

# **BUSINESS DEVELOPMENT KIT**

## **About Business Development Kit**

The Business Development Kit provides a one-stop service to potential and existing entrepreneurs. Its main objective is to provide access to relevant documents that would assist entrepreneurs in their endeavor to start and grow their businesses. The Kit therefore, contains information on services offered by various institutions, which play a critical role in the development of entrepreneurship and SMMEs in Botswana. These include Guidelines and Application Forms.

The Kit is also a tool which will widen the scope of various potential markets as well as promote business acumen, by guiding enterprises in starting their businesses.

# ONE MINISTRY ONE APPROACH

## BUSINESS DEVELOPMENT TOOLKIT

### "End-to-End Process"

#### ENTERPRISE DEVELOPMENT STAGES

- WHERE TO START**
1. CIPA- Company registrations
  2. LEA-Business facilitation
  3. PPDAB-procurement tenders
  4. BURS-tax registration & compliance
  5. DEA- EIA & other requirements
  6. EDD-unit registration
  7. Dept. of Trade & Consumer Affairs
  8. BTO-Tourism standards & requirements
  9. Gambling Authority-business facilitation
  10. DCD- Cooperative Society Registration

Entrepreneur  
Enterprises  
Company formation  
Business Name  
Registration for Tax  
Investor Facilitation

Registration  
Screening

Business  
Idea  
Business Plan  
Licencing

Gap  
Analysis

- Screening
- Incubation
- Training
- Mentoring
- Advisory Services
- Business Planning

Interventions

#### Business Facilitation & Development

- WHERE TO ACCESS FINANCE**
1. CEDA
  2. WEE Fund
  3. YDF
  4. BDC
  5. Commercial Banks
  6. Self-Financing

Access  
to  
finance

(Risk capital  
included)

#### CAPACITY BUILDING

1. LEA-Capacity building & mentoring
2. BOBS-products quality & standards
3. NFTRC- new products dev & quality improvement
4. Competition Authority- franchises, mergers
5. BITC & SPEDU-market access (local & regional)
6. BIH/BITRI/BIUST-Technology dev & Adaptation
7. DCD- Capacity building, coaching and monitoring

- Training, Project monitoring (mentoring, Co-operative auditing)
- Innovation (technology adaptation Clustering
- Business skills training
- Domestic & international markets Opportunities
- R&D (new sectors; response to world trends)

Access to markets  
Technology dev & adaptation  
Access to facilities (shells, land)

#### Business growth & Expansions

#### GROWTH & INT. MARKET ACCESS

1. BITC & SPEDU-trade missions & investor forums
2. SEZA-Special economic zones & investor facilitation
3. BTO-international al tourism exhibitions & facilitation
4. Dept. of Trade & Consumer-policies & inter. trade agreements
5. BDC& CEDA –funding high value mergers ,expansions ventures
6. BOBS, member of WTO (multilateral trading systems)
7. BIH/BITRI/BIUST-World class technology dev & Adaptation
8. DCD- Investor Portfolio Facilitation

Market Access facilitation

Further growth &  
mergers for  
increased capacity  
(export orientation)

BITC, BOBS, Ministry of Foreign  
Affairs, SPEDU, BTO, Botswana Trade  
Commission, Dept of Trade &  
Consumer

Large Enterprises

Graduation from SMME

BDC & CEDA Large Projects funding

BITC international market access

Stakeholder Participation

## **A. FORMATION OF A CO-OPERATIVE SOCIETY**

Co-operatives are **people-centered enterprises** owned, controlled and run by and for their members to realise their common economic, social, and cultural needs and aspirations. A Co-operative Society is a body corporate, with limited liability, normally denoted “LTD” at the end of the Co-operative name. To form a Co-operative Society you need to be part of a group. There is need to contact the Office of the Director for Co-operative Development to get a guide in respect of the type and form of a co-operative you want to establish, in line with the Values and Principles of a Co-operative. Application for registration is made to the Director for Co-operative Development on a prescribed form and signed by all members. The application shall be accompanied by;

1. 3 Copies of Bye Laws
2. A Report on the viability of the proposed Society
3. Prescribed Registration fee

## **B. FORMATION OF A COMPANY**

Formation of a trading entity that is completely separate from the owner, normally denoted “(Pty) Ltd” at the end of the company name. It can be limited by shares or limited by guarantee. The SMME must complete Form 1 and 2 suggesting three names, and once one name is approved, the SMME must provide information on directorship and shareholding of the company. Companies and Intellectual Property Authority (CIPA) is responsible for business names registration in Botswana.

### **C. REGISTRATION OF A BUSINESS NAME**

Registration of a name that you will use for trading purposes only. This name is different from the main company name. There can be more than one business name to cater for the various trading styles that the promoter is putting onto the market. The SMME must complete the business name forms, and suggest three names for consideration. CIPA is responsible for business names registration in Botswana.

### **D. PROTECTION OF INDUSTRIAL PROPERTY PROCESSES**

Protection of industrial property gives exclusive monopoly on exploitation of intangible property. Individuals, small business and companies can apply for protection. The SMME must complete the following forms for the registration of the various Industrial Property services with CIPA. These include Trademarks (form 11); Patents (form 1 in triplicate); Utility Models (form 1); Industrial Design (form 7); Geographical Indication (form 17); Traditional Knowledge (form 20); and Integrated Circuits (form 9). After completion of the relevant application form for the particular IP right, the SMME must submit the form to the Registrar, Industrial Property, which must be accompanied by an application letter, after paying the prescribed fee. The application will be examined to see if it fulfils all requirements of the Industrial Property Act, 2010 to determine if it can be approved or rejected.

### **E. PROTECTION OF COPYRIGHT**

Copyright gives an author of an original literary and artistic work exclusive rights to authorize or prohibit the use of his works for a limited time period. Literary and artistic works include (books, music, photographs, film, drawings, paintings, works of architecture, etc). Copyright is automatically protected therefore there is no need to register at

CIPA to acquire protection. However, CIPA keeps a database of protected works submitted for recording. Additionally, CIPA provides for the sale of hologram which is meant to authenticate sound and audiovisual works. Individuals and SMME must complete the form for the sale of hologram, with an application fee, and affix it to their works.

## **F. REGISTRATION FOR TAX PURPOSES**

The SMME must registration for the following basic tax requirements: Income tax (mandatory for every employer); Value Added Tax (compulsory if the business turnover is above P500 000 per annum or voluntary if its lower); Tax clearance/Exemption certificate (normally a requirement for public procurement such as tenders).

## **G. PPADB REGISTRATION**

The SMME must register with the Public Procurement and Asset disposal Board in accordance with the nature, size and category of the business.

## **H. EDD REGISTRATION**

EDD is a Government initiative intended to promote locally manufactured goods by offering preferential margins/treatment on procurement to companies. The SMME must fulfill the following:

1. Completion of EDD registration forms
2. Submit copies of financial statements

3. Submit trade license or waiver thereof
4. Submit certificate of incorporation and Tax/VAT certificate
5. After adjudication and approval, an EDD certificate will be issued, to be utilized during every public procurement bid to take advantage of the EDD dispensation.

## **I. CAPACITY BUILDING**

Upon registering a company and acquiring the necessary licenses and permits, SMMEs are offered business support services to capacitate them to start and grow their businesses. These include business advisory, basic and advanced training, on-site monitoring and coaching, facilitation of access to funding, facilitation of access to markets, business incubation, technology adoption and diffusion as well as mentoring services. These interventions are offered by the LEA, CEDA and the Department of Cooperatives.

## **J. BUSINESS FUNDING**

When the SMME has perfected their business idea and developed a business plan, the business plan is submitted to financing institutions for consideration. Each financing institution has its own criteria of assessing loan applications. Examples include CEDA, Youth Development Fund, Gender Affairs Women Empowerment Fund, and commercial banks such as Barclays Bank, Stanbic Bank, First National Bank Botswana, Standard Chartered Botswana and others.

## **K. PRODUCT AND PROCESS CERTIFICATION**

When the SMME has started production, they must go through the certification process, to standardize and certify the quality of the products and services. Product and service certification enables the producer to compete with established producers and suppliers, and also enhances external market penetration. The Botswana Bureau of Standards is responsible for standardization and certification in Botswana.

## **L. EXPORTATION OF PRODUCTS AND SERVICES**

When the SMME is well established with capacity to produce and satisfy the local market, they can enroll in the Botswana Export Development Programme. The programme prepares them to fully understand the targeted external markets, and capacitates them to produce and meet the international market demands. Exportation of local products and services is driven by BITC and the Department of International Trade.

## **M. DOMESTIC AND FOREIGN INVESTMENT**

When the SMME has developed into a competitive and sustainable business, they can invest in various viable sectors in Botswana, with assistance of institutions such as SPEDU, SEZA, BDC and BITC.

**This business development kit also contains additional information on services offered to the SMMEs by various organizations, guidelines, checklists, application forms and documentation that will guide the SMMEs to make informed decisions when starting and operating their businesses. Follow this link for more information: [https://www.dropbox.com/sh/fz0z0fhrr1cox11/AACR5dRxtHM77Xw\\_hdM3DBAna?dl=0](https://www.dropbox.com/sh/fz0z0fhrr1cox11/AACR5dRxtHM77Xw_hdM3DBAna?dl=0)**