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Course: **Food Security**

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## **Executive summary**

The Anyasi Tilapia Fish farm business will be established to meet the fish demand in the state. It will be situated in IKA SOUTH, AGBO DELTA STATE. It was ensured the site has adequate water supply round the year, for pond filling and other uses and also easily accessible by roads or any form of transport to reach the market for easy fish disposal. In addition to this the accessibility of inputs such as feed, seed, fertilizer and construction material should also be available nearby the site. The main economic significant of the business is to contribute towards narrowing down the fish demand supply gap deficit in Nigeria as well as supply nutrients such as protein and minerals such as iron, zinc, iodine, magnesium and potassium to the population in Delta state and after a couple of years to the nation at large. The Anyasi fish farm will focus solely on producing tilapia in the first few years due to its exceptional taste and hardy resistance to disease, not forgetting also the high demand for this type of fish. The fish pond will cover no less than half an acre and be six to nine feet deep over at least a quarter of its total surface area. This farm would hold a capacity of 1700 fingerlings and would be fed till they grow and sold in the market once they reach desirable size and marketing requirement.

The proposed business plan will create economic opportunities because fish farming is one of the most lucrative agricultural business both in Nigeria and across the Globe and also this business plan will help impact positively on people by meeting their nutritional need. We are out to make the fisheries industry a passionate and rewarding venture with well cultivated fishes.

## **Sponsorship**

The Anyasi Tilapia fish farming project in Ika South, Agbo local government Delta state will be financed partly by Pentagon Farm, State Ministry of Agriculture, International Fund for Agricultural Development and First Bank PLC at 20%, 30%, 25% and 25% respectively. This project caught the eye of these sponsors as a result of poor agricultural activities, low production of agricultural produce, low income of farmers in the state. The agriculture department in the University of Delta has pledged to help tremendously in providing their expertise and technical-know-how. Shoniki S.A.B Agric C.O.O/consultant will be responsible for the management of consultancy of the project.

## **Management**

This business is made up of board of directors whose sole responsibility is to provide growth and long term success for the business. Anyasi Tilapia fish farm at its birth stage will be run by me but managed by Emmanuel Paul and JIDE JEJE who are all members of the management team, they are all experienced in the field of fish farming and have managed various fish farms across the state. And also a practicing consultant will be subscribed for professional advice on

modern and developing methods of fish farming, this will ensure that we constantly remain in the confines of current practices and standards.

AS the owner of this establishment I will be responsible for the day to day management of the cooperative business and while myself and the other members of the team will help in organization of resources, monitor the affairs of the business in order to achieve our set goal.

## **Technical Assistance**

We will be looking at working with tilapia Aquaculture Developers association of Nigeria. They will be in charge of production and processing of the produce and will provide technical assistance. We are also looking to partner with Ajina motors for the distributions of this produce across the state. The Local government chairman has also vowed to organize a yearly award ceremony to reward the farmers. The cost for distribution and processing will be funded by the Bank of Agriculture. A loan of 5,000,000 million naira will be needed for the maintenance of the ponds and also for unforeseen circumstances e.g. Diseases. The university of Delta agricultural department has volunteered to use their farm for the production of the feed. the cooperative will receive a grant from bank federal ministry of agriculture for provision of The equipment's such as pumps, aeration devices, seine reels, handling and grading equipment etc. required for the smooth running of the business .The 50% monthly salary of the workers will be paid by the state ministry of Agriculture while the other half we be paid from The money made by the business.

## **Market and Sales**

With the location of our business in south south,Delta state,agbo local government to be specific, we hope to enjoy huge patronage of the large population here. The following are our target market;

- 1) ibo market
- 2) Effurun Market
- 3) Main market warri
- 4) Okere market

We are planning to meet a capacity of 1700 tilapia fishes per month. We are also planning to reach out to industrial users that utilize the fish for fish meal production and other products.

Anyasi tilapia fish farm will adopt a pragmatic system of marketing to ensure rapid turnover in the business. The major marketing strategy of Anyasi tilapia fish farming are;

- 1) Direct communication: we shall endeavor to use direct communication method to market our products to our customers. This will involve face to face interactions, phone calls and bulk messaging etc.
- 2) Online marketing: This will involve the use of social media platforms (example Facebook, twitter, WhatsApp etc.) we will also advertise on blogs through sponsored post.

Market orientation: Domestic; South South (Delta state)

Market share; 10% in Delta state

Users of product: Nutrient for humans, Fish skin contain collagen useful for cosmetic industry to increase skin elasticity and strength, Contains omega-3 fatty acids useful in the field of medicine

## **Competition Analysis**

Even if there is relatively low agricultural activities in this part of the country, there are still several competitors in this business line. However our focus on particular type of fish enable us channel our expertise. It also enhances our production output as the quality of our tilapia fish is Unbeatable. Our firm also operates in line with standard fish farming practices and that enables us to roll out fish product that meet the craving of every consumer. We have in practical terms the competitive edge over others in the same business which are;

- 1) Suitable business location
- 2) Passionate, skilled and experienced labor
- 3) Quality fish product
- 4) Solid business strategies
- 5) Standard fishing practices

Many may say our current size may give our competitors an edge, but i disregard this statement .This is not a major problem because we have put in place definite plans that will lead to the expansion of our farming enterprise in the shortest time possible

## **Tariff and import restriction**

Since we are not importing any goods, food and services at the moment, and all equipment's that will be used are locally made we are free from Tariff and every form of import restrictions.

## **Market potential**

The market for tilapia fish is huge and is ever increasing. Tilapia fish has been rated the best kind of fish for fish farming, due to their large size, high protein and potential to grow in larger size. There also tremendous number of commercial benefits due to its high demands, not to mention the impact it will have on national economic development.

## **Profitability**

Physical factors such Water temperature is one of the most important physical factors affecting fish growth and productivity, availability of light energy to fish pond ,turbidity .Biological factors such as pests , diseases e.g. dropsy, Fin/tail rot, swim bladder disease etc. and also Economic factors e.g. Price fluctuation etc. have major effect on the yield, growth, productivity and also Profitability . However we have thought of strategic means to curb this Factors to its minimum. Also simple scientific methods like ensuring the water temperature is right for the fishes and if not adjusted to the appropriate temperature etc. will be employed. And in cases where scientific, technical and financial based solutions are required, they will also be employed to hedge against risk and safeguard profits.

## **Technical Feasibility**

The technological aspect such has manufacturing, transportation, required technology, labor among others will be handled by a group of well skilled and experienced experts in the field. The pond will be constructed and designed by Rotimi arch and designs, they are tested and trusted, we had to go for the best in town because failure to properly design the fish ponds will lead to problems which include fish ponds that fail to hold water, fish ponds that break up, fish ponds that cannot be drained completely (which leads to incomplete harvests thus poor production in future cycle).

The consistent product inspection. Disease control and availability of therapeutics, appropriate stock quality, will be handled by the management team. The state government has

also provided infrastructure which is suitable for smooth running of the business in terms product, packaging, and processing the product. Our business will be implemented using standard and generally accepted practices and also Eco friendly. The both technical and manual equipment will be available and will be handled by experts. So this project is technical feasible.

## **Government support and Regulation**

The importance of this project in economic development cannot be under rated. It will play a major role in poverty reduction, sustainable livelihood etc. this business will also contribute to food security both directly by providing people with protein and nutrient and also indirectly by providing source of income to farmers and the state, not forgetting both employment and revenue generated from this business will have induced multiplier effect in other sectors of the economy, so it fair to say this business can serve as important engine driving local and national economic development. The firm will also benefit from government intervention fund. Since all food, produce, and equipment used are locally made and we have no need to import, this will help widen the market opportunity and help the exchange rate. If we can achieve our expected targeted within the next few years we are more than likely to attract foreign investors, who can develop the business and help the agricultural sector at large.

## **Project time line**

This project will be completed within 7months between July 2020 to January 2021 this period was suggested with the hope that the weather condition will be suitable ,and also the recent pandemic will have come to an end .

### a) Acquiring land

<b>Land (200 x200)</b>	<b>N500,000</b>
<b>Land right</b>	<b>N60,000</b>
<b>Evacuation and fencing of plot</b>	<b>N397,000</b>
<b>Total</b>	<b>N957,000</b>

### b) Pond construction

<b>1 concrete ponds to carry 1500 fishes(3m x2.5m by 1.4m each) 210 blocks required</b>	<b>N45,000</b>
<b>1 trip of sand</b>	<b>N12,000</b>
<b>½ trip of gravel</b>	<b>N17,000</b>
<b>Cost of labour</b>	<b>N25,000</b>
<b>Cost of plumbing ( inlet and outlet facilities)</b>	<b>N55,000</b>
<b>Cost of well digging (water source)</b>	<b>N30,00</b>
<b>Cost of pump machine to pump water to overhead tank</b>	<b>N60,000</b>
<b>Cost of pond treatment</b>	<b>N30,000</b>
<b>Cement (15 bags)</b>	<b>N20,000</b>

<b>TOTAL</b>	<b>N294,000</b>
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### **c) Equipments**

<b>Aeration device</b>	<b>N90,000</b>
<b>Seine reels</b>	<b>N35,000</b>
<b>Feeding equipment's</b>	<b>N70,000</b>
<b>Harvesting equipment's</b>	<b>N110,000</b>
<b>Equipment for maintenance, monitoring and repair</b>	<b>N103,000</b>
<b>Other facilities</b>	<b>N200,000</b>
<b>Timer for aerators</b>	<b>N22,200</b>
<b>Water test kit</b>	<b>N44,440</b>
<b>Rotary cutter</b>	<b>N36,000</b>
<b>Other ( waders, dip nets etc)</b>	<b>N16,300</b>
<b>Total</b>	<b>N690,940</b>

### **D) Vehicle**

<b>Vehicle type</b>	<b>Qty</b>	<b>Amount</b>
<b>Sienna</b>	<b>1</b>	<b>N4,000,000</b>
<b>Motor bike</b>	<b>1</b>	<b>N1,500,000</b>
<b>TOTAL</b>	<b>2</b>	<b>N5,500,000</b>



## E) Operating Cost

<b>ITEM</b>	<b>UNIT</b>	<b>QTY</b>	<b>COST</b>
<b>fingerlings</b>	<b>fish</b>	<b>15,000</b>	<b>N123,000</b>
<b>feed</b>	<b>ton</b>	<b>59.4</b>	<b>N239,500</b>
<b>Labor</b>	<b>hour</b>	<b>55-75</b>	<b>230,000</b>
<b>Electricity(aerators)</b>	<b>hour</b>	<b>6,000</b>	<b>N97,000</b>
<b>Levee repair and maintenance</b>	<b>Year</b>	<b>1</b>	<b>N32,000</b>
<b>Well operation</b>	<b>Acre-foot</b>	<b>33</b>	<b>N46,000</b>
<b>Disease control/depredation</b>	<b>Acre</b>	<b>10</b>	
<b>Telephone</b>	<b>Total</b>	<b>1</b>	<b>N27,200</b>
<b>supplies</b>	<b>Total</b>	<b>1</b>	<b>N19,500</b>
<b>insurance</b>	<b>Naira</b>	<b>N 13,400</b>	<b>N13,400</b>
<b>consultancy</b>	<b>Naira</b>	<b>N45,000</b>	<b>N45,000</b>
<b>Geo spatial service</b>	<b>Naira</b>	<b>N4,700</b>	<b>N4,700</b>
<b>Interest( 9 months)</b>	<b>Naira</b>	<b>N650,864</b>	<b>N650,864</b>

<b>Mechanization and storage</b>	<b>Total</b>	<b>N105,000</b>	<b>N105,000</b>
<b>Tax</b>	<b>Naira</b>	<b>Yearly</b>	<b>N 224,000</b>
<b>TOTAL</b>			<b>N1,757,164</b>

### **Amortization**

<b>Land Clearing amortization</b>	<b>N556,000: 00</b>
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## **REVENUE**

Our revenue projection is computed thus (which stands for profits in the first five months of activity)

Sales of 1,500 mature fish to suppliers at 750 per kilo

$$= \text{N750} \times 1,500$$

Revenue on sales of fish = **N1,125,000**

## **Funding mechanism**

I have been able to come up with a reasonable amount of money which I have saved for the past 5 years, although it's far from target budget. I intended on getting loans from the bank industry, and the good news is that we are at the approval level for fund release. The state government has also helped with some amount of cash as well as the bank of Agriculture which will go a long way for the success of this project.

## **Conclusion**

we at Anyasi tilapia fish farm with all sense of responsibility and commitment wish to appeal to your organization to come to our aid by providing a grant or loan to us to enable a standard fish farm that will impact on the agricultural sector of Delta state and Nigeria at large. And I believe its quiet evident that this business is technically feasible and profitable