

INNOVATION SERIES

BUSINESS PROFILE



MELACH COCONUT PROCESSING FARM (MCP)
KUMASI, GHANA
WWW.MICHAELANNAN-FORSON.COM

ABOUT MELACH COCONUT PROCESSING FARM

- Company status: Limited Liability Company, founded in 2005;
- Number of employees: 66 permanent.



**Michael Annan-Forson,
Founder & CEO**

Michael holds a Bachelor's degree in Business Administration (Human Resources Management) and a MBA in Human Resources and Organisation Management.

Prior to the creation of MCP, Michael worked in HR management in various sectors (international NGO, health industry, oil and gas). Between 2001 and 2004 he worked at Ichie Coconut Processing International, Bangkok (Thailand), an organic coconut oil processing company, where he received training in the production of coconut oil.

BUSINESS MODEL

Michael aims to contribute over the next three decades to making Africa a major food producer and net food exporter, which will be vital to ensure sufficient food for the growing African population. Currently Ghana has a strong food imports–exports imbalance, as more than 90% of the food consumed is imported, despite Ghana being a rich and vast land.

MCP's business vision is to deliver worldwide with speed and integrity. This is achieved partly through close work relationships with the coconut farmers

who supply MCP, as well as (socially excluded) women and children from the community.

In 2005, after Michael returned from his mission in Thailand at Ichie Coconut Processing International, he started to produce organic coconut oil on his own for his relatives. He started to save money so that he could establish his own pilot production capacity, producing up to 10 litres per day between 2008 and 2015. In 2016, Michael had his first international order from an Israeli customer, who bought 10 tons

This series of events is organised by the PAFO and the COLEACP. COLEACP operates within the framework of the development cooperation between the Organisation of African, Caribbean and Pacific States (OACPS) and the European Union, with the support of the French Development Agency.



of virgin coconut oil. This order amounted to US\$ 35,000, which enabled Michael to rent a five-room apartment in Kumasi and to engage 16 women as full-time workers to manually produce coconut oil.

MCP has a strong social impact, working with women excluded from society, training its supplying farmers, raising health awareness in local schools of the farming community, and supporting orphanages and widows each month. MCP believes in empowering women to be independent in order to reduce or eliminate poverty in Ghana and Africa.



MCP presents youths and pupils in community schools the opportunities in the coconut industry and trains the older ones in skills required by the sector.



MCP's support to orphanages.



STRONG RELATIONSHIPS WITH SMALLHOLDERS

All MCP's workers (mainly single mothers) are employed on a permanent basis. The company works closely with women and young people who are excluded from society, for example women in prison or in prostitution and single parents in rural zones. All employees have received basic training on all the machines used at the different stages of the production process to develop skills and become independent.

Since its creation, MCP mainly sources coconut from 166 local farmers, of whom 160 are women. MCP occasionally organises workshops for its coconut farmers offering training on how they can add value to their lives, build a savings habit and educate their children. MCP has also taught them good agricultural practices so that they produce better coconuts through the "Replace a Dead Coconut" initiative. MCP also connected its

farmers to UniBank to create awareness among the farmers on investment plans as coconuts are harvested every four months and farmers often find themselves without financial resources in the meantime.



Some of MCP's workers team

PRODUCTS COVERED AND MARKETS

MCP trades processed products under the product brand name “Ropheka” for the health & beauty sector, as well as the food and hospitality sectors. Its product range includes:

- Ecocert Fairtrade-certified extra virgin cold pressed coconut oil, not refined, not deodorized and without additives;
- Fresh coconut water;
- Coconut porridge;
- Organic coconut butter from organic coconut meat: it contains the oil, the fiber and other nutrients of the coconut meat;
- Coconut water vinegar;
- Activated coconut shell charcoal powder;
- Coconut shell charcoal;

- Coconut hair and skin conditioner
- Coir sacks and ropes, and coir mattresses from processed coconut fibre.

MCP also produces aloe vera oil.

MCP’s products are organic (USAD-NOP), Fair for Life and Kosher certified. MCP also meets the standards of Public Procurement Regulatory Authority (PPRA), Food and Drug Administration (FDA) and Global Supply Standard (GSA).

MCP supplies domestic, regional and international markets, its main customers being Ghana, Nigeria, Côte d’Ivoire, Togo, the USA, the Netherlands, Israel and Russia.



Coconut porridge



Activated coconut shell charcoal powder

INNOVATIONS: MILESTONES AND EXPANSION PLANS

The infrastructure expansion from a single-room apartment in Accra to a large apartment in Kumasi in 2016 has formalised the production process and enabled MCP to meet the quality standards (PPRA, FDA, GSA). The organic, Fair for Life and Kosher certifications are also important for business development.

MCP has developed its capital without taking any bank loans, but with the award grant of US\$17,000 from India and the UK Department for International Development through the programme *Connect to Grow for Africa* received in 2016. Michael has been sponsored to visit India, where he met coconut processing-machine engineers and could establish its own processing site, as well as to develop its own 200-acre coconut plantation with the grant.