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ANSWER

A BUSSINESS PLAN FOR THE DEVELOPMENT OF 100 HECTARES FISH FARM (FISHERY) AT RUNO’S FISHERY FARM, ASABA, DELTA STATE, NIGERIA.

First of all, what is an agricultural enterprise? This means those small business concerns engaged in the production of food and fiber, ranching, and raising of lifestock, aquaculture, and all other farming and agricultural related industries. The chosen agricultural enterprise I am going to be preparing a business plan on is FISHERY.

Generally, a fishery is an entity engaged in raising or harvesting fish which is determined by some authority to be a fishery. A fishery is an activity leading to the harvesting of fish. It may involve capturing of wild fish or raising of fish through aquaculture. It is typically defined in terms of the “people involved, species or type of fish, area of water or seabed, method of fishing, class of boats, purpose of the activities or a combination of the foregoing features”. The definition often includes a combination of fish and fishers in a region, the latter fishing for similar species with similar gear types. Broader definition of a fishery includes the environment upon which the target animals are dependent. For example, a fishery has been defined as “ a system composed of three interacting components: the aquatic biota, the aquatic habitat, and the human users of these renewable natural resoures”.

Futher description of the business, already as said earlier the land for the business has been acquired, working capital (finance) is available, site preparation which includes excarvation of land, drilling of borehole to ensure constant water supply for the fish. Building of ponds thereafter, we there for move to the purchase of fingerlins to stock the ponds for effective take off and also the purchase of fish food for the feeding and also make provision for fish treatment for the fishes in the pond.

For the Sponsorship, Management and Technical Assistance:

SPONSORSHIP: The project is sponsored by Oberiko Ogheneruno Favour, who has a BSC In agricultural science. Oberiko Ogheneruno Favour is promoting the productivity of fish farming (fishery) in Asaba through the Runo’s Fishery Farm Cooperative limited.

MANAGEMENT: According to the Food and Agriculture Organization of the United Nations (FAO), there are “ no clear and geneally accepted definitions of fisheries management”. However, the working definition used by the FAO and much cited elsewhere is: The integrated process of information gathering, analysis, planning, consultation, descision-making, allocation of resources and formulation and implementation, with enforcement as necessary, of regulations or rules which govern fisheries activities in order to ensure the continued productivity of the resources and the accomplishment of other fisheries objectives. Having said that, the management will comprise of a democratically selected Board of Directors.This will be made up of shareholders and member of the cooperative who have stake in survival, growth and profitability of business as well as distinguished agribusiness professionals of proven integrity and vast experience in project area. The prime objective of the board will be to give strategic directions and policies that will ensure long term success of the organization. The board will ensure that the organization complied with all standards set by regulatory authorities.The Managing Director/ President shall be responsible for the coordination of the day to day management of the cooperative business (Runo’s Fishery Farm). He is accountable to the board of Directors; he will mobilize the organization resources to achieve set goals. He will manage the business risk and focus on wealth creation.

TECHNICAL ASSISTANCE: The cooperation has a relationship with BOA (Bank Of Agriculture), and also has a working relationship with Delta State Government.

MARKET AND SALES:

Market Orientation: domestic; South south & South east, Nigeria

Market Share: 5% niche market in South south & South east Nigeria

Users of products: fish and fish produces for resturants in the South south, edible Cod-Liver Oil for humans, fish fertilizer for improving soil health.

COMPETITION ANALYSIS: This is the assessing and analyzing the comparative strengths and weakness of competitors. That being said, there are not enough or a lot of fishery farms around Delta State being that the main produce/business here is oil . Hence, the competition is not that high thereby assuring good business.

TARIFF AND IMPORT RESTRICTION

Due to the fact that the product in question is an easily perishable food, therefore it can’t be imported. Also, Forex restriction on food importation and Zero duty on imported agricultural equipment will favour the project under consideration.

MARKET POTENTIAL

There is a strong demand for fish and fish products in the market especially in the southern part of Nigeria. As this is an everyday food sold in the markets.

PROFITABILITY:

Weather, biological, chemical, physical, and environmental factors such as temperature, sunlight ,water , air, water conditions, varities of fish diseases or water borne diseases, price influctuation and other risks could affect the yield and profitability. However, technical, scientific and financial based solutions will be employed to hedge against risks and safeguard profit. Pond treatment options will also be ensured regularly.

FOR TECHNICAL FEASIBILITY, PROJECT ENGINEERING, RESOURCES AND ENVIRONMENT: The projects ( harvesting of fish (fishery)) is technically feasible. In terms of technology, which involve the building of ponds, the industrial processes are simple and a specialist in fishery with more than 10 years of experience is part of our team. The needed equipment are readily available and our experts have hand on experience in usage and maintenance of the equipments. The state of the infrastructure is adequate and suitable for the location of the farm and firm for marketing. We are implementing our project using the best international practices, sustainable production and due consideration for the environment. Although some degree of deforestation will occur, the EIA ( Environmental Impact Assessment) report shows little or no damage to the environment as it relates to the issues of climate change.

GOVERNMENT SUPPORT AND REGULATION:

The project conform with the economic diversification objective of the government. It also supports foreign exchange(in the case of the dry or stock fish product) and import reduction conservation of government. It creates economic opportunities, market access, improved income for farmers and support food security objectives for the government. The project will benefit from the government intervention fund in the agricultural 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 also contribute to employment, output increase, stable price and stable exchange rate.

PROJECT IMPLEMENTATION TIMELINES:

The project will be completed within 6 months preferably between April, 2020 to September, 2020.

FINANCIAL EVALUATION-Project cost and revenue estimates:

1. LAND CLEARING- #200,000
2. EQUIPMENTS: Total cost for the equipments needed is an estimate of -#1,500,000
3. BUILDING OF PONDS: Number of ponds to be built =50 - #2,000,000
4. REMAINING WORKMANSHIP AND ORDER EXPENSIS: Such as revenue, amortization, borehole drillage, e.t.c - #10,000,000

TOTAL AMOUNT TO BE SPENT ON THE PROJECT SUMS UP TO: #13,700,000

FUNDING MECHAMISM: The sole sponsor Oberiko Ogheneruno Favour will provide 100 Ha of cleared farm land and lease it to member of the cooperative. With also some fund from the bank of agriculture and the Delta state government.

CONCLUSION: In conclusion, for effective management of Runo’s Fishery Farm, constant mon itoring and supervision will be ensured to avoid infection or death of any stock or rather fish. Futhermore, the project is technically feasible and commercially viable. It is therefore recommended for funding.

THE END.