

MARKET PLACE



Workers process the fruits at the Sasini avocado pack house on Mombasa Road, Nairobi. Sasini is investing in value addition to reap bigger earnings. POOL

Sasini taps global avocado demand for greater growth

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The avocado fruit has been hailed as one of the most relevant foods of our time. It can be found in almost every menu across the globe in various forms, making it one of the most recognisable and versatile food items. To this end, nations that grow the fruit directly contribute to the world's well-being by promoting and availing a fruit that not only feeds the world's population, but improves health standards as well.

Globally, the top avocado producing countries are Peru, Mexico, Kenya and South Africa. Kenya has increasingly positioned itself as a relevant player by committing land to this fruit and companies like Sasini PLC are leading on the suppliers' front.

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Three factors informed Sasini PLC's decision to invest in this fast-growing market. "Growing the avocado fruit came to us naturally," Winnie Wambui, General Manager, Sasini Avocado EPZ Ltd. Told the *Business Daily* in an interview in their offices in Westlands. "One, Sasini needed to diversify its income streams and had been looking, for several years, into areas where we could see growth. Avocado showed vast potential."

The second factor was the current scenario of the market where demand exceeds supply. Currently, producers are meeting about 60 per cent of the demand. The global avocado market is forecast to reach \$17.905 billion by 2025, with markets expanding from the traditional regions (Europe and Middle East) to countries such as Turkey, Russia, China and others in the Far East. "This meant that there was enough room for all players to participate profitably," she said noting that locally, the demand has grown as more people consume avocados.

WORD-CLASS AVOCADOS

Lastly, Kenya is one of the world's premier avocado growing countries endowed with an excellent climate necessary for growing world-class avocados. With its invaluable experience in commercial agriculture as one of the premier agribusiness in Kenya, and having the skills needed to plug into this market, it made sense for Sasini to venture into avocado farming.

Avocados can grow anywhere with well draining soil and a reliable source of water. With plantations across various regions in the country, Sasini is able to grow globally competitive avocados relying on rain or through irrigation.

The firm's core orchards are in the Mount Kenya region in Mweiga and Kiambu as well as in Nandi County. Sasini also works with out-growers as well to enhance its supply.

"We work with small-scale farmers

known for adherence to good production practices aligned to global standards that ensures it works and produces goods that are compliant to global norms. Whereas there are many varieties, the company grows the Hass variety which is preferred for commercial purposes. Another variety called Fuerte is also in demand especially in the Middle East and Russia.

But the business is not only about profit. The avocado business is strategically placed to respond to the UN's Sustainable Development Goals, specifically Goal 3 on promoting healthy lifestyles. This underpins the organisation's commitment to sustainability. Being a super food, the avocado fruit contains potassium, necessary for good dietary balance in human bodies. It is loaded with heart-healthy mono-saturated fatty acids and fibre. Eating avocados lowers cholesterol and triglyceride levels while increasing antioxidant absorption from other foods.

"Avocados are also high in antioxidants themselves and can be useful in relieving arthritis amongst other health benefits and we take pride in supplying a fruit that promotes healthy living," Ms Wambui added.

ENORMOUS POTENTIAL

Because the fruit shows enormous potential both as a cash and food crop, there's need for the regulatory environment in the country to offer enough incentives for local farmers to diversify into the crop. This will ensure that Kenya remains a local consumer and a prominent global supplier leading to lasting benefits for all key stakeholders. There is also need for stricter controls when it comes to safeguarding quality while growing, harvesting and shipping mature fruit to enhance the brand image of Kenya as a respected avocado producer in the wake of heightened competition from other countries.

VALUE ADDITION

The avocado export value chain faces challenges such as availability and reliability of shipping lines. Being a perishable product, it's crucial to have reliable shipping schedules to mitigate loss of quality during export.

There's also an opportunity for value addition to allow the country to venture into new markets. Sasini PLC plans to invest in value addition of the fruit by producing oil in future to make use of all the avocados produced by the company's estates and farmers. At the moment, there are about 15 companies in the country producing oils from the fruit which are used to satisfy various needs ranging from culinary to cosmetic value.

Additionally, Sasini is exploring global markets that have a need for ripened fruit to ascertain if they can plug into this market with processed and packed ready-to-consume products.



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WINNIE WAMBUI | GENERAL MANAGER, SASINI AVOCADO EPZ

from all over the country as well and are actively involved in extending agronomy services to the farmers we collaborate with to ensure good agricultural practices for maximum benefit when it comes to yield," she shared.

With products already certified under global food safety standards such as the British Retail Consortium and GlobalGap, Sasini has positioned itself squarely in the global fruit value chain since it launched its fruit business in 2018. Additionally, it is an accredited agricultural business