# Afri-Farmers Market provides a stable market to farmers and fresh, affordable produce to consumers




## Project information

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| Project code | 2023 L5 |
| Sector | Agriculture & Food industry |
| Funding | Loan |
| Country | Rwanda |
| Location | Kigali, Rwanda |
| Origin | SusTech4Africa Rwanda 2022 |

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## The entreprise

Afri-Farmers Market Ltd (AFM) is a company with a digital online platform and a physical outlet offering a wide range of fresh produce – both fruits and vegetables – combined with a limited selection of meat and fish products, both serving the B2B and B2C market.

## The business project

AFM is meeting the need of providing a stable market to farmers, and fresh produce to consumers through its e-commerce and farm input methods.

The company uses “the from farm to fork” strategy, in order to guaranty both its professional and private customers a fresh product of high quality. In order to obtain and manage this goal AFM has established a direct cooperation with a number of farmer groups, providing it with a range of fresh produce. AFM is for the moment supplying a wide range of +40 fresh produce.

AFM also offers the farmer groups local training in Good Agricutural Practices (GAP) to help familiarize them with new farming technologies. Some groups also get some social support.

AFM initially developed home delivery, thus avoiding busy markets during Covid. Soon, the business expanded to B2B customers, such as hotels and restaurants, who appreciated the quick delivery of quality products to their homes without having to make their own purchases.

As volumes increased, AFM was also able to offer competitive prices and became a market player. In addition, the company offers a third type of customer second quality products and unsold goods at competitive prices, thus avoiding food waste.

The company is now undertaking efforts for the next step in its journey which is organising and scaling up its own logistics and distribution.

## Why OVO believes in this project

Afri-Farmers Market Ltd is **a sustainable business with proof of profit** and future development.

The company managed in 2022 a € 220,000 turnover with a € 50,000 net profit and positive cash flow and has had a significant impact both on direct and indirect employment.

The project has a big impact on the future development and livelihood of an increasing number of farmers and at the same time securing a **stable and safe food supply** to the fast developing population of Kigali (and other cities in the future).

The B2B market seems to be the most promising, both in terms of volume and margins, as consumers are willing to pay a high price for high quality. And this is what AFM can guarantee. The AFM team has a **clear strategy** for the next two years, focusing on the development and management of a cold chain for fresh products, which is particularly important for the B2B segment.

## Requested investment

After the 5 months of coaching and the B2B and B2C business opportunities offered to the company, the need to further develop the farmers' production by ensuring better quality products (very important for the professional market segment) and by increasing yields emerges.
To this end, the company is requesting a loan for:

- The purchase of a refrigerated truck for the collection of raw materials
- The construction of a central warehouse with a cold room, refrigerators and specific areas for the washing, preparation and adequate storage of products
- The purchase of electric bicycles (distribution of products to consumers) and electric vans (professional customers) - both refrigerated

The company benefits from a **€ 25,000** OVO loan at 7% refundable on 2 years with a grace period for the 1st capital bracket of 1 year for scaling up its logistics and distribution.

## Topic

- Farm to Fork
- Logistics & trading unit
- Locally based
- Viable
- Employment