**NAME; NNAM PRECIOUS CHINONYE**

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 **Executive summary and brief description of project**

A BUSSINESS PLAN FOR THE DEVELOPMENT OF A POULTRY INDUSTRY AND DISTURUBUTION OF POULTYRY FEEDS ACROSS GOVERNMENT FARMS IN KANO NIGERIA BY DANGOTE’S ENTERPRISE AND OTEDOLA AGRIBUSINESS AND VENTURES.

This business plan examines the establishment of a poultry industry of over 1000 hectares of land in the agricultural revolution jigawa kano donated by dangote’s enterprise. This poultry farm will produce about 5million livestock which consists of

* The west African dwarf
* Broilers
* Exoctic/imported breeds of chicken
* cockerel
* turkey

 **Benefits Offered By Poultry Farming:**

(1)It requires less investment compared to rearing other livestock. It requires only around Rs. 10,000/- on fixed capital and rearing of about 100 chickens. This means that small and marginal farmers and even agricultural laborers can start farming on a small scale. While chicken will start laying eggs in 8 to 10 weeks, broilers can be sold after 6 weeks by which time they would have grown to 1.25 kg weight.

(2)It gives rapid return on investment. Chicken start laying eggs in 8 to 10 weeks and broilers can be sold for meat between 6 and 10 weeks. The interval between generations is very small and hence, production can be phenomenally increased within a short period.

(3)Broilers intake of feed is comparatively very low while it produces maximum possible amount of food for us. Poultry is capable of utilizing as its feed large quantities of byproducts like bran, substandard grains, vegetables etc. which normally go as waste, thus saving for the farmer a portion of his expenses towards poultry feed.

(4) Poultry farming is a continuous source of income. It is not seasonal and can produce income for the entire year. While chickens lay eggs between 6 to 8 months, broilers take only 6 to 10 weeks to bring in income. Meat, eggs, feathers and manure of chicken and broilers are all saleable and income generating. Poultry farming in a small scale requires only minimum space and they can be reared even in the backyards of homes.

(5)Poultry farming requires very little water for both drinking and cleaning. One litre of water is sufficient for 5 birds for a day.

Poultry droppings are rich in nitrogen and organic material and hence, are considered valuable as fertilizers.

**ECONOMIC BENEFITS OF POULTRY FARMING**

Poultry feathers are also used for making pillows, fancy articles and curios.

Poultry offers good full time or part-time employment opportunity to farmers.

Poultry products like egg and meat have high nutritional value. Among all edible meat, broiler meat has the least fat content. It can also be cooked in its own fat and does not require any from outside. Poultry meat contains more protein and essential amino acids than other meats and are low in its cholesterol content c in comparison.

**SPONSORSHIP**

This project is sponsored by alhaji aliko dangote Alhaji Aliko Dangote GCON (born 10 April 1957) is a Nigerian businessman and philanthropist who is the founder and chairman of Dangote Group, an industrial conglomerate in Africa. The dangote group has a Department of Agriculture and experts with many years of experience in the project being proposed. Otedola Agribusiness and Ventures will be responsible for the management consultancy of the projects.

**MANAGEMENT**

The management of this project will comprise of a democratically elected Board of Directors at the apex of the organization structure. This will be made up of shareholders and member of the cooperative who have stake in the survival, growth and profitability of the business as well as distinguished agribusiness professionals of proven integrity and vast experience in the project area. The objective of the management board :

(1)To be able to give strategic directions and policies that will ensure long term success of the organization.

(2)The board will ensure that the organization complied with all standards set by regulatory authorities.

The Managing Director/President shall be responsible for the co-ordination of the day to day management of the cooperative business. He is accountable to the Board of Directors; he will mobilize organization resources to achieve set goals. He will manage business risks and focus on wealth creation.

**TECHNICAL ASSISTANCE**

The dangote group will help with the IT needs of this project because the dangote group has a working group of technical board ready to partner with us on this project, also the dangote group is ready to partner with the bank of agriculture(BOA) where our sponsor himself “alhaji aliko dangote” is ready to award 5 best poultry farmers in each LGA area of kano and overall best poultry farmer in the entire state. Bank of Agriculture has agreed to finance production of the 500hectares of land for the poultry farming through a loan at 9% interest rate (anchor borrower’s scheme) given to the cooperative.

The dangote group will fund the processing factory and access finance for the poultry industry from BOI (Bank of Industry) at the rate of 9% . The cooperative will also seek grant from United State Africa Development Foundation(USADF). The dangote group has relationship with commercial banks and will approach one for loan to clear the land which will be leased to members of the cooperative.

The dangote group has a working relationship with kano State Government, kano State Ministry of Agric, Farmers’ Union, Agric Cooperatives and individual farmers. The dangote group will get technical support from this relationship in the area of production through contract farming or outgrower scheme.

**MARKET AND SALES**

Market orientation: domestic; north West & north East, Nigeria

Market Share: 5% niche market in north West, north East Nigeria

Users of Products: edible meat for human consumption, milk for human consumption, diary products for human consumption.

**TECHNICAL FEASIBILITY**

The projects (production of meat and diary production) are technically feasible. In terms of technology, which involve the installation of ventilating and monitoring system and also heating systems for the transport of eggs,chicks and feed, the industrial processes are simple and a veterian is needed for the livestock in the medical field with more than 20years experience is part of our team..

On the meat and diary production, we have specialists in mechanization, irrigation, farm management, poultry production, weed science, market development, agric extension and accounting as part of our management team. We also have specialists in quality control as part of our management team. The state of infrastructure around the dangote group and generally in kano is adequate and suitable for the location of the farm/firm for efficient production, processing and marketing of our products .

**GOVERNMENT SUPPORT AND REGULATIONS**

The project conform with the economic diversification objective of the government. It also supports foreign exchange and import reduction conservation of government. 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 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 stable exchange rate.

**TIMELINE OF PROJECTS**

The project will be completed within 7months preferably between febaury , 2019 to **August,** 2020 because this is a7months project to be completed in order to curb unemployment in the country.

The major competitors in the north West are da’u aliyu memorial poultry farms and yalari ventures also with the glad tidings integrated farms and amintacce poutry farms. The dangote group farms will target a market niche and penetrate through cooperative societies to make our brand popular. From our analysis, integration of production and processing will give us a competitive advantage.

**Estimated Project Costs and Revenue**

**Fixed Cost**

EQUIPMENT

1. INCUBATION EQUIPMENTS

|  |  |  |
| --- | --- | --- |
| equipments | quantity | Cost(naira) |
| Setter | 50 | 200,000 |
| Hatcher | 500 | 150,000 |
| Compressed air system  | 200 | 400,000 |
| Emergency standby electric plants | 20 | 300,000 |
| Hatchery automation equipments | 70 | 500,000 |

(2)EGG HANDLING EQUIPMENTS

|  |  |  |
| --- | --- | --- |
| Equipments  | quantity | Cost(naira) |
| Hatching egg trays | 100 | 300,000 |
| Hatching egg transfer machines  | 80 | 270,000 |
| Egg handler | 70 | 150,000 |

(3)BROODER EQUIPMENTS

|  |  |  |
| --- | --- | --- |
| Equipments  | quantity | Cost(naira) |
| Charcoal stove / kerosene stove  | 250 | 100,000 |
| Gas brooder | 200 | 285,000 |
| Electric brooder | 100 | 400,00 |
| Infra red bulbs  | 600 | 70,000 |

POULTRY FEEDS

Alfalfa meal (high protein, good for winter)

Corn (a mainstay for chickens, store whole)

Field peas (for protein, to avoid soybean use)

Wheat

Oats and/or barley (less than 15 percent of the total diet together)

Total cost of feeds : ₦1,000,000

**FUNDING MECHANISM**

The dangote group will provide 400Ha of cleared farmland around kano state agriculture ventures and lease it to members of the cooperative. The dangote group will lease out energy plants to farmers in the state.

Equity investor to provide equity for equipment and vehicles purchase

Where possible equity investor to provide equity for working capital or otherwise secure loan at the rate of 9% through government intervention window at the Bank of Agriculture, Bank of Industry and Commercial banks.

**Conclusion**

The project is technically feasible and commercially viable. It is therefore recommended for funding. And also it will economically beneficial to the government and citizens of the state.