



RF Food Initiative: Kenya Fresh Produce Exporters and C-19 Update for industry

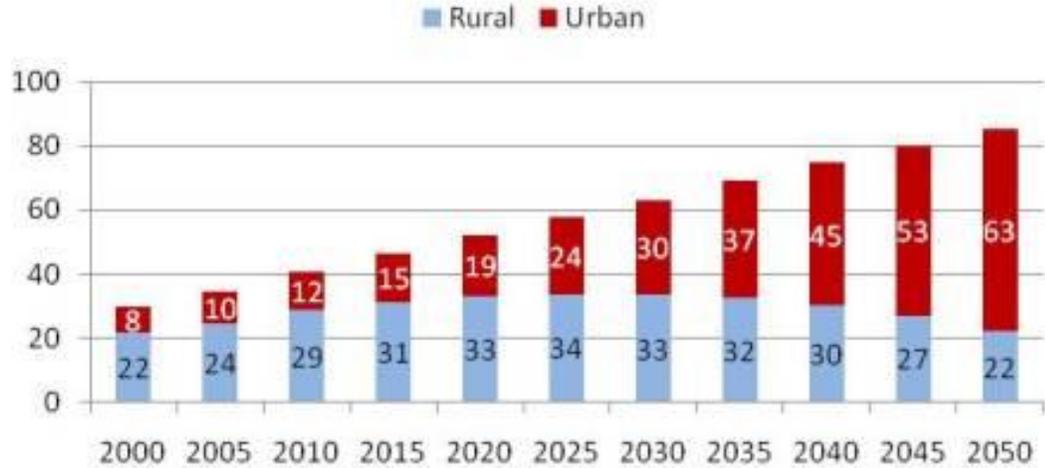
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Significant overall opportunity for growth of domestic fresh produce sector

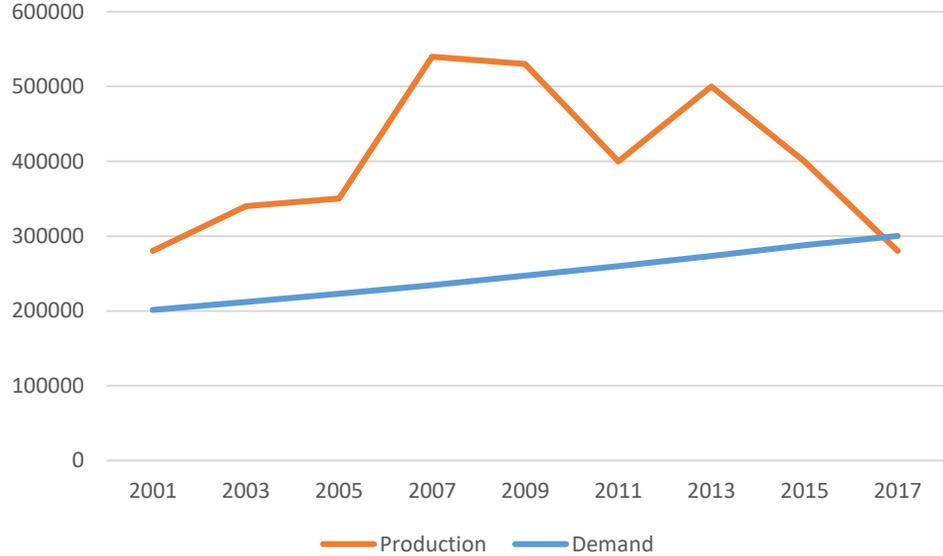
Market demand is increasing driven by demographic change

Domestic consumers young, concentrated, increasingly urbanized¹



Local production is not meeting supply, imports increasing

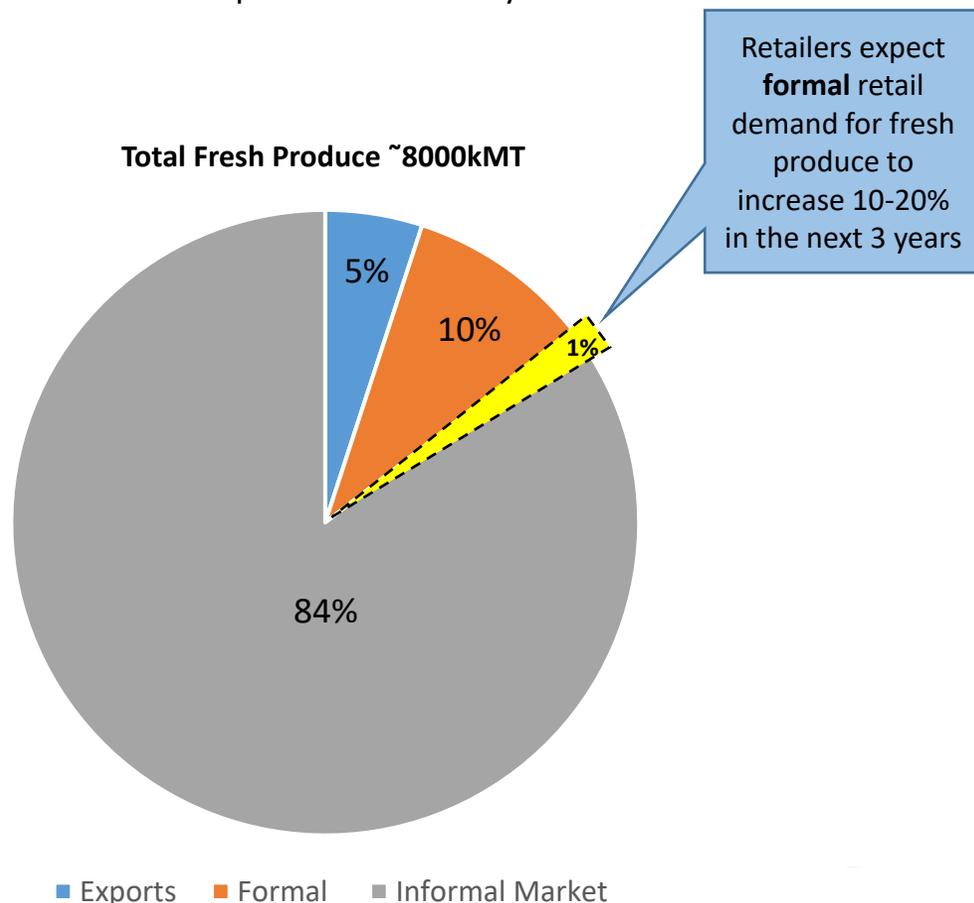
Tomato production vs demand 2001-2017



90% informal and consumers still very price sensitive – although some higher value, niche opportunities emerging

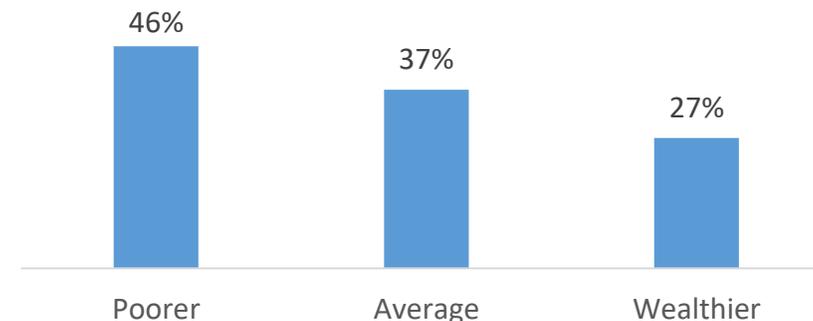
Informal sector still dominates, but formal demand growing

Share of total fresh produce market by sector



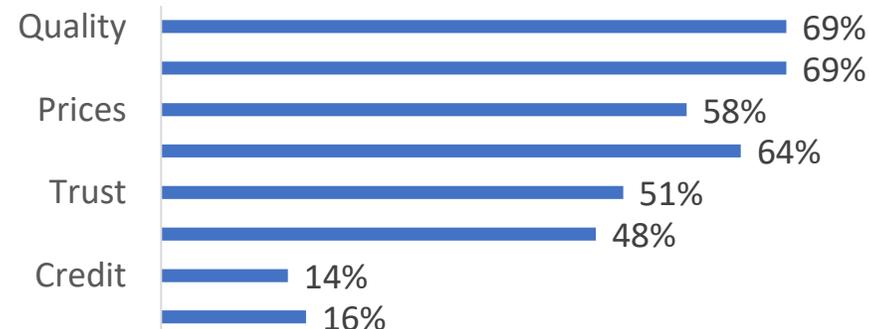
Low income households spend nearly 50% of income on food

% of income spent on food by household segment

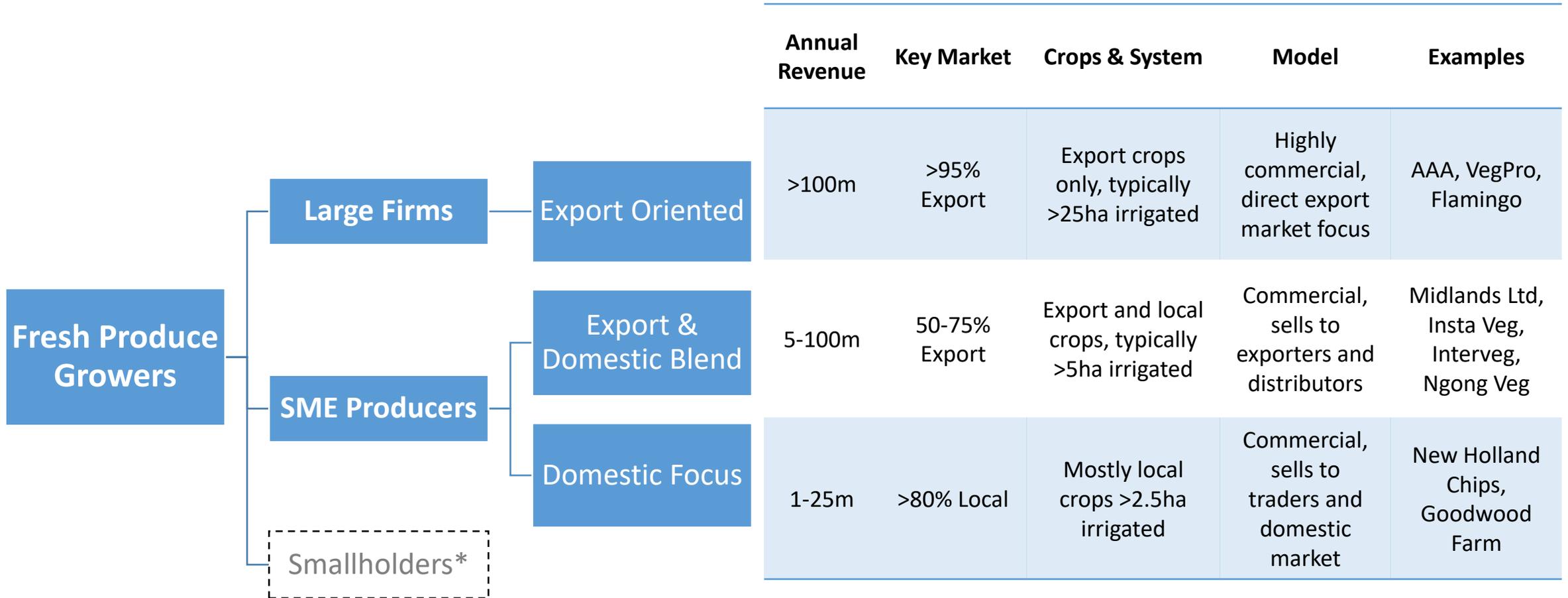


Affordability is a lower priority for some segments

Purchase decision for mid-income urban consumers (Total = 1004)



Producers can be grouped into 3 simple segments



*Smallholders not included in this assessment
Source: Wellspring analysis; survey

SME exporters identified with interest in increasing supply to local market

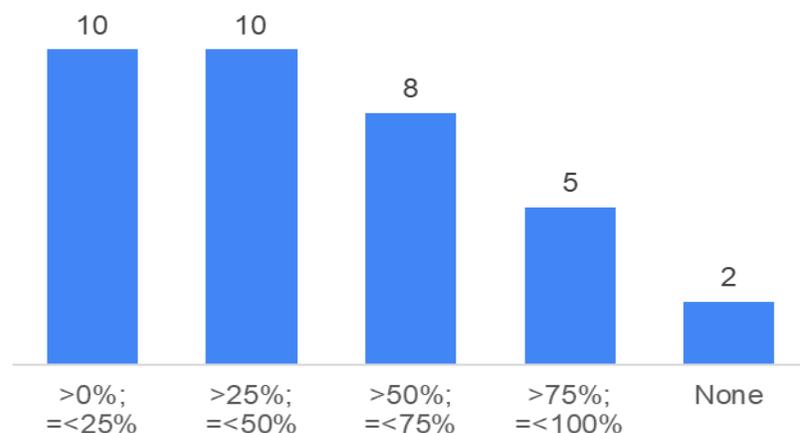
Over 30 SMEs expressed interest in increasing production for domestic market; over 1/3 of these by over 50%

Large players are interested in increasing volumes to domestic market but it remains small vs. overall export volumes

% planned shift in production to domestic market

Number of companies reporting % shift (total = 35)

***Note FPEAK survey respondents were pre-selected for interest in domestic market**



“Our current domestic supply is under **1%** but we are keen to grow it to **5%**, leveraging our out growers schemes for crop rotation to contribute to safe food in the domestic market ”

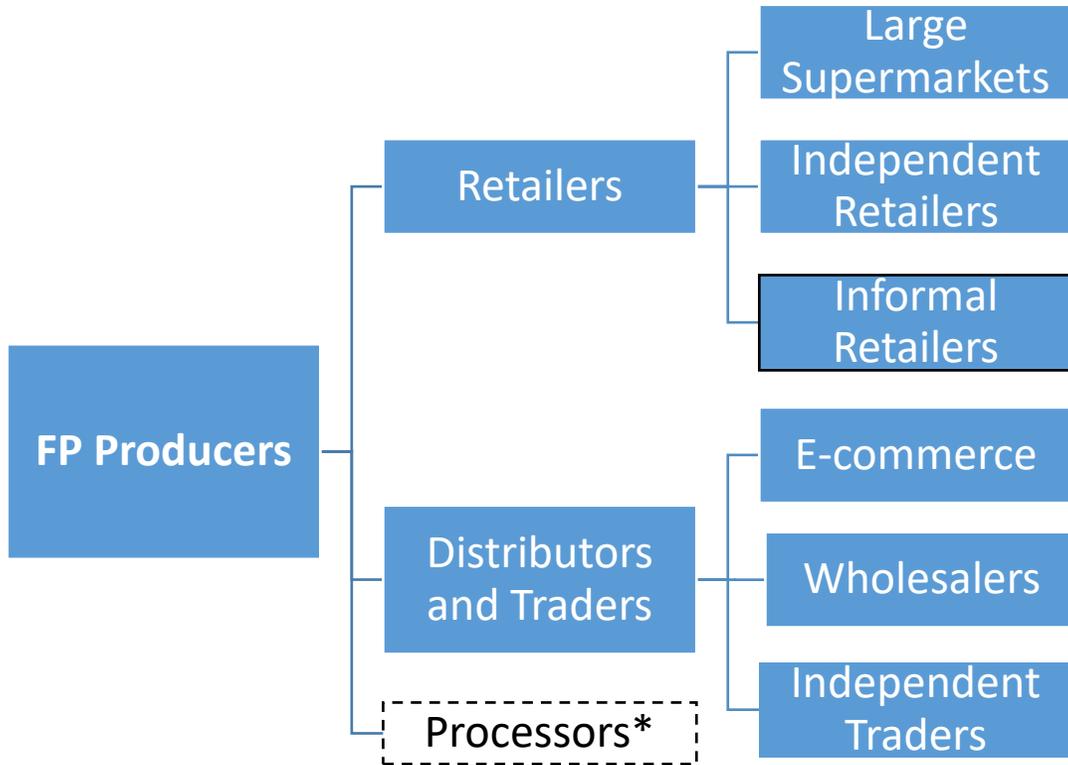
- *Large Grower*

“Out of the 400 exporters from Kenya, only about 25 are serious exporters. If the situation was to improve in the domestic market, most of the exporters would venture into domestic market”

- *Large Grower*

Recent market closures due to COVID-19 restrictions have not dramatically increased exporter interest in supplying domestic market. Despite heightened awareness of risks associated with export markets, higher margins and secure contracts still outweigh this risk for most exporters, especially larger ones. Dynamics may lead SME producers to accelerate existing plans to diversify into / increase volumes to domestic market

Local market made up of distinct retailer and distributor segments



Market Share	Target Market	Product Mix
~5%	Urban consumers, mid / upper segment	Staple fresh produce, premium vegetables, packaged products
~5%	Mid segment urban and peri urban	Staple fresh produce, packaged products
~90%	Mid / lower segment, peri-urban and rural	Staple fresh produce
<1%	Retailers, hospitality sector, direct consumer	Staple fresh produce, some premium vegetables
<5% ?	Formal sector retailers, hospitality, catering etc	Staple fresh produce, some premium vegetables
>95%?	Retailers, local markets, informal sector	Staple fresh produce

*Existing processor landscape not covered in scope of this study, but innovative new players included in interviews where relevant

Source: Wellspring analysis; survey

Retailers, distributors and processors are looking for new supply solutions

The formal sector faces important challenges sourcing from the informal market. Actors are increasingly seeking larger and more reliable local suppliers, including export producers seeking to allocate a share of production to local markets.

“Traders often refuse to sell in the evening in anticipation for better price tomorrow”

- *E-Commerce Distributor*

“Retailers increasingly require a wide product range, and struggle to source this from the open (informal) market”

- *Large Retailer*

“We are already engaged with a large export producer to secure a fixed volume of their production for our product”

- *Start-up Processor*

“If the market infrastructure was to improve in the domestic market, many more exporters would shift more volumes to the domestic market”

- *Director of exporting company*

“The domestic market is controlled by cartels. There is need to organize traders into cooperatives so as to ensure reliable and fixed market prices”

- *Director of trading company*

“Currently our domestic supply is at less than 1%, our strategy is to leverage our existing smallholder supply chain to [grow to] 5%”

- *MD, Large exporter*

Informal traders are looking for improved business and financing models

“ If only you could do a study of how many traders are owed money by the retailers and hotels, you will be surprised how many billions are out there”.-
Informal trader

“ If we could get training on financial management and access to affordable credit, our troubles will be finished. Many people go bankrupt from expensive shylock loans”.-
Chairman, Informal traders

I am a victim of Tusky's. Initially I used to be paid weekly, then monthly then 3 months and 6 months. I got frustrated and stopped supply”- *Informal trader*

“ The domestic market is controlled by cartels. There is need to organize traders into cooperatives so as to ensure reliable and fixed market prices”
- *Director of trading company*

“The large exporters are causing competition in the domestic market because they have ability to give long credit periods of up to 90 days”

“if I borrow Ksh. 20,000/ from shylocks today, tomorrow I pay interest of Ksh. 2000/. 10% daily interest rate is unsustainable”- *Informal trader*



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Opportunity to capitalize on producer and market interest; however, major challenges for export firms increasing supply to domestic market

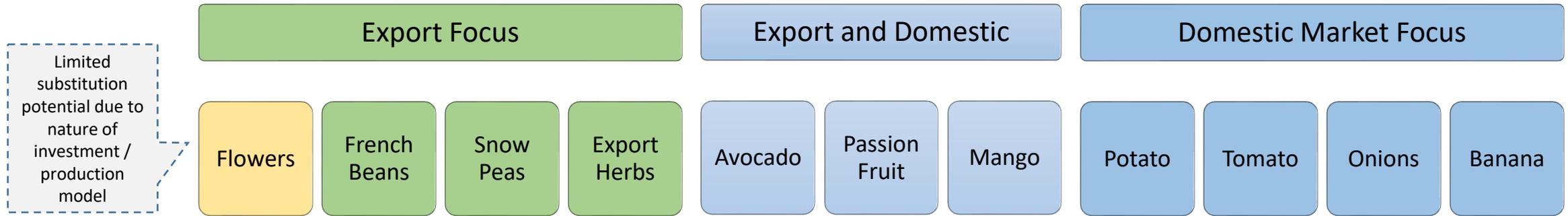
The opportunity: Producer interest in increasing supply to domestic market and market interest in developing smarter supply chain solutions

Key challenges:

1. Not all export crops are demanded by local market
2. Low and volatile pricing on domestic market
3. High distribution costs put pressure on producer margin and consumer prices
4. Producers lack market relationships and retailers lack of consistency of supply

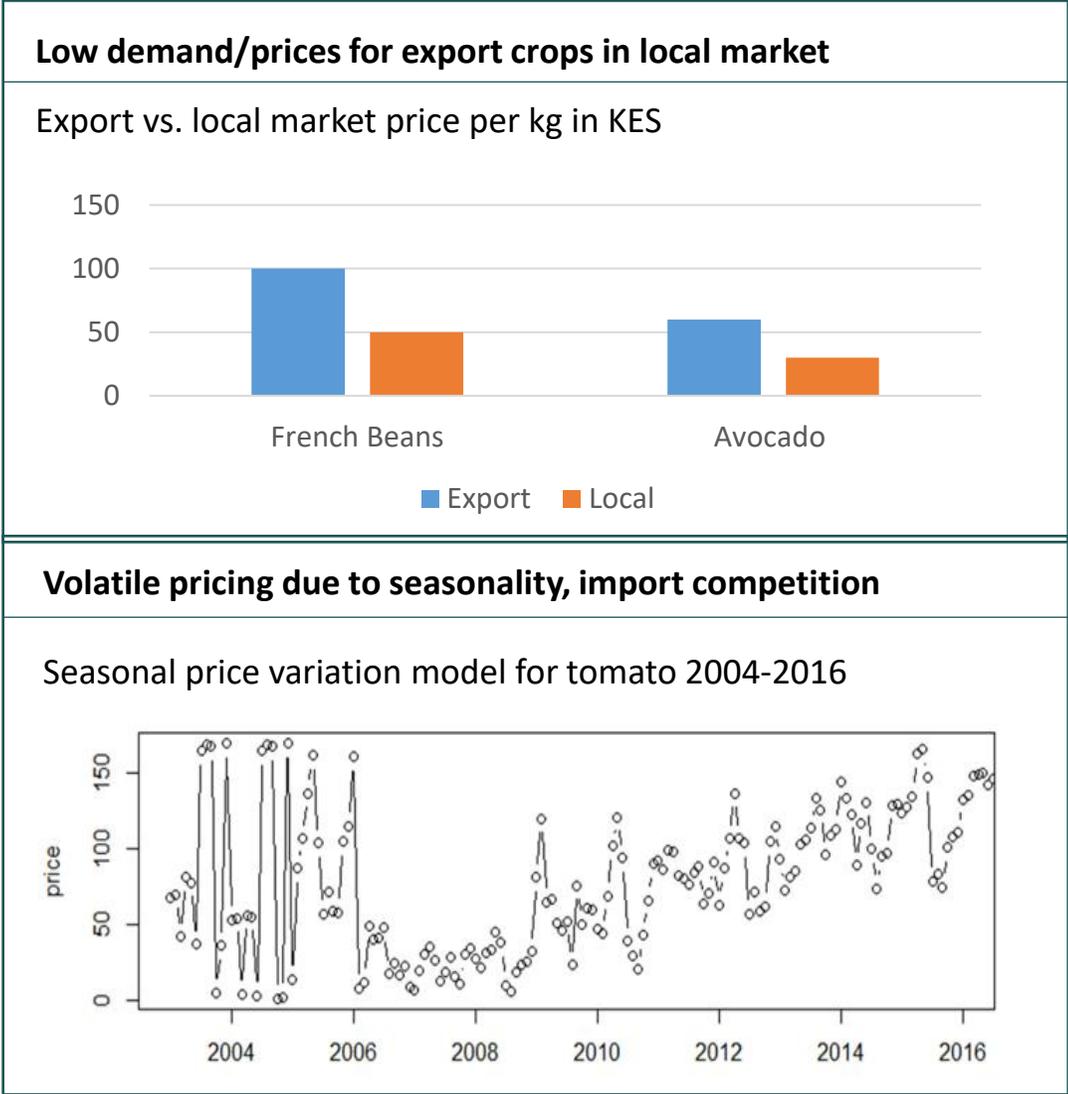
1. Not all export crops are demanded by local market

Options for direct export crop substitution into the domestic market are affected by differing crops, production systems, market needs and dynamics.



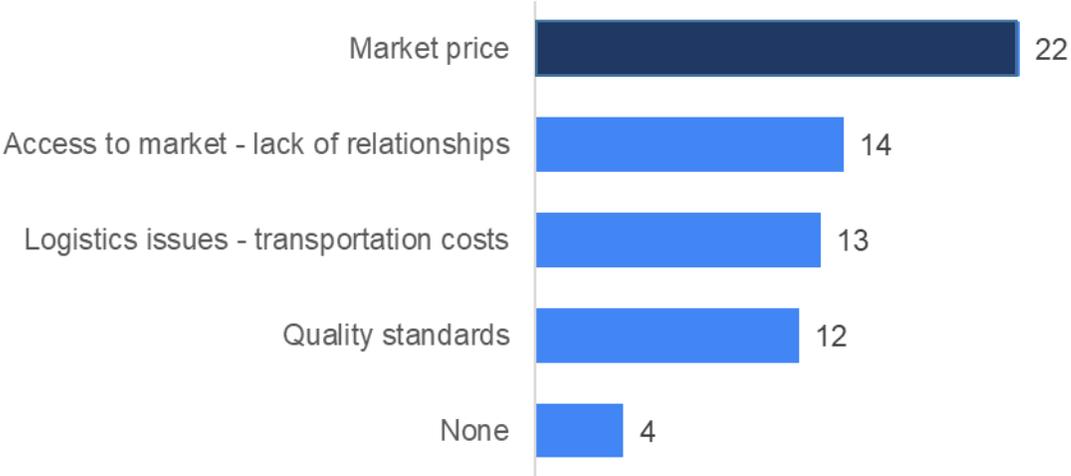
	Export Focus	Export and Domestic	Domestic Market Focus
Demand	High export demand from EU, UK, MEA Limited local demand (premium & waste).	Demand from both export and domestic markets, export market focused on quality.	High local demand, significant volumes produced and sold in domestic market.
Production	Large & medium scale, irrigated, costs based on quality and traceability.	Commercial (export) and medium/small scale production, mix of irrigated/non-irrigated.	Smallholder and medium scale production, majority rain-fed but irrigation in some areas.
Pricing	Stable long term price commitments linked to quality. Fair producer margin.	Export price stability, seasonal price variation in local market (e.g., avocado). Producer margins vary.	High seasonal price variation and imports (e.g., potato, onion). Low producer margin.
Route to Market	Formal market with organized specialist players and supporting (air) logistics.	Mix of formal and informal market – quality and traceability for export only Some specialist buyers and forward contracting	Informal market dominates, disaggregated logistics and traders, some cartels.

2. Low and volatile pricing on domestic market



Market-related challenges for producers supplying domestic market

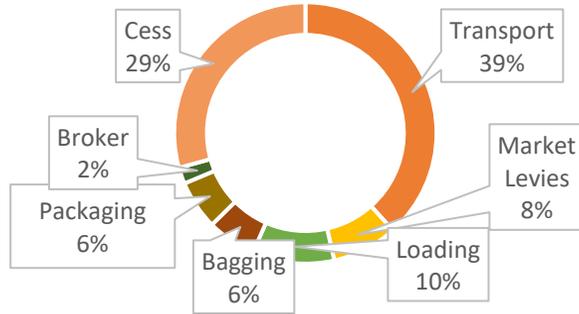
Number of producers selecting challenge (total = 35)



3. High distribution costs put pressure on producer margin and consumer prices

High distribution cost restricts producer margin

Example distribution cost¹ for local market onions



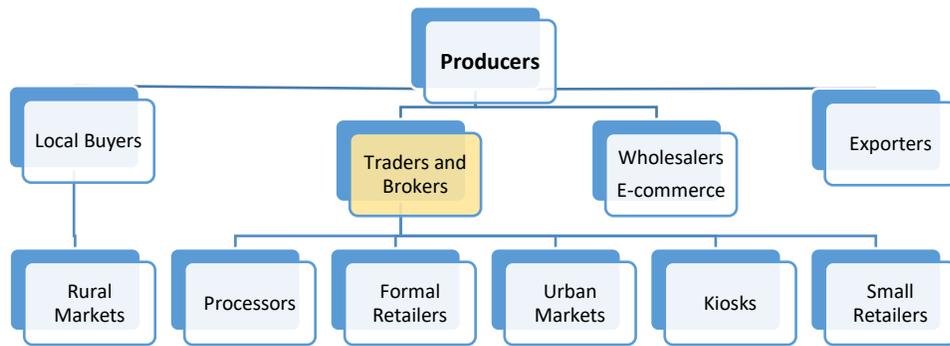
Existing local production and distribution is inefficient, costly

Breakdown of post-harvest losses for fresh produce



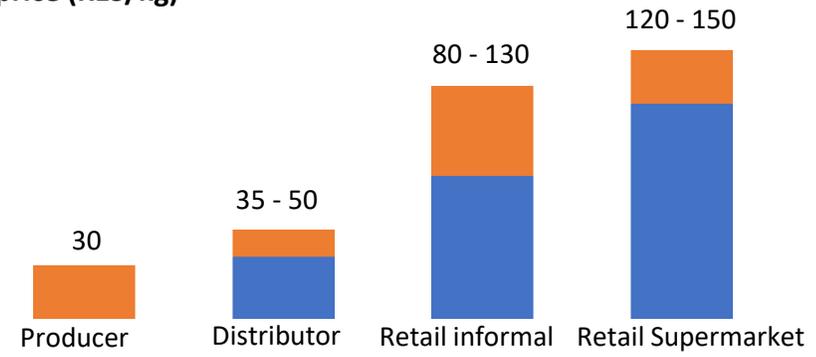
Fragmented market, few formal intermediaries, low transparency

Structure of local market increases producer risk vs. export sales



Pricing examples for key crops

Tomatoes price (KES/kg)

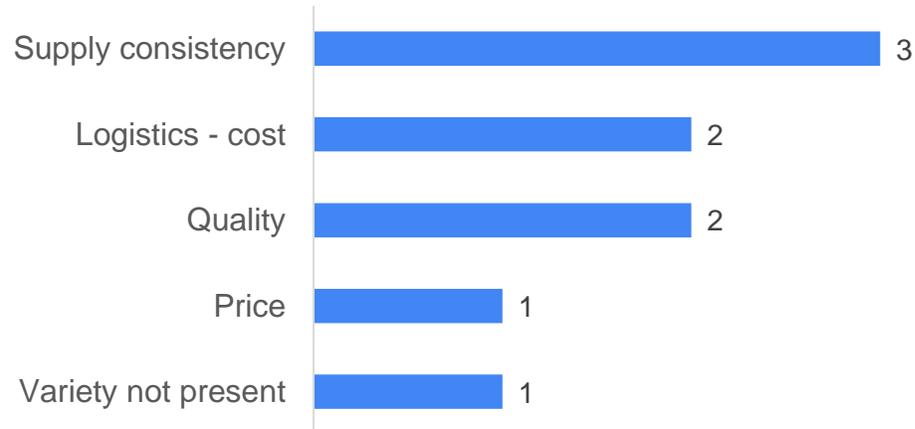


*Varies by crop
Source: Interviews; Kenya Markets Trust; Mutwiri, R (2019)

4. Opportunity to improve relationship between producers and market

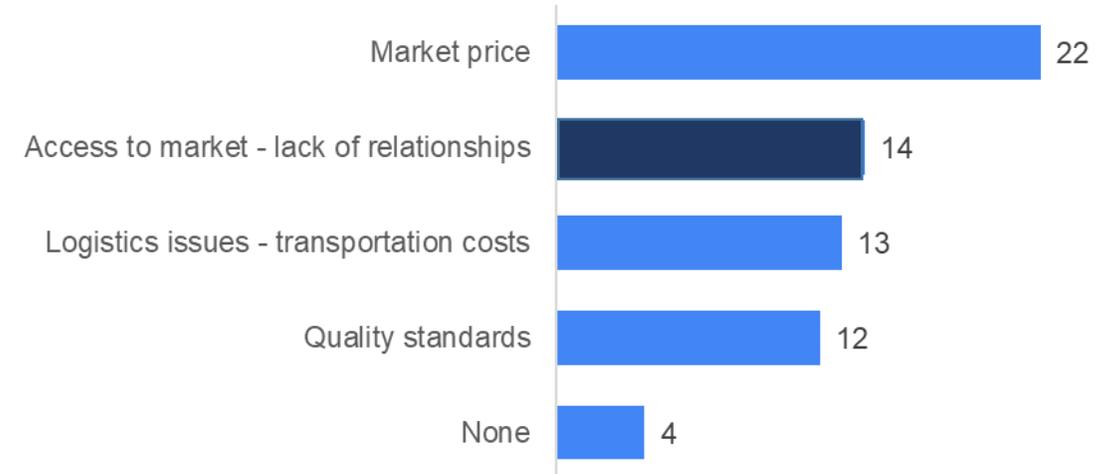
Main barriers for buyers sourcing produce for domestic market

Number of buyers selecting challenge (total = 4)



Market-related challenges for producers supplying domestic market

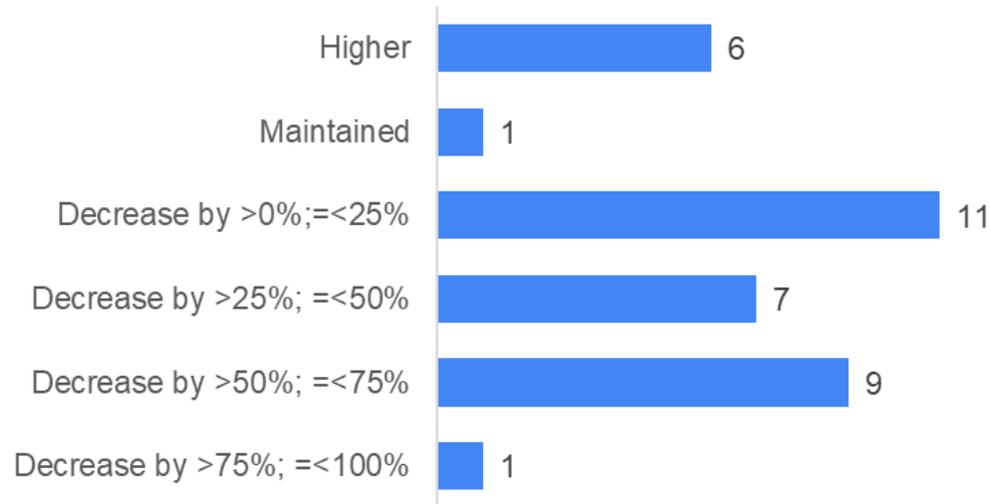
Number of producers selecting challenge (total = 35)



Producer challenges have been exacerbated by COVID-19 lockdown

Expected revenue change in 2020 vs. 2019

No. survey respondents (total = 15)



Challenges reported by producers surveyed

No. surveyed firms citing challenge (total = 15)

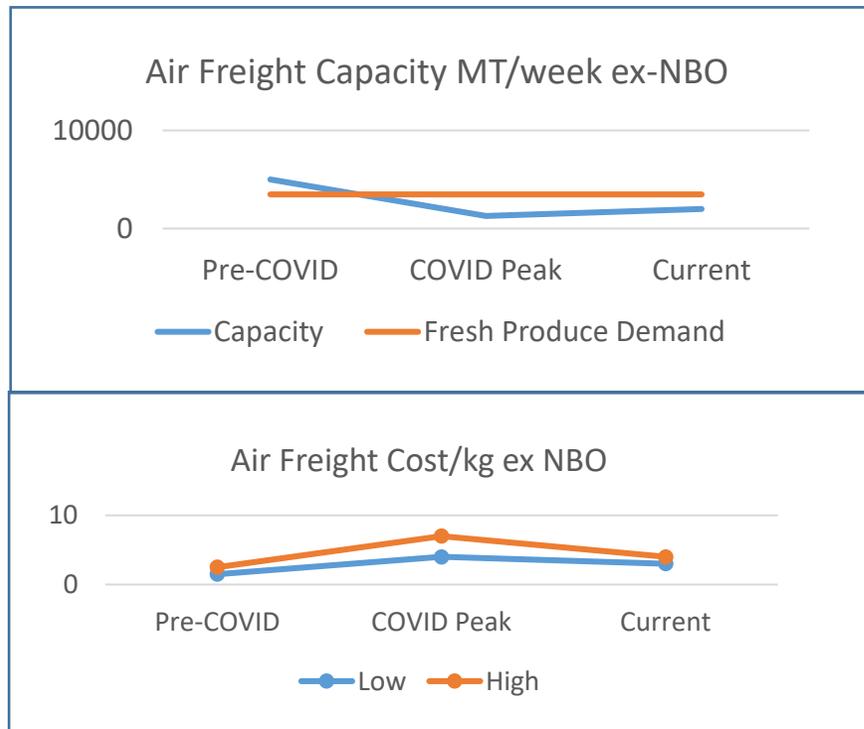


Access to market and logistics are key exporter challenges

Export and domestic logistics have been a key bottleneck

Export logistics and demand

- **Export logistics:** Horticulture exports decreased by ~50% in March 2020 – due to freight capacity constraints
- Initial disruption partially addressed but freight costs remain high, eroding export crop margins
- **Export demand:** Note that several export firms report positive demand outlook driven by strong retail uptake in EU-UK market for fruit and veg



Domestic logistics and demand

- **Domestic logistics:** Govt COVID-19 measures have ensured maintenance of food supply logistics – but transport measures have led to some cost increases and supply disruption
- Domestic supply logistics disrupted at curfew onset, movement now being facilitated across fresh produce sector
- **Domestic demand:** Retailers report stable or increased household demand but services sector has been reduced to near zero
- Short term price increases on certain products (e.g., onions) due to supply disruption/import restrictions

“Sales have gone down 25% since the onset of lockdown. This has been attributed to the fact that 30% of our clients are restaurants and hotels, the majority of which are closed.”
- *E-Commerce Distributor*

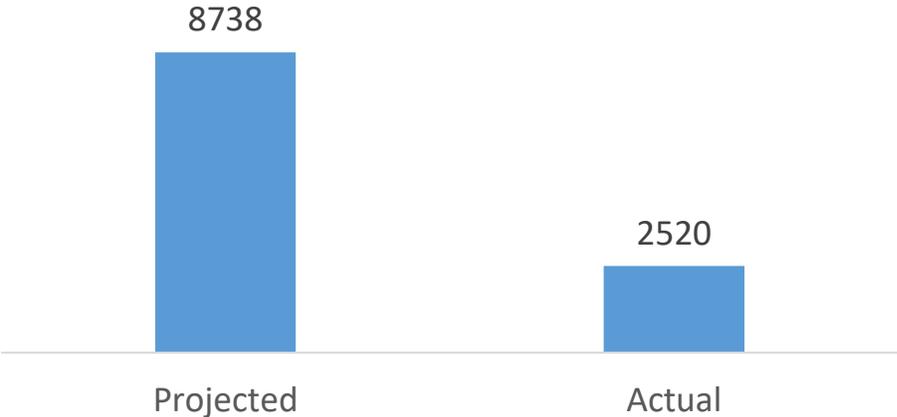
“Our plans to distribute locally grown produce to the regional market have been disrupted by the closing of main borders between EA countries.”
- *Large Retailer*

“We have struggled to source a number of products during the current crisis, while our delivery cost has increased due to delays on the road” - *Small Retailer*

Out-growers appear disproportionately impacted

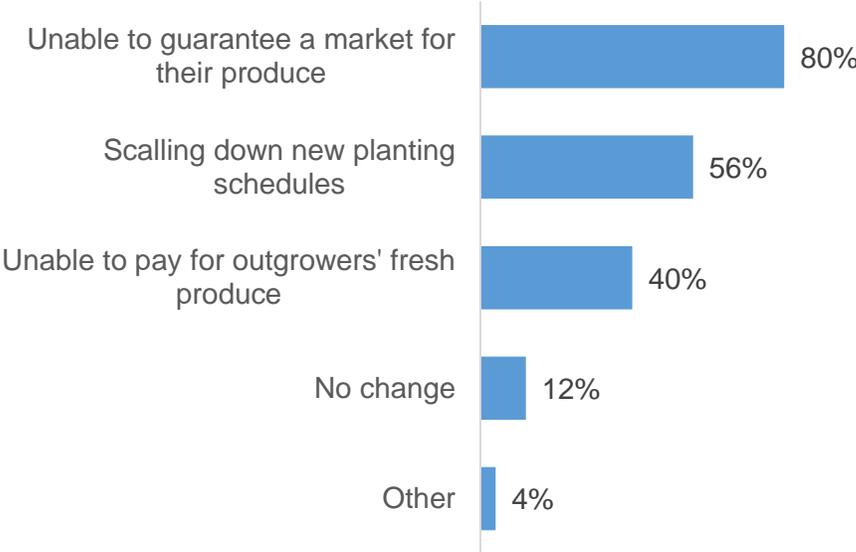
Projected vs. actual out-growers contracted in April 2020

No. respondents (total = 25)



Percentage reporting impacts on outgrowers

No. respondents (total = 25)



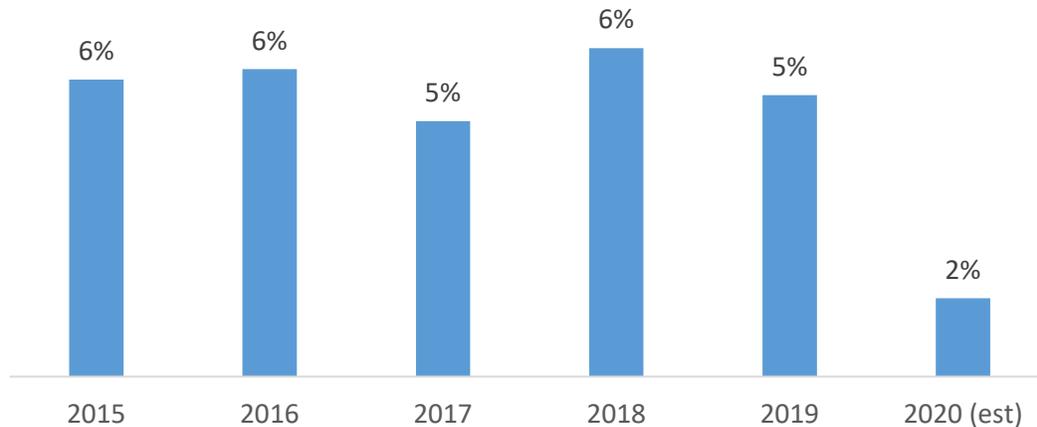
“We have been forced to cut down on out-grower operations in order to reduce supply volumes, but out-growers remain a core part of our long-term production strategy” – *Large Grower*

Overall economic growth is also a concern

Economic growth is likely to stagnate in 2020 leading to reduced employment, consumer spending on non-essential goods and increased price sensitivity. A weaker KES could make imported produce less competitive

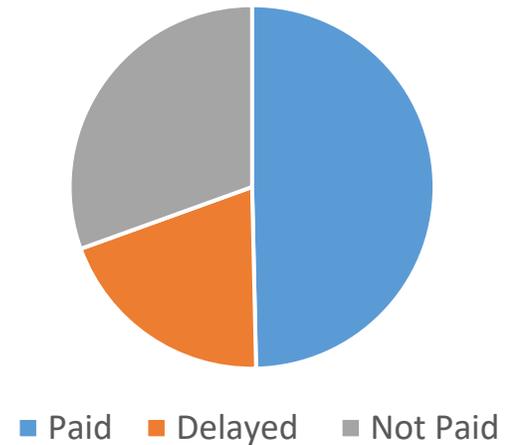
COVID-19 economic impact is expected to be significant

Actual and projected GDP growth rates



Households are facing pressure due to loss of income

households reporting rent delay/non-payment (Total = 15840)



Summary challenges and opportunities per producer segment



Export oriented producers

- Production model based on quality, export pricing and direct market access
- Initial COVID disruption was severe, but companies are adapting
- Increased interest in local market but require formal arrangements, long term commitments



Export and domestic producers

- Export-oriented SMEs supplying majority of production to export market
- Less resilience to COVID disruption due to size and reliance on third party exporters
- Willing to supply the domestic market but still require price/volume commitments to increase local market supply



Local market oriented producers

- Many SME firms already supply the domestic market with produce
- COVID disruption to both export and domestic markets, but short term upside opportunities
- Can adapt to domestic market realities but would benefit from more stable market system, lower risk

Summary challenges and opportunities per buyer segment



Formal retailers*

- Growing share of market but challenges from variable product quality, price variation
- Logistics and cost burden sourcing from small producers; consistency of supply major challenge
- Premium market is very small, affordability is key challenge to improving product quality – consumers switch to cheapest option



Wholesale and distributors

- Opportunity to supply key sectors including hospitality, larger retail buyers
- Sourcing challenge – producer landscape is fragmented and pricing variable
- Competing directly with informal market flexibility, costs and cartels
- Cost of capital to invest in market system / infrastructure



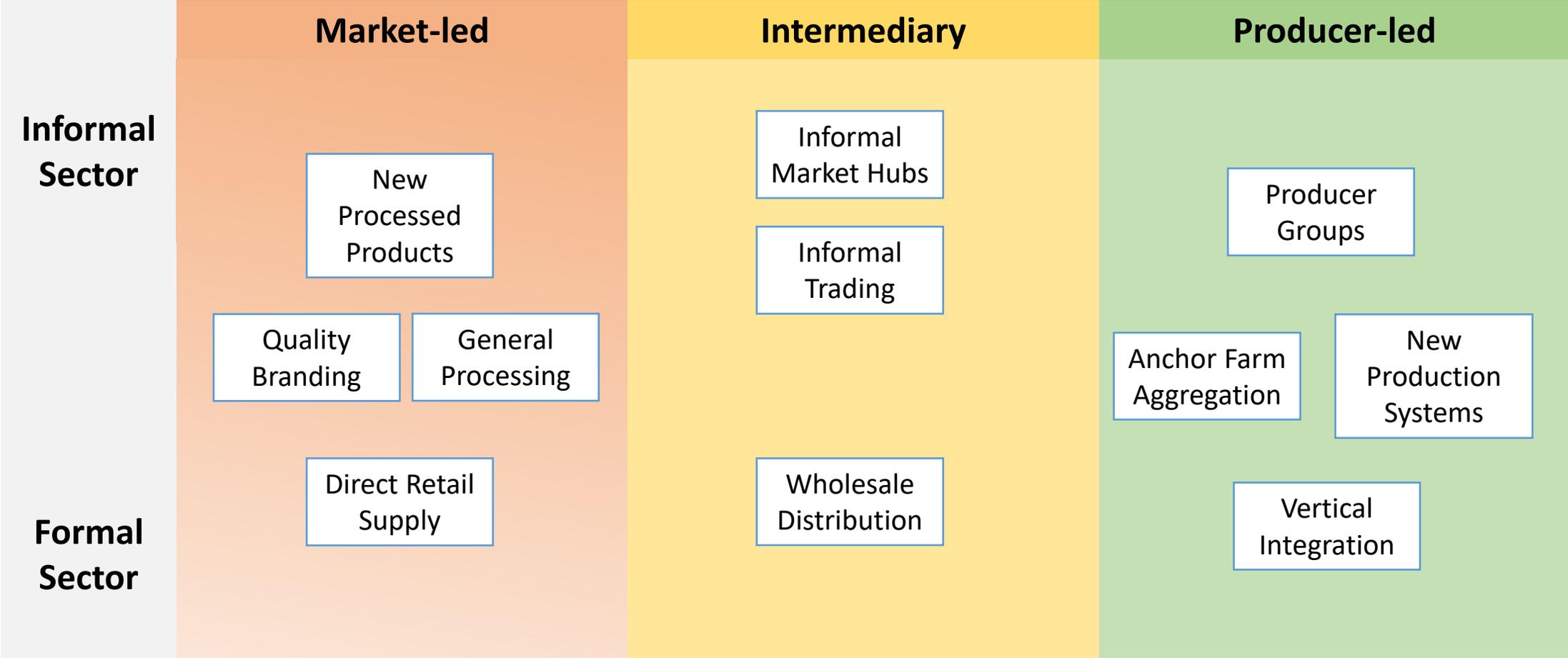
Processing and consumer products

- Opportunity to address fresh produce challenges and consumer needs with affordable healthy products
- Supply is potential risk to new models - requires reliable volume and pricing contracts
- Consumer demand/WTP for processed healthy/fresh produce is not yet established

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A number of potential models have been identified which link producers with domestic market opportunities



Source: Wellspring analysis

Market-led Models – Fresh Produce Supply

Model	Description	Opportunities	Challenges	Examples
Product Branding 	Branding fresh produce and/or outlets based around quality or other criteria (e.g. Buy Kenyan Build Kenya)	<ul style="list-style-type: none"> + USP linked to quality / traceability + Increased consumer awareness of quality + Linkages with producer/intermediary solutions 	<ul style="list-style-type: none"> - Targeting mid and high end segments - Requires stable production and logistics - Packaging concerns 	<ul style="list-style-type: none"> • <i>P and P Banana (Branded Product)</i> • <i>“Convenience” Packs (Packaged)</i> • <i>Goodray Farms (Retail Potential)</i>
Direct Retail Supply 	Retailers direct supply contracts from producers (or producer groups) seeking consistent quality/price	<ul style="list-style-type: none"> + Growing demand from retailers for quality, stable pricing + Potential for price and volume commitments + Avoids challenges of informal market 	<ul style="list-style-type: none"> - Smaller producers lack scale and product range 	<ul style="list-style-type: none"> • <i>AAA Growers – Carrefour (Large Grower)</i> • <i>Mushroom Growers Association (Group)</i> • <i>Kigali Farms (Import)</i>

Market-led Models – Processing

Model	Description	Opportunities	Challenges	Examples
New Processed Products 	<p>New affordable consumer products created by processing and packaging fresh produce into healthy, branded products targeting low-income consumers.</p>	<ul style="list-style-type: none"> + Demographic drivers – urban/ affordable segment + Address waste/ seasonality + Contract mfg opportunities + Potential to link with producer models e.g. groups 	<ul style="list-style-type: none"> - Most products are early-stage / startups - Product development and CAPEX - Market demand still largely untested - Import competition 	<ul style="list-style-type: none"> • <i>UTUFood, Tutti-Foodi (New Products)</i> • <i>Azuri Health, Midlands Ltd, Muchos Mangos (existing products)</i>
General Processing 	<p>Processing of fresh products into snacks with longer shelf life to meet existing market demand.</p>	<ul style="list-style-type: none"> + Value addition opportunity for producers + Reduce crop waste + Scope for SME-driven models linked to producer groups 	<ul style="list-style-type: none"> - Many examples are limited scale - Supply dynamics not necessarily positive - Some products not healthy (e.g. frying) - Packaging concerns 	<ul style="list-style-type: none"> • <i>Envisage (Avocado Products)</i> • <i>Kentaste (Coconut)</i> • <i>Sweet & Dried</i> • <i>Gima Fruveges (Solar Drying)</i>

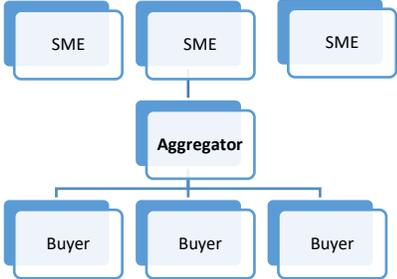
Intermediary-led Models – Formal Sector Distribution

Model	Description	Opportunities	Challenges	Examples
Distribution Hubs 	Development of dedicated fresh produce distribution hubs targeting supply to formal retail and hospitality sectors	<ul style="list-style-type: none"> + Meet demand from formal market + RTM solution for SMEs + Streamlined logistics, handling, reduced waste + Scope for quality and traceability 	<ul style="list-style-type: none"> - Capital requirements - Commercial risk due to informal market competition - Formal market focus 	<ul style="list-style-type: none"> • <i>Inspira Farms – mini-hubs</i> • <i>Retailer-led: Shoprite</i> • <i>Sendy (Logistics)</i> • <i>NAS (BP Concept)</i>
E-Commerce Trading 	Support to existing (or future) e-commerce platforms that provide alternative platform to link producers and buyers. B2B & Consumer models.	<ul style="list-style-type: none"> + Potential lower distribution cost/margin + Higher producer prices + Scope for quality/traceability 	<ul style="list-style-type: none"> - Price/margin is high due to limited scale/volume - Fluctuating demand - Competition from informal market - Consumer demand not yet proven 	<ul style="list-style-type: none"> • <i>Twiga Foods, Jumia Fresh Farmgate Connections</i> • <i>GETIT Rwanda</i> • <i>New HollandChips (Company-led)</i>

Intermediary-led Models – Informal Sector Distribution

Model	Description	Opportunities	Challenges	Examples
Informal Markets 	Investment in improved market infrastructure to support direct selling by producers and independent traders to businesses and consumers	<ul style="list-style-type: none"> + Engages largest segment by volume + Potential increase to producer margin + Regional / peri-urban opportunities close to production + Urban model targets mid-market 	<ul style="list-style-type: none"> - Corporate and management structures - Public interventions often not successful - Political economy/competition risk 	<ul style="list-style-type: none"> • <i>Smart Markets / “Farmers Market” Concept</i> • <i>Local Market Upgrades (e.g. Wakulima)</i>
Informal Trading 	Solutions for existing informal market traders to lower transaction cost/risk and reduce distribution costs	<ul style="list-style-type: none"> + Targets informal sector + Demand for better terms of trade by market actors + High cost of credit and arbitrage 	<ul style="list-style-type: none"> - Entry point requires assessment – target larger actors? - System change inertia and political economy risks 	<ul style="list-style-type: none"> • <i>City Hawkers Development Project</i> • <i>NAS (Tech Solution)</i> • <i>Larger trader focus</i>

Producer-led Models

Model	Description	Opportunities	Challenges	Examples
<p>Producer Groups</p> 	<p>SME producers organize into groups to supply market, often with quality standards, achieving economies of scale / pricing power</p>	<ul style="list-style-type: none"> + Scale to access market for SMEs + Potential for quality/traceability + Models include associations, joint ventures and third party support 	<ul style="list-style-type: none"> - Low incentive to organise - Requires leadership from large firms or SMEs - Typically difficult to support with financing 	<ul style="list-style-type: none"> • <i>Mushroom Producers Association</i>
<p>Producer Aggregation</p> 	<p>Large growers or SMEs can aggregate produce from smaller producers to supply formal market, potentially with processing and/or quality branding</p>	<ul style="list-style-type: none"> + Similar to existing export model + Meet increasing local demand without reducing export production + Existing entities can receive support 	<ul style="list-style-type: none"> - Requires dedicated infrastructure (e.g. pack houses) - Supply contracts subject to market dynamics - Risk allocation 	<ul style="list-style-type: none"> • <i>Large Grower-led: AAA Growers, New Holland Chips, NAS</i> • <i>100% Outgrower: Muchos Mangos, Cinch Markets</i>

Producer-led Models

Model	Description	Opportunities	Challenges	Examples
Vertical Integration 	Producers (or groups of producers) invest in dedicated downstream distribution + retail infrastructure to access better prices.	<ul style="list-style-type: none"> + Higher distribution and retail margins + Traditional retail and online platforms + Potential value addition through branding / quality 	<ul style="list-style-type: none"> - Scale/capital requirements beyond reach of SME producers - Mid and high end market focus 	<ul style="list-style-type: none"> • <i>AAA Growers, Kalimoni Greens (Online)</i> • <i>Goodray Farms (Retail Outlets)</i> • <i>Non-fresh produce (Victory Farm)</i>
New Production Systems 	Investment in new crops and/or production methods to meet specific product/quality/price needs of the domestic market	<ul style="list-style-type: none"> + Crop opportunities exist: niche/staple products + Increase efficiency and producer margin + Potential links with producer groups, aggregation 	<ul style="list-style-type: none"> - Requires stable pricing and route to market, difficult in local market - SME risk appetite is generally low 	<ul style="list-style-type: none"> • <i>Intl Safety & Quality Group, Gima Fruveges (Outgrower crops)</i> • <i>Illuminum, Amiran (Equipment)</i> • <i>StokmanRozen, iProcure (input supply)</i>

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Next steps for industry

- **Develop partnerships and contracts between producers and buyers, e.g.,**
 - SME producers can approach larger producers to access formal market opportunities
 - SME producers can group together to access formal market opportunities
 - Large producers with existing retailer relationships can expand volume sold by contracting SME players
- **Respond to key domestic market dynamics, e.g.**
 - Producers can identify specific crops with local demand and pricing e.g. local greens or niche fruit
 - Producers can invest in quality and branding to capture higher value from the market
 - Producers can focus on producing consistent supply of seasonal products
- **Develop business plans for high priority models** which can be discussed with financiers/TA providers, e.g.,
 - Distribution and hubs (producer or retailer- driven targeting formal market)
 - New, affordable processed foods
 - Vertical integration: Expansion or set-up of network of retail outlets
 - Aggregation and trading: organizing producer supply and route to market
- **Pilot new concepts to prove the concept and share evidence with financiers/donors to scale**
- **Ongoing collaboration between FPEAK/FPC and RETRAK to support new partnerships and share relevant information on opportunities and challenges**

Finance and advisory services recommendations

- The following pages outline key finance and advisory services offerings which can be approached by SMEs looking for support
- Suggestions are made for each fresh produce model, while a more comprehensive Directory is provided in Annex 1
- Please note these suggestions are not exhaustive and will not all be relevant for all FPEAK/FPC members
- Please check average ticket size in the Directory and review eligibility criteria on websites provided for more details

Finance needs and options: Market-led models

Model	Market: Quality Branding	Market: Direct Retail Supply	Market: Processed Products
Key financing needs	<i>Concessional credit to SMEs and firms venturing in differentiation and value addition</i>	<i>Working capital for volume growth and concessional finance to outgrowers</i>	<i>For long term debt needs, proof of concept will be required by investors. Potential for VC equity play when testing new innovative products but ability to demonstrate traction. Grant for testing and sunk costs might be applicable</i>
Example Financial Institutions	<ul style="list-style-type: none"> • Business Partners International (BPI) • GroFin • AgDevCo • GAIN • Acumen • IFC (Africa food safety program) • GAIN • Village Capital 	<ul style="list-style-type: none"> • GroFin* • AgDevCo • Pearl Capital • Grassroots Business Fund • AgriVie • One Acre Fund • Root Capital • Acumen • Co-op Bank • Equity Bank • KCB 	<ul style="list-style-type: none"> • VestedWorld • GroFin* • Business Partners International (BPI) • Pearl Capital • AgDevCo • Grassroots Business Fund • DOB Equity • AlphaMundi • Maris • GAIN • Acumen • Village Capital

*GroFin: Primary agriculture is an exclusion point unless it is in a controlled environment (e.g. green houses); anything on open land would not qualify

Finance needs and options: Intermediary-led models

Model	Intermediary: Informal OR Formal Market Hubs	Intermediary: Informal Trading	Intermediary : Vertical Integration	Intermediary : Ecommerce
Key financing needs	<i>Access to grants or private concessional capital - opportunities for PPP. However if not private, shareholder guarantees where there are institutions are found more difficult to finance</i>	<i>Blended finance and/or concessional finance/risk share with existing commercial bank</i>	<i>Development by producers of to market infrastructure requires long term debt or convertible for CAPEX</i>	<i>Access to affordable credit, equity (VC) investors looking for tech enabled solutions, innovation grants</i>
Example Financial Institutions	<ul style="list-style-type: none"> • Co-op Bank • Equity Bank • KCB • Enviu • DOB Equity • IFC (Africa food safety program) 	<ul style="list-style-type: none"> • Co-op Bank • Equity Bank • KCB • Enviu • DOB Equity • IFC (Africa food safety program) 	<ul style="list-style-type: none"> • Agrivie/Exeo Capital • Vested Capital • AgDevCo • GroFin* • Enviu • DOB Equity • Acumen • Pearl Capital 	<ul style="list-style-type: none"> • GSMA • AHL Partners • Vested World • Acumen • Pearl Capital • DOB Equity • AlphaMundi • MEST • Village Capital

Finance needs and options: Producer-led models

Model	Producer : Producer Groups	Producer : Aggregation	Producer : New Production Systems
Key financing needs	<i>Blended finance, larger WC need. Limited investor appetite for farmer groups or associations as they are too small and /or legal entity not clear—requires clear leadership and governance</i>	<i>Working Capital, Concessional finance/Grant for extension services, potential for long term debt on assets</i>	<i>Convertible, Grant for proof of concept</i>
Example Financial Institutions	<ul style="list-style-type: none"> • Co-op Bank • Equity Bank • KCB • Enviu • One Acre Fund • Root Capital • AECF Africa 	<ul style="list-style-type: none"> • Pearl Capital • Acumen • AgDevCo (SDU) • Pearl Capital • Co-op Bank • Equity Bank • KCB • One Acre Fund • GSMA • Root Capital • AECF Africa 	<ul style="list-style-type: none"> • VestedWorld • Business Partners International (BPI) • Pearl Capital • One Acre Fund • AECF Africa • IFC (Africa food safety program)

Advisory services opportunities

Key TA needs	Access to finance support: clarifying financing needs and options and approaching relevant financiers	Market linkages: Identifying and negotiating market arrangements; market insights	Business planning and business management support: Sound business and financial management	Food safety and quality standards: Understanding and compliance with food safety accreditation framework e.g. KS1758 and GAP standards	Tech and data enabled solution support: E.g., streamline logistics and payments, new product development	Initiating or scaling up outgrower schemes: e.g., extension services; facilitating firm-farmer relations and coordination of contracts	Agronomy advice: e.g., retraining and switching to new crop varieties
Example TA providers	<ul style="list-style-type: none"> • TechnoServe • Open Capital Advisors • Cross Boundary • Growth Africa 	<ul style="list-style-type: none"> • UNIDO (MARKUP programme) • GIZ • Africa Agribusiness Academy • TechnoServe 	<ul style="list-style-type: none"> • CDC Plus* responsibility* • Stratlink • Open Capital • Growth Africa • BoP Innovation Center • COLEACP • Africa Agribusiness Academy • TechnoServe 	<ul style="list-style-type: none"> • IFC (Africa food safety program) • UNIDO (MARKUP programme) • GAIN • GIZ • COLEACP • PUM • Partners in Food Solutions 	<ul style="list-style-type: none"> • Nailab • GSMA • MEST • GrowthAfrica 	<ul style="list-style-type: none"> • AgriTerra • Agricane • GAIN • GIZ • TechnoServe 	<ul style="list-style-type: none"> • TechnoServe • Africa Agribusiness Academy • COLEACP • GAIN • SNV • GIZ • PUM • Partners in Food Solutions

*Investee only

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- **Annex: Finance and advisory services directory**
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Finance and advisory services directory: Finance (USD2M +)

Provider	Ticket Size	Technical Assistance	Website	Contact
CDC	USD >20+m	CDC Plus - Supporting innovative business models to reach underserved groups through distribution support or by developing new products/services. Initiating or scaling up smallholder supply schemes	https://www.cdccgroup.com/en/	T: +44 (0)20 7963 4700
Agrivie/Exeo Capital	USD 5- 8m	N/A	www.exeocapital.com	office:@exeocapital.com
Maris	USD 5-7m	Financial and strategic support	www.marisafrica.com	info@marisafrica.com
IFC Africa food safety program	Minimum USD 5m	Improve business processes, human resources, structures, and products and services. Support includes food safety assessments, staff training, and guidance attaining international certification.	https://www.ifc.org/	T:+254 20 293 7200 sdzotefe@ifc.org
AgDevCo	USD 2- 10m debt and equity	Solutions to improve financial control environments of investees; advice on risk, compliance, agronomy and crop protection; good practice ESG; compliance with food safety, biosecurity, H&S, etc.	https://www.agdevco.com/	T: +44 (0)20 7539 2650

Finance and advisory services directory (USD250,000 +) (1/2)

Provider	Ticket Size	Technical Assistance	Website	Contact
Pearl Capital Partners	USD 500k-2.5m	Accompany investments with provision of TA; most focusing on business management; finance, marketing, distribution etc	https://pearlcapital.net/	T: +254 727 405 984
VestedWorld	300k – 1m in the form of equity and convertible debt	Partner of Kenya Investment Mechanisms Feed the Future program	http://vestedworld.com/	T: +1 312 600 7684 info@vestedworld.com
DOB Equity	€ 250k to € 2m, average per company €1m over a three-year	No information available	https://www.dobequity.nl/	Website Form
Novastar Ventures	USD 250k – 2m (through multiple capital rounds up to USD 8m)	No information available	https://novastarventures.com/	T: +254 723 930 342 info@novastarventures.com

Finance and advisory services directory (USD250,000+) (2/2)

Provider	Ticket Size	Technical Assistance	Website	Contact
responsAbility	USD 500k- 2.5m debt and equity. Also provide working capital minimum financing amount USD 1 million	TA and advisory services, for example, to improve yields and support farmer livelihoods, enhance ESG metrics, or support market development.	https://www.responsability.com/en	T: +254 709 803 000 africa@responsAbility.com
Grassroots Business Fund	USD 750k- 2.5m equity, quasi-equity, loans, and guarantees	All investees receive customized TA support, mostly concentrating on strengthening financial management, operations, and strategy	http://www.gbfund.org/	+254.20.261.4823 communications@gbfund.org
AlphaMundi	USD 250K -2M	Support on reporting systems, risk management, and value chain consistency	https://www.alphamundi.ch/	info@alphamundi.ch
Acumen	USD 250k-3m	Provides investees with access to networks of advisors and offer active post-investment support and guidance in the areas of strategy, governance, customer insights and fundraising.	https://acumen.org/	T +254 716 252 802
AHL Partners	USD 250k - 2m (with possibility of follow on investment)	Support both directly, as well as through an extensive local and international network of service providers and experts. Can leverage matching grant funding to support the portfolio companies	http://www.ahlventurepartners.com/	Website form

Finance and advisory services directory: Finance (USD50,000 +) (1/2)

Provider	Ticket Size	Technical Assistance	Website	Contact
Root Capital	USD 50k+	Advisory Services are available to potential borrowers and existing clients as centralized workshops or customized training, focused on internal controls and systems and technological solutions	https://rootcapital.org/	T: +254 736.864892
Business Partners International (BPI)	USD 50k – 1m debt and equity	TA offered as loan deferred until business performance starts to improve. Deliver via local BDS (e.g., business planning, marketing strategies etc.) and unique specialist support delivered through network of mentors	https://businesspartners.africa	
AECF	Matching grants and concessional loans USD100k - 1.5m	No information available	https://www.aecfafrica.org/	T: +254 703 033 394 info@aecfafrica.org
Grofin	USD 100k –1.5m	Organization in Netherlands (PUM.nl) provides the support not the fund directly	http://www.grofin.com/language/en/home/	T: +254 20 273 0280 kenya@grofin.com
Enviu	USD 50k- 500k	No information available	http://www.enviu.org	T: +254 (0) 20 24 66 429 eastafrika@enviu.org
Village Capital	USD 50k+	Business development programs for early-stage entrepreneurs in agriculture	https://vilcap.com/	Website form

Finance and advisory services directory: Finance (USD50,000 +) (2/2)

Provider	Ticket Size	Technical Assistance	Website	Contact
MEST	USD 50k-250k to help launch and scale companies.	MEST Training Program is a 12-month, full time, fully sponsored program in which the cohort – known as Entrepreneurs-in-Training (EITs) – complete a graduate-level course in software development, business, and communications, with a focus on practical implementation.	https://meltwater.org/s/eed-fund/	info@meltwater.org
GSMA	The GSMA Innovation Fund provide grant funding up to £250k	Facilitation of partnerships with mobile operators Mentoring on the use of mobile technology including expert advice Monitoring and evaluation support to help advance SDG outcomes and promote product improvement	https://www.gsma.com/mobilefordevelopment/the-gsma-innovation-fund/	Website Form
GAIN	Direct support through nutrition related matching grants	technical assistance in order to increase availability and affordability of nutritious foods: basic nutrition principles, food standards and compliance, food safety, market entry, entrepreneurship, financial management, and strategic business management.	https://www.gainhealth.org/impact/countries/kenya	T +254 773 572 103
One Acre Fund	Asset-Based Loans (smallholder farmers)	Training - farmers receive training throughout the season on modern agricultural techniques. Market Facilitation- offer crop storage solutions and teach farmers about market fluctuations, so that they can time crop sales to maximize profits.	https://oneacrefund.org/	Website Form

Finance and advisory services directory: Commercial banks

Provider	Ticket Size	Technical Assistance	Website	Contact
Equity Bank	USD10k- 500k in single transaction	N/A	https://equitygroupholdings.com/	Branch
Co-operative Bank	USD10k- 500k in single transaction	N/A	https://www.co-opbank.co.ke/	Branch
Sidian Bank	USD10k- 500k in single transaction	N/A	https://www.sidianbank.co.ke/	Branch
KCB	USD10k- 500k in single transaction	N/A	https://ke.kcbgroup.com/	Branch

Finance and advisory services directory: Advisory services (1/4)

Provider	Ticket Size	Technical Assistance	Website	Contact
Latia Resource Center	N/A	Vocational education & training in agriculture; agribusiness incubation programs; ICT solutions for agriculture; staffing & manpower solutions for agribusinesses; value/supply chain development	http://www.latiaresourcecenter.org/	T: : +254 716 431 0054, info@latiaagribusinesssolutions.com
Agricane	N/A	Support with small-scale outgrower developments, extension services	https://www.agricane.com/small-scale-grower-developments	office@agricane.com
PUM	N/A	Assisting agribusinesses to transition from traditional, labour intensive vegetable- & fruit-growing methods to large, industrial scale horticultural techniques. Also support on processing fields of product development, production techniques, quality assurance, marketing & sales, and logistics	https://www.pum.nl/	T +31(0)70 349 05 55 info@pum.nl
Open Capital	N/A	Operationally-focused advisory services: month-to-month long-term growth plans, implementing new systems and processes, performing analyses to appropriately price products and evaluate partnerships, planning new market entries, creating marketing and distribution strategies, prioritizing opportunities, and planning team structure and staff incentives, among others	https://opencapital.com/	contact@opencapital.com

Finance and advisory services directory: Advisory services (2/4)

Provider	Ticket Size	Technical Assistance	Website	Contact
Stratlink	N/A	General BDS, mentoring, training, strategic planning	http://stratlinkglobal.com/	T: +254 202 572 792 info@stratlinkglobal.com
Africa Agribusiness Academy	N/A	Capacity development and training opportunities, marketing, communication and networking support and facilitating the collaboration and mutual learning of all members.	https://aa-academy.org/	samuel.kabiru@aa-academy.org
Nailab	N/A	Acceleration programs that include agribusiness related technology	http://www.nailab.co	T: 0790492467 Info@nailab.co.ke ceo@nailab.co.ke
TechnoServe	N/A	Improved linkages between enterprises and smallholder outgrowers. Business plan development and links to investors. Support for food processing / nutritious foods. Ongoing mentorship in technical and business issues.	https://www.technoserve.org	T: +254 20 3754333
UNIDO MarkUp	N/A	Enhance market access and competitiveness of Kenya's agricultural exports regionally and internationally.	https://www.unido.org/ https://www.eacmarkup.org/	T: +254 207624369 office.kenya@unido.org pcu@eacmarkup.org

Finance and advisory services directory: Advisory services (3/4)

Provider	Ticket Size	Technical Assistance	Website	Contact
Growth Africa	N/A	Growth Africa acceleration programme supports with business plan development, financial modelling, support in identification of, access to and engagement with potential and relevant investors	https://growthafrika.com/	+254 (0)712 508 620 pnk@growthafrika.com
ISF Advisors	N/A	ISF works with public and private investors to develop new financial and partnership structures that can drive capital to rural clients and transform their economies.	https://isfadvisors.org/	Website Form
Partners in Food Solutions	N/A	Volunteers from world-class corporations advise food businesses remotely	https://www.partnersinfoodsolutions.com/	info@partnersinfoodsolutions.com
AgriTerra	N/A	specialist in cooperative development	https://www.agriterra.org/	T: +31 (0)26 44 55 445 agriterra@agriterra.org
GrowthAfrica	N/A	GrowthAfrica Accelerator is designed to help you scale your business, make it investment ready	https://growthafrika.com/	T: +254 [0] 724 151 924 info@growthafrika.com
BoP Innovation Center	N/A	We support start-ups, SMEs and multinationals in creating commercially and socially viable business models. Focus on market and distribution and innovation.	http://www.bopinc.org/we-are-bop-innovation-center	T: +254 (0) 720 000 263 info@bopinc.org

Finance and advisory services directory: Advisory services (4/4)

Provider	Ticket Size	Technical Assistance	Website	Contact
COLEACP	N/A	horticultural stakeholders are supported to meet market requirements and improve their overall sustainability performance: support includes food safety and environmental management, social compliance and overall business management.	https://kenya.coleacp.org/	Website Form
SNV	N/A	Advisory services which promote the development and brokering of knowledge, and support policy dialogue at the national level. Focus on opportunities in horticulture	https://snv.org/country/kenya	T.: +254 724 463355 kenya@snv.org
GIZ	N/A	GIZ promotes state-of-the-art methods that will improve employment and food security and strengthen resilience to drought. Its projects aim to increase productivity, improve market access and promote vocational training for farmers.	https://www.giz.de/en/worldwide/317.html	+254 20 4228 999 giz-kenia@giz.de rural.development@giz.de
CrossBoundary	N/A	Advisor for both entrepreneurs, investors and policymakers, helping them unlock mutual beneficial transactions.	https://www.crossboundary.com/	Website Form

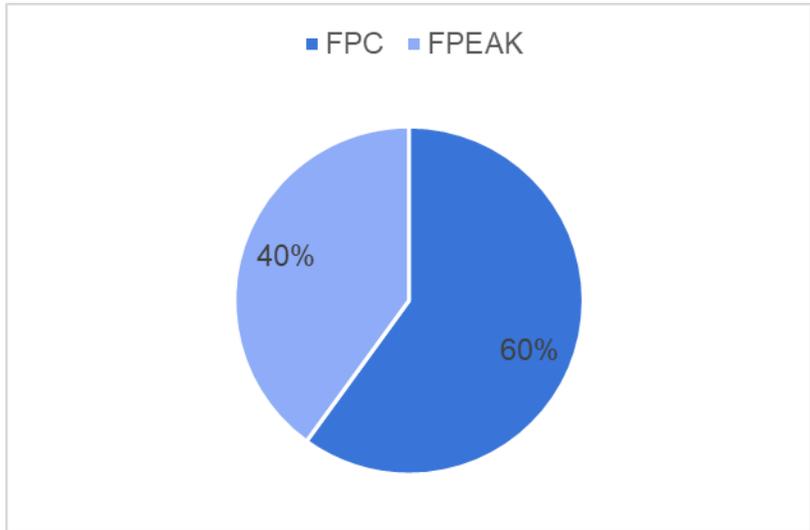
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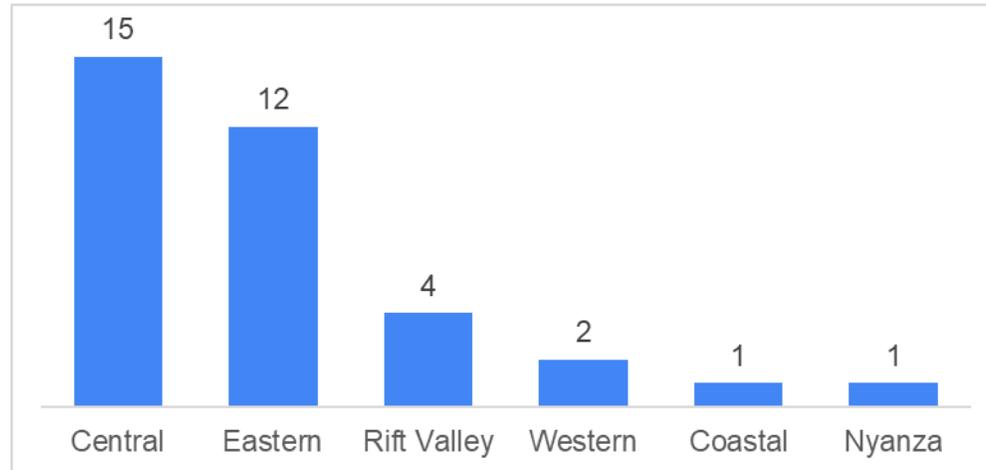
Survey Questions – Module A

- A1. Association
- A4. Location of farm
- A5. Company size: No. employees (full time only)
- A6. Company size: No. employees (seasonal only)
- A7. Company size: % of women employees
- A8. Company size: Annual revenue (Ksh) for 2019
- A9. What % of company's revenues (Ksh) were from export in 2019?
- A10. Company size: Annual sales volumes (MT) for 2019
- A11. What % of company's production volumes (MT) were for export in 2019?
- A12. Company size: Monthly operating cost (Ksh) for 2019
- A13. Company size: No. ha under production (including outgrowers)
- A14. Company production model
- A15. Which of these activities is your company engaged in? Select all which apply.
- A16. Fresh Produce Segment: Which of the following does the company grow for domestic market?
- A17. Fresh Produce Segment: Which of the following does the company grow for export market?
- A18. Pick the top 3 crops by sales value (Ksh) to the company

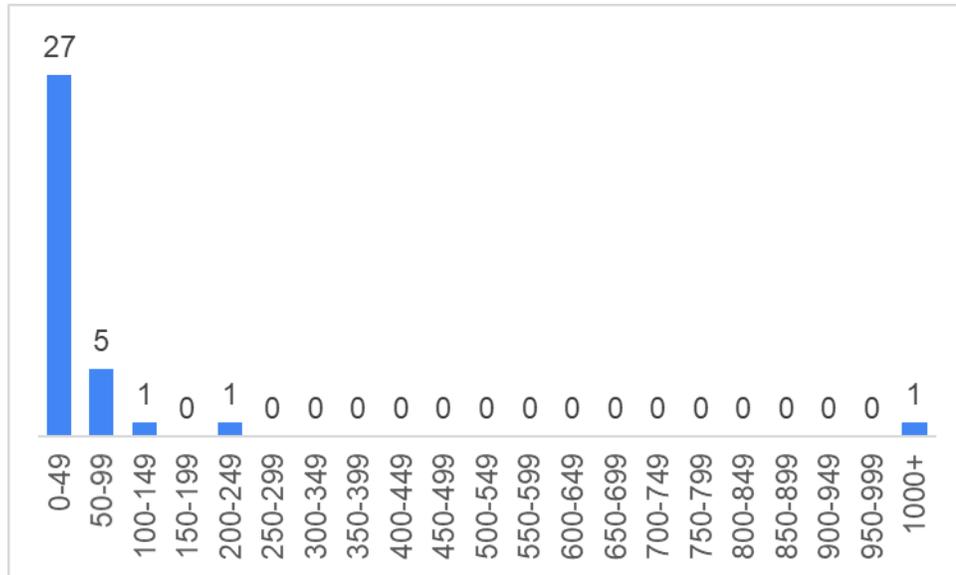
A1. Association



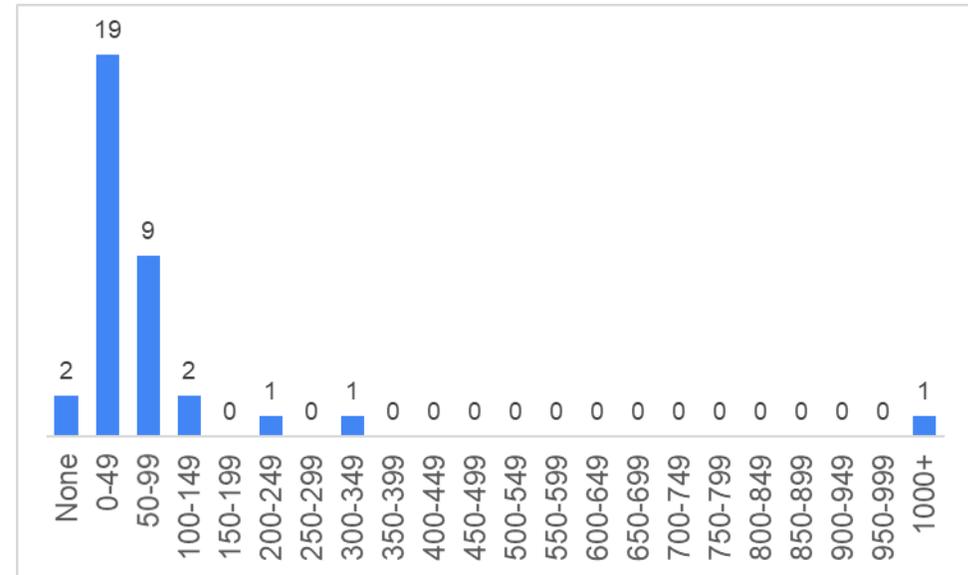
A4. Location of farm



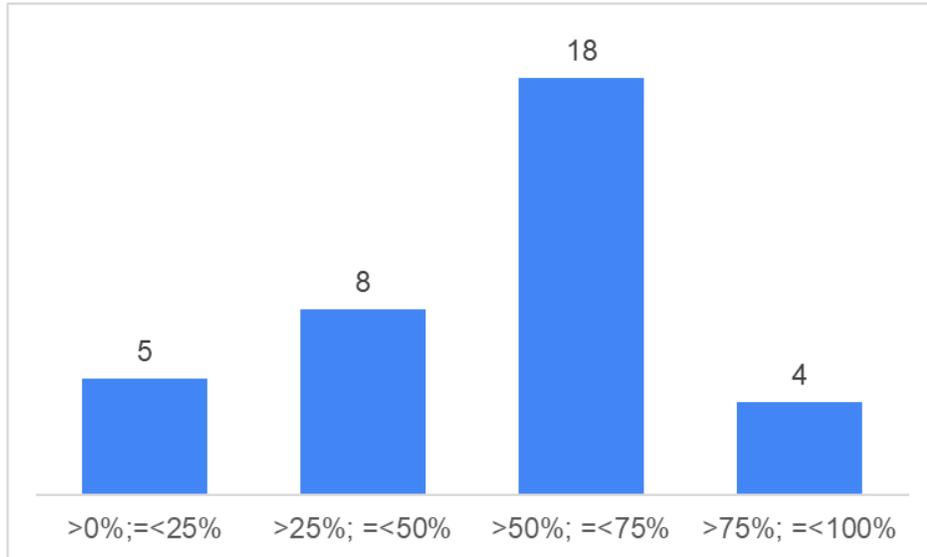
A5. Company size: No. employees (full time only)



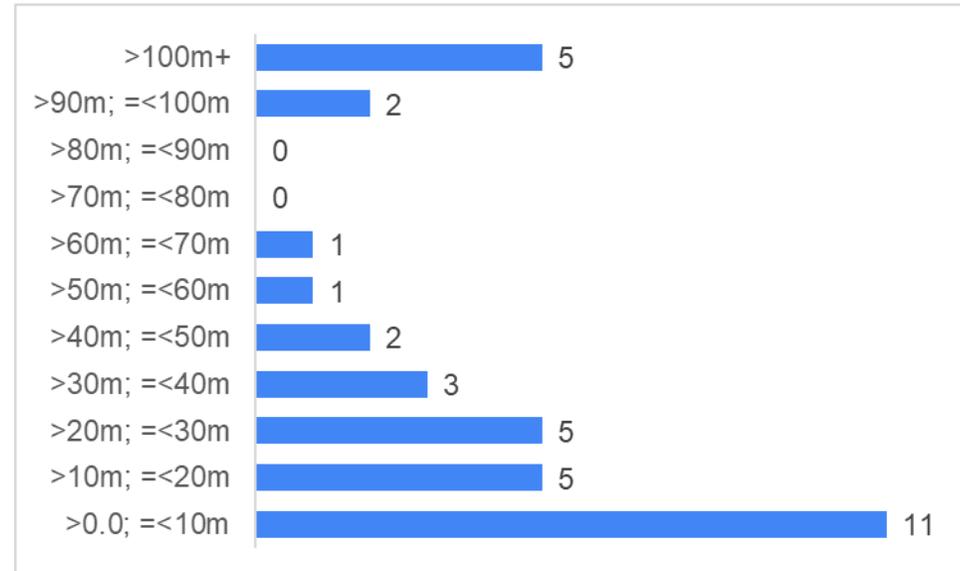
A6. Company size: No. employees (seasonal only)



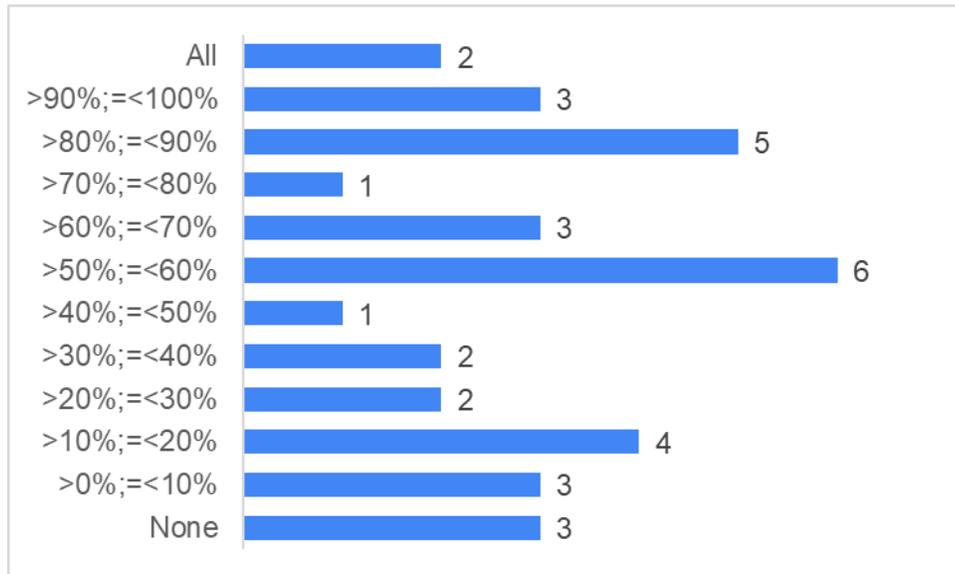
A7. Company size: % of women employees



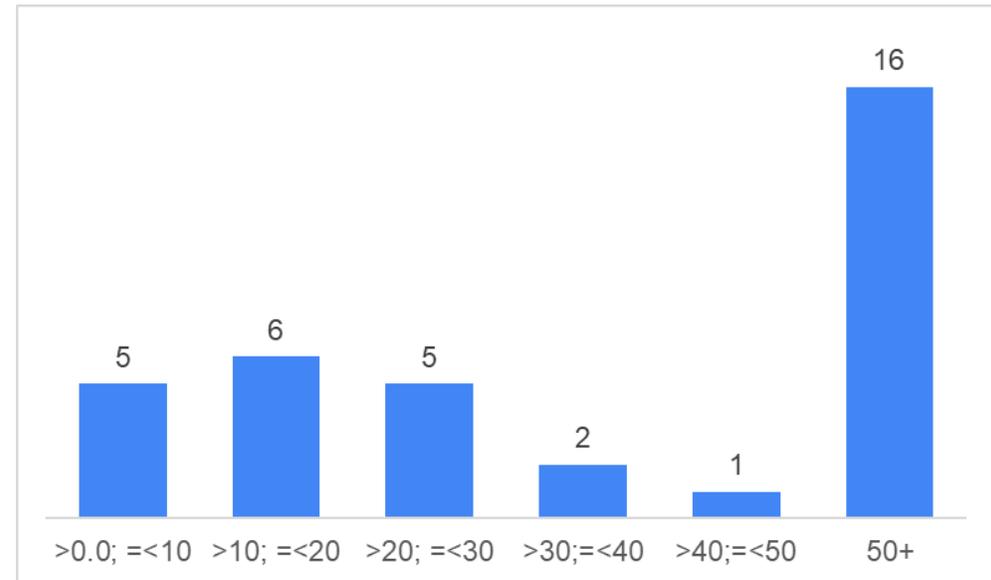
A8. Company size: Annual revenue (Ksh) for 2019



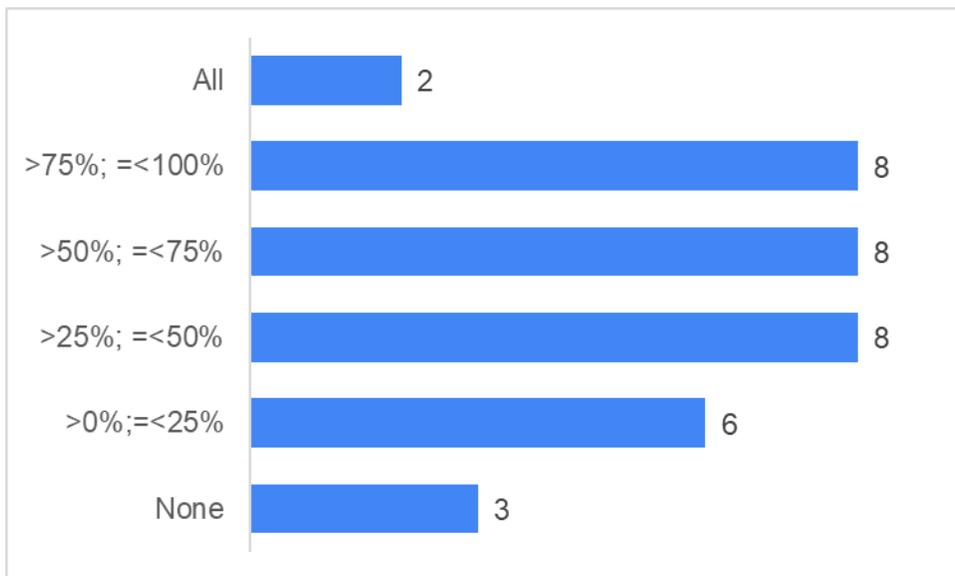
A9. What % of company's revenues (Ksh) were from export in 2019?



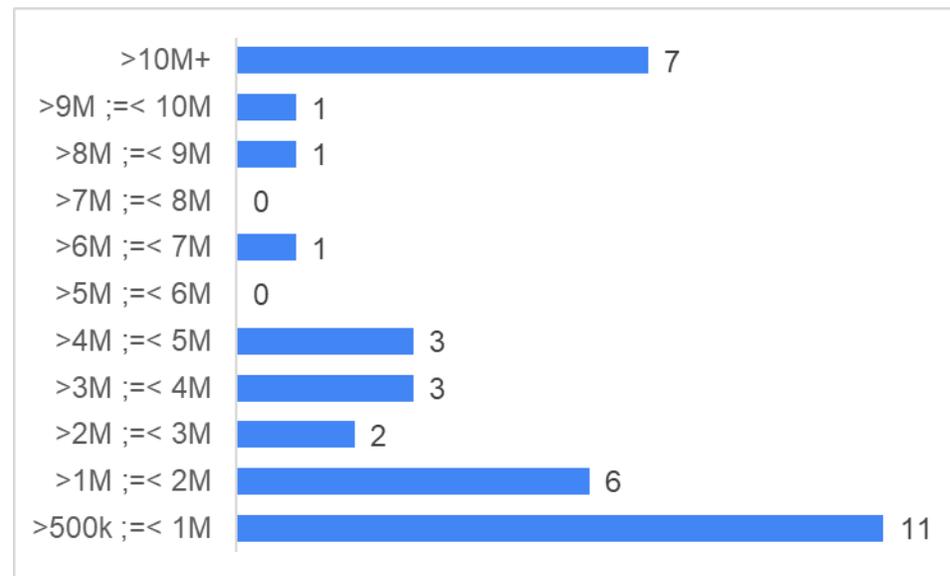
A10. Company size: Annual sales volumes (MT) for 2019



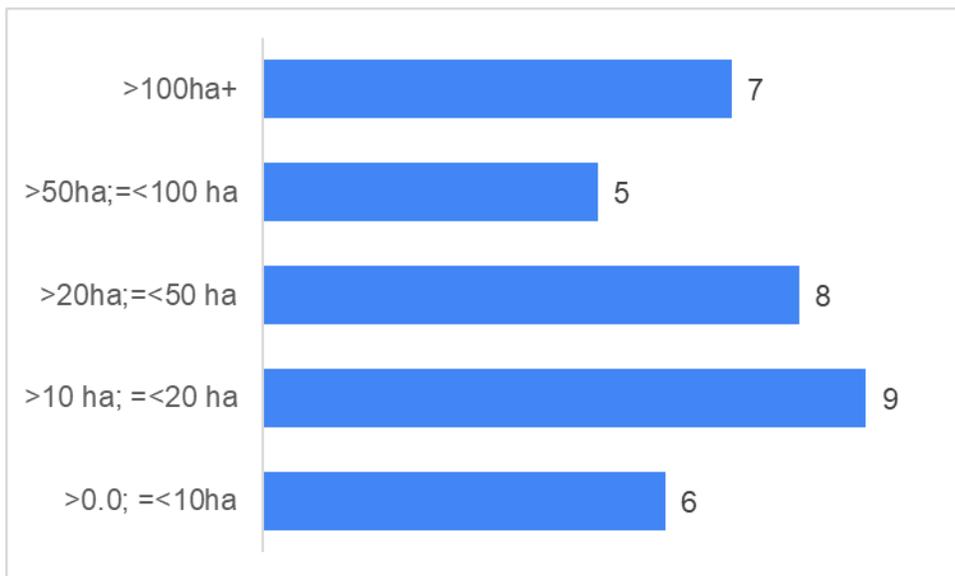
A11. What % of company's production volumes (MT) were for export in 2019?



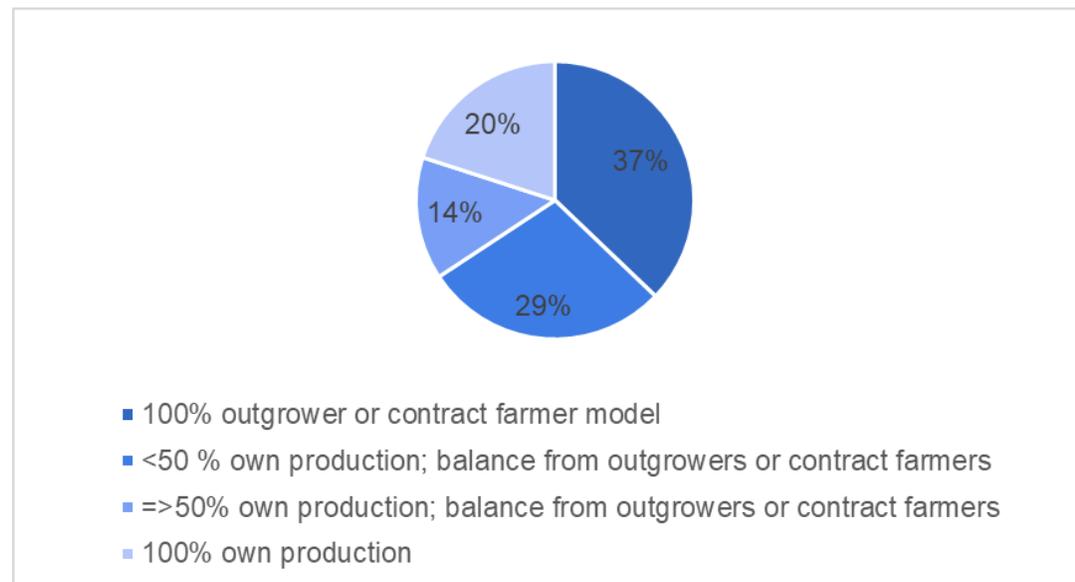
A12. Company size: Monthly operating cost (Ksh) for 2019



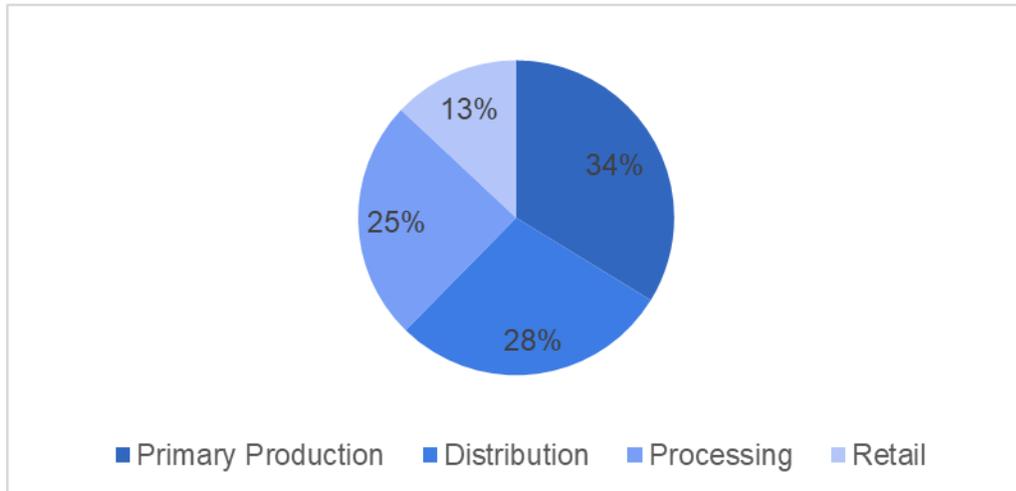
A13. Company size: No. ha under production (including outgrowers)



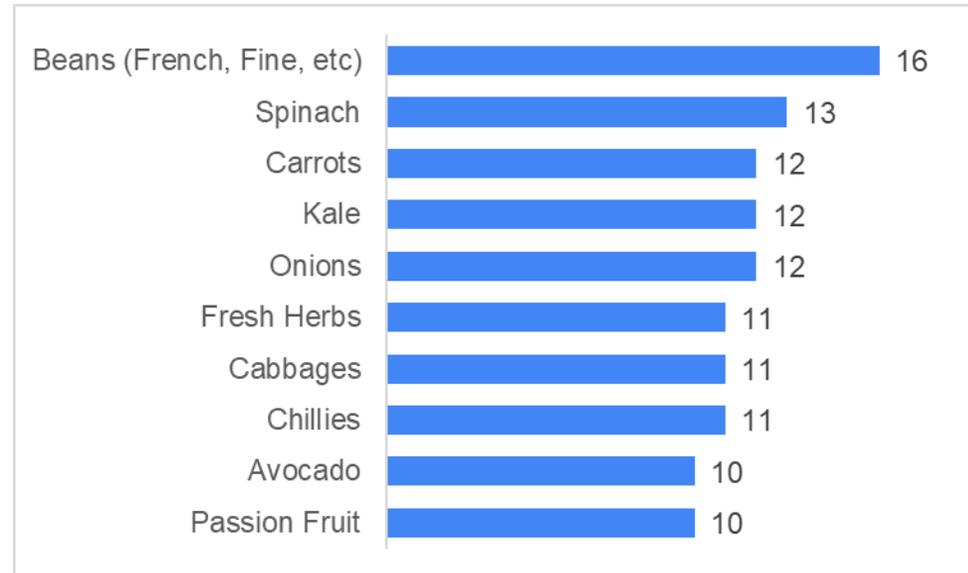
A14. Company production model



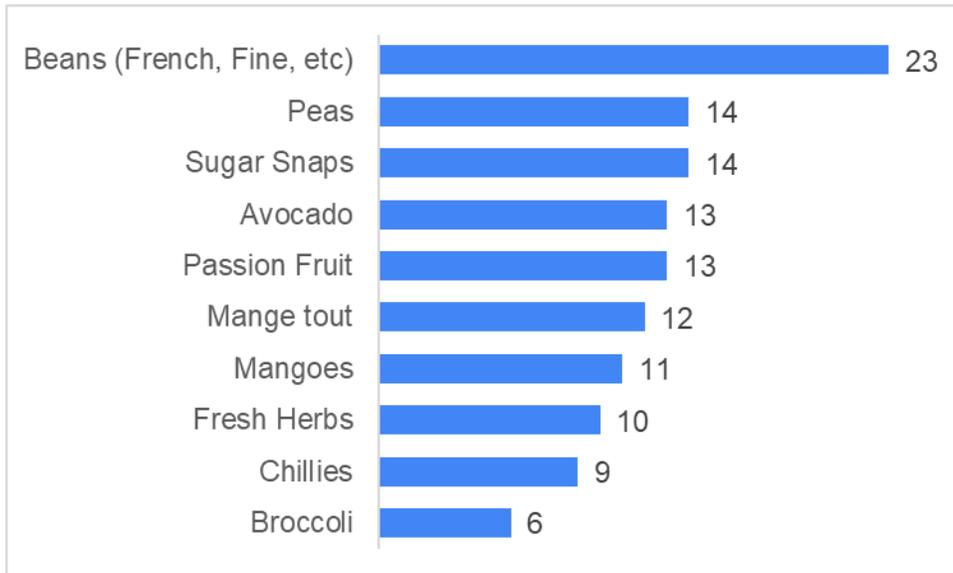
A15. Which of these activities is your company engaged in? Select all which apply



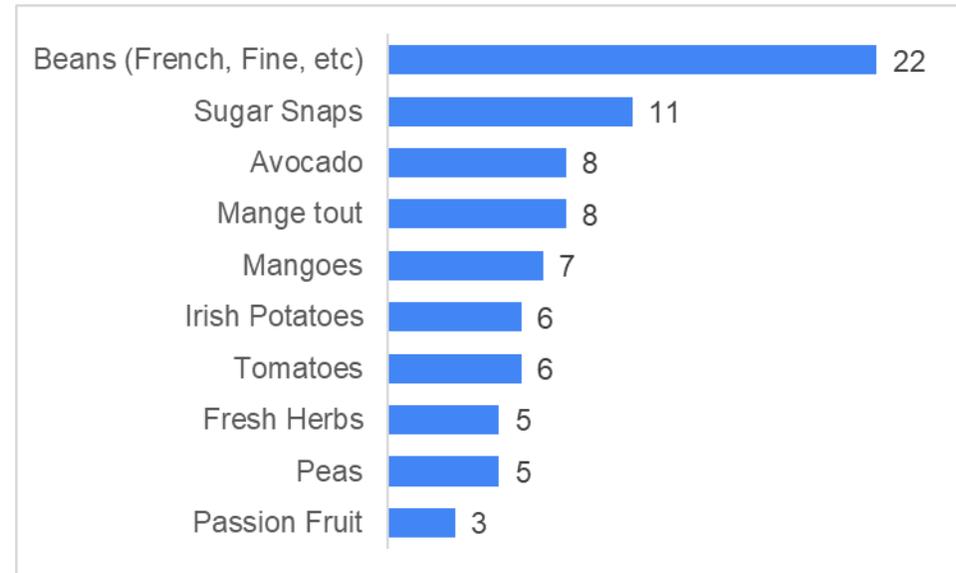
A16. Fresh Produce Segment: Which of the following does the company grow for domestic market?



A17. Fresh Produce Segment: Which of the following does the company grow for export market?



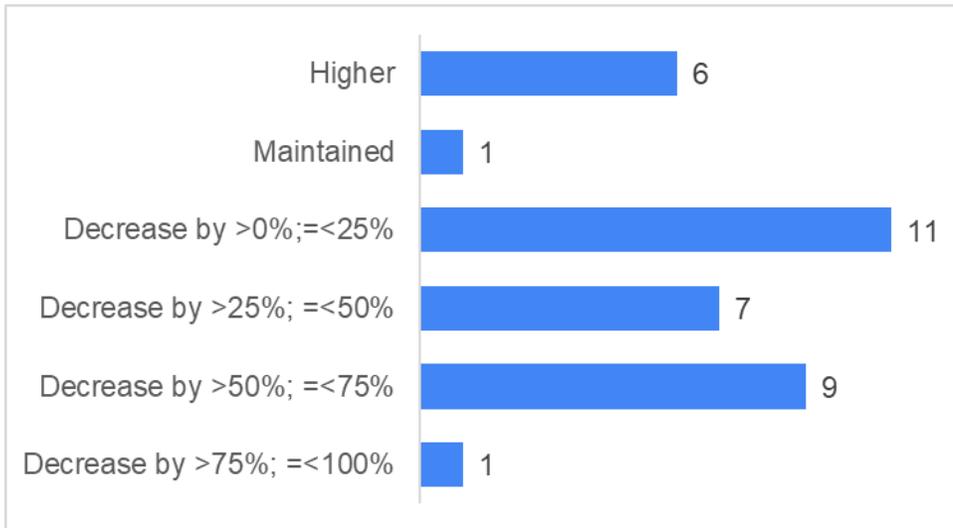
A18. Pick the top 3 crops by sales value (Ksh) to the company



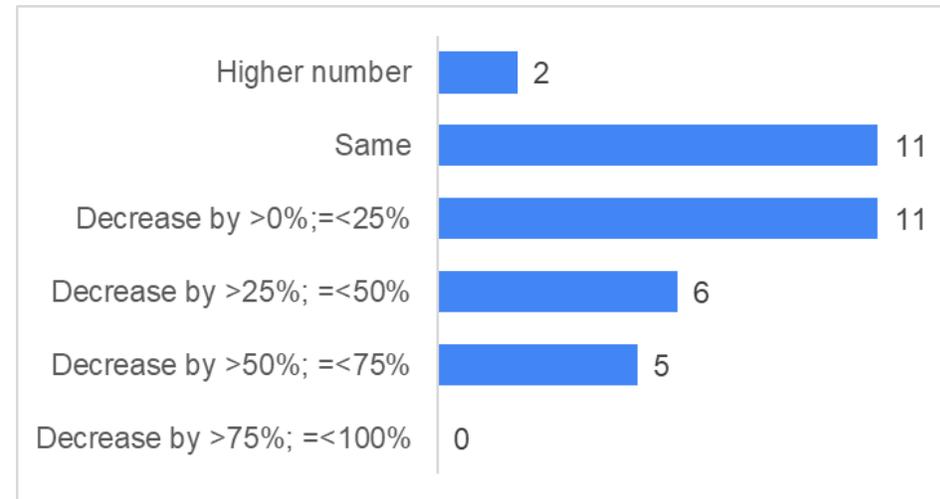
Survey Questions – Module B

- B1. How do you expect your 2020 annual revenue to compare to annual revenue 2019?
- B2. How many individuals are working for the company today (full time and seasonal) vs. this time last year (%)?
- B3. Have you had to dump produce? Please indicate % volumes of food produced which were unable to be sold
- B4. What % of export produce does the company estimate for 2020?
- B5. To what extent has the company's cost of production per kg increased/decreased YTD 2020 vs. 2019?
- B6. In what ways has the business been affected by COVID-19? Please chose the 3 most significant challenges
- B7. What measures has the company put in place to reduce fixed cost / cost of production? Select all that apply
- B8. For existing debt with banks and investors what relief has been offered?
- B9. Which terms has the company been able to re-negotiate with suppliers and buyers to support operations during this period?
- B10. What is the minimum monthly cashflow (Ksh) required by the business to operate during the current crisis, based on current projections?

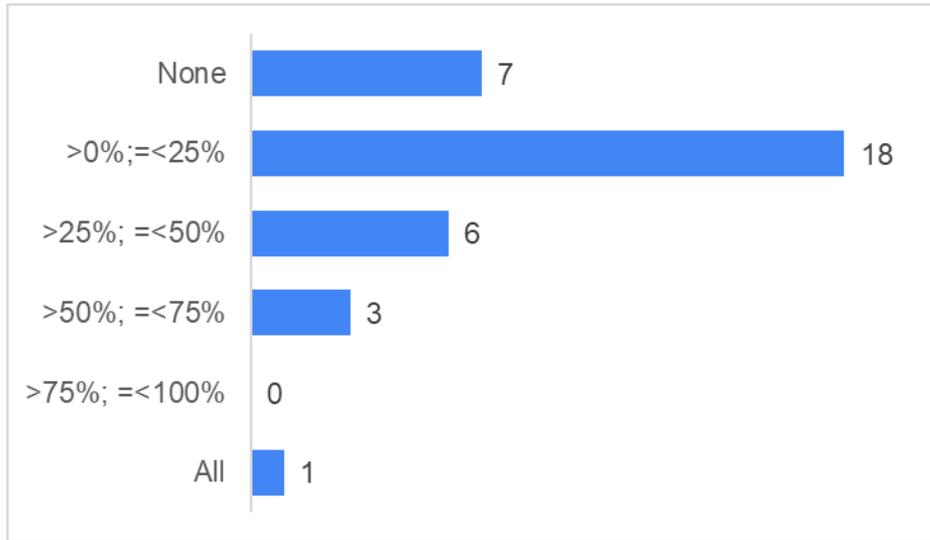
B1. How do you expect your 2020 annual revenue to compare to annual revenue 2019?



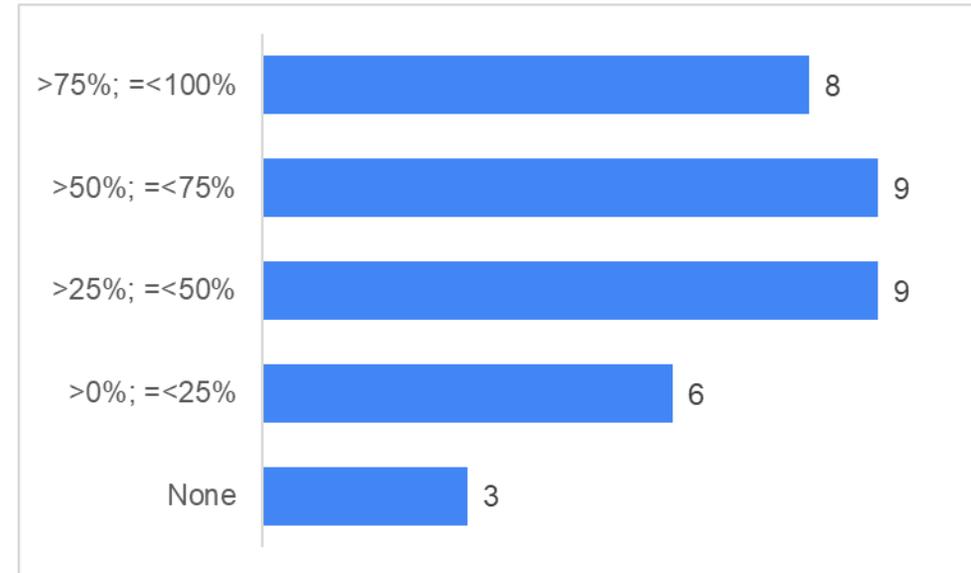
B2. How many individuals are working for the company today (full time and seasonal) vs. this time last year (%)?



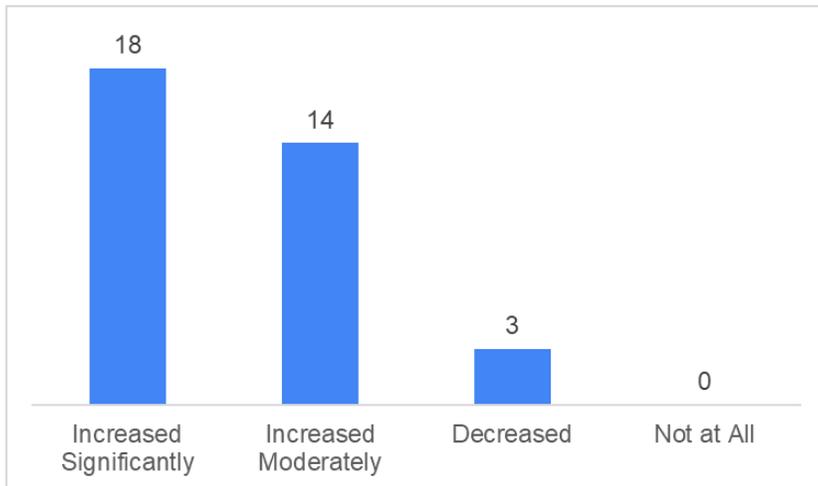
B3. Have you had to dump produce? Please indicate % volumes of food produced which were unable to be sold



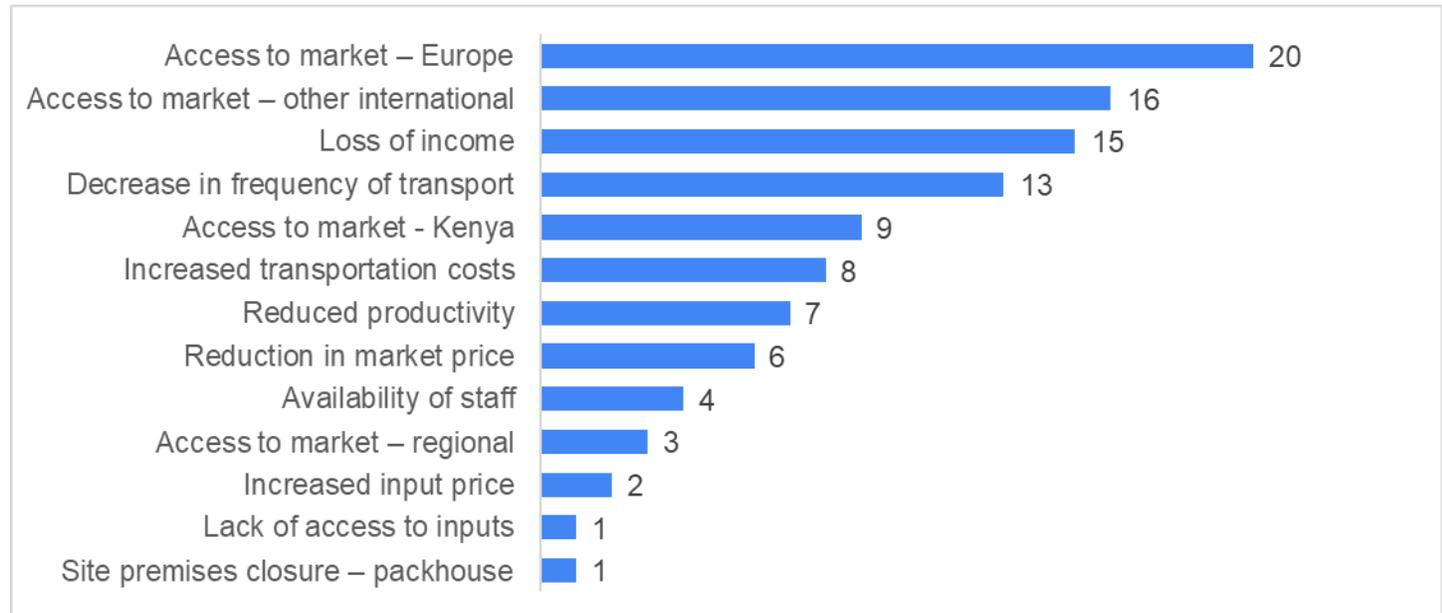
B4. What % of export produce does the company estimate for 2020?



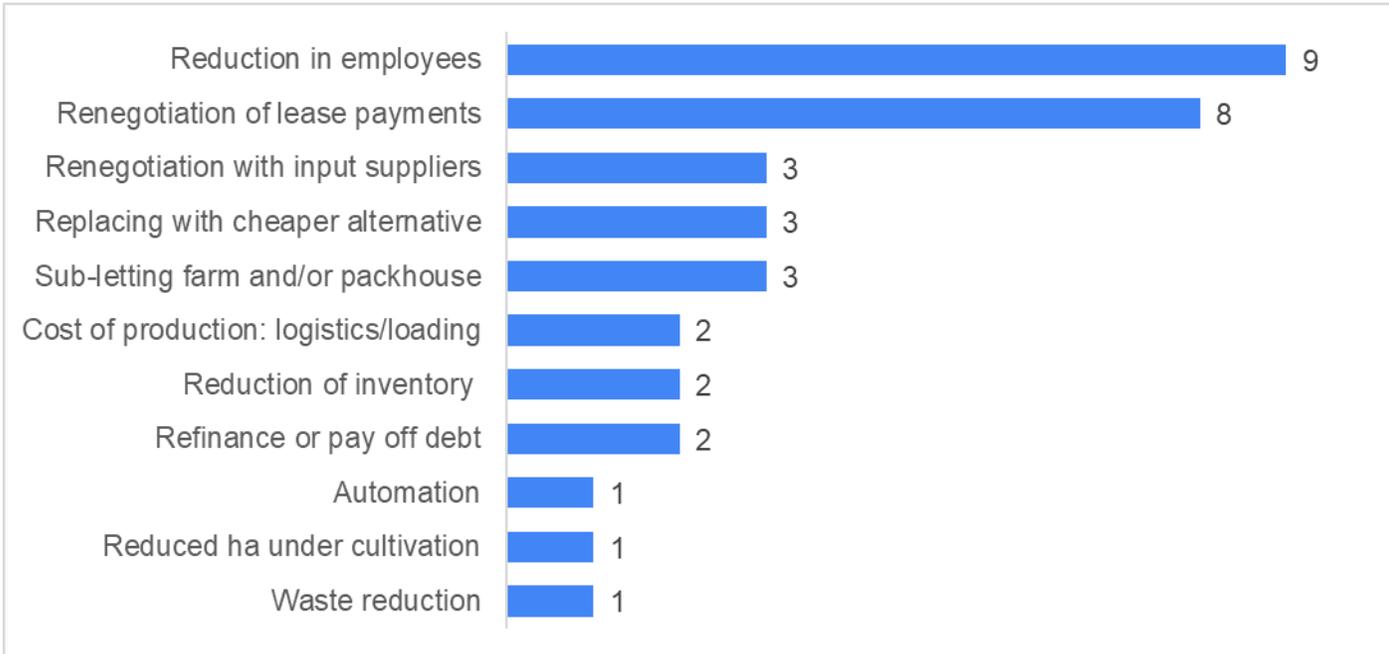
B5. To what extent has the company's cost of production per kg increased/decreased YTD 2020 vs. 2019?



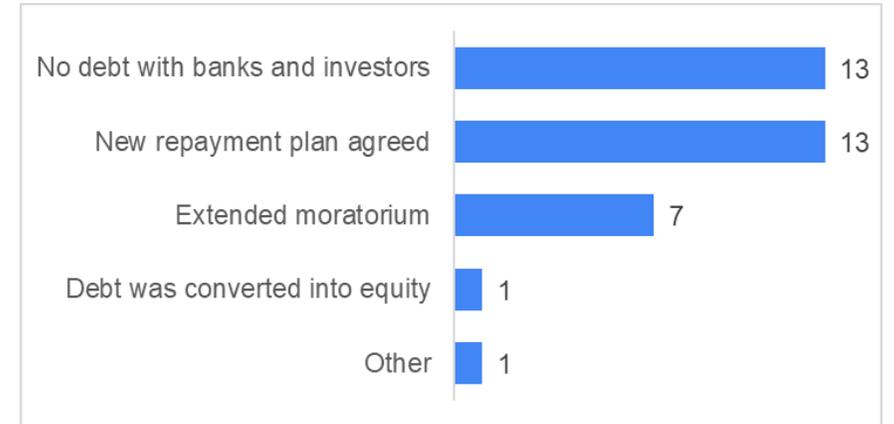
B6. In what ways has the business been affected by COVID-19? Please chose the 3 most significant challenges



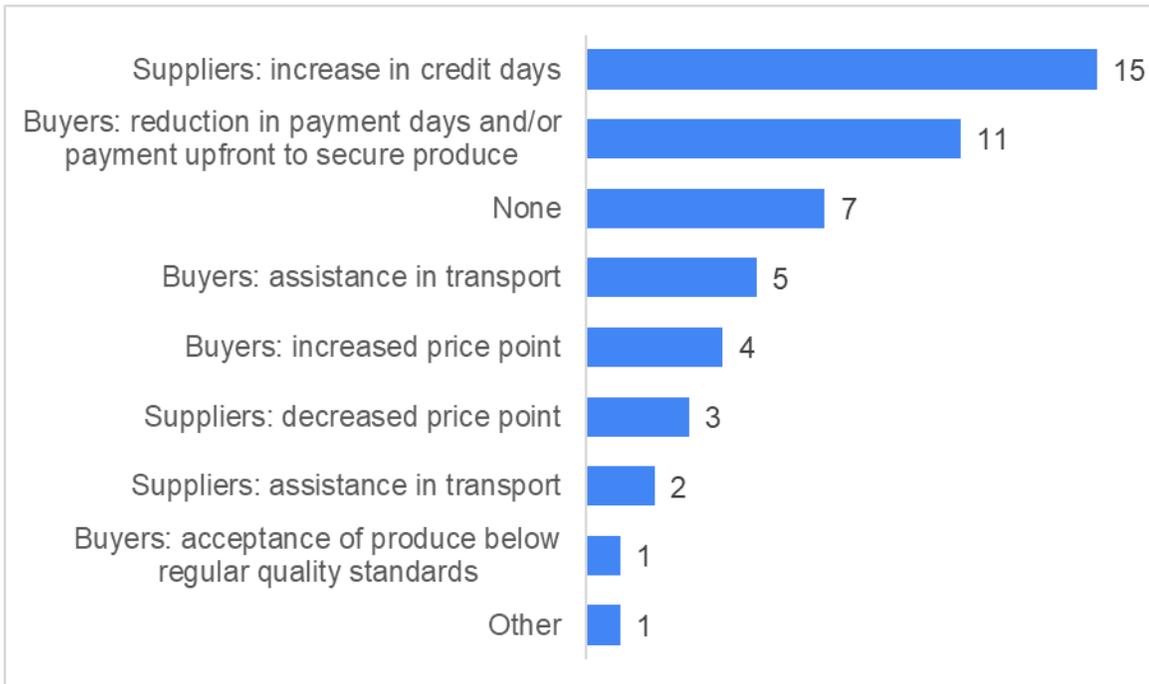
B7. What measures has the company put in place to reduce fixed cost / cost of production? Select all that apply



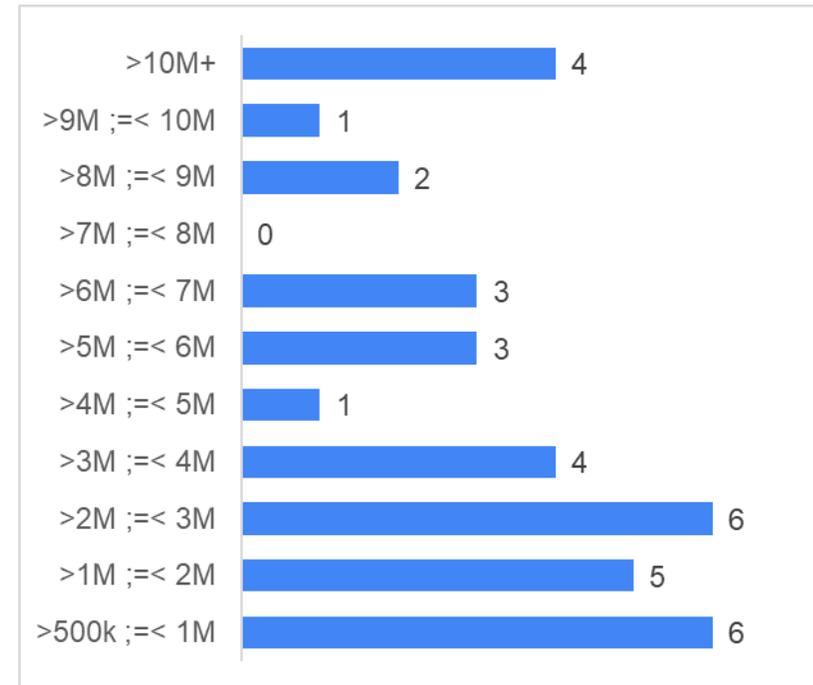
B8. For existing debt with banks and investors what relief has been offered?



B9. Which terms has the company been able to re-negotiate with suppliers and buyers to support operations during this period?



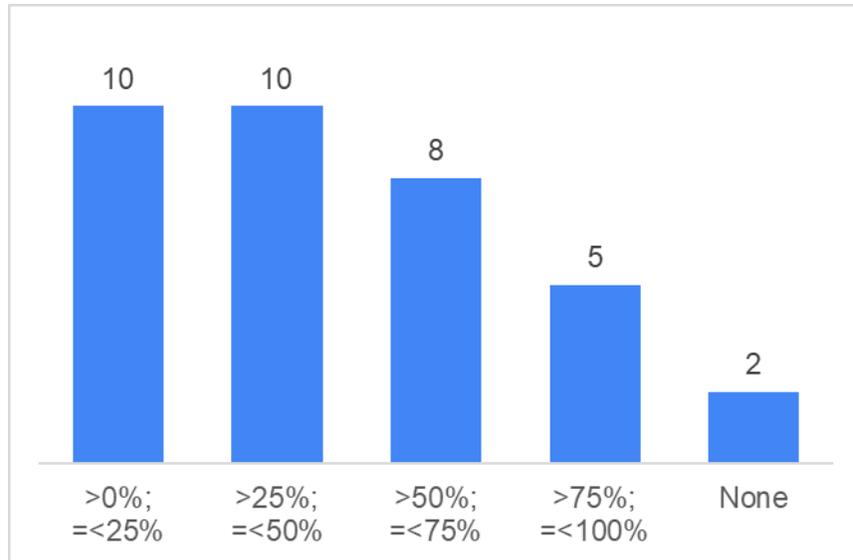
B10. What is the minimum monthly cashflow (Ksh) required by the business to operate during the current crisis, based on current projections?



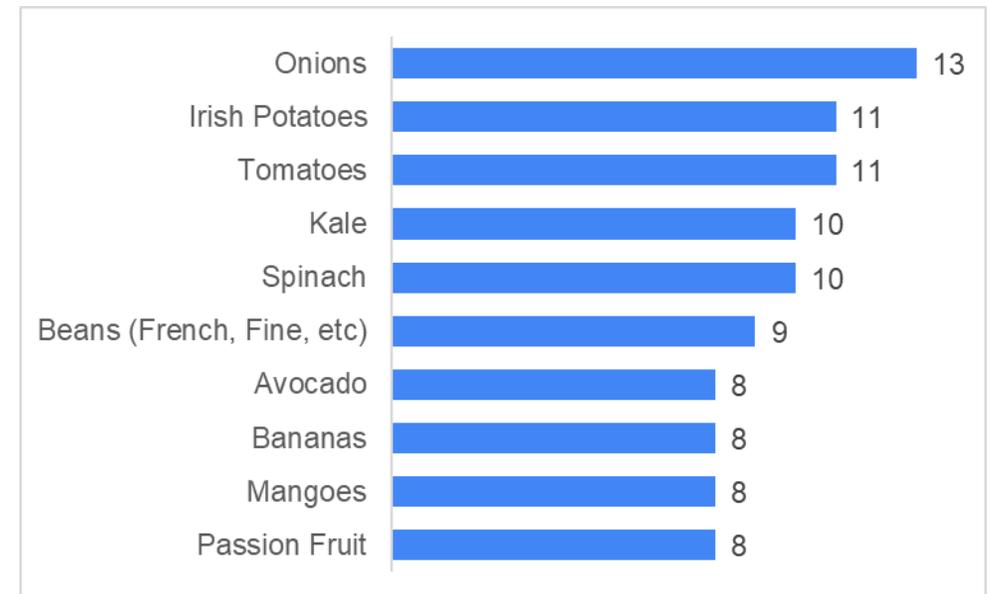
Survey Questions – Module C

- C1. What % of production does the company expect to shift from export to domestic (or regional) production
- C2. Which of the following crops do you intend to increase production for domestic market (or regional)?
Please select all that apply
- C3. Which key domestic markets is the company already supplying?
- C4. Which key domestic markets is the company intending to focus on as part of its response?
- C5. Has the company already taken action to engage with the identified market for the additional produce?
- C6. Please tell us a bit more about your plans to supply the domestic market.
- C7. What are the key market-related challenges to implementing this strategy? Select all that apply.
- C8. What are the key production-related challenges to implementing this strategy? Select all that apply
- C9. What are the key finance-related challenges to implementing this strategy?
- C10. Highlight below the top challenges the company requires most support with at present (select up to 3 that apply).

C1. What % of production does the company expect to shift from export to domestic (or regional) production



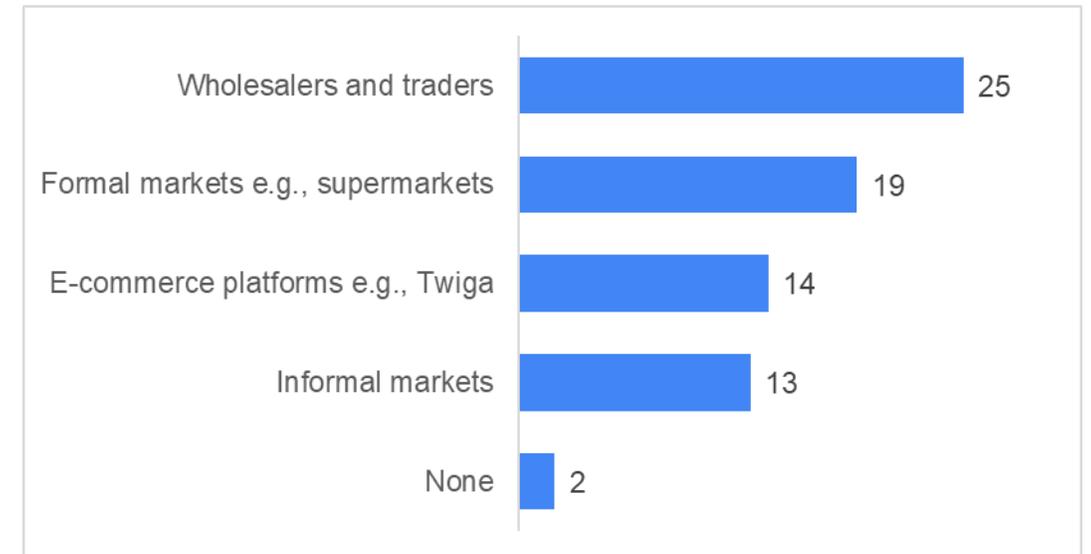
C2. Which of the following crops do you intend to increase production for domestic market (or regional)? Please select all that apply



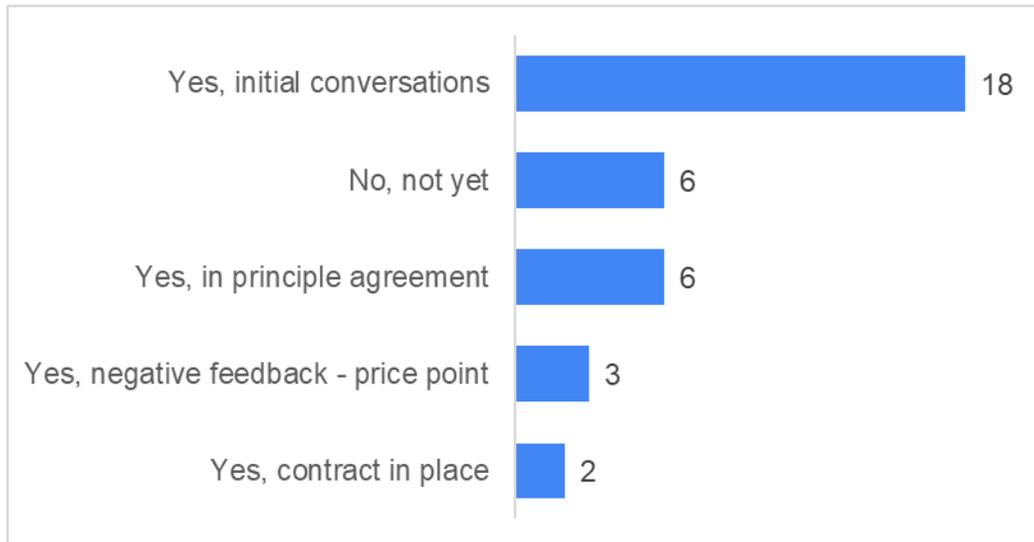
C3. Which key domestic markets is the company already supplying?



C4. Which key domestic markets is the company intending to focus on as part of its response?



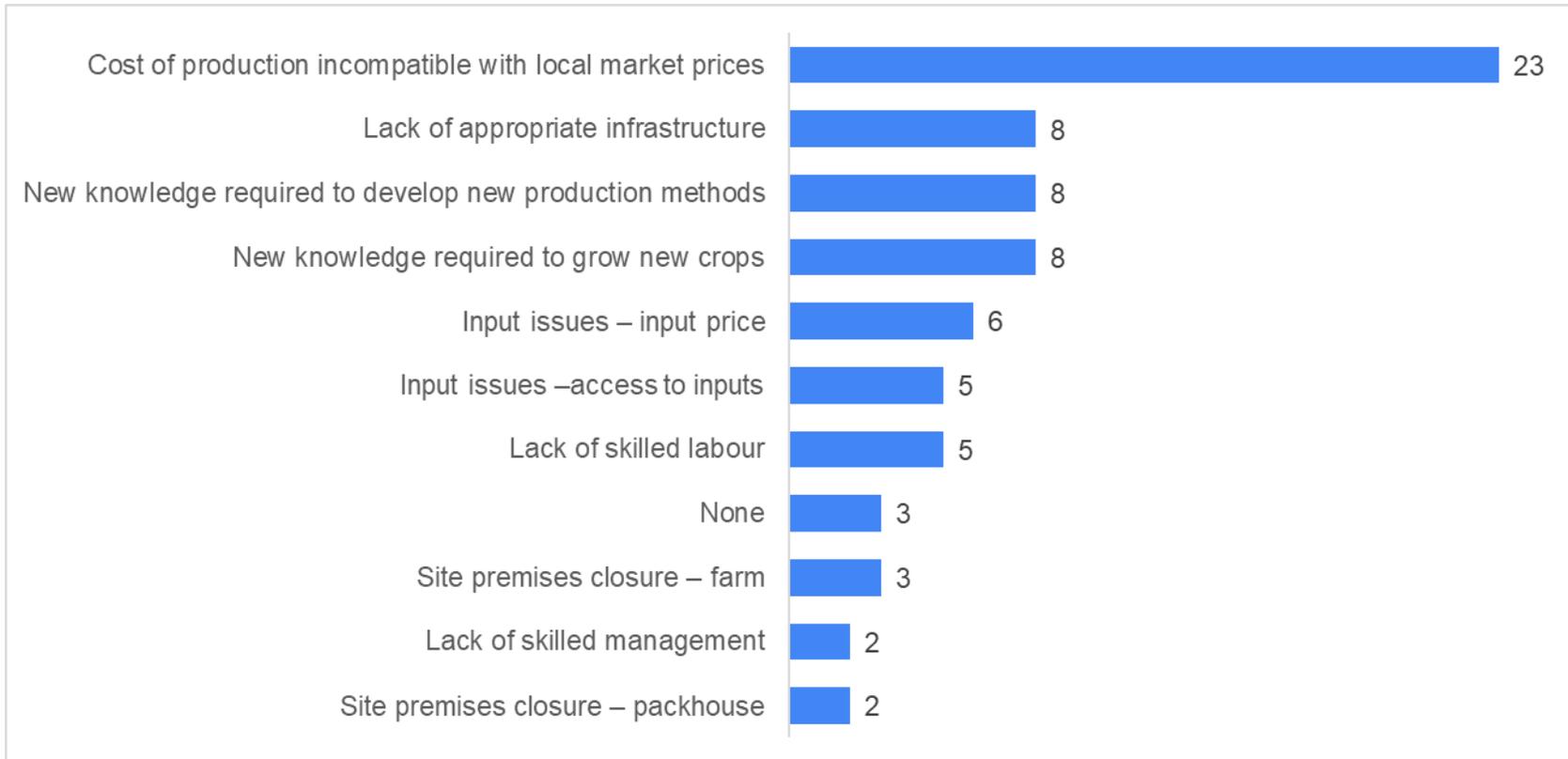
C5. Has the company already taken action to engage with the identified market for the additional produce?



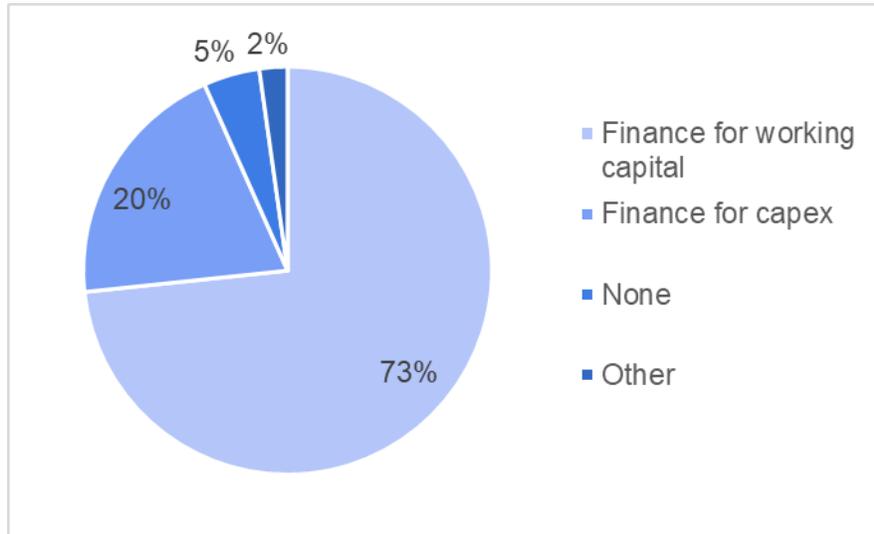
C7. What are the key market-related challenges to implementing this strategy? Select all that apply



C8. What are the key production-related challenges to implementing this strategy? Select all that apply



C9. What are the key finance-related challenges to implementing this strategy?



C10. Highlight below the top challenges the company requires most support with at present (select up to 3 that apply)



Survey Questions – Module D

D1. Is the company aware of financial measures for businesses offered by development funders, impact investors and financial institutions to meet current challenges?

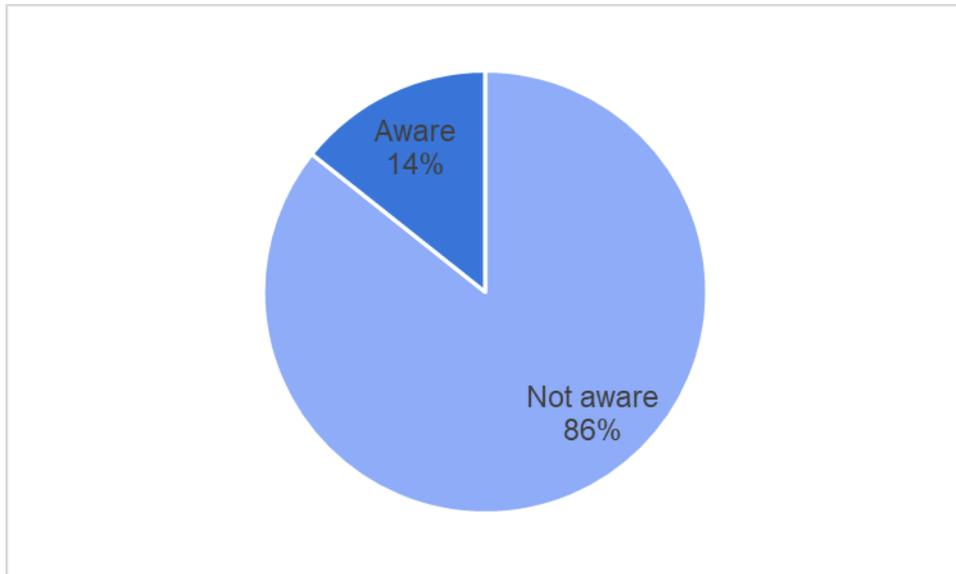
D2. Is the company aware of any non-financial support (e.g. technical assistance) being offered by development institutions, NGOs or government to meet current challenges?

D3. Has the company received any of the following crisis support in the last 3 months? If yes, please select all that apply

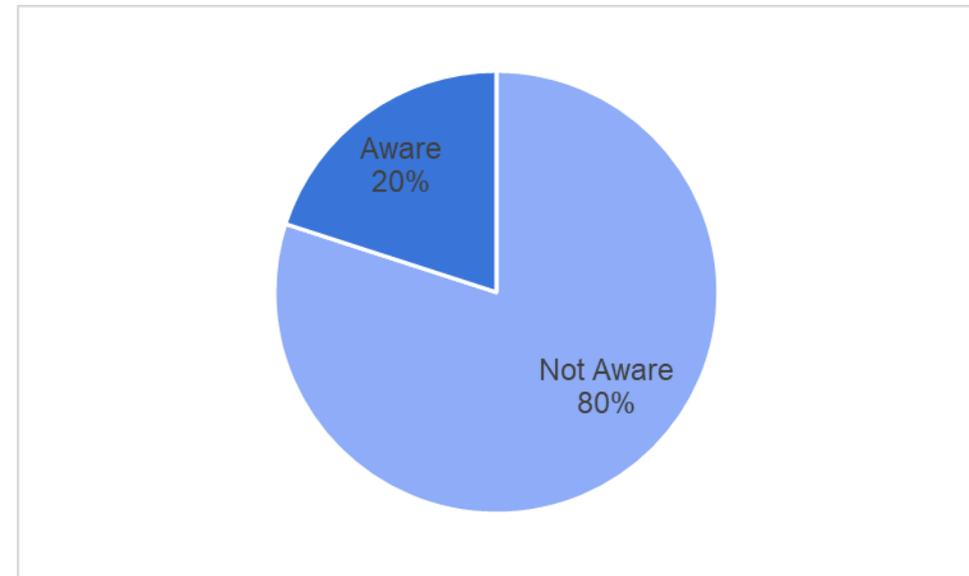
D4. Please indicate reasons on why company has not accessed any support. Select all that apply.

D5. What kind of support do you need to sustainably supply the domestic market?

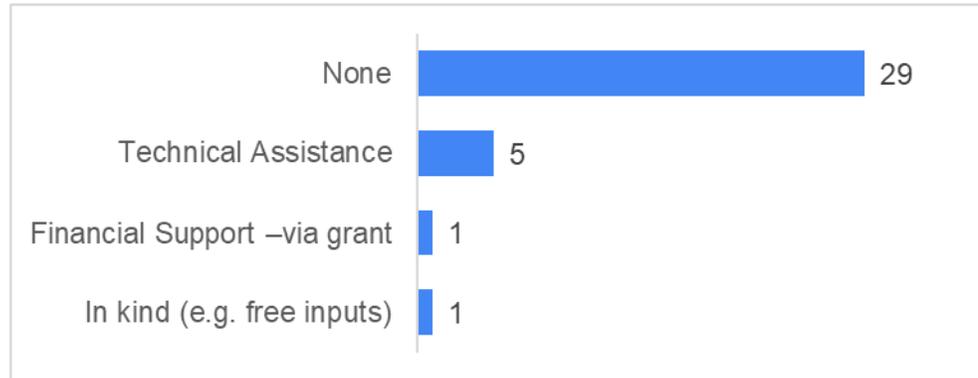
D1. Is the company aware of financial measures for businesses offered by development funders, impact investors and financial institutions to meet current challenges?



D2. Is the company aware of any non-financial support (e.g. technical assistance) being offered by development institutions, NGOs or government to meet current challenges?



D3. Has the company received any of the following crisis support in the last 3 months? If yes, please select all that apply.



D4. Please indicate reasons on why company has not accessed any support. Select all that apply.



D5. What kind of support do you need to sustainably supply the domestic market?

