

How Smart Investments Along an Integrated Supply Chain Make a Difference



MCC's Agriculture Project is providing training in commercial agriculture, improving post-harvest handling and value chain services, and rehabilitating secondary and feeder roads. This targeted integrated approach is generating economic growth opportunities that are helping reduce poverty in Ghana.

Eric Cudjo's family has a small pineapple farm in eastern Ghana. Through a form of paid vocational training, he works for Koranco Farm, a large-scale farm with over 400 employees, so he can receive technical assistance and gain the knowledge necessary to start his own pineapple farm. Mr. Koranteng, owner of Koranco Farm, assists farmers like Eric in setting up their own farms and teaches them about the regulations necessary to follow to ensure export-ready quality of the pineapples they grow. Smallholder farmers like Eric's family then sell their pineapples to Koranco Farm, which, in turn, provides the packing, cold storage, and transportation to the port so the pineapples may be exported.

Like many small-scale farmers around the world, Eric's family is constrained from directly exporting their products due to a limited understanding of international standards and market-demand, and a lack of financing and post-harvest infrastructure (like pack houses and cold storage). The poor quality of local and national roads is also an impediment. The U.S. Government's \$547 million Millennium Challenge Corporation (MCC) compact with the Government of Ghana is helping to provide the missing pieces to ensure solid investments along an integrated

supply chain, which will increase revenues and improve the livelihoods of small and medium-scale farmers as well as indirect beneficiaries.

The MCC compact allows smallholder farmers to receive technical assistance and access cold storage facilities to keep their produce fresh for export. As Koranco Farm increases its production, the opportunities for young farmers like Eric will increase as well. Eric will soon be able to start his farm thanks to what he is learning. As Mr. Koranteng says, “I do not want the farmers to stay as my employees forever; I want them to learn and expand their farms. We need to think collectively to get out of poverty.” MCC believes in funding programs that share this integrated long-term approach.

To complement this supply chain investment, a key segment of the N-1 Highway, the main road that connects to Ghana’s major port, is being rehabilitated so that these pineapples and other produce for export can reach the port faster, reducing the time the produce wastes in transit, increasing exports, and providing higher profits for Koranco Farm and all those who work there.

To date, the MCC compact has helped finance a pack line and generator for cold storage at Koranco Farm, which Mr. Koranteng pays off with proceeds from pineapple sales. MCC’s investments like these are indirectly benefiting all the people along this supply chain--those applying the pesticides, those packing the pineapples, the truckers transporting the pineapples, the workers who load and unload the product, and all those in the port who are employed to export the pineapples.

As a comprehensive, integrated anti-poverty program, the MCC compact is enhancing returns from staple food and horticulture crops produced mainly by poor, smallholder farmers, and improving delivery of business and technical services to support the expansion of commercial agriculture. This project is providing training in commercial agriculture, improving post-harvest handling and value chain services, and rehabilitating secondary and feeder roads. Such a targeted integrated approach is generating economic growth opportunities that are contributing to effectively reducing poverty in Ghana.



MCC’s investments are benefiting employees of Koranco Farm such as this woman, as well as those hired to apply pesticides, the truckers transporting the pineapples, the workers who load and unload the product, and all those in the port who assist with exporting the products.