NAME: ORAKA IFUNANYA ANNETTE

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DEPARTMENT: PHARMACHOLOGY, 200LVL

COURSE: AFE 202 (FOOD PRODUCTION AND HEALTH AWARENESS)

ANSWER

A BUSINESS PLAN FOR POULTRY FARMING IN OGID TOWN,ANAMBARA STATE, NIGERIA BY AGROKEN INVESTMENT CONSULT LIMITED

* PROPOSED BUSINESS NAME: Nanya’s Poultry Farm
* PROPOSED BUSINESS LOCATION: Ikenga Ogidi Anambra state, Nigeria.

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It is acknowledged by the reader that information furnished in this business plan is in all respect confidential in nature, other than information which is in the public domain through other means and that any disclosure or use of same by the reader, may cause serious harm or damage to the promoters of the proposed business.

Upon request, this document is to be immediately returned to the promoters of the proposed business.

Signature: O I A

Name: Oraka Ifunanya Annette

Date: 21st April, 2020

EXECUTIVESUMMARY- Poultry farming in Nigeria is one of the most lucrative especially when it is set up and managed properly. This aspect of livestock farming present one of the finest opportunity for us as entrepreneurs to make good money in Nigeria within the shortest period of time possible due to quick maturity of chickens. It is considered in this business that food is a basic human need and a necessity for human life. In Nigeria we have over 160 million people which you will probably find 100 million consumers in the country who buy poultry product on a daily basis. After conducting an effective external environment evaluation in Ogidi in Anambra State, we found out that there are very few poultry farms there, poultry products are imported from abia and other parts of Nigeria. This increases the cost of sales and transportation. Sometimes, they find it difficult to meet the consumers need. Considering all these factors, this makes our idea viable and feasible.

This facility will only produce layer and broiler birds to prevent an overlap of ideas and due to the limited resources available. Meaning that in the future Nanya’s poultry farm might decide to bring in more ideas.

It is expected that in the first year of production, the farm should be able to produce about 60 crates of egg daily and generate more than 1 million as revenue. Spent layers should be sold at the end of a year of laying eggs and the money should be used in getting replacement birds. The business has decided to collaborate with experts and investors because the business involves bringing together all available industrial facilities that a single business might not be able to provide.

SPONSORSHIP- The project is sponsored by PAT farms and Agro vet, partners for layers and broilers poultry farm and have their insurance with Alico Insurance PLC. They believe that a quality agribusiness is as a result of well operated, efficient and profitable farms. Agro ken investment consult limited will be responsible for the management of consultancy of the projects.

MANAGEMENT- The poultry farm management teams are individuals who are responsible for day to day running of the farm which include monitoring the welfare of feeding them and ensuring they are in good health. The key management teams are as follows;

* Poultry farm manager (CEO)
* Assistant farm manager
* Poultry stock man
* Executive marketing and sales manager
* Production manager
* Part time workers/cleaners

The poultry farm manager is responsible for planning, organizing and managing the affairs of the farm.

TECHNICAL ASSISTANCE- Technical assistance will be received through the EU/IBAR for Pan African Control of Epizootics (PACE), FGN/FAO/UTF for Special Programme for Food Security (SFPS), USAID technical assistance for Strengthening the Manpower Development in Epidemiology and Veterinary Public Health and FAO technical assistance for meat inspection and the production of the country report on Animal Genetic Resources.

MARKET AND SALES-Market orientation: south east, Nigeria

Market Share: 5% niche market in south East Nigeria

Users of Products: Chicken meat for humans

Eggs for humans

Breeding Incubated Chicken for Farmers

COMPETITION ANALYSIS- There are very few Poultry farms in Anambra State so poultry products are imported from Jos and other parts of Nigeria. This increases the cost of sales and transportation. Sometimes, they find it difficult to meet the consumers need. Based on the above analysis, competition in terms of production in South East is non-existent compared to the demand for these products.

TARIFF AND IMPORT RESTRICTION- Forex restriction on food importation and zero duty on agricultural equipment will favour the project under consideration.

MARKET POTENTIAL-There is strong demand for poultry products in the South-Eastern part of Nigeria. The state of infrastructure though not perfect, still supports production and trade within Nigeria. The Poultry farms average client will be a slaughterhouse, farmers market or chicken distributor in the business’ focus audience.

PROFITABILITY- Biological, Chemical, Physical, Environmental and Weather factors such as temperature, sunlight, water, poultryfeed, diseases, air, pests, price fluctuations and other risks (personal, production or financial risks) could affect profitability. However, technical, scientific and financial based solutions will be employed to hedge against risks and safeguard profit. Insurance services would assist the farm if there be any case of fire, flood or death. Disease resistant varieties of poultry that can absorb and sustain the shock of infections will be grown and preventive means of insect and predator control will be used to protect the chickens.

TECHNICAL FESIBILITY-The projects (production of chicken meats and eggs) are technically feasible. In terms of technology, which involves the collection of eggs, separation of chickens and disease control, the industrial processes are simple and a specialist in poultry farm management with more than 10 years working experience is part of our team. The needed equipment for the poultry farm management is readily available and our experts have hand on usage and maintenance of the equipment.

GOVERNMENT SUPPORT AND REGULATION-

The project conforms to the economic diversification objective of the Government. It also supports foreign exchange and import reduction conservation of the government. It creates economic opportunities, market access, and improved income for poultry farmers and supports food security objective of the government. The project will also benefit from the favourable policy of zero duty for agricultural and equipment import. Restriction of forex for all food products will also widen market opportunity. The project will contribute significantly to employment, output increase, stable price and exchange rate.

PROJECT TIMELINE- The project would be completed between 8 months between 18th may to 18th December

ESTIMATED PROJECT COSTS-

|  |  |  |  |
| --- | --- | --- | --- |
| S/N | ITEMS | NO. OF ITEMS | ESTIMATED COST IN NAIRA |
| 1 | Land | 2 plots |  |
| 2 | Building and fencing | - |  |
| 3 | Water sources | 1 borehole |  |
| 4 | Wheel barrows | Five |  |
| 5 | Lighting system | - |  |
| 6 | Waste disposal system | - |  |
| 7 | Cleaning equipment & tools | - |  |
| 8 | Cages, coops, perches & nets | - |  |
| 9 | Feeders | 500 |  |
| 10 | Crates/ egg trays | 500/50 |  |
| 11 | Heaters/incubators | 50/30 |  |
| 12 | Broiler starters (chicks) | 1500 |  |
| 13 | Starter layer | 1500 |  |
| 14 | Cockerels | 750 |  |
| 15 | Medicine/feed | - |  |
| 16 | Workers payment | - |  |
| 17 | Transport vehicles | - |  |
| 18 | Maintenance | - |  |
| 19 | Other expenditures | - |  |
| 20 | Risk anticipatory (insurance) | - |  |
| 21 | Grand total | - | 18,525,000 |

FUNDING MECHANISM- The business will source its capital through;

* Bank loan; the loan will be pursued in the First Bank where 81% of the capital involved will be secured.
* Contribution from partners; since the business is a group entrepreneurship oriented business; the partners will contribute about 1-2% of the capital involved.

CONCLUSION- The project is technically feasible and commercially viable in ogidi anambra, and even Nigeria at large. It is therefore recommended for funding.