

SKILLING Eco-VET

Skilling VET ecosystem: enhance enable environments for private and public VET key actors in Ghana and Senegal



TRAINING MODULE 2

Business Plan Development and Business
Formalization in Ghana
Dates: 12- 14 February 2024
Organization: BRC



Course Content

- ✓ Basic Structure of a Business Plan
- ✓ Developing Content of a Business Plan
- ✓ Developing Pitches from a Business Plan
- ✓ Business Formalization
- ✓ Benefits of formalization of Businesses
- ✓ Types of formalizations required for businesses in Ghana
- ✓ How to formalize businesses in Ghana
- ✓ Green Label Certification – Organic Agriculture



Introduction

By the end of this session, participants will be able to:



Use a lean business plan canvas to model their business



Develop an effective business plan



Formalize and register businesses



01

BASIC STRUCTURE OF A BUSINESS PLAN



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Business Plan

A business plan is a key document in planning and running a business as you will see in today's activity.

Basic business plan structure includes the following:

- ✓ *Business Plan Summary*
- ✓ *Business Model*
- ✓ *Marketing Model*

We will be using the Lean Business Plan Canvas, a tool for sketching your business plan on one page. It forces business owners to ask core business questions that give them a firm foundation for running a successful business.



02

DEVELOPING CONTENT OF A BUSINESS PLAN



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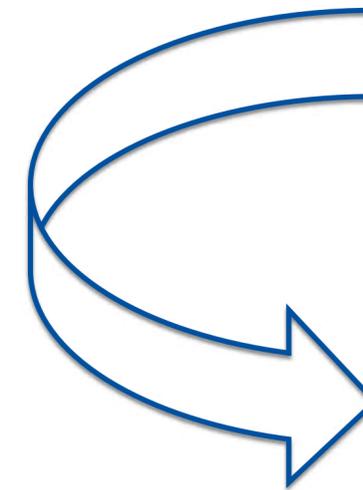


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Your lean business plan canvas



THE FIZZLE BUSINESS SKETCH TEMPLATE WITH QUESTIONS

<p>PROBLEM</p> <p><i>What problem(s) are you solving?</i> <i>What desire(s) are you satisfying?</i></p>		<p>ELEVATOR PITCH</p> <p><i>In one powerful sentence combine your problem, audience, solution and differentiator. (maybe try a few variations)</i></p>	<p>SOLUTION</p> <p><i>How will you solve this problem?</i> <i>What's valuable about it to your audience?</i></p>	
<p>AUDIENCE</p> <p><i>Who do you serve?</i> <i>Who are your most important customers?</i> <i>What are their defining qualities?</i></p>	<p>CHANNELS</p> <p><i>How does this audience want to be reached?</i> <i>Where are they already?</i> <i>How will they find you?</i></p>	<p>KEY METRICS</p> <p><i>What will you measure to determine that THIS audience has THIS problem and wants THIS solution?</i></p>	<p>DIFFERENTIATOR</p> <p><i>What is different/unique about your solution?</i></p>	<p>REVENUE</p> <p><i>What will you sell to them?</i> <i>How much will it cost?</i></p>
<p>COSTS</p> <p><i>What costs and activities will you need to build this business? (hosting, advertising, development, etc)</i> <i>What do you need to make this business happen outside of yourself?</i></p>		<p>BUSINESS BOOSTERS</p> <p><i>What unfair advantages do you have over the competition? (relationships, access, experience, etc)</i> <i>How is your solution not easily copied?</i></p>		<p>PERSONAL FIT</p> <p><i>Does this business feel like you?</i> <i>Is this the kind of customer/lifestyle/responsibility you want?</i> <i>Will you get tired of this or does it energize you to think about it?</i></p>



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Defining Your Corporate Identity

Your company's corporate identity can include the following:

- **Mission:** A short statement detailing the purpose of your organisation
- **Vision:** A short statement detailing what your organisation would like to achieve in the long term
- **Values:** Basic beliefs that motivate the attitude or actions of the organisation
- **Type of business:** Sole Proprietorship, Partnership and Company
- **Logos, Colours and Fonts:** Create an appealing brand for your business



Activity

Divide the participants into groups and prepare a presentation on the following questions:

- ❖ *What are the types of businesses that exist in Ghana?*
- ❖ *What are the features of these businesses?*
- ❖ *What are the advantages and disadvantages of each type of business?*
- ❖ *What type of business are you operating currently?*



Assembling your Business Plan

- ✓ Put together the parts from your lean canvas to create your business plan
- ✓ Add a short executive summary
- ✓ Include your company's corporate identity: logos, colours, fonts, mission, vision, values, type of business
- ✓ Save your plan preferably as a pdf document and or print it to hardcopy



03

DEVELOPING PITCHES FROM A BUSINESS PLAN



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Developing a pitch deck

Activity: Create a slideshow to present/pitch your business to a potential investor or to the SME Growth Grant Programme panel. Your pitch deck should convince your audience of your business's viability and give them confidence in your business.

An effective pitch deck has clear but short summaries of your company information



Developing a pitch deck – cont'd

Include the following:

- Problem
- Solution
- Market
- Product
- Team
- Competition
- Financials
- Amount being raised

[PROPOSED NAME OF BUSINESS]

BUSINESS PLAN

Prepared for:
[NAME OF PROPOSED PARTY]

Prepared by:
[NAME OF AUTHOR]

[DATE]



One-Page Business Plan

Answer each question with one or two sentences

<p>PROBLEM What problem will your business solve?</p> <p>_____</p> <p>_____</p> <p>_____</p>	<p>PROMOTION How will your target customers learn about your business?</p> <p>_____</p> <p>_____</p> <p>_____</p>
<p>SOLUTION What will your business provide to solve that problem?</p> <p>_____</p> <p>_____</p> <p>_____</p>	<p>COMPETITIVE ADVANTAGE What will your business do better than the competitors?</p> <p>_____</p> <p>_____</p> <p>_____</p>
<p>BUSINESS MODEL How will your business make money?</p> <p>_____</p> <p>_____</p> <p>_____</p>	<p>FINANCIAL PROJECTIONS How much money do you need to start? Spend every month? Earn every month?</p> <p>_____</p> <p>_____</p> <p>_____</p>
<p>TARGET CUSTOMERS Who will purchase your products or services?</p> <p>_____</p> <p>_____</p> <p>_____</p>	<p>FUNDING REQUIRED How much money do you need to start and operate the business?</p> <p>_____</p> <p>_____</p> <p>_____</p>



Developing a pitch deck –cont'd

Watch:

Ghanaian Pitch deck on McDan Entrepreneurship Challenge.

<https://youtu.be/QmKF8fikL2Y>





QUESTIONS

BUSINESS FORMALISATION

What is MSME formalization?

To formalized your business, thus, means to license, and register it at the registrar of businesses, to become tax and labor-laws compliant, and also obedient to social security laws.



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BENEFITS OF BUSINESS FORMALISATION

In general, business formalization has several huge advantages inured to the benefit of MSMEs. These benefits, include, but not limited to:

- ✓ Access to finance
- ✓ Improved productivity
- ✓ Access to wider markets
- ✓ Business development services access
- ✓ Access to technology.



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BENEFITS OF BUSINESS FORMALIZATION CONT'S

Others include; avoidance of punitive state fines, improved corporate image, increased business competitiveness and so on.

For example, formalized MSMEs have comparative better chances of bidding and wining (minor) government contracts to increase their revenue base.

Why Informal Businesses in Ghana

But why are so many MSMEs in Africa not formalized (or at least willing to initiate it)?

Are they not interested in the intrinsic benefits of formalization?

The answers are not far-fetched; cumbersome formalization processes, unfriendly legal provisions for compliance, little or no incentives for formalization, poor sensitization for formalization, and trust and credibility issues around formalization promises are suggested answers.



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GOVERNMENT PLANS TO ENCOURAGE FORMALISATION

Incentives such as reduced business registration or licensing fees ,zero tax holidays, improved access to public procurement opportunities and government grants, and subsidized interest rate on bank loans, are thought to have direct measurable financial impact on their profit margins of MSMEs, and hence could easily quantify the direct financial and non-financial benefits of formalization.

Governments must have both political will and available budget to honor these formalization incentives and promises.



AGENCIES FOR BUSINESS FORMALISATION IN GHANA

Registrar General's Department Ghana Enterprises Agency
Ghana Investment Promotion Centre
Ghana Export Promotion Authority
Food and Drugs Authority -Ghana
Ghana Standards Authority
Ghana Revenue Authority - official
Social Security and National Insurance Trust Municipal and District Assemblies
Environmental Protection Agency
Green Label certification



BASIC REQUIREMENTS FOR BUSINESS FORMALISATION

- ✓ BUSINESS IDENTITY – NAME OF BUSINESS
- ✓ BUSINESS LOCATION
- ✓ TAX IDENTIFICATION NUMBER
- ✓ GHANA CARD
- ✓ GPS ADDRESS

GREEN LABEL CERTIFICATION

The Ghana Green Label (GGL) Certification Scheme is the Government of Ghana's response to growing consumer demands for safe food production in an environmentally sustainable and sound way.

It provides consumers with a system to easily recognise quality, safe fruits and vegetables; and will over time, build consumer confidence in the consumption of locally produced fruits and vegetables.



It also addresses worker safety and welfare issues. It has been modelled to certify farms that comply with the requisite production and distribution systems of the Ghana Green Label Standard to ensure that food safety and environmental sustainability are not compromised during the production and marketing of fresh fruits and vegetables in Ghana.

It is adaptable to individual growers as well as farmer groups and considers the transport, wholesale and retailing of Green Label certified commodities. It is to also serve as a stepping-stone for producers towards other certification schemes like the GlobalGap and Organic certification.



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How to be certified as an organic farmer:

To be certified as Green Label compliant, a farmer, or group of farmers must pick up an application form from the Green Label Ghana Secretariat, organise production systems to meet the requirements and document these in the requisite records kept on the production activities' and be audited by accredited auditors. The report of the audit will be submitted to the secretariat for approval by the Committee of Experts before a certificate is issued.



Restrictions in obtaining and managing certification of organic labelling

Certification obtained by individual farmers cover only produce grown by the farmer and for which certification has been applied for, it cannot be shared with any other farmer. With group certification, however, a number of individual farmers within a specified area, growing the same commodities for which certification is desired, come together, commit to follow all the set practices and take responsibility for each other. A representative sample of the members are selected and audited, and the result is binding to all members. For both individual and group farmers, certification is valid for one year and must be renewed annually.





Client Request

Applicants seeking Green Label Certification shall get in touch with the Green Label Secretariat via e-mail, telephone call or by applying online.

Fee and Registration Pack

Completed application forms should be submitted to the secretariat for determination of appropriate fee to be paid. Applicant will receive application pack which includes Green Label Standard, the Green Label interpretation guideline, a farmer's manual and a unique identification number immediately after payment of the registration fee.



Request for Conformity Training

Applicants are required to contact a Green Label accredited quality assurer to provide on-farm training on the Green Label standard and also assist applicants to meet all the requirements of the standard.

Onsite Inspection/Auditing

Applicants who have complied and implemented all Green Label protocols are to contact a Green Label Accredited Certification body to provide an independent 3rd party verification/ audit of the production site or the pack house or the retail outlet for conformity to the Green Label Standard.

Issuance of Green Label Certificate

The certification body (CB) request the Secretariat to issue Green Label certificate for the applicant.

Contact: [Call +233 55 843 9499](tel:+233558439499)
[+233 50 962 4909](tel:+233509624909)

The Green Label Secretariat
Ministry of Food and Agriculture
Beach Drive
Osu, Accra





QUESTIONS



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A woman in a white t-shirt and denim overalls is watering rows of young green plants in a greenhouse. She is holding a green watering can with a yellow nozzle. The plants are in black plastic trays. The background shows the structure of the greenhouse with a white covering.

**Thank
you!**

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