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MATRIC NO: 18/LAW01/160

COURSE TITLE: INTRODUCTION TO FOOD SECURITY.

ASSIGNMENT

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

A BUSINESS PLAN FOR THE DEVELOPMENT OF A CASSAVA FARM AT NNAMDI AZIKIWE UNIVERSITY FARM, AWKA, ANAMBRA STATE, NIGERIA BY MUKA AGRIBUSINESS VENTURES AND CONSULTANCY CONFIDENTIALITY AGREEMENT.

The undersigned reader acknowledges that the information provided in this business plan is a confidential intellectual property; therefore, the reader agrees not to disclose it to a third party without the express written permission of the promoters of the proposed business. 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:

Name:

Date:

CONTENTS OF A BUSINESS PLAN

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- 2) Sponsorship, Management and technical assistance
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Executive Summary/ project description

Muka agribusiness ventures is a registered commercial farm that will be based in Awka, Anambra State. We have done our detailed market research and feasibility studies and we were able to secure a well situated and suitable farm land to start our commercial cassava farm. Our commercial farm is going to be a standard farm hence will be involved in commercial cassava cultivation, laundry starch and animal feed production. This farm product has always been a source of livelihood and the food for millions of Nigerians. 90% of Nigerians households consume cassava products every day. Some of the meals are: garri, wheat-flour, animal feed, commercial caramel and a lot more. As the population of Nigeria, and Africa as a whole continues to grow, the demand for cassava products will continue to skyrocket, leading to higher revenues generated by cassava farmers. This widespread of cassava products will continue to

place it as a cash crop that always gets bought after a harvest and guarantees a good profit after sales.

Sponsorship

The project is sponsored by Obieze Onyeneme Ifeyinwa. She is a PHD holder and the Head of Department of food science and technology, Nnamdi Azikiwe University. She is a business entrepreneur who encourages youth in engaging agribusiness ventures. She provides a platform where youths that have no money for tuition or don't have jobs can engage in agriculture and earn money. She owns a lot of big scale business with farms, poultry and extraction plants inclusive. Muka agribusiness venture and consultancy will be responsible for the management consultancy of the project.

Management

The management will comprise of a democratically elected board of directors headed by the CEO Mr. James Okafor. With a background of plant biology, he will be the driving force of the operation, growing the highest active ingredient content plants in the country. This Board Of Directors will be made up of shareholders 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.

Technical assistance

The university has a working relationship with Anambra state government, Anambra state ministry of agric, farmer's union, agric cooperatives and individual farmers. The university will get technical support from this relationship in the area of production through contract farming

Market and sales

We are quite aware that the reason why some commercial cassava farms hardly make good profit is their inability to sell off their cassava as at when due. Our sales and marketing team will be recruited based on their vast experience in the industry and they will be trained on a regular basis so as to be well equipped to meet their targets and the overall goal of the organization. Over and above, we have perfected our sale and marketing strategies first by networking with agriculture merchants and companies that rely on cassava as their major raw material.

Tariff and import restrictions

Forex restrictions on food importation and zero duty on imported agricultural equipment will favor the project under consideration.

Market potential

There is a strong demand for cassava in the East and Western part of Nigeria. The state of infrastructure though not perfect still supports production and trade within Nigeria.

Financial projections and costing

Fixed cost	#	#
1ton stainless steel grater	480,000	
Pressers(more than 10 bags at a time)	150,000	
Stainless steel fryers	260,000	
Generator	150,000	

Borehole	500,000	
Two 2,500l tanks	80,000	
Scaffolding	40,000	
Farm house construction	150,000	
Total fixed cost	1,810,000	
		1,810,000
Variable costs		
Cassava cutting for two hectares	50,000	
5 bags of fertilizers	33,000	
Agro-chemical	19,000	
Fuel	32,625	
Salary(manager/annum)	360,000	
Salary(2 processors/annum)	480,000	
Salary(2 permanent laborers/annum)	400,000	
Total variable cost	1375,125	
		1,375,125
Total costs		3,185,125

Profitability

Weather, biological, environmental, chemical and physical factors such as temperature, sunlight, water, air, soil conditions, and varieties of seeds, pests, diseases, price fluctuation and other risks could affect yield and profitability. However, technical, scientific and financial based solution will be employed to hedge against risks and safeguard profit.

Our target market

Almost every household makes use of products from cassava or consumes cassava in different forms. In essence, a commercial cassava farmer should be able to sell his or her farm products to as many people as possible including laundries, flour companies, wheat companies, livestock farmers and other production companies that make use of cassava as raw materials.

We will ensure that we position our business to attract consumers of cassava and production plants that rely on cassava as raw material not just in the southern part of Nigeria but throughout Nigeria.

Sustainability and Expansion strategy

The future of a business lies in the number of loyal customers they have, the capacity and competence of their employees, their investment strategy and the business structure. One of our major goals of starting Muka Agribusiness ventures and consultancy is to build a business that will survive off its own cash flow without injecting finance from external sources once the business is officially running. We know that that one of the ways of gaining approval and winning customers over is to sell our farm produce (organic and non-organic cassava) a little bit cheaper than what is obtainable in the market and we are well prepared to survive on lower profit margin for a while.

Muka Agribusiness ventures and consultancy will make sure that the right foundation, structures and processes are put in place to ensure that our staff welfare are well taken care of. Our organizations corporate culture is designed to drive our business to greater heights and training and re-training of our workforce is at the top burner of our business strategy.