

# FRAMEWORK FOR BUSINESS PLAN

## BUSINESS PLAN

The business plan is the responsibility of the experienced commercial farmer or mentor. It can address the following aspects:

- 1. Executive summary.** A concise description of the enterprise and parties involved. Economically sustainable land reform enterprise based on the PALS framework.
  - Successful commercial partner and mentor involved.
  - Identity of the black farmer(s), commercial farmers and beneficiaries.
  - Product, market and market access.
- 2. Structure – Property and Shareholding**
  - Property, land, map and shareholding of company.
  - Illustrate the entities and persons involved schematically.
- 3. Structure – Management and Beneficiaries**
  - Directors, management, mentorship and shareholding.
  - Packaging and marketing agreements
  - Employees Trust – advantages, socio-economic goals (housing, pension, medical, training, etc.)
- 4. Risk / Needs**
  - “SWOT” analysis
  - Suitability of land, water, economic unit, financing, taxation challenges.
- 5. Expertise**
  - Experience and expertise of the mentor and team.
  - Proven credit record and success.

## 6. Supporting environment

- PALS centre: information, negotiation, training, monitoring, and dispute resolution.
- Financial institutions.
- Industry organisations.
- Auditors and experts on water, subdivision, taxation.
- Marketing channels and service providers.

## 7. Employment creation, socio-economic upliftment.

## 8. Financial projections

- Income and expenditure budgets and projections based on market research and industry norms.
- Breaking even within a certain time frame.
- Ability to pay off loan.

## 9. Conclusion and summary

- Confirm that the involved parties have the ability to conduct the new enterprise successfully.
- Optimal resource application.
- True transformation and economic growth to the benefit of those involved.

## 10. Being adaptable.

The PALS framework and phases are adaptable to the unique requirement of each region and farming enterprise.

