions

4

Technical Workshops

419 participants

247 institutions



Recommendations from Executive Roundtable



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I. SEED DEALERS' WAITING TIME

Issue: Currently, as per the Government of Bangladesh Seed Rules 2020, Sub-Clause (5) of Clause-11 (Crop Variety Release or Registration), *“A private Seed Dealer will be considered eligible to apply for the release or registration of crop variety 5 (five) years after the receipt of registration as a Seed Dealer.”*

This regulation creates delays, results in high costs and is a barrier to the development of the seed sector.

Recommendation: The MoA, through the Seed Regulatory Reform Committee formed in 2022, is recommended to remove this sub-clause.

2. DUAL LICENSE REQUIREMENT FOR SEED DEALERS

Issue: The Agricultural Marketing Act 2018 imposes additional licensing requirements for the Seed Dealers (companies) under the Sub-Clause (1) of Clause 7: *“The exporter, importer, miller, supplier and processor of agricultural produce and agricultural materials and any person related to contractual cultivation system shall secure a license for conducting functions as such.”*

The dual license requirements for seed companies from (1) the Seed Wing as Seed Dealers, and again from (2) the Department of Agricultural Marketing, under the same Ministry, adds additional charges in seed pricing for the retail market. This discourages engagement of small-scale entrepreneurs in the seed sector.

Recommendation: The dual licensing requirement needs to be reviewed with a provision for a waiver on the licensing requirements with Department of Agricultural Marketing.

3. SEED IMPORT COSTS AND TARIFF

Issue: There remain anomalies in codes within the Customs Tariff (MoF) and Plant Quarantine Rules 2018 (MoA) that can impose additional taxes on some seed. For example, HS Code 1209.91.00 exempts all vegetable seed from taxes – however, several spice seeds such as pepper and coriander are often charged under wrong HS Codes.

Further, when importing seed, the need for certification from Seed Certification Agency of the exporting country is an unnecessary barrier should the exporting country already provide the phytosanitary certificate from their Plant Quarantine Authority.

Recommendation: The existing legislation on seed imports under the Plant Quarantine Rules 2018 (MoA) and customs tariff (MoF) requires review to harmonize and avoid high tariffs on importing planting materials (seeds for sowing) and parental materials/germplasm for research and commercial purposes.

Further, the need for certification from the Seed Certification Agency from the exporting country needs to be reviewed/dropped.

4. SEED CERTIFICATION

Issue: With the limited manpower, infrastructure, and logistics, the Seed Certification Agency is overwhelmed with tasks related to field monitoring, seed testing, seed certification and seed quality control. In 2021, the SCA proposed to the MoA to be a separate department of seed certification rather than an agency. To actualize this issue, legislative reformation, and organizational restructuring with appropriate allocation of skilled manpower and logistics facilities is required.

Recommendation: The Executive Roundtable commended the MoA's on-going effort to reform the SCA as a Department of Seed Certification and recommended this be institutionalized at the earliest possible time. In line with this change, there is a need to form a Seed-Sub-Cadre (Seed Certification Officer of Department of Seed Certification) under the BCS Agriculture Cadres who would serve as critical resources in the Government seed certification process.

5. ACCESS TO QUALITY SEEDS

Issue: As per the National Seed Policy 1993, BADC's seed prices should closely reflect actual costs and allowances should be phased out gradually (Sub-Clause 11.2.3 of Clause 11). The National Seed Policy 1993 also mentions that the BADC should ensure a more equitable playing field with the private sector to avoid market distortion (Sub-Clause 11.2.2b of Clause 11).

Recommendations: Private seed companies can be provided with incentives for government prioritized crops and during crisis' (natural disasters). BADC should also gradually phase out of seed production and the provision of providing low-cost seed and consider returning to their original mandate.

6. NATIONAL SEED BOARD MEMBERS

Issue: The 25-member NSB, comprises of 18 members from government and non-government representation is limited to one member each from the Bangladesh Society of Seed Technology, Bangladesh Plant Breeding and Genetics Society, one member from a seed company, one seed specialist and two farmers (The Seeds Act 2018, Sub-Clause 2 of Clause 3). There is a need to diversify the membership to foster growth in the seed sector.

Recommendation: Increase representation of the private-sector and other non-government organizations including academia, and farmers' community on the NSB to allow for diverse expertise to drive more inclusive growth in the seed sector.

7. PLANT QUARANTINE AUTHORITY

Issue: The Plant Quarantine Act 2011, Clause 3, states the need to create a National Plant Quarantine Authority (NPQA) for effective implementation of the Plant Quarantine Act 2011 and the Plant Quarantine Rules 2018. Although a PQW was formed in 2014 under the DAE, the NPQA has not been formed yet.

Recommendation: The NPQA needs to be urgently formed and operationalized for the effective implementation of Plant Quarantine Regulations in Bangladesh, particularly to control seeds available in markets and minimize risks in import of unwanted seed varieties.

8. INTELLECTUAL PROPERTY RIGHTS

Issue: No action has been taken to form the Plant Variety Protection Authority and enact the Plant Variety Protection Rules (Clause 4) on protecting and promoting farmers' rights (Clause 23) as per the Plant Variety Protection (PVP) Act 2019 .

Key to note, Sub-Clause (I) of Clause-15 of the PVP Act 2019, the Bangla policy statement “উদ্ভিদের জাত সংরক্ষণ নিবন্ধন, ইত্যাদি।- (১) এই আইনের উদ্দেশ্য পূরণকল্পে কোনো প্রজননবিদ কর্তৃক উদ্ভাবিত জাত অত্যাৱশ্যকীয়ভাবে উদ্ভূত জাত বা কৃষকের জাত ও জিএমও সংরক্ষিত জাত হিসাবে নিবন্ধন করিতে হইবে।” has been translated as “For the purposes of this Act, any variety developed by a breeder shall be compulsorily registered as developed variety or farmers’ variety and protected GMO variety.” However, this translation needs to be reviewed and updated as this is not an accurate reflection of the Bangla version.

Recommendation: The MoA continue to expedite the development of the Plant Variety Protection Rules 2022 and establish the Plant Variety Protection Authority to implement the rules actively and consistently.

The Bangla version of Sub-Clause (I) of Clause-15 of the PVP Act, 2019 does not reflect the same message as of the English version, and thus needs to be reviewed and amended for consistency.

9. SEED EDUCATION AND TECHNOLOGY

Issue: Both public and private sector seed actors can further leverage these facilities to foster advancements in seed science and technology. Equally, there is an opportunity to enhance the existing facilities.

Recommendation: Greater investments are needed to strengthen higher education curricula on seed education, including seed science and technology. Seed science and technology facilities also need to be scaled to encourage use of services across public and private sector to foster innovation and advancement in the seed sector.

10. ACCESS TO FINANCE

Issue: The Industrial Policy (updated 2021) recognizes seed as an industry and further prioritizes it as a Thrust Sector Industry and an agro-based and agro-Processing Industry. As a Thrust Sector Industry, the seed sector can avail several investment facilities and financial packages including tax exemption, dual tax exemption and reduction of custom tariffs.

Recommendation: To strengthen uptake of existing services, coordination mechanisms between the MoA, Ministry of Finance, Ministry of Commerce, and the Ministry of Industries need be strengthened to provide easy access to finance, such as the ones mentioned above, for seed stakeholders and bolster growth in the sector.



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