

BUSINESS PLAN

SEEDS2B AFRICA BUSINESS PLAN

PREPARED BY CONTEXT GLOBAL DEVELOPMENT

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Executive Summary

Context

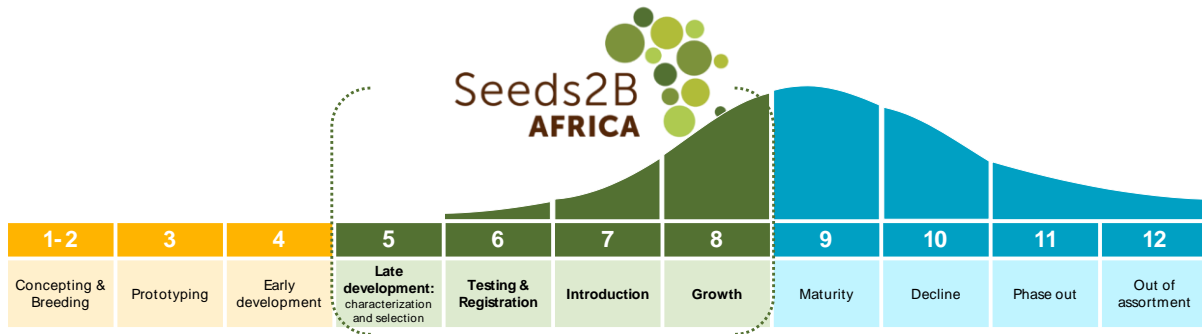
Seeds2B Africa is a leading provider of program support in the agricultural sector in Low and Middle Income Countries interested in agricultural transformation. Seeds2B Africa acts as an independent facilitator, a capability builder, and a catalyst to build these links upstream mainly with CGIAR and NARs and downstream with local seed companies, NGOs and FPOs. The project portfolio of Seeds2B Africa continues to grow, and Seeds2B Africa is investing in strategically developing and positioning its offering with a focus on deployment and innovation in its service offerings. Its current goal is to help low-income smallholder farmers access quality, affordable seeds of improved varieties for the crops they need.

In terms of strategic positioning, Seeds2B Africa is formalizing its engagement within the product lifecycle of agricultural technology and identifying high-leverage opportunities that exist within established seed sector segments. A diagnosis of its opportunity space to identify missing innovations was performed. This assessed Seeds2B Africa’s service offerings and engagement strategies that align with stakeholder needs within a prioritized set of top 10 country-crop combinations. Strategic offering of programmatic support for valuable seed sector segments enables Seeds2B Africa to focus on where it can generate the most impact for donor investors seeking to create value through public goods and

services. Additionally, Seeds2B Africa offers fee-for-service options for private seed sector actors who want to pay directly for what they need.

Product pipeline lifecycle targeting

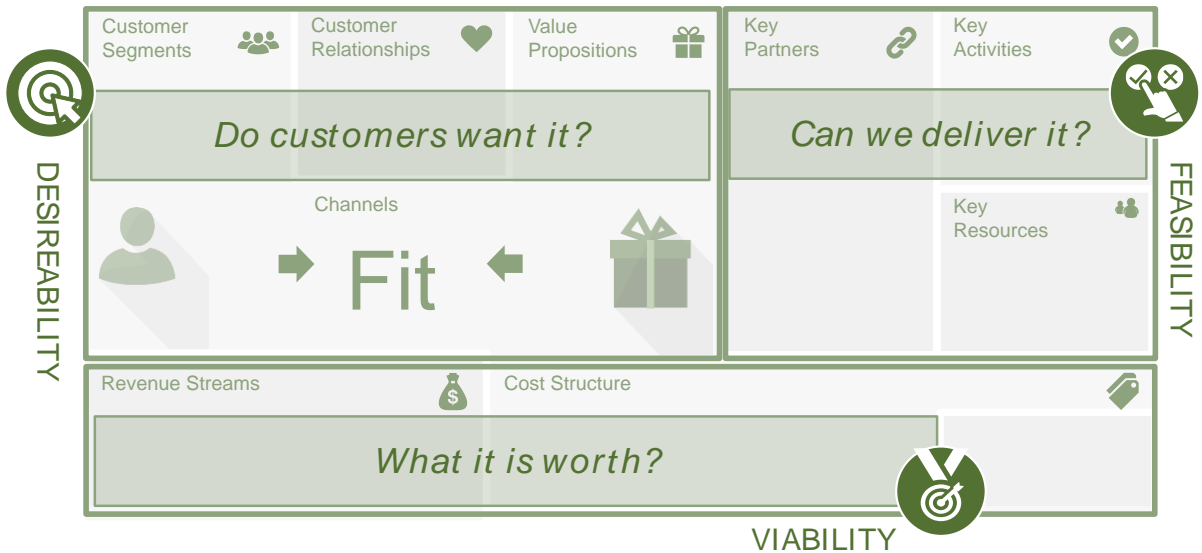
Agricultural innovation delivers products to farmers who are ultimately supplying consumers. The lifecycle of these products follows a 12 stage Development-Delivery-Decommissioning (D³) process flow. Seeds2B Africa specializes in providing support and guidance throughout the Delivery phase, which consists of four stages (Late Development, Testing & Registration, Introduction, and Growth).



Seeds2B Africa offers support services across these four stages of the product lifecycle and has developed expertise and a network that works to achieve success within each stage as well as facilitates the transition from stage-to-stage.

Business Model Canvas

Seeds2B Africa’s business plan is organized within a Business Model Canvas and the document laid out in three sections: Desirability (“Do customers want it?”), Feasibility (“Can we deliver it?”) and Viability (“What is it worth?”). More on the Business Model Canvas is provided in Annex 1.



Delivery Pathway and Current Positioning

Seeds2B Africa has rigorously evaluated the evolving seed sector in Africa and identified several country-crop combinations and areas of intervention where it can best generate value for its customers. Seeds2B Africa has defined its Unique Value Proposition: **More Choice, Better Access! Facilitating smallholder farmers' access to quality, affordable, and climate-smart seed technologies through a unique commercialization approach with a goal towards better and resilient livelihoods.**

Seeds2B Africa differentiates itself from potential competitors in several ways and its commercial orientation and expertise make it a leader in providing sustainable seed sector related solutions. In order to provide value across the customer spectrum, Seeds2B Africa offers both fee-for-service solutions as well as development focused, donor-funded-programmatic solutions. The relationship between the two types of offerings creates a synergistic effect, leading to a more competitive market where seed sector customers can directly pay for what they require, instead of having third-party funders dictate what seed sector entities will receive. Seeds2B Africa recognizes the need for both models to co-exist and this is an intentional part of its unique approach and offering.

Seeds2B Africa will undertake delivery pathway approaches in both segments and establish a sustained revenue stream by approaching potential customers in both fee-for-service and donor funded programmatic solutions.

PLC	PRIORITIZED* Seeds2B OFFERINGS	Seeds2B CURRENT POSITIONING			
		PROGRAM SUPPORT		FEE-FOR-SERVICE	DIFFERENTIATION VS. COMPETITION
		CAPABILITY	DELIVERY		
5	Pinpoint farmers' preferred traits, production constraints, and adoption influencers to inform product development blueprint (or product concept)	LOW	Implementor & Capacity Builder	N/A	Focused interventions
	Support the establishment of a product advancement process for successful and efficient product launch and delivery. Perform production research trials, aimed to measure COGs and develop production instructions.	HIGH	Implementor & Capacity Builder	HIGH	
	Test product within defined areas of adaptation (AOA) trials based on representative environmental conditions to support area advancement objectives for country/region level advancement decisions	HIGH	Implementor & Capacity Builder	HIGH	
	Facilitate engagement between seed companies & breeding teams (or product management)	MED	Implementor & Capacity Builder	N/A	
	Advocate for product profiles features aligned to market requirements and farmers needs and benefits	HIGH	Implementor & Capacity Builder	HIGH	
6	Facilitate independent, coordinated national variety trials (NVTs) with the objective of valuation to assist in varietal decision making by providing comparative information to partners on the performance of new varieties in multi-environment due to limited NARS capacity. Test product under local farm management practices for capturing customer perception of pre-commercial products demo trials .	HIGH	Implementor & Capacity Builder	HIGH	Performance/ impact
	Support CGIAR and NBP to establish simple, standardized legal frameworks for licensing pre-commercial varieties	LOW	Implementor	HIGH	Donor recognition
	Development of crop specific strategies to produce sufficient supply of EGS	MED	Implementor	HIGH	PLC process
	Enable commercial EGS producers through seed production research, mentorship, and capacity-building	HIGH	Capacity Builder	N/A	Crops focus
	De-risk EGS production of new crop/variety through advance contracts and guaranteed purchase agreements	HIGH	Capacity Builder	N/A	
7/8	Enhance seed enterprise management capacity to develop and secure seed markets throughout producers, aggregators and value-chain actors	HIGH	Implementor & Capacity Builder	HIGH	Higher quality and better service provision
	Support awareness creation campaigns and engaging with public-private partnerships, donors, and non-governmental organizations (NGOs) in innovative extension approaches to accelerate the adoption and dissemination of new varieties by providing technical information about new varieties, conducting various promotional activities and field demonstrations	HIGH	Implementor & Capacity Builder	N/A	
	Provide both technical and legal support to review and revise seed policies, laws and regulations both at national and regional levels	MED	Implementor	MED	
	Facilitate feedback from farmers to regulators and support enabling environment development for farmer-led enterprises producing Quality Declared Seed for crops and varieties not served by the private sector to stamp out poor quality seed .	HIGH	Implementor & Capacity Builder	N/A	

*Customer prioritize offerings of most significantly needed from a list of 34 important varietal commercialization service and support offerings

Seeds2B Africa has developed expertise in several areas that address key bottlenecks in seed variety commercialization. Seeds2B Africa aims to enhance its role as a capacity builder across all its prioritized varietal commercialization offerings, where it currently operates as an implementor. Additionally, the company has established expertise in providing both programmatic and fee-based support, positioning itself as a reliable solution provider known for:

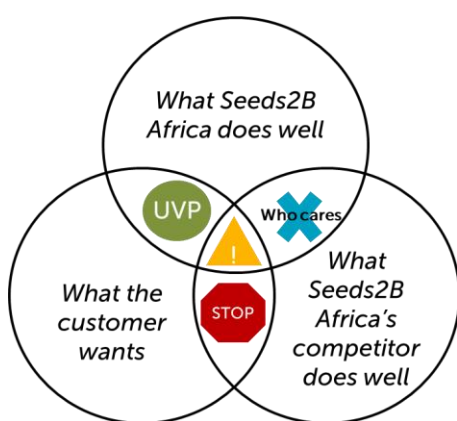
- Reliable implementation of trials and delivery of data to assess performance and market acceptance of new varieties
- Seasoned guidance to reduce risks in seed business management holistically, such as technical agronomic or functional commercial business planning support through a diverse team of experts (e.g., agronomists, lawyers, business strategists, policy specialists)
- Strong seed regulatory links and wide partnership network (e.g., CGIAR, NARS, seed regulators, credit-/savings-linked businesses, input insurance to 'de-risk' the adoption of new technologies by farmers, access to credit, and better links to markets)

Strong knowledge of and links to local businesses (seed producers, distributors, farmer groups, processors, off-takers) that facilitate international and local seed business collaborations to research organizations

Customer-centric approach

Seeds2B Africa addresses areas of poor technology adoption, fosters intensification and improves farm income, catalyzes private investment in the seed sector and contributes to CAADP’s productivity growth goals (African-led agenda) so that millions of smallholders in sub-Saharan Africa can use the best genetics and seed technology. Seeds2B Africa has a comprehensive approach that connects relevant players in the value chain to create a conducive environment for breeders (e.g., evaluation of new varieties in replicated trials), seed companies (licensing agreements and offering seed variety commercialization services that deliver value to farmers), and development organizations and donors in Africa. In other words, Seeds2B Africa’s role is to support stakeholders’ capacity, resolving seed varietal commercialization journey bottlenecks through focused interventions and providing end-to-end, on-the-ground varietal commercialization services and cultivating an enabling environment for long-term collaboration between private and public sector stakeholders. African SME seed companies do not typically do breeding but require key links to public breeders and support to increase their investments in new varieties.

Local and regional SME seed companies are at the center of Seeds2B Africa's interventions with a focus on 1) advocating for the private sector to play a bigger role in seed delivery through new variety introduction (licensing, EGS, and certified seed production), 2) catalyzing the market for new seed varieties, 3) assessment of new seed applied technologies, and 4) providing technical assistance to support SME seed company business development efforts.. Seeds2B Africa has a focus on giving farmers *More Choice*, and *Better Access* to new and improved seed varieties. It takes a partnership approach to identify new and best-bet seed technologies, test and select the market relevant candidates, facilitate their registration, and catalyze seed company investments to adopt the new technologies. Further downstream, Seeds2B Africa facilitates the development of value chain linkages and licensing approaches as well as advocates for enabling policy environments to support a seamless path for new varieties to make it to the hands of smallholder farmers.



UVP
Seeds2B Africa

More Choice, Better Access!

Facilitating smallholder farmer access to quality, affordable, and climate-smart seed technologies through a unique commercialization approach with a goal towards better and resilient livelihoods.

Key Resources / Organizational Assets

The collective Seeds2B Africa team is able to deliver upon its unique value proposition because of its in-country presence, technical and strategic competence, and demonstrated success as an implementor and capacity builder throughout the donor community and with private sector seed players.

Seeds2B currently has two main role categories - Operational and Selling, General and Administrative. It has only one operational employee on its payroll, whose main function is to assist in the implementation of fee-for-service projects. The majority of personnel supporting Seeds2B Africa's other initiatives are obtained through an in-kind support arrangement with SFSA.

Seeds2B Africa intends to broaden its investment prospects by reaching more countries in Africa, increasing the number of value chain development initiatives, and broadening its policy work to encompass all African regional trade blocks. The approach will emphasize the development of multi-stakeholder partnerships to drive systemic change that will benefit small-scale farmers prior to commercialization in the target countries. This will necessitate a review of the company's current organizational structure to ensure it aligns with its future goals.

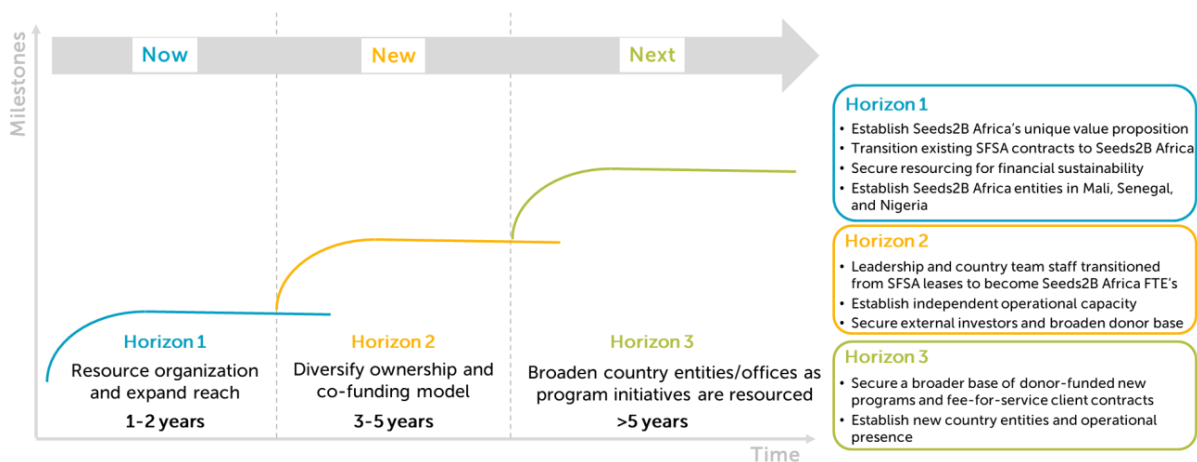
Action Steps, Risks and Mitigation Strategies

Seeds2B Africa envisions its organizational evolution across three-time horizons, as illustrated below. Stage gates between horizons are defined with milestone achievements.

Seeds2B Africa is poised to achieve a key financial milestone of generating revenue needed to cover its operational cost structure within Horizon 1. The key driver for Seeds2B Africa to achieve this milestone is its ability to secure multi-year program funding within its proposal pipeline and also secure SFSA co-sponsorship of USAID initiatives. Further scaling of the business will be pursued through an effort to broaden the base of “sponsored programs.” Until these developments are realized, the co-funding and in-kind support from SFSA will be required for Seeds2B Africa to establish internal organizational capabilities that position Seeds2B Africa for long-term financial sustainability.

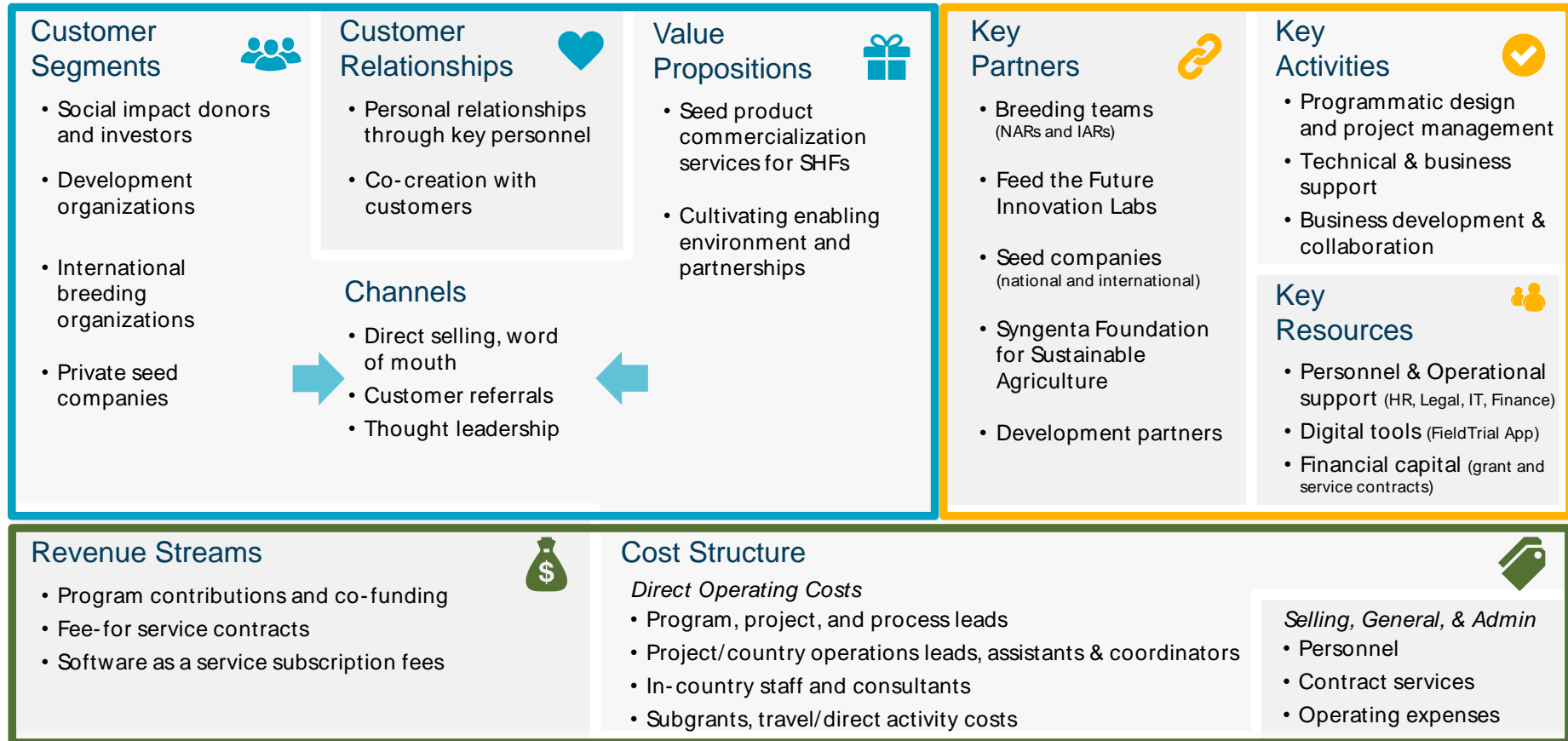
Seeds2B Africa plans to establish entities and open country offices with in-country Seed2B Africa leadership in Mali, Senegal, and Nigeria, co-located with SFSA. Seeds2B Africa has several multi-year proposals under evaluation. Simultaneously while awaiting proposal determination, Seeds2B Africa will assess the option of transitioning employment contracts of leased employees from SFSA to Seeds2B Africa, in compliance with employment laws, tax withholdings, and employee rights. Seeds2B Africa plans on establishing a contractual relationship with SFSA for fractional roles. The plan is to have all employer of record contracts be transitioned from SFSA to Seeds2B Africa.

Seeds2B Africa will develop an investment prospectus that can be used for investor outreach, upon securing financial sustainability. Pending the outcome of outside investment, the Seeds2B Africa Board will expand beyond SFSA to include outside investors.



Seeds2B Africa Business Model Canvas

Figure 1. Seeds2B Africa Business Model Canvas: Centered on Seeds2B Africa’s Customers and Delivery Pathways for its Service Offerings



A circular icon containing a green mouse cursor arrow pointing towards the center, with a green outline.

DESIRABILITY

In collaboration with partners, Seeds2B Africa facilitates the dissemination of improved seed varieties by bridging the gap between research and smallholder farmers. It does this by engaging multiple stakeholders along the product lifecycle to support the adoption of innovative crop technologies. Additionally, it works to create 'enabling conditions' in the form of improved regulatory frameworks, stewardship capacity, as well as financial and risk transfer tools.

Seeds2B Africa offers seed variety commercialization services that deliver value to farmers, research organizations, donors, and the private sector based on their intimate knowledge of the local context and opportunities. This is important because addressable bottlenecks are constraining farmers' access to quality seed of improved varieties. Seeds2B Africa's role is to support stakeholders' capacity to resolve these bottlenecks through focused interventions by meeting partners where they are on their varietal commercialization journey and providing end-to-end, on-the-ground varietal commercialization services, and cultivating an enabling environment for long-term collaboration between private and public sector stakeholders.

Seeds2B Africa works in areas of catalyzing investment for underserved staple crops, facilitating variety registration through technology adoption, coordinating multi-locational trialing and evaluation of performance of new varieties, increasing reliable access to quality EGS, de-risking market entry, facilitating licensing of public-bred varieties to private sector seed companies and supporting the liberalization of national seed policies and the harmonization of regulations. Seeds2B Africa works with private foundations, research institutes, governments, seed companies, NGOs, and other strategic partners from both the public and private sectors to bring smallholder-appropriate innovations, seed business delivery models, and commercial viability to scale.

SME seed companies often require special nurturing and substantial support to overcome constraints of limited access to credit and return on investment. Most are small, and business consolidation and expansion involve significant risk. Smallholder farmer reluctance to adopt innovative technologies compounds these obstacles. Smallholder farmers often need training on the proper use of improved seeds, beyond being informed of the benefits, to motivate adoption. Seeds2B Africa strengthens the capacity of SME seed companies through its partners in several countries in Africa by providing principled grants and technical support to eligible companies. Grant funding and technical support lowers the risks of multiplying and marketing new and improved varieties that are being introduced into untested and underdeveloped markets. Seeds2B Africa also plays a role in facilitating the exchange of genetic materials between public and private sectors, enabling small and medium-sized seed companies to have easy access to suitable and adapted varieties. The implementation of harmonized regional seed laws and regulations needs to be expedited to allow for rapid regional spillovers of varieties released in one country to similar agro-ecologies in neighboring member countries.

Customer Segments

Beyond providing market entry support to international seed companies, Seeds2B Africa is funded by donors to provide variety commercialization support to mostly public sector partners.

Donors: These facilitate technology development and deployment in close partnership with end users and stakeholders in the seed system to transition farmers from using traditional seeds to using improved varieties with the ambition to increase agricultural productivity and farmers' income.

International seed companies: Seeds2B Africa provides support for international private seed/breeding companies looking to enter new African markets where they have no or low presence. Companies from Europe and Asia are rapidly looking to expand into sub-Saharan Africa, by adapting their seed innovations to perform in Africa's climatic conditions. The vegetable seed market is particularly attractive for such companies considering entering the African market. Technological advancements such as True Potato Seed, have begun to give newcomers impetus to entering the seed market in Africa. As for market entry strategies, business partnerships between international seed companies and local, medium-sized seed companies are often needed to organize the functions necessary to deliver new registered varieties to smallholder farmers. Seeds2B Africa's support to international companies includes regulatory advice, variety trials execution, evaluation, and registration of elite varieties; assessment of market opportunities; and evaluation of their business cases.

Customer	Customer Pains	Seeds2B Africa Offering	Customer Gains
Donors	Low impact towards targeted beneficiaries due to limited access to market needs and requirements	<ul style="list-style-type: none"> Identify and vet promising investment opportunities Knowledge about market and farmer dynamics Manage grant portfolio Demonstrate impact, elevate learnings, and knowledge transfer 	Meaningful impact towards targeted beneficiary groups such as smallholder farmers
International Seed Companies	Prolonged variety registration and commercialization process, lack of appropriate infrastructure, bureaucracy, challenges in establishing key PPPs	<ul style="list-style-type: none"> Provide market entry support by assessing market attractiveness, and helping navigate regulatory requirements Ensure farmer access to best genetic material Catalyze development of key partnerships at the local level End-to-end support for the commercialization of promising technologies 	De-risking of investment, efficient product commercialization, secure/develop markets and market share

Stakeholder ecosystem catalogue

In the sections that follow, seed system stakeholder needs for those that directly benefit from Seeds2B Africa variety commercialization support and service offerings were assessed within a targeted country-crop approach. In preparation, seed systems stakeholders were catalogued by type and roles, as follows:

1. **Breeding Organizations (NARs & CGIAR), Academia (college of agriculture):** continue to develop new seed varieties, but there is a missing connection to delivery, and impact is difficult to measure. New varieties should be higher-yielding, acceptable to the market and end-users, and should support climate and UN sustainable development goals. However, there is evidence that some new varieties are not demand-led and as such, public/private seed companies have no incentive to market them. Hence integrating demand-led breeding approaches into CGIAR and National Agricultural Research

Institutes (NARs) breeding programs is critical for successful end-to-end commercialization of new varieties and accelerated turnover. In addition, the breeding organizations need to fully engage with the private/public sector seed companies to ensure smallholder farmers replace varieties regularly and benefit from the breeding investments.

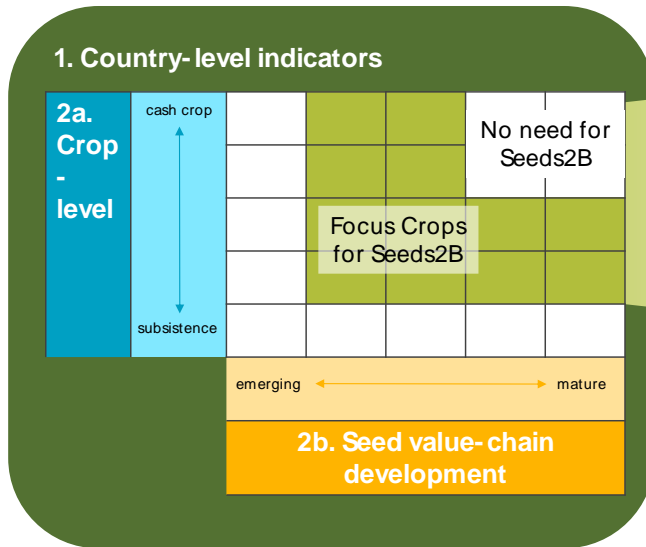
2. *Feed the Future Innovation Labs*: These are hosted by U.S. universities and advance novel solutions for underserved staple crops through collaboration with Seeds2B Africa, NARs and their experts in the field to test, collect phenotype, genotype information, and generate varieties that have enhanced climate resilience and maximized yield potential.
3. *Small- and medium-scale enterprises (SME)*: These mostly depend on the public sector and government institutes for new varieties and serve hundreds of thousands of farmers in sub-Saharan Africa, who already place substantial trust in their services of introducing new varieties into smallholder settings via successful marketing of crops not widely available through commercial seed channels. However, SMEs face risks of moving into untested crop-country segments. They incorporate new varietal innovations into their portfolios and contribute to increased reliability of national EGS production systems with the support of Seeds2B Africa.
4. *International and regional seed companies*: These mostly access the African market by selling their seeds through agents and most have developed a stronger presence by starting R&D efforts in the region. Regional seed companies are typically established throughout a selected region with facilities and operations in more than one country. SADC, COMESA, ECOWAS, and EAC have implemented regional harmonized seed regulations to facilitate registration of varieties and commercialization of seeds across these economic regions in Africa. Seed, like any other agricultural input, is traded among member countries.
5. *Non-governmental organizations (NGO's)*: These distribute improved seed, knowledge and innovative technologies that could respond to farmers' needs but have been slow to reach them.

Country-crop seed segment targets

Seed systems are territorially bound and conditioned by the circumstances of nation states, including the economic conditions and administrative regulations of their agricultural sectors. Identifying specific crop-country seed segment combinations that have strategic potential, given the intersection of country and crop advantages, has been a focus of Seeds2B Africa. This ensures that Seeds2B Africa offers support and services that are tailored to where the largest opportunities for impact exist. for Seeds2B Africa prioritizes its country-crop seed segments through a two-step process.

First, the top 22 sub-Saharan Africa country-crop seed segments were selected based on a scoring of several external criteria indices: prevalence of food insecurity, enabling seed policy, access to finance by farmers, households per extension officer, safety of travel in country, country x food climate vulnerability index, government crop priority, yield gap, national breeding program capacity, seed system framework. Next, Seeds2B Africa internally rated the top 22 country-crop seed segments to screen the top-10 segments on the average team score, when considering the following internal criteria of Seeds2B Africa's: (i) comparative advantage, (2) organizational capacity to deliver its service offering, and (3) customer demand for seed commercialization services.

Based on these considerations, top ten country-crop combinations have been identified where Seeds2B can support as outlined in the figure below.

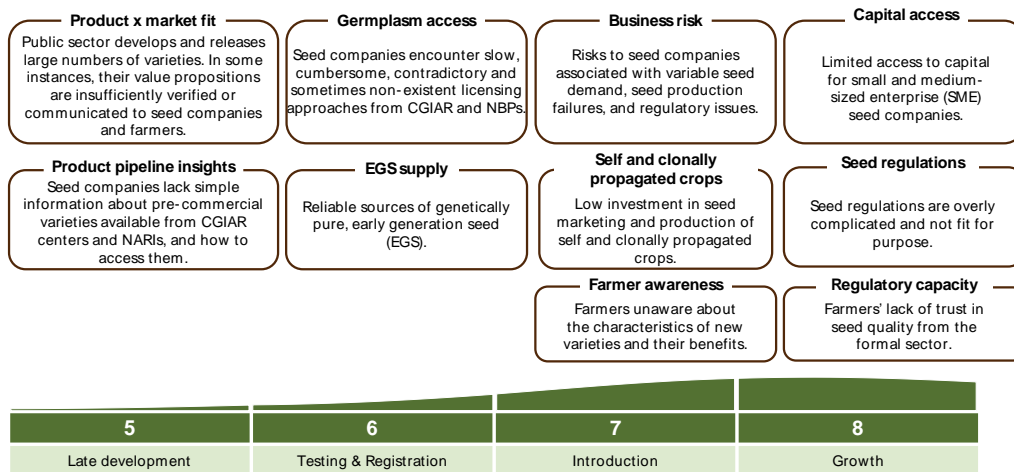


Focus Country-Crops for Seeds2B			
Rank	Country	Crop	Final Score*
1	Tanzania	Common Bean	1
2	Mali	Sorghum	1
3	Tanzania	Groundnut	1
4	Kenya	Potato	1
5	Ethiopia	Tef	1
6	Nigeria	Sorghum	1
7	Nigeria	Cowpea	1.25
8	Kenya	Common Bean	1.25
9	Senegal	Millet (Pearl)	1.25
10	Mali	Cowpea	1.25
11	Senegal	Cowpea	1.25
12	Kenya	Soybean	1.25
13	Uganda	Sorghum	1.5
14	Mali	Millet (Pearl)	1.5
15	Senegal	Sorghum	1.75
16	Mali	Maize	1.75
17	Kenya	Sorghum	1.75
18	Kenya	Groundnut	1.75
19	Nigeria	Millet (Pearl)	1.75
20	Ethiopia	Wheat	2
21	Senegal	Maize	2
22	Nigeria	Groundnut	2

*Final score = average team score when considering the following internal criteria of Seeds2B Africa's: (1) comparative advantage, (2) organizational capacity to deliver its service offering, and (3) customer demand for seed commercialization services

Bottlenecks framework

Given the product lifecycle pipeline and identified country-crop combinations, Seeds2B Africa has identified specific addressable bottlenecks that are constraining access to quality seed of improved varieties. These addressable bottlenecks represent areas in which Seeds2B Africa can deliver support and services that create value and generate impact by alleviating key bottlenecks that are constraining seed system evolution and growth.



Product x market fit

Breeding programs need to ascertain that differences to current varieties and the associated value proposition will trigger farmers to purchase seed of new crop varieties and replace established varieties in the market. Varieties are needed to demonstrate these differences when grown under farmers' own management practices. There is a need to scale-up on-farm testing under farmers' own management conditions to ensure new varieties perform as expected and provide greater value to farmers. Product profiles developed for varieties need to be focused on market segment needs and incorporate market knowledge, crop management, socioeconomics, gender, farmer/processor/consumer input and should be streamlined towards impact-driven goals. The best way to do that is to build formal public and private sector partnerships in order to create a clear pathway to commercialization from the start. Seeds2B Africa and donors have the convening power to bring all parties to the table and can play a crucial role in building lasting public-private relationships. Also,

seed of new varieties must be easy to produce, including across a range of production environments and at an affordable cost of goods, so that seed can be priced appropriately given farmers' challenged economics and willingness to pay.

Product pipeline insights

While public breeders are deeply knowledgeable about their new varieties, this knowledge may not be transmitted downstream to seed companies and an exhaustive dataset (i.e., data on relevant traits and performances across several agro-ecologies) on recently released varieties or varieties to be selected for registration may not be available. There is a great asymmetry of information between those offering and those seeking new varieties. Once the superior performance and value of new varieties has been confirmed, the seed value chain actors need to place greater emphasis on targeted awareness-creation among seed companies, processors, traders, extension services, and farmers.

Germplasm access

A commonly agreed or more widely accepted framework for managing the intellectual property of improved varieties from public sector breeding programs is needed. While some NARs generate royalties by releasing CGIAR-developed varieties, many countries confer de facto commercialization rights, allowing seed companies seeking to commercialize improved varieties to directly access and submit CGIAR materials for registration without paying royalties to NARs. A backlog of public breed varieties that are not in local seed markets is building because of market launch ambiguity and/or misunderstanding over ownership and use of CGIAR developed varieties. Transparent and simple legal frameworks for germplasm licensing are needed, including realistic approaches to revenue management between CGIAR centers and NARs that do not hinder the deployment of new varieties by local SME seed companies. Such frameworks would enable the implementation and consolidation of a more systematic and streamlined approach for NARs to generate income proportionate to their participation in CGIAR breeding networks, while not monopolizing their role.

EGS supply

EGS production remains a key bottleneck in the scale-up of new crop varieties. Few entities in Africa (some being public – related to the national research institute, others being private – e.g., QualiBasic Seed) can reliably execute multiplication while maintaining strict quality control in the progression from breeder seed to pre-basic and basic seed and do so for a wide range of crops. Likewise, few regulatory agencies have the necessary knowledge to reliably monitor EGS production. Capacity development would need to be focused on increasing the number of competent EGS production entities and certification agencies that are strategically required for a particular crop, establishing an accreditation scheme that identifies capable EGS producers, and supporting EGS production entity accreditation.

Business risk

Small and medium sized seed companies are faced with risks related to variable seed demand, seed production failures and regulatory hurdles. Managing a commercial seed business is both risky and complicated because of the long production cycles and product deterioration/perishability. Commercial seed companies incur costs in procuring/producing EGS and commercial seed, maintaining seed inventories between cropping seasons, and sharing the risk of unsold seed inventories at the retail level due to fluctuations in demand, and when introducing new varieties or moving into new geographies. Greater attention needs to be paid to demand forecasting efforts and supporting seed companies to build market knowledge and gain access to credit facilities to support their investments.

Self and clonally propagated crops

Seed companies do not invest in self/clonally propagated crops even though there is unmet demand. These crops are commercially less attractive because farmers tend to use farm saved seeds for future planting, resulting in a high variability in seed demand. For such crops, a commercial model for seed multiplication could be viable where individual or aggregated growers are linked to off takers and where allowed, Quality Declared Seed (QDS) production models is implemented.

Seeds for self-pollinated crops face both demand-side and supply-side constraints. On the demand side, there is an insignificant perceived advantage from seed in mass production over farmer-saved/traded options creating insufficient incentive to purchase seeds, as well as insufficient extension devoted to increasing farmer knowledge around varieties that deliver major improvements (e.g., yield increase, disease resistance). On the supply side, production of self-pollinated seed faces production gaps as it is perceived as a loss-making enterprise for the public system and as such prevents public seed companies from significantly expanding supply, and the private sector companies subsequently that see little profit potential in such seeds.

Farmer awareness

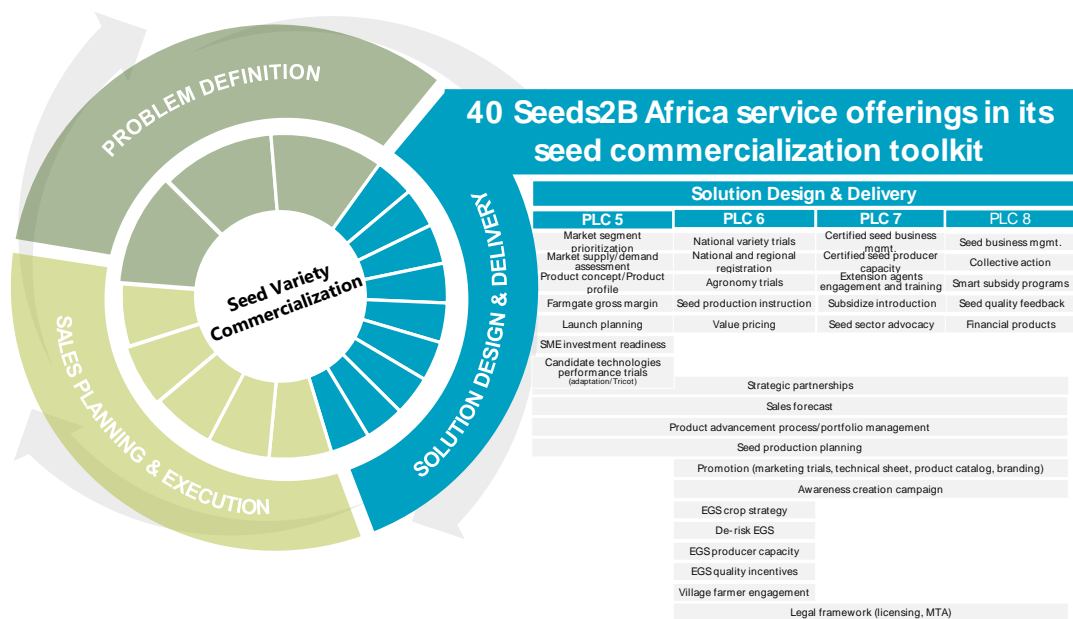
Farmers are unaware of the characteristics of new varieties and their benefits. Small and medium size seed companies are limited in their ability to diversify their portfolio, enter new markets, grow their technical and managerial capacity, do market development and promotion including pricing on value, establish demonstration plots, and implement life-cycle strategies. Hence support to stimulate collective action among companies and seed multipliers to reduce risk, increase efficiencies, raise awareness, leverage skills and physical infrastructure (storage, processing, and irrigation) and implement quality assurance measures is needed.

Capital access

SMEs lack access to financing, especially critical working capital, due to difficulties in building confidence among lenders who lack an in-depth knowledge of the seed business models and overall repayment capacity. This uncertainty, due to knowledge gaps, results in financial institutions limiting access to capital and poorly structuring loans to SMEs. New, innovative, and competitive financing initiatives are needed from development partners such as AECF's Seeds for Impact, to address the funding gap that many seed companies face in producing seed for food security crops, particularly seed from publicly bred varieties. Mitigating production and business risks and better SME prioritization of capital requirements will result in better access to financing.

High impact services

Through stakeholder feedback, Seeds2B Africa has considered 40 impactful service offerings, within the Solution Design and Delivery dimensions of the seed variety commercialization toolkit, while being mindful that some offerings spanning across PLC stages through progressive activities (e.g., product advancement/portfolio management) and others are more discretely defined within PLC stages (e.g., national variety trials).



Commercialization heatmap

Seeds2B Africa customers expressed a moderately significant need to address product-market fit, product pipeline insights, and EGS supply bottlenecks. Late-stage development, product testing, and EGS supply coordination were all perceived as high impact Seeds2B Africa interventions.

Actual *product profiles* are often insufficiently informed by the end-product requirements of farmers, traders, and processors. Crop varieties proposed for commercialization are insufficiently tested. As a result, they may not provide a sufficiently large advantage for a new variety to replace existing varieties. Public breeding efforts that seek to understand market demand and incorporate key traits into the product profiles are more successful in establishing downstream delivery pathways.

Seed companies need to know the value proposition, how to access and produce the new varieties, and the associated risks. Such awareness creation is crucial for new varieties to enter the marketplace. Some breeding networks have managed to develop close interactions with downstream entrepreneurs, with the result that varieties get deployed faster and at a larger scale. These approaches need to be more widely known and mainstreamed.

#	STAGE	PLC DESCRIPTION	#	BOTTLENECK	#	SEEDS2B INTERVENTION
5	Late development	Characterization and selection of candidate varieties, establishing seed production characteristics and costs	1.5	Product x market fit. Public sector develops and releases large numbers of varieties. In some instances their value propositions are insufficiently verified or communicated to seed companies and farmers	1	Pinpoint farmers' preferred traits, production constraints, and adoption influencers to inform product development blueprint (or product concept)
					1	Support the establishment of a product advancement process for successful and efficient product launch and delivery
					1.5	Facilitate independent, coordinated national variety trials (NVTs) with the objective of valuation to assist in varietal decision making by providing comparative information to partners on the performance of new varieties in multi-environment due to limited NARS capacity
					1	Facilitate engagement between seed companies & breeding teams
					1	Advocate for product profiles/features aligned to market requirements and farmers needs and benefits
6	Testing & registration	Large-scale on-farm testing, submitting varieties for registration, Early Generation Seed (EGS) production	1.5	Product pipeline insights. Seed companies lack simple information about pre-commercial varieties available from CGIAR centers, how to access them for commercialization, and are not involved in the variety advancement process	1.5	Test product within defined areas of adaptation (AOA), based on representative environmental conditions / farm management for capturing customer perception of pre-commercial products to support area advancement objectives for country/region level advancement decisions
					1	Evaluate the value proposition of pre-commercial varieties to farmers and seed companies
					1	Develop seed production protocol
					1	Create product catalogue that characterizes field performance, features and benefits, and includes testimonials from field experience
			1	Germplasm access. Seed companies encounter slow, cumbersome, contradictory and sometimes non-existent licensing approaches from CGIAR and NBPs	1	Support CGIAR and NBPs to establish simple, standardized legal frameworks for licensing pre-commercial varieties
					1	Development of crop specific strategies to produce sufficient supply of EGS
					1	Enable commercial EGS producers through seed production research, mentorship, and capacity-building
					1	De-risk EGS production of new crop/variety through advance contracts and guaranteed purchase agreements
1	EGS supply. Reliable sources of genetically pure, early generation seed (EGS)	1	Link EGS funding to performance-based outcomes (genetic quality, quantity, timing, pricing) for public or private producers			
		1	Link EGS funding to qualified EGS producers with capacity, seed production plans, quality management systems			

Bottleneck color key

1	Significant
1.5	Moderately Significant
2	Moderate
1	Slight

Intervention color key

1	High potential impact
1.5	Moderately High potential impact
2	Medium potential impact
3	Low potential impact

Seeds2B Africa customers express a strong need to better manage their business risks associated with variable seed demand as well as production and regulatory uncertainties. Limited access to capital and low investment in seed marketing and production of self and clonally propagated crops, particularly in early generation seeds, are identified as a significant need for Seeds2B Africa interventions. A notable intervention example is the ongoing technical assistance under the AECF “Seeds for Impact” program that also includes an EGS de-risking component. Such programs have provided go-to-market tools, strategies, and technical assistance to meet the needs of many SME seed companies in Africa.

There is unmet demand of planting material for vegetatively propagated crops (VPCs) and improved seed varieties of self-pollinated crops hence a need to better understand the limitation of seed companies to enter these markets or diversify their portfolio.

Many African farmers cultivating VPCs such as cassava, potato, sweet potato, and yam face constrained access to quality planting material. This is due to the challenges inherent in the production of planting materials of VPCs. Although technological solutions exist, there are other limiting factors relating to policies, institutions, and markets that shape VPC seed systems such as quality assurance mechanisms, certification regulations allowing the marketing of labelled planting material or QDS, sanitary and phytosanitary standards, linking growers to aggregators/off-takers and plant variety protection. Nevertheless, a real and potential opportunity exists to train farmers to produce clonal material for their own use and local planting material provision through small-scale seed enterprises. Unprofitable business models for seed entrepreneurs and inconsistent demand are identified as the main systemic bottlenecks for scaling out seed of self-pollinated crops. Seed commercialization

strategies need to be redefined across strategic drivers of improved variety adoption within these underserved crops. Several separate strategic drivers should be considered to unlock the bottlenecks hindering success of the self-pollinated seed value chains – awareness/perceived value features and benefits (creating demand for seed), advantage through diversified product development and increasing access to dynamic market intelligence (ensuring the seed variety meets farmers’ and industry needs), affordability (farmers ability to purchase seed Including subsidizing introduction of new varieties through selected SME capable companies) and access (availability of seed when farmers need it).

#	STAGE	PLC DESCRIPTION	#	BOTTLENECK	#	SEEDS2B INTERVENTION
7	Commercial Introduction	Promotion and launch of new variety, first seed sales	1	Business risk. Risks to seed companies associated with variable seed demand, seed production failures, and regulatory issues	1	Enhance seed enterprise management capacity to develop and secure seed markets throughout producers, aggregators and value-chain actors
8	Commercial Growth	Sustainable growth of seed sales	1.5	Self- and clonally propagated crops. Lack of investment in producing and marketing self-pollinated and clonally propagated crops; and serving smallholder farmers	1.5	Stimulate collective action among seed companies and seed multipliers
			2	Farmer awareness. Farmers unaware about the characteristics of new varieties and their benefits.	2	Develop business cases that incorporate commercial limitations and design interventions appropriate for RTB and self-pollinated crops such as community-based seed system.
			1	Capital access. Limited access of finance for SME.	1	Evaluate smart subsidy programs to pay for the cost of EGS and commercial seed production and reduce risk for agrodealers in marketing (ex. advance purchase contracts, consignment sales)
			1	Seed regulations. Seed regulations are overly complicated and not fit for purpose	1	Subsidize the introduction and initial dissemination of new varieties through seed companies and decentralized multipliers to subsistence farmers for own use
			1	Regulatory capacity. Farmers lack of trust in seed from the formal sector	1	Boost companies' product portfolio management, sales and marketing capacity, and de-risk marketing spend
					1	Support seed producers' design of product branding strategies that convey the value proposition of and build trust in new varieties
					1	Stimulate private-public campaigns to facilitate use of proven marketing promotional activities/tools for accelerated variety replacement, "demand pull" and adoption.
					1	Invest in Public Service Announcement-style promotional campaigns to increase farmers' and value chain actors' awareness of new varieties and their differentiated characteristics/benefits.
					1	Support awareness creation campaigns and engaging with extension services (partnering with AGRA VBA network)
					1	Boost "investment readiness" among SME seed companies
					1	Raise of awareness of seed business models and performance metrics among funders/banks/financial institutions
					1	Collaborate with financial institutions to design financial products for seed producing organizations
					1	Facilitate strategic partnerships between SMEs and international companies
					1	Provide both technical and legal support to review and revise seed policies, laws and regulations both at national and regional levels
					1	Strengthen the feedback loop between farmers and seed regulators to stamp out poor quality seed
					1	Promote innovation in and the use of tamper-proof packaging, labels and e-verification systems among seed companies

Bottleneck color key

- 1 Significant
- 1.5 Moderately Significant
- 2 Moderate
- 1 Slight

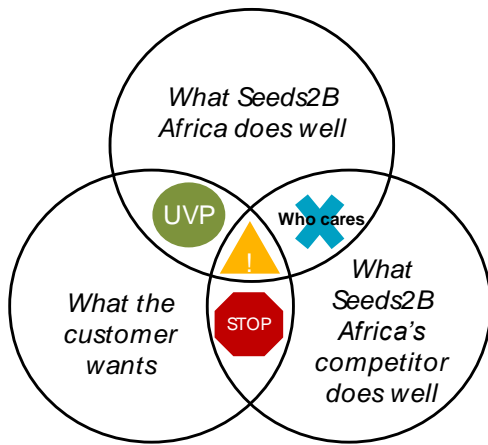
Intervention color key

- 1 High potential impact
- 1.5 Moderately High potential impact
- 2 Medium potential impact
- 3 Low potential impact

In order to stimulate demand for quality seed of improved varieties for various crops, seed companies need to invest in seed marketing and promotion to educate farmers and stimulate demand. Hence support for companies in the implementation of innovative marketing and promotion strategies could be impactful. Focused marketing campaigns involving seed companies, distributors, and traders that make farmers aware of the value proposition of new varieties (e.g., engaging extension services, small pack promotion and mass media) are useful.

Unique value proposition

When considering the intersection between competitor offerings with Seeds2B Africa expertise and what customers want, there are clear areas that inform the Unique Value Proposition (UVP) for Seeds2B Africa’s services as outlined in the figure below. The UVP focuses on what Seeds2B Africa does well and what its customers, partners, and stakeholders want.



UVP **Seeds2B Africa**

More Choice, Better Access!

Facilitating smallholder farmer access to quality, affordable, and climate-smart seed technologies through a unique commercialization approach with a goal towards better and resilient livelihoods.

Seeds2B Africa's current positioning

Seeds2B Africa has developed expertise in several areas that address key bottlenecks within high-impact seed variety commercialization interventions. Seeds2B Africa aspires to further strengthen its capability as a capacity builder across all prioritized varietal commercialization offerings, where it already serves as an implementor.

PLC	PRIORITIZED* Seeds2B OFFERINGS	Seeds2B CURRENT POSITIONING			
		CAPABILITY	DELIVERY	FEE-FOR-SERVICE	DIFFERENTIATION VS. COMPETITION
5	Pinpoint farmers' preferred traits, production constraints, and adoption influencers to inform product development blueprint (or product concept)	LOW	Implementor & Capacity Builder	N/A	Focused interventions
	Support the establishment of a product advancement process for successful and efficient product launch and delivery. Perform production research trials, aimed to measure COGs and develop production instructions.	HIGH	Implementor & Capacity Builder	HIGH	
	Test product within defined areas of adaptation (AOA) trials , based on representative environmental conditions to support area advancement objectives for country/region level advancement decisions	HIGH	Implementor & Capacity Builder	HIGH	
	Facilitate engagement between seed companies & breeding teams (or product management)	MED	Implementor & Capacity Builder	N/A	
	Advocate for product profiles features aligned to market requirements and farmers needs and benefits	HIGH	Implementor & Capacity Builder	HIGH	
6	Facilitate independent, coordinated national variety trials (NVTs) with the objective of valuation to assist in varietal decision making by providing comparative information to partners on the performance of new varieties in multi-environment due to limited NARS capacity. Test product under local farm management practices for capturing customer perception of pre-commercial products demo trials .	HIGH	Implementor & Capacity Builder	HIGH	Performance/ impact
	Support CGIAR and NBPs to establish simple, standardized legal frameworks for licensing pre-commercial varieties	LOW	Implementor	HIGH	Donor recognition
	Development of crop specific strategies to produce sufficient supply of EGS	MED	Implementor	HIGH	PLC process
	Enable commercial EGS producers through seed production research, mentorship, and capacity-building	HIGH	Capacity Builder	N/A	PLC process
7/8	De-risk EGS production of new crop/variety through advance contracts and guaranteed purchase agreements	HIGH	Capacity Builder	N/A	Crops focus
	Enhance seed enterprise management capacity to develop and secure seed markets throughout producers, aggregators and value-chain actors	HIGH	Implementor & Capacity Builder	HIGH	Higher quality and better service provision
	Support awareness creation campaigns and engaging with public-private partnerships, donors, and non-governmental organizations (NGOs) in innovative extension approaches to accelerate the adoption and dissemination of new varieties by providing technical information about new varieties, conducting various promotional activities and field demonstrations	HIGH	Implementor & Capacity Builder	N/A	
	Provide both technical and legal support to review and revise seed policies, laws and regulations both at national and regional levels	MED	Implementor	MED	
Facilitate feedback from farmers to regulators and support enabling environment development for farmer-led enterprises producing Quality Declared Seed for crops and varieties not served by the private sector to stamp out poor quality seed .	HIGH	Implementor & Capacity Builder	N/A		

*Customer prioritize offerings of most significantly needed from a list of 34 important varietal commercialization service and support offerings

Seeds2B Africa has also established expertise in delivering programmatic and fee-for-service support as a go-to solution provider known for:

- Reliable implementation of trials and delivery of data to assess performance and market acceptance of new varieties
- Seasoned guidance to help seed companies mitigate risks through technical, agronomic, or functional commercial business planning support delivered by a diverse team of experts

- Strong seed regulatory links and wide partnership network
- Strong knowledge of and links to local businesses (seed producers, distributors, farmer groups, and processors) that facilitate a robust seed system environment

Delivery pathway approaches

Seeds2B Africa operates through two complementary delivery pathway approaches, fee-for-service, and donor funded programs with the latter making up majority of Seeds2B Africa's revenue. USAID is currently the lead contributor. Fee-for-service offerings are a growing area of revenue and have been focused on market entry support for international private-sector companies interested in entering African markets.

Growing the portfolio of international organizations that want to enter the African market and have the ability and willingness to pay directly for market entry support services will be key to expanding Seeds2B Africa's fee-for-service work. While it is expected to grow over time, this area is purely dependent on commercial interest from such organizations and can be variable. It is also expected that local organizations (seed companies and public agencies) that could benefit from Seeds2B Africa services maybe resource constrained and have limited ability to pay for such market entry support services.

Identifying donors that align with Seeds2B Africa's UVP is the first step to maintaining and expanding donor-funded-programmatic work. Seeds2B Africa has a well-established reputation in this area through its relationship with SFSA. Expanding programmatic work will require continued positioning with donor strategies and preferences, while articulating compelling impact and value creation from current grant execution. It may also require differentiating Seeds2B Africa from SFSA to ensure funding can flow directly to Seeds2B Africa and will not be dependent on SFSA holding the primary relationship with potential donors.

Programmatic delivery approach

Seeds2B Africa can access programmatic funding from donors interested in supporting seed sector evolution and development in geographies and crops that Seeds2B Africa serves. These include funders such as USAID, Gates Foundation, DFiD, GIZ, IrishAid, SDC, and other governmental and non-governmental funding agencies with interests in international agricultural development.

Seeds2B Africa can differentiate itself from other seed systems development organizations seeking funding, such as AATF and others, based on its commercial expertise, delivery approach, performance of currently managed projects, and its insights on seed systems intervention opportunities.

Seeds2B Africa's fee-for-service and programmatic delivery approaches can complement each other whereby recipients of programmatic support can move towards fee-for-service models thereby creating a longer term path to sustainability. The organization will need to have a robust communication and promotion strategy in order to position itself as a go-to partner in supporting seed systems interventions. This should include assessing evolving funders' priorities and matching those to its offering and capabilities in the selected countries of focus.

Programmatic projects can be used to build more tools and approaches to support efficient delivery of current and future work such as the current FieldTrials digital tool developed by Seeds2B with support from USAID and currently being used to scale out variety assessments in multiple countries. Such tools can be made available to partners such as NARs and other public sector players including Innovation Labs to enhance their technology assessment activities.

As the various crop-country combinations were assessed, several areas were identified as having potential to meet the needs of Seeds2B Africa’s potential donors including Feed the Future Innovation Labs with the resources to structure programmatic support to local actors such as SME seed companies that may not have adequate resources to pay for fee-for-service work. Such programmatic support can be delivered by Seeds2B Africa including:

1. Catalyzing public-private research partnerships
2. Delivering bespoke and targeted technology demonstrations
3. Linkages to affordable financing
4. Marketing support
5. Forecasting intelligence for seed production

Fee-for-service delivery approach

Seeds2B Africa fee-for-service approach aims to help research organizations including international seed companies by carrying out comparative trials to assess performance and market acceptance of new varieties as well as helping them navigate in-country regulatory hurdles. The trials that Seeds2B Africa administers are multi-location adaptation screening, registration trialing, and farmer awareness trials. This encourages the private sector to invest in more crops and in more challenging markets where the links between R&D, production, and the potential market are weak or undeveloped.

Market entry support includes assisting international seed companies with registrations of new varieties (at national or regional level) and navigate regulatory barriers that could contribute to restricting smallholders’ access to improved seeds.

As the various crop-country combinations were assessed, several areas were identified as having potential to meet the needs of international seed companies and private research centers with the resources and willingness to pay for Seeds2B Africa’s fee-for-service support. These include:

1. Small plot variety trials and screening of emerging varieties and seed applied technologies
2. Promotion and launch strategy development
3. Large scale on farm testing
4. Variety registration at the national or regional level
5. Market intelligence
6. Regulatory advice
7. Varietal licensing support

Customer offer by segment

Seeds2B Africa’s offer to each of its targeted customer segments is as follows:

Donors: Seeds2B Africa supports the donors’ ability to accelerate the rate of technology adoption mostly from public R&D by establishing connections between public sector breeding teams and seed system actors and establishing formal or informal PPPs that result in farmers having better access to seed varieties with demanded characteristics.

Feed the Future Innovation Labs: Innovation Labs mostly work with NARs, but leverage Seeds2B Africa’s capacity to connect with other national stakeholders in order to meet or exceed research outputs, technology transfer and scaling partnerships. Seeds2B Africa coordinates research and technology dissemination in partnership with the Innovation Lab network and local public and

private actors to assess, select and get adopted the best technologies and practices. NARs. This enables the Innovation Labs to accelerate the dissemination, scaling, and commercialization of these technologies, especially on sorghum, millet, cowpea, soybean, and groundnut.

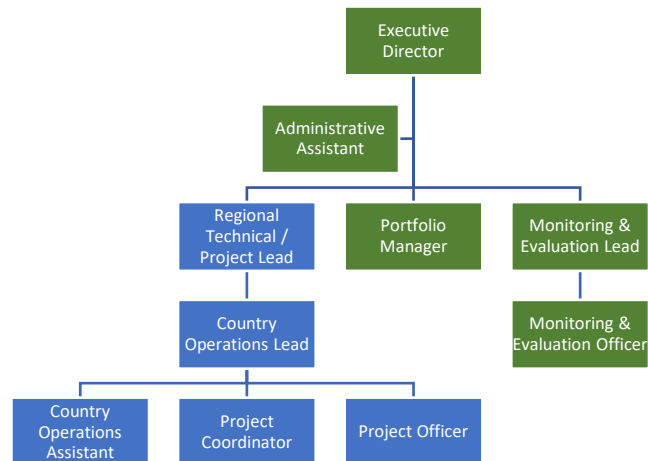
International Seed Companies: Seeds2B Africa supports these companies to commercialize their crop varieties and helps establish sustainable markets that can attract other companies looking to introduce new and improved technologies in Africa.



FEASIBILITY

Key Resources / Organizational Assets

At a high-level there are two types of roles within Seeds2B Africa, Operational (blue) and Selling, General and Administrative (green). The organization can be scaled in relation to the size and complexity of its programs and projects.



There are currently five permanent, operational roles with headcount who are fully (100%) deployed on Seeds2B Africa related work and responsibilities. These include:

1. Regional Technical / Project Lead
2. Country Operations Lead
3. Country Operations Assistant
4. Project Coordinator
5. Project Officer

Due to current laws and regulations in some of the countries of work as well as Seeds2B Africa's current size, complexity, and budget,

- there is currently only one employee of Seeds2B Africa filling the role of a Commercial and Program Manager
- Seeds2B Africa currently leases and/or receives in-kind support for most of its operational personnel from SFSA.
- select positions are leased through other employers of record. Those agreements have been held and managed through SFSA and will be transitioned to Seeds2B Africa to hold and manage. Upon the establishment of Seeds2B Africa entities in those respective countries, the employees will be transitioned accordingly.
- Seeds2B Africa will continue to lease select personnel from SFSA until entities are established in additional countries and those personnel can then be transitioned. Once entities are established, only fully deployed (100%) employees will be transitioned. All partially deployed employees of SFSA will continue to be leased to Seeds2B Africa.
- select country laws (e.g., France and Switzerland) would prevent any SFSA employees residing in those countries from being transitioned to the Seeds2B Africa entity. Therefore, this leasing arrangement will be maintained indefinitely in those select instances.

All remaining operational roles are contracted roles and correlated according to specific program and project needs (e.g., country location, crop expertise, number of persons per role, percentage of time contracted). Such roles include in-country field staff and subject matter experts (e.g., policy, gender specialist, government affairs engagement/advisory services, EGS/modeling/assessment, technology assessments, marketing services, editor for compliances/reporting, seeds systems).

There are currently five permanent Selling, General and Administrative (SG&A) roles within the organizational structure.

1. Executive Director (50%)
2. Portfolio Manager (80%)
3. Monitoring and Evaluation Lead
4. Monitoring and Evaluation Officer
5. Administrative Assistant

Due to the current size, complexity, and budget of Seeds2B Africa,

- All five permanent SG&A positions are leased and/or provided through in-kind support from SFSA to Seeds2B Africa.
- the Executive Director and Portfolio Manager positions are fractional roles that involve leasing arrangements with SFSA.
- some of the positions are a combination of multiple roles (i.e., the Executive Director also does Business Development, Partnerships and Marketing; the Portfolio Manager has some Finance related responsibilities). The growth of Seeds2B Africa will allow for more specialization and addition of roles within the organization.

All remaining SG&A roles are possible through the in-kind support of SFSA, in direct alignment with the size and complexity of the Seeds2B Africa entity and that of the programs and projects being managed. All are fractional roles (5-80%) and provide essential back-office support to the operations of the organization: finance, bookkeeping, human resources, portfolio assessment support, communications, procurement, legal, drivers, advising, as well as health, safety, environment & quality.

With growth, expansion and further diversification of programs and projects, in accordance with the crop-country targeted areas identified, Seeds2B Africa envisions the need to add three newly defined positions, a Continuous Improvement Lead, a Business Development support position, and a Partnership (i.e., fundraising) support position. In addition, some team members will be able to specialize, thereby fully dedicate themselves to Seeds2B Africa and a particular role, versus splitting their time between multiple positions. (e.g., a current Operations Assistant is spending 40% of her time in this role and 60% as a Project Officer) Otherwise, Seeds2B Africa plans to expand headcount of permanent staff and contractors within currently defined roles.

Key Activities

Organizational Competencies

The collective Seeds2B Africa team, inclusive of its internal team and its management of an expanded network of contractors (e.g., regulators, extension, researchers, seed companies), is able to deliver upon its unique value proposition because of its technical and strategic competence and demonstrated success in four specific areas:

1. Product-Market Fit / Product Pipeline Insights

- Successful Experience

- Plan and execute variety trials, characterization, data analysis, communication of trial results and deliver insights based on Targeted Product Profiling.
 - Flawlessly execute variety trials to completion, according to specific protocols, exercising independent judgment and discretion as appropriate.
 - Oversee the systems, process to advance the best products, and product knowledge positioning. Advise on crop management practices.
 - Knowledge and Skills
 - Extensive knowledge and understanding of local demand trends to aid in scaling of multi-location, replicated trials for demanded crop traits.
 - Solid knowledge of good agronomic practices, good trialing practices (GTP), evaluation procedures, data collection and management, and the regulatory environment.
- 2. Early Generation Seed (EGS) Supply** *(Note: This is different from field agronomy in that EGS/Foundation Seed Agronomist work specifically toward the creation of high-quality seeds.)*
- Successful Experience
 - Plan and coordinate field production activities of EGS with NARs, seed companies and/or seed growers to meet the required seed availability and quality standards.
 - Link public and private actors to better plan supply and demand of EGS and implement the required production accordingly.
 - Coordinate field activities during the growing, harvesting, and processing of foundation seed, inclusive of sampling for regulatory testing.
 - Provide guidance, leadership, and training to develop best practices about EGS field activities to drive standardization and overall effectiveness.
 - Knowledge and Skills
 - Understand variety characteristics, seed quality standards, seed regulation, and crop delivery requirements to optimize seed availability and purity.
 - Possess extensive knowledge on seed production procedures, practices, and research and development.
 - Remain current with latest seed production technology to support seed growers.
- 3. Seed Business Management and Seed Marketing Support**
- Successful Experience
 - Develop aggregate demand plan and supporting assumptions along with the predictive model. Prepare and facilitate the process to build seed production plans based on Sales Forecasting, and deliver the demand forecast over two seasons/years, including the analysis of major deviations from prior demand plans and periods.
 - Develop and communicate actionable insights for business decisions and strategy development.
 - Analyze various market segments, grower insights, product feedback and competitive dynamics to identify market trends, threats or new business opportunities and reflect customer needs.
 - Actionable grower segmentation, define clear target setting by defining go-to-market strategy by grower segment with a view of customer needs, crops / crops systems and channels involved.
 - Develop and implement creative marketing communications plans and activities.
 - Build a business case, describe strategic priorities, and define product attributes to design the value proposition.

- Knowledge and Skills
 - Demonstrate a strong understanding of value chain and partnership concepts.
 - Have a profound expertise in designing and implementing strategic marketing activities and monitoring trends and customer needs.

4. Regulatory Advocacy

- Successful Experience
 - Deliver short-medium term regulatory and political outcomes that support the business plans, including product authorizations, technologies, trade challenges, and country-specific issues.
 - Influence future policy developments through assessment, test cases and check-back mechanisms of the current policies and identification of gaps and solutions (including experience sharing across regions).
 - Develop and implement campaigns to obtain political support, including developing and motivating third-party influencers.
- Knowledge and Skills
 - Thorough understanding of current developments in key policy areas and how they impact seed company businesses in targeted regions of Africa.

Digital Communications

Seeds2B Africa plans to develop and implement an end-to-end digital communication strategy to reach its unique target audience through the development of a website and branded social media pages.

The benefits to be drawn from this include but are not limited to the following:

- I. Brand awareness creation and brand recall value that helps deliver strong marketing messages
- II. Customer testimonials will provide social proof to other potential customers and stakeholders
- III. Showcase service offerings and achievements, build credibility and create an opportunity for Seeds2B Africa's potential customers to seek clarity about its service offerings. This will help influence buying decisions among existing and potential customers.
- IV. Maintain an effective presence in the digital communication space that helps towards effective customer service and relationship building. This will allow the business to compete effectively against competition with others in the seed sub-sector.

Country Offices

Seeds2B Africa currently has an office in Kenya where the entity is also registered. By 2024, the organization plans to establish entities in three additional countries namely, Senegal, Mali, and Nigeria, and open offices or utilize existing SFSA country offices in the three countries. The former would enable the organization to transition and directly employ staff that are currently being leased from SFSA. Seeds2B Africa will continue to lease select strategic employees from SFSA who are currently located in its Swiss headquarters as well as in France due to restrictive labor laws in these countries on employment transfers. In addition, Seeds2B Africa has made a strategic and budgetary decision to only open and maintain offices in sub-Saharan Africa where significant programmatic or fee-for-service opportunities exist.

Beyond 2024, the organization will expand its footprint across sub-Saharan Africa in alignment with its strategy and also specific to programmatic and business development needs. Current countries being considered also include Tanzania and Ethiopia.

	Kenya	Mali	Senegal	Nigeria	Tanzania	Ethiopia	Switzerland/ France
2024 Permanent Staff Plan by Country							
Regional Technical / Project Lead	1						2
Country Operations Lead	1	1	1	1			
Country Operations Assistant	1	1	1				
Project Coordinator				1	1	1	
Project Officer	3	1	2				1
Total Operational Roles	6	3	4	2	1	1	3
Executive Director (50%)	0.5						
Portfolio Manager (80%)	0.8						
Monitoring & Evaluation Lead	1						
Monitoring & Evaluation Officer	1						
Administrative Assistant	1						
Total SG&A Roles	4.3	0	0	0	0	0	0

Key Partnerships

Seeds2B Africa’s approach will include a focus on nurturing multi-stakeholder partnerships in order to catalyze system-level change that will benefit pre-commercial smallholder farmers in the countries of focus. As Seeds2B Africa selects investments in crops and cropping systems in the countries of focus, the organization will identify and nurture relationships with key strategic partners across the entire agricultural value chain. These will include private companies, research organizations (e.g., NARs, the CGIAR, and academia), NGOs focused on seed systems development (e.g., AGRA), and global funders (e.g., USAID, SDC and the Bill & Melinda Gates Foundation).

SFSA is currently the owner and single shareholder of Seeds2B Africa. Seeds2B envisions to have SFSA support for a minimum of 24 months or until the entity achieves a break-even point with its operational cost structure, after which the organization will be expected to be a stand-alone entity with its own management and implementing staff. Some of the current SFSA staff are expected to move to Seeds2B Africa while others will be leased directly to the organization. Once Seeds2B Africa achieves a break-even point, SFSA may choose to reduce its ownership by selling its shares to likeminded investors in line with the social enterprise mission of Seeds2B Africa or Seeds2B Africa management in the form of a management buy-out. Seeds2B Africa expects that SFSA will maintain a seat on the Board of Seeds2B Africa or be retained as a strategic advisor to the entity.



Seeds2B Africa is at a formative stage in its progression to long-term financial sustainability. Building on its track record of designing and implementing large-scale, multi-year programs and projects, Seeds2B Africa has a deep understanding of the resource requirements needed to deliver on donor and customer expectations through a combination of skilled program, project, and process leads and in-country staff, supported by a network of competent subject matter experts.

Seeds2B Africa is poised to achieve a key financial milestone of generating the revenue needed to break-even with its operational cost structure in the near future. The key driver for Seeds2B Africa to achieve this milestone is its ability to secure multi-year program funding within its proposal pipeline. Until these developments are realized, the co-funding and in-kind support from SFSA provides Seeds2B Africa with the resourcing needed to establish organizational capabilities that position the organization for long-term financial sustainability.

Revenue Streams

Seeds2B Africa generates revenue in the form of program contributions, fee-for-service contracts, and digital tool subscriptions. Since Seeds2B Africa's inception, the fee-for-service contracts have been an important source of revenue to resource the Seeds2B Africa's formation of its operational staff. Although financial limitations of local and regional seed companies in Africa restrain Seeds2B Africa's revenue from commercial service offerings, donors have recognized the need for their catalytic investments in varietal commercialization support to accelerate variety turnover and promote the adoption of improved varieties. The following combination of revenue sources provides Seeds2B Africa with a pathway towards financial viability.

Programmatic Support: Seeds2B Africa has several active programs (AVISA 2.0, PASSTA 2.0, Tef work in Ethiopia, and Seed Equal) and new funding objectives that total \$4-6M in annual revenue contribution, with nearly half of this programmatic funding support objective already secured.

Contract Revenue: Following several recently completed contracts, Seeds2B Africa currently serves four customers Solynta, Agrico, FN3PT, Sunrise Agritech and Syngenta. New contract revenue objectives that are expected to grow from ~\$150K to ~\$400K over the next five years, with new contracts averaging \$20K per trial.

Subscription Revenue: Over the past several years, SFSA has worked with Resonanz, a software developer, to develop a digital tool, called Field Trials, for effectively managing crop variety trial results. Seeds2B Africa has a goal to make the tool accessible to key public sector partners, such as NARs and Feed the Future Innovation Labs. Future revenue may be possible for Seeds2B Africa through structuring digital tool access through subscription agreements.

Co-funding from SFSA for USAID programs respectively resources Seeds2B Africa's organizational, program, and project management compensation with in-country operational staff compensation and other direct operating costs. The established levels of co-funding from SFSA will be needed through the life of current programs in Seeds2B Africa's portfolio of engagement. As new programs are proposed, SFSA co-funding is expected to become a smaller share of Seeds2B Africa's total funding as donors, customers as new co-funding partners become a greater share of Seeds2B Africa's revenue.

Cost Structure

Seeds2B Africa realizes outcomes for donors, capital allocators, Feed the Future innovation labs and international seed companies through resourcing operational and selling, general and administrative (SG&A) costs.

Personnel, consultants/subject matter experts, subgrants, subcontracts, and reimbursements to co-investment program partners make up Seeds2B Africa’s operational and SG&A costs.

At the core of Seeds2B Africa’s ability to deliver upon its unique value proposition is the collective team’s technical and strategic competence and expertise.

As of Q1 2023, Seeds2B Africa only has one employee on its payroll. Other team members that support the organization are leased or provided through in-kind support from SFSA headquarters and country offices.

By the start of 2024 (green shaded section in the table below), Seeds2B Africa plans to:

- Employ 20 people across 10 positions
- Lease 5 people across 3 positions (100% of their time will be leased and will be held with SFSA or directly with the respective employer on record until entities are established, except for those employed in Switzerland and France)
- Continue to build and leverage a comprehensive network of experts, whom they have strategically identified to fill anticipated, targeted needs. This includes:
 - In-Country Field Staff
 - Subject Matter Experts on seed systems, policy/regulatory, gender mainstreaming, government affairs, EGS modeling and assessment, crop technologies, marketing, and editors
 - Back-office support roles for finance, bookkeeping, human resources, portfolio assessment support, communications, procurement, legal, transport, and health, environment, and safety

	Current Employment Status (2023)		Short-Term Employment Status Plan (2024)		Future Employment Status (2027)	
	Employed through Seeds2B	Leased to Seeds2B	Employed through Seeds2B	Leased to Seeds2B	Employed through Seeds2B	Leased to Seeds2B
Permanent Staff Plan						
Regional Technical / Project Lead	1	2	1	2	1	2
Country Operations Lead	0	3	4	0	4	0
Country Operations Assistant	0	3	3	0	3	0
Project Coordinator *	0	3	1	2	1	2
Project Officer *	0	7	6	1	6	1
Total Operational Roles	1	18	15	5	15	5
Executive Director (50%)	0	0.5	0.5	0	0.7	0
Portfolio Manager (80%)	0	0.8	0.8	0	1	0
Monitoring & Evaluation Lead	0	1	1	0	1	0
Monitoring & Evaluation Officer	0	1	1	0	1	0
Administrative Assistant	0	1	1	0	1	0
Total SG&A Roles	0	4.3	4.3	0	4.7	0

* Provided through in-kind support from SFSA

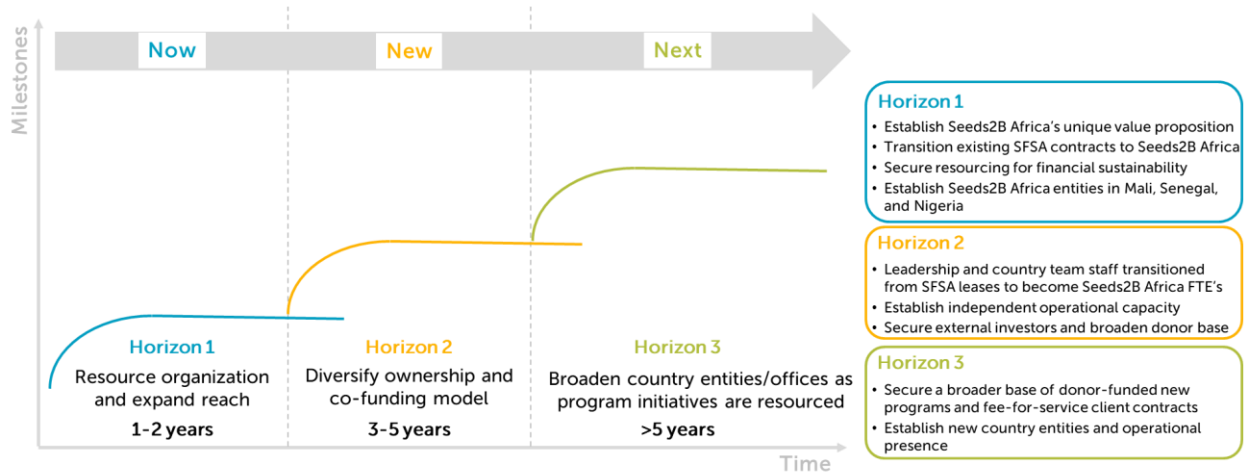
Beyond the current SFSA co-funding annual commitments of \$750K specific to the PASTTA program, SFSA supports Seeds2B Africa with in-kind support in the form of country offices, select in-country personnel, and administrative staff.

5-Year P&L Model

	PROJECTIONS by Year					
	2023	2024	2025	2026	2027	2028
REVENUES						
Program Contributions	3,080,000	3,160,000	2,200,000	1,000,000	1,000,000	1,000,000
Program Contribution Pipeline	2,300,000	2,100,000	2,300,000	3,000,000	3,000,000	3,000,000
Contract Revenue	75,000	86,250	99,188	114,066	131,175	150,852
Contract Revenue Projections	-	140,000	200,000	240,000	300,000	400,000
TOTAL Contributions and Revenues	5,455,000	5,486,250	4,799,188	4,354,066	4,431,175	4,550,852
EXPENSES						
COST OF GOODS SOLD	3,758,335	4,329,610	4,364,459	4,186,074	4,212,657	4,240,036
Personnel	681,075	772,157	795,322	819,182	843,757	869,070
Program, Project, and Process Leads	351,000	395,280	407,138	419,353	431,933	444,891
Country Operations Leads	110,700	150,921	155,449	160,112	164,915	169,863
Country Operations Assistants	44,550	45,887	47,263	48,681	50,141	51,646
Project Coordinators	174,825	180,070	185,472	191,036	196,767	202,670
Consultants	174,260	248,053	249,944	251,893	253,899	255,966
In-country Field Staff	49,260	63,053	64,944	66,893	68,899	70,966
Subject Matter Experts	125,000	185,000	185,000	185,000	185,000	185,000
Subgrants	70,000	70,000	-	-	-	-
Other direct costs	2,056,400	2,808,460	3,077,672	3,000,000	3,000,000	3,000,000
Travel	323,000	366,240	241,521	115,000	115,000	115,000
Capital expenditure	453,600	64,700	-	-	-	-
GROSS PROFIT	1,696,665	1,156,640	434,728	167,991	218,519	310,816
SELLING, GENERAL, AND ADMINISTRATIVE						
Personnel	341,550	351,797	392,350	404,121	416,245	428,732
Admin Expenses	165,000	135,000	135,000	168,600	138,600	138,600
NET REVENUE	1,190,115	669,843	(92,622)	(404,730)	(336,326)	(256,516)

ACTION STEPS, RISKS & MITIGATION STRATEGIES

Seeds2B Africa envisions implementing its Business Plan over three horizons through the achievement of progressive milestones.



Entity, Ownership, and Offices

Milestones / Achievements envisioned (1-2 years): Seeds2B Africa will expand its reach through establishing entities in Mali, Senegal, and Nigeria and develop plans to possibly establish entities in Ethiopia and Tanzania. Seeds2B Africa will develop an investment prospectus to support outreach that can broaden ownership beyond SFSA.

Action steps: Seeds2B Africa will establish additional entities in Nigeria, Mali, Senegal and co-locate within SFSA offices or continue to lease personnel through SFSA in these respective countries.

- Organizational and financial implications, such as entity double taxation and employee contract transition costs, will be accounted for in making decisions on Seeds2B Africa's legal structure, as either a for-profit or social purpose organization, and the formation for Seeds2B Africa entities.
- Financial breakeven is possible for Seeds2B Africa through securing current multi-year proposals that are in development and under consideration, such as Partnership for Seed Technology Transfer in Africa (PASTTA).
- SFSA is expected to remain as Seeds2B Africa's sole shareholder until the entity achieves breakeven. Meanwhile, an investment prospectus will be developed, and the investor outreach process initiated.

Risks: Securing funding to break-even with Seeds2B Africa's operational and administrative costs. Possible considerations for Seeds2B Africa to mitigate this include:

- Continuation of SFSA funding support, inclusive of additional costs to establish entities and migrate personnel, to de-risk financial implications on its transition period action steps and position Seeds2B Africa for financial breakeven.
- Transitioning (and possibly expanding) current programs implemented by Seeds2B Africa from SFSA to Seeds2B Africa, such as the USAID PASTTA and Swiss Agency for Development and Cooperation (SDC) Tef programs.

Governance and Management

Milestones / Achievements envisioned (1-2 years): Seeds2B Africa will establish governance independent of SFSA. Key personnel (e.g., management and key operational and support staff) will continue to be leased and/or provided via in-kind support from SFSA until Seeds2B Africa secures resourcing for long-term financial sustainability.

Action Steps:

- Seeds2B Africa internal Board members to be joined by one or two external Board members, such as a representative from SFSA management.
- Seeds2B Africa's Memorandum and Articles of Association will be updated to define decision-making authority and relationship between Seeds2B Africa managers and external parties, such as ownership rights, responsibilities, powers, and duties of board members and owners (e.g., SFSA, and other potential outside investors)
- SFSA will maintain a seat on the Seeds2B Africa Board to ensure alignment and commitment of investments/contributions.
- SFSA will measure and report its impact from Seeds2B Africa co-funded programs and foster collaborative innovation development in partnership with and in deployment through Seeds2B Africa.
- Seeds2B Africa will define governance and environmental social governance (ESG) expectations from other donors and social impact investments to attract new contributions.

Risks: Capacity of and alignment in SFSA to provide matching funds to Seeds2B Africa on USAID program once Seeds2B Africa receives direct funding from USAID. Capability of Seeds2B Africa to diversify funding beyond SFSA through other donors. Possible considerations for Seeds2B Africa to mitigate this include:

- Seeds2B Africa will promote the benefits of SFSA-supported administrative functions and key operational personnel to donors.
- Seeds2B Africa will broaden its base of "sponsored programs" and evolve its co-funding / matching grant funding model to donors and social impact investors that share in Seeds2B Africa's unique value proposition.

People / Employees

Milestones / Achievements envisioned (1-2 years): Seeds2B Africa to establish a plan to transition staff seamlessly from SFSA to Seeds2B Africa in Kenya, Mali, Senegal, and Nigeria.

Action steps:

- SFSA personnel, who are located in Kenya and fully deployed on Seeds2B Africa related work and responsibilities, will transition their employment to Seeds2B Africa.
- All staff and respective contracts managed through employers on record will be transitioned from SFSA to Seeds2B Africa.
- All SFSA personnel, who are located in Switzerland and France and fully deployed on Seeds2B Africa related work and responsibilities, will remain SFSA employees and be leased to Seeds2B Africa.
- Seeds2B Africa will also establish a contractual relationship with SFSA for fractional roles.

Risks: Reluctance of staff transitions is being expressed at both management and country staff levels. Possible considerations for Seeds2B Africa to mitigate this include:

- Seeds2B Africa's Mission/Values is embraced by its management and will be clearly communicated to in-country staff.

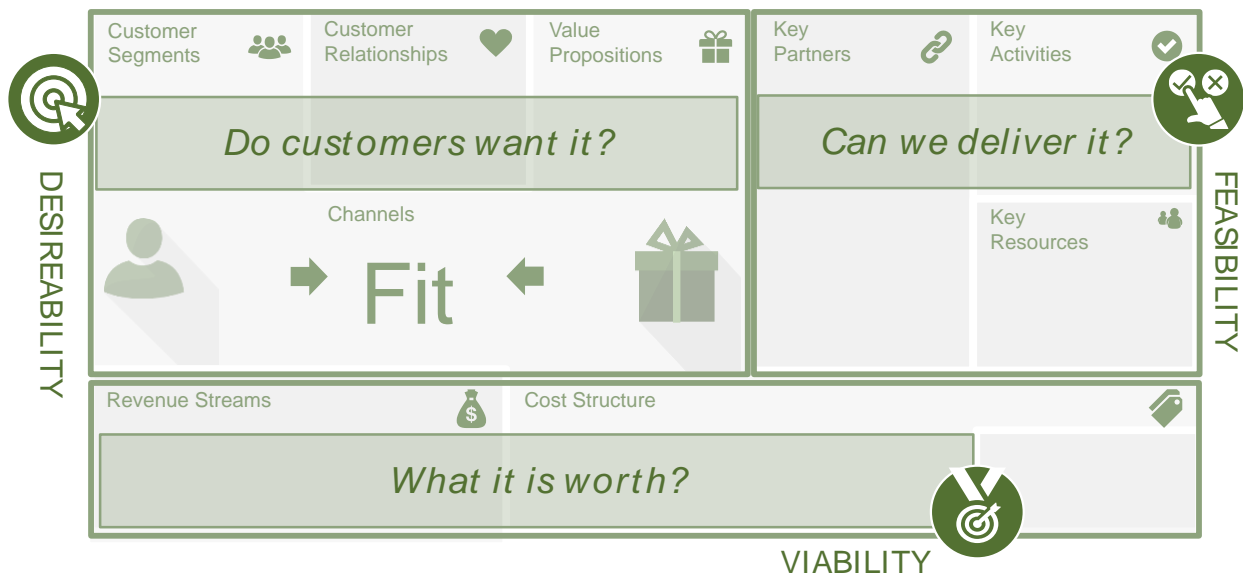
- Employment contracts for Seeds2B Africa leaders will be transitioned from SFSA to Seeds2B Africa with compensation to remain at least at parity for transitioned staff.
- SFSA funding support for additional costs to establish entities and migrate personnel can de-risk financial implications of the transition period.

Annex I: Business Model Canvas Framework

We use the business model canvas as a framework to present the unique components of Seeds2B Africa. The business model canvas is a one-page strategic management tool with nine blocks that represent the fundamental elements of a business. It lets you visualize, assess, and plan a business concept.

The right side of the canvas focuses on the **desirability** of the business (i.e., a service that the customer needs). In contrast, the left side focuses on the **feasibility** (i.e., one that builds on core operational strengths) and, finally, at the bottom, the **viability** of the business (i.e., built for long-term sustainability and growth).

Figure 2. Business model canvas



A summary of what each block entails is provided below for reference.



Desirability

revolves around understanding our prospective customers, what they need, want, and what influences their decision to purchase.



Value Proposition

This consists of select features or services that appeal to the requirements of potential customers. It answers the question 'why' they should do business with us and how it will be of more value to them than similar offerings in the market.



Customer Segments

This explores the different groups of people or organizations we aim to reach and serve. Customers are the driving force of any business model.

Given that customers are not a homogenous group, segmentation is necessary to enable us to focus on those that we can serve most effectively and profitably. By grouping them based on common characteristics, we can make a conscious decision on the segments to serve or ignore.



Channels

This building block describes how we move our services from an idea to the customer. It entails how the business communicates, reaches, serves, and adds value to our consulting customers. Channels play an essential role in the customer experience and perform several functions, including:

- Raising awareness about our service offerings
- Providing feedback loops for the customer and our team



Customer Relationships

This block focuses on the types of relationships that we will foster with specific customer segments. These relationships are built through different channels. They mainly focus on how we intend to get, keep, and grow our customer base.



Feasibility

revolves around the pre-existing core operational strengths that Seeds2B Africa will be building upon.



Key Assets

These are the primary resources that we will use to create its value proposition and to deliver value to customers. They are the primary inputs needed to make our business model functional. These inputs can be human, financial, intellectual, or physical.



Key Activities

This focuses on the most important operational tasks that we will execute to fulfill its business purpose. These actions support all the other different building blocks to work together.



Partnerships

This refers to the relationships Seeds2B Africa has with other organizations in support of our business model.



Viability

comprises the revenue streams and cost structure, how much does the business earn, and how much it spends.



Revenue Streams

Represents the revenue we project to generate from each customer segment.



Cost Structure

This defines the costs and expenses that we project to incur in the delivery of our services.