

INNOVATION SERIES

BUSINESS PROFILE

GOSHEN FARM
EXPORTERS LIMITED

GOSHEN FARM EXPORTERS LIMITED
NAIROBI, KENYA
[HTTP://GOSHEN.CO.KE/](http://goshen.co.ke/)

ABOUT GOSHEN FARM EXPORTERS LIMITED

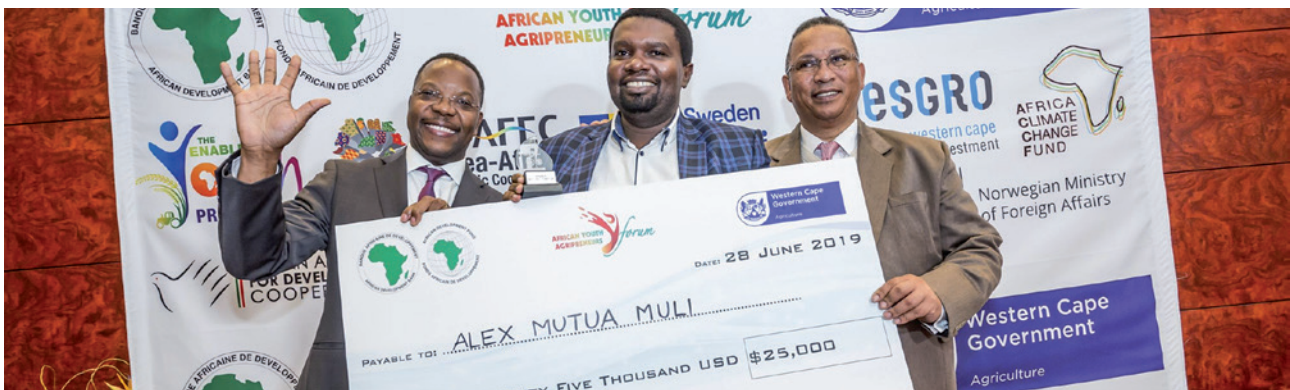
- Company status: Limited Liability Company, founded in 2010;
- Number of employees: 85 (including part-time and seasonal), 75% of whom are women.



Alex Mutua Muli, Co-founder & CEO

Alex Muli is the Co-founder and Lead Agripreneur at Goshen Farm Exporters Ltd (Goshen Farm). Since its creation, he has strategically led the company to resiliently build a sustainable food system focused on all-inclusive agriculture, food loss mitigation, and innovative processing of Kenyan tropical fruits into natural and healthy fruit snacks. He is a graduate of Moi

University School of Business and Economics, Eldoret, Kenya, and holds a MBA degree from United States International University-Africa (USIU-Africa) in Nairobi, Kenya. He also holds a postgraduate certificate in Business Development with Innovations from Frankfurt School of Finance in Germany. Alex envisions a world where African agriculture will be able to feed the world while creating dignified employment for its young population. He is a Silver & Gold standard holder for the Duke of Edinburgh President's Award Scheme Kenya, 2010. He is the 2019 Africa Development Bank's Africa Young Agripreneurs Forum Winner. He is also a 2020 Alibaba E-founders Fellowship program fellow organized by the Alibaba Business School and UNCTAD.



This series of events is organised by the PAFO and the COLEACP. COLEACP operates within the framework of the development cooperation between the Organisation of African, Caribbean and Pacific States (OACPS) and the European Union, with the support of the French Development Agency.

BUSINESS MODEL

Goshen Farm's mission is to grow sustainably into Africa's leading food processor while meeting the expectations of consumers, producers, staff and investors. It strives to connect the demand and supply value chain within the horticultural sector in Africa. To do so, Goshen Farm works to create a network of African farmers providing mango, passion fruit, avocado and French beans to African and Middle Eastern markets. It aims to achieve a sustainable market by making use of the leverage technology can provide.

Goshen Farm was created by Alex and his mother, Mary Muli, in 2010 and processes, packages and exports fresh and processed Kenyan tropical horticultural produce. In 2017 Goshen Farm added value to its workstream by initiating processing activities, and now produces processed fruit and vegetables for export and local sale. In 2013 the company began to export fresh French beans, mangoes, avocados and snow peas to international markets, and in 2019 it diversified its fruit range and started to export and process papaya and bananas, among others.

The company is based on an all-inclusive business model, sourcing the produce from contracted Kenyan smallholder farmers and distributing it (fresh or processed) to retailers.

This integrated business model tackles issues faced on both sides of the value chain. On the demand side, it helps farmers to overcome the difficulties they face in sourcing affordable farm inputs, using improved agricultural techniques, and accessing markets. On the supply side, this business model provides consumers with access to diverse varieties of fruit and vegetables, contributing to fighting malnutrition.

Goshen Farm has a central position within the value chain and on the market, as it liaises between the farmers who grow the produce, and the consumers of the produce.

The market size of Goshen Farm varies according to the season, with an average weekly demand of over 12-20 tons during the peak season and a reduced demand of 3-8 tons in the off-peak season.

STRONG RELATIONSHIP WITH SMALLHOLDERS

Goshen Farm buys fruit and vegetables from more than 4,000 smallholder farmers, 65% of whom are women, in rural south-eastern Kenya.

Goshen Farm has a close working relationship with its producers. It offers them fixed contractual prices, and monitors their production to support them technically and maximise their output yield.

The company also provides training for its suppliers on good and climate-smart agricultural practices, for example using recycled PET plastic bottles as drip irrigation kits while also disseminating information on the use of BELSAP a polymer that aids in water retention. In the long term, Goshen Farm aims to enable the smallholder farmers in its network to access financial inputs by linking them with financing institutions. Goshen Farm has already a partnership with KCB'S Mobigrow to enable farmers to access formal banking through opening of accounts on their phones.

By working closely with local smallholders, Goshen Farm can ensure that the fresh commodities it exports meet the quality standards of each specific market. This also limits the risks of post-harvest losses for the smallholder farmers. And by drying or further processing fruit, Goshen Farm avoids additional losses due to inappropriate quality of fresh fruit, or due to fruit fly import restrictions on specific markets.

Goshen Farm mainly focuses on working with smallholder farmers in Lower Eastern Kenya counties of Machakos, Makueni, Kitui and Taita Taveta. The company recently also made entry into Tana River County. The deliberate decision to work with smallholder farmers in these semi-Arid counties is out of the passion to improve livelihoods through creation of a resilient and sustainable market for locally grown produce. The company factory is located in rural Eastern Kenya where its impact is being felt through creation of local jobs thus reducing rural urban migration.

PRODUCTS COVERED AND MARKETS

Goshen Farm produces fresh and processed fruit and vegetables that grow in Kenya:

- mangoes: Apple, Ngowe, Kent and Tommy varieties;
- avocados: Fuerte and Hass varieties;
- passion fruit: yellow and purple;
- French beans and sugar snap beans.

Goshen also has a range of processed products in the form of fruit crisps made out of dried mangoes, dried pineapples and dried African leafy vegetables (cowpeas, amaranth, etc.). These healthy snacks are prepared without additives or added sugar.

Goshen Farm directly exports fresh produce to Europe and the Middle East, for example French beans to France. The dried fruit snacks are sold to local retailers for the domestic market in 50 g packs, but Goshen Farm also plans to export them to the EU and the USA in the future.

The value of the services provided by Goshen Farm lies in its connection with thousands of fruit and vegetable producers, as well as with numerous retail stores, hypermarkets, online shops, and markets in the EU and the Middle East. Goshen Farm offers a wide range of products for seasonal fruit supply and healthy snacks at affordable prices.

Goshen Farm is also GLOBALG.A.P. certified.



INNOVATIONS: MILESTONES AND EXPANSION PLANS

Goshen Farm circumvented the difficulties related to transport facilities and high costs by buying its own trucks. This enables the company to be independent from any transport service provider and therefore having control on its supply chain right from the farm to the packhouse.

Since 2018, Goshen Farm has received various types of support from COLEACP in the form of self-assessment support, group and specific training on the quality of export avocados, Covid-19 implications for business and operations, business plan development. The company also worked with COLEACP on assessment of its packhouse infrastructure for the British Retail Consortium (BRC) Standard, and training for its quality management team on the BRC Standard and the implementation of HACCP principles.

In 2019, two years after starting up processing activities, Goshen Farm invested in new premises in Makueni, with cold chain facilities and value addition equipment, enabling it to process up to 10 tons of fruit and vegetables per day. The premises will be developed into a green factory where all waste will be recycled into biogas for use in powering the boilers while the byproduct which is biofertilizer will be given to farmers to ensure they rehabilitate their farms and rely less on chemical based fertilizer.

Goshen Farm also integrates technology into its business model to enhance the development of the supply chains. It uses the digital platform DigiFarm to connect fruit and vegetable sellers and buyers. DigiFarm is an integrated mobile platform, powered by Safaricom, that provides smallholder farmers with agricultural information, financial services, and access to affordable and quality farm inputs. Goshen Farm uses this platform as a management information system to document sourcing of farm inputs, harvesting and transportation of produce, etc.



Since 2020, Goshen Farm has been preparing the expansion of its export markets and is seeking new opportunities to be unlocked by capital. Though this has been delayed due to the aftershocks of the pandemic, the company is still choosing to remain undistracted. After this investment, it plans to work with 1,000 more farmers and to increase employment opportunities for young people in both permanent and casual capacities. At the end of the fifth year of expansion, Goshen Farm also intends to increase the contracted farmers' incomes by 150%.

Obtaining organic certification is very expensive, as well as exporting to Europe (compared to other African regions or to the USA), and thus limit the business development.

Goshen Farm actively works on developing climate-smart farming solutions, for example by using an agriculture-targeted polymer (non-toxic belsap hydroponic crystals) that retains ten times more water than soil. Two spoonfuls at the base of each fruit tree soaks up humidity from the soil and rainfall and later slowly releases moisture, thus reducing irrigation costs. This water absorption method helps the farmers to increase their output, for example by 65% as the mango trees produce larger fruit.