

## The trend towards healthy diets – an opportunity for farmers and agri-entrepreneurs

Urbanisation and burgeoning middle classes in many countries are also resulting in new demands on food and nutrition. While some look forward to the availability of imported processed food, others are seeking healthy alternatives provided locally. This opens up new alternatives for small agri-enterprises, as examples of passionate agripreneurs from Togo and Zimbabwe, Indonesia and the Philippines demonstrate.

By Bettina Meier

The food manufacturing sector in many countries has great potential in terms of providing jobs and income for smallholder farmers. Changing household dietary patterns provide new opportunities for local agro-food industries. In Africa alone, demand for processed food has been growing 1.5 times faster than the global average between 2005 and 2015. In many Asian countries, burgeoning urban middle classes prefer healthy, natural food, and locally grown, fresh vegetables, fruits and grains. This opens up new avenues for local entrepreneurs driven by a vision of sustainable agriculture and economy.

### Wholesome and traditional foods in Zimbabwe

Zimbabwean entrepreneur Austin Munyavhi started his company “Utsanzi” 20 years ago. Utsanzi manufactures wholesome foods, cosmetics and medicines made from indigenous plants and herbs, such as grains, oils, butters, teas, dried leafy vegetables, insects and medicinal herbs. We meet Munyavhi in his grocery shop in an upmarket Harare shopping mall in March 2020. “The market for traditional products and herbs is growing”, Munyavhi says. “We Zimbabweans eat too much maize and unhealthy foods. In Zimbabwe, there are so many ill people suffering from HIV/AIDS, cancer, diabetes and high blood pressure. Consumption of indigenous herbs and plants can help to maintain good health and prevent illnesses.”

Caroline Jacquet is a project manager at Bio-Innovation Zimbabwe, a specialised research organisation that promotes underutilised plant species and links private companies to producers. “There is a wealth of traditional plants and herbs in our country. Collecting and growing those plants and herbs creates new livelihood options and can bring people out of poverty, besides conserving biodiversity and benefiting health”, Jacquet agrees with Munyavhi. She is adamant that there is a demand for indigenous

products, from the local middle class, from expats in Zimbabwe and from overseas. It is a niche market with strong potential.

### A win-win situation

Munyavhi employs six permanent staff and dozens of casual labour. Not only does Utsanzi provide jobs, it also contributes to household income of small-scale producers and collectors. “We source our products directly from farmers whom we train in good hygiene and manufacturing practices. They benefit, because they have a secure market, and we benefit, because

tested, the porridge didn’t sell on the market. “Our business is a walk on the tightrope”, says Austin Munyavhi. “I started my business because I believe in the strengths of indigenous African food, and I know the refined maize and other processed foods make us sick. But I soon came to realise that I can only sell what people are prepared to buy. Therefore, consumer education is very important.”

Given the moribund state of Zimbabwe’s economy, it seems a miracle that Utsanzi keeps going. The company’s savings have dwindled because of hyperinflation, and frequent power cuts mean that they mostly produce at night-time. To make things worse, Utsanzi’s suppliers have been badly affected by severe drought. Also, Munyavhi says, government policy favours maize over small grains. “The gazetted maize price is consistently higher than that for small grains, so there is little incentive for farmers to shift from maize to millet.”

Nevertheless, Munyavhi has effectively steered his business to success. “It was a long way, but with a lot of perseverance and a strong vision we have made it into the mainstream market”, he notes. “Today, we run our own grocery shop, and our products are sold in supermarkets nationwide.”

### A bakery family business in Togo

Similar to Zimbabwe, the economic framework in the West African country of Togo is not favourable to small-scale agri-food industry. The bakery Valk Vivi, a family business, is located in the Kégué quarter of Togo’s capital Lomé. We visit the company in May 2019 and speak to co-owner Stanislas Kouegah-Chouchouda. “Since my great-grandmother Victoria Akouavi Logo Kouegah started the bakery 60 years ago, it went from generation to generation. We have ten different products. Our bestsellers are coconut balls, ginger cookies, and biscuits based on soya, maize and manioc. All products are



Austin Munyavhi speaking at a workshop.

we control the quality of our product”, explains Munyavhi. In 2016, Utsanzi won the Global Food Industry Award (issued by the International Union of Food Science and Technology) for its innovative product Zviyo and Nyemba porridge, a mix of finger millet with cow peas. While its nutritious value is uncon-



Stanislas Kouegah-Chouchouda in his bakery.

certified, and we have a solid customer base. I am also very proud that the whole family works in the business.”

They produce delicacies and biscuits made from different locally available flours as well as from coconut, plantain and ginger. Valk Vivi employ 15 staff, most on a permanent basis. They operate from the family home, using a traditional clay oven. Their most valuable assets are the minivan used to buy supplies and for deliveries and the electric heat sealer for the packaging. Recipes are kept strictly confidential. The mixtures are prepared in a sealed separate room where only family members have access. Valk Vivi had some bad experiences with employees turning into competitors.

### Consistent quality enhances a good relationship with costumers

Similar to the Zimbabwean company Utsanzi, Valk Vivi have successfully entered the local mainstream market. They sell to wholesalers who even come from neighbouring Benin, Ghana and Burkina Faso. They also get orders for marriages and funerals, and they sell to local vendors. “Each morning, we set off to the central market with our small truck, and distribute the biscuits to the vendors”, explains Kuegah-Chouchouda. Valk Vivi products are also found on supermarket shelves in Lomé, although their customers tend to prefer imported biscuits. “There is a preference for wheat-based biscuits; products made from locally produced manioc don’t sell as well. Although the government runs a scheme to promote locally grown manioc, consumers do not follow suit. There is more advocacy needed to promote the local crop.”

Consistency and a good reputation have kept the company going, although it has not been growing much. Costs for certification and taxes are a heavy financial burden. The company cannot access commercial loans, and it is too big for micro-finance. So it does not have the financial means to buy machinery that would enable scaling-up of the production and making it more environment-friendly. Still, the mere fact that Valk Vivi have survived over the years and has provided a steady income to its owners and employees is an outstanding achievement given the context in which they operate.

### Organic vegetable production in Indonesia

Let’s move to Asia. Here, in many countries, a health-conscious urban middle class provides a growing market for organic food that is perceived to be more safe and nutritious than conventionally-grown products. Organic vegetables, fruits and grains are generally available in supermarkets and specialised shops. Direct marketing via Facebook and What’s App as well as basket selling are also quite common.

Yogyakarta is a buzzing city in Indonesia’s densely populated main island of Java. In 2006, then-journalist Untung and his friend Sugiharto founded the social enterprise Tani Organic Merapi (TOM). “Untung means luck and Sugi means money; this deemed to be a good combination”, Untung told me smilingly when I met him in October 2017. “My parents were farmers, so I know what I am talking about”,

says Untung. “The soil in Java is badly degraded due to chemical inputs and pesticides. Agriculture is not attractive to young people, it does not pay. When we started TOM, we wanted to change this. In addition, we were concerned with the bad eating habits of our co-citizens. There are many illnesses because of bad diets. A friend of mine died at age 27 from a stroke – we attributed it to his diet. So I decided to quit my job and start something meaningful that would at the same time provide a good living for my family and the farmers in our community.”

### A bumpy start

Untung und Sugi are idealists. “We didn’t start TOM with the intention of making a lot of money. We wanted to contribute to nature conservation, and to help the unemployed youth”, they say. In the first year, they made a deficit of 60 to 70 per cent. “It was difficult to find costumers; we had no references”, says Untung. But soon the business kicked off. In 2017, TOM has its own two-hectare farm, a processing centre that employs six permanent staff for sorting and packaging and an educational facility. In addition to the vegetables grown on their own farm, TOM has a fixed contract with 115 local farmers that supply the vegetables. The company guarantees the purchase and provides seeds as well as organic fertiliser and pesticides to the farmers. Given the hot climate and the all-present threat by pests and diseases, as well as the short shelf-life of vegetables, maintaining the quality of the product is a continuous challenge. The requirements of the Indonesian Organic



Speaking to producers in the TOM farm. The enterprise has a fixed contract with 115 local farmers that supply the vegetables.

Standard have to be fulfilled, as certification is a prerequisite for retail selling. “How do you maintain the standard?” I ask. “We hold regular meetings with our partner farmers”, Untung explains. “A good relationship with the farmers is very important. Our business requires commitment and consistency of the organic farmers. The quality of the packaging is also important.”

### Changing the market through consumer education

As Austin Munyavhi in Zimbabwe, Untung has a strong educational mission. “The mindset of the people must be changed”, he says. In the education centre at TOM’s farm and processing plant, students, school pupils and tourists are taught about healthy diets. “Education is a means to change the market”, insists Untung. “Farmers’ practice will only change if more customers are asking for healthy, natural products.” And what about the business? “The organic market is growing every year. We are currently offering thirty-five different vegetables”, Untung states. “There is a tremendous demand for fresh vegetables, and often we have to turn down requests. For example, there is a high demand for oregano at the moment that we cannot meet.”

Farmers have doubled or tripled their income since they started supplying TOM, they tell us. With the organic certification, they achieve a much better price than with conventionally grown vegetables. They also keep some of their harvest for their families, with benefits to their own health. TOM has contracts with several supermarkets and hospitals. The supermarkets place their orders on a day-to-day basis. Planning the production and anticipating the demand is a fastidious task. But Untung and Sugi are satisfied with their achievements. The success of their business strongly supports their advocacy work, and that is what counts for them at the end of the day.

### Urban organic farming in the Philippines

Similar to TOM’s owners, the founders of Peñalosa Farms in the Philippine island Negros Occidental are strongly driven by a mission: to show that integrated, organic farming can be done on small plots and generate sustainable incomes. We visit the farm in November 2017. “Welcome to Peñalosa Farms – where mother nature and father business can rock and roll”, says a poster at the entrance. The farm, located in Victorias City, near the island’s capital Bacolod, is both a commercial venture and



Visitors taking part in a guided tour on Peñalosa farm, which is both a commercial venture and an educational facility.

Photos: Bettina Meier

an educational facility. On just one hectare of land, Peñalosa Farms is home to three hundred crop species, livestock, poultry and fish. Ornamental plants and medicinal herbs thrive in hanging gardens, mushrooms grow in containers; a fresh breeze smoothens the oppressive heat in the open tree house that hosts the learning centre.



**No Filipino should go hungry in his own native country!**

### A strong value base

Ramon Peñalosa started the farm when he unexpectedly inherited the small plot of land in his home town. “At the time, it was used as a parking space for buses”, he recounts. A devout Christian with a strong concern for the environment and a deep social conscience, he and his wife decided to convert the land into an organic farm. Youth in the Philippines are increasingly turning their backs on subsistence agriculture. At the same time, there are lots of people who want to buy healthy, home-grown food, not the stuff that is imported from Vietnam or Thailand. So the Peñalosas embarked on their mission: No Filipino should go hungry in his own native country! “Our country is very rich in natural resources”, Peñalosa insists. “But our farmers are poor. Why is that so? There is money in the countryside! Farmers in the Philippines must start to conceive themselves as agripreneurs. As long

as they only think about production, and not about the market, they will remain dependent, and prone to exploitation.”

Strong family values, as with the Valk Vivi family in Togo, are a key ingredient of the Peñalosa’s success. All five grown-up children of the family work in the business. They are driven by their conviction that food production and food industries must be changed for the sake of people’s health, for the benefit of nature conservation and for the benefit of the local economy. “We must go the Filipino way, doing our own integrated organic agriculture with our own indigenous resources.” In this regard, they very much echo Austin Munyavhi’s mission to better use and celebrate Africa’s unique natural resources and ingredients.

All enterprises featured in this article share their vision of strong food systems based on indigenous resources and production that is geared towards the local demand. They show that changed dietary patterns really do provide business opportunities for entrepreneurs and farmers. They all use a business approach to achieve an ulterior goal while creating employment and sustaining incomes for small-holder farmers. And, most importantly, they are passionate about their endeavours.

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References: [www.rural21.com](http://www.rural21.com)