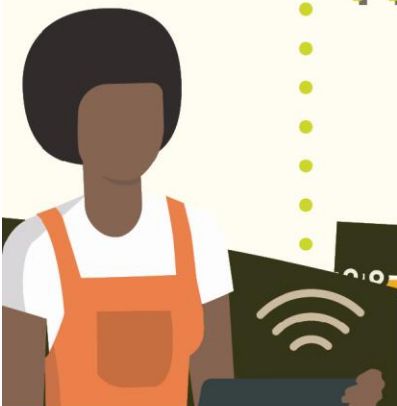




# INNOVATIONS SERIES



## BUSINESS PROFILE



**DERCOLBAGS PACKAGING LTD. COMPANY**

**GHANA**

[HTTPS://DERCOLBAGS.COM/](https://dercolbags.com/)

### ABOUT DERCOLBAGS PACKAGING LTD. COMPANY

- Company status: Limited company
- Year of registration: 2018
- Number of employees: 18 – all of them are youth and 8 are women



**Derrick Sarfo, founder and CEO**

Derrick was raised in a family of 8 children by his mother who was a businesswoman. He started his professional career as a freelancer in the advertising industry, before founding DercolBags Packaging Ltd. Company (DercolBags Packaging). With partners, he later founded a second company named Spex (Smartpack Exchange) that

operates as an online platform for food vendors and restaurants to use re-usable packaging containers.

With more than half a decade of experience as an entrepreneur, Derrick works continuously on developing new knowledge and skills. He is a Because International Corp. (USA) Certified Entrepreneur, an Orange Corner's alumni and became an advisor for later Orange Corners cohorts. He is also a fellow of the Miller Center for Social Entrepreneurship (USA), and of Westerwelle Foundation's Young Founders Programme (Germany).



Funded by  
the European Union

## BUSINESS MODEL

Mission: to empower women entrepreneurs to replace single-use plastic packages with eco-friendly packages for a cleaner environment.

Vision: to become a leading brand in sustainable and smart packaging across Africa, adding value to made-in-Africa products for domestic and international markets.

DercolBags Packaging is a company that produces eco-friendly packages to replace single-use plastic packages. The company was created by Derrick after the tragic floods and fire that plunged the Kwame Nkrumah Circle in Accra, Ghana, on 3<sup>rd</sup> June 2015. This urban area operates as a major traffic hub where a lot of waste accumulates which clogs gutters and blocks run-off water routes, leading to disastrous flooding in times of heavy rainfall.

In order to prevent future similar disasters in Ghana and Africa, Derrick started advocating for alternative packaging from community to community and encouraged the use of eco-friendly solutions. Over time and based on the feedback from most audiences DercolBags Packaging was established in 2018 as a social enterprise that helps to eradicate single-use plastic pollution from communities by supplying eco-friendly and biodegradable packaging and education to businesses and communities. The company is committed to empowering all stakeholders, especially women and the youth.

DercolBags Packaging is a pioneering producer of eco-friendly and biodegradable packaging in Ghana.

The company provides tailored solutions for businesses (including small and medium-sized enterprises, and SMEs) in various sectors. Over 463 businesses have been served thus far.

## STRONG RELATIONSHIPS WITH SMALLHOLDERS, COOPERATIVES...

As a social enterprise, DercolBags Packaging aims to empower the most vulnerable and marginalized community members, particularly women. The company works closely with women by training them on sustainable packaging and by distributing their packages to market women who sell them to individuals.

The company works with farmers that do food processing or product export. They currently work with 16 farmers, of whom 50% are women.

**PRODUCTS AND MARKETS**

DercolBags Packaging has developed a wide range of eco-friendly packages made with recycled and regenerated materials such as paper and cardboard which makes them easier to recycle. Their offer includes generic and custom-made packages for food or retail products.



generic paper bags



corrugated boxes



pouches



custom-made packages



food packages



food packaging service

DercolBags Packaging supplies their products to businesses that operate in various sectors. Their main clients are food services and retail businesses, but they also serve wholesale, manufacturing and e-commerce operators. About 40% of the packages are directly sold to companies, the majority of the products (about 60%) is being distributed to market women, who sell them to individuals.

In addition to producing alternative packaging solutions, the company provides training services, such as in sustainable packaging. They also offer consultancy procurement services to provide professional advice and solutions to clients to help them choose the right packaging solution which will help improve the performance of their businesses.

**INNOVATIONS: MILESTONES AND EXPANSION PLANS**

When the company started, DercolBags Packaging had to create a demand for their alternative packages in place of single-use plastic packages. This included finding businesses that were already seeking for sustainable packaging but mainly convincing businesses that used single-use plastic packages to adopt eco-friendly packages. To do so, the company engaged with (potential) customers to make them aware about the financial costs occurred by plastic waste and the impact on the environment, including their carbon footprint. The resilience and efforts in communication made by the company led to a growing customer base. DercolBags Packaging further helps their customers by adding value to their products and services for local and international markets.

Working with customers also includes sensitising them on how to use eco-friendly packages to ensure that they are properly disposed and collected for recycling.

The company also partnered with local paper recycling companies to collect and recycle wastepaper boards, cardboards, used packages, waste sheets into new sheets or other forms of raw materials for reuse.

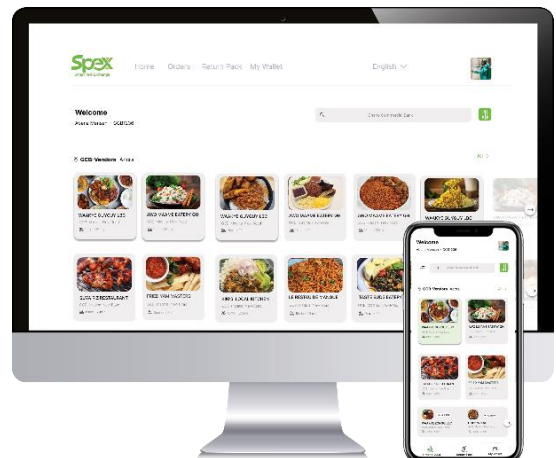
Derrick and his partners went beyond the supply of eco-friendly recyclable packages and created the

company SPEX to provide restaurants and food services with reusable food packaging. Placing their orders on the SPEX platform, clients can order take-out food from registered vendors/restaurants. The take-out food is delivered by partnered couriers and later picked up and returned to the SPEX Hygienic Center. There the food containers are machine-washed, sterilised and prepared for reuse. The containers can be used 100.000 times before going into recycling.

SPEX currently works with 10 food vendors/restaurants and 4 partnered couriers. 1,811 orders have been made using the SPEX platform on which over 4,600 users have registered.

DercolBags Packaging aims to expand their business in Ghana and in surrounding countries with local production of eco-friendly packaging. To meet the objective of increasing the production in Ghana to 6 million paper bags a month, the company needs to buy new production machines. At the same time, the company wants to open another package hub for launch their geographical expansion.

Regarding SPEX, Derrick and his partners want to franchise the solution in other parts of Africa.



**SUCCESS FACTORS AND LESSONS LEARNED**



DercolBags Packaging contributes to the attainment of several United Nations Sustainable Development Goals (SDGs), among other responsible consumption (SDG 12), climate action (SDG 13), and life below water (SDG 14). Overall, the company estimates to have positively impacted over 5 million lives since its creation.

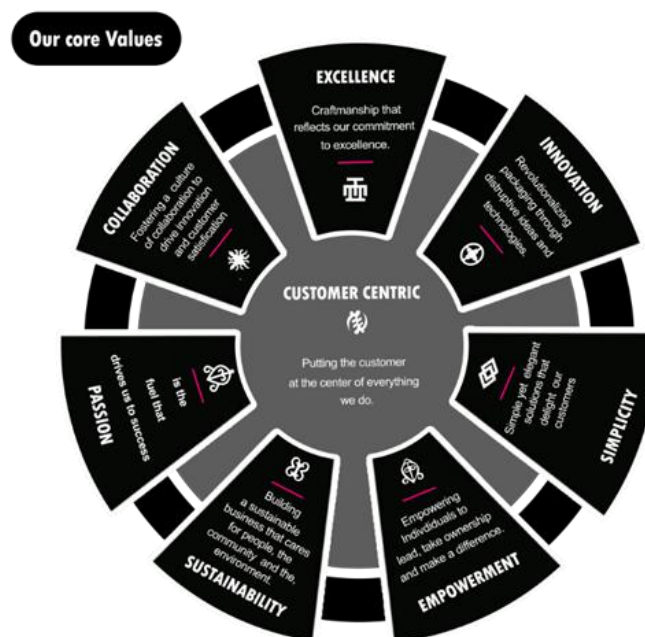
Eco-friendly packages have a reduced environmental impact compared to single-use plastic and do not contribute to the existing massive amount of plastic waste. This indirectly helps Ghanaian (women) fisher folks who fish up more plastics than fish because of the high plastic pollution rate.

Since the start of their operations, DercolBags Packaging estimates to have contributed to eradicate 12,000 metric tons of single-use plastics. Moreover, by locally producing eco-friendly packaging, DercolBags

Packaging reduces the environmental impact associated with importing packaging materials.

From a business perspective, developing local capacities to produce eco-friendly packaging solutions saves costs to companies as they do not have to pay for the importing fees of packages that usually come from remote foreign markets. Adapting to and investing in new packaging innovations and technologies give businesses a competitive advantage, contribute to more sustainable business practices, while supporting the expansion of product offer and market reach.

DercolBags Packaging operates based on a customer centric approach which means that they consider customers when carrying out each action.





At the same time, DercolBags Packaging aims to empower local communities and to increase the accessibility of these packaging technologies for small-scale farmers and businesses. The company supports local economies, including through the creation of 45 direct and indirect jobs. They also contribute to capacity development and have – thus far – trained 142 individuals on sustainable packaging and 12,000 more online.

In partnership with other organisations, DercolBags Packaging offers women entrepreneurs training in eco-friendly alternatives to packaging. Women are the leaders of many local businesses such as wholesalers, retailers and agents of packaging products in Ghana's major traditional markets and restaurants. They are thus key actors of change in the fight against single-use plastic packages that DercolBags Packaging mobilises.

Derrick has participated in business development and acceleration programmes to successfully develop

DercolBags Packaging. He took part in the Orange Corners acceleration programme, an initiative of the Netherlands Ministry of Foreign Affairs that provides young entrepreneurs across Africa, Asia and the Middle East with training, mentorship, network, funding and facilities to start and scale their businesses. During the programme he gained knowledge about business models, key point indicators (KPIs), and learned how to better pitch his business to investors and to structure his business. This acceleration programme also enabled Derrick to later apply for the Orange Corners Innovation Fund (OCIF) and secure an investment worth GHS 293,750.00 (€34.110.-) to rent a new facility and purchase new machines.

In 2023, Derrick also participated in the six-month Westerwelle Young Founders Programme (YFP) that supports 25 high-potential leaders with the resources they need to scale their ventures and develop their leadership skills.





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