



PROJECT DESCRIPTION: Development investment proposal

NAME OF CLIENT	GLOBAL COLD STORAGE PVT LTD
WEBSITE CLIENT	
REGION	ASIA
COUNTRY	NEPAL
SECTOR	AGRI-FOOD
SIGNING DATE	30 DAYS FROM PUBLICATION AT WEBSITE
TOTAL FINANCING	87,750 EURO
FUND	ORIGINATION FUND

- **Who is our (prospective) client?**

Global Cold Storage Pvt Ltd, established in 2022, is a subsidiary of one of Nepal's largest fruit and vegetable suppliers. The company's business model focuses on aggregating seasonal vegetables, fruits, and spices from smallholder farmers, cooperatives, and farms nationwide. By utilizing its cold storage facilities, Global Cold Storage preserves these perishable goods, enabling a steady supply throughout the country year-round. This approach not only ensures consistent product availability but also supports local farmers by providing them with a reliable market for their produce, thereby enhancing their income and reducing post-harvest losses.

- **What is the intended funding objective (type of activity)?**

The technical assistance package will support the company in three specific areas:

- **Business Management Integration:** Global Cold Storage Pvt Ltd, a traditional medium-scale Nepali company, currently operates without proper business management processes. As the company invests in expansion, it seeks technical support from DFCD to integrate modern business management practices, including financial management, logistics management, marketing, and human resource management.
- **Waste Management:** The company generates a significant amount of biodegradable waste but lacks a proper waste management plan and facility. Therefore, it seeks technical support to develop and implement an effective waste management system.
- **Energy-Efficient Cooling Technologies:** The company aims to identify and pilot advanced, energy-efficient cooling technologies for its cold storage facility, such as a pre-cooling chamber, fruit ripening chamber, and frozen storage facility. These features will help diversify the company's value chain and provide additional services to clients.

- **Why do we fund this project?**

Globally, approximately 33% of all food produced for human consumption is lost or wasted, amounting to 1.3 billion tons, according to the World Food Program's 2020 report. Post-harvest food

loss significantly contributes to food insecurity for millions of families worldwide. In Nepal, various studies have estimated that post-harvest losses of fruits and vegetables range from 20% to 30% and can exceed 50% under adverse conditions. These losses, typically unintentional, stem from disruptions in production or supply chains. Reducing food loss and waste presents a significant opportunity for climate action, addressing both adaptation and mitigation goals by fostering more productive, resilient, and low-emission food systems.

This project is expected to achieve Rio-Marker 2 for minimizing post-harvest food loss. The impact of the originating stage includes:

- Economic Development - Create atleast 15 direct jobs, 400 indirect jobs and increase income of more than 3000 farmers.
- Climate resilient food security – Preserve 12,000 tons of quality food by preventing post-harvest losses.
- **Environmental and social rationale**

In Nepal, the oversupply of seasonal fruits, vegetables, and spices during peak harvest periods often results in low incomes for farmers and significant food waste. This imbalance between supply and demand leads to substantial economic losses and environmental impacts. Cold storage facilities offer a practical solution by allowing businesses and farmers to store these perishable goods and sell them during the off-season when demand is higher. This not only minimizes food waste but also stabilizes market prices, ensuring farmers receive fair compensation for their produce year-round.

By reducing food waste, cold storage facilities directly enhance food security. When less produce is lost, more food is available to meet the population's needs, thus contributing to climate adaptation strategies. Ensuring a steady supply of food throughout the year mitigates the risk of food shortages and helps communities become more resilient to climate-related disruptions. Additionally, the reduction in waste reduces greenhouse gas emissions associated with decomposing organic matter, thereby supporting low-emission food systems.

Ultimately, the integration of cold storage facilities addresses both environmental and social challenges. It promotes sustainable agricultural practices, supports farmers' livelihoods, and contributes to broader climate goals by reducing food waste and enhancing food security.
