Sorghum was once an orphan crop in Kenya, grown mostly by poor families for home consumption. Today, it’s a full-fledged cash crop, used (among other things) as the main ingredient in the popular Senator beer.

Shalem Enterprises has been a key player in this transition. Shalem is an agent for East African Breweries, and buys from a network of 28,000 small-scale farmers (15,000 women) across Kenya. In the past 3 years it has delivered more than 10,000 tons to the brewer. It’s also diversifying into high-protein sorghum-soya blended flour. Food technologists from PUM-Netherlands provided advice on product formulation, 2SCALE helped develop a marketing strategy. The new flour will hit retail shelves by Christmas 2017.

The innovation laboratory

Shalem is much more than a trader or processor. It is also 2SCALE’s laboratory, helping to pilot new technologies, new learning tools and new ways of doing business. Results from these pilots have helped design similar programs in other value chains and other countries.

Shalem farmer groups host field trials of new varieties and improved crop management methods. They were among the first in East Africa to use certified seeds, fertilizers, row-planting, and mechanized equipment such as driers and threshers. Yields have increased by 55% on average, and by 200% in some areas.

How did so many farmers embrace so many innovations so quickly? Because of another innovation, the Farmer Field School. A group of farmers cultivates
a small experimental field together, and learn-by-doing. A dedicated coach provides support through the season, helping the group to master best practices at every stage from planting to harvest. The sorghum Farmer Field Schools program began in 2014 and continues to expand — more than 20,000 farmers have ‘graduated’.

Accounting can be a nightmare for a processor buying small quantities from thousands of individual farmers. We helped introduce supply chain management software developed by another 2SCALE partner. Shalem now has real-time records — deliveries, payments, advances — on more than 10,000 farmers. Farmers are paid by electronic transfer, linked to the software platform.

Smallholder farmers, the sorghum industry, international development agencies, all agree that the Shalem innovation laboratory has been a huge success. Two years ago, Shalem won the EMRC Rabobank award for business innovation, beating competitors from 16 countries. Last year it won a $500,000 grant from Foodtrade ESA to build capacity in post-harvest handling and marketing, now being implemented in partnership with 2SCALE.

Trust me!

Every business is based on trust between buyer and seller. Has the 2SCALE-Shalem partnership built trust among farmers? A study by Wageningen University compared two groups: 144 farmers selling to Shalem versus 96 farmers who sold to other buyers. Farmers were asked: on a scale of 1 to 5, how much do you trust your buyer? Shalem was rated 4.65, other buyers 2.18.

The 2SCALE project is funded by the Netherlands government and implemented jointly by IFDC, ICRA and BoPInc. 2SCALE was launched in June 2012. By mid 2017, our partners included 567,000 smallholder farmers, 1300 agribusinesses and nearly 1500 cooperatives in nine countries across sub-Saharan Africa.