

INNOVATION SERIES

BUSINESS PROFILE



STAWI FOODS AND FRUITS LTD.
NAIROBI, KENYA

[HTTPS://WWW.STAWIFOODS.CO.KE/](https://www.stawifoods.co.ke/)

ABOUT STAWI FOODS AND FRUITS

- Company status: Founded in 2012
- Number of employees: 11
- **Eric Muthomi, Founder & CEO**



Ranked by Forbes Magazine among the «top 30 entrepreneurs under 30 years in Africa» and multi-award winner, Eric is a young Kenyan entrepreneur who founded Stawi Foods and Fruits, a food processing company that processes dried fruits and grains into nutritious foods for Kenyan families. Eric's mission is to take an entrepreneurial approach to transform local economies and solve Kenya's pressing problems in a sustainable way. The company is making efforts to provide genuine benefits to smallholder farmers who need sustainable markets for their produce. Eric holds an MBA, Bachelor's Degree in Law, Executive Leadership in Africa's Food Security, and Diplomas in Rural Entrepreneurship and Sustainability/responsible business. Eric has been featured on CNN's African Start-up programme, and has received several awards and recognition by President Obama as a YALI Fellow.

BUSINESS MODEL

Stawi means *prosperity* in Swahili. Stawi Foods aims at generating prosperity in Kenya for all stakeholders in the food industry supply chain. It aims at:

- **Supporting the economic and social development of youth and women** with a gender inclusive business model
 - Through affirmative action, the company has 80% women and 30% young people in its supply chain
 - A reseller model of women distributing Stawi's finished products, backed by technology
- **Supporting its supplier farmers to access the market and produce food sustainably** with:
 - improved seed varieties
 - training in good agricultural practices, climate-smart agriculture, nutrition
 - extension and post-harvest support
 - traceability

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

- **Providing access to affordable nutritious food** by buying and processing produce into nutritious products accessible to low-income Kenyan families
- Stawi products are (bio-)fortified with minerals and vitamins, which are especially beneficial to women and children. They have affordable packaging accessible prices

STRONG RELATIONSHIPS WITH SMALLHOLDERS

Stawi Foods promotes a gender-inclusive business model and supports Kenyan smallholder farmers through training in good agricultural practices, climate-smart agriculture, nutrition and traceability, as well as extension and post-harvest support. Stawi Foods provides farmers with solar fruit dehydrators to add value to the perishable fresh products and prevent losses.

Stawi Foods works with about 5,000 Kenyan smallholder farmers mobilised in groups of around 30 members, with 80% women and 30% youth. On average, farmers are aged 40 years and farm on 5000 acres of land.



Stawi Foods' support to banana farmers



Banana solar drying by farmer groups

PRODUCTS COVERED AND MARKETS

Stawi Foods' has seven value chains in Kenya, all focusing on nutritious, locally grown foods (banana, amaranth, maize, finger millet, red sorghum, soy and wheat). The company began with processing gluten-free banana flour and expanded its business to porridge flours made from ancient grains. Stawi Foods' product range comprises pre-cooked, nutritious porridge flour made from ancient grains blended with bananas. In 2015, it developed gluten-free banana with support from the [Kenya Industrial Research and Development Institute](#) (KIRDI), the USAID-funded [Kenya Horticulture Competitiveness Project](#), farmer groups in Meru County, and investment from Golden Palm Investment Corporation (GPIC).

Stawi Foods essentially distributes its processed products in the local market to low-income Kenyan families. It also has a manufacturing contract with non-governmental organisations in Kenya to supply nutritious food when access to food is very limited.



Fortified porridge flour produced by Stawi for the institutional market



Junior Porridge Flour

250g, 500g, 1kg

- Fortified with micro nutrients
- For infants and children from 6-59 months



Nurture Family Porridge Flour

250g, 500g, 1kg

- Fortified with macro and micro nutrients
- For men and women



Banana flour (gluten free)

- Applications in food and baking industry
- Made with banana extracts



Healthy granola

- Healthy breakfast option
- Made with ancient beans and legumes

INNOVATIONS: MILESTONES AND EXPANSION PLANS

Stawi Foods is a sustainable business which makes profit from increased sales, internal growth and finance (loans). The company is extending the participation of women in its business model: they are becoming distributors of Stawi Foods products within their communities.

By providing access to income generating post-harvest technology (solar dryers, mechanical threshers, tarpaulins), the banana farmers' income increased by 50 %. Since 2019, Stawi Foods contracted more banana farmers and is scaling the model to red sorghum by contracting 5,000 farmers in dryland areas and training them in Climate Smart Agriculture.

In the medium-term, Stawi Foods aims at expanding its business operations in at least four other African countries (incl. Ghana, Malawi, Uganda and Nigeria).

Stawi's biggest challenge is in acquiring Global Food Safety Initiative (GFSI) certification to enable it access to high value export markets.