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REPUBLIC OF GHANA

MINISTRY OF FOREIGN AFFAIRS
AND REGIONAL INTEGRATION

P. O. Box M53
Accra, Ghana

Our Ref.: EC/GEA


31st July, 2024

**INTRODUCTION OF THE NEW GHANA
ENTERPRISES AGENCY CLASSIFICATION AND
DEFINITION OF MICRO, SMALL AND MEDIUM ENTERPRISES (MSMES)**

I have the honour to inform that Parliament has, at the instance of the Ghana Enterprises Agency (GEA), passed a Legislative Instrument 2470 (LI 2470) on 31st October, 2023, on the Classification and definition of Micro Small and Medium Enterprises (MSMEs) Regulations, 2023 which defines MSMEs as follows:

- **Micro Enterprises;** are businesses with employees of 1 up to 5 persons with a turnover of an amount less or equal to GH¢150,000 Ghana Cedis or a fixed asset value of an amount up to GH¢150,000.
- **Small Enterprises** are characterized by permanent employees between 6 to 30 persons with a turnover of more than GH¢150,000 up to GH¢6 million or a fixed asset of more than GH¢150,000 up to GH¢6 million.
- **Medium Enterprises** are characterized by permanent employees between 31 to 100 persons with a turnover between GH¢6 million to GH¢18 million or a fixed asset of an amount more than GH¢6 million up to GH¢18 million.
- **Large Enterprises** exceed the criteria set for Medium Enterprises in terms of employment size, turnover, or fixed asset value.

2. All Missions and Bureaux are kindly requested to take note of the re-classification and definition of the MSMEs accordingly.


AMB. RAMSES J. CLELAND
CHIEF DIRECTOR

**ALL OFFICERS AT BASE AND ABROAD
ALL MISSION'S AND BUREAU**

Cc: Hon. Minister
Hon. Deputy Minister
Chief Director
Coordinating Director's
Directors
Heads of Units
OICs

GHANA ENTERPRISES AGENCY (CLASSIFICATION OF
MICRO, SMALL AND MEDIUM ENTERPRISES)
REGULATIONS, 2023

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**GHANA ENTERPRISES AGENCY (CLASSIFICATION OF
MICRO, SMALL AND MEDIUM ENTERPRISES)
REGULATIONS, 2023**

IN exercise of the power conferred on the Minister responsible for Trade and Industry and on the advice of the Board by paragraph (a) of section 32 of the Ghana Enterprises Agency Act, 2020 (Act 1043), these Regulations are made this day 30th of October, 2023.

Preliminary Provisions

Purpose of Regulations

1. The purpose of these Regulations is to
 - (a) provide for the criteria for the classification of micro, small and medium enterprises in the country;
 - (b) provide a national definition for research activities and data collection relating to micro, small and medium enterprises; and
 - (c) facilitate the compilation of a national register of micro, small and medium enterprises.

Application of Regulations

2. These Regulations apply to an enterprise which operates in the country and falls within the thresholds specified in these Regulations for micro, small and medium enterprises.

Classification of Micro, Small, Medium and Large Enterprises

Criteria for classification of micro, small and medium enterprises

3. (1) The Agency shall classify an enterprise as a micro enterprise if that enterprise has permanent employees of one up to five persons and
 - (a) a turnover of an amount less or equal to one hundred and fifty thousand Ghana Cedis; or
 - (b) a fixed asset value of an amount up to one hundred and fifty thousand Ghana Cedis.
- (2) The Agency shall classify an enterprise as a small enterprise if that enterprise has permanent employees of six up to thirty persons and
 - (a) a turnover of more than one hundred and fifty thousand Ghana Cedis up to six million Ghana Cedis; or
 - (b) a fixed asset value of more than one hundred and fifty thousand Ghana Cedis up to six million Ghana Cedis.

*Ghana Enterprises Agency (Classification of Micro,
Small and Medium Enterprises) Regulations, 2023*

(3) The Agency shall classify an enterprise as a medium enterprise if that enterprise has permanent employees of thirty-one up to one hundred persons and

- (a) a turnover of more than six million Ghana Cedis up to eighteen million Ghana Cedis; or
- (b) a fixed asset value of more than six million Ghana Cedis up to eighteen million Ghana Cedis.

(4) Where the employment size, turnover or fixed asset value of an enterprise exceeds the classification provided for a medium enterprise under subregulation (3), the enterprise is considered as a large enterprise.

Miscellaneous

Interpretation

4. In these Regulations, unless the context otherwise requires,
- “fixed asset” means a long-term asset including an equipment, land or an industrial plant that is used in the
 - (a) operation of an enterprise; or
 - (b) production of goods or services;
 - “permanent employee” means a person who works for an employer and who is directly paid by that employer, with no predetermined end date to the employment; and
 - “turnover” means the value of sales transacted in a given year.

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HON. K. T. HAMMOND (MP)
Minister responsible for Trade and Industry

*Ghana Enterprises Agency (Classification of Micro,
Small and Medium Enterprises) Regulations, 2023*

Date of *Gazette* notification: 31st October, 2023.

Entry into force: 30th November, 2023.