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Matric no: 18/sms09/020

Dept: IRD

Course code: Afe 202

**Question**

Prepare a business plan on a chosen agricultural enterprise following the guidelines in the notes

I will be preparing a business plan based on the agricultural enterprise of livestock farming.

**BELLO’S LIVESTOCK LTD**

**WHAT IS LIVESTOCK FARMING?**

Livestock is commonly defined as domesticated animals raised in an agricultural setting to produce labour and commodities such as meat, eggs, milk, fur, leather, and wool. The term is sometimes used to refer solely to those that are bred for consumption, while other times it refers only to farmed ruminants, such as cattle and goats. Horses are considered livestock in the United States. The USDA classifies pork, veal, beef, and lamb as livestock and all livestock as red meat. Poultry and fish are not included in the category. The breeding, maintenance, and slaughter of livestock, known as animal husbandry, is a component of modern agriculture that has been practiced in many cultures since humanity's transition to farming from hunter-gatherer lifestyles. Animal husbandry practices have varied widely across cultures and time periods, and continues to play a major economic and cultural role in numerous communities. In addition to the livestock farming. Livestock animals are mostly ruminant animals. Ruminant (cud-chewing) animals such as cattle, sheep, and goats convert large quantities of pasture forage, harvested roughage, or by-product feeds, as well as non-protein nitrogen such as urea, into meat, milk, and wool. Ruminants are therefore extremely important; more than 60 percent of the world’s farmland is in meadows and pasture. For mass production.

As mentioned before types of livestock farming include the following animals: sheeps, cow, horses, goat camels etc all these animal are mainly breed for man consumptions. Traditionally animal, husbandry was a part of the subsistence farmer way of life, producing not only the food needed by the family but also the fuel, fertiliser, clothing, transport and draught power. Killing the animal for food was a secondary consideration, and wherever possible its products, such as wool, eggs, milk and blood (by the Maasai) were harvested while the animal was still alive. In the traditional system of transhumance, people and livestock moved seasonally between fixed summer and winter pastures; in montane regions the summer pasture was up in the mountains, the winter pasture in the valleys. Statistical speak animal husbandry has a significant impact on the world environment. It is responsible for somewhere between 20 and 33% of the fresh water usage in the world, and livestock, and the production of feed for them, occupy about a third of the earth's ice-free land. Livestock production is a contributing factor in species extinction, desertification, and habitat destruction. Meat is considered one of the prime factors contributing to the current sixth mass extinction. Animal agriculture contributes to species extinction in various ways. My goals are simple I want to be successful livestock farmer and my aspiration is for my farm product can extend to all part of Nigeria, then the whole world.

**SPONSORSHIP, MANAGEMENT AND TECHINCAL ASSISTANCE**:

Sponsorship and technical assistance can be gotten from organization like Food and Agriculture organization of the United Nations (FAO) other organization include Nigerian agricultural insurance company. They sponsor starting companies that participate in agricultural business they give ideas of how to start a business even give out funds. It can also be given by close by industry. Livestock management requires strong business sense and a firm understanding of how farm and ranches operate. Livestock managers are responsible for running the business. They must keep accurate financial records and supervision of workers and ensure proper feeding of the animals. If you enjoy working with animal my management style of this company is extensive farming it is a livestock management system used on large non-cultivated land where animals can graze freely. Extensive farming is mainly chosen for cattle to produce meat and milk sheep and goats.

**Market and Sales:**

There are different method of selling my products in the market and all require a good bit of effort, time, expense, and sometimes, aggravation, to succeed.

After series of research my first piece of advice to aspiring company is to start small, and to make my mistakes while I have fewer animals to contend with. Nothing can be more costly and demoralizing than to have a whole bunch of animals ready to be sold, and you have no viable market, and you end of having to sell them for low and unprofitable prices. As you build your marketing skills and client base, you can grow your animal populations to fit those markets. Direct Marketing is a very popular way of selling to the public, and can be manifested in several different ways. The first is the ever-popular Farmers Market. This is an excellent way to meet with your customers and to build a client base. However, farmers markets can take an inordinate amount of time to prepare for, work at, and then pack up and return home. Many small-scale farmers have outside employment, and can find it burdensome to work, raise animals, and then be involved in a farmers market, which can be grueling in time commitments.

**Technical feasibility, project engineering, resources and environment**:

Technology is developing rapidly. In this development, the transfer of computer systems and software to the application has made an important contribution. Technologic instruments made farmers can work more comfortable and increased animal production efficiency and profitability. Therefore, technologic developments are the main research area for animal productivity and sustainability. Many technologic equipment and tools made animal husbandry easier and comfortable. Especially management decisions and applications are effected highly ratio with this rapid development. In animal husbandry management decisions that need to be done daily are configured according to the correctness of the decisions to be made. At this point, smart systems give many opportunities to farmers. Based on the resources given to us in Nigeria I see room for great improvement in the company and with the support if of the sponsor become a bigger company.

**Government Support and Regulatory Policies**:

Livestock make a major, although largely underestimated, contribution to rural development in developing countries. They produce food, enhance crop production and provide additional economic goods and services as well as cash income. The inclusion of livestock diversifies and increases total farm production and income, provides year-round employment and disperses risk. Despite these positive contributions to agriculture and economic development, many formal livestock projects have failed to meet their objectives, with the result that donors are becoming more and more reluctant to support such developments. Furthermore, animal production is increasingly being viewed far more critically.The difficulties associated with increasing sustainable animal production are exacerbated by limited public-sector investment and weak, ineffective support services. Programmes and projects are often poorly designed and inadequately targeted, leading to the inefficient and fragmented allocation of scarce development resources. Policies related to the livestock sector are often incoherent with ill-defined goals and with little or no assessment of their likely impact. The lack of consistent, integrated strategies that focus limited resources on identified and attainable goals remains a major constraint to livestock development.

**Project Implementation Timelines**:

The Nigerian government has adopted National Livestock Transformation Plan. It says the plan is not targeted at only cattle but the entire animal husbandry sector in the country. Under the plan, N100 billion will be spent with the federal government contributing 80 per cent in grant, while states will contribute land, project implementation structure, personnel and 20 per cent cost of the project. With help from the Nigerian government my dreams came to possibility with donation of funds the company was finally able to beginning in production with the growth rate of this business in the next five years I hope that my company with be part of the top 20 richest companies and with the support of my government I should be able to expand my business to other parts of the world apart from Nigeria.

**Financial Evaluation – project cost and revenue estimates**:

For a capital of 2,000,000 I want to start a business

|  |  |  |
| --- | --- | --- |
| **ANIMALS** | **TOTAL NUMBER** | **AMOUNT** |
| One plot of land |  | 150,000 |
| COW | 100 | 300,000 |
| GOAT | 50 | 120,000 |
| Tractor | 3 | 150,000 |
| Employees | 30 | 150,000 |
| Delivery trucks | 2 | 50,000 |
| Maintenance |  | 50,000 |

In total =2,000,000- 970,000

=1,030,000

For each delivery made by the company we make N100,000

And as time goes on technology depreciates and we have to get new ones the more we expand the more profit made.

**Funding Mechanisms**:

My funding mechanism includes donations from from other big farms like Obasanjo farm, Usman Dantata farms, Jovana farms and other big farmers. Local investors also has invested in my business as well as the loan gotten from the bank. And also get funds from my partners in the business.

**Conclusions**:

Livestock production has grown faster than agricultural production in most developing countries, and this trend is likely to continue with growth rates over the next 20 years estimated at 4.5 percent per annum. Historically, growth has come primarily from the expansion of livestock number rather than an increase in productivity. If this trend continues, it will put tremendous pressure on the available feed resources. This is the reason why I have decided to go into livestock it has a greater potential of fast growth and it is becoming number rushed market in the world I inspire to put my companies out there before it is too late.