A FEASIBILITY REPORT FOR A PIG FARM AT EMEKA ABALU STREET, ENUGU STATE BY PATO VENTURES

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BRIEF DESCRIPTION OF PROJECT

The intention of this business plan is to evaluate the economic viability and feasibility of the development of a 100 acre Pig farm in Enugu north community, Enugu state. The farm will produce not less than 450 fatty and healthy pigs in a period of not less than 6 months thereby making not less than 900 fatty and healthy pigs in a year. Animal products are primarily a source of proteins and essential amino acids, but when they are a major constituent of the human diet they also contribute a significant proportion of total calories. In developed countries they provide more than 30 percent of calories in the diet. In developing countries, however, this proportion is less than 10 percent, but they are a source of essential amino acids that balance the largely vegetable-based proteins. Pigs are wanted for their meat, milk, fibre and skin. Pig meat is consumed by many in Nigeria due to its unique taste and how nutritious it is. Moreover it has endless demand all over Nigeria. The farm will purchase the species of goat that produce the best kind of meat, milk and hides and skin.

This proposed project will generate tons of income from various states.

SPONSORSHIP

This project is being sponsored by a fellow agricultural enterprise in Borno state which specializes in poultry production and also production of various crops. The enterprise is large and has existed for over 10 years.

MANAGEMENT

The enterprise will be headed by a board of directors which will consist of three agricultural experts and potential business partners and 3 shareholders in the enterprise. It is the sole responsibility of the board to isssue out initiatives and directives for the prosperity of this enterprise. The head of the board of directions by person of the CEO is charged with the duty of supervising and asserting to the activities and decisions of the board. In other words the CEO must agree to all initiatives passed by the board in order for them to be actualized.

TECHNICAL ASSISTANCE

Enugu north community has close ties with two neighboring communities which will provide technical assistance as regards the supplying of different breeds on goats.

Equipments and necessary tools needed on the farm for building of infrastructure and general maintenance will be supplied directly from Onitsha.

The sponsor of this project has close ties with Isi Ngwa community and as such they will also provide technical assistance as regards the feeds for the pigs.

The state Agricultural department will render technical assistance by providing labour force and recommendation of a very reliable and efficient veterinary doctor who will check up on the goats and ensure that they are medically alright.

As concerns the acquisition of the land, the LGA chairman, welfare chairman, and finance officer,Umu Ada together with the sponsor have agreed to split the cost of land amongst themselves.

MARKET SALES

Market orientation: South East, South South, South West, East

Uses of product: Meat and milk for human consumption

Hides and skin for production of leather materials like bags

Fibres

Manure: Most pig farmers prefer to use goat manure. , manure provides important organic matter to the soil, maintaining its structure, water retention and drainage capacity. The value of manure is so well-recognized that some farmers keep livestock especially pigs and sometimes poultry primarily for this purpose.

COMPETITION ANALYSIS

Pig farms exist in two communities in igbo-eze north Local Government, Enugu state. One of these communities produces 280 pigs in 5 months and the other 600 pigs in 10 months. Also in Southern states pig farms are coming up and generating a lot of revenue.

TARIFF AND IMPORT RESTRICTIONS

All equipment and tools to be used are made in Nigeria hence no expense on import duties. Also no importation of live pigs.

MARKET POTENTIAL

There is high demand all over Nigeria. Some say it is highly demanded in Northern states and some say it is highly demanded in the south and the East. I think it is safe to say that it is highly demanded in Nigeria.

PROFITABILITY

Animal products not only represent a source of high-quality food, but, equally important, they are a source of income for many small farmers in developing countries, for purchasing food as well as agricultural inputs, such as seed, fertilizers and pesticides. In addition, at farm level, cash can be generated regularly from direct sales of livestock products, such as milk, eggs and manure, occasionally from the sale of live animals, wool, meat and hides and from fees for draught power or transport services. Livestock also provide increased economic stability to the farm or household, acting as a cash buffer (small livestock) and as capital reserve (large animals), as well as a deterrent against inflation.

Like every other business there will be certain factors such as diseases, climate amongst others that may pose a threat to the goat farm but there will be properly constructed solutions and ideas brought up to curtail these mishaps. As long as all hands are on deck these solutions will succeed

TECHNICAL FEASIBILITY, RESOURCES AND ENVIRONMENT

In terms of technology, a website will be created where people can go and inquire about breed of goats being sold in the farm and their prices. People will also be able to book for their goats online and pay online if they deem fit.

The farm shall be established in an area not too far from town so that buyers from the town can easily troop in, also there is to be a market near the farm land seeing as market sellers are also potential buyers, they will also patronize the farm. Moreover there will be great source of clean and fresh water. The area is also very suitable for setting up pasture

GOVERNMENT SUPPORT AND REGULATION

The project is being supported by the Enugu state government seeing as it is in line with the economic diversification aim of the government. It also supports exchange and import reduction. It creates economic opportunities, market access, improved income for farmers and support food security objective of government. The project will benefit from government intervention fund in the agriculture sector. The project will also benefit from the favourable policy of zero duty for import of equipment. The project will contribute largely to employment; the livestock-product processing sector has also been identified as a contributor to employment generation and the reduction of rural depopulation.

PROJECT TIMELINE

The project will be completed within 8 months from the day of commencement

ESTIMATED PROJECT COST AND REVENUE

FIXED COST

1. Land preparation

|  |  |  |  |
| --- | --- | --- | --- |
| Activity | Qty | ₦ | K |
| Land clearing | 1 acre | 115,000 | 00 |
| Fencing | 1 acre | 400,000 | 00 |
| Pasture | 1 acre | 300,000 | 00 |
| Shelter | 1 acre | 450,000 | 00 |
| Subtotal | 1 acre | 1,265,000 | 00 |
| Total | 100 acres | 126,500,000 | 00 |

1. Equipment

|  |  |  |  |
| --- | --- | --- | --- |
| Name | Qty | ₦ | K |
| Bulldozer. | 1 | 6,500,000 | 00 |
| Holding pen | 50 | 800,000 | 00 |
| Sorting pen | 50 | 500,000 | 00 |
| Ear tagging | 500 | 5,000,000 | 00 |
| Pasture clipping equipment | 30 | 2,000,000 | 00 |
| Cleaning equipment | 40 | 450,000 | 00 |
| Hay chopper | 1 | 500,000 | 00 |
| Feeders | 500 | 950,000 | 00 |
| Groomingequipment | 30 | 450,000 | 00 |
| Total |  | 17,150,000 | 00 |

TRANSPORTATION

Estimate of 300,000 naira in a year**.**

OPERATING COST

|  |  |  |
| --- | --- | --- |
| Working capital | ₦ | K |
| Ploughing / 1 acre | 9,500 | 00 |
| Harrowing/ 1 acre | 9,500 | 00 |
| Bricklaying/ 1 acre | 80,000 | 00 |
| Subtotal | 100,000 | 00 |
| **For 100 acres** | **10,000,,000** | 00 |
| Interest per acre | 33,000 | 00 |
| **For 100 acre** | **3,300,000** | 00 |

AMORTIZATION

|  |  |  |
| --- | --- | --- |
|  | ₦ | K |
| Land clearing amortization per acre | 20,000 | 00 |
| For 100 acre | 2,000,000 | 00 |

REVENUE

|  |  |  |
| --- | --- | --- |
| @ ₦50,000 per goat | ₦ | K |
| Revenue per acre | 500,000 | 00 |
| **For 100 acre** | 50,000,000 | 00 |

FUNDING MECHANISM

The LGA chairman, welfare director, finance director, the Umu Ada and sponsor from Borno will supply 60 acre of pasture land and 40 acre of cleared land for building of infrastructure

CONCLUSION

The project is advisable for funding seeing as it is commercially viable and is of important to the community and country at large.

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