



NLD Farming

Business Plan
2021

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Executive Summary

The development of agriculture in Zambia is typical of many industry sectors in the country. Local people are farming on a low level, mainly for subsistence living where they consume most of what they grow. Larger farms are not very often owned by Zambians, and investment comes from overseas.

This project will allow the development of local farms and provide a blueprint for replication in other areas.

Product Offering

We aim to improve the growth of cash crops for the domestic market. Main crops will be:



Grain and bean production

Maize

Soya Bean

Cassava



Other crop production

Other produce items will be explored once established.

Objectives

Farming is both key for Zambians and the economy it is small scale, unorganised and not modernised. 85 % of the population rely on farming to generate income, yet only 15% of the farm land is cultivated. The estimate is that up to 58% of Zambian land could be classified as medium to high potential for agriculture. This project will highlight and take practical steps to map ways for small farms to grow and become more productive.

Mission Statement

We want to take modern farming techniques and expertise and apply it to a farm to explore commercially the potential for growth. This project can serve as a blueprint for expanding agricultural capacity and expertise through our rural communities.

Guiding Principles

The principle of this project will be to explore commercial growth and techniques in agriculture that can be replicated across the country. Everything we do will be building a solid base and expertise to help develop our local farms and farmers.

Keys to Success

Expertise will be key to the success of this project. We require good land and access to funding, however without the right staff, suitably qualified and experienced to run the project it will not meet all its objectives.

Local Food Growth - The Zambian population is growing rapidly, and becoming more urbanised. To help feed the country and assist in its development agriculture has to keep pace and modernise.

Support the Local Economy - We will assist local farmers develop their business; this will move it from subsistence farming to a commercial operation employing local staff.

Develop Expertise - Use the knowledge and insight gained from this project to replicate it across other areas. Whilst this project could be seen as a testing bed, it will be commercial and viable in its own right. This will be the strongest proof that this is the correct approach to farming in our communities.

Business Overview

We will set up a modern farm based on scientific methods to have an example of how farming can be modernised and expanded in Zambia. We will use skilled and trained staff to maximise output while testing and evaluating different models and methods of production.

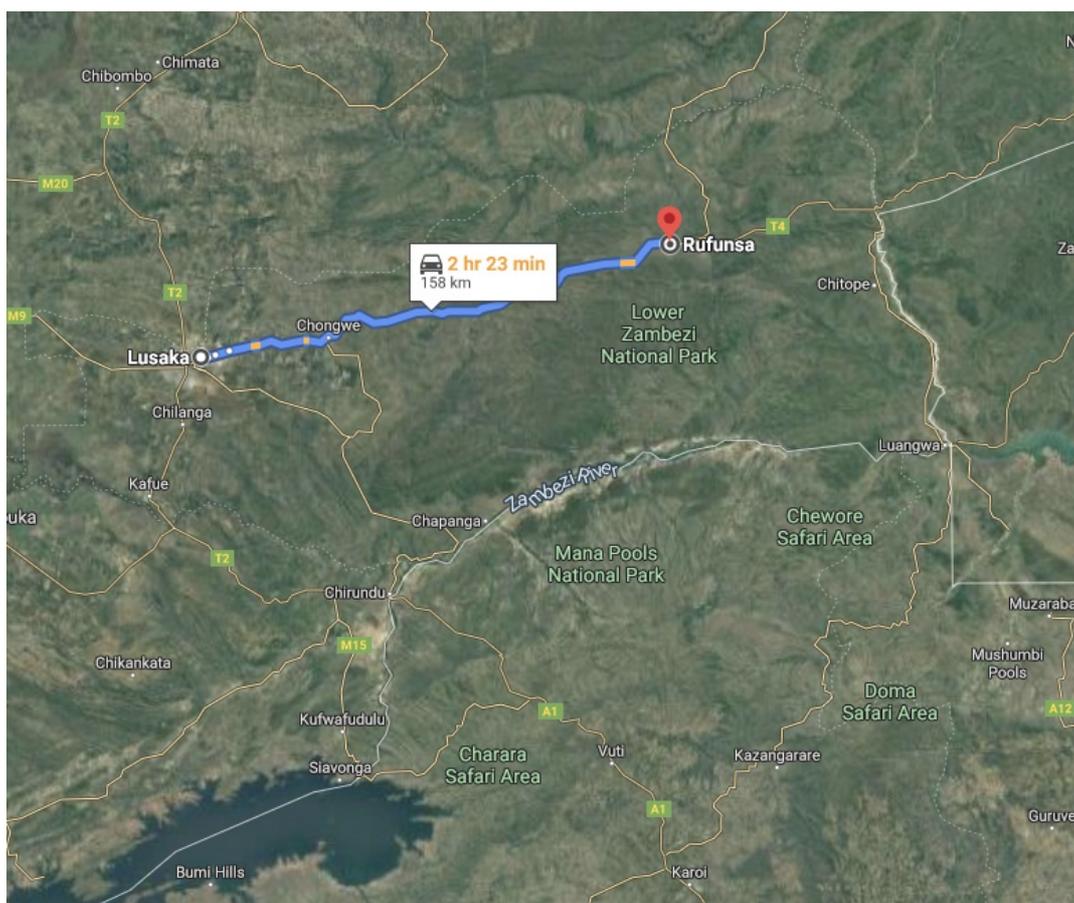
Once we have a refined model this can be replicated across farms and expand the access to capital for farmers who otherwise would find it challenging.

Start-Up Summary

We currently have a 1,500-hectare plot in Rufunsa to use as our farm base. We will be operating with 3 different crops and require investment both for capital and revenue costs.

Location and Facilities

The project will be based in Rufunsa, in the West Central part of Zambia. It has a good agricultural base with good connections and a 2 1/2-hour drive to the largest single market in Lusaka.



From Google Maps.

Products & Services

Product Overview



We will produce three staple cash crops maize, cassava and soya beans. These will be for local sale and transport and sale at the major population centres.

Seasons & Products



Year Round

Maize

Cassava

Soya beans

Competitive Comparison

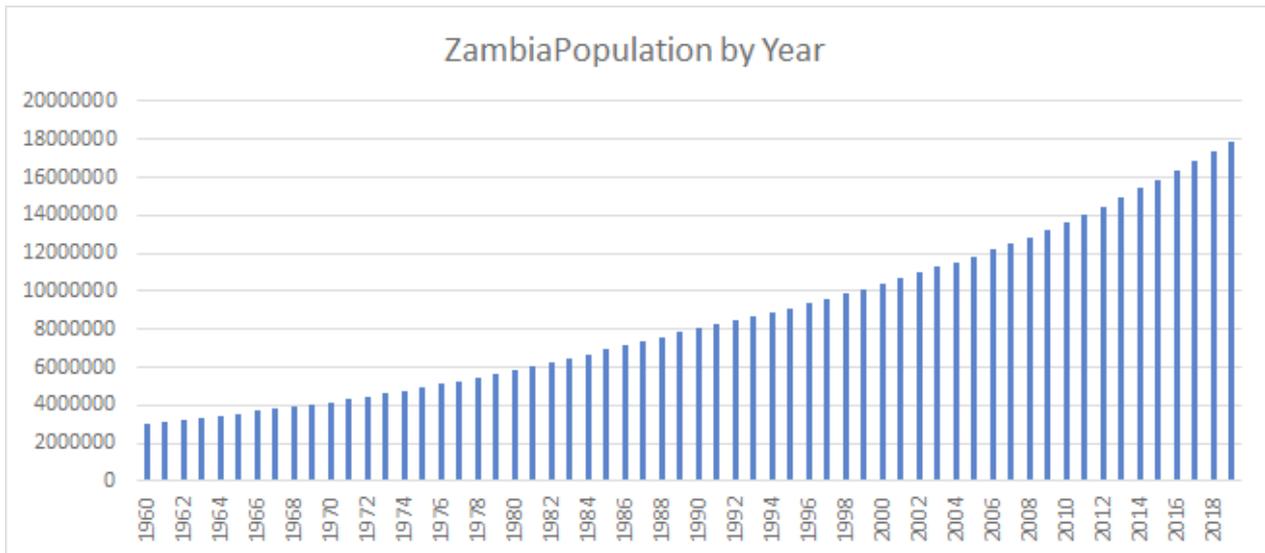
Most local farmers are producing food to survive. The bigger commercial farms are mostly owned by overseas investors. Some of the higher value products like sugar are exported.

We believe we can supply food both locally and to restaurants etc competitively. In addition, we will have the bonus of being locally owned and locally grown. The expanding population, more tourists and rising living standards will all put additional pressure on the existing agricultural infrastructure.

Market Analysis

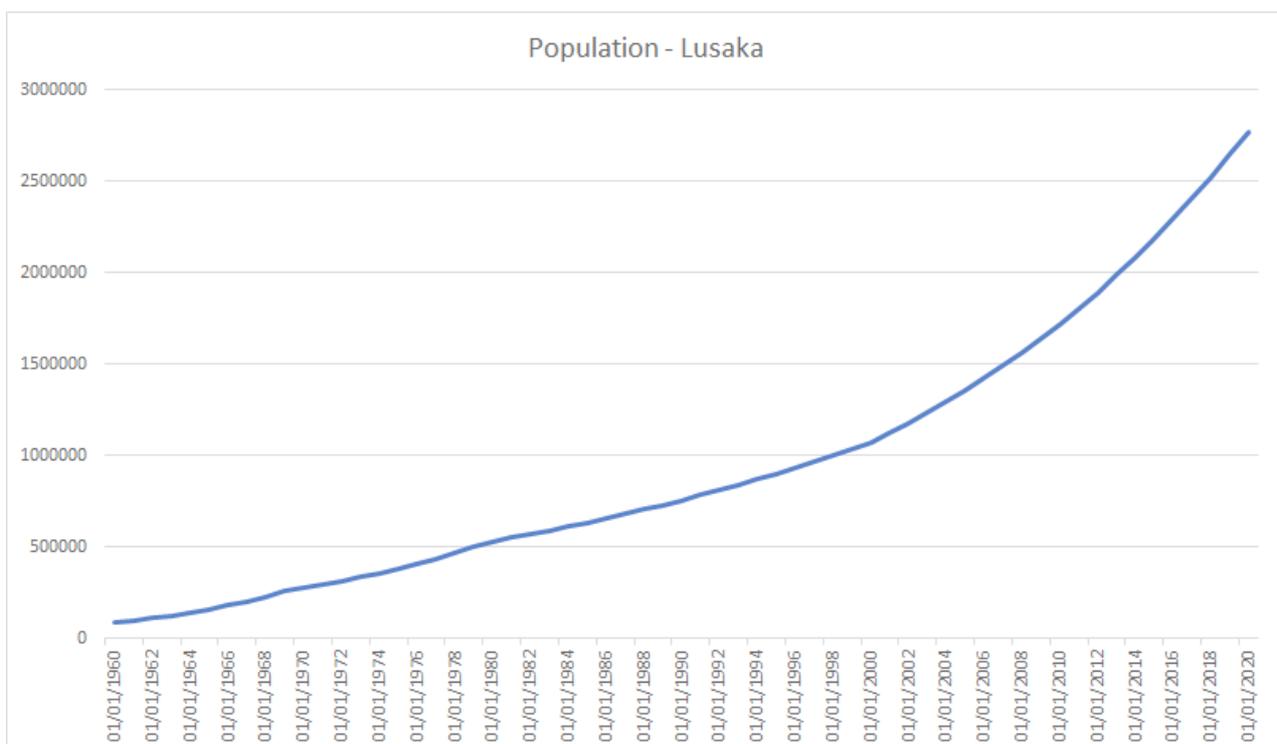
There are 4 major drivers in the economics of agriculture in Zambia.

- Rising population.
- Urbanisation of population.
- Rising living standards and disposable income coupled with rapidly growing economy.
- Rising life expectancy rate.



As can be seen above the population has increased 9x in the last 60 years. The rate of population expansion is increasing as well. Figures obtained from the World Bank.

Along with the rapid population growth, the growth of towns and cities have gone hand in hand.



The population growth in the capital is mirrored in other towns and cities but at lower numbers.

Number from [macrotrends.net](https://www.macrotrends.net).

As the 2 trends above continue it will put increasing strain on the agricultural sector.

Industry Analysis

The Zambian agriculture sector comprises crops, livestock, and fisheries. There are three broad categories of farmers: small-scale, medium, and large-scale. Small-scale farmers are generally subsistence producers of staple foods with occasional surplus; the majority of Zambian farmers are small-scale, subsistence farmers. Medium-scale farmers produce maize and a few other cash crops for the market.

Large-scale farmers produce various crops for the local and export markets. Agriculture contributes about 19 percent to GDP and employs three quarters of the population. Domestic production is comprised of crops such as maize, sorghum, millet, and cassava while exports are driven by sugar, soybeans, coffee, groundnuts, rice, and cotton. Zambia covers 75 million hectares (752,000 km²), out of which 58 percent (42 million hectares) is classified as medium-to high-potential for agriculture production. However, only 15 percent of this land is currently under cultivation. Zambia has ample water resources often a constraint in farming but the infrastructure has not been sufficiently developed to use this.

Positioning

We will position the business as a change in Zambian agriculture. We will supply local and urban markets while developing a model we can replicate elsewhere.

Marketing & Sales Plan

We are targeting growth and development of our farm as a model to be rolled out to others. However, for this to be successful we have to make it profitable in its own right. We will achieve good growth yields and develop specific cash markets to fund the ongoing operations.

Unique Selling Proposition (USP)

We will offer a part for customers in developing agriculture in Zambia to be self-sustaining and to help feed the growing population. By purchasing from us customers will be able to buy a little bit into the future of our country.

Marketing Strategy and Positioning

We will produce everyday cash crops for the local market. They will be market priced but grown by local farm for sale rather than the larger foreign owned farms. We can let Zambians help the future development of the county in their daily shop.

Pricing Strategy

We will price according to the local market prices to ensure we are competitive.

Promotion and Advertising Strategy

We will sell our products through local distribution networks. We will also make our products available direct to larger restaurants etc who may be looking for locally grown food.

Organization and Management

Organizational Structure

The farm will be owned by NLD but managed by experienced staff. The project day to day will be managed by an experienced agronomist and farm manager.

Personnel Plan

The following is a summary of required personnel.

Position	Number of staff
Farm Manger/Agronomist	1
Skilled Labour	3
Labour	10
Total Full Time Staff	14

Funding

Funding Goal

We aim to raise \$224,500 for this project. This will be split between capital and revenue costs.

Terms

20%-50% of profits per annum negotiable.

Use of Funds

USE	REQUIREMENT
Capital	\$152,500
Revenue Support	\$72,000
Total	\$224,500

Why Invest? / Conclusion

Zambia is continuing to evolve as a country. The population is rising, life expectancy increasing, disposable income rising and general living standards improving. If we do not want to become reliant on our economic neighbours for our food production, this sector needs to keep pace with the development of the economy. This project can serve as a model for that development. Without businesses/projects like this to serve as benchmarks local people will not be able to access the funding to grow and modernise.