

## **Norfund invests in manufacturing and recycling business in Ghana.**

**The Norwegian Investment Fund for Developing Countries (Norfund) is investing USD 10.5 million in Miniplast Ghana Ltd (“Miniplast”) to support its expansion plans across its manufacturing and recycling segments.**

Miniplast Ghana Ltd is a leading plastics manufacturing company in Ghana and the West African sub-region. Established in 1988, Miniplast specializes in injection moulding and blow moulding, with its key offerings being products made from High/Low Density Polyethylene (H/LDPE), Polypropylene (PP) and PET Plastics. This includes industrial packaging solutions (packaging containers for many classes of products, bottles, jerrycans, paint and detergent buckets, pails, etc.), plastic furniture, and other household products (bowls, plates, buckets, basins). Miniplast’s clientele base consists of both local and international customers, covering a diverse range of industries including fast-moving consumer goods, agriculture, household & personal care, and mining.

In 2020, Miniplast established an in-house plastics recycling business segment that uses plastic waste that it sources locally and processes into recycled plastic materials. These recycled plastics are then used by the company in the manufacturing of its finished products, as well as sold to third parties. Headquartered in Accra, Miniplast has a current production capacity of 41 tonnes of plastic per day, and directly employs over 650 people, whilst indirectly giving employment to over 200 more. The company also has waste collection and grinding hubs in Kumasi and Tamale.

Norfund’s investment will go towards purchasing new manufacturing equipment and supporting Miniplast to expand into new product offerings. Also, the investment will finance new machinery to increase the Company’s recycling capacity to 1,700 tonnes a month, further substituting locally sourced recycled materials for imported plastic resins, and hence, reducing production costs in the process.

“Supporting local manufacturing and recycling initiatives will help create many decent jobs not only at Miniplast, but across the entire plastics value chain. This impact is further amplified in what is a challenging macroeconomic climate for many Ghanaians”, says Obafemi Awobokun, Investment Manager, Norfund.

This investment is in line with Norfund’s strategy to invest patient capital in scalable enterprises in manufacturing and waste management within Sub-Saharan Africa. In addition to supporting increased local tax revenue and foreign exchange generation in one of West Africa’s major markets, Norfund’s investment in Miniplast is expected to create more than 850 jobs across the plastics value chain.

CEO of Miniplast, Mr Nadim Ghanem, remarks that "Our company is committed to improving socio-economic opportunities for Ghanaian citizens by increasing access to high-impact employment and advancing technological innovations in the plastic recycling industry. Through our approach, we emerged the winners of the 2022 (11th) edition of the AGI Ghana Industry and Quality Award for Best Practices in Sustainable Manufacturing. We partner with equally passionate stakeholders who also dedicate their knowledge and

finances to building resilient economies and safe communities. It was an easy decision to partner with Emsy-Capital to develop our investment strategy. With their decades of experience being involved in several large-scale transactions in West Africa, they made the process efficient, concise, and ensure we found the right investment fund to collaborate with. Norfund is the ideal partner to assist with our sustainable expansion. We are confident that we will have outstanding ESG results and innovative business impacts for the industry and country, especially with Norfund's expertise guiding us."

Through this investment, Norfund is supporting efforts to develop a circular economy in Sub-Saharan African markets to help tackle Ghana's waste management challenges. Norfund will also look to support Miniplast in its efforts to institutionalise what has historically been a family-run business, particularly on the environmental, social and governance fronts.

"We are excited to be growing our portfolio in Ghana by partnering with the management and owners of Miniplast, a company which is doing important work on the local value addition front whilst also contributing to addressing the country's plastic waste problem. By investing to further increase the company's production and recycling efforts, whilst increasing local sourcing, job creation and import substitution, we aim to contribute to the company's growth and institutionalization, as well as to development", says Naana Winful Fynn, Regional Director for West Africa for Norfund.

Norfund was advised on this transaction by the following consultants; Emsy Capital, Ernst & Young (Ghana), Norwaste, Control Risks (West Africa) Ltd, Bentsi-Enchill, Letsa & Ankomah (BELA), Wikborg Rein (Norway) and IBIS Environmental Social Consulting (East Africa).

### **About Norfund**

Norfund is the Norwegian Investment Fund for Developing Countries. Its mission is to create jobs and to improve lives by investing in businesses that drive sustainable development. Norfund is owned and funded by the Norwegian Government and is the Government's most important tool for strengthening the private sector in developing countries, and for reducing poverty. Norfund's committed portfolio totals 3.1 billion USD in Sub-Saharan Africa, South-East Asia, and Central America. Norfund has four investment areas: Renewable Energy, Financial Inclusion, Scalable Enterprises and Green Infrastructure; and also invests in private equity and venture capital funds. Investments in Renewable Energy account for about 50% of the portfolio and 50% of the portfolio is in Sub-Saharan Africa. [www.norfund.no](http://www.norfund.no).

Norfund's investment in Miniplast adds to its portfolio in West Africa which includes direct investments in *CBI Ghana* (Ghana, Equity), *Access Bank* (Ghana/Nigeria, Loan), *First National Bank Ghana* (Ghana, Loan), *Oasis Africa Fund* (Ghana, Fund Investment), *Sundry Foods* (Nigeria, Equity), *Arnergy Solar* (Nigeria, Equity), *First City Monument Bank (FCMB)* (Nigeria, Loan), *OH Ecosystems* (Nigeria, Convertible Loan), *Wecyclers Corporation* (Nigeria, Equity), *Verod Capital Growth Fund III* (Nigeria/Ghana, Fund Investment), *Valency International* (Cote d'Ivoire, Loan), *Wave Mobile Money* (Cote d'Ivoire, Loan), *Nouvelle Mici Embaci (NME)* (Cote d'Ivoire, Equity), *Aktivco* (Burkina Faso/Cote d'Ivoire/Cameroon/Niger, Loan), *Baobab+*

(Senegal/Cote d'Ivoire/Mali, Equity), *ESCOTEL* (Regional, Equity & Loan) and *Ecobank Transnational Incorporated* (Regional, Loan).

Norfund is also an investor in many private equity funds and some platform companies which are investing in West Africa and the rest of sub-Saharan Africa.

Norfund's indirect investments in Ghana through funds and platforms in which Norfund is an investor include *CAL Bank* (through Arise B.V.), *Ecobank Transnational Incorporated* (through Arise B.V.), *Fidelity Bank Ghana* (through the Africinvest Financial Inclusion Vehicle), *DTRT* (through the Verod Capital Growth Fund III), *Everpure Holdings*, *Atlantic Mall*, *Zeepay Financial Services* and *Metropolitan Health Insurance* (through the Oasis Africa Fund), *Genser Energy* (through the Vantage Mezzanine Fund II), *Ignita AB*, *Elephant Healthcare Ltd* and *TradeDepot Inc* (through the Novastar Ventures Africa Fund II), *SAS Dental Clinic*, *Emigoh Ghana Ltd*, *Hillcrest Hotel* and *Jobost Enterprise* (through the GroFin Africa Fund) and *PEG Africa* (through the responsAbility ACPF).