



Dutch Good Growth Fund

Part of DGGF/ DTIF

Investing Dutch Entrepreneurs executed by Invest International Public Programmes B.V.

Title

Kenya – Silage production / DGGFST217

Company

FIT Ned B.V.

Country

Kenya

Sector

Agro-industries (32161)

Amount of the investment

EUR 550.000

Period

24 september 2021 – 30 september 2026

Involved parties

n.a.

Short description

With a Startuploan from DGGF, FIT Ned B.V. (FITNed) will be able, together with the local daughter, to increase the silage production capacity and expand the existing supply through the production and sale of protein-rich concentrates (also known as additive or dietary supplement).

The company's focus is on selling corn silage to local farmers with the goal of increasing the cows' milk production. FIT buys corn locally and then turns it into silage. This long-life fermented feed contains a higher nutritional value than ordinary green fodder such as grass or corn, which is now common in Kenya as animal feed.

The investment is in machines, vehicles, inventory and operational costs. The expected impact is local employment to support 74 jobs of which 53 are newly created jobs.



This project will contribute to the Sustainable Development Goals:
1 (No Poverty) – 2 (Zero hunger) – 8 Decent Work & Economic Growth and 10 (Reduced inequality)



Development impact / Economic impact

SDG 1 No poverty – It is expected that around 550 dairy farmers will be reached who will buy the improved feed. Of these, the majority are small farmers who own only 1 -5 head of dairy cattle. The production of milk through improved animal feed increases by about 100-150% and the costs remain relatively lower, which increases the income of the farmer. This will reduce poverty among these farmers.

SDG 2 Zero hunger - Because in addition to improved animal feed, training and advice to dairy farmers is also used, it is expected that the quality of the milk will improve and there will also be fewer germs in the milk. This is healthier for the consumer and contributes to better food security. In addition, the increased production of milk contributes to food security.

SDG 8 Decent Work & Economic Growth – A total of 74 jobs are supported, of which 54 are newly created jobs. Training courses are organized for employees and the working conditions are good.

SDG 10 Reduce inequality – because strategy is largely focused on providing services for small dairy farmers, this provides access for better animal feed, training and advice for small farmers. This reduces inequality.

Transfer of knowledge & technology:

The introduction of improved silage techniques, the making of silage bales and improvement of concentrates (total solution) is certainly innovative for the dairy sector in Kenya. It turns out that 2 other entrepreneurs have bought the machines and started using the same techniques. More and more dairy farmers will probably make use of this in the future because the results are very positive.

Environment:

FIT Ltd. is investigating whether it is possible to set up a circular system for the manure of customers' dairy cattle. The intention is that the manure is applied to the land where the maize is grown. This prevents pollution of the surroundings of the dairy farms and allows the corn to grow better.



Positive effects in the chain:

In addition to the dairy farmers, the outgrowers of Mais are also supported with advice and training that will lead to improved Corn production and will then have an exemplary effect for other medium (large) corn farmers.

ICSR

The investment is scaled in category B in terms of CSR-risk. An Environmental and Social Action Plan (ESAP) will be drafted, which is based upon the OECD and IFC performance standards, which aims to reduce the risk of non-compliance with these standards.