

PRIMORIGIN TANZANIA LIMITED

BUSINESS PLAN

OBJECTIVE:

TO REGISTER A POULTRY PROJECT WITH THE TIC



JUNE 2025

DISCLAIMER

This business plan is meant solely for securing TIC registration for our poultry and poultry-related products manufacturing project. It expresses projections for the project. While the Shareholders are committed to doing the best possible to achieve the plan, there is no guarantee that the projections to be attained exactly by 100% as it may be more or less than the percentage.

A: EXECUTIVE SUMMARY

Primorigin Tanzania Limited is a locally registered company. It plans to produce poultry and related products, and sell them both locally and in neighboring countries, including Kenya, Rwanda, Uganda, Burundi, Zambia, the Democratic Republic of the Congo, and Malawi. The company plans to invest a total of **USD 1,787,500** in this project.

The project is expected to add value to Tanzania's economy by directly employing a total of **103 locals** and **22 foreigners**, and generate approximately **1,000 indirect jobs**. In addition, it will contribute to community development via CSR, pay taxes to the government, and grant business to local SMEs and banks. Upon thorough analysis of the business idea, the Investors have decided to invest in the production of poultry and the related products. This plan is meant to be submitted to the Tanzania Investment Centre for registration of the project. The aim is to enjoy the incentives given by TIC.

B TABLE OF CONTENTS

A EXECUTIVE SUMMARY 2

B TABLE OF CONTENTS 3

1.0 INTRODUCTION 4

2.0 MARKET ANALYSIS 5

3.0 THE PRODUCT 10

4.0 ORGANIZATION AND MANAGEMENT 11

5.0 OPERATIONS PLAN 14

6.0 FINANCIAL PROJECTIONS 14

7.0 PROJECT FINANCIALS 17

8.0 PROJECT JUSTIFICATION 19

10.0 CONCLUSION 20

D APPENDICES 21

1.0 INTRODUCTION

1.1 The Company

Primorigin Tanzania Limited is a local company registered under the laws of Tanzania. It was registered on 9th June 2025 and issued with a certificate of incorporation No. 185727319. For tax purposes, it has been issued with TIN No. 185-727-319. The company is located at Plot No. 20, Block No. A in Mwenge Area, Kinondoni District in the City of Dar es Salaam and the project will be suited at Plot No 1, Block G, Vikuge, Soga, Kibaha district Pwani. Its targeted products are poultry and poultry-related, and the targeted market is initially within Tanzania, with expectations for export as well.

1.2 The Project and Objectives

Primorigin Tanzania Limited plans to establish a project for the production of poultry and poultry-related products. The key activities of this project include the following: -

- i) Breeding and sale of day-old chicks (DOCs, both broilers and layers)
- ii) Production of poultry feed and feed additives
- iii) Poultry farming, including layers and broilers
- iv) Slaughtering, processing, packaging, and sale of chicken meat and by-products
- v) Production and sale of chicken eggs (table eggs and hatching eggs)
- vi) Sale of live poultry (chicks and grown chickens)
- vii) Import, storage, and distribution of poultry vaccines and veterinary supplies

The company intends to invest a total of USD 1,787,500 in the project. The investment comprises 30% loan (USD 536,250) and 70% equity (USD 1,251,250). This capital will fund the acquisition of advanced production lines (including hatcheries), packaging equipment, working capital, raw materials for feed manufacturing, and marketing and distribution infrastructure.

Production of chicks, chicken, eggs, poultry feeds, and other poultry-related products is the main activity of the project, and these products are expected to be sold within the domestic and foreign markets. The products are expected to meet the rising demand in Dar es Salaam, other regions, and nearby countries such as Kenya, the Comoros and Madagascar. We are also expected to be reliable in product availability for the required demand according to our ability and need. We are also in business to make profits and at the same time to give our customers value for their money. We want to give people and businesses who patronize us the opportunity to be part of the success story of our business. Notably, the business will focus on the following specific objectives:-

- i) To ensure the availability and reliability of high-quality products on a timely basis;
- ii) To employ people and improve livelihoods in the community through improved products and services;
- iii) To generate sufficient income through sales to meet the needs of the owners and tax revenues to the government.
- iv) To expand to a large and standard manufacturing and processing industry with diversified products.

1.5 The Investment Plan

The figure below illustrates the five-year project implementation timeline (2025–2029)

S/No.	ACTIVITY	TIMING																	
		2025												2026	2027	2028	2029		
		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC						
1	Procurement of Machinery (including hatcheries and production lines)																		
2	Erection of the Buildings (including shades)																		
3	Installations of Machineries and Lines																		
4	Pilot Production																		
5	Full-Scale Production																		
6	Company Performance Assessment																		
7	Registrations and Acquisitions of Land																		

2.0 MARKET ANALYSIS

The project produces poultry and poultry-related products (layer and broiler chicks, eggs, meat etc). Trends point toward a gradually expanding market for these products in Tanzania, with opportunities for local manufacturers to increase production and grab more and more of the local and regional markets. The ever-growing population and the rise in disposable income in the country are expected to sustain a growth in demand.

2.1 Target Market

Primorigin Tanzania Limited targets the Tanzanian market in terms of raw materials supplies, and a large part of the consumer products. The source of raw materials is largely local. In addition to the Tanzanian market, the company expects to export to neighboring countries within EAC, SADC, and to other countries as analyses will guide the company to markets. In essence, the company targets the following:-

- i) Metropolises of Tanzania (towns and cities)
- ii) Markets of other countries
- iii) Other poultry farmers (in terms of supplying them with chicks, DOCs, and eggs for hatching)

Regarding the supply of equipment for the project, the company looks forward to source them from outside the country. With the presence of enough raw materials, the company sees an opportunity to be exploited while benefiting the economy of Tanzania.

2.2 The Industry

This industry in Tanzania is becoming more competitive as the number of manufacturers of the products is rising. While having the potential for growth with the available markets, the industry faces challenges, including imports of vaccines and supplements, and the need for investment in local production. The company expects to grow into being of the major players in the market in the country.

2.3 SWOT Analysis

This sub-section covers the analysis of the overall manufacturing of the products in the country. The analysis focuses on the project’s internal *strengths* and *weaknesses* as well as environmental *opportunities* and *threats* as detailed in **Table 2** below. It covers the analysis of the overall industry and tries to position the project in the broad spectrum within the Tanzanian and regional economies.

Table 2: SWOT Analysis

Internal Analysis

Strengths
1. The project can secure loans up to 30% of the funding needed for the project
2. The shareholders have enough capital to finance the project by 70%
3. The company has a diverse product range including poultry feeds
4. The company has modern technology in poultry and related products production
5. The company uses affordable pricing for mass market
6. The company has a competent marketing team that can help secure and expand the market niche
7. The company is capable of investing in staff training programs to help develop a skilled workforce in the sector, improving productivity and innovation within the company
8. The company is ready to involve in Community Development by investing in local communities, to build strong relationships, enhance its reputational value, and contribute to sustainable local development.
Weaknesses
1. The company has limited brand awareness initially
2. Reliance on imported packaging materials for chicks and meat packaging

External Analysis

Opportunities
<ol style="list-style-type: none">1. Natural Resources: Tanzania is rich in natural resources, including raw materials essential for production. Local sourcing can reduce transportation costs and enhance profitability2. Under-tapped urban and rural markets, and those in the regions3. Regional, bilateral and multilateral trade agreements under the AfCFTA/EAC/SADC/EBA/WTO4. Growing Market Demand: As Tanzania's economy develops, there is an increasing demand for the dietary products. The growing middle class and urbanization trends can drive demand5. E-commerce & influencer marketing6. Export Potential: With strategic investments, companies can access regional and international markets. Our products made in Tanzania can be exported to neighboring countries within East Africa and beyond, benefiting from trade agreements and reduced tariffs.7. Cost-Effective Labor: Tanzania offers a relatively low labor cost compared to many other countries. This can reduce production costs and increase competitiveness in both local and regional markets.8. Supportive Government Policies: The Tanzanian government has shown interest in promoting production and provides incentives for investments in the sub-sector, such as tax breaks, grants, or favorable regulations.9. Infrastructure Development: Ongoing investments in infrastructure, such as roads, ports, and energy supply, can facilitate smoother operations and logistics, enhancing the efficiency in the production processes.10. Sustainable Practices: There is an increasing emphasis on sustainability and eco-friendly products. Our company can adopt sustainable manufacturing practices and materials, appealing to environmentally conscious consumers.11. Strategic Location: Tanzania's geographical position provides easy access to regional markets. Its proximity to other East African countries opens opportunities for regional trade.
Threats
<ol style="list-style-type: none">1. The Tanzanian market for our products is becoming more competitive as there are other emerging manufacturers, and importers as well2. Existing producers of poultry-related products3. Tanzania has a challenging business environment e.g. regulatory compliance delays. The company engages experienced experts4. Counterfeit products in the market

2.4 PESTEL Analysis

This sub-section analyzes the business environment of Tanzania in the *political, economic, socio-economic, technological, environmental, and legal* aspects. The scanning elucidates the viability of the project in the country. Through our analysis, we have been convinced that Tanzania is the place to invest in poultry and related products production, as detailed in **Table 3**.

Table 3: PESTEL Analysis

ASPECT OF ANALYSIS	ANALYTICAL DESCRIPTION
Political	<ul style="list-style-type: none"> - Government support for local production (e.g., tax exemptions and import substitution policies) is favorable - Strict standards from the Tanzania Bureau of Standards (TBS) and TFDA (now TMDA) require compliance in cosmetics and hygiene products but make the products trusted - AfCFTA and EAC integration enables regional trade opportunities with reduced tariffs.
Economic	<ul style="list-style-type: none"> - Rising disposable incomes in urban areas are increasing demand for dietary products - Youth-dominated demographics (over 60% of Tanzanians are under 25) drive trends in protein consumption - Access to raw materials like feeds within Tanzania supports local manufacturing - Inflation and exchange rate volatility may affect input costs, especially for imported components like packaging materials but the company will manufacture of its own - Rise in the number of players in the industry, players who need chicks for farming and eggs for hatching, and meat and eggs for eating.
Social	<ul style="list-style-type: none"> - Growing dietary consciousness among the population, especially in urban areas - Demand for white meat is on the rise, promising a reliable market
Technological	<ul style="list-style-type: none"> - Digital marketing tools, including Instagram, TikTok, and WhatsApp Business, enable low-cost brand awareness and customer engagement - E-commerce and mobile money platforms like M-Pesa and TigoPesa make distribution and payment collection easier.
Environmental	Environmental regulations in Tanzania are very strict. However, it is not different from other countries. As such, basing on abundance of raw materials the company will abide by NEMC guidance
Legal	Tanzania is much more predictable when it comes to state-enterprise disputes. The country accepts suitable settlement of investment disputes.

	The new investment act is a good sign of this. As such the project is safe in the country
--	---

2.5 The Market Strategy

From the SWOT and PESTEL analyses conducted of the company and of the operating environment, the promoters are confident that the project will be a success by leveraging appropriate market strategies. To foster competitive advantage, the company intends to:-

- i) Use of locally sourced raw materials to reduce import costs
- ii) Strengthen brand identity and social media presence to capture the markets
- iii) Build strategic partnerships with consumers via e-commerce platforms
- iv) Manufacture environmentally friendly products aligned with global sustainability goals
- v) Direct Sales to other farmers, wholesalers, distributors, food producers, and the general public
- vi) Online Sales: Own website, Jumia, Instagram, WhatsApp shops.

As part of developing an appropriate revenue and sustainability model, the company will embark on the following:-

- i) Mass production and distribution to wholesalers, retailers, and direct consumers
- ii) Tiered pricing to serve both mass and premium segments
- iii) Ongoing product innovation and R&D to respond to market preferences and international quality standards

2.6 Target Market

The company eyes the Tanzanian market in terms of both consumers and raw materials supplies. It also plans to export to the neighboring countries and distant ones. In terms of the supply of equipment, however, the company will import all the equipment from outside the country, from China.

3.0 THE PRODUCT

This is a project for the production of poultry and the related products. While production will be carried out in Tanzania, the targeted market is within the country and beyond its borders, starting with the neighboring countries in the regions of EAC and SADC.

3.1 Pricing Strategy

Considering the fact of price sensitivity among consumers the company has developed competitive prices as part of the strategy to enhance product sales, revenue, and the ultimate profitability. The prices are based on penetration and premium pricing by product.

3.2 Entry Strategy

This strategy to penetrate the market is a plan outlining how we will enter the new market. It involves identifying opportunities, assessing risks, conducting market research, and developing a strategy to successfully establish a presence and compete in the target market. Here are our adopted market entry strategies:

- i) **Strategic Alignment:** The decision to invest in the pro-environmental conservation project paves the way for the company to enjoy incentives in its operations.
- ii) **Greenfield Investment:** the shareholders, all being foreigners, have resorted to building a new facility from the ground up in Tanzania, the initial market. This is the facility for the production of poultry and related products and by-products. The project is a promise, and the promoters have organized significant investment financing and have dedicated time to establish it.
- iii) **Expansion:** In the long run, the company will be supplying the products to the neighboring regions, distant regions, and beyond the borders of Tanzania.
- iv) **Strategic Alliances:** The company will form alliances with local producers, local suppliers, distributors, and industry associations to access new markets, share resources, and collaborate on marketing, distribution, and R&D.
- v) **E-commerce and Online Marketplaces:** The company will use online platforms, i.e. e-commerce platforms, marketplaces, and digital channels, to penetrate both local and foreign markets.

3.3 Retention Strategy

Our market retention strategy focuses on retaining existing customers, building loyalty, and maximizing customer lifetime value. It involves tactics and initiatives to keep customers engaged, satisfied, and coming back for repeated purchases. Some key components of our market retention strategy include Customer Relationship Management (CRM), Customer Segmentation (basing on engagement frequency, order value, loyalty status, preferences, and behavior), Loyalty Programs (including creation and implementation of loyalty programs rewarding customers for repeated purchases (engagements), referrals, engagement, and loyalty), Personalization, Customer Service Excellence, Feedback and Surveys, Retargeting and Remarketing, Customer Education and Engagement, Customer Satisfaction Metrics, and Customer Experience Enhancement.

Through these strategies, the company will build long-term relationships with existing customers, increase customer loyalty, induce repeated product purchases (engagements), minimize customer churn, and maximize customer lifetime value. As a result, our business will grow sustainably, and profitability will be assured.

3.4 Expansionary Strategy

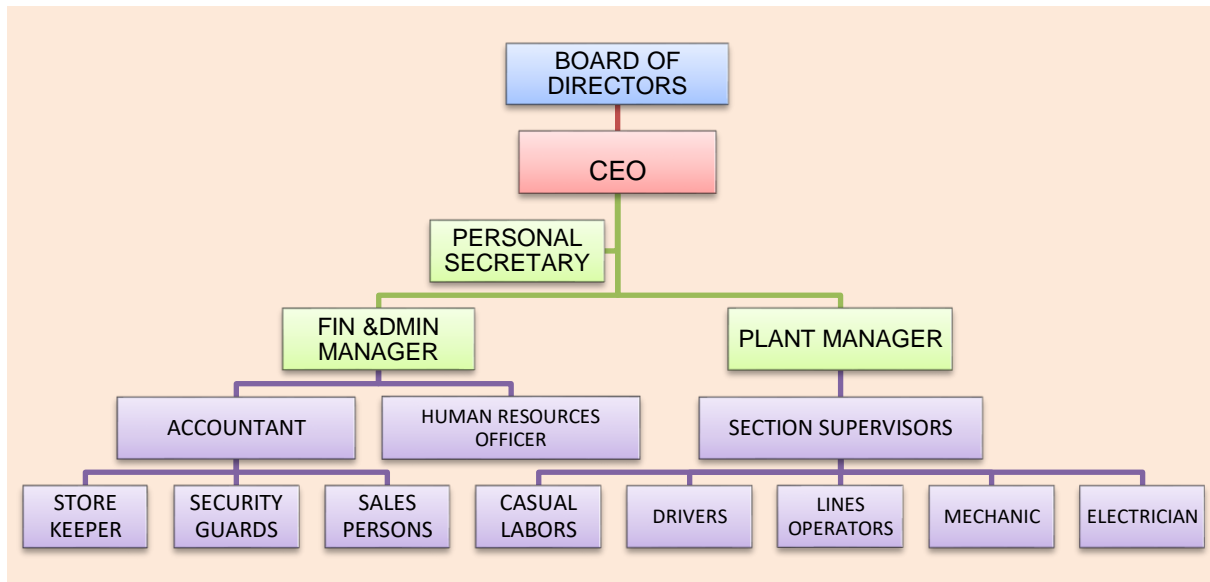
The market expansion strategy for our products seeks to enhance business growth by tapping into new markets, starting from the neighboring regions to Pwani, in order to increase revenue and reach a broader audience. The strategy embraces market research, identification of target markets, the development of a marketing plan, service adaptation, distribution channels, pricing strategy, market entry approach, building partnerships, regulatory compliance, and M&E

4.0 ORGANIZATION AND MANAGEMENT

4.1 Organizational Structure

Primorigin Tanzania Limited's team is tiered into several levels of management, support, and production as shown in the organization chart. Details of directors, management team, supervisors, support staff and operators, as well as drivers, as detailed under ***Appendix 3***.

The Organization Chart



4.2 Project Manning

This project expects to directly employ a total of 125 people, 103 of whom are locals, as shown in **Table 4** below. The gender and nationality distributions of jobs are shown in the **Figures 1 (a)** and **(b)** as well.

Table 4: Planned Direct Jobs

GENDER	LOCALS	FOREIGNERS	TOTALS
M	64	15	79
F	39	7	46
TOTALS	103	22	125

Figure 1 (a): Gender Distribution of Jobs

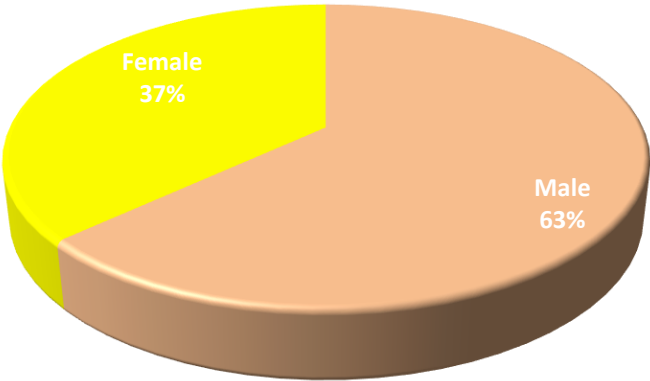
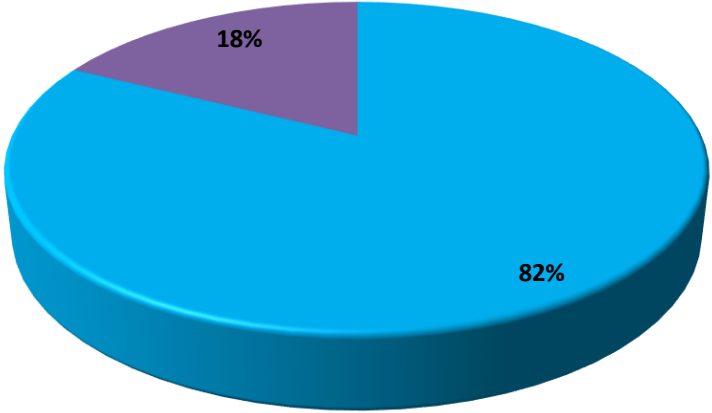


Figure 1 (b): Jobs by Nationality



■ Locals ■ Foreigners

5.0 OPERATIONS PLAN

5.1 Key Suppliers

The Company expects to source its supplies from Tanzania, except for those that cannot be sourced from within the country. Supplies of machinery are expected to be sourced from outside the country. The local supplies will be sourced via local SMEs.

5.2 Key Business Connections

Locally, the company expects to use local dealers to get orders from customers. The consumers can be private or public institutions.

5.3 Project Assets

The company expects to invest a total of **USD 1,787,500** in this project. Injection of the capital will be in the form of various items as summarized in **Table 5** below. A detailed list of items will be shared via the proposed list for exemptions.

Table 5: Summary of Assets

ITEM	AMOUNT IN USD
Land & Buildings	260,000
Plant	1,200,000
Vehicles	100,000
Furniture & Fittings	25,000
Pre Expenses	20,000
Others	20,000
Working Capital	162,500
TOTAL	1,787,500

6.0 FINANCIAL PROJECTIONS

This section covers projections in terms of production and sales, profit and loss, and cash flow projections for the first five years of implementation of the project.

6.1 Production and Sales

This sub-section focuses on production and sales projections. Production is expected to grow gradually over the first five years of operation. Maximum levels of production for each production line are expected to be attained during the fifth year, as shown in **Table 6** below.

Table 6: Production Projections

PRODUCT LINES	PRODUCTION UNITS OVER YEARS				
	Y1	Y2	Y3	Y4	Y5
PL1: Chicken (MT)	5,905	6,561	7,290	8,100	9,000
PL2: Eggs (Trays)	39,366	43,740	48,600	54,000	60,000

Revenue from the sales shows steady growth over the years, peaking at Year 5 as shown in **Table 7** below. Key assumptions are as shown in the table below, including a 4% growth rate p.a. for inflation

Table 7: Sales/ Revenue Projections

DETAILS	SALES IN QUANTITIES OVER YEARS				
	Y1	Y2	Y3	Y4	Y5
Chicken Existing Stock (Metric Tons-MT)	5,905	6,561	7,290	8,100	9,000
Chicken Sales Projections (98% of the Stock)	5,787	6,546	7,159	8,066	8,853
Eggs Existing Stock (No. of Trays)	39,366	43,740	48,600	54,000	60,000
Eggs Sales Projections (97% of the Stock)	38,185	43,573	47,304	53,637	58,552

GROSS PROFIT PROJECTIONS	YEARS				
	Y1	Y2	Y3	Y4	Y5
Chicken Projected Sales (MT)	5,787	6,546	7,159	8,066	8,853
Price per MT	700.00	728.00	757.12	787.40	818.90
Sales in USD	4,050,761.40	4,765,135.68	5,420,505.46	6,351,217.51	7,249,981.93
Eggs Projected Sales (Trays)	38,185.02	43,573.35	47,303.65	53,637.46	58,551.66
Price per Tray in USD	1.00	1.04	1.08	1.12	1.17
Sales in USD	38,185.02	45,316.28	51,163.63	60,334.85	68,497.17
TOTAL PROJECTED SALES (USD)	4,088,946.42	4,810,451.96	5,471,669.08	6,411,552.36	7,318,479.10
Cost of Sales					
Power and Water Utilities	6,000.00	6,240.00	6,489.60	6,749.18	7,019.15
Raw Materials					
Chicken (MT)	5,905	6,561	7,290	8,100	9,000
Quantity of Material needed (MT)	1,000.00	1,100.00	1,210.00	1,331.00	1,464.10
Price per Unit (4% inflation)	200.00	208.00	216.32	224.97	233.97
Chicken Cost of Raw Materials	200,000.00	228,800.00	261,747.20	299,438.80	342,557.98
Eggs (Trays)	39,366.00	43,740.00	48,600.00	54,000.00	60,000.00
Quantity of Material needed (Tons)	1,000.00	1,100.00	1,210.00	1,331.00	1,464.10
Price per Unit (4% inflation)	200.00	208.00	216.32	224.97	233.97
Eggs Cost of Raw Materials	200,000.00	228,800.00	261,747.20	299,438.80	342,557.98
TOTAL COST OF MATERIALS	400,000.00	457,600.00	523,494.40	598,877.59	685,115.97
Wages	758,400.00	788,736.00	820,285.44	853,096.86	887,220.73
Supplies	12,000.00	12,480.00	12,979.20	13,498.37	14,038.30
TOTAL COST OF SALES	1,170,400.00	807,456.00	839,754.24	873,344.41	908,278.19
GROSS PROFIT	2,918,546.42	4,002,995.96	4,631,914.84	5,538,207.95	6,410,200.91

6.2 Profit and Loss

This is a viable project ceteris paribus. Retained earnings are assured from the starting of the project, implying that the project will breakeven during the first year of operation as shown in **Table 8**.

Table 8: Projected P&L

DETAILS	YEARS				
	Y1	Y2	Y3	Y4	Y5
Total Sales Revenue	4,088,946.42	4,810,451.96	5,471,669.08	6,411,552.36	7,318,479.10
Less: Cost of Sales	1,170,400.00	807,456.00	839,754.24	873,344.41	908,278.19
<i>Gross Profit</i>	<i>2,918,546.42</i>	<i>4,002,995.96</i>	<i>4,631,914.84</i>	<i>5,538,207.95</i>	<i>6,410,200.91</i>
Less: Operating Expenses	189,244.73	104,476.26	117,210.03	124,841.70	226,862.10
<i>EBIT</i>	<i>2,729,301.69</i>	<i>3,898,519.70</i>	<i>4,514,704.82</i>	<i>5,413,366.25</i>	<i>6,183,338.81</i>
Less: Loan Interest	33,605.00	33,605.00	33,605.00	33,605.00	33,605.00
EBT	2,695,696.69	3,864,914.70	4,481,099.82	5,379,761.25	6,149,733.81
Less: Taxes (30%)	808,709.01	1,159,474.41	1,344,329.95	1,613,928.38	1,844,920.14
Net Profit/(Loss)	1,886,987.68	2,705,440.29	3,136,769.87	3,765,832.88	4,304,813.67
Dividend (10%)	188,698.77	270,544.03	313,676.99	376,583.29	430,481.37
Retained Earnings	1,698,288.91	2,434,896.26	2,823,092.89	3,389,249.59	3,874,332.30

6.3 Cash Flow**Table 9: Projected Cash Flow**

DETAILS	YEARS				
	Y1	Y2	Y3	Y4	Y5
Net Income	1,886,987.68	2,705,440.29	3,136,769.87	3,765,832.88	4,304,813.67
Add: Depreciation and Amortization					
(Increase)/ Decrease in Operating Working Capital					
Cash Flow from Operating Activities	1,886,987.68	2,705,440.29	3,136,769.87	3,765,832.88	4,304,813.67
(Capital Expenditure)	-	-	-	-	-
	1,060,000.00	625,000.00	30,000.00	30,000.00	42,500.00
Cash Flow from Investing Activities	-	-	-	-	-
	1,060,000.00	625,000.00	30,000.00	30,000.00	42,500.00
Increase (decrease) in long-term debt					
(Dividend)	-	-	-	-	-
	188,698.77	270,544.03	313,676.99	376,583.29	430,481.37
Issuance of Equity					
Cash Flow from Financing Activities	-	-	-	-	-
	188,698.77	270,544.03	313,676.99	376,583.29	430,481.37
Beginning Cash	-	-	-	-	-
	162,500.00	475,788.91	2,285,685.18	5,078,778.06	8,438,027.65
Net Cash Flow	638,288.91	1,809,896.26	2,793,092.89	3,359,249.59	3,831,832.30

7.0 PROJECT FINANCIALS

7.1 Funding Sources

This is a **USD 1.79 million** project. Its source of funding is equity and a loan. The equity is foreign, and the loan is local and foreign. The details are given in **Table 11** below.

Table 11: Project Funding

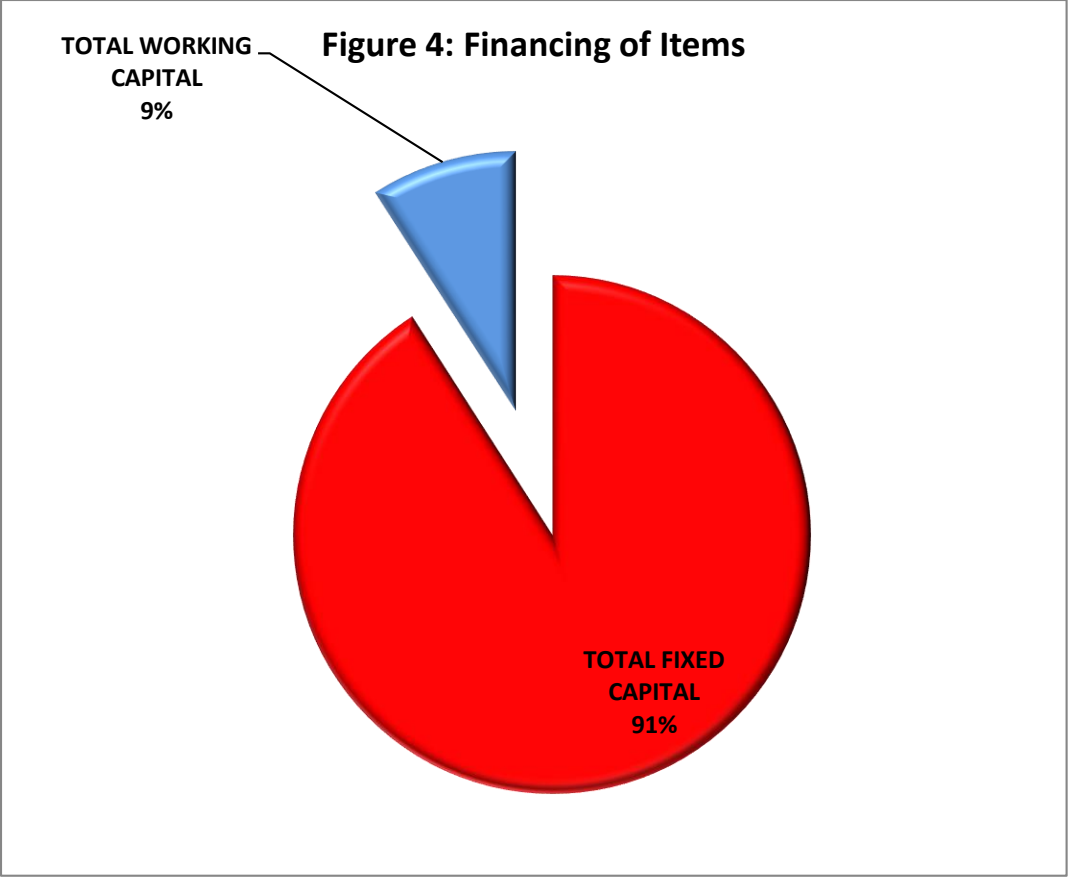
CATEGORIES	AMOUNT (USD)	Proportion
EQUITY		
<i>Local Equity</i>	-	-
<i>Foreign Equity</i>	1,251,250	70
Total Equity	1,251,250	70
LOAN		
<i>Local Loan</i>	357,500	20
<i>Foreign Loan</i>	178,750	10
Total Loan	536,250	30
TOTAL FINANCING	1,787,500	100

7.2 Financing of Items

The **USD 1,787,500** planned investment will finance the project in terms of fixed assets to the tune of **USD 1,625,000** and Working capital of **USD 162,500** as shown under **Table 12** and **Figure 4** below.

Table 12: Items Financing

ITEM	AMOUNT IN USD
Land & Buildings	260,000
Plant	1,200,000
Vehicles	100,000
Furniture & Fittings	25,000
Pre Expenses	20,000
Others	20,000
Working Capital	162,500
TOTALS	1,787,500
TOTAL FIXED CAPITAL	1,625,000
TOTAL WORKING CAPITAL	162,500



7.3 Investment Plan

The planned investment capital will be injected into the project over the years as implementation goes on. By the end of the 5th year, all the capital will be injected, and the project is expected to be operating at its full capacity. **Table 13** below gives the details

Table 13: Capital Injection Plan

INVESTMENT BREAKDOWN ITEM	INVESTMENT PLAN					TOTAL INVESTMENT
	Y1	Y2	Y3	Y4	Y5	
Land & Buildings	260,000					260,000
Plant	700,000	500,000				1,200,000
Vehicles	25,000	75,000				100,000
Furniture & Fittings	5,000	20,000				25,000
Pre Expenses	20,000					20,000
Others	20,000					20,000
Working Capital	30,000	30,000	30,000	30,000	42,500	162,500
TOTAL	1,060,000	625,000	30,000	30,000	42,500	1,787,500

8.0 PROJECT JUSTIFICATION

This section covers the justification for the project. It covers the fiscal, socio-economic, and financial rationale. This coverage provides apologetics for the green-lighting of the project for both fiscal and non-fiscal incentives from the government side.

8.1 Fiscal Rationale

Fiscally, this project will contribute to taxes for the government. This contribution is in the form of income tax and value-added tax. As such, the project will fill the government's coffers with money to the tune of, *ceteris paribus*, **USD 11,333,865.63** as shown under ***Appendix 1***. This amount includes Income Tax (**USD 6,800,319.38**) and VAT (**USD 4,533,546.25**). These amounts correspond to the business of the company but will create a multiplier along value chains. There will be more taxes down the chain.

8.2 Socio-Economic Rationale

Socio-economically, this project has many benefits to the economy of Tanzania. It will directly employ a total of 125 people, of whom only 22 are foreigners. As of indirect employment, the project expects to generate 1,000 indirect jobs. Payment to the employees will create a trickle-down positive effect in the economy, giving an impetus for growth and development among households.

Through its CSR policy, the company expects to spend, *ceteris paribus*, a total of about **USD 453,354.63** on the surrounding community over the first 5 years of operation. ***Appendix 1*** gives the details.

8.3 Financial Rationale

Monetarily, this project will create flows that will nourish Tanzania's economy. The money spent on supplier SMEs, on wages, and on other supplier firms will create taxes, revenues, and other benefits along the various value chains supported by this project. To the supplier firms,

other things remaining constant, cash amounting to **USD 5,267,837.16** will flow to supplier SMEs and other entities like banks in the form of settlement for purchases.

8.4 Environmental Rationale

This project expects to adhere to all environmental requirements to ensure the safety of the environment and of the workers. All guidance by NEMC will be taken on board in order to stay environmentally friendly.

10.0 CONCLUSION

This is a project for the production of poultry and related products. The project will create a total of 125 direct jobs, 103 of which will be for locals, and 1,000 indirect jobs for locals. This implies job creation for Tanzanians as 82% of all direct employees, and 100% of all the indirect employees are Tanzanian.

Considering our commitment and the rationale for this project, having analyzed the market and developed strategies for our market and the impending success in this project the promoters present the plan and the idea for consideration in the form of project registration with the TIC and enjoyment of the incentives that will provide support for this project to the greater good of the economy of Tanzania. In the future, the company expects to invest in other sectors and sub-sectors linked with our business, like packaging material. Support for this project will help the company develop this project and others to come.

D APPENDICES

1. Project Rationale

DETAILS	YEARS					TOTAL
	Y1	Y2	Y3	Y4	Y5	
Interest to the local banking sector	9,295.00	9,295.00	9,295.00	9,295.00	9,295.00	46,475.00
Payment to supplier SMEs	1,339,200.00	887,880.00	929,605.92	966,128.35	1,098,547.89	5,221,362.16
Income Tax	814,500.51	1,165,265.91	1,350,121.45	1,619,719.88	1,850,711.64	6,800,319.38
VAT	543,000.34	776,843.94	900,080.96	1,079,813.25	1,233,807.76	4,533,546.25
CSR	54,300.03	77,684.39	90,008.10	107,981.33	123,380.78	453,354.63
SUMMARIES	Y1	Y2	Y3	Y4	Y5	TOTAL
To the Private Sector	1,348,495.00	897,175.00	938,900.92	975,423.35	1,107,842.89	5,267,837.16
To the Government	1,357,500.84	1,942,109.85	2,250,202.41	2,699,533.13	3,084,519.40	11,333,865.63
To the Hosting Community	54,300.03	77,684.39	90,008.10	107,981.33	123,380.78	453,354.63

2. Detailed Project Manning Plan

S/N	Category	Local		Foreigners		TOTAL	Monthly Salary	Annual Salary
		M	F	M	F			
A.	Directors							
1	Managing Director			1		1	2,500	30,000
2	Directors	1		2	2	5	2,000	120,000
B.	Operations							-
1	Production Managers	1		3	1	5	1,500	90,000
2	Mechanical Engineer(Assistant FM)			3	2	5	2,000	120,000
3	Lines Operators	2	1	3	1	7	400	33,600
4	Section Supervisors	3	1	2	1	7	400	33,600
5	Casual labourers	29	21			50	150	90,000
C.	Maintenance Department							-
1	Mechanic	1	1	1		3	500	18,000
2	Electrician	1				1	500	6,000
D.	Marketing Department					0		-
1	Sales Manager	1				1	1,500	18,000
2	Sales Officers	4	2			6	300	21,600
E.	Finance and Administration					0		-
1	Human Resources Officer	1	3			4	700	33,600
2	Accountant	2	2			4	700	33,600
3	Store Keeper	2	2			4	500	24,000
	Personal Secretary		4			4	400	19,200
	Drivers	10				10	400	48,000
	Security Officer	6	2			8	200	19,200
	TOTAL	64	39	15	7	125		758,400

5. Retained Earnings Projections

