



Business Plan for Sunflower HB Tanzania Limited

Executive Summary

Company Name: Sunflower HB Tanzania Limited

Industry: Agriculture, Oil Production

Location: Kibaigwa, Mbeya, Mpanda (Sales Points), Matanga (Farm and Factory)

Business Model: Sunflower oil production, farming, and distribution of sunflower products

Mission: To become a leading large-scale producer of sunflower oil, sunflower seeds, and sunflower cakes in Tanzania, through sustainable farming practices, high-quality production, and a commitment to local economic development.

Vision: To support Tanzania's agricultural industry by producing high-quality sunflower oil for both local and regional markets while contributing to economic growth and job creation.

Company Overview

Sunflower HB Tanzania Limited was founded two years ago with the aim of capitalizing on the growing demand for sunflower oil and its by-products in Tanzania. The company initially focused on establishing a sunflower oil processing plant in Kibaigwa.

Over the course of two years, Sunflower HB has made significant investments in infrastructure, machinery, and the local community. With a clear vision to expand, the company moved into farming and agriculture in 2023, renting land, hiring experts, and creating sustainable farming practices to ensure a steady supply of sunflower seeds for its factory.

Phase 1: Initial Investment in Factory (2022)

- **Location:** Kibaigwa
- **Key Investments:**
 - Construction and establishment of sunflower oil factory
 - Procurement of machinery and production equipment
 - Development of sales points in Kibaigwa and Mbeya
- **Investment Amount:** USD 100,000



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- **Operations:** The factory sourced sunflower seeds from the local market and employed local labor for production. The company established sales points in two key regions, Kibaigwa and Mbeya, to ensure accessibility for its products.
- **Outcome:** Established a solid foundation for business operations, gained initial market presence, and created a local distribution network.

Phase 2: Agricultural Expansion and Farm Establishment (2024)

- **Location:** Matanga (500 acres)
- **Key Investments:**
 - Rent of 500-acre farm in Matanga
 - Hiring of agronomists and farming experts
 - Investment in irrigation systems, including wells and ponds
 - Purchase of high-quality Aguara 4 sunflower seeds
 - Opening of a 3rd sales point in Mpanda
- **Investment Amount:** USD 200,000
- **Operations:** To secure a consistent and high-quality supply of sunflowers for its oil production, Sunflower HB decided to vertically integrate its supply chain by investing in farming. The company developed its own farm and started cultivating sunflowers with the aim of increasing crop yields and ensuring product quality. Additionally, a third sales point was opened in Mpanda to increase accessibility for its products in more regions.
- **Outcome:** Improved control over the supply chain, leading to more consistent product quality, reduced dependency on local seed suppliers, better resource management, and broader market reach.

Phase 3: Expansion and Scaling (2024 - Q2 2025)

- **Location:** Matanga (Expansion to 2,000 acres)
- **Key Investments:**
 - Expansion of farming operations to 2,000 acres





- Signing of contracts with local landowners to secure additional land
- Construction of a new factory near the farm in Matanga
- Expansion of workforce, including the hiring of professionals and supporting staff
- **Investment Amount:** USD 200,000
- **Operations:** In this phase, Sunflower HB will scale up both its farming and production capabilities. The company plans to expand its farm to 2,000 acres and build a larger processing plant near the farm, significantly reducing transportation costs and increasing production capacity. The workforce will be expanded to manage the larger operations.
- **Goal:** To become a leading producer of sunflower oil, seeds, and cakes in Tanzania by increasing production capacity and efficiency.

Market Analysis

- **Industry Overview:** The sunflower oil market in Tanzania is growing due to rising demand for edible oils, especially in urban and rural areas.
- **Target Market:**
 - **Local market:** Small and medium-sized retailers, factories supermarkets, and individual consumers in Tanzania.
 - **Regional market:** Neighboring countries such as Kenya, Uganda, and Zambia, which have a rising demand for sunflower oil.
 - **By-products market:** Distribution of sunflower seeds and cakes to feed mills, livestock farmers, and for other agricultural uses.

Business Model and Revenue Streams

1. Sunflower Oil Production:

Sunflower HB will produce high-quality sunflower oil from its own farm-grown sunflowers, as well as from local farmers when additional supplies are required. This oil is sold to wholesalers, factories, retailers, and directly to consumers.





2. Sunflower Seeds:

The company will sell sunflower seeds both for farming and oil production purposes, targeting both local and regional markets.

3. Sunflower Cakes:

The by-product from sunflower oil extraction (cakes) will be marketed as animal feed to farmers and feed mills.

Financial Projections

- **Revenue Growth:**

- 2024–2025 (Phase 3): Revenue is expected to grow significantly with the expansion of farming operations to 2,000 acres and the opening of a new factory in Matanga.

- **Cost Structure:**

- Initial costs include land rental, farm setup, irrigation systems, and machinery for the factory.
- Ongoing costs will include raw material procurement (seeds), labor costs, operational expenses for the farm and factory, and marketing.

Key Milestones

- **Phase 1 (2022):** Establishment of the factory in Kibaigwa and opening of sales points in Kibaigwa and Mbeya.
- **Phase 2 (2024):** Expansion into farming with the purchase of a 500-acre farm in Matanga and opening of a third sales point in Mpanda.
- **Phase 3 (2024–2025):** Expansion of farming operations to 2,000 acres, construction of a new factory in Matanga, and scaling up production.
- **Q2 2025 Goal:** Reach full operational capacity with 2,000 acres of land under cultivation and increased factory output, positioning Sunflower HB as a key player in Tanzania's sunflower oil market.

Conclusion



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Sunflower HB Tanzania Limited has laid a strong foundation in the sunflower oil industry through strategic investments in both production and agriculture. With the continued expansion of farming operations and a new factory near Matanga, the company is well-positioned to meet increasing demand for sunflower oil, seeds, and cakes both locally and regionally. The addition of the third sales point in Mpanda further strengthens the company's reach in the market. Through ongoing investment and innovation, Sunflower HB aims to become a dominant force in the Tanzanian oil production market while contributing to the growth of the local agricultural economy.

