



Kenya's Farmshine Raises US\$ 250,000 from Gray Matters Capital's coLABS

Farmshine's agriculture operating system enables fully transparent management of the agriculture value chain, and facilitates direct trading between farmers and large end buyers.

To help women subsistence farmers realize more income by making them practice climate smart agriculture techniques and secure higher contract prices for their produce

NAIROBI (KENYA), 5th December, 2019: [Farmshine](#), a Nairobi based agritech start-up has raised funding of USD 250,000 from US-based impact investor [Gray Matters Capital](#)'s gender lens sector agnostic portfolio – [GMC coLABS](#).

This marks the second investment by the impact investor in the agri-tech space in Kenya after funding B2B start-up Taimba in July this year and is the fifth African start-up added to its portfolio which includes Rwanda's ARED, Ghana's Redbird Health Tech and Nigeria's Sonocare in the last two years.

The funds raised will be used to hire and train personnel, including field agents, and to further develop the platform to connect the agriculture ecosystem.

IMPROVING THE AGRICULTURE VALUE CHAIN FROM SEED TO SALE

Farmshine's agriculture operating system enables smallholder farmers to aggregate and sell their harvests directly to large commodity companies. This has not been possible in the past because there was no way to exchange accurate information on buyers' contract offers, or to ensure the trust needed for buyers and farmers to engage in such a contract.

Combined with on-the-ground support from Farmshine's field officers, the mobile app ensures that farmers are offered clear, fair and reliable contracts from legitimate buyers. Every activity takes place through the app – including contract agreement, production management, crop aggregation, and delivery and payment – ensuring full transparency among each party.

Farmshine's agriculture operating system can also be used by UN, NGOs and commercial organizations to manage their agricultural activities. This includes the registration, training and management of smallholder farmers; monitoring of crop growth and field activities throughout the growing season; early warning of plant pests and diseases; and aggregation and sale to large commodity companies.

According to **Luca Alinovi, Farmshine's Founder & CEO**, "Farmshine's platform was designed with a farmer-first approach. It can be easily replicated for any value chain in any country, and can scale from thousands to hundreds of thousands of farmers."

TRANSFORMING WOMEN SUBSISTENCE FARMERS INTO ENTREPRENEURIAL SMALL TRADERS

Outlining the investment rationale, **Jennifer Soltis, Portfolio Manager – coLABS, Gray Matters Capital** said, "Women are often excluded from the formal economy in Kenya, and it is difficult for them to find better opportunities or higher paying work. Farmshine's platform enables women, who constitute 70% of its farmers, to receive significantly higher incomes by providing access to completely transparent pricing information *before* they plant, as well as the freedom to select the buyer they would like to supply to."



She goes on to elucidate how Farmshine’s app helps transform women farmers from subsistence farmers to entrepreneurial small traders: “In addition to growing more crops and receiving higher prices, women will receive an economic identity and trade history. Farmshine’s app records quantity, quality and timeliness of each harvest sold, as well as loan repayments, trainings received, and other indications of a successful, reliable farmer. Based on this, women will be able to apply for small loans, purchase inputs on credit and access more profitable growing opportunities with the entire agricultural ecosystem in Kenya and beyond”, she said.

WHAT THE FUTURE HOLDS

Farmshine is rolling out its operating system to non-profit partners, expanding into higher value commodities, and providing supermarkets with traceable products for its customers.

Partners: Farmshine is introducing its agriculture operating system to United Nations and NGO organizations in Kenya, and plans to expand to other African countries in 2020. Many of these organizations provide training and agricultural support to farmers, but lack the management and data analysis capabilities of Farmshine’s platform. Moreover, by connecting their farmers to the buyers on Farmshine’s platform, these organizations can provide farmers with a sustainable trading solution that continues even after the project has ended.

Sesame: There is a growing demand for sesame seeds in various Asian countries, namely India, China and Japan. In Kenya, the main producing area for oil quality sesame is located along the Indian Ocean coast, where Farmshine has started investing in 1,000 farmers located in a remote area with very good agriculture potential. Once the farmers have achieved the required quality standards, Farmshine will link them to the largest Japanese buyer of sesame. Sesame has a high market value, which translates to significantly increased income for farmers.

Supermarkets: Farmshine is in an advanced stage of establishing sales points within supermarkets to directly link consumers to farmers, ensuring substantially higher revenue to farmer and lower cost products for consumers. Moreover, the platform’s farm-to-fork traceability ensures a high quality, healthy product. This initiative is targeted at all of Kenya’s major supermarkets.

NOTES TO THE EDITOR

About GMC coLABS

GMC coLABS is an early-stage investment portfolio seeking to invest in innovative and scalable for-profit enterprises that have the potential to dramatically improve the lives of women and girls around the world.

Launched in 2018, this sector agnostic investment portfolio of impact investor Gray Matters Capital (GMC) has committed \$5 million over the next 3 years to help early-stage entrepreneurs with seed capital and strategic advisory support to scale their enterprises.

GMC coLABS has so far invested in a diverse portfolio of companies across sectors ranging from civic engagement, to health, to livelihoods spanning 4 continents. The investment ticket size is up to \$250,000 per enterprise.



To know more about coLABS, visit <https://gmccolabs.com/>

About Farmshine

Farmshine is a Nairobi based agritech start-up that operates a global agriculture platform where farmers, buyers and service providers can trade on mutually beneficial terms.

Farmshine's platform connects farmers with the information, suppliers and service providers they need to minimize costs and maximize harvests. Farmshine's technical field agents provide farmers with advice and support throughout the growing season, helping them to increase crop productivity while practicing climate smart agriculture techniques.

The company's ultimate objective is to create an efficient market environment in which farmers can earn the highest possible income through a combination of increased crop productivity and higher contract prices for crops.

To know more about Farmshine, visit: <http://www.farmshine.io/>

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