



CONCENTRATION OF MARKET POWER IN THE EU SEED MARKET

This study shows that the EU market – in reality a number of smaller Member State markets - is undergoing a concentration process, with some member states becoming much more concentrated than others. We use examples to illustrate this, by describing snapshots in two EU member state markets in different stages along this process, France and Poland, using the seed lobby's own information. While this concentration process is occurring, we increasingly see dominant seed companies, in close collaboration with dominant global agro-chemical companies, tailoring seeds to be dependent on those agro-chemical inputs. It is without doubt a globalised market, where arms of global corporations use their worldwide networks to obtain, breed, multiply and distribute their seed: for example, source material may come from Italy, breeding and testing with pesticides may happen in Germany, multiplication may occur in Mexico, packaging in USA, and finally retail in the EU. Given this, we must not lose sight of the global picture which provides cause for concern, as the biggest 10 companies own up to 75% of the worldwide market share.

This study also reveals that the misleading figure of «7000 seed companies», quoted extensively by the corporations and politicians to imply so many breeders, applies not only to breeders, but also to multipliers, processing/treating companies and traders, collectively labelled the 'European seed industry'.

It sheds light upon some of the markets for individual crops or groups of crops within the seed sector, where different rates of concentration can be seen. For example, although the wheat market is dominated to a lesser degree, in the extreme case of the UK, 45% of the market share belongs to a single company; meanwhile 95% of the EU vegetable seed market is in the hands of just 5 companies.

The question is therefore: is the EU seed market really as diversified as the European Commission wants lawmakers and the general public to believe? Or is this market in fact transforming rapidly from a seed sector with a large number of competing small firms and farmers into an oligopoly, increasingly dominated by a small number of transnational agro-chemical-seed firms?

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