



Feed the Future Country Fact Sheet

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Strengthening Local Entrepreneurs to Deliver More Nutritious Foods



GAIN

A display of peanut butter processing company Xikhaba's newly designed label.

Octávio Muchanga is passionate about peanut butter. Like many small businesses in Mozambique, Muchanga's home-based peanut butter processing operation in Maputo, Xikhaba (shi-kaa-ba), faces many obstacles to growth: an inconsistent supply of raw, clean materials, lack of transport options to deliver products to markets and limited access to commercial financing have all constrained Muchanga's best efforts to expand his company's reach and profits.

A few months ago, Muchanga began attending regular meetings organized by the Marketplace for Nutritious Foods, a Feed the Future project implemented by the Global Alliance for Improved Nutrition. The Marketplace is working in Kenya, Mozambique and Tanzania to connect entrepreneurs like Muchanga with technical experts, investors and other businesses in order to strengthen networks that are the foundation for vibrant agricultural markets.

Together, these professionals from various parts of the food industry form a "Community of Practice" where members can learn from one another and access support from the Marketplace for their innovations. The ultimate goal of the Marketplace is to foster local markets that will offer diverse, nutritious and affordable food products to consumers. In the short time since it launched, the Marketplace has drawn more than 300 members in the three countries.

In Mozambique, Marketplace members meet quarterly in Maputo, Chimoio and Nampula to discuss topics such as quality control and assurance procedures in Mozambique or best practices in marketing. Over coffee and orange-fleshed sweet potato cakes, participants have the opportunity to create new business connections and showcase their nutritious products to other members. Government officials also regularly attend meetings to hear from businesses about the challenges they face with government procurements or regulations, promoting an open dialogue between the public and private sector.

Through his membership in the Marketplace, Muchanga has benefited from a growing network of contacts that have helped him strengthen his business. Most recently, he has worked closely with Eduardo Monteiro of On Spot Marketing, whose input dramatically improved the design and readability of the label on his peanut butter product.

"This initiative is very important for us," Muchanga says. "We learn about new approaches to position our product, and we learn how to improve the quality of our products. This is also an opportunity for us to identify new sources of investment. We are learning more about nutrition and its importance and how we can contribute to improve the nutrition of Mozambicans. The Marketplace is giving us the opportunity to learn more about how to make our business grow."

The Marketplace also provides funding for financial and technical assistance to enterprises that are piloting innovations to improve the affordability and accessibility of nutritious foods. Muchanga recently submitted a proposal to develop a business plan that will help him reduce the costs of peanut butter production and expand his distribution channels.

Muchanga says the Marketplace has been instrumental in opening doors for Xikhaba. “We feel that we are coming out of anonymity,” he says. “Before we were only known in our neighborhood, but now we are contacted by different members of the community.”

The Marketplace for Nutritious Foods is managed by the [Global Alliance for Improved Nutrition \(GAIN\)](#) with initial funding from USAID under Feed the Future. GAIN is driven by the vision of a world without malnutrition – a world in which every child receives the nutritious diet essential for full physical and mental development. GAIN's aims to reach one billion people by 2015 with nutritious foods. [Learn more](#) about the Marketplace for Nutritious Foods in Mozambique.