

Ajinomoto Co.: Better Nutrition, Brighter Future in Ghana

Eat Well, Live Well.
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Initiative Description

In September 2013, the Japanese food giant Ajinomoto Co. joined the Business Call to Action with a commitment to employ its expertise in food technology and amino acid nutrition for improving nutrition in Ghana. The company aims to expand its pilot nutritional supplement programme in order to reach an estimated 200,000 weaning infants by 2017.

Ajinomoto's Ghana Nutrition Improvement Project is expected to augment children's nutrition by providing the unique nutrition supplement KOKO Plus. Made with soybeans, sugar, palm oil, amino acid (lysine) and micronutrients, KOKO Plus fortifies traditional porridge – called koko – in Ghana.

Ajinomoto's goals:

- Improve the nutrition of 200,000 children age 6-24 months, 200,000 school-age children, and 100,000 pregnant and lactating women by 2017 through a nutritional supplement;
- Employ 2,000 women entrepreneurs to sell the supplement; and
- Produce the supplement locally, which will employ both workers at the factory and suppliers of the main ingredients.



Business Model

Malnutrition is the world's most serious health problem and the single biggest contributor to child mortality. Nearly one third of all children in developing countries suffer from stunted growth and micronutrient deficiencies. Newborns in the first 1,000 days of life are particularly vulnerable as malnutrition can result in developmental delays.

Ghana has witnessed rapid economic growth in recent years, but the country still faces widespread rural poverty, which can lead to severe malnutrition in infants. The main staple food in Ghana for babies during the weaning period is porridge made from fermented corn and sugar, which is called koko. However, koko does not provide adequate amounts of protein and micronutrients that growing children need.

Contributing to nutrition improvement in the world is one of the core missions of Ajinomoto Group. We are pleased to expand our commitment and our programs in Ghana to help nourish and build the capacity of Ghana's child and mother population, who should be leading healthy and productive lives.

Masatoshi Ito
President and CEO
Ajinomoto Co.

In response to this need, Ajinomoto and its partners developed KOKO Plus, which is formulated to meet the World Health Organization's nutritional guidelines for children. The product is made using a local protein source – soy flour – as well as micronutrient premix, amino acid (lysine), palm oil and sugar. This flavorful supplement is packaged in a sachet containing 15 grams for one day's use. It is recommended that the supplement be taken with daily meals at least three days per week.

Ajinomoto's Ghana Nutrition Improvement Project was originally intended to commemorate the company's 100th anniversary in 2009. The project was launched with partners Nevin Scrimshaw International Nutrition Foundation (INF) and the University of Ghana after a joint study on the potential of lysine, an amino acid, to improve the nutrition of rural people in Ghana. The project is also Ajinomoto's first venture based on a social business model in collaboration with local partners and beneficiaries in a developing country.



Innovations

that improve lives

How it Works

Ajinomoto has been working with the University of Ghana and Nevin Scrimshaw International Nutrition Foundation (INF) to conduct feasibility studies and develop the initiative's business model. The Japan International Cooperation Agency (JICA) funded the nutrition feasibility study and provided support; the United States Agency for International Development (USAID) supported feasibility studies on the distribution model; and the Global Alliance for Improved Nutrition (GAIN) provided technical expertise in monitoring and evaluation. In addition, the Ghana Health Service provided support in conducting studies, the NGOs Plan and CARE are involved in nutrition and distribution model studies, respectively, and the Yedent Agro Group, a local food product company, provides soy flour and a local production facility with the University of Ghana.

In order to reach its target beneficiaries, Ajinomoto is providing KOKO Plus at a low price for families at the base of the pyramid who would otherwise not be able to access nutrition supplements. Based on a market study carried out with the University of Ghana, the optimal price for this product is 20 pesewas (approximately 10 cents) per sachet. To reach communities at the base of the pyramid, KOKO Plus is distributed through community-based networks and locally recruited saleswomen. The initiative also strives to create employment opportunities by establishing local food-production chains and procuring raw ingredients such as soy flour and palm oil locally.

Business Impact

Ajinomoto's expertise in food technology helps it to produce affordable fortified food while maintaining the high quality of its products. The company is utilizing its expertise as the world's top producer of amino acids to make a unique contribution to improving nutrition in developing countries; sales of KOKO Plus are expected to reach approximately \$4 million. More importantly, by expanding its efforts to enhance nutrition, Ajinomoto is growing the value of its brand and propelling the company's global expansion efforts.

Development Impact

Based on research conducted by Ajinomoto and its partners, KOKO Plus has demonstrated positive impacts on children's growth during weaning period – increasing weight and decreasing stunting. In addition to improving nutrition, the company seeks to empower 2,000 women through training and employment in marketing KOKO Plus. To achieve this goal, Ajinomoto is working with an international NGO in the northern Ghana to employ women in local villages in the product's distribution. Through local sourcing of soy flour and other ingredients, Ajinomoto is also supporting local agriculture, which strengthens the livelihoods of small-scale farmers.



Key Success Factors



Understanding Local Needs

Prior to initiating production and distribution of KOKO Plus, Ajinomoto carried out taste tests in target communities and comprehensive studies on nutrition, price, and distribution, working closely with project partners to benefit from their specialized knowledge.

Producing locally

Local production using locally sourced soy flour and other ingredients helps foster small-scale agriculture and support employment in beneficiary communities. Ajinomoto is building sustainable businesses by transferring its technologies and expertise on quality assurance to local partners.

Fostering distribution networks

Many areas of Ghana lack the necessary distribution infrastructure. In response to this challenge, Ajinomoto and a local partner are developing a distribution network by employing women as sales representatives, which also empowers them by providing income.

Educating Mothers on the importance of nutrition

Ajinomoto provides local mothers with nutritional education in cooperation with the Ghana Health Service – a government agency – and local NGOs. This training not only encourages mothers to use KOKO Plus to improve their children's nutrition, but also assists them in using the product correctly.

Next Steps and Spin Off Effects

Ajinomoto plans to scale up its social business model in line with the results of the studies, and aims for the KOKO Plus initiative in Ghana to be self-sustaining within four years. Once production in Ghana is established, Ajinomoto will replicate this business model in other countries such as Nigeria.

Ajinomoto also plans to expand its specialized nutritional supplements to reach other beneficiaries such as pregnant and lactating women, and school-age children. Through

a partnership with the German development agency GIZ, feasibility studies will be conducted with the aim of developing products for 100,000 pregnant and lactating women by 2017. With support from the Japanese Government, the United Nations World Food Programme (WFP) and GAIN, Ajinomoto hopes to develop a version of KOKO Plus for school-age beneficiaries, which will be distributed via school feeding programmes to 200,000 children by 2017.



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