




# Ten Senses Africa Ltd.

Established in Kenya in 2008, Ten Senses is the world’s first fair-trade certified macadamia nut company. The mission of Ten Senses Africa Ltd. (TSA or Ten Senses) is to use Kenya’s “Ten Senses” (creativity, integrity, justice, equal opportunity, community, environment, quality, entrepreneurship, mystery, and humor) to create better working conditions for nut growers, enabling them to thrive both personally and professionally. Specifically, they are focused on improving incomes, productivity and long-term retention. Since 2019, the Common Fund for Commodities has partnered with TSA to support these goals enabling the company to scale-up to provide more income to the smallholders and alleviate them from poverty eventually.



**Macadamia nuts, the secret ingredient improving the lives of farmers in Kenya**

Nganga Bonface, TSA’s General Manager Operations, knows more about Macadamia nuts than most. When asked, he describes the process of drying the nuts to detach the kernel from the shell with the competence of someone who is more than familiar with the operation. At Ten Senses Africa, Nganga manages the relationship with over 30,000 macadamia farmers, ensuring that they are fairly paid for their produce, and that high quality standards are met.



Ten Senses is a sustainable Social Enterprise located in Kenya. Since 2010, they have been sourcing, processing and trading macadamia nuts, a butter-like flavored type of nut of which Kenya is the third largest producer in the world. Unlike in Australia and South Africa, the other two main producers in the world, the production of macadamia nuts in Kenya relies almost exclusively on smallholder farmers who don’t have access to the facilities to process the nuts.

TSA understands the difficulties that smallholders face in reaching the market. “The way it used to work – explains Nganga – is that smallholder farmers would sell their produce to a middleman who would then sell the macadamia nuts to a manufacturer. But that meant that farmers didn’t get a fair price and, often, there was no control over the quality of the product.” Ten Senses sees its mission to change this imbalance of power.

The new system created by Ten Senses allows farmers to sell directly to the manufacturer. A team of field officers were equipped to travel to the farming communities, train farmers to improve the quality of the macadamia nuts, purchase the produce and take it to warehouse facilities where they are then shipped to Nairobi. Through an in-house software, Nganga sets the price for the macadamia nuts

and smallholder farmers are paid directly by Ten Senses without intermediaries. The software also allows Ten Senses to collect information on each farmer and their harvest in order to monitor the production and intervene with further training and support wherever needed.

The farmers appreciate this transparency and benefit from the work of Ten Senses. “I have been able to settle well and move my family back home,” explains one of the farmers. “The children can go to school and we have started other businesses at home because of the money that we have earned from Ten Senses.” This creates a lasting relationship of trust and mutual benefit between TSA and macadamia farmers.

Over the years, this system has allowed Ten Senses to become the first fair-trade certified macadamia nut company in the world. Smallholder farmers are not only taught to grow macadamia nuts as an additional source of income, they are also trained by a team of agronomists to produce nuts that are organic and fair-trade certified. “This has been a challenge at times – explains Nganga – because farmers tend to grow different types of crops, including macadamia nuts, so in order for the nut production to be certified as organic and fair-trade, farmers need to be aware of what they can and cannot use on the other crops too.”

The export of macadamia nuts is a capital intensive business. After buying the raw produce, the process of drying the nuts to allow the kernel inside to detach from the shell takes roughly two weeks. After that, the nuts are cracked, the shell removed and the kernels packaged and exported. At the end of the process, out of the raw produce, only 15% is recovered and fit to be exported. With farmers being paid upfront, Ten Senses needs capital to be able to support the rest of the operations before exporting and selling the finished product.

This is where the Common Fund for Commodities could offer its support to TSA. “Our partnership with the Common Fund for Commodities started in December 2019 and it was a blessing given that Covid hit only a few months later,” recalls Nganga. “Thanks to the first part of the loan issued by the CFC, in 2020 we were able to buy 400MT of raw nuts from 2500 farmers and to continue being present in the

market.” The CFC continues to provide support for TSA to expand its successful social enterprise.

By advancing up to 70% of the working capital needed to buy raw produce, CFC is supporting Ten Senses to grow by ensuring that farmers continue to be paid upfront. While

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being of crucial importance even under normal circumstances, having the opportunity to access funds to buy raw produce turned out to be vital in 2020 as exports (and therefore prices) dropped. “We were able to secure the right amount of raw nuts to be able to continue exporting even during the pandemic,” reflects Nganga. “Perhaps not large quantities, but enough for us to stay in the market and not too much to end up with unsold stock.”

Looking ahead as the world slowly recovers from the effects of the pandemic, Ten Senses is now focusing on growth by renovating one of their facilities in order to increase production and sell a record number of macadamia nuts. CFC support in this process will be key in ensuring that macadamia nuts can continue to be grown ethically and sustainably and that we continue to be able to appreciate them when they reach our tables, while lifting a good many smallholders from poverty along the way.

