



Newsletter

Issue 16, June 2026

About this newsletter

The purpose of the ESP newsletter is to provide relevant information on the latest developments and current issues in the Ethiopian seed sector and the partnership support activities.

In this issue we highlight the major activities that have taken place between April - June 2026.

Inside this issue

- Market-based seed insecurity response pilot in Tigray01
- Key discussions from the Ethiopia-Netherlands Seed Committee.....03
- Breaking barriers: New directive sparks more crop04
- Innovative finance to boost Ethiopia's seed sector.....05
- Strengthening collaboration between seed producers07

Market-based seed insecurity response pilot in Tigray

In the face of seed insecurity, particularly in fragile areas, humanitarian efforts have traditionally centered on immediate relief through emergency seed aid. However, as the challenges in regions like Tigray, Ethiopia, have shown, sustainable solutions are crucial for long-term resilience. In response, Mercy Corps Ethiopia has piloted a market-based seed insecurity response in Tigray. This initiative is part of the broader ESP Seed Insecurity Response (ESP-SIR) Program, which seeks to redefine traditional aid methods by leveraging local market systems to enhance local seed systems.

Building on the insights from a recent study Seed System

Security Assessment (SSSA) and by leveraging the Market Systems Development (MSD) approach, the program aimed to empower local economies while providing smallholder farmers with access to quality seeds. By channeling aid through existing agricultural marketing networks, the approach has not only supported local economies but also empowered smallholder farmers with access to quality seeds of locally adapted varieties of major food security crops.

The voucher system

Central to this pilot was a voucher-based system that redefined seed aid delivery.

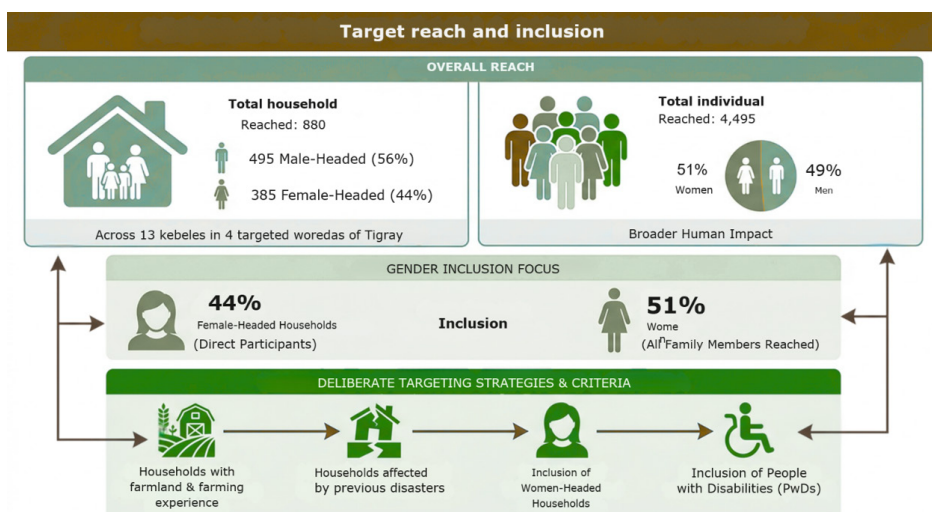
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Market-based seed insecurity response pilot ...

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Participants received vouchers to redeem at local seed suppliers, preserving farmer choice and stimulating local supply chains. A notable feature was the 80/20% cost-sharing arrangement, where Mercy Corps covered 80% of seed costs through vouchers, while households contributed the remaining 20%. This model fostered community investment and ownership, laying a stronger foundation for a sustainable seed sector development.



Impact on seed access

A total of 300 quintals of certified improved seeds were distributed, expected to cover 626 hectares and yield 19,468 quintals of produce. Farmers expressed satisfaction with the seed quality and plans to retain some harvest for future planting, indicating confidence in the program's long-term benefits.

Stakeholders and partners engagement

The pilot's success was a result of strong stakeholders engagement from region to *woreda* level, who provided essential oversight and coordination. The program received public recognition through regional media, reinforcing community trust and alignment with governmental priorities.

Looking ahead, the success of this pilot in Tigray provides Mercy Corps with compelling evidence to advocate for scaling market-based seed response approaches in other regions, such as Afar and Somali.

Building local market linkages

The voucher program was facilitated through a partnership with Desta Berhe Business Group, a local input supplier. This collaboration ensured that humanitarian response stimulated rather than disrupted local markets, allowing smallholder farmers timely access to quality seeds. The partnership also illustrated how humanitarian programming can effectively bridge supply and demand when designed to work with existing local market actors.

Community and partner responses

Feedback from program participants has been positive. Farming households appreciated the quality of seeds and expressed optimism for improved harvests. The voucher system empowered them to engage directly with markets, enhancing their dignity and self-determination. Meanwhile, Desta Berhe Business Group expressed enthusiasm for replicating the model with other humanitarian organizations, highlighting the commercial opportunities in underserved rural markets.



Key discussions from the Ethiopia-Netherlands Seed Committee meeting

Ethiopia-Netherlands Seed Committee had its regular meeting in April, 2026 to discuss on pressing issues that affect vegetable seed business and chart a path forward for Ethiopia's seed sector. The agenda covered pivotal topics such as variety testing for registration, legal framework approval and enforcement, Plant Variety Protection (PVP), illegal seed trade

Tackling challenges in variety testing for registration

The committee reviewed progress in independent variety testing for registration, which has shown promising results in piloting bread wheat and vegetable varieties. However, significant challenges remain. The EAA faces resource constraints, a shortage of skilled manpower specifically breeders, and institutional gaps in the Distinctness, Uniformity, and Stability (DUS) and National Performance Trials (NPT) systems. Additionally, testing has yet to expand to other priority crops like maize, and the Variety Adaptation Testing guideline remains in draft form.

EAA representatives acknowledged these hurdles and highlighted on-going efforts to address them. They are actively mobilizing resources from various sources and working with government to secure additional breeders and strengthen their capacity. These steps are critical to ensuring the sustainability of independent variety testing and expanding its scope.

With regards to crops for which DUS has been done elsewhere, the activities will continue as per the existing regulation, but the challenge remains with who should handle the adaptation trials. While companies can handle the trials, they must have the certificate of competence to undertake the trials. Yet guideline to undertake the adaptation trials was not yet finalized. As a result, it was agreed that EAA finalize the guideline and publicize it so that all companies follow the guideline.

Progress and bottlenecks in regulatory framework approval

The committee also reviewed progress in revising service fee regulations, which are crucial for improving the operational efficiency of regulatory bodies. While progress has been made, the delay in formal approval after its validation by the stakeholders few years back continues to hinder regulatory service delivery. This lag weakens cost recovery mechanisms and limits the effectiveness of regulatory operations.

Committee members emphasized the need for continuous lobby and expedited approval of this regulation to enhance the seed sector's overall functionality. Streamlining these processes is essential to ensure timely and effective service delivery.

Addressing the threat of illegal seed trade

The rise of illegal seed trade emerged as a significant concern during the meeting. The proliferation of unregistered and counterfeit vegetable seeds both at border and Bole international airport poses a serious threat

to seed companies operating genuinely in the Ethiopia's seed sector. The existing awareness creation efforts are fragmented and lack coordination.

Moreover, the committee recognized that current regulations are insufficient to tackle counterfeit seeds effectively. Hence, there is no legal ground from the seed perspective to sue if someone is involved in illegal seed and current practice is to use criminal law. Members proposed amending the seed law to include the punishments so that it will be easy to detail in the regulation/directives to address the issue comprehensively while also ramping up awareness campaigns among actors. A coordinated approach among regional regulatory authorities and seed companies is essential to mitigate the risks posed by illegal seed trade.

Plant Variety Protection

Initiating the implementation of Plant Variety Protection (PVP) in Ethiopia was another key topic of discussion. Beyond the seed sector, the PVP implementation is also related to Ethiopia's aspirations to join the World Trade Organization (WTO). While participants expressed strong demand for operationalizing PVP, several barriers were identified. These include the absence of a dedicated PVP unit within EAA and experienced expertise.

Breaking barriers: New directive sparks more crop variety registrations

Ethiopia's seed sector is witnessing a significant change, as the new seed directive being implemented which ease the process of registering crop varieties and encourage private sector participation. Historically, the variety registration system was criticized for its lengthy, complex, and costly procedures that slowed the introduction of high-yielding and high-quality crop varieties. Today, thanks

outlined three distinct systems for registering crop varieties, one of which allows private entities to take the lead in adaptation trials. To ensure smooth implementation, Ethiopian Seed Partnership has played a pivotal role by piloting the new directive with selected private seed companies, offering technical support, linking stakeholders, and bolstering collaboration.

The impact of these reforms has been remarkable. In a record-

breaking milestone, 19 new crop varieties were registered in a single year by 2026; a clear indication of the system's effectiveness. The key private seed companies in the forefront include Nunhems Ethiopia PLC which has successfully registered 10 varieties across five vegetable crops, while Rijk Zwaan achieved the official registration of 14 varieties spanning 13 different vegetable crops. Markos PLC also made significant progress, registering three new varieties, and Lidea, in collaboration with SAMANU through the new Public-Private Partnership (PPP) framework, introduced two new sunflower varieties.

These achievements highlight that the new directive has empowered private companies to play an active role in enhancing agricultural productivity, offering farmers access to high-quality and preferred crop varieties. Experts anticipate that these reforms will continue to drive growth in Ethiopia's seed sector, ultimately contributing to the country's broader agricultural development and economic progress. The concerted efforts of public and private stakeholders signal a promising future for Ethiopian agriculture, marked by increased efficiency, innovation, and sustainability.



to a collaborative effort led by the Ethiopian Seed Partnership (ESP) and the Ethiopian Agricultural Authority (EAA), those barriers are being dismantled.

The newly approved seed directive introduces significant reforms, including a shift toward company-led adaptation trials for variety registration. Under the directive, private companies are now empowered to independently conduct trials with scientific oversight and validation provided by researchers from public institutions. This decentralization has expedited the registration process while fostering innovation within the private sector. The Ethiopian government has



Innovative finance to boost Ethiopia's seed sector: A celebration of success

In an effort to strengthen Ethiopia's seed sector, the Ethiopian Seed Partnership (ESP) has unveiled a transformative financial initiative that promises to change the way seed companies access funding.

The Guarantee to Grant Facility (G2G), developed by Stichting Wageningen Research (SWR) Ethiopia ESP project, Awash Bank, and RSLNC Consultancy PLC, is providing much-needed collateral support to 15 seed-producing companies, enabling them to expand their operations and contribute to Ethiopia's agricultural growth. The G2G facility is specifically designed to address the challenges faced by the selected seed

companies in accessing adequate funding by providing essential collateral support. By mitigating financial risks and enhancing the creditworthiness of these companies, the facility aims to create a more secure and conducive environment for their growth and sustainability.

A milestone achieved

The recent celebration marked the successful implementation of the first tranche of ESP cash collateral, amounting to EUR 400,000, which has now been nearly fully allocated to 12 seed companies. This innovative financial model has facilitated loans totaling ETB 137 million, with individual companies receiving amounts ranging from ETB 3.5 million to ETB 18 million based on their collateral and track record.

With this funding, companies have been able to procure over 830 tons of certified seeds from out growers and invest in critical farm inputs and equipment such as irrigation systems. These investments are expected to double the seed production and sales of the participating companies in the coming years, setting a strong foundation for Ethiopia's agricultural transformation.

Blended finance: A gamechanger

The G2G facility represents a risk-sharing and blended finance framework, strategically designed to mobilize a diverse array of funding sources, including public, philanthropic, and

(continue reading on page 6)



Innovative finance to boost Ethiopia's seed ...

private capital, to drive sustainable development initiatives. This model proves particularly effective in addressing the financial constraints in developing countries, fostering economic and social development while minimizing risks for private investors. In this context, the project partnerships with private seed companies and the pivotal role of Awash Bank in facilitating substantial funding have been instrumental in bridging financing gaps within the seed sector. By enhancing access to certified seeds, agricultural inputs, and bolstering production capacities, this initiative is significantly contribute for strengthening Ethiopia's seed sector. This approach aligns with Ethiopia's broader agricultural transformation agenda and could serves as an example blueprint for future blended finance programs under the National Agricultural Finance and Implementation Roadmap (NAFIR).

Partnerships power progress

The success of the G2G facility highlights the importance of strategic partnerships in driving



Mr. Yohannes Merga, representative of Awash Bank's CEO and Senior Chief Marketing Officer at Awash Bank

Haaij, First Secretary of Food & Nutrition Security and Cluster Coordinator for Climate, Water, and FNS at EKN Addis Ababa

meaningful change. The initiative was made possible through the collaboration of Sticthing Wageningen Research Ethiopia, the Embassy of the Kingdom of the Netherlands (EKN), Ethiopia's Ministry of Agriculture, and RSLNC Consultancy PLC.

During the event, Haanah Haaij, First Secretary of Food & Nutrition Security and Cluster Coordinator for Climate, Water, and FNS at EKN Addis Ababa emphasized the replicability of this model across other sectors where access to finance remains a challenge. She noted that similar approaches could

unlock investments in areas such as agriculture, dairy, and logistics; industries that are vital for economic growth and development.

Hanna also reflected on the longstanding trade relations between Ethiopia and the Netherlands, which celebrate their centennial anniversary this year in 2026 (or 2018 in the Ethiopian calendar). She remarked on how this milestone underscores that impactful success does not happen overnight but is rather built on years of collaboration and shared vision.

As Ethiopia continues its journey toward food system transformation, initiatives like the Guarantee to Grant Facility serve as powerful examples of how innovative finance can unlock potential and drive sustainable development. The lessons learned from this program not only benefit the seed sector but also provide valuable insights for other industries facing similar challenges.



Strengthening collaboration between seed producers and regulators in Ethiopia

In Ethiopia, the seed system is the backbone of agricultural productivity and food security, yet it faces numerous challenges. At the heart of these challenges lies the critical relationship between seed producers and regulatory authorities. This partnership determines whether farmers receive high-quality, certified seeds on time. However, mismatched expectations, resource limitations, and regulatory bottlenecks have often strained this relationship. Recent dialogues held in the Oromia and Amhara regions brought these stakeholders together to discuss their shared challenges, explore opportunities for collaboration, and build trust across the seed value chain. The discussions revealed a wealth of insights into the current state of Ethiopia's seed systems and laid the groundwork for future progress.

Seed producers highlighted pressing issues that hinder their operations. Major ones among

these were difficulties in accessing land for seed multiplication and expansion, limited financial resources, and the persistent threat of illegal seed trade. Producers emphasized that while they strive to meet certification standards, the process can be inconsistent across regions and often takes too long—especially for companies operating in multiple locations.

Additionally, producers expressed the need for transparent regulatory guidelines, predictable timelines, and enhanced technical capacity-building programs. These measures, they argued, would enable them to meet quality standards more efficiently and compete fairly in the market.

On the other hand, regulatory authorities underscored their commitment to ensuring seed quality and protecting farmers from substandard products. However, they face their own set of challenges, including limited logistics capacity for field inspections, resource shortages, and difficulties

enforcing uniform standards across Ethiopia's diverse regions.

Regulators also pointed to gaps in technical infrastructure and staff training as barriers to effective service delivery. They called for better coordination with producers and stronger legal frameworks to combat illegal seed trade. Despite these challenges, regulators acknowledged the need for a more collaborative approach to address systemic inefficiencies.

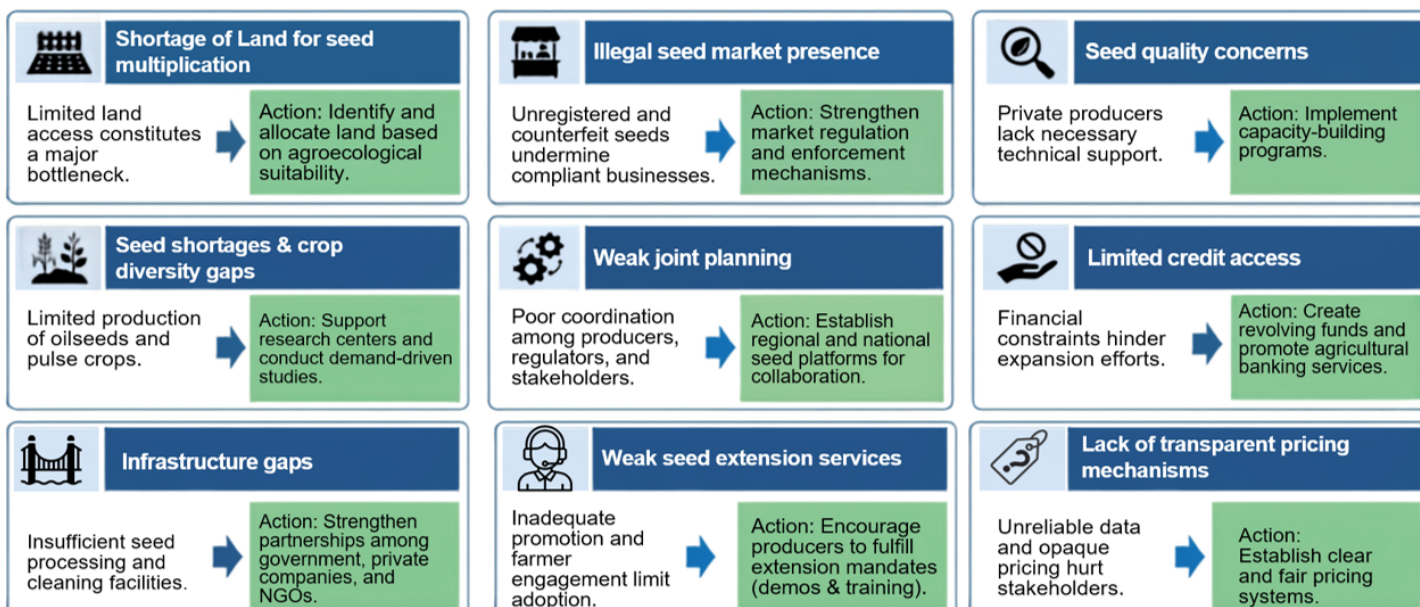
The dialogues in Oromia and Amhara revealed a striking overlap in the challenges faced by both producers and regulators. Key issues emerged as priorities for action:

The way forward

The dialogues made one thing clear: sustainable progress

(continue reading on page 8)

key issues emerged as priorities for action



Strengthening collaboration between seed producers and regulators ...

(Continued from page 7)

in Ethiopia's seed system requires collaboration between producers and regulators.

Producers need a supportive regulatory environment to thrive, while regulators rely on producers' compliance to ensure quality standards are met. Building trust between

these two parties essential for creating a system that works for all stakeholders.

Key recommendations included shared investments in laboratory infrastructure and seed cleaning equipment, transparent communication channels for resolving disputes quickly, and coordinated action against illegal

seed trade to ensure fair competition. Both sides also emphasized the importance of financial mechanisms like revolving funds to empower producers, as well as institutionalized platforms for ongoing dialogue and joint planning.

ESP recent publications

https://esp-seed.org/wp-content/uploads/2026/06/swre-esp-25-004_moving-toward-digital-seed-certification-system-in-ethiopia-experiene-brief-002.pdf



https://esp-seed.org/wp-content/uploads/2026/06/swre-esp-25-003_re-initiating-direct-seed-marketing-dsm-in-ethiopia.pdf



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ESP is a project hosted by
Stichting Wageningen Research (SWR) Ethiopia



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