

Revised Business Plan

1. Project description

The proposed CRJE Business park/industry park covers 31.819 hectares located at Buguruni area, Ilala region, lying between Nelson Mandela Road and Kawawa Road. The proposed park will contain warehouses, other commercial buildings, light industry factory and other utilities. The proposed park will be developed by phases. The development of first phase will include backfilling, leveling, other structures and utilities, for own use. The development of second phase will be construction of some necessary utilities, such as water, roads, electricity and fenced, for sell and lease.

2. Investment breakdown

The investment breakdown for the first stage is as follows:

	Total (USD)
Land and Buildings	9,000,000
Plant and machinery	750,000
Vehicles/Aircrafts	40,000
Furniture	40,000
Office equipment	10,000
Insurance Cover	10,000
Pre-operational expenses	150,000
Working sub-total capital	
GRAND TOTAL	10,000,000.00

3. Financial projection

the total investment for the 1st phase will be USD 10,000,000, and the investment schedule and source of fund is as follows:

S/N	time	Capital injected(USD)	Source of fund
1	2024	2,000,000	revenue from construction, and loan from the shareholders
2	2025	2,000,000	revenue from construction, and loan from the shareholders
3	2026	2,000,000	revenue from construction, and loan from the shareholders
4	2027	2,000,000	revenue from construction, and loan from the shareholders
5	2028	2,000,000	revenue from construction, and loan from the shareholders
		10,000,000	

4. Project Financing

	Amount (USD)	Source Country
Local Equity		
Local Loans		
Foreign Equity		
Foreign Loans	10,000,000	China
Total Investment	10,000,000	

5. Operating/developing plan

The project covers 31.819 hectares, and to facilitate the development by phases, it will be subdivided into 6 sections.

The first phase is developing one section. This section is around 30,000 square meters. The development includes backfilling, leveling, casting concrete, constructing offices/warehouses etc. After finish the construction, this section will be for own use and lease.

Other sections might be furnished with necessary utilities, such as water, roads, electricity, fenced for sell and lease subject to the requirements from the potential buyer and lessee.

6. Capacity

The proposed business park will accommodate the following facilities after completion the works of the first and second stage.

(1) Warehouses

The warehouse area will not less than 50,000 square meters and the warehouse will be used to keep the products for the surrounding factory and containers.

(2) Factories

The factories area will not less than 100,000 square meters and they will be light industry, manufacturing spare parts, agriculture products etc.

(3) Commercial and offices

The offices and commercial buildings will accommodate some offices and shops which deal with logistics and building materials.

(4) Management office

(5) Parking area

(6) Landscape

(7) Security guard house

(8) Recreation area

During the construction of the business park, it will benefit the country for many ways. 1. A large number of workers, skilled and unskilled, will be employed. They will get well paid and well trained. Hundreds of job opportunity will be created. 2. Considerable building material will be consumed, which will benefit the supplier and transportation industry. 3. VAT and withholding tax will be produced and contributed to TRA. 4. Numerous companies will start their business in

the park after the infrastructure area ready.

7. Marketing plan

There are many industry parks in the surrounding places. We have conduct comparison and SWOT analysis.

4.1 comparison

-Mbagala Industrial Park

The land around Mbagala Industrial Park is cheap, but it's a little far from Port and city center compared the proposed CRJE Business park/industry park. The land size is also small.

-Mandela Road Industrial Cluster

This area is close to the main road, but all lands are small, dispersed and fragmented.

-Mikocheni Light Industrial Zone

the Mikocheni Light Industrial Zone is located in the bridgehead area of the city's development to the north, and has obvious advantages in terms of future development potential.

-Industrial Cluster along Pugu Road

The land around Mbagala Industrial Park is cheap, but it's a little far from Port and city center compared the proposed CRJE Business park/industry park.

4.2 SWOT analysis

-Advantages of the land: the land is large and it is the only piece of commercial/industrial land in the city with such large area. It is close to the main road.

-Disadvantages: condition of the access road is poor, and the land is close to the river with low elevation and prone to flooding.

-Opportunity: Tanzania is currently encouraging foreign investment and the business environment is improving.

-Threats: the land has been idle for a long time and the economic cost is getting higher; neighboring residents farm on the land and removing crops during the development phase may be a challenge

4.3 market strategy

Since we have clear picture of our competitors and land condition, our market strategy will focus on two things, the first one is the improving the land condition, such as construct the access road, provide utilities for the land. The second thing is carrying our online and offline advertising for the park, and the logistic company, factory and manufacturing companies are our key target.