

EARTH WHEEL

GROUP OF COMPANIES LIMITED

P. O. BOX 70866

DODOMA, TANZANIA



ABATTOIR BUSINESS PLAN

PREPARED FOR:

TANZANIA INVESTMENT CENTRE

(TIC) 2022

INVESTMENT OBJECTIVE:

This investment tends to bring forth a world class, fully automated, temperature-controlled ABATTOIR in Dodoma, Tanzania East Africa.

Tanzania being one of the major livestock producers in Africa. Primarily, this investment revolves around slaughtering livestock e.g. goat, sheep and cow, majorly for export. Thereby providing and exporting safe consumable chevon, mutton and beef in dry ice and treated chillers.

This initiative in its own capacity shall fill in the supply gaps of edible meats in over populated nations, as well as countries in crises and countries of distressed climate conditions where husbandry is apparently challenging.

It will create a handful of employment and business opportunities in different sectors of the economy. Locals shall have benefit of world class food chain understudy skill acquisition opportunities via trainings and practices.

To raise international supply bars of edible meat, bridging the economic gaps between local livestock farmers and world food market. To encourage and expand production capacity of livestock, providing more links to available markets and that shall ultimately alleviate livestock farmers from penury, because henceforth, the end product of their outputs shall internationally reach wider ends with the aid of this investment.

SECTOR:

Our business and investment plan falls under the umbrella of Ministry of Agriculture, Livestock and Fisheries. We do hope and trust on receiving good support and favorable business polices from Hon. Hussein Mohamed Bashe, who's the Minister of Agriculture, Livestock and Fisheries, Tanzania

PRODUCTS:

Abattoir is another name for slaughter house “machinjioni” in Kiswahili. This very abattoir shall cater for local and international demands of widely accepted edible meats, religions and races regardless.

Commercial grade COW, GOAT AND SHEEP with ripe maturity qualifications shall form the input basis of this investment, input raw material resulting to the following outputs of branded, weighed, uniquely packed steaks, mince meats, sausages, and offal.

About 17 types of BEEF, MUTTON and CHEVON edible steaks, prepared and packaged with top notch technology within a super hygienic state-of-the-art factory, controlled temperature units, second to none modern natural preserving channels and adequate layouts, automated misting, blasting units and temperature-controlled fans. Guaranteeing quality and quantity, content by content, batch by batch.

VARIETIES OF STEAKS:

- *Ribeye Steak
- *Fillet Mignon
- *T-bone Steak
- *Rump Steak
- *Hanger steak
- *Flank and Thick Flank Steak
- *Sirloin
- *Thick, Thin and Fore Rib Steak
- *Neck and Clod Steak
- *Chuck and Blade Steak
- *Brisket Steak
- *Rump Steak

*Silverside Steak

*Topside Steak

*Head, Shin, Leg and Offal

Within the sectors of Ministry of Industry and Ministry of Agriculture, the byproduct of the above-mentioned products production can improve sustainability and add value across the food processing value chain and leather works.

BYPRODUCTS:

Cold animal blood, gut fill (manure) hides and skins, bones, horns etc

COST AND SOURCE OF FINANCE:

The estimated cost of this investment project is in the range of 1,700,000 US dollars. This caters for land/building, vehicles, machineries, furniture & fittings, documentations, working capitals and others.

The board resolved and authorized Earth Wheel Logistics Ltd Nigeria to fund this investment project of Earth Wheel Group of Companies Ltd Tanzania especially in the category of land/building, vehicles and machineries which would be imported from China.

Proceeds from the joint farm project of the shareholders of earth wheel logistics ltd Tanzania would cater for furniture, fittings, documentations and running capital. In sum-up, there are two bank statements in favor of this investment project. Below are the bank account names, branches and account numbers.

1. United Bank of Africa (UBA)
Victoria Island Lagos Branch, Tanzania
Earth Wheel Logistics Ltd
017677726623
2. United Bank of Africa (UBA)
Dodoma city Branch, Tanzania
Earth Wheel Logistics Limited
56040030000808

JOB CREATION:

The ever-growing population has increased demand for agro products and produce, vast and diverse job opportunities will emanate from this very single investment project. Below are certain avenues which shall avail vacancies and residual income opportunities:

LIVESTOCK REARING: Earth wheel Abattoir shall serve as trusted readily available market for livestock farmers to trade their cattle. Those already in the business shall have reason not only to remain in the business but expanding it. This investment holds the power and potential to attract business minded people to invest into husbandry and humble unemployed youths can also venture into livestock keeping.

SUPPLY AND LOGISTICS: Lots of routine movement of inputs and outputs shall revolve around the day to day running of the abattoir. The supply of cattle from all over the regions within Tanzania and countries sharing borders with Republic of Tanzania.

Since the abattoir will be situated in Dodoma, and there are many auction markets (mnada) in Dodoma region, purchasing department under Earth Wheel Abattoir will be equipped with some open trucks for hauling purchased cattle from auction markets to the abattoir.

For our local market, an app is designed to locate and service home and butchery stores deliveries, because this is the era of e-commerce. Lots of dispatch riders for home order and temperature- controlled van for butcher store supplies. Another app also will track export outputs from departure to offshore destinations, monitor temperature, to ensure timely and freshness of deliveries. A sizeable team of committed, skilled staff shall see to the success of the supply chain, the paper works, services and maintenance.

INHOUSE CONTRACT/PERMANENT STAFF: This comprises of various departments within the factory that will see to the day to day running of the business: the management team, administrative team, inventory, accounting, production department, customer care, sales and marketing, human resource, health and safety, legal team, purchases and procurement, IT department, security and sanitation, maintenance and repairs.

BYPRODUCTS: The byproducts that results from abattoir production process can either add value or serve as raw material for other sections. For example, some abattoir byproducts can add value to the dog and fish food chain. While some byproducts can add value and sustainability to farm yields.

Bones, horns, hides and skins can serve as raw material in other industry.

FUND EXPENDITURE BREAKDOWN:

Below is the fund breakdown of estimated (1,700,000 USD) converted to Tanzanian shillings for the purpose of abattoir investment.

205,450,000/=	Land Value
1,020,000,000/=	Office block/Production block /Residence Buildings
750,000,000/=	Automobiles
60,000,000/=	Documentations: Registrations, Certificates, Licenses and Permits
700,650,000/=	Working capital
1,164,000,000/=	Furniture and Machineries
100,000,000/=	Miscellaneous
4,000,100,000/=	
Four billion, one hundred thousand Tanzanian shillings only.	

SOURCE OF SUPPLY OF INPUTS:

Tanzania has the fourth largest livestock population in the African continent comprising about 40 million cows, of which 98% are indigenous breeds, traditional processes dominate Tanzania livestock sector complemented by 19 million goats, 11 million sheep, millions of pigs and chicken. These guaranteed high-quality meat and spot in the international scale. Over 50% of all household keeps livestock and about 60 to 70% of Tanzanian population

depends on agriculture and agricultural allied activities for their livelihood. Which somehow justifies the phrase “Tanzanian money(wealth) is the bush”

The agricultural sector provides employment to about 52% of the total labour in the country.

Livestock’s activities generating over 7.4 % GDP to Tanzanian economy, it’s strong, stable and commendable... with those considered factors, implementation is feasible and realistic. Cattle herd are found and scattered all regions of Tanzania but southern highlands, lake areas and central Tanzania are the most densely populated.

Lakes 11,299,686

Central 12,987,400

Southern highlands 7,308,538

Costal 4,533,153

Northern highlands 2,967,468

The above data notwithstanding, we wish to network neighboring countries for supply and links. Good enough Tanzania, is surrounded by some countries know as giants in livestock farming and plans like seminars, workshops, literatures and other forms of support are in place to encourage and expand production capacity of livestock in those geographical settlements.

MARKETING PLAN: China is the world second largest economy and the most populated nation, our major demand and drive are coming from their market, we are from their market, available ready reliable demand and contracts, pending endorsement prior to the completion of the abattoir factory in Dodoma. Our Chinese counterparts are on standby and shall be on top of their games with regards to marketing, distribution and sales.

Creating an online app, it will be avenue for Dodoma region local supplies, that’s just a tip on ice berg, because we believe charity begins from home, we don’t want our people to be left out completely from enjoying safe, convenient, fresh meat supplies.

We look forward to having mini modern, fully automated abattoirs in major cities in Tanzania just for local demand. Times are changing and businesses evolving, in this business sector we have little or zero competition and competitors because most regions are still going about meat production the local way. Probably because it is hugely capital intensive to build international standard abattoir with proper organizational structure to run it, dollar pricy machineries, deploying technical know-how of skilled expatriates, though we would engage under studies. With adequate orientation and awareness, penetrating the local market would be made easy, sensitizing local slaughter houses for integration on slaughtering and deboning contract of their livestock in our state-of-the-art, automated, international standard, temperature-controlled facility. Though their livestock must meet maturity and other consumption standards. Our blasting preserving system does wonders to meat, it ever maintains meat freshness like it's a minute's kill... any time, any day.

Our internet app will serve daily insights on endorsed butcher stores, who has fresh supplies of hygienically and carefully prepared products. On the app too, customers can place order for home deliveries. The whole program will form a leading, attractive and trusted brand to reckon with. We shall continuously seek to understand customer values and attributes along with what processes or procedures best enhance the value of commodities to buyers and achieve price premiums and financial success.

IMPLEMENTATION:

1. Banks will see to all international transfers of funds, sales and payments of supplies and purchases.
2. Our Chinese affiliates assigned to procure machines, equipment and all other foreign sourced accessories and ship them to Tanzania
3. Deployment of Chinese expatriates into Tanzania for assembling and installing machineries at the arrival of the shipment. And to organize user friendly orientation and trainings

4. Supply of building materials negotiated with general hardware company in Dar es salaam to source and supply all materials needed for the construction.
5. Building construction to be awarded a Tanzanian certified engineering company
6. Marketing: our Chinese partners and media agencies for local promotions.
7. Few months towards the completion and commissioning of the facility, a renowned Human resourcing agency shall be assigned to recruit needed experienced and qualified staff to fill in needed gaps of skilled and unskilled vacancies.
8. In the course of running a successful business outfit, there's smart need Insurance of insuring goods, life and properties so as to be on safer side in case of eventualities. For the sole reason, we shall integrate with a notable, reliable Insurance /security companies with excellent track records.
9. Local production staff to be recruited by the assigned human resourcing agency, while the company's top management teams and skill Chinese expatriates shall provide adequate production training, conditions and procedures. The organizational management structure shall be strictly adhered to, this will ensure law and order and allow the business to survive all stages of development and growth.
10. Most importantly, the input supply chain and its availability implementation strategy are the life blood of the entire investment initiative. In as much as this business is about bridging the exchange gap between the Tanzanian livestock market and the international meat market, in place, are some give and take strategy to ensure continuity and progress of livestock farming from low productivity to high productivity.

5 YEAR FINANCIAL PROJECTION:

2023 to 2028 financial projection for earth wheel logistics, for the GDPs contribution, to livestock farmers.

(a) For Earth Wheel Abattoir:

(b) For GDP contribution:

(c) For livestock farmers to ensure generation of high income, food security and self-sufficiency, we have adopted proven Chinese strategies that will improve and push the current statistics of about 50% to 80 % Tanzanian households keeping livestock, programs that will attract interests of urban people to livestock farming because of its potential of faster results, calculated risks management and its lucrateness potentials. With the aid of the adopted strategy, we project to triple if not more, the herd inventory of a typical rural livestock farmer.

TYPICAL RURAL LIVESTOCK FARMER

AVERAGE PROJECTION CHART

January 2023	December 2025	December 2028
4 Cows	12 Cows	36 Cows
8 Goats	40 Goats	200 Goats
4 Sheep	20 Sheep	100 Sheep

The projected massive outcome is overwhelming. Compare the result of a single rural livestock and imagine same individual result by 80% Tanzanian household of over 60 million citizens.

Over the next five years of this investment, we are prepared for any possible outcome to ensure that earth wheel abattoir has the sufficient agility and resilience to deal with variabilities in production, prices, inputs as well as the shocks, stress and successes that might occur.

1. In as much as this is a capacity project, our philosophy on its financial projection is on a long-term basis, because often times, agricultural benefits are not immediate but we look forward to ROI (Returns on Investment) in the next first 3 (three) years of operations
2. We monitor and evaluate outcomes of the introduced modern rearing / breeding procedures.
3. To leverage on vast lush green vegetation of east African lands, optimizing opportunities and deliveries.

4. Inconsistency of some factors as forex, diesel(logistics) and shipments cost mar the possibility to determine accurate financial forecast.

CAPACITY OF THE PROJECT:

Earth wheel abattoir is proposed to comfortably sit on 40,900 square meters land space in Dodoma west industrial area, within the abattoir, there shall be administrative office block, massive production facility, chilling/froze facility, Acid room, staff residential block, end product waste management block, mini stock holding ranch, mini group off feed pens, security tower, veterinary clinic etc.

About 250 skilled and unskilled resident staff and 450 field workers.

The production layout spans 100 heads per day automatic full cow line, 300 heads per day automatic full goat line and 200 heads per day automatic full sheep line. High grade steel conveyors and state-of-the-art abattoir equipment and accessories for stunning, slaughtering, skinning, slitting, evisceration, deboning, mincing, sausage line, packaging and storage facilities.

The heavy duty, high horse power compressors, evaporators, conveyors, blasting system, acid room, cold room details cannot be over emphasized.

The weekly production outputs are in the average of 3 to 4 containers of 40-foot chiller trucks which is about 105 tons of meat.

As it is in our plan not to exclude the local community (Dodoma region) from enjoying healthy meat, below are the fleet of automobiles that will enable us see to the day-to-day inter / intra logistics.

1. 2 Open carrier trucks for hauling
2. 3 Export chiller trucks 'temperature-controlled'
3. 1 Medium large temperature-controlled van for inter district distribution.
4. 2 Mini vans for intra district butchery distribution
5. 10 motorbikes 'doorstep dispatch riders'