

# Building a vibrant social enterprise ecosystem through partnerships

SEED Practitioner Labs Policy Prototyping – Ghana 2020



**SEED**

promoting entrepreneurship  
for sustainable development



<b>Focus:</b>	Climate change mitigation and adaptation, community inclusion and resilience
<b>Ecosystem Impact:</b>	Access to Markets, Access to Finance, Entrepreneurial Mind-set
<b>Lab Cycle:</b>	Policy, Ghana 2020
<b>Solution Developers:</b>	Social Enterprise Ghana, British Council

## Background

Micro, small and medium enterprises (MSMEs) are key to Ghana's economy, comprising about 90% of registered businesses. The promotion of this group is significant for job creation, as well as for the development and commercialisation of innovative products and services. Many MSMEs have adopted a triple bottom line approach to their work, blending profit objectives with social and environmental impact. Social enterprises offer products and services that support the achievement of social objectives such as poverty reduction, and integrate marginalised groups such as women and youth along their value chains. To build a supportive environment in which MSMEs – and especially social enterprises - can thrive is an opportunity to catalyse transformation on an economic, social, and environmental level.

MSMEs face many challenges when starting and scaling their business models, especially in terms of accessing suitable financing mechanisms, linking to public and private markets, leveraging relevant skills, and accessing capacity building to scale their enterprise. Social and environmentally friendly enterprises face additional challenges to scaling, for example when serving nascent markets, delivering affordable products and services to last-mile communities, and attracting impact-focused investors.

The launch of the new MSME policy in Ghana orients the enterprise ecosystem on supporting MSMEs to grow. By supporting the development of a vibrant and thriving ecosystem of social enterprises, Social Enterprise Ghana and the British Council look to highlight the role of social enterprises and their specific support needs, building the case for tailoring ecosystem support to this target group.

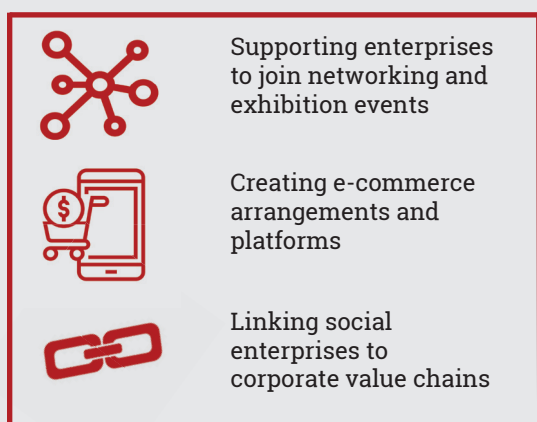
## Solution Overview

Multiple organisations are offering support tailored to social enterprises - from impact investing, impact-focused capacity building, and award schemes. To expand market access and build a greater awareness of social enterprise needs, partnerships are critical. As concluded through the conversations surrounding building a conducive environment for social enterprises held as part of the SEED Practitioner Labs for Policy Prototyping, Social Enterprise Ghana and the British Council looked to generate ideas for building a vibrant social enterprise ecosystem, and to develop partnerships and networks to promote social enterprises.

Insights from discussions at the labs pointed to three specific topics that should feature in future ecosystem efforts: integration of social enterprises into corporate value chains, support through networking, and e-commerce arrangements to bring social enterprise products and services to markets.

- 1. Linking social enterprises to corporate value chains.** By engaging corporate value chains and corporate social responsibility initiatives, the prototype aims to expand opportunities for financing and open up private sector (B2B) market access for social enterprises in Ghana. These efforts could centre around distributing the products and services to last mile communities, for example.
- 2. Supporting enterprises to join networking and exhibition events** looks to increase peer-to-peer networking while also expanding the market for social enterprises and building the case for social business models. Creating awareness in the market for the products and services developed by social enterprises increases demand, particularly in new markets. Furthermore, this holds the opportunity to open up discussions on a social enterprise labelling scheme.
- 3. Creating e-commerce arrangements and platforms.** This harnesses the opportunity of digital marketing and access to markets by selecting and sharing products and services from social enterprises on a social enterprise e-commerce platform. This looks to support enterprises looking to access regional and international markets, and encourages the building of partnerships.

## Access to Markets



- 4. Capacity Building, Knowledge Data and Business Development Support.** Because of the evolving nature of the business environment and emergence of new technologies, social entrepreneurs and their intermediaries need improved skills and knowledge to build impact enterprises that create decent and inclusive jobs. They need access to greater evidence of existing business activity, effective models for delivering impact, identify gaps in the ecosystem and how to address them.

These topics would be addressed as special projects that complement the work undertaken by Social Enterprise Ghana and the British Council, as well as other partners, in building the capacity of enterprises, increasing enterprise access to finance through a Social Enterprise Fund, and developing the support frameworks necessary to bring the enterprises from seed to scale.

To further develop and implement the ideas generated through the labs and to build interest in and the vibrancy of the social enterprise ecosystem, this prototype looks to build partnerships for joint projects. These projects align to the strategy of Social Enterprise Ghana, as the apex organisation of social enterprises in Ghana, and looks to generate opportunities for joint action for the ecosystem.

### Benefits to Eco-inclusive Enterprises

This policy prototype addresses multiple challenges facing MSMEs in Ghana, including:

- Increasing access to finance by building the case for investment into social enterprises (impact investing), and linking MSMEs to corporate and international markets through value chain integration and e-commerce.

- Increasing access to networks and partnerships by fostering collaboration between enterprises and other actors and profiling social enterprises at a national and international level.
- Increasing awareness for the needs of social enterprises through engagement of stakeholders from the public and private sector and promoting dialogue with social enterprises.

### Policy Benefits

Implementation of this prototype will bring numerous benefits to achievement of Ghana's policy goals. From an environmental perspective, increasing access to markets for social enterprises has the potential to increase the number and scale of eco-inclusive enterprises working toward innovative solutions to climate change. Encouraging the growth and development of social enterprises also generates social impacts, contributing to job creation, much of which often goes to those at the Bottom of the Pyramid (BOP) and marginalised populations, and inclusion of women and youth. These benefits are key for "creating prosperity and equal opportunity for all" under the [Coordinated Programme of Economic and Social Development Policies 2017-2024](#).

### Challenge Host Contacts

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### SEED Practitioner Labs Policy Prototyping

SEED Practitioner Labs Policy Prototyping work with policymakers and intermediaries over a multi-step collaborative process. Through this process, participants design policy instruments that increase access to and improve the quality of support mechanisms for socially inclusive and environmentally sustainable enterprises looking to scale their environmental, social and economic impacts.