

# **BUSINESS PROPOSAL 2024**

## **HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED**

### **LOCATION:**

**Region Dar Es Salaam, District Kinondoni, Ward Mikocheni, Postal code 14112, Street  
Mikocheni B , Road Bagamoyo, Plot number 40, Block number D, House number 10**

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## **COMPANY DESCRIPTION**

### **Background information**

HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED is a pioneering agro trading company with a strategic focus on cassava cultivation and starch production. Headquartered in Tanzania, the company aims to leverage the fertile agricultural landscape of the Pwani region to establish a robust cassava farming and processing operation. In the first year, HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED plans to invest \$500,000 USD to initiate agro trading activities, dealing in sesame, peanuts, and cassava. The company will begin cultivating 2000 acres of cassava in Kibiti, located in the Pwani region, setting the foundation for future growth. The construction of a state-of-the-art cassava starch factory is planned for the following year, with a primary export market in China. This phased approach allows the company to build a strong market presence and operational base before expanding into cassava processing. Through these initiatives, HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED aims to become a key player in the agricultural sector, contributing to the economic development of the region while promoting sustainable farming practices and technological innovation.

**1. Export Focus on China:** HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED will primarily focus on exporting its cassava and cassava starch products to China. The Chinese market has a high demand for cassava starch, used in various industries such as food processing, textiles,

and paper manufacturing. By targeting this market, the company aims to establish a reliable and profitable export channel.

**2. Market Analysis and Pricing for China:** The market analysis for cassava products in China indicates strong demand and favourable pricing conditions. The company will conduct thorough market research to set competitive prices that align with market trends and consumer demand in China. This strategy ensures that HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED remains competitive and profitable in the Chinese market.

**3. Revenue Generation in USD:** By earning revenue in USD through exports to China, HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED will benefit from a stable and strong currency. This approach not only ensures financial stability for the company but also helps mitigate risks associated with currency fluctuations in the Tanzanian Shilling.

**4. Economic Benefits for Tanzania:** The company's operations will contribute significantly to Tanzania's economy. By engaging in agro trading and establishing a processing plant, HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED will create employment opportunities, support local farmers, and stimulate economic activity in the Pwani region. The export revenue generated in USD will also help strengthen Tanzania's foreign exchange reserves.

**5. Strengthening Tanzanian Exchange Rates:** The inflow of USD from exports to China will positively impact Tanzania's exchange rates. By contributing to the country's foreign exchange reserves, HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED will play a role in stabilising and strengthening the Tanzanian Shilling. This financial stability is crucial for the country's economic growth and development.

## OWNERSHIP

The business is owned by two shareholders who are **WEI GAO** And **WENPENG LI** with a **ShareCapital of Tanzania Shillings Two Billion Only**(T.Shs 2,000,000,000.00) divided into **Two Million** (2,000,000) shares of **Tanzania Shillings One Thousand** (T.Shs 1,000.00) each.

The following table shareholders and ordinary share distributions.

The following table show shareholders distribution:-

Shareholders	No of share	Citizenship
1 <b>WEI GAO</b>	<b>1600000</b>	Chinese
2 <b>WENPENG LI</b>	<b>400000</b>	Chinese

### Vision :

Our vision at HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED is to be a leading player in the agricultural industry, renowned for our commitment to sustainable practices, innovation, and excellence. We aspire to contribute significantly to the global agricultural supply chain while fostering economic growth and prosperity in the communities we operate in.

### Mission:

Our mission is to harness the potential of agriculture to create value for all stakeholders involved, including our shareholders, employees, partners, and the communities we serve. We are dedicated to:

1. Establishing a strong presence in key markets, particularly China, by delivering high-quality cassava and cassava starch products that meet the diverse needs of our customers.

2. Driving innovation and efficiency throughout our operations, from farming and processing to distribution and marketing, to ensure optimal resource utilization and product quality.
3. Promoting sustainable agricultural practices that protect the environment, conserve natural resources, and enhance the resilience of farming communities.
4. Fostering mutually beneficial relationships with local farmers, suppliers, and other stakeholders to create shared value and promote socio-economic development.
5. Upholding the highest standards of integrity, transparency, and ethical conduct in all aspects of our business operations.

Through our unwavering commitment to our vision and mission, we aim to make a positive and lasting impact on the agricultural sector while delivering sustainable value to our stakeholders and contributing to the overall well-being of society.

## COMPANY PRODUCTS

### Introduction

An overview of the products offered by HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED:

#### **Cassava Roots:**

1. We cultivate high-quality cassava roots on our farms in Tanzania, ensuring optimal growing conditions and sustainable farming practices. Our cassava roots are harvested at peak maturity to guarantee freshness and nutritional value.

#### **Cassava Starch:**

2. Our cassava starch is derived from premium cassava roots through a meticulous extraction and purification process. It is characterised by its high purity, excellent thickening properties, and versatility, making it suitable for various applications in the food processing, textile, pharmaceutical, and paper industries.

#### **Cassava Flour:**

3. We produce cassava flour using state-of-the-art milling and processing techniques. Our cassava flour is gluten-free, non-GMO, and rich in

nutrients, making it an ideal ingredient for gluten-free baking, food manufacturing, and culinary applications.

**Cassava Chips:**

4. Our cassava chips are made from select cassava roots that are sliced, dried, and processed to perfection. They serve as a nutritious and convenient snack option, offering a crunchy texture and delicious flavor. Our cassava chips are available in various flavors and packaging options to cater to diverse consumer preferences.

**Cassava Leaves:**

5. In addition to cassava roots, we also offer fresh and dried cassava leaves, which are rich in vitamins, minerals, and antioxidants. Cassava leaves are a staple ingredient in many traditional cuisines and are valued for their nutritional benefits and culinary versatility.

**Sesame Seeds:**

6. Alongside cassava products, we also trade in sesame seeds sourced from reputable suppliers. Our sesame seeds are of premium quality, meticulously sorted and processed to meet international standards. Sesame seeds are widely used in cooking, baking, and as a key ingredient in various cuisines and condiments.

**Peanuts:**

7. We also engage in the trading of peanuts, offering high-quality peanuts sourced from trusted growers. Our peanuts are available in various forms, including raw, roasted, and blanched, and are used in snacks, confectionery, and culinary applications worldwide.

At HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED, we are committed to delivering superior quality products that meet the needs of our customers while upholding the highest standards of food safety, traceability, and sustainability.

## INDUSTRY ANALYSIS

### 1. Market Trends:

- **Increasing Demand for Cassava Products:** There is a growing global demand for cassava and cassava-derived products due to their versatility and nutritional value. This trend is driven by factors such as population growth, changing dietary preferences, and the rising demand for gluten-free and natural food ingredients.

- **Expansion of Export Markets:** Export markets for cassava products, particularly in regions like Asia (e.g., China, India) and Africa, are expanding rapidly. This is fueled by the industrial applications of cassava starch in sectors such as food processing, textiles, pharmaceuticals, and paper manufacturing.

- **Technological Advancements:** Technological advancements in agricultural practices, processing techniques, and value-added product development are driving efficiency improvements and product innovation in the cassava industry.

## **2. Competitive Landscape:**

- **Key Players:** The global cassava market is characterized by the presence of both large multinational companies and small to medium-sized enterprises (SMEs). Major players include food processing companies, starch manufacturers, and agricultural trading firms.

- **Competitive Strategies:** Market players are adopting strategies such as product differentiation, vertical integration, strategic partnerships, and geographical expansion to gain a competitive edge and capture market share.

- **Price Dynamics:** Pricing in the cassava market is influenced by factors such as supply-demand dynamics, production costs, currency fluctuations, and government policies (e.g., subsidies, tariffs).

## **3. Regulatory Environment:**

- **Food Safety Standards:** Compliance with food safety regulations and quality standards (e.g., FDA, EU regulations) is crucial for cassava exporters to access international markets and maintain consumer trust.

- **Environmental Regulations:** Increasing awareness of environmental sustainability and the adoption of environmentally friendly practices (e.g., organic farming, waste management) are becoming important considerations for stakeholders in the cassava industry.

## **4. Opportunities and Challenges:**

- **Growth Opportunities:** Emerging markets in Asia and Africa offer significant growth opportunities for cassava and cassava-derived products. Additionally, the increasing demand for biofuels and biodegradable materials presents new avenues for market expansion.

- **Challenges:** Challenges facing the cassava industry include climate change-related risks (e.g., extreme weather events, pest outbreaks), supply chain disruptions, price volatility, and socio-economic issues such as land tenure and rural poverty.

## **5. Future Outlook:**

- **Positive Growth Outlook:** The global cassava market is projected to experience steady growth in the coming years, driven by factors such as population growth, urbanization, and the increasing adoption of cassava-based products in various industries.

- **Innovation and Sustainability:** Continued investments in research and development, technological innovation, and sustainable farming practices are expected to drive productivity gains and enhance the competitiveness of the cassava industry.

This analysis provides insights into the opportunities, challenges, and future prospects of the cassava industry, helping stakeholders make informed decisions and capitalize on market trends.

## **Opportunities:**

**1. Growing Demand for Cassava Products:** With the increasing global demand for cassava and cassava-derived products, there is a significant opportunity for our company to capitalize on this trend. By expanding our production capacity and enhancing product quality, we can meet the rising demand from both domestic and international markets.

**2. Expansion into New Markets:** As we primarily focus on exporting cassava products to China, there is potential to explore and expand into new export markets. Emerging economies in Asia and Africa present lucrative opportunities for market

penetration, where the demand for cassava starch and related products is on the rise.

**3. Diversification of Product Portfolio:** In addition to cassava products, there is an opportunity to diversify our product portfolio by introducing complementary agricultural products. This could include other root crops, grains, or specialty crops that have high demand and can be grown successfully in the regions where we operate.

**4. Investment in Value-Added Processing:** By investing in value-added processing facilities, such as cassava starch factories, we can capture more value from our agricultural produce. Processing cassava into starch or other derivative products not only increases the marketability of our offerings but also enhances revenue streams and profit margins.

**5. Technology Adoption and Innovation:** Embracing technological advancements in agriculture, such as precision farming techniques, irrigation systems, and mechanization, can optimize our farming operations and improve productivity. Additionally, investing in research and development to innovate new cassava-based products or improve existing ones can further differentiate us in the market.

**6. Partnerships and Collaborations:** Collaborating with local farmers, research institutions, and government agencies can unlock synergies and create mutually beneficial partnerships. By leveraging the expertise and resources of various stakeholders, we can strengthen our supply chain, access new markets, and overcome challenges more effectively.

**7. Sustainability Initiatives:** With increasing consumer awareness and regulatory focus on sustainability, there is an opportunity to differentiate our brand by implementing sustainable farming practices and environmental stewardship initiatives. This includes initiatives such as organic farming, water conservation, and biodiversity conservation, which can enhance our brand reputation and market competitiveness.

## MARKET ANALYSIS

Understanding the market dynamics is crucial for the success of any business venture. Here's a comprehensive market analysis for HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED:

**1. Demand Trends:** The demand for agricultural products, especially cassava and cassava-derived products, is influenced by various factors such as population growth, dietary preferences, and industrial usage. In recent years, there has been a steady increase in the demand for cassava starch, driven by its versatile applications in food processing, textile manufacturing, and paper production.

**2. Competitive Landscape:** The market for cassava products is competitive, with several domestic and international players vying for market share. Key competitors may include large-scale agricultural companies, local suppliers, and international exporters. Understanding the strengths, weaknesses, and strategies of competitors is essential for identifying market opportunities and positioning our products effectively.

**3. Regulatory Environment:** Compliance with local and international regulations governing agriculture, food safety, and trade is critical for market access and business operations. This includes adhering to quality standards, obtaining necessary certifications, and complying with import/export regulations imposed by destination countries.

**4. Consumer Preferences:** Consumer preferences play a significant role in shaping market demand and product development strategies. Conducting consumer surveys and market research helps identify evolving preferences, trends, and purchasing behaviors, enabling us to tailor our products to meet consumer needs effectively.

**5. Market Segmentation:** The market for cassava products can be segmented based on various factors such as product type, end-use industry, and geographical

region. Understanding the distinct needs and preferences of different market segments allows for targeted marketing and product positioning strategies.

**6. Supply Chain Analysis:** A robust and efficient supply chain is essential for ensuring timely delivery of products to customers. Analyzing the supply chain, including sourcing of raw materials, transportation logistics, and distribution channels, helps identify potential bottlenecks and opportunities for optimization.

**7. Emerging Opportunities:** Emerging trends and opportunities in the agricultural sector, such as advancements in farming technology, changing consumer preferences for organic and sustainably sourced products, and growing demand in emerging markets, present avenues for growth and innovation.

By conducting a thorough market analysis, HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED can gain valuable insights into market dynamics, identify growth opportunities, and develop effective strategies to capture market share and achieve sustainable growth.

## **Location**

The business will be operating in Multiple locations, the company intends to build a warehouse and future factory in Dar Es Salaam, Cassava Farms in Kibiti Area, of Pwani Region.

## Marketing goals and objectives

- 1. Increase Brand Awareness:** Enhance the visibility and recognition of our brand among target customers, industry stakeholders, and key decision-makers in the agricultural sector.
- 2. Expand Market Reach:** Extend our market presence beyond existing regions and customer segments by exploring new geographic markets and diversifying customer demographics.
- 3. Drive Sales Growth:** Achieve revenue targets by increasing sales volumes of cassava and cassava-derived products through effective marketing strategies and promotional campaigns.
- 4. Build Customer Loyalty:** Foster long-term relationships with customers by delivering exceptional value, personalized services, and consistent product quality, leading to repeat purchases and brand advocacy.
- 5. Differentiate from Competitors:** Highlight unique selling propositions and competitive advantages to differentiate our products and services from those of competitors in the market.

### Marketing Objectives:

- 1. Launch Marketing Campaigns:** Develop and execute integrated marketing campaigns across various channels, including digital marketing, social media, print media, and trade shows, to generate awareness and interest in our products.
- 2. Expand Distribution Channels:** Identify and onboard new distribution partners, wholesalers, and retailers to expand the availability of our products in target markets and reach a broader customer base.
- 3. Enhance Online Presence:** Optimize our website and online platforms for search engines (SEO), create engaging content, and leverage social media channels to increase online visibility, attract website traffic, and generate leads.

**4. Customer Relationship Management (CRM):** Implement a CRM system to track customer interactions, gather feedback, and tailor marketing efforts to individual customer preferences, enhancing overall customer satisfaction and retention.

**5. Product Positioning and Messaging:** Develop clear and compelling messaging that communicates the unique benefits and value propositions of our products, resonating with target customers and addressing their pain points effectively.

**6. Monitor and Analyze Marketing Performance:** Establish key performance indicators (KPIs) to measure the effectiveness of marketing initiatives, such as website traffic, conversion rates, customer acquisition costs, and return on investment (ROI), and use data analytics to optimize marketing strategies.

**7. Partnership and Collaboration:** Identify opportunities for strategic partnerships with relevant industry stakeholders, influencers, and organizations to amplify our marketing reach, gain access to new customer segments, and enhance brand credibility.

These goals and objectives will guide our marketing efforts and contribute to the overall success of our business.

## **Markets growth:**

Market growth refers to the rate at which the total market size or demand for a particular product or service increases over time. For HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED, the market growth would primarily be influenced by factors such as increasing demand for cassava and cassava-derived products, emerging trends in consumer preferences, and economic conditions in target markets.

**1. Market Trends and Drivers:** Identify key market trends and drivers that are driving the growth of the cassava products industry. This could include factors such as population growth, urbanization, changing dietary habits, and the increasing use of cassava in various industries like food processing, textiles, and paper

manufacturing. Analyze how these trends are impacting the demand for cassava products and forecast future growth based on these insights.

**2. Market Size and Potential:** Assess the current market size for cassava products in target regions and estimate the potential for growth based on demand projections, population trends, and economic indicators. Utilize market research reports, industry publications, and government data to gather relevant information and quantify the size of the addressable market.

**3. Competitive Landscape:** Understand the competitive landscape within the cassava products industry, including major players, their market share, distribution channels, and product offerings. Evaluate how competitive dynamics influence market growth and identify opportunities to differentiate your products and capture market share.

**4. Consumer Behavior and Preferences:** Gain insights into consumer behavior, preferences, and purchasing patterns related to cassava products. Conduct surveys, focus groups, or market research studies to understand consumer needs, pain points, and product preferences. Use this information to tailor your marketing strategies, product development initiatives, and pricing strategies to meet customer demands effectively.

**5. Regulatory and Environmental Factors:** Consider regulatory requirements, quality standards, and environmental regulations that govern the production, distribution, and sale of cassava products. Stay informed about changes in regulations and compliance standards that may impact market growth and adapt your business operations accordingly to ensure compliance and maintain consumer trust.

**6. Emerging Markets and Opportunities:** Explore opportunities for market expansion and diversification into new geographic regions or customer segments where demand for cassava products is growing. Evaluate factors such as population demographics, economic development, infrastructure, and trade policies to identify attractive growth markets and develop market entry strategies.

**7. Continuous Monitoring and Adaptation:** Monitor market dynamics, competitive developments, and customer feedback on an ongoing basis to stay agile and responsive to changes in the market environment. Continuously refine your market

growth strategies, product offerings, and business models based on real-time insights and feedback from the market.

By understanding and analyzing these factors, you can develop informed strategies to capitalize on market growth opportunities and position your business for long-term success in the cassava products industry.

## **Market prices**

1. **Cassava Root:** The price of cassava root varies depending on factors such as quality, location, and demand. In general, cassava root prices fluctuate seasonally and can be influenced by weather conditions and harvest yields. On average, prices range from \$50 to \$200 per ton.

2. **Cassava Starch:** Cassava starch commands higher prices compared to raw cassava root due to the added value from processing. Prices for cassava starch can range from \$400 to \$600 per ton, depending on the grade and quality. High-quality, food-grade cassava starch may fetch even higher prices in the international market.

3. **Export Market Prices:** When exporting cassava products, prices can be significantly influenced by the target market. For instance, the Chinese market, being a major consumer of cassava starch, offers competitive prices. Export prices are generally quoted in USD and can be higher than domestic prices due to transportation and compliance costs.

4. **Price Trends:** Market prices for cassava products have shown an upward trend in recent years due to increasing demand and limited supply. Technological advancements in cassava processing and the development of new applications for cassava products also contribute to price increases. Keeping an eye on market trends and conducting regular price analyses is crucial for optimizing pricing strategies.

5. **Factors Affecting Prices:** Several factors can affect the market prices of cassava and its derivatives. These include production costs, availability of raw materials, transportation costs, and global economic conditions. Additionally, government policies and trade regulations in exporting and importing countries can impact prices. Understanding these factors is essential for pricing strategy and market positioning.

6. **Competitor Pricing:** It is important to monitor competitor pricing to remain competitive in the market. Analyzing competitor prices helps in setting competitive yet profitable prices for our cassava products. Regular market research and price benchmarking are necessary to stay ahead of competitors.

By staying informed about market prices and trends, HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED can develop effective pricing strategies to maximize profitability and market share.

### **Conclusion:**

HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED is well-positioned to capitalize on the growing demand for cassava and its derivatives. By focusing on exporting to lucrative markets like China, expanding into new regions, and diversifying our product portfolio, we can ensure sustainable growth and profitability. Investing in value-added processing and embracing technological advancements will enhance our productivity and market competitiveness. Moreover, fostering partnerships and adopting sustainable practices will strengthen our brand reputation and contribute positively to the Tanzanian economy.

Understanding market prices and trends is crucial for our strategic planning and pricing strategies. By staying informed and adaptable, we can navigate market fluctuations and maintain a competitive edge. Through these concerted efforts, HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED

aims to achieve long-term success and become a leader in the agricultural industry.

## COMPETITION

### Industry competition

The cassava industry is highly competitive, with numerous players operating at both local and international levels. HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED faces competition from established companies that have significant market share and resources, as well as from smaller, agile firms that can quickly adapt to market changes.

**Local Competition:** Within Tanzania, there are several well-established cassava producers and processors. These local competitors benefit from strong relationships with local farmers and a deep understanding of the regional market. They often compete on price and product quality, and their proximity to raw material sources provides them with a logistical advantage.

**International Competition:** On a global scale, major cassava-producing countries such as Nigeria, Thailand, and Vietnam present significant competition. These countries have advanced processing technologies, established export channels, and significant production capacities, allowing them to offer competitive pricing and consistent product quality to international buyers.

### Key Competitive Factors

**1. Price Competitiveness:** Being able to offer competitive prices while maintaining quality is crucial. Competitors often leverage economies of scale,

advanced processing techniques, and cost-effective supply chain management to keep prices low.

**2. Product Quality:** High-quality products that meet international standards are essential for capturing and retaining market share. Competitors invest in quality control processes and certifications to ensure their products meet the stringent requirements of international markets.

**3. Supply Chain Efficiency:** Efficient supply chain management, including reliable sourcing, processing, and distribution, is a key competitive advantage. Companies that can minimize delays and ensure consistent supply are better positioned in the market.

**4. Innovation and Technology:** Investment in modern processing technologies and innovative product development can differentiate a company from its competitors. Firms that innovate in product offerings and improve production efficiencies can capture additional market share.

**5. Market Relationships:** Strong relationships with buyers, suppliers, and distributors are vital. Competitors with established networks and long-term contracts often have a stable demand for their products.

**6. Sustainability Practices:** Increasingly, consumers and regulators are prioritizing sustainability. Companies that adopt environmentally friendly practices and promote sustainability in their operations can attract eco-conscious customers and comply with regulatory standards.

**7. Brand Reputation:** A strong brand reputation built on reliability, quality, and trustworthiness can be a significant differentiator. Competitors with well-known brands and positive market perceptions often enjoy customer loyalty and repeat business.

To successfully navigate this competitive landscape, HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED must leverage its strengths, continuously improve its operations, and remain agile in responding to market dynamics. By focusing on innovation, quality, and strategic market positioning, the company can build a sustainable competitive advantage in the cassava industry.

### **Market Barriers**

Entering and operating in the cassava industry, especially with a focus on international markets like China, involves several significant barriers that HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED must navigate. Understanding and addressing these barriers is crucial for the company's success.

**Regulatory Challenges:** Compliance with regulatory requirements in both domestic and international markets is a major barrier. These include quality standards, safety regulations, export-import restrictions, and certification processes. Navigating these regulatory landscapes requires significant investment in compliance and legal expertise.

**High Initial Investment:** Establishing a robust cassava processing and export operation demands substantial initial investment. This includes costs for land acquisition, farming equipment, processing facilities, and technology. Access to capital and financing can be a barrier, especially for new or smaller players in the market.

**Logistics and Supply Chain Issues:** Efficient logistics and supply chain management are critical for the cassava industry. Barriers include inadequate infrastructure, transportation challenges, and delays in supply chain processes. These issues can affect the timely delivery of products and increase operational costs.

**Market Competition:** The presence of well-established competitors with strong market positions and brand recognition is a significant barrier. Competing with these firms requires a clear value proposition, differentiation through product quality, innovation, and strategic marketing efforts.

**Technological Barriers:** The cassava industry relies heavily on advanced processing technologies and farming techniques. Barriers include the high cost of technology adoption, lack of access to modern equipment, and the need for skilled labor to operate and maintain advanced machinery.

**Economic and Market Volatility:** The agricultural sector is inherently susceptible to market and economic volatility. Fluctuations in commodity prices, changes in consumer demand, and economic downturns can create barriers to stable operations and profitability.

**Environmental and Climate Factors:** Cassava farming is vulnerable to environmental conditions and climate change. Barriers include unpredictable weather patterns, pests, diseases, and soil fertility issues. Implementing sustainable farming practices and climate-resilient strategies is essential but challenging.

**Cultural and Language Barriers:** Entering international markets such as China involves navigating cultural differences and language barriers. Building relationships with local partners, understanding consumer preferences, and effectively communicating in the local language are critical for market entry and growth.

**Access to Skilled Labor:** The availability of skilled labor for farming, processing, and management is a barrier. Training and retaining qualified personnel in agricultural techniques, technological operations, and international business practices require ongoing investment.

**Financial Risks:** The cassava industry faces financial risks, including fluctuating exchange rates, credit risks from buyers, and changes in interest rates. Managing these financial risks requires robust financial planning and risk management strategies.

To overcome these barriers, HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED must develop comprehensive strategies that include regulatory compliance, investment in technology and infrastructure, strategic partnerships, effective risk management, and continuous market research. By proactively addressing these challenges, the company can position itself for sustainable growth and success in the competitive cassava industry.

## **ORGANIZATION STRUCTURE**

Creating an effective organizational structure for HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED is crucial for efficient management and operation. Here is a suggested organizational structure for the company:

### **Board of Directors**

- Provides overall strategic direction and oversight
- Ensures that the company's goals align with stakeholder interests

### **Chief Executive Officer (CEO)**

- Reports to the Board of Directors
- Responsible for overall management and strategic direction
- Oversees all departments and ensures alignment with company objectives

### **Chief Operating Officer (COO)**

- Reports to the CEO

- Manages daily operations of the company
- Ensures efficient production, processing, and logistics

### **Chief Financial Officer (CFO)**

- Reports to the CEO
- Manages financial planning, budgeting, and accounting
- Oversees financial risk management and investor relations

### **Chief Marketing Officer (CMO)**

- Reports to the CEO
- Develops and implements marketing strategies
- Oversees market research, branding, and customer relationships

### **Chief Technology Officer (CTO)**

- Reports to the CEO
- Oversees technology strategy and implementation
- Manages the development and maintenance of processing facilities and farming technology

### **Human Resources (HR) Director**

- Reports to the COO
- Manages recruitment, training, and employee relations
- Ensures compliance with labor laws and company policies

### **Production Manager**

- Reports to the COO
- Oversees farming operations and cassava production
- Manages field staff and ensures efficient farming practices

### **Processing Manager**

- Reports to the COO
- Manages cassava processing and value-added production
- Ensures product quality and compliance with standards

**Supply Chain Manager**

- Reports to the COO
- Manages logistics, warehousing, and distribution
- Ensures timely delivery and efficient supply chain operations

**Sales Manager**

- Reports to the CMO
- Develops sales strategies and manages sales team
- Focuses on expanding market reach and customer base

**Export Manager**

- Reports to the Sales Manager
- Manages export operations and compliance with international regulations
- Develops relationships with international clients, particularly in China

**Research and Development (R&D) Manager**

- Reports to the CTO
- Oversees innovation in product development and farming techniques
- Ensures continuous improvement and adaptation to market trends

**Quality Control (QC) Manager**

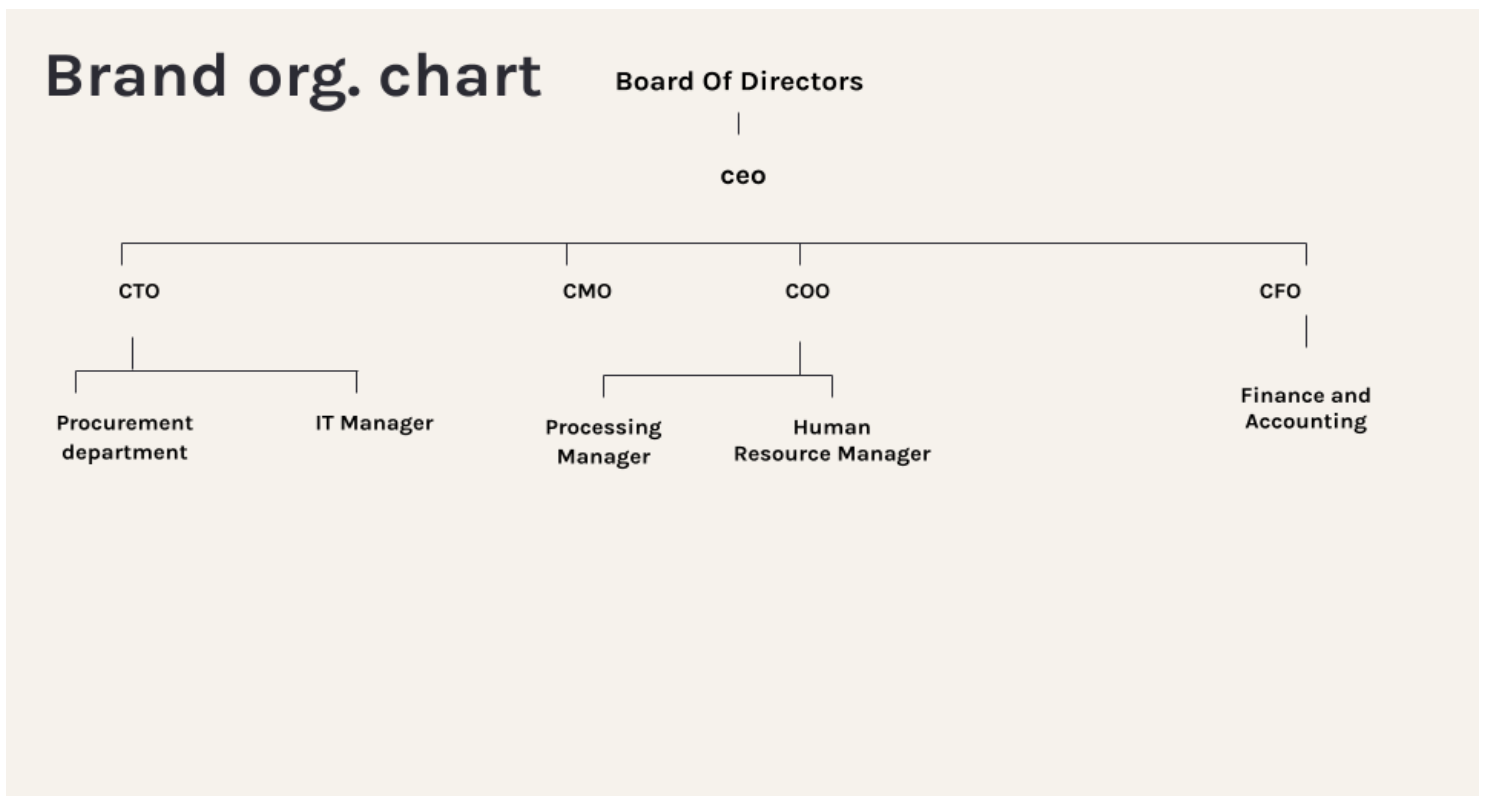
- Reports to the Processing Manager
- Ensures all products meet quality and safety standards
- Manages quality assurance processes and compliance

**IT Manager**

- Reports to the CTO
- Manages the company's IT infrastructure and systems
- Ensures cybersecurity and efficient use of technology in operations

This structure provides clear roles and responsibilities, ensuring that each aspect of the business is managed effectively. The lines of reporting help maintain accountability and facilitate efficient decision-making processes.

## Organisational Structure:



## Salary Forecast

### Introduction:

This salary forecast report provides an outline of the proposed salary structure for HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED. The salaries are expressed in Tanzanian Shillings (TSh) with a starting salary of 1.5 million TSh and a maximum salary of 3 million TSh per month.

Board of Directors:

- Typically not salaried; compensated through stipends and/or profit sharing

Chief Executive Officer (CEO):

- Monthly Salary: 3,000,000 TSh

Chief Operating Officer (COO):

- Monthly Salary: 2,800,000 TSh

Chief Financial Officer (CFO):

- Monthly Salary: 2,800,000 TSh

Chief Marketing Officer (CMO):

- Monthly Salary: 2,600,000 TSh

Chief Technology Officer (CTO):

- Monthly Salary: 2,600,000 TSh

Human Resources (HR) Director:

- Monthly Salary: 2,400,000 TSh

Production Manager:

- Monthly Salary: 2,200,000 TSh

Processing Manager:

- Monthly Salary: 2,200,000 TSh

Supply Chain Manager:

- Monthly Salary: 2,200,000 TSh

Sales Manager:

- Monthly Salary: 2,200,000 TSh

Export Manager:

- Monthly Salary: 2,000,000 TSh

Research and Development (R&D) Manager:

- Monthly Salary: 2,200,000 TSh

Quality Control (QC) Manager:

- Monthly Salary: 1,800,000 TSh

IT Manager:

- Monthly Salary: 2,200,000 TSh

Forecast Summary:

Total Monthly Salary Expenditure:

- CEO: 3,000,000 TSh
- COO: 2,800,000 TSh
- CFO: 2,800,000 TSh
- CMO: 2,600,000 TSh
- CTO: 2,600,000 TSh
- HR Director: 2,400,000 TSh
- Production Manager: 2,200,000 TSh
- Processing Manager: 2,200,000 TSh
- Supply Chain Manager: 2,200,000 TSh
- Sales Manager: 2,200,000 TSh
- Export Manager: 2,000,000 TSh
- R&D Manager: 2,200,000 TSh

- QC Manager: 1,800,000 TSh
- IT Manager: 2,200,000 TSh

Total: 35,200,000 TSh per month

Annual Salary Expenditure:

- Total Monthly Expenditure: 35,200,000 TSh
- Annual Expenditure (35,200,000 TSh \* 12): 422,400,000 TSh

Conclusion:

The proposed salary structure for HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED ensures a competitive and fair compensation package for all key positions within the company. This structure is designed to attract and retain top talent while maintaining financial sustainability. The total annual salary expenditure is forecasted at 422,400,000 TSh. Regular reviews and adjustments should be conducted to ensure the salaries remain competitive and aligned with industry standards.

## **Unskilled Labours**

Unskilled Labor (100 employees):

- Monthly Salary per Employee: 300,000 TSh

Total Monthly Salary Expenditure for Unskilled Labor:

- 100 employees \* 300,000 TSh = 30,000,000 TSh

Total Monthly Salary Expenditure (Including Unskilled Labor):

- Previous Total: 35,200,000 TSh
- Additional Unskilled Labor: 30,000,000 TSh

Total: 65,200,000 TSh per month

Annual Salary Expenditure (Including Unskilled Labor):

- Total Monthly Expenditure: 65,200,000 TSh
- Annual Expenditure (65,200,000 TSh \* 12): 782,400,000 TSh

This update accounts for the addition of 100 unskilled laborers with a monthly salary of 300,000 TSh each, resulting in a revised total monthly salary expenditure of 65,200,000 TSh and an annual expenditure of 782,400,000 TSh.

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<b>Gender</b>	<b>Men</b>	<b>Women</b>	<b>Total</b>
<b>Skilled</b>	10	4	14
<b>Unskilled</b>	90	10	100
<b>Total</b>	100	14	114

- CEO: 3,000,000 TSh
- COO: 2,800,000 TSh
  - CFO: 2,800,000 TSh
  - CMO: 2,600,000 TSh
  - CTO: 2,600,000 TSh
  - HR Director: 2,400,000 TSh
  - Production Manager: 2,200,000 TSh
  - Processing Manager: 2,200,000 TSh
  - Supply Chain Manager: 2,200,000 TSh
  - Sales Manager: 2,200,000 TSh
  - Export Manager: 2,000,000 TSh
  - R&D Manager: 2,200,000 TSh
  - QC Manager: 1,800,000 TSh
  - IT Manager: 2,200,000 TSh

The following table shows the projection of salaries for the workers of the business:-

### Assumptions

1. There will be no new government regulations that will affect business.
2. Salaries will remain constant for three years
3. There will be no new employees recruited for the next three years.
4. Economic stability will remain constant.
5. Tanzania currency will remain stable for the next three years.
6. Us Dollar 1 is equal to Tanzania shillings 2750.

<b>Staff title</b>	<b>No</b>	<b>Salary per month (TZS)</b>	<b>Salary per year (TZS)</b>	<b>2024/2025</b>	<b>2025/2026</b>	<b>2026/2027</b>
CEO		3,000,000	36,000,000	36,000,000	36,000,000	36,000,000
CFO		2,800,000	33,600,000	33,600,000	33,600,000	33,600,000
CMO		2,600,000	31,200,000	31,200,000	31,200,000	31,200,000
CTO		2,600,000	31,200,000	31,200,000	31,200,000	31,200,000

HR DIRECTOR	2,200,000	26,400,000	26,400,000	26,400,000	26,400,000
PRODUCTION MANAGER	2,200,000	26,400,000	26,400,000	26,400,000	26,400,000
PROCESSING MANAGER	2,200,000	26,400,000	26,400,000	26,400,000	26,400,000
OTHERS	16,800,000	201,600,000	201,600,000	201,600,000	201,600,000
<b>Total</b>	<b>35,900,000</b>	<b>422,400,000</b>	<b>422,400,000</b>	<b>422,400,000</b>	<b>422,400,000</b>

## MARKETING STRATEGY

### Marketing plan

Marketing Plan for HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED

#### 1. Market Research and Analysis

- Conduct detailed market research to understand the demand for cassava and cassava-derived products in China and other potential markets.

- Identify key competitors and analyze their strengths and weaknesses.

- Understand consumer preferences and trends in the target markets.

## 2. Target Market Identification

- Primary Target Market: China, due to high demand for cassava starch in various industries.

- Secondary Target Markets: Emerging economies in Asia and Africa with growing demand for cassava products.

## 3. Product Strategy

- Offer high-quality cassava and cassava starch products.

- Ensure consistent quality and supply to build a reliable brand reputation.

- Explore diversification by introducing complementary agricultural products.

## 4. Pricing Strategy

- Conduct a competitive analysis to set competitive prices for cassava products.

- Implement a cost-plus pricing strategy to ensure profitability while remaining competitive.

- Consider volume discounts for bulk buyers to encourage larger purchases.

## 5. Distribution Strategy

- Establish strong distribution channels in China and other target markets.

- Partner with local distributors and agents to facilitate market penetration.

- Develop a reliable logistics network to ensure timely delivery of products.

## 6. Promotion Strategy

- Digital Marketing: Utilize social media platforms, SEO, and PPC advertising to reach target customers.

- Trade Shows and Exhibitions: Participate in industry-specific trade shows and exhibitions to showcase products and network with potential buyers.

- Public Relations: Build a strong PR strategy to enhance brand visibility and reputation in the target markets.

- Direct Marketing: Use email marketing and direct mail campaigns to reach potential clients and distributors.

## 7. Sales Strategy

- Develop a dedicated sales team with expertise in the target markets.

- Implement a customer relationship management (CRM) system to manage customer interactions and sales processes effectively.

- Set clear sales targets and performance metrics to track progress and make necessary adjustments.

## 8. Branding Strategy

- Develop a strong brand identity that emphasizes quality, reliability, and sustainability.

- Create a compelling brand story that resonates with target customers.

- Design attractive packaging that reflects the brand's values and stands out on the shelves.

## 9. Sustainability and CSR Initiatives

- Implement sustainable farming practices to enhance the brand's reputation for environmental stewardship.
- Engage in corporate social responsibility (CSR) initiatives that support local communities and farmers.
- Highlight sustainability efforts in marketing campaigns to appeal to environmentally conscious consumers.

## 10. Monitoring and Evaluation

- Regularly monitor market trends and customer feedback to adjust marketing strategies as needed.
- Use analytics tools to measure the effectiveness of marketing campaigns.
- Continuously evaluate the performance of sales and distribution channels to optimize efficiency.

## Timeline and Budget

- Develop a detailed timeline for implementing each aspect of the marketing plan.
- Allocate a budget for each marketing activity, ensuring sufficient resources for effective execution.
- Review and adjust the budget periodically based on the performance of marketing efforts.

By implementing this comprehensive marketing plan, HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED can effectively penetrate target markets, build a strong brand presence, and achieve sustainable growth and profitability.

## **Market research analysis**

### Market Research Plan for HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED

#### 1. Objectives

- Identify and understand the demand for cassava and cassava-derived products in target markets.
- Analyze market trends, consumer preferences, and competitive landscape.
- Evaluate potential new markets and opportunities for product diversification.
- Gather insights to inform marketing, sales, and distribution strategies.

#### 2. Research Questions

- What is the current demand for cassava products in China and other target markets?
- Who are the main competitors, and what are their strengths and weaknesses?
- What are the key market trends affecting the cassava industry?
- What are the consumer preferences and buying behaviors in the target markets?
- What potential new markets could be explored for cassava products?

- What opportunities exist for product diversification and innovation?

### 3. Data Collection Methods

- Primary Research: Conduct surveys, interviews, and focus groups with industry experts, distributors, and consumers.
- Secondary Research: Analyze existing market reports, industry publications, and data from trade associations and government agencies.
- Competitive Analysis: Examine competitor websites, marketing materials, and financial reports to understand their strategies and market positioning.
- Field Research: Visit key markets, attend trade shows and exhibitions, and observe market conditions firsthand.

### 4. Target Markets

- Primary Target Market: China, focusing on major cities and industrial hubs with high demand for cassava starch.
- Secondary Target Markets: Emerging economies in Asia and Africa, such as India, Indonesia, Nigeria, and Kenya, where the demand for cassava products is growing.

### 5. Research Timeline

- Month 1-2: Define research objectives, develop research questions, and design data collection methods.
- Month 3-4: Conduct secondary research and compile data from existing sources.
- Month 5-6: Implement primary research, including surveys, interviews, and focus groups.

- Month 7-8: Analyze data, identify key findings, and prepare research reports.

- Month 9: Present findings to stakeholders and incorporate insights into marketing and business strategies.

## 6. Budget

- Allocate funds for hiring market research firms or consultants.

- Budget for travel expenses for field research and attending trade shows.

- Costs for survey tools, data analysis software, and other research-related expenses.

- Allocate contingency funds for unforeseen research expenses.

## 7. Analysis and Reporting

- Use qualitative and quantitative methods to analyze research data.

- Identify key trends, opportunities, and challenges in the target markets.

- Prepare detailed research reports with actionable insights and recommendations.

- Present findings to key stakeholders, including management, marketing, and sales teams.

## 8. Implementation

- Integrate research insights into marketing, sales, and distribution strategies.

- Adjust product offerings, pricing, and promotional activities based on research findings.

- Monitor market conditions continuously and update research periodically to stay informed about industry changes.

## 9. Evaluation

- Assess the effectiveness of the market research plan by measuring its impact on business decisions and outcomes.
- Solicit feedback from stakeholders to identify areas for improvement in future research efforts.
- Review and refine the research process regularly to ensure it remains relevant and effective.

By following this comprehensive market research plan, HUAXIA DONGXING AGRICULTURE INVESTMENT CO. LIMITED can gain a deep understanding of the cassava market, identify growth opportunities, and make informed strategic decisions to achieve long-term success.

# FINANCIAL PLAN

## Capital Requirements

The business will start with the initial capital of 673,000 USD to run its activities, the amount is fully provided by shareholders. On future days, shareholders will invite other investors to buy shares so as to increase capital.

## Assumptions

In calculation and estimating these costs and financial statements of the business, the following assumptions were made into consideration: ~

- i. Employees contracts are in one year basis, thus employees' salaries are fixed costs
- ii. Rent are paid in one year basis
- iii. No massive inflation will occur within year
- iv. Security services are paid in one year basis
- v. Sales revenue will be increasing yearly by 10%

- vi. Cost of sales will increase by 10%
- vii. There will be no change of government regulations that will affect business
- viii. Financial year of the company starts on 1<sup>st</sup> December and ends on 31<sup>st</sup> November every year.
- ix. Salary will remain fixed for three years
- x. All transactions will be in made in Tanzania Shillings and US Dollars

The capital required in running the business illustrated in the following tables:

## Projected Financial Statement:

### Projected Cash Flow Statement:

Year	2024/25	2025/26	2026/27
<b>Cash Flows from Operating Activities</b>			
<b>Net Income (Loss) (TZS)</b>	<b>-328,000,000</b>	<b>-200,000,000</b>	<b>-90,000,000</b>
<b>Adjustments for Non-Cash Items:</b>			

Depreciation (TZS)	80,000,000	90,000,000	100,000,000
<b>Changes in Working Capital:</b>			
Inventory (TZS)	-100,000,000	-10,000,000	-10,000,000
Accounts Receivable (TZS)	-100,000,000	-10,000,000	-10,000,000
Accounts Payable (TZS)	150,000,000	10,000,000	10,000,000
Other Current Assets (TZS)	-50,000,000	-10,000,000	-10,000,000
Other Liabilities (TZS)	100,000,000	20,000,000	20,000,000
<b>Net Cash from Operating Activities (TZS)</b>	<b>-248,000,000</b>	<b>-110,000,000</b>	<b>10,000,000</b>
<b>Cash Flows from Investing Activities</b>			
Purchase of Property, Plant, and Equipment (TZS)	-600,000,000	-100,000,000	-100,000,000
<b>Net Cash from Investing Activities (TZS)</b>	<b>-600,000,000</b>	<b>-100,000,000</b>	<b>-100,000,000</b>
<b>Cash Flows from Financing Activities</b>			
Short-term Loans (TZS)	200,000,000	-20,000,000	-20,000,000
Long-term Debt (TZS)	400,000,000	-20,000,000	-20,000,000
Paid-in Capital (TZS)	500,000,000	10,000,000	10,000,000
<b>Net Cash from Financing Activities (TZS)</b>	<b>1,100,000,000</b>	<b>-30,000,000</b>	<b>-30,000,000</b>

<b>Net Increase (Decrease) in Cash and Cash Equivalents (TZS)</b>	<b>252,000,000</b>	<b>-240,000,000</b>	<b>-120,000,000</b>
<b>Cash and Cash Equivalents at Beginning of Year (TZS)</b>	<b>0</b>	<b>252,000,000</b>	<b>12,000,000</b>
<b>Cash and Cash Equivalents at End of Year (TZS)</b>	<b>252,000,000</b>	<b>12,000,000</b>	<b>-108,000,000</b>

## Projected Balance sheet

<b>Assets</b>	(Tsh)	(Tsh)	(Tsh)
Cash and cash equivalents (TZS)	200,000,000	50,000,000	60,000,000
Inventory (TZS)	100,000,000	110,000,000	120,000,000
Property, plant, and equipment (net of depreciation) (TZS)	600,000,000	620,000,000	640,000,000
Accounts receivable (TZS)	100,000,000	110,000,000	120,000,000
Other current assets (TZS)	50,000,000	60,000,000	70,000,000
<b>Total Assets (TZS)</b>	<b>1,050,000,000</b>	<b>950,000,000</b>	<b>1,010,000,000</b>
<b>Liabilities</b>			
Accounts payable (TZS)	150,000,000	160,000,000	170,000,000

Short-term loans (TZS)	200,000,000	180,000,000	160,000,000
Long-term debt (TZS)	400,000,000	380,000,000	360,000,000
Other liabilities (TZS)	100,000,000	120,000,000	140,000,000
<b>Total Liabilities (TZS)</b>	<b>850,000,000</b>	<b>840,000,000</b>	<b>830,000,000</b>
<b>Equity</b>			
Paid-in capital (TZS)	500,000,000	510,000,000	520,000,000
Retained earnings (TZS)	-300,000,000	-300,000,000	-310,000,000
<b>Total Equity (TZS)</b>	<b>200,000,000</b>	<b>210,000,000</b>	<b>220,000,000</b>
<b>Total Liabilities and Equity (TZS)</b>	<b>1,050,000,000</b>	<b>1,050,000,000</b>	<b>1,050,000,000</b>
<b>Revenue and Expenses (TZS)</b>			
Revenue (TZS)	1,200,000,000	1,500,000,000	1,800,000,000
<b>Expenses (TZS)</b>			
Salaries	738,000,000	750,000,000	750,000,000
Cost of Goods Sold (COGS)	500,000,000	600,000,000	700,000,000
Operating Expenses	160,000,000	200,000,000	250,000,000
Depreciation	80,000,000	90,000,000	100,000,000

Interest Expenses	40,000,000	40,000,000	40,000,000
Taxes	10,000,000	20,000,000	50,000,000
Total Expenses (TZS)	1,528,000,000	1,700,000,000	1,890,000,000
<b>Net Profit/Loss (TZS)</b>	<b>-328,000,000</b>	<b>-200,000,000</b>	<b>-90,000,000</b>

## EXPANSION

### Long range goals

The business is expected to run in an unlimited life span, Shareholders believe that the business will expand to generate an unlimited amount of profits in its operation. In the future demand for tourism products will increase as the number of people who are aware of our products increases. Therefore the following goals are kept for long range:~

- Opening new branches all over the country within five years of operation

- Improving salary and introduction of sales bonus to the workers
- Conducting social corporate responsibility activities within the areas with the businesses operate in order to increase popularity of the business at the same time helping surrounding communities.

## **Diversification**

The business will increase services by providing other services like Medical houses, Mineral trading houses etc. which the business will add includes Soda and water. Furthermore, a long range company will provide food services to the customers.

## ***Milestone schedule***

The following milestone schedule will guide the business

<b>Milestone</b>	<b>Date</b>	<b>Responsible person</b>
<b>Initial capital invested</b>	June, 2024	Shareholders
<b>Registration of business</b>	June, 2024	Shareholders
<b>Recruiting workers</b>	June, 2024	Shareholders
<b>Training workers</b>	June, 2024	Shareholders
<b>Preparation and arrangement of the business places</b>	June, 2024	Workers
<b>Opening the business</b>	June 2024	Workers
<b>Review business operation</b>	December 2024	Owner
<b>Workers meeting on reviewing</b>	February2025	Workers

**of half  
year business activities**

<b>Period market research</b>	March 2025	General manager, head of operation
<b>Annual activities review</b>	July 2025	Workers and owner
<b>Opening new branch</b>	February 2026	shareholders