

19 December 2023

Innovations Session N°16

Niche marketing strategy
for SMEs and smallholder farmers



INNOVATIONS
SERIES



“WELCOME TO A VISIONARY COMPANY WHICH IS EXCITED, READY TO TRANSFORM PEOPLE’S LIVES THROUGH CASSAVA VALUE ADDITION”



Title: Agro processing – Cassava starch (Tapioca) both Food & Industrial grade

Company name: GIPA FOODS & GENERAL SUPPLIES LIMITED

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OPPORTUNITIES UNDERLYING CASSAVA SECTOR in TANZANIA



1. Cassava is a staple food crop, 2. 95% of Tanzanian land is vast and suitable land, 3. Cassava has a huge market size estimated to 100 billion USD, 4. Presence of quality improved cassava seeds, 5. Cassava is a resistant crop towards climatic changes, diseases, pests challenges, 6. Cassava is harvested throughout the year, 7. Fast growing production and processing technologies around cassava crop, 8. Tanzania is in the 6th position cassava producer in Africa, 9. Tanzanian growing population, 10. diverse utilization i.e. animal feeds, textile, pharmaceutical, building materials, paper, charcoal briquettes (environmental friendly).



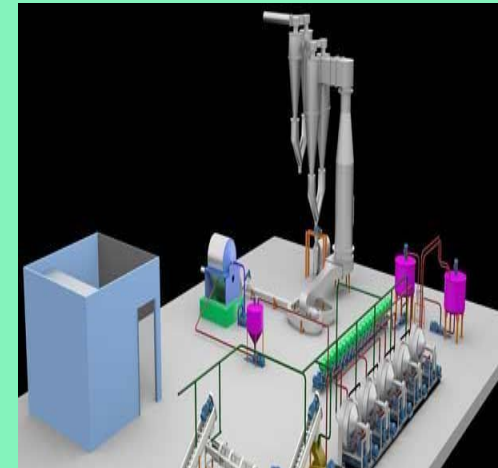
Staple foods from cassava



Improved cassava variety



Despite bad climate
cassava still survives



Modern technology under
cassava processing

PROBLEM IDENTIFICATION

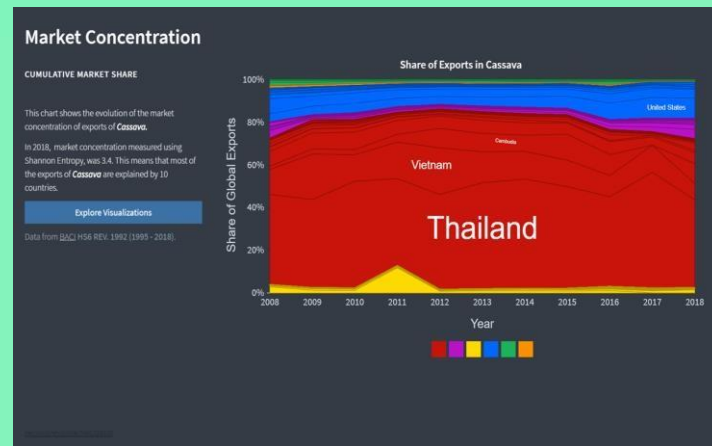
Underprivileged cassava value addition in Tanzania causing a high starch scarcity of more than 80%, while smallholder farmers still face about 42% post-harvest losses due to poor technologies and gain small incomes of about 120 USD per hectare



99% starch imported



Poor technology employed in cassava processing



Starch scarcity

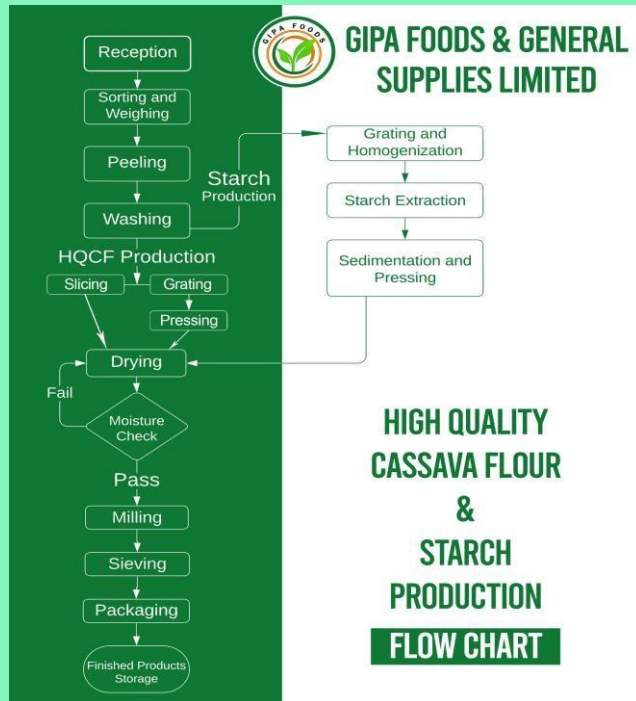


High cassava Starch scarcity
Reference: Research on Cassava value addition in Tanzania 2018 by Sokoine University



OUR SOLUTION

Commercialize and prioritize this crop by introduction of a unique mobile cassava processing plant technology to deal with cassava crop value addition hence minimize cassava starch scarcity by 15% together with minimizing post-harvest losses by 16% to smallholder farmers, in Tanzania by 2028.

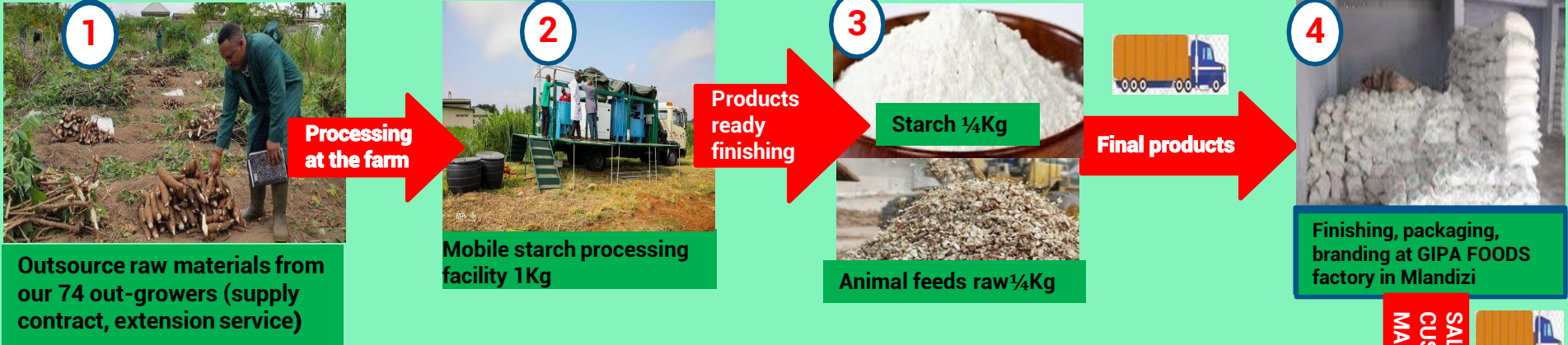


Prototype of the mobile plant innovation, process direct from the farm to avoid losses/ transport of unuseful items, and maintain products quality

OUR BUSINESS MODEL



We outsource fresh cassava from identified and contracted out-grower (80% women), process tubers in a mobile factory to get 2 final products i.e. $\frac{1}{4}$ Starch and $\frac{1}{4}$ Animal feeds products, then reach our customers: food, textile, briquettes, pharmaceutical, breweries, paper, building materials industries, supermarkets and animal feeds processing industries on **whole sell** with B2B model approach to collect money from our customer through direct delivery, online inquiries, tendering and sales agent/distributors.



MARKET:

- ❖ Consumer industries: food, pharmaceutical, breweries, textile, building and paper industries **which are main** binder users, thickener users, stabilizing agent users and finishing agent, **supermarkets**
- ❖ **Animal feeds processors whole sell**

Gross Margin
55.4%

OUR OUT-GROWERS

Out-growers have been a key part towards our success. We currently have 74 out-growers, where all are smallholder farmers. We offer them extension services, link them to improved species seeds producers. Also trainings on good agronomic practices have been part of our interventions to cassava smallholder farmers.



5 Hectares owned by two out-growers



CEO and Operation officer sourcing raw cassava from our out-growers



OUR MACHINES USED IN PROCESSING

All the machines used in our production have been made in Tanzania, these are some of them





OUR OTHER PICTURES



Recognition- Best food producer



Certificate from COLEAD

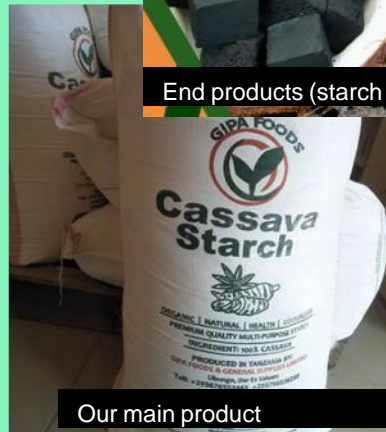


GIPA FOODS at AGM



End products (starch uses)

Cassava bran



Our main product



Animal feeds materials



Our distribution shop



Our Agents/ Distributors



Exhibitions and Trade shows

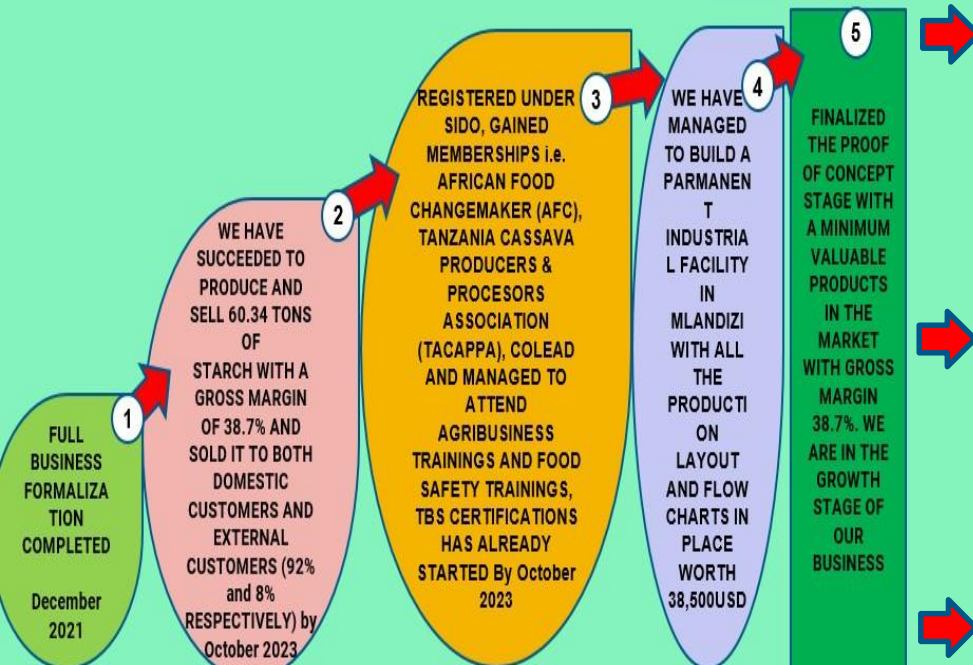


Our Investors from Germany



Animals fed with our products

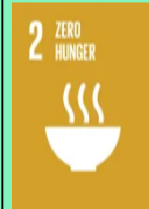
MILESTONE SO FAR (MUCH EXPERIENCE GAINED)



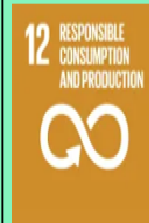
SOCIAL IMPACTS CAUSED SO FAR by GIPA FOODS



Reliable incomes to 64 Out-growers (small holder farmers) so far where \$15,438.17 received from selling us a total of 241.35 tons of cassava tubers



60.34 tons of food grade starch supplied into the market hence reduced scarcity of starch in the food sector, used as binders, thickeners and stabilizers to food products



- ❖ More than 241.35 tons of cassava tubers rescued from spoiling
- ❖ post-harvest knowledge reached to 112 small holder farmers
- ❖ 181.01 tons of by-products (peels and straw) recycled as raw-materials for animal feeds hence no food wastage



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

Thank you

