



Inclusive Sourcing

Demonstrating commercial viability through targeted TA

Company: FarmMoja
Sector: Avocado
Location: Kenya
Published: April 2026



Sourcing directly from smallholder farmers presents a significant commercial opportunity for agribusinesses, offering access to diverse production geographies and the potential for premium pricing through traceability and social impact. However, integrating smallholders into commercial supply chains inherently comes with substantial "first-mile" challenges. Smallholder networks are typically highly fragmented and widely dispersed, increasing the complexity and cost of aggregation and logistics. At the same time, limited oversight of production and post-harvest handling can result in inconsistent quality and high rejection rates further along the value chain.

Targeted Technical Assistance (TA) can play a critical role in de-risking the development of inclusive sourcing models by supporting businesses with the financial and technical resources to refine their supply chain infrastructure and operations. This, in turn, can help businesses improve their unit economics and the overall commercial viability of their business models.

This case study illustrates how CASA Kenya supported FarmMoja, a Kenyan agribusiness operating in the avocado value chain, with both supply-side and demand-side support. On the supply-side, the TA focused on streamlining sourcing operations to reduce costs and lower their packhouse rejection rate, while the demand-side support focused on accessing higher margin markets. Together this support resulted in two successful export shipments, helped strengthen their overall unit economics, and in doing so, helped catalyse additional investment into the business.

FarmMoja

Founded in 2016, FarmMoja is a Kenyan agribusiness providing end-to-end support to smallholder avocado farmers in the Western Rift Valley. Its integrated business model spans four core components:

1. **Seedling Nursery:** Kenya's second-largest certified avocado nursery, producing 30,000 quality seedlings annually for smallholder and commercial farmers.
2. **Smallholder Outgrower Network:** A network of over 2,000 farmers cultivating Hass avocados. FarmMoja provides ongoing agronomic training and support to improve productivity and ensure consistent crop quality.
3. **Commercial Orchard:** A 75-acre plantation in Narok, established in 2023, designed to complement smallholder supply and mitigate climate and production risks. The first harvest is expected in 2026.
4. **Export Operations:** Aggregating avocados from its network for sale into high-value international markets, primarily in Europe and Asia.



The Challenge



FarmMoja conducted its first export pilot in 2022, aggregating avocados from their network of farmers, and selling through a larger Kenyan exporter. The pilot surfaced two critical constraints that limited the company's ability to scale its export operations and deepen its impact with smallholder farmers:



Operational and logistics inefficiencies: During the pilot, FarmMoja experienced a 30% rejection rate, driven by weak post-harvest handling and inconsistent quality control at the farm gate. Inefficient logistics were also a challenge, where suboptimal crate distribution and low truck utilisation drove up costs, while the wide geographic spread of farmers across lowland and highland areas (particularly in Kericho County) made aggregation complex and expensive.



Limited direct access to buyers: Reliance on an intermediary exporter meant that FarmMoja was constrained by thin margins, limiting potential revenue. However, this was because they had limited experience in negotiating direct export contracts themselves, including structuring pricing and shipping terms, and navigating certification requirements (e.g. Global GAP, Organic).

Addressing these constraints was critical not only to improving export performance, but also to strengthening FarmMoja's investment readiness and positioning the business to raise capital for its next phase of growth.

CASA Kenya Support

CASA Kenya worked closely with FarmMoja's management to diagnose key supply- and demand-side constraints and design a targeted package of TA focused on two priority areas:



Optimising first-mile operations: An avocado supply chain specialist supported FarmMoja to build a scalable aggregation model – mapping supply into defined catchment areas, strengthening coordination through anchor farmers and cooperatives with aligned incentives, embedding quality assurance across the supply chain, and optimising logistics routes and pick-up schedules to reduce costs, post-harvest losses, and rejection rates.



Strengthening commercial export strategy: An export sales consultant supported FarmMoja to develop and execute a direct-to-market strategy – building a diversified pipeline of buyers, refining outreach to high-value European and Asian markets, and structuring competitive pricing, payment terms, and shipping arrangements to secure direct export contracts and improve margins.



Institutionalised new capabilities: Developed standard operating procedures (SOPs) across sourcing, packhouse, and export functions to embed new capabilities, ensuring sustained efficiency and consistency gains, and positioning the business for stronger scalability.

What Changed for the Business?



Although only recently complete, CASA Kenya's TA support has already driven concrete results for FarmMoja, helping improve their margins to demonstrate a viable commercial model and unlock early success in export markets:



First direct export contracts fulfilled: With CASA's support, FarmMoja successfully exported its first two containers of avocados to an international buyer. On the demand side, the export consultant identified new buyers and negotiated favourable contract terms. In parallel, supply-side improvements – particularly in post-harvest handling – enhanced operational efficiency and reduced rejection rates from 30% down to 15%. Together, these gains improved export margins, which, according to FarmMoja's founder, have made the company's supply-side operations commercially viable.



Expanded and more structured smallholder network: Through targeted supply mapping and a more efficient sourcing strategy, FarmMoja strengthened its aggregation and logistics operations, while scaling its farmer network from 500–600 to over 2,000. By the end of 2025, the company had trained 2,658 farmers in avocado production, harvesting, and post-harvest handling, and was directly sourcing from 114 of them. As FarmMoja continues to scale, its goal is to extend this impact by providing reliable market access to farmers in remote areas who previously lacked consistent buyers – an impact expected to increase farmer incomes by over \$300 per year through higher offtake and improved productivity.

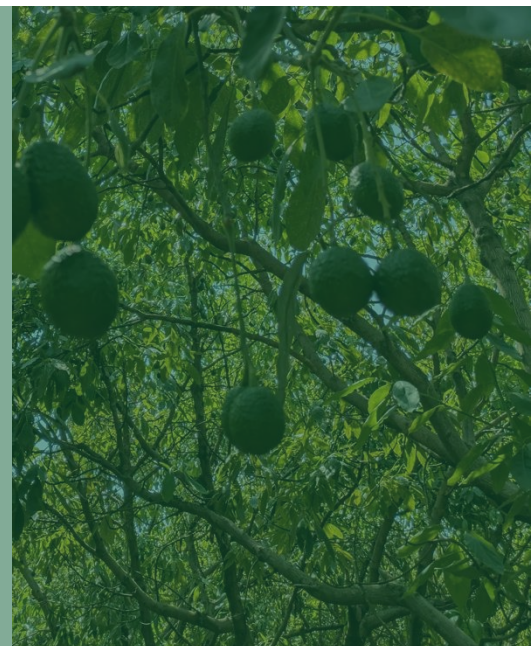


Increased investor confidence and access to capital: CASA's TA successfully strengthened FarmMoja's credibility with financiers, helping unlock working capital to fulfil both export contracts – an opportunity that the leadership of FarmMoja claimed would not have been accessible otherwise.

*“By CASA helping to identify the key gaps and supporting FarmMoja in strengthening its supply chain and market access, **we gained confidence in the company's ability to secure quality produce for export.***

*The supply chain and market consultants who were onboarded played a **pivotal role** in facilitating the first shipment order, which in turn gave us the confidence to pre-finance the initial container and bring another investor on board to fund the second one.”*

– Provider of Working Capital to FarmMoja





Building on TechnoServe's experience implementing the Commercial Agriculture for Smallholders and Agribusinesses (CASA) Technical Assistance (TA) Facility, the CASA Kenya buy-in programme supports emerging agribusinesses as engines of Kenya's economic development. The programme's objective is to drive inclusive and green growth among Kenyan agriSMEs by providing targeted packages of support, combining technical and financial assistance, to help the businesses progress along their growth journey.

The CASA Kenya portfolio includes agriSMEs across different value chains and operating a range of different business models. Some of these businesses are early-stage companies still proving their concepts, while others are more established SMEs seeking to test new models, enter new markets, or reach different customer segments as they move into their next phase of growth. The underlying principle of CASA is to support agriSMEs not only to grow, but to grow inclusively, engaging more effectively with smallholder farmers – either as suppliers or customers.

This case study forms part of CASA Kenya's broader learning agenda, which aims to generate practical, evidence-based insights from portfolio experience to inform investors, policymakers, and of course, other agriSMEs operating in this space.

For further information:

Melanie Machingawuta
Senior Director, Inclusive Investment
mmachingawuta@tns.org

Ana Herrera
CASA TAF Team Lead
aherrera@tns.org

Renata Makhoul
Senior Manager, CASA Kenya
rmakhoul@tns.org