

Soyabean is the third most important item. Its production has been increasing rapidly since 1985 because government intervention in importing soyabean and soyabean meal has pushed up domestic prices.

Groundnut seed production has also increased rapidly in the last few years for direct consumption and export. The international market assisted in pushing up the domestic price. Groundnut seed is also used in the public drought relief programmes which has increased its demand.

Mungbean is also produced and its demand has risen because it is also used by the public drought relief programme.

Small quantities of cotton and sorghum seed are also produced, as well as wheat and sesame seeds.

The production of vegetable seed is in its early stage of development. Its growth is slow because it is lacking in the necessary equipment for processing vegetable seeds, and in appropriate personnel.

Private Seed Sector

The private sector is just beginning to take advantage of technological advances and has opportunities for growth. In the past, the private seed sector was dominated by a few large firms concentrating only on vegetable seed.

Seed companies spend as much as 10-20% of their revenues on sales promotion campaigns, which has fueled greater market acceptance by farmers.

There are approximately 100 brands of corn seeds and 60 brands of vegetable seeds on the market, thus competition depends on using the best brand name.

One of the main characteristics responsible for the fast development in the private seed sector has been its openness to imports and foreign investment. Investment by foreign firms has stimulated research and development by seed companies. Technology transfer is beginning to take place in the industry.

Constraints

1. Seed Qu2
2. Competition from the public sector