



Dutch Good Growth Fund

Part of DGGF

Investing Dutch SME's executed by RVO.nl.

Title

Cold storage in Nairobi – DGGF118/KE/2

Company

BCS Kenya B.V.

Country

Kenya

Sector

Cold Storage

Amount of the investment

DGGF Loan EUR 1,200,000

DGGF Guarantee EUR 490,000

Period

6 year guarantee, 7 year loan

Involved parties

Equity Bank Kenya

Development impact**Employment**

In the startup phase, around 50 FTEs will be created in the cold storage and freezing rooms. At first this will include 5 management jobs and 45 jobs on the work floor for cold storage and transport.

Over time, the number of FTEs will increase to approximately 157, 39 of them for women. The increase in jobs from 50 to 157 FTEs will mainly be for drivers.

The wages of the lowest paid employees will vary around a living wage and are therefore far higher than the minimum wage for the sector.



Transfer of knowledge

Employees will receive training with regard to working in cold storage and freezing rooms, logistics and food and general safety. Some employees will be trained in cold storage and freezing installation. All staff will be provided with safety equipment, such as warm clothing, safety shoes and helmets.

Production capacity

The cold storage capacity and the logistic services of BCS will help both producers and dealers as well as users improve the handling of fresh food. Less fresh food products will be lost as a result of poor cold storage and logistics. This will improve the operations of agricultural, trade and catering companies.

The project will contribute to food safety for local consumers by providing cold storage and logistic services to companies supplying the local market. The cold storage will be ISO9001 (quality) and ISO22.000 (food safety, as well as HACCP) certified.

IMVO

This is a risk category B investment. A CSR action plan will be drafted, which is based upon the OECD and IFC performance standards, which aims to reduce the risk of non-compliance with these standards.

Brief description

A loan from DGGF and co-finance from Equity Bank Kenya has enabled BCS Kenya to realise cold storage and freezing rooms and the accompanying logistics in Nairobi, Kenya.

This investment has a positive effect on the local food chain; by improving food safety and preventing waste.

BCS will employ a number of drivers for transport and distribution, but it also intends to hire drivers from a local company which provides taxi services by motorbike in order to react to market demand in a flexible way.