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Course: Entrepreneurship

Department: Nursing

### Assignment

A business plan for the development of a 50 hectares oil palm plantation and the development of a 10 tonnes per day palm oil extraction industry at Owerri Imo State by Agrofarms limited.

An executive summary and brief description of the project:

Agrofarms limited is an oil palm plantation business that will be based in owerri Imo State. We will begin with the cultivation of oil palm on the 50 hectares of land that has been prepared for this project. We will also be processing palm oil at our extraction factory and exporting the oil gotten to other cities in Nigeria and hopefully other countries in Africa.

The goal of this business is to grow and redefine the palm oil production industry in Nigeria and even the in world

We are willing to invest in effective and appropriate cultivation, harvesting and extraction tools and equipment and also to hire dedicated employees. Permission has been secured from all important departments including the local and state government of owerri, Imo State.

Introduction, sponsorship, management and technical partners:

There are three aspects the business:

- Palm plantation farm
- Palm oil processing
- Palm oil marketing

The palm tree is a member of the evergreen group of plants, such plants don't lose their leaves in any particular season of the year. Palm trees are one of the best known and widely planted for economic reasons. The palm fruit forms in bunches and is the fruit of the palm tree. Palm oil is an edible vegetable oil derived from the palm fruit and is naturally reddish because of a high beta-carotene content.

We have been able to get sponsorship from various organizations including the state government and the agricultural society of Nigeria. We have decided to employ qualified individuals for the management of our business in the order:

- Chief executive officer
- General farm manager
- Equipments manager
- Human resources and admin manager
- Palm oil processing plant manager
- Sales and marketing officer
- Accountants/cashier

- Field workers
- Palm oil processing plant workers

We will be getting technical support from the Agricultural society of Nigeria.

Market and sales:

Market orientation: Eastern, Western and the southern Nigeria

Market share: 20% Western Nigeria, Eastern Nigeria and Southern Nigeria

Users of products: Edible vegetable oil for human, palm kernel oil for cosmetic purposes.

Competition analysis: palm oil is one of the most important economic oil crops in Nigeria and these are top palm oil producing states in the country: Akwalbom, Rivers State, Edo State, Imo State, Ondo State, Bayelsa, Cross river, Delta State.

Tariff and Import restrictions: imports represent 23% of the total domestic supply and a 35% import tariff was applied.

Market potential: palm oil is the most widely used edible oil and is in very high demand.

Profitability: Weather, biological, chemical, physical and environmental factors such as temperature, sunlight, water, air, soil conditions, varieties of seed, pests, diseases, price fluctuations and other risks e.g. Heavy rainfall that can cause the palm trees to fall.

However, technical, and financial based solutions will be employed to hedge against risks and safeguard profits.

Technical feasibility: The process involved in palm oil production is an easy one and with the help of the Equipments and experts on our team we should progress within a

short while.

Government Support and Regulation: The project supports import reduction conservation of government. It creates economic opportunities, market access, improved income for farmers creates job opportunities and support food security objective of government. The project will benefit from government intervention fund in the agriculture sector.

#### Project Timeline

The project will be completed within 5 months preferably between June, 2020 to October 2020.

Activity	Naira	Kobo
Land clearing	150,000	00
Cross cutting	15,000	00
Rome ploughing	25,000	00
Sub total	200,000	00
Total	395,000	00

#### Equipments:

Equipment	Naira	Qty
Tractor	5,655,000	1

Disc harrow	1,150,000	1
Sub soiler	1,170,000	1
Harvester	15,000,000	1
Oil palm seeds	1,423,000	1
Front loader	2,223,000	1
Boom sprayer	2,150,000	1
Total cost	28,771,000	

#### Irrigation:

Hose reel	1,0025,800	1
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#### Funding mechanism:

Agrofarmers will be providing 50 hectares of land for this business and Agricultural society of Nigeria will be providing viable seeds and Equipments and any other product required for the growth of the project.

Conclusion : The business plan is technically feasible, financially and commercially viable and is therefore recommended for funding.