



## Freshmacs Ghana Ltd.

### What is Freshmacs?

Founded in 2002, Freshmacs purchases a wide variety of high-quality fresh produce from farmer cooperatives in Ghana for export to European markets. Freshmacs exports a wide variety of produce including chilies, raw mango, plantain, yam, shallots, sugar cane, pineapple, bananas, garden eggs, and papaya. Its European buyers are mostly suppliers for large supermarkets.

Locally owned and operated, Freshmacs provides employment to a small staff of 14, and generates additional income for approximately 336 small holder farmers. Also, through its partnerships with several international organizations, Freshmacs provides training for its farmers to improve the quality of their crops and to enable them to work toward industry-standard certification.



#### SEF

GBF's **SME Export Facility (SEF)** enables it to offer smaller working capital loans for trade financing, helping companies that are not yet ready for a longer-term investment.

### GBF's Investment

In 2009, Freshmacs risked losing one of its major purchase contracts with a supermarket supplier in the United Kingdom due to a shortage of working capital. Losing this contract would have meant both a significant loss of revenue and the loss of future opportunity for substantial business growth. With the global economic



climate threatening demand for fresh produce, Freshmacs found itself unable to acquire working capital financing from traditional sources.

Through its SME Export Facility (SEF), which offers working-capital loans to organizations too small for a longer-term investment, GBF was able to provide Freshmacs access to a \$50,000 revolving line of credit. With this financing, Freshmacs has been able to continue purchases from the farmers, maintain its

shipments, preserve its relationship with its buyer, and lay the groundwork for future growth.

## Social Impact

Through its activities, Freshmacs not only creates employment, but also provides substantial social impact on the communities where it works by:

- Providing market links to buyers in Europe, enabling its farmer suppliers to benefit from the economic value of their produce.
- Sourcing from female farmers—approximately a third of its suppliers are women.
- Obtaining training for those farmers from organizations such as TIPCEE, a project of USAID, in order to increase the quantity and quality of their produce, and enable them to work toward certification under international quality standards such as GLOBALGAP.
- Building long-term relationships with farmer cooperatives, which improves the security and predictability of farmer income

Through its assistance to Freshmacs, GBF is also helping to build and maintain a track record of success that should help it more easily access commercial capital in the future. With a small amount of capital, Freshmacs is able to make a substantial impact in the lives of a significant number of beneficiaries, and GBF seeks to help that number grow.

### FRESHMACS' IMPACT

In addition to creating jobs for its staff, Freshmacs' purchases of produce increase the incomes and living standards of its farmer suppliers.