

INNOVATION SERIES

BUSINESS PROFILE



EXOTIC EPZ LIMITED
KENYA

[HTTPS://WWW.EXOTICEPZ.CO.KE/HOME](https://www.exoticepz.co.ke/home)

ABOUT EXOTIC EPZ LIMITED

- Company status: Limited company, established in 2012
- Number of employees: About 163, of whom 85% are women and 75% youth



Jane Maigua, Managing Director

Jane Maigua is an award-winning Kenyan entrepreneur and the Managing Director of Exotic EPZ Limited. She has a long career in enterprise development and entrepreneurship, having worked for over 20 years with various international and local NGOs, as well as for the United Nations.

Jane's parents are smallholder farmers and she grew up witnessing the challenges they have to face. Passionate about agroprocessing and export space, Jane aims to empower women and young people by creating jobs and generating increased income for smallholder farmers and all stakeholders in the macadamia nuts value chain.

Jane holds a Bachelor of Science degree in Appropriate Technology from the Kenyatta University, Kenya, and a Master of Arts in Leadership, Business and Entrepreneurship from the Pan Africa Christian (PAC) University, Kenya.

Jane's commitment and impact have been rewarded with the 2018 Africa Women Innovation & Entrepreneurship Forum (AWIEF) Award in the Agri Entrepreneur category.



Charity Ndegwa - Operations Director (left);
Loise Maina - External Relations Director
(centre); Jane Maigua - Managing Director (right)

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

Mission: to sustainably provide the world with quality products for healthy and happy living in order to empower its producers and employees, as well as to promote Kenya's development and socio-economic potential on a global scale.

Macadamia is a round, white nut that grows on tropical trees and has high levels of monounsaturated fatty acids, omega 3 and 6. The species *Macadamia integrifolia* and *Macadamia tetraphylla* grow in Kenya.

In 2012, Jane Maigua, Charity Ndegwa and Loise Maina created Nawiri Agribusiness EPZ as a macadamia nuts agroprocessing and export company. Macadamia nuts are abundant in Kenya and in high demand by the food and cosmetic industries. The three friends had extensive experience in entrepreneurship and agribusiness, including with women's economic empowerment

programmes. They wanted to tackle long-term issues faced by Kenyan smallholder farmers, especially the lack of market access and low prices.

In 2016, Nawiri Agribusiness EPZ Ltd acquired Exotic EPZ Limited, another macadamia nuts agroprocessing company, to further support the development of local communities and to create a sustainable and inclusive agribusiness value chain, with a special focus on women and youth.

Exotic EPZ Limited is involved in the entire macadamia nut value chain and works closely with local producers and communities in several Kenyan regions.

Since its creation, Exotic EPZ Limited has become a household name in the macadamia nut sector in Kenya. It is the country's first female-led macadamia nut processing company.

STRONG RELATIONSHIPS WITH SMALLHOLDERS, COOPERATIVES...

The company has a strong social and economic commitment, and is dedicated to ensuring stable incomes for its suppliers. It buys macadamia nuts from Kenyan producers at a fair price, using a mobile platform to secure its payments.

Exotic EPZ Limited supports its producers by facilitating access to seedlings, and offers them training on various topics including soil maintenance, waste management, and the fight against pests and diseases. The company has also created numerous macadamia nut collection centres to shorten and improve the delivery of raw nuts.

Exotic EPZ Limited works closely with 7,000 farmers in 10 different macadamia-growing regions in Kenya. Of these producers, 2,000 supply the company directly. A team of about 10 agents travels to different regions and connects with the additional 5,000 producers to buy their production.



PRODUCTS AND MARKETS

Exotic EPZ Limited processes macadamia nuts as whole nuts, halves and chips of various sizes:



Wholes

- Style 0: larger than 19 mm, with minimum 95% of whole nuts
- Style 1L: larger than 16 mm, with minimum 90% of whole nuts
- Style 1S: 14–16 mm, with minimum 90% of whole nuts



Halves

- Style 4L: 14–16 mm half nuts
- Style 4S: 9–14 mm, with 80% half nuts and 20% whole nuts



Chips

- Style 5: 7–9 mm pieces
- Style 6: 5–7 mm chips and pieces
- Style 7: 3–5 mm chips



Raw macadamia nuts-in-shell



Processed macadamia kernels

The kernels are vacuum packed in 25 lb (11.34 kg) food grade aluminium foil pouches, then into cartons which preserve the quality of the nuts.

The processed macadamia nuts are mainly exported to the international market: to the USA, the European Union (particularly Spain and the Netherlands), and Asia.

Exotic EPZ Limited purchases and collects raw macadamia nuts, and processes, packages and distributes them.

Exotic EPZ Limited is committed to ensuring high-quality production procedures and products. Its compliance with international high-quality standards is guaranteed by its FSSC 22000 and ISO 9001:2015 certifications.

The company is also working to achieve organic and fair trade certification by 2022.

INNOVATIONS: MILESTONES AND EXPANSION PLANS

In April 2020, Kenya Climate Venture (KCV), an investment management company, invested in Exotic EPZ Limited to support its expansion strategy.

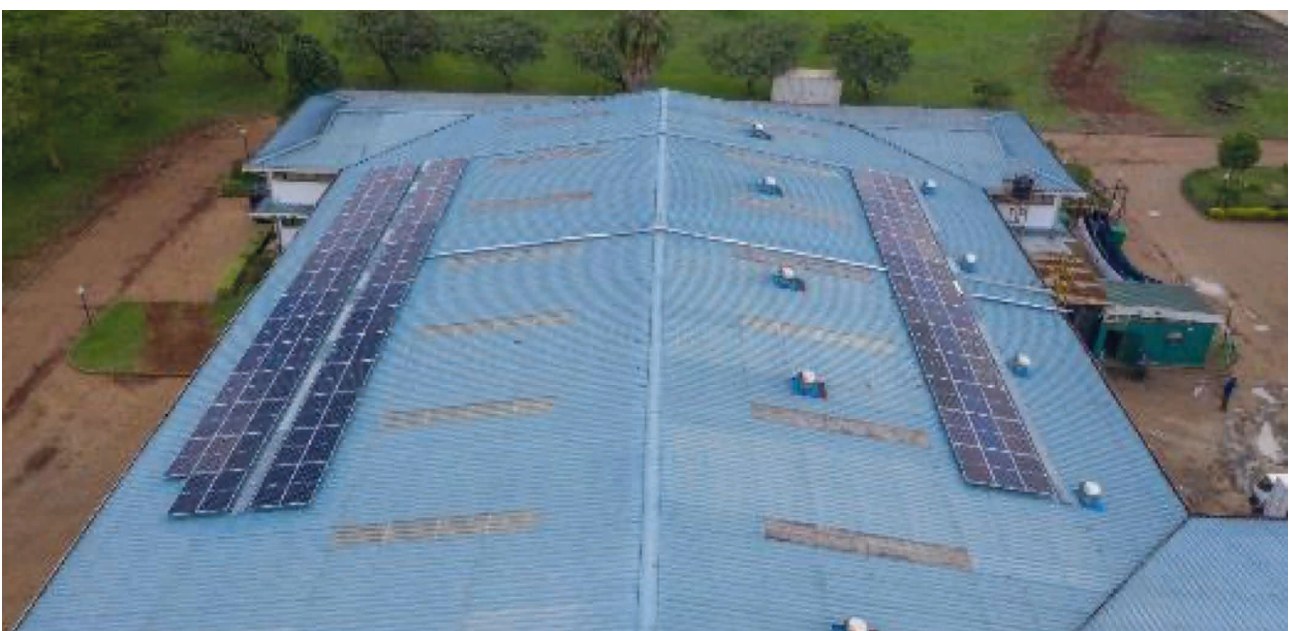
In the context of the COVID-19 pandemic and the company's decision to reduce its operational costs and so its product prices, in 2021 Exotic EPZ Limited installed a solar plant with a producing capacity of 47.5 kWh on its processing plant. The company also uses the macadamia nut shells to produce biogas as an additional source of energy. Both sources of renewable energy provide for about 20% of the company's electricity needs.

The company aims to expand its business by diversifying production and supplying new markets such as Africa, other European countries (e.g. Belgium, Germany), United Arab Emirates, Canada and Japan. The company is planning to

produce roasted and flavoured macadamia nuts primarily to be sold on the local market, as well as macadamia nut oils and other type of speciality oils. This product expansion will require an increase in production capacity and the building of a new facility.

Exotic EPZ Limited is planning to increase its producers' network to 10,000+ farmers, and to support them to expand their orchards to produce more. The company also promotes the planting of more macadamia trees to increase its supply and reduce CO₂ levels, and will start by planting 187,500 macadamia trees.

Lastly, Exotic EPZ Limited plans to build a demonstration farm where farmers can follow training sessions on aspects of the macadamia nut production, thus contributing more to capacity building.



SUCCESS FACTORS AND LESSONS LEARNED

Exotic EPZ Limited operates on a high safety hygiene basis and produces high-quality products. In order to maintain the level of quality – and to continuously improve it – the company provides macadamia nut farmers with training and sensitisation sessions, ranging from pest control to crop management and postharvest management of produce. It also organises training for its employees in areas such as leadership, food safety and quality management, environmental management, and occupational safety and health. The company also provides a savings and credit scheme for its staff.

As a social company promoting inclusion and responsible production, Exotic EPZ Limited contributes to the achievement of the following

Sustainable Development Goals (SGDs):

- SDG 1 NO POVERTY – by providing nut farmers with sustainable access to markets
- SDG 5 GENDER EQUALITY – by including (more) women in the value chain
- SDG 8 DECENT WORK AND ECONOMIC GROWTH – by creating hundreds of decent jobs and ensuring equal pay for work of equal value
- SDG 12 RESPONSIBLE CONSUMPTION AND PRODUCTION – by reducing waste, and by recycling and reusing inputs
- SDG 13 CLIMATE ACTION – by reducing its carbon footprint and using solar plants to produce electricity



The positive impacts of Exotic EPZ Limited have been acknowledged by several awards. Its Managing Director, Jane, won the 2018 Africa Women Innovation and Entrepreneurship Forum (AWIEF) Award in the category Agri Entrepreneur. In 2019, the company was also a finalist in the category “Diversity and Inclusion Award for Top Green Companies in Kenya” of the Kenyan National Diversity and Inclusion Awards &

Recognition (DIAR), which recognises individuals and organisations in Kenya that promote diversity and inclusion.

In COVID-19 times, Exotic EPZ Limited has shown resilience and adaptation to pursue its activities. At the outbreak of the pandemic, the company closed its processing facility to rearrange its organisation, and spaced the production sections

more to ensure social distancing. It also improved the aeration of the facility and increased sanitation requirements. The Kenyan Department of Safety and Health approved its new organisation, enabling EXOTIC EPZ Limited to reopen and continue

producing during lockdowns. The company also led a very active marketing campaign to increase its number of customers. Two new corporate buyers, in Europe and in the USA, were added to the company's portfolio at the end of 2020.

