

# **RIFT VALLEY EXPORTS LIMITED.**

## **BUSINESS PLAN & PROJECT PROPOSAL**

- 1. Project 1: Development of Contract Growing.**
- 2. Project 2. Seed Development & Varieties**
- 3. Project 3. Processing of Agricultural Produce**

MAY 2024

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# 1. Executive Summary

## 1.1 Preamble

Wherry & Sons, a well-established agricultural firm based in the UK, specializes in pulses and sesame seeds. They have established a subsidiary, Rift Valley Exports Ltd. in Dar es Salaam, Tanzania, to export these products from the country. Wherry & Sons are already operational in Kenya. The Tanzanian subsidiary will operate as an independent company, periodically remitting dividends to the parent companies.

## 1.2 Tanzania as a Production Base

Tanzania has substantial production of sesame seeds and various pulses such as green gram, yellow beans, cowpeas, and pigeon peas. The country also has the potential to produce high-quality crops for specialized markets. Contract growers who understand the stringent requirements of the European and Far Eastern markets can be sourced to meet these needs.

## 1.3 Wherry & Sons Marketing

Wherry & Sons already have a market for these products, along with the necessary market knowledge, experience, and contacts. The primary challenge is to develop a robust production base in Tanzania.

## 1.4 Sources of Finance

The parent company, Wherry & Sons Ltd. (WSL), based in Bourne, Lincolnshire, England, will finance Rift Valley Exports Limited with an investment of US\$ 365,000, and will source the necessary Export Finance.

## 1.5 Foreign Exchange Generated

From the small starting point, within five years Rift Valley Exports Ltd. will be producing seed for farmers and will be exports around 14,000 tons of sesame and pulses. As these figures are reached, the process of value adding will be done in Dar-es-Salaam. In broad brush figures, RVEL will be making a net profit of US\$ 10m, from the sales of US\$ 25-30m (all foreign exchange) and will be paying a corporation tax of something of the order of US\$ 5m.

## 1.6 Employment Opportunities

Rift Valley Exports Ltd. will not be a significant direct employer until such time that they start processing product in Dar-es-Salaam (year 3-5). At that time the number of employees will increase dramatically. Total employees are estimated at being 165 personnel.

## 1.7 Implementation Steps

The initial phase involves:

- **Project 1. Development of Contract Growing.** This will be set up on the base of initial purchases through the current market channels like TMX, and working on the logistics of getting product to Dar-es-Salaam, processed and exported. Simultaneous with this principle, the team on the ground will start looking for and developing contacts for contract growing
- **Project 2. Seed Production.** Simultaneous with the development of the concept of contract growing, the team on the ground will start working with TARI on varieties of sesame, pulses (peas & beans), that will be assessed, multiplied up, so that they can be planted in more extensive acreage.
- **Project 3. Processing Plants.** Cleaning and processing of product in preparation for export.

## 1.8 Conclusion & Recommendations

The Republic of Tanzania offers an excellent opportunity for Investment by Wherry & Sons Ltd. and the compilation of this business plan is to exploit that opportunity. The business plan introduces the three projects and the investments to be made in each of those projects (approximately US\$ 8.2 million), and demonstrates a fair level of employment, significant potential in the improvement in the livelihoods of farmers through better growing, and higher yields.

## 2. Introduction

The potential for exporting agricultural crops such as pulses and sesame from the United Republic of Tanzania is substantial. Wherry & Sons, a company with expertise in this area, plans to establish a subsidiary in Dar es Salaam to export these products and invest in their development. This includes improving crop cultivation at both the smallholder and larger-scale contract farming levels.

The core of this business plan is to establish a wholly-owned subsidiary of Wherry & Sons in Dar es Salaam, which will serve as a base for operations in Tanzania, Northern Zambia, Malawi, Rwanda, and Burundi.

### 2.1 Wherry & Sons Ltd.

Wherry & Sons (founded by Edward Wherry) was incorporated 1909. The company has operated continuously for over two centuries, based in and around Bourne, England. Throughout its history, the company has been closely linked with British agriculture. While many firms in the same industry have not survived, Wherry & Sons has not only survived but thrived. Today, under the leadership of Managing Director Dan Wherry, the seventh generation of the Wherry family, the company is a global business specialising in trading pulses and oilseeds.

### 2.2 Wherry & Sons in the Region

Wherry & Sons have already established a presence in Kenya, starting with commercial-scale chickpea trials in 2021 and a pilot sesame export in late 2022. In 2023, they opened a subsidiary, Artisem Ltd. and exported 120 tons of brown sesame, with plans to export 500 tons in 2024. However, sesame production in Kenya is limited and caters more to the mass market than specialist markets.

The company is working on variety selection for specific markets, which takes time. Initial inquiries in Tanzania indicate significant volumes of creamy sesame and ongoing breeding and selection programs suited for regional preferences. Wherry & Sons are also exploring the potential of crops from regions ranging from Eritrea to Angola, for which the Dar es Salaam office would serve as an ideal regional headquarters.

Wherry & Sons are also looking to operate further afield in the region, looking at countries like Zambia, Malawi, Rwanda, and Burundi as potential sources of product, using Dar-es-Salaam as the port through which to funnel these exports.

### 2.3 Wherry & Sons and the International Market

Wherry & Sons trades approximately 100,000 tons of produce annually on the international market, with a strong focus on quality.

### 2.4 Tanzania as a Potential Production Base

Tanzania produces large quantities of pulses and sesame seeds, with significant potential for international export. As a Least Developed Country (LDC) designated by the United Nations, Tanzania enjoys considerable trade advantages in the international market.

The products of interest to Wherry & Sons, given their existing markets, include:

- *Sesame*
- *Chickpeas*
- *Green Gram*
- *Navy Beans*
- *Yellow Beans*
- *Red Kidney Beans*
- *Cow Peas*
- *Pigeon Peas*
- *Soya Beans*
- *Yellow Peas*
- *Adzuki Beans*

A more detailed analysis of production volumes and localities in Tanzania for each product is covered in Section

## **2.5 Sustainable Agricultural Production.**

In the wake of climate change, weather patterns appear to be becoming more variable. Combined with that the relative population increases in Tanzania, and the pressure to use more and more land that twenty years ago was considered as marginal, agricultural practices need to be modified. In addition to that it is becoming increasingly apparent that after years of tilling the field by tractor, there is a global phenomenon where soil organic matters are becoming significantly reduced.

Combine this with reliance on inorganic fertilisers, which in many cases cannot be afforded by small subsistence farmers, the concepts of growing sustainably, and that of min / zero tillage bring a potentially much rosier future for the small-holder farmer.

Working this style of agriculture will require Rift Valley Exports Ltd. to work closely with farmers, understand why they grow crops in the way they do, and then to look at how the principles of Sustainable / Climate Smart Agriculture can be modified and applied to local conditions.

This approach will take a while to be adopted by farmers as they are, the world over, amongst the most conservative of human beings.

In addition, this approach to agriculture is currently one of the key focuses of the NGOs in Europe at the moment, particularly when it comes to Soil Organic Carbon (SOC) and sequestering carbon in general through inputs like biochar. Whilst there may be some cynicism of the world of Carbon Credits, there is certainly a great deal of potential grant and funding money for farmers. The issue with this, from a smallholder farmer perspective is to find a vehicle on which to implement such schemes.

The whole nature of growing sesame, and the dryland crops like cow peas, green mung beans ('choroko') and pigeon peas is very conducive to this kind of growing.

## **2.6 Crop Prioritization**

Sesame is the principle crop of initial interest, with Tanzania producing about 500,000 tons annually. Green gram and chickpeas are also of high priority due to ready markets. Once these crops are established within the marketing chain, Wherry & Sons will explore other pulse crops. Adzuki beans, currently grown in very small quantities in Tanzania, would require an almost 'start-from-scratch' basis with trial programs, variety testing, and seed development.

## **2.7 Basis for the Business Plan**

Given the availability and volumes of agricultural products, significant opportunities exist in buying and exporting products from Dar es Salaam. In order to exploit this Wherry & Sons must establish a company under Tanzanian law. Although working with established agents in Tanzania was considered, the need for control over product quality and maximizing margins makes it expedient for Wherry & Sons to set up their own operation.

## 3. Summary of Company Legal Formation.

### 3.1 Rift Valley Exports Limited.

Rift Valley Exports Ltd. is a limited liability company incorporated under the laws of the United Republic of Tanzania with Certificate of Incorporation No. 173556128 dated 30th of April 2024.

The company is licensed to conduct agricultural activities.

### 3.2 Company Shareholding Structure & Nationality.

There are two shareholders in the Company who are:

- Wherry & Sons Limited. 99 shares Registered in UK and Wales
- Artisem Limited. 1 share Registered in Kenya).

### 3.3 Description of Project Location.

The project will be based in Dar-es-Salaam, Tanzania as the principle exporting hub for Tanzania and other land-locked countries. This will where the office shall be initially, and at a later date, the warehousing and processing facilities.

The project will operate in the hinterland of the whole of Tanzania:

- Sesame. This will be principally covering the whole country, as contract growers start to develop. This covers all hotter regions from Northern Tanzania. Through Dodoma, and Morogoro, and down to Lindi and Mtwara.
- Hot Climate Pulses (Peas & Beans). The 'hot climate' pulses include three crops -pigeon peas, cow peas and green mung beans (GMB or 'Choroko').
- Cool Climate Pulses (Peas & Beans). The 'cool climate' pulses generally require cooler growing conditions that comes with the higher altitudes. We are already working with a farmer who grows chick peas in the Dodoma area.

The growth into these areas will start slowly, and as the business grows, the markets develop the spread of Rift Valley Exports Ltd. will develop across Tanzania.

### 3.4 Description of the Objective of the Projects.

The objective of Wherry & Sons is to set up a production and trading base in Tanzania, that will fulfil the markets that Wherry & Sons have both in Europe and the Middle and Far East.

The plan is to initially buy product in Tanzania, and with time we will start pushing towards contract growing, where farmers will grow specifically for the Wherry & Sons market in volumes but MUST comply with the quality standards and requirements of the market. This will require extensive training of farmers on matters like post-harvest quality, and maximum pesticide residues.

	Indirect Purchasing	Contract Farmers	Sesame	Cool Climate Pulses	Hot Climate Pulses
2024	100%	0%	400 tons	Nil	Nil
2025	80%	20%	1,000 tons	200 tons	100 tons
2026	60%	40%	3,000 tons	400 tons	200 tons
2027	40%	60%	5,000 tons	800 tons	500 tons
2028	30%	70%	10,000 tons	2,000 tons	2,000 tons

As volumes increase the cleaning plants will come into place, as outsourcing cleaning will a) be expensive, and b) will not be under the direct control of Rift Valley Exports Ltd.

Starting with 2024, the intended exports are 1300t, 3600t, 6300t, and 14,000t for the first five years.

## **4. Tanzania as a Production Base**

This section provides an analysis of the various agricultural products in Tanzania that Wherry & Sons is interested in exporting. Each crop's production quantities and other relevant details are discussed below:

### **4.1 Sesame Seed (*Sesamum indicum* or 'Ufuta' or 'Simsim')**

- 4.1.1 Product Availability:** Tanzania produces three types of sesame seeds: brown sesame (similar to the Kenyan product), mixed sesame (a blend of creamy & brown), and creamy sesame. Creamy sesame is the most suitable for Wherry & Sons' market.
- 4.1.2 Growing Regions:** Sesame is cultivated in the Morogoro area in central Tanzania and in the coastal regions of Mtwara, Lindi, and Ruvuma.
- 4.1.3 Growing Season:** Harvesting begins in Morogoro around late April and progresses southward, concluding near the Mozambique border in September. This schedule complements the Kenyan sesame season, allowing Wherry & Sons to maintain year-round production.
- 4.1.4 Market:** Tanzania exports approximately US\$150 million worth of sesame annually, primarily to China, with minimal exports to the UK.
- 4.1.5 Potential Strengths:** The large production volume enables significant purchasing and immediate entry into substantial sales ventures. Tanzania's extensive breeding programs also provide opportunities for higher-yielding varieties that align with Wherry & Sons' market requirements.
- 4.1.6 Potential Weaknesses:** Navigating the network of established producers to ensure farmers grow specific varieties needed by Wherry & Sons will be challenging.

### **4.2 Chickpeas (*Cicer arietinum*, or 'Pojo')**

- 4.2.1 Product Availability:** Tanzania grows small quantities of Desi Chickpeas (orange, lower value) and Kabuli Chickpeas (yellow, higher value but more disease-prone).
- 4.2.2 Growing Regions:** Chickpeas are cultivated in Tanzania's southern highlands and the greater Dodoma area. Wherry & Sons have an MoU with a company trialling commercial chickpea cultivation.
- 4.2.3 Growing Season:** In Dodoma, planting occurs in July/August with harvesting in December. Further research is needed to identify suitable contract farmers in the southern highlands.
- 4.2.4 Quantities Exported:** Chickpea exports have grown from \$47 million in 2019 to \$84 million in 2022, with tonnage between 75,000-100,000 tons annually. There is significant potential in Wherry & Sons' specialist market.
- 4.2.5 Potential Strengths:** Chickpeas thrive in relatively dry conditions, making them drought-tolerant. Experience in Kenya says that growing them in 'black cotton soils' in dry years, the crop does particularly well.
- 4.2.6 Potential Weaknesses:** The crop is susceptible to pests and diseases, and compliance with European Maximum Residue Levels (MRLs) limits its suitability to large-scale contract farming rather than smallholders.

### **4.3 Green Gram / Mung Bean (*Vigna radiata* or 'Choroko')**

- 4.3.1 Product Availability:** Significant areas of green gram are cultivated in Tanzania.
- 4.3.2 Growing Regions:** Green gram is grown in the same regions as sesame.
- 4.3.3 Growing Season:** The green gram growing season precedes the sesame season, as it is a faster growing crop, than sesame (2-3 months vs. 4 months)
- 4.3.4 Quantities Grown:** Tanzania exports US\$20-30 million worth of green gram annually.
- 4.3.5 Potential Strengths:** The crop is abundant and readily available.
- 4.3.6 Potential Weaknesses:** Smallholder production poses traceability and purity challenges for high-end markets unless cooperatives are formed.

#### **4.4 Navy Beans (*Phaseolus vulgaris* var.)**

- 4.4.1 Product Availability:** Navy beans (used in the manufacture of the tinned product 'baked beans', are grown in Tanzania.
- 4.4.2 Growing Regions:** They are grown in mid-to-higher altitudes, likely in the southern highlands.
- 4.4.3 Growing Season:** To be confirmed. Likely to be similar to Green Gram.
- 4.4.4 Quantities Grown:** Unknown; statistics are combined with other bean varieties.
- 4.4.5 Potential Strengths:** Navy beans have a specialist market in South Africa, Zimbabwe, and North America. Purchasing can be extended across the border in Northern Zambia.
- 4.4.6 Potential Weaknesses:** The extent of production is unknown.

#### **4.5 Red Kidney Beans (*Phaseolus vulgaris* var.)**

- 4.5.1 Product Availability:** Widely available in Tanzania.
- 4.5.2 Growing Regions:** Grown in mid-to-higher altitudes. Likely to be in the Southern Highlands and across the border into Northern Zambia.
- 4.5.3 Growing Season:** Unconfirmed.
- 4.5.4 Quantities Grown:** It is known that significant quantities are exported to Kenya.
- 4.5.5 Potential Strengths:** The crop is widely available, making purchasing easier.
- 4.5.6 Potential Weaknesses:** Further investigation is needed.

#### **4.6 Yellow Beans (*Phaseolus vulgaris* var.)**

- 4.6.1 Product Availability:** Widely available in Tanzania, particularly of interest to the Canadian market.
- 4.6.2 Growing Regions:** Grown in mid-to-higher altitudes.
- 4.6.3 Growing Season:** Unconfirmed.
- 4.6.4 Quantities Grown:** Significant quantities are exported to Kenya.
- 4.6.5 Potential Strengths:** The crop is widely available, making purchasing easier.
- 4.6.6 Potential Weaknesses:** Smallholder production may lead to mixed varieties with differing shapes and colours, which may not meet market preferences.

#### **4.7 Cow Peas and Pigeon Peas (*Vigna unguiculata* and *Cajanus cajan*)**

- 4.7.1 Product Availability:** Widely grown in Tanzania.
- 4.7.2 Growing Regions:** The same regions as sesame.
- 4.7.3 Growing Season:** Similar to sesame.
- 4.7.4 Quantities Grown:** Pigeon pea exports range in value terms from US\$50-100 million annually, while cow pea exports are around US\$100,000.
- 4.7.5 Potential Strengths:** There is potential for export despite much production going to local consumption or cross-border sales.
- 4.7.6 Potential Weaknesses:** Differentiating the product in the international market may be challenging due to limited exports.

#### **4.8 Soya Beans (*Glycine max*).**

- 4.8.1 Product Availability:** Widely grown in Tanzania, with a ban on GMO crops ensuring all produce is GM-free, suitable for niche markets.
- 4.8.2 Growing Regions:** Grown in hotter, wetter areas.
- 4.8.3 Growing Season:** In the south, planting occurs around December-February with harvesting from March to May.
- 4.8.4 Quantities Grown:** Exports have increased from US\$1.6 million in 2019 to US\$20-30 million in 2022.
- 4.8.5 Potential Strengths:** Non-GMO soya beans have a niche market, aligning with Wherry & Sons' focus on specialty markets.
- 4.8.6 Potential Weaknesses:** The soya bean market is highly competitive.

## **4.9 Yellow Peas (*Pisum sativum*)**

<b><u>4.9.1 Product Availability:</u></b>	Detailed availability is unknown, but there is potential for a small, limited market in Kenya for yellow split pea flour within the Wherry & Sons marketing system, which is of interest
<b><u>4.9.2 Growing Region:</u></b>	Grows well in Dodoma and the Southern Highlands.
<b><u>4.9.3 Growing Season:</u></b>	Similar to chickpeas.
<b><u>4.9.4 Quantities Grown:</u></b>	Unknown, likely requiring R&D efforts.
<b><u>4.9.5 Prices Paid:</u></b>	Unknown.
<b><u>4.9.6 Potential Strengths:</u></b>	Suitable climatic regions for cultivation.
<b><u>4.9.7 Potential Weaknesses:</u></b>	As an unknown crop, initial trials, variety testing, and farmer training are needed.

## **4.10 Adzuki Beans (*Vigna angularis*)**

<b><u>4.10.1 Product Availability:</u></b>	Small quantities are grown in Tanzania, with potential for value addition for the very exacting Japanese market
<b><u>4.10.2 Growing Regions:</u></b>	Dodoma and the Southern Highlands.
<b><u>4.10.3 Growing Season:</u></b>	Similar to chickpeas.
<b><u>4.10.4 Quantities Grown:</u></b>	Exports range in value terms between US\$50-100,000 annually.
<b><u>4.10.5 Prices Paid:</u></b>	No existing price information.
<b><u>4.10.6 Potential Strengths:</u></b>	Growing Adzuki beans outside the Far East provides a new origin.
<b><u>4.10.7 Potential Weaknesses:</u></b>	The crop is sensitive to latitude and has not been grown far from regions like Korea and Thailand. Trials are needed to ensure acceptance in the Japanese market.

## **5. Tanzanian Crops and Wherry & Sons Marketing**

Having established the actual and potential availability and cultivability of the crops, the next focus is on their market potential.

### **5.1 Sesame Seed.**

Sesame seeds have three primary markets:

**5.1.1 Oil Pressing:** The least valuable market segment, but widely consumed in India, and the Middle East

**5.1.2 Tahini Production:** Essential in Mediterranean cuisine. Wherry & Sons are developing market partnerships in Israel and the Mediterranean region, where tahini demand is high.

**5.1.3 Baking Industry:** Wherry & Sons have strong connections in this market segment.

Wherry & Sons Ltd. have strong links with the tahini market, and are looking to exploit those links with bespoke product, responsibly sourced.

### **5.2 Chickpeas**

The conflict in Ukraine has disrupted Wherry & Sons' chickpea supply to the UK. Potential new production bases in Kenya, Tanzania, and Northern Zambia are being explored. Wherry & Sons maintain strong relationships with UK supermarkets and tahini producers, aiming to fill the market gap left by the Russian/Ukrainian supply shortage.

### **5.3 Green Gram / Mung Beans**

Wherry & Sons have established strong markets in India, Turkey, and Dubai. There is also a higher-value market in the Far East for bean sprouts, requiring specific varieties that produce strong, white-coloured sprouts.

### **5.4 Navy Beans**

There is a robust market for navy beans in Southern Africa, Europe, and North America, where they are used in baked beans. The Southern African market is less profitable compared to Europe and North America.

### **5.5 Yellow Beans**

Canada has a significant demand for yellow beans. Wherry & Sons have established strong business relationships to capitalise on this market.

### **5.6 Cow Peas & Pigeon Peas**

While there is a market for cow peas and pigeon peas, margins are limited and closely tied to volume.

### **5.7 Soya Beans (non GMO).**

Soya beans are a global commodity. Wherry & Sons target a niche market for non-GMO soya beans into France, which are also cultivated in Northern Zambia.

### **5.8 Yellow Split Peas**

There is a small, consistent market for yellow peas in Kenya, demanding 200-300 tons annually. Growing them in Dodoma allows for easy transport across the border. Expansion is possible if the international market grows.

## **5.9 Adzuki Beans**

Japan is the principal market for adzuki beans, where quality standards and expectations are very high. Reliable product quality and supply can yield good margins in this fickle market.

## **6. Tanzanian Government Institutes**

### **6.1 Tanzania Agricultural Research Institute (TARI).**

Mr. Juma Mfaume has been approached regarding the development and availability of sesame varieties in Tanzania. Contacts have been made with two key figures in Mtwara:

**6.1.1 Sesame Research Programme (Mtwara)**: Established contacts for collaboration.

**6.1.2 Sesame Breeder**: Mr. Zabron Ngamba, a sesame breeder in Mtwara, has been contacted to initiate processing trials of existing sesame varieties and develop specific varieties suited to Wherry & Sons' market needs.

### **d.2 Tanzania Mercantile Exchange (TMX)**

Meetings have been held to understand the nature of the Tanzania Mercantile Exchange, through which sesame is auctioned in the southern regions. RVEL has registered with TMX to monitor the auction process and gain insights into the supply and demand dynamics of the current growing season.

## 7. Business Establishment & Investment

### 7.1 Introduction

The trading of agricultural commodities is a business that is highly sensitive to a whole range of factors. It can be influenced by exchange rates (USD/GBP and USD/TZS for RVEL). Margins can be further tightened by the changes in supply and demand from the principle producing countries as well as the consuming countries. This all requires an in-depth understanding that only experience can provide. Wherry & Sons have that depth of experience, however within their client base, there is some unfamiliarity with Tanzania as a country of origin for sesame.

Therefore, the company will begin with small-scale exports, testing each step of the buying process before scaling up. This cautious approach mitigates the risk of significant losses due to unforeseen costs.

### 7.2 Business Establishment

Wherry & Sons will establish a fully-owned subsidiary in Dar-es-Salaam. The initial phase will involve setting up an office with a manager and an accountant/office manager. This office will handle purchasing from brokers, product cleaning, and export organization. Initial funding will be generated from these activities, allowing the company to gradually expand and develop its supply base through various strategies:

- **Project One: Contract Farming:** Identifying potential contract farmers to grow specific, more specialized crops across the country. This will require building a network to provide agronomic support and promote climate-smart agriculture among small-holder farmers. This network will also facilitate procurement through cooperatives and farmer groups.
- **Project Two: Seed Development:** Collaborating with government programs, such as the sesame seed breeding program, to develop new seed varieties.
- **Project Three: Facility Development:** Establishing a facility near Dar-es-Salaam for product holding and cleaning. In the long term, this facility could support value addition processes, such as sesame hulling and oil pressing.

As the company grows, an Operations Manager will be required to oversee operations in Tanzania and neighbouring countries.

### 7.3 Investment in Tanzania

Investment will occur at several levels:

#### *7.3.1 Setting Up HQ (Operational Costs in Offices & Facilities).*

Initial investment in Tanzania will be minimal until RVEL begins trading. Initial test shipments of approximately 200 tons of sesame, purchased from brokers in Dar-es-Salaam, will help RVEL understand the cleaning and export processes. The second phase, starting in the 2024 growing season, will involve engaging with the auction system in Mtwara and/or Lindi.

#### *7.3.2 Project 0: Capital Investment*

The purpose of this phase is to set up the company in Dar-es-Salaam and get the company operational. This requires the basic matter of setting up the office, and includes

- Vehicles: Purchase of a vehicle in Year 1, with additional vehicles added in Year 3 and Year 5, totalling four vehicles (two vehicles in Year Five).
- Office Equipment. This is the simple matter of office desks, facilities for sample storage, computers and so on.
- Plant Equipment: Investment of \$500,000 in Year 2 for equipment to clean various crops to export quality standards.

- **Processing Plant:** Although the specifics of processing operations are not yet clear, it is understood that significant value lies in processing and value addition within Tanzania. A provisional investment of \$500,000 is planned for Year 5 to support these activities.
- **Fixed Assets and Depreciation:**

RIFT VALLEY EXPORTS LTD.											FIXED ASSETS & DEPRECIATION
<b>Project 0: Central Administration -Motor Vehicles</b>											
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
<b>b/f</b>	-	22,500	16,875	35,156	56,367	42,275	31,707	23,780	17,835	13,376	10,032
<b>Vehicle 1</b>	30,000										
<b>Vehicle 2</b>			30,000								
<b>Vehicle 3</b>				40,000							
<b>Depreciation</b>	(7,500)	(5,625)	(11,719)	(18,789)	(14,092)	(10,569)	(7,927)	(5,945)	(4,459)	(3,344)	(2,508)
<b>c/f</b>	22,500	16,875	35,156	56,367	42,275	31,707	23,780	17,835	13,376	10,032	7,524
<b>Project 0: Central Administration -P&amp;M/Office</b>											
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
<b>b/f</b>	-	5,950	6,758	22,744	19,332	16,432	13,968	11,872	10,092	8,578	7,291
<b>Office Furnishing</b>	2,000	2,000									
<b>Computers &amp; IT</b>	5,000		20,000								
<b>Depreciation</b>	(1,050)	(1,193)	(4,014)	(3,412)	(2,900)	(2,465)	(2,095)	(1,781)	(1,514)	(1,287)	(1,094)
<b>c/f</b>	5,950	6,758	22,744	19,332	16,432	13,968	11,872	10,092	8,578	7,291	6,197

### **7.3.3: Project One: Setting Up of Contract Growing**

This part of the project does not require investment in capital items, however it does require a great deal of time in:

- Identifying the right partners with whom to do business with.
- Developing that relationship.

This particular project, therefore has little Capital Investment, however it will consume a great deal of management time

<b>Project One: Development of Contract Farming</b>											
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
<b>b/f</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Capex</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Depreciation</b>	-	-	-	-	-	-	-	-	-	-	-
<b>c/f</b>	-	-	-	-	-	-	-	-	-	-	-

### **7.3.4: Project Two: Setting Up of Seed Production.**

This will need to be in two regions -one covering the hot region crops (sesame, green mung beans, pigeon peas and cow peas), and one for the cooler region crops (all the other peas and beans). There are three fundamental steps in the seed production process:

- 1 **Variety Selection:** This requires insect proof plots so as to prevent cross-pollination by insects. It will need to be irrigated (irrigation cost US\$ 4.00 per Sq.m), so that the crop will not be subject to the vagaries of weather. The proposal will be to bring in poly-tunnels (cost US\$ 10.00 per Sq.m). On each of the two sites, a 1000 Sq.m.
- 2 **Variety Bulking.** Once the selected varieties are tested, and checked for the market suitability, certain varieties will advance to the next stage of the process, which is bulking up the seed, so that large areas can be planted. This first step in the bulking process must be done under close growing conditions as seed quality and hygiene is critical at this early stage. This will give the seed production unit the ability to produce enough seed for 40 hectares of each variety. These areas would need to be separated by insect-proof netting (US\$ 4.00 per Sq.m) for about 10% of the area.

This process will be on a continuous basis for new and existing varieties, and will require 10 Ha on each of the two sites. Whilst this land will not need to be covered, the ability to irrigate (US\$ 4.00 per Sq.m)

and spray (US 1.00 per Sq.m) will be required. This will also require a specialised storage structure of 500 Sq.m (US\$ 200 per Sq.m).

- 3 **Field Bulking.** This next stage is getting 100 acres worth of seed, so that it can be bulked up so that 1000 or so acres can be planted (one acre of most of the crops that Wherry & Sons are looking at yield 1-2 tons per acre. 1,000 acres will therefore yield 1-2,000 tons. Part of this can be done by contract farmers, however in certain cases this will be done in house in the seed production facility. The area required will vary with the balance of production between large area contract farmers, and small holders.
- 4 **Seed Dressing.** With modern technology, the dressing of seed has been proven to make a big difference in germination and initial crop establishment. The plan is to dress the varieties that Rift Valley Export Ltd. produces. This will require a seed dressing machine.

With this, there will be a requirement for agricultural machinery to cultivate the land, as well as harvest.

Project Two: Seed Selection & Production											
	0	0	0	0	0	0	0	0	0	0	0
b/f	-	-	26,100	3,137,490	2,823,741	2,541,367	2,287,230	2,058,507	1,852,656	1,667,391	1,500,652
Seed Selection Unit (G/Hse)	-	10,000	-	-	-	-	-	-	-	-	-
Seed Selection Unit (Irrig.)	-	4,000	-	-	-	-	-	-	-	-	-
Office	-	15,000	-	-	-	-	-	-	-	-	-
Seed Bulking Unit	-	-	2,160,000	-	-	-	-	-	-	-	-
Seed Storage Unit	-	-	1,000,000	-	-	-	-	-	-	-	-
Tractors & Implements	-	-	300,000	-	-	-	-	-	-	-	-
Depreciation	-	(2,900)	(348,610)	(313,749)	(282,374)	(254,137)	(228,723)	(205,851)	(185,266)	(166,739)	(150,065)
c/f	-	26,100	3,137,490	2,823,741	2,541,367	2,287,230	2,058,507	1,852,656	1,667,391	1,500,652	1,350,587

### **7.3.5: Project Three: Processing Facility Development.**

As the volume increases of product, the economies of scale allow for Rift Valley Exports Ltd to install their own seed cleaning plant, so that the exacting standards for the European Market can be met.

#### **Cleaning Plant.**

This is only justifiable after a threshold of 4000 tons per annum. This level will, according to the business plan, be achieved in 2026/7. The justification for this is that contract cleaning will be done on contract, it will cost US\$ 50-70 per ton. With our own cleaning plant we will be able to clean at about US\$ 40 per ton on current pricings.

The cost of building a state-of-the-art plant that would be able to colour sort peas and beans, as well as cleaning it (5 tons per hour) would cost US\$ 1,250,000, and will require a structure of another US\$ 500,000

#### **Sesame Hulling Plant.**

This will be followed by a hulling plant. This removes the hull (or husk of the seed) adding value to the product. The only close hulling plant is in Mogadishu which would then require shipping to Mogadishu and back to Dar-es-Salaam. The cost to Rift Valley Exports Ltd. would be about US\$ 350 per ton, as opposed to US\$ 500 per ton in Mogadishu.

Project Three: Seed Processing											
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
b/f	-	-	-	2,655,000	3,379,500	3,131,550	2,818,395	2,536,556	2,282,900	2,054,610	1,849,149
Land & Go Down	-	-	1,000,000	-	-	-	-	-	-	-	-
Cleaning Plant Machinery	-	-	1,250,000	-	-	-	-	-	-	-	-
Cleaning Plant Building	-	-	500,000	-	-	-	-	-	-	-	-
Hulling Plant	-	-	-	1,000,000	-	-	-	-	-	-	-
Weighbridge & Electrics	-	-	200,000	100,000	100,000	-	-	-	-	-	-
Depreciation	-	-	(295,000)	(375,500)	(347,950)	(313,155)	(281,840)	(253,656)	(228,290)	(205,461)	(184,915)
c/f	-	-	2,655,000	3,379,500	3,131,550	2,818,395	2,536,556	2,282,900	2,054,610	1,849,149	1,664,234

### **7.3.6 Financing of the Purchase of Product.**

Year 1. Trading Capital (purchase of sesame) \$ 325,000

Year 1.	Purchase of vehicles	\$ 30,000
Year 1.	Office Establishment	\$ 10,000
<b>TOTAL FINANCE REQUIRED (Year 1)</b>		<b>\$ 365,000</b>

### **7.3.7 Total Investment by Project.**

The project has been designed in such a way that the first role of the business is to get the trading operations functioning, at a minimal investment. However, once these start to function, the other aspects will have to follow as part of the quality assurance process that will be required for the Wherry & Sons higher-value market.

### **TOTAL INVESTMENT IN THE PROJECT.**

CAPEX ADDITIONS (Values in US\$)											
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Vehicles	30,000	-	30,000	70,000	40,000	-	40,000	40,000	50,000	-	-
Administration	10,000	6,000	24,000	8,000	-	-	-	-	-	-	-
Project One	-	-	-	-	-	-	-	-	-	-	-
Project Two	-	29,000	3,660,000	-	-	-	-	-	-	-	-
Project Three	-	10,000	2,950,000	1,100,000	100,000	-	-	-	-	-	-
<b>TOTAL ADDITIONS</b>	<b>40,000</b>	<b>45,000</b>	<b>6,664,000</b>	<b>1,178,000</b>	<b>140,000</b>	<b>-</b>	<b>40,000</b>	<b>40,000</b>	<b>50,000</b>	<b>-</b>	<b>-</b>

As per the table above, the total proposed investment will be of the order of US\$ 8,200,000 over eight years. The principle investment will be in the state-of-the-art cleaning plant, and the hulling plant, as well as the seed production unit.

It is worth noting that Project One (the development of Contract Growing) requires very little financial investment. This job hinges on the role of being able to communicate and talk with farmers.

### **7.3.8 Total Depreciation by Project.**

The table below gives the annual depreciation for the project

DEPRECIATION	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Vehicles	(7,500)	(5,625)	(11,719)	(26,289)	(29,717)	(22,288)	(26,716)	(30,037)	(35,028)	(26,271)	(19,703)
Administration	(1,500)	(2,175)	(5,449)	(5,831)	(4,957)	(4,213)	(3,581)	(3,044)	(2,587)	(2,199)	(1,869)
Project One	-	-	-	-	-	-	-	-	-	-	-
Project Two	-	(2,900)	(368,610)	(331,749)	(298,574)	(268,717)	(241,845)	(217,661)	(195,894)	(176,305)	(158,675)
Project Three	-	(1,000)	(295,900)	(376,310)	(348,679)	(313,811)	(282,430)	(254,187)	(228,768)	(205,891)	(185,302)
<b>TOTAL DEPRECIATION</b>	<b>(9,000)</b>	<b>(11,700)</b>	<b>(681,678)</b>	<b>(740,180)</b>	<b>(681,927)</b>	<b>(609,029)</b>	<b>(554,572)</b>	<b>(504,928)</b>	<b>(462,278)</b>	<b>(410,666)</b>	<b>(365,549)</b>

### **7.3.9. Cash Flow for the Three Projects.**

The table below gives the

Cash Flow for Rift Valley Exports Ltd.											
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
b/f	-	771,000	1,370,370	10,428	422,370	9,803,075	20,664,805	31,818,342	43,062,255	54,368,310	65,813,336
Purchase of shares	100										
Loan from parent	400,000	(400,000)	3,500,000	(2,500,000)	(1,000,000)						
Capex	(40,000)	(45,000)	(6,664,000)	(1,178,000)	(140,000)	-	(40,000)	(40,000)	(50,000)	-	-
Profits (Pre-Tax)	410,900	1,035,370	1,796,258	4,072,774	10,488,585	10,827,056	11,167,037	11,253,615	11,322,975	11,407,410	11,480,641
Add back depreciation		9,000	7,800	17,168	32,121	34,674	26,501	30,297	33,081	37,615	28,470
c/f	<b>771,000</b>	<b>1,370,370</b>	<b>10,428</b>	<b>422,370</b>	<b>9,803,075</b>	<b>20,664,805</b>	<b>31,818,342</b>	<b>43,062,255</b>	<b>54,368,310</b>	<b>65,813,336</b>	<b>77,322,447</b>

## 8. Employment Requirements.

### 8.1. Professional Staff (Senior Management)

**8.1.1. Definition of Senior Management:** The definition of Senior Management are employees that are either in a position at a director level, or someone whose position HAS to have international experience and/or understanding where it is not available within the Republic of Tanzania.

Rift Valley Exports Ltd.								Employee Profile			
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
<b>Head Office Employees</b>											
Senior Management	1	1	2	2	2	2	2	2	2	2	2
<b>Field Employees (Contract Grower Management)</b>											
Senior Management	0	0	0	1	1	1	1	1	1	1	1
<b>Seed Production Employees</b>											
Senior Management	0	0	0	0	0	0	0	0	0	0	0
<b>Processing Employees</b>											
Senior Management	0	0	0	1	1	1	1	1	1	1	1
<b>TOTAL HEAD COUNT</b>											
Senior Management	1	1	2	4	4	4	4	4	4	4	4

**8.1.2. Managing Director:** A representative from Wherry & Sons Ltd. in the UK will oversee business development, market expansion for sesame, dried peas, and beans, and establish a contract grower system while exploring new crop opportunities.

**8.1.3. Financial Director:** Once the company is operational, the financial management will be brought in house, rather than using an external accounting firm.

**8.1.4. Agronomy Director:** The whole business model works on the development of different crops and varieties, as well as finding new growing regions. This aspect is critical for the company, and will require an expatriate position that understands the agricultural operations of both the Wherry requirements as well as operating in an African situation.

**8.1.5. Hulling Plant Manager:** Responsible for factory operations meeting international health and safety standards and market liaison. The role may be filled by an expatriate or Tanzanian, based on candidate availability.

**8.1.6. Total Expatriate Requirements:** Whilst the emphasis will be on developing Tanzanian expertise and training, there will be a requirement of three to four expatriates for the project

### 8.2. Mid-Level Management:

These roles are intended to be exclusively filled by Tanzanian nationals. The planned Essential roles include a senior accountant, potentially agronomists, and broking agents for product sourcing and development.

Rift Valley Exports Ltd.								Mid Level Management Employee Profile			
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
<b>Head Office Employees</b>											
Mid Level Management	0	1	2	4	4	4	4	4	4	4	4
<b>Field Employees (Contract Grower Management)</b>											
Mid Level Management	0	1	2	2	2	2	2	2	2	2	2
<b>Seed Production Employees</b>											
Mid Level Management	0	1	1	1	2	2	2	2	2	2	2
<b>Processing Employees</b>											
Mid Level Management	0	0	0	2	3	4	4	4	4	4	4
<b>TOTAL HEAD COUNT</b>											
Mid Level Management	0	3	5	9	11	12	12	12	12	12	12

**8.2.1. Operation HQ:** This would have a small team, which would consist of an accounts clerk / book keeper, and in due course a logistics manager organising transport into Dar-es-Salaam, and handling port related matters.

**8.2.2. Contract Farming:** As the areas in which Rift Valley Exports Ltd. starts working directly with farmers (both small holders and farmers with large acreage), agronomic support will be required, with particular

reference to the small holders, so that yields can be increased. These individuals will also have to be well versed in Regenerative Agriculture. This is likely to require one Field Agronomist per 1000 tons of production (500-1000 acres). There will therefore be a steady increase in this employment base.

**8.2.3. Seed Production:** The seed production process needs to start early on. This will require its own team to run the project, and will consist mainly of mid-level employees.

**8.2.4. Cleaning Plant Manager:** Whilst the cleaning process, whilst technical, should be able to be managed by someone of mid-level management, however once the hulling process starts to come into play, this role will fall under the Hulling Plant Manager

### **8.3. Junior Management & General Employees:**

Initially outsourced, transition to in-house facility operations will require a workforce of 20-50 employees with junior and mid-level supervision, involving manual loading due to product nature. The processing in the hulling factory will also require significant amounts of labour. The total requirement is as per the table below:

<b>Rift Valley Exports Ltd.</b>	<b>Junior &amp; Casual Employee Profile</b>										
	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>
<b>Head Office Employees</b>											
Lower Level Employees	0	1	1	1	2	2	2	2	2	2	2
Casual / Seasonals	0	0	0	0	0	0	0	0	0	0	0
<b>Field Employees (Contract Grower Management)</b>											
Lower Level Employees	0	1	1	1	2	2	2	2	2	2	2
Casual / Seasonals	0	0	0	0	0	0	0	0	0	0	0
<b>Seed Production Employees</b>											
Lower Level Employees	0	25	25	25	25	30	30	30	30	30	30
Casual / Seasonals		10	10	10	10	10	10	10	10	10	10
<b>Processing Employees</b>											
Lower Level Employees	0	0	25	25	25	30	30	30	30	30	30
Casual / Seasonals	0	0	25	50	75	75	75	75	75	75	75
<b>TOTAL HEAD COUNT</b>											
<b>Lower Level Employees</b>	<b>0</b>	<b>27</b>	<b>52</b>	<b>52</b>	<b>54</b>	<b>64</b>	<b>64</b>	<b>64</b>	<b>64</b>	<b>64</b>	<b>64</b>
<b>Casual / Seasonals</b>	<b>0</b>	<b>10</b>	<b>35</b>	<b>60</b>	<b>85</b>	<b>85</b>	<b>85</b>	<b>85</b>	<b>85</b>	<b>85</b>	<b>85</b>

# 9. Financial Statements

## 9.1 Projected Ten-Year Profit & Loss (in USD).

Rift Valley Exports Ltd.		Ten Year Profit & Loss Projection (in USD)									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
<b>Tonnes</b>											
Sesame	400	1,000	3,000	5,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Hot Climate Pulses	-	200	400	800	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Cool Climate Pulses	-	100	200	500	2,000	2,000	2,000	2,000	2,000	2,000	2,000
<b>Total Exports (tonnes)</b>	<b>400</b>	<b>1,300</b>	<b>3,600</b>	<b>6,300</b>	<b>14,000</b>	<b>14,000</b>	<b>14,000</b>	<b>14,000</b>	<b>14,000</b>	<b>14,000</b>	<b>14,000</b>
<b>Revenue</b>											
Sesame	720,000	1,800,000	5,400,000	7,200,000	12,600,000	10,800,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
Hulled sesame	-	-	-	2,500,000	7,500,000	10,000,000	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000
Hot Climate Pulses	-	100,000	200,000	400,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Cool Climate Pulses	-	70,000	140,000	350,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
<b>Total Revenue</b>	<b>720,000</b>	<b>1,970,000</b>	<b>5,740,000</b>	<b>10,450,000</b>	<b>22,500,000</b>	<b>23,200,000</b>	<b>23,900,000</b>	<b>23,900,000</b>	<b>23,900,000</b>	<b>23,900,000</b>	<b>23,900,000</b>
<b>Cost of sales</b>											
Sesame	(70,000)	(175,000)	(525,000)	(700,000)	(1,225,000)	(1,050,000)	(875,000)	(875,000)	(875,000)	(875,000)	(875,000)
Hulled sesame	-	-	-	(525,000)	(1,575,000)	(2,100,000)	(2,625,000)	(2,625,000)	(2,625,000)	(2,625,000)	(2,625,000)
Hot Climate Pulses	-	(65,000)	(131,600)	(276,000)	(730,000)	(730,000)	(730,000)	(730,000)	(730,000)	(730,000)	(730,000)
Cool Climate Pulses	-	(52,500)	(105,800)	(272,500)	(1,130,000)	(1,130,000)	(1,130,000)	(1,130,000)	(1,130,000)	(1,130,000)	(1,130,000)
<b>Total Cost of Sales</b>	<b>- 70,000</b>	<b>- 292,500</b>	<b>- 762,400</b>	<b>- 1,773,500</b>	<b>- 4,660,000</b>	<b>- 5,010,000</b>	<b>- 5,360,000</b>	<b>- 5,360,000</b>	<b>- 5,360,000</b>	<b>- 5,360,000</b>	<b>- 5,360,000</b>
<b>GROSS PROFIT</b>	<b>650,000</b>	<b>1,677,500</b>	<b>4,977,600</b>	<b>8,676,500</b>	<b>17,840,000</b>	<b>18,190,000</b>	<b>18,540,000</b>	<b>18,540,000</b>	<b>18,540,000</b>	<b>18,540,000</b>	<b>18,540,000</b>
<b>Admin costs</b>											
Senior Mgt.	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)
Salaries & Wages (Office)	-	(55,000)	(95,000)	(175,000)	(190,000)	(190,000)	(190,000)	(190,000)	(190,000)	(190,000)	(190,000)
Salaries & Wages (Field)	-	(16,500)	(31,500)	(31,500)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)
Salaries & Wages (Seed Prod.)	-	(1,200)	(1,200)	(1,200)	(2,400)	(2,400)	(2,400)	(2,400)	(2,400)	(2,400)	(2,400)
Salaries & Wages (Process)	-	-	(37,500)	(67,500)	(82,500)	(105,000)	(105,000)	(105,000)	(105,000)	(105,000)	(105,000)
Casual Wages	-	(12,000)	(42,000)	(72,000)	(102,000)	(102,000)	(102,000)	(102,000)	(102,000)	(102,000)	(102,000)
Electricity	-	(1,000)	(1,050)	7,500	10,000	15,000	16,000	20,000	21,000	22,050	23,153
IT & Comms	-	(1,000)	(1,050)	(1,103)	(1,158)	(1,216)	(1,276)	(1,340)	(1,407)	(1,477)	(1,551)
Depreciation	(9,000)	(11,700)	(681,678)	(740,180)	(681,927)	(609,029)	(554,572)	(504,928)	(462,278)	(410,666)	(365,549)
Office Rent	-	(12,000)	(12,600)	(13,230)	(13,892)	(14,586)	(15,315)	(16,081)	(16,885)	(17,729)	(18,616)
House Rent	-	(20,000)	(21,000)	(22,050)	(23,153)	(24,310)	(25,526)	(26,802)	(28,142)	(29,549)	(31,027)
Fuel	-	(3,000)	(3,150)	(3,308)	(3,473)	(3,647)	(3,829)	(4,020)	(4,221)	(4,432)	(4,654)
Travel (Local Area)	(1,000)	(3,000)	(3,150)	(3,308)	(3,473)	(3,647)	(3,829)	(4,020)	(4,221)	(4,432)	(4,654)
Travel (Within Tz.)	(1,000)	(5,000)	(5,250)	(5,513)	(5,788)	(6,078)	(6,381)	(6,700)	(7,036)	(7,387)	(7,757)
Travel (Intl.)	(1,000)	(5,000)	(5,250)	(5,513)	(5,788)	(6,078)	(6,381)	(6,700)	(7,036)	(7,387)	(7,757)
Licences/permits etc	(1,000)	(5,000)	(5,250)	(5,513)	(5,788)	(6,078)	(6,381)	(6,700)	(7,036)	(7,387)	(7,757)
Repairs & Maintenance	-	-	1,000	5,000	10,000	12,000	15,000	15,750	16,538	17,364	18,233
Stationary	-	(2,000)	(2,100)	3,000	4,000	5,000	6,000	6,300	6,615	6,946	7,293
Professional Fees	(10,000)	(5,000)	(5,250)	(5,513)	(5,788)	(6,078)	(6,381)	(6,700)	(7,036)	(7,387)	(7,757)
	<b>(63,000)</b>	<b>(198,400)</b>	<b>992,978</b>	<b>- 1,176,927</b>	<b>- 1,176,126</b>	<b>- 1,121,143</b>	<b>- 1,065,273</b>	<b>- 1,014,344</b>	<b>- 973,544</b>	<b>- 923,876</b>	<b>- 880,800</b>
Corporation tax	(176,100)	(443,730)	(1,195,387)	(2,249,872)	(4,999,162)	(5,120,657)	(5,242,418)	(5,257,697)	(5,269,937)	(5,284,837)	(5,297,760)
<b>NET PROFIT</b>	<b>410,900</b>	<b>1,035,370</b>	<b>1,796,258</b>	<b>4,072,774</b>	<b>10,488,585</b>	<b>10,827,056</b>	<b>11,167,037</b>	<b>11,253,615</b>	<b>11,322,975</b>	<b>11,407,410</b>	<b>11,480,641</b>

## 9.2 Projected Ten-Year Balance Sheet (in USD).

## 10. Conclusion and Recommendations

The potential within Tanzania, particularly in sesame seed and pulses, presents significant opportunities for Wherry & Sons. Additionally, Tanzania's strategic location as a hub for neighbouring landlocked countries like Malawi, Rwanda, and Burundi offers further prospects for business expansion.

From an investment standpoint, the project encompasses three distinct projects:

### 10.1. Project One (Contract Farming).

This initially focusing on trading sesame seed, this phase will extend to dried pulses (peas & beans) as market accessibility broadens. Simultaneously with this will come the development of relationships with small holder farmers groups and cooperatives that represent them as well as large scale farmers. This will require significant work in helping those farmers improve their yields through better agronomic practices, as well as the provision of improved seed.

This part of the Business Plan requires a vehicle to start the process, but otherwise it is a case of time, energy and working with the farmers

### 10.2. Project Two (Seed development & Production)

A site needs to be located for the production of seed, that has access to water. The development of this site will cater for the bulking up phases of seed production, as well as dressing the seed to provide to the farmers that will grow for Rift Valley Exports Ltd.

### 10.3. Project Three (Processing Plants)

This is the project that requires the most investment. There are two parts to this project:

**10.3.1. Cleaning Plant.** As volumes increase the scales of economy will allow for the construction of a cleaning plant. This unit will need to process sesame as well as pulses. With the case of the latter, the cleaning process will be augmented by a colour sorting unit.

**10.3.2. Hulling Plant.** The plant is specifically related to sesame seed only. The process of hulling involves the removal of the husk of the seed. This value addition process will cost about US\$ 350 per ton, but will increase the value of the product by up to US\$ 500 per ton. This unit will comply with European Food health and safety requirements

### 10.4. Employment Opportunities.

Initial employment levels within the Republic of Tanzania will be low. This is necessary so that the export process can be adopted within Tanzanian conditions, and to allow Wherry & Sons to build a name for Tanzanian Origin product within their market base.

As it does, and as the bespoke varieties of pulses and sesame are produced, and the contract grower base starts to build, the numbers of employees will build. This will become very significant when the processing plants are built.

Rift Valley Exports Ltd.									Total Employee Headcount			
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	
Senior Management	1	1	2	4	4	4	4	4	4	4	4	
Mid Level Management	0	3	5	9	11	12	12	12	12	12	12	
Lower Level Employees	0	27	52	52	54	64	64	64	64	64	64	
Casual / Seasonals	0	10	35	60	85	85	85	85	85	85	85	
<b>TOTAL EMPLOYEES</b>	<b>1</b>	<b>41</b>	<b>94</b>	<b>125</b>	<b>154</b>	<b>165</b>	<b>165</b>	<b>165</b>	<b>165</b>	<b>165</b>	<b>165</b>	

### 10.5. Import/Export Hub.

Exports from Tanzania will build from a proposed 400 tons in 2024 financial year, to 14,000 tons of product by 2028.

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
<b>Tonnes</b>											
Sesame	400	1,000	3,000	5,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Hot Climate Pulses	-	200	400	800	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Cool Climate Pulses	-	100	200	500	2,000	2,000	2,000	2,000	2,000	2,000	2,000
<b>Total Exports (tonnes)</b>	<b>400</b>	<b>1,300</b>	<b>3,600</b>	<b>6,300</b>	<b>14,000</b>	<b>14,000</b>	<b>14,000</b>	<b>14,000</b>	<b>14,000</b>	<b>14,000</b>	<b>14,000</b>

Integral to this process is to look at developing further contract farming bases in the land locked neighbouring countries (Rwanda, Burundi, Zambia, and Malawi). These will either come to Dar-es-Salaam either for value-adding, or for direct export as Goods in Transit, using Dar-es-Salaam port as the port of export.

## **10.6. Recommendations to TIC.**

Rift Valley Exports Ltd., as a trading entity, will focus on developing sectors of Tanzanian agriculture, -more specifically, that of sesame and pulses. Wherry & Sons have the market for these products. In many cases farmers can grow the product, but then find that there is no market and end up selling at a loss.

Investment for this process will be of the order of US\$ 8.2 million, and once fully established will pay corporation tax of around US\$ 5.0 million per year with profits after tax of about US\$ 10 million. This does not take into account the knock on benefits to the farmers groups and cooperatives, who will benefit from not only a better price, but much more importantly, higher yields and therefore higher returns per unit area.