

UNIDO's contribution to MDGs

Millennium Cities Initiative

Investment Opportunities for Development

Akure, Nigeria
Kisumu, Kenya
Kumasi, Ghana
Blantyre, Malawi



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION

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MILLENNIUM CITIES INITIATIVE (MCI)
INVESTMENT OPPORTUNITIES FOR DEVELOPMENT

AKURE, NIGERIA

KISUMU, KENYA

KUMASI, GHANA

BLANTYRE, MALAWI



UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION
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The Millennium Cities Initiative (MCI)

The Millennium Cities Initiative aims to facilitate African countries reaching their Millennium Development Goals (MDGs) by, among other things, attracting more foreign direct investment.



The MCI, an urban counterpart to the Millennium Villages Project, is assisting selected mid-sized cities across sub-Saharan Africa in their efforts to achieve the Millennium Development Goals.

The Initiative is focused on the capitals of the regions where the Millennium Villages Project is enabling farmers to transition from sub-subsistence farming to commercial agricultural and non-agricultural activities, with the help of an integrated package of interventions in agriculture, health, education and enterprise development. The MCI was established to complement this work by strengthening the farm-to-market linkages between the countryside and these secondary cities.

By concentrating on policy analysis impacting foreign direct investment (FDI), the MCI aims to engender a climate in which foreign investment can thrive, thereby creating employment, stimulating domestic enterprise development and fostering economic growth. In addition, the MCI is helping the Millennium Cities to carry out needs assessments in a wide array of social sectors, the data from which will enable the Millennium Cities to generate integrated City Development Strategies that are explicitly predicated on achieving the MDGs.

Overall, the Initiative will demonstrate, through its research and policy analysis, that more FDI can be attracted to regional urban centers in sub-Saharan Africa, with the resulting beneficial employment and economic growth effects.

The urban development strategies produced by and for the Millennium Cities themselves will apprise national governments and their donors of each city's priorities and chart a path toward their realization. These City Development Strategies, as well as a MCI Handbook chronicling the project's processes and best practices, will serve as templates for the replication and scaling of the Initiative to other similarly underserved urban settings across sub-Saharan Africa and beyond.

UNIDO's contribution to the Millennium Cities Initiative

UNIDO helps developing countries and economies in transition in their fight against marginalization by focusing, amongst other priorities, on Poverty Reduction through Productive Activities.



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UNIDO mobilizes knowledge, skills, information and technology to promote productive employment, a competitive economy and a sound environment. Furthermore, the Organization enhances cooperation at global, regional, national and sectoral levels.

Economic growth required for eradication of poverty and the achievement of the other associated MDGs depends on capital accumulation (investment) and technical change going hand in hand. Investment in plant and machinery, with its impulse of new ideas and technologies, contributes to productivity growth, as do technological progress, upgrading and diffusion.

Foreign direct investment (FDI) in particular is an important driver of economic performance, as it is expected to improve directly industrial productivity growth by infusing new capital, technologies and managerial know-how, and by improving the average skills and efficiency levels of industry.

UNIDO supports the MCI by identifying, together with national counterparts, investment opportunities using its established tools and methodologies including the project appraisal software COMFAR.

Promotion of investment projects is achieved through its Investment and Technology Promotion Offices (ITPO) Network which provides a unique combination of value-added services to entrepreneurs and institutions seeking international alliances in industrial investment and technology commercialization in and from developing countries and economies in transition.





Akure, Nigeria

BACKGROUND

Akure, population 350,000, is the capital of Ondo State, the largest state in Nigeria's southwest and in the Yoruba cultural region. Endowed with an abundance of natural resources – bitumen deposits and liquid natural gas, extensive tropical forest reserves, a natural port and river – Ondo State is well positioned for an economic take-off.

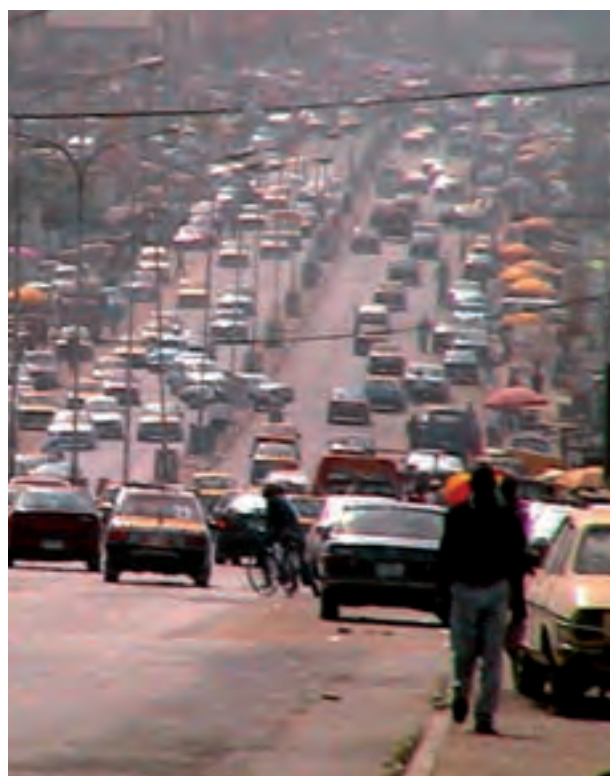
The government in Ondo State has made development a top priority and has committed substantial resources to infrastructure, water management, agriculture, and job training programs. Akure is the key trading center for a farming region growing yams, cassava, maize, bananas, rice, palm oil, okra, and pumpkins; cocoa is the most important local commercial crop; cotton, palm, and teak are also processed for export. Other industries include electronics manufacturing, bottling, banking; weaving, pottery-making, and the marketing of cocoa. Akure is also a tourist destination and departure point for visitors to the nearby Osse River. Connected by road to Lagos and Ibadan, the city has an airport, a state specialist hospital, the Federal University of Technology (FUTA), an agricultural school, teachers college and a bevy of media outlets.

However, Akure still lacks essential infrastructure: the reliable supply of water and power, as well as proper drainage and solid waste disposal. While a major road construction program, dam rehabilitation and solar-powered borehole installations are well underway, rapid in-migration has exacerbated downtown congestion, a serious housing shortage, the infectious disease burden, unemployment and pollution.

POSSIBLE BUSINESS OPPORTUNITIES

The most lucrative opportunities appear to lie in the extraction industries; in the export capabilities opened up by the port has been upgraded, and in the port expansion itself (through concessions, etc.).

Agro-processing, furniture-making, electronics, Internet technology, the insurance industry, and tourism all have room for expansion and modernization.



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AKURE - Investment Profiles

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C O M P A N Y I N F O R M A T I O N

Agro Traders Limited

Agro Traders Limited, Akure, Ondo State, Nigeria

Main Markets are in the International front with US, UK and Switzerland being the largest markets for the company's products worldwide. The markets are growing with demand for Chocolate increasing and also due to uses of cocoa in cosmetic and pharmaceutical applications. The market for cocoa has a growth rate of 5% on year to year basis.

The cocoa production in the world is around 3.13 million tonnes and the demand for cocoa is around 3.25 million tonnes. Agro Traders Limited supplies 0.4% of cocoa to the world markets. The major consumption of cocoa is for food (95%). However, Cocoa is also demanded for pharmaceutical and cosmetic applications (5%).

Competition for Agro Traders Ltd within Nigeria is very little. There are some Nigerian trading companies which compete with the company but they are very few. In Ondo state, the only company that competes with Agro Traders Ltd is Stanmark Cocoa Ltd. But since they have been privatised recently, they are hardly a competitive threat.

However, competition does pose a problem with regard to supplies and not demand. The supply of cocoa is restricted which has to be purchased by the

70 full time 35 part time

Dried Cocoa for Exports 15.000 tonnes / year
(Capacity utilization: 71%)

Capacity Utilisation is not a constraint. Capacity utilisation can be increased when value addition to the products will be implemented through the proposed project.

	2004	2005	2006
Total sales:	N/A	31.339	24.720
Domestic Market (in %):	N/A	0.00	0.00
Export (in %)	N/A	100.00	100.00

10

Company strengths:*Quality control*

The company has a very strict quality control policy. The main problem with Cocoa is moisture content. If there is very high moisture in cocoa, then the product will suffer and hence the company checks each and every bag being exported and if any bag fails to reach quality control standards then the same is rejected even if it means loss to the company. Due to the high level of attention given during the growing, harvesting, drying and export procedure, the company has been successful in exports

Managerial expertise

The company's management is lead by team of experienced professionals. Mr. Adekunle Ayoade, CMD, has over 20 years of experience in this business. Mr. Taiwo Ayoade who looks after the day to day management of the company is a Chartered Accountant. Further, they have with them Mr. Alan Davidoff who is a LIFFE qualified Cocoa Grader.

Exports

With 100% of the revenues coming from Exports, the company's main strength is in Exports and maintaining relationships with foreign buyers. The company has its own representative office in London and has been exporting to high value and high standards countries in Europe and USA.

Total investment (thousand US\$):	10.250
Foreign contribution (thousand US\$):	810

Planned products and services:

Cocoa Butter	5.054 tonnes / year
Cocoa Powder/ Cake	5.476 tonnes / year

Purpose of the project:

The company has been selling raw cocoa after drying. It has been a long term strategy of the company to go into processing of Cocoa. The advantages of processing cocoa are manifold. Firstly, the labour costs are an important part of the cost of operation and in Akure, Ondo State in Nigeria, the labour cost is lower than that of the countries consuming Cocoa. Secondly, Transporting raw cocoa is more expensive than transporting processed cocoa by 20% as the yield of cocoa powder is 80%, and finally, value addition at the origin ensures higher benefits to the local economy.

Due to the objectives mentioned above, proposed project is being planned for the following issues:

1. Produce Natural Quality Cocoa Butter
2. Produce Low fat natural quality cocoa cake/powder

Ancillary purposes of this project is to set up the plant within GMP and HACCP certified premises and to ensure world class production of all products.

P R O P O S E D P R O J E C T

Project type:

New project - Diversification from current activity of promoter

Project No.:	NIR-001-2007-01
ISIC Code:	G5122 - Wholesale of food, beverages and tobacco
Date of Submission:	2 Jan. 2007

Rationale behind the project:

Access to resources

Company at the moment exports dried cocoa which is not beneficial for the buyers as well as the company as there is no value addition. Due to this project, the company will increase its profit by value adding and the buyers of cocoa will benefit from lower costs due to cheaper labour advantage of Akure. Overall, it is win-win situation. Further, the company will be able to increase its procurement as company can, after this project afford to pay higher value for the raw cocoa to the farmers.

Access to markets or market niche

The company due to its past sales of dried cocoa already has good access to high value markets.

Capability, competence

The company management has proven track record of International trade and has been consistently showing profits from International Business. The promoters of the company have the capability and competence to implement the project. The company also has the goodwill of long standing customers from high quality demanding countries.

Favourable location

Ondo State provides for 40% of all Cocoa grown in Nigeria. This makes Akure a favourable location for setting up this Cocoa processing project. Moreover, Lagos port is only 4 hours away and with company's 30 trucks, the logistics are also favourable for the project.

Cost competitiveness

In Nigeria, it is believed, that Ondo state has the best technological manpower available at lowest cost. Due to this, the cost competitiveness factor for the project is also very high. The Company can have advantages from low cost raw material and low cost labour availability.



Form of collaboration sought:*Joint-venture (equity)*

The total Investment for the proposed project is 10.523 million USD. The promoters are looking for a combination of equity and loan for this amount. They already have earmarked 0.64 million USD from their existing operations for this project. They also have balance of accumulated Profit and Loss of around USD 1 million.

Technical expertise

In the cocoa butter/ cocoa cake-powder processing business, the main factor is a process called alkalisation. For this process, the promoters would require technical expertise

Equipment purchase

The project will required mainly generic machines. At the moment the management of the company has not decided upon the choice of equipment. However, the management feels that equipment for winnowing & roasting of cocoa, grinding and pressing, butter handling and cake handling equipment would be needed by the company. Equity in the form of Equipment is also welcome as a form of collaboration.

COMFAR III financial projections available

Project No.: NIR-021-2007-01
 ISIC Code: N/A
 Date of Submission: 11 Jan. 2007

Botadax Fuels Limited, Akure

C O M P A N Y I N F O R M A T I O N

Name of company

Botadax Fuels Limited

National investor

Botadax Fuels Limited

Current markets:

The use of briquettes as alternative source of energy in Nigeria. Market shares is 40 %. Export to England, Europe, UK, Asia, China. The market for export needs to be explored.

Competitors:

As a pioneer project in the state , the project is not prone to any competitor as of now.

Company strengths:

Access to natural resources

Raw material is available in abundance and at a very small cost

Technical expertise

Botadax has invested in manpower training from European Union. These people have technical expertise in producing briquettes from any kind of wood or agro waste.

Exports

The company expects high demand for exports of these products.

Total employees:

19 full time

0 part time

Current products / services of the company:

Ordinary Briquettes	6.000 / year (Capacity utilization: 30%)
Carbonised Briquettes	3.000 / year (Capacity utilization: 70%)

Reason(s) for low capacity utilization:

Since this is a new concept, it is very difficult to sell this concept. The competition is very high from substitutes like gas, kerosene and wood from the forest which is free.

P R O P O S E D P R O J E C T

Project type:

New project - Start up/promoter's first investment activity

Total investment (thousand US\$):	374,20
Foreign contribution (thousand US\$):	0

Purpose of the project:

The purpose of the project is to make briquettes out of wood and agro waste. The project aims to reduce indiscriminate cutting of wood from the forest and convert the agro-waste and sawdust from wood into briquettes as an alternative fuel.

Planned products and services:	
Carbonised Briquettes	575 tonnes / year

Rationale behind the project:*Access to resources*

The raw material resources are available in plenty and at no/low costs

Capability, competence

The company has a very simple, yet modern machine to produce the product.

Form of collaboration sought:*Joint-venture (equity)*

The company is willing to part with 50% equity in favour of a JV partner. The aim is to enhance capacities and also develop export markets through a foreign JV partner

Market access

The demand for the products of the company is very low in Ondo state and Nigeria as a whole and hence the company believes that the product will have a very high export potential in Europe and also in USA and Asian Countries. The company wants to appoint agents in these countries to market its products

Buy-back arrangement

The company seeks buy back arrangement with a foreign partner.

Project No.:	NIR-004-2007-01
ISIC Code:	D3130 - Manufacture of insulated wire and cable
Date of Submission:	1 Jan. 2007

Denki Wire and Cable Nigeria Limited

COMPANY INFORMATION

Name of company & National investor

Denki Wire & Cable Nigeria Limited

Current markets:

The main market for the products is in the States of Lagos, Ogun, Ondo, Kaduna and Bauchi States. These states are the fastest economically developing states in Nigeria.

Competitors:

There are 12 main competitors for the company apart from imports of cables and wires from rest of the world. These are Alcatel Nigeria, Nigerchin Cables, MICCOM Eng, Bracon Nigeria, Coleman, Nigerian Wire & Cable Plc, Nocaco, Mmab, Cutix Plc, Geolix, Benmax and Alind. Of these 7 companies have technical tie-ups with foreign partners.

Company strengths:

Quality control

The company has a very good quality control system and as a testimony to its commitment to quality, the company has received NIS awards in 2004, 2005 and 2006 consecutively.

Technical expertise

The company has a team of experienced technical staff and hence the company has been able to produce high quality products on a consistent basis. The MD/CEO himself has vast technical experience in the industry.

Marketing

Because of high quality orientation of the company, the company's products are preferred by customers and the company is able to sell its produce without much trouble. The problem with the company is its inability to satisfy its customers delivery schedules due to lack of working capital to procure raw materials.

Total employees:

60 full time	0 part time
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Current products / services of the company:

Aluminium Wire	240 MT / year
	(Capacity utilization: 40%)
Copper Wire	240 MT / year
	(Capacity utilization: 40%)
Insulated Wire	280 MT / year
	(Capacity utilization: 40%)

Reason(s) for low capacity utilization:

The capacity is not fully utilized mainly because of lack of Institutional support for Working capital. The demand for the products of the company is very high but due to lack of money for import of raw materials cheaper, the company is facing problems in satisfying demands of institutional buyers.

Annual turnover for the last three years (in thousand US\$):

	2004	2005	2006
Total sales:	N/A	31.339	24.720
Domestic Market (in %):	N/A	0.00	0.00
Export (in %)	N/A	100.00	100.00

Planned products and services:

Copper Single and Dual Core wires	1.500 tonnes / year
Aluminium Single and Dual Core wires	1.300 tonnes / year
PVC insulated wires	

P R O P O S E D P R O J E C T

Project type:

Modernization and/or expansion of existing plant / line of business

Total investment (thousand US\$):	1.600
Foreign contribution (thousand US\$):	0

Purpose of the project:

The purpose of the project is to increase the capacity utilisation of existing project by ensure regular supply and flow of working capital and also to expand the capacities in the following manner:

Copper Production from 720 Mt to 1500 MT.
Aluminium Production from 600 MT to 1300 MT.
PVC from 480 MT to 1000 MT.

The following are purpose of the project:

1. The company is looking for suppliers of raw materials and finished products on need basis and on soft credit terms.
2. Technical training and assistance to develop new products in the same line of business.
3. Financial requirement of the company in terms of working capital requirement and L/c limits are there. The company promoters are willing to part with equity stake and are also interested in look at credit facilities from prospective investors.

Rationale behind the project:

Access to resources

The company is facing difficulty in sourcing copper and aluminium in the local market as the company does not have working capital to buy in bulk. Due to this the cost of material for the company is very high.

Capability, competence

The company is producing very good quality products but the same is very simple and easy to copy. The company needs to add new products to its portfolio to be more competitive in the markets.

Other

The company needs money in the form of working capital to finance the imports of critical raw materials to be more competitive and also to ensure that its customers get delivery of the products on time.

Form of collaboration sought:

Joint-venture (equity)

The promoters are willing to part with equity which is at the moment fully subscribed. However the extent to which equity will be provided depends on the investment and resources brought in by the prospective investor.

Loan

The company is looking for a long term loan or Letter of Credit limits for importing raw materials. In foreign currency the loan required is 527,424 USD and in addition to this a local currency loan of 432,576 USD is sought. An additional overdraft limit of 160,000 USD is also expected by the company. This entire amount will be used to fund expansion of production capacities and also to infuse working capital.

Technical expertise

The company needs training in developing value added products in this industry

Technology transfer

The company is looking for some new technology in the production area to increase the yield and reduce the power consumption.

Project No.: NIR-005-2007-01
 ISIC Code: D3190 - Manufacture of other electrical equipment n.e.c.
 Date of Submission: 1 Jan. 2007

Gaytech Nigeria Limited

C O M P A N Y I N F O R M A T I O N

Name of company

Gaytech Nigeria Limited

Current markets:

The major market is in and around Akure Municipality. The demand for invertors is increasing in neighbouring villages and small towns as they get access to electricity. With invertors, the consumers can access electricity for a longer time than the NEPA supplies.

Total employees:

13 full time

0 part time

Current products / services of the company:

Invertors of various capacities

1.305 numbers / year

Competitors:

Electricity production and transmission agencies of the Government like PHCN, Generator manufacturers and importers. There are no invertor manufacturers in Akure.

Company strengths:

Technical expertise

The key success factor of the company is the technical expertise of the Managing Director. His in-depth understanding of the product and quality norms are main factors for the success of the company.

Marketing

The focus on customised needs of the customer and providing appropriate after sales support is the reason for the company's success.

P R O P O S E D P R O J E C T

Project type:

Modernization and/or expansion of existing plant / line of business

Total investment (thousand US\$):	160
Foreign contribution (thousand US\$):	135

Purpose of the project:

To produce Invertors on a mass scale after have successfully launched and tested the markets for the product on a pilot basis in the incubator. The project aims at producing over 120 invertors per month.

Planned products and services:	
Invertors of 1 kva to 5 kva capacity	1.305 numbers / year

Rationale behind the project:

Access to markets or market niche

There are many suppliers of generators. However due to the noise pollution levels, and also due to the high cost of maintaining it, Invertors are carving a niche in the markets of Ondo state.

Favourable location

Akure Municipality is the Capital of Ondo State and has been plagued by constant power shortages inspite of the fact that Ondo state produces oil and gas. Average electricity available in the state is for less than 8 hrs per day. Without electricity in the evenings the population is put to great trouble and hence invertors have a good potential for sale in the state.

Form of collaboration sought:

Joint-venture (equity)

The proposed project is for setting up a modern facility to produce invertors on a mass scale. The requirement of investment is to the tune of USD 160,000. The promoters are willing to invest USD 25,000. They seek the balance through JV equity partner. This equity can be in the form of cash or kind.

Project No.:	NIR-007-2007-01
ISIC Code:	D2411 - Manufacture of basic chemicals, except fertilizers and nitrogen compounds
Date of Submission:	9 Jan. 2007

Lizjemson Nigeria Limited

C O M P A N Y I N F O R M A T I O N

Name of company

Lizjemson Nigeria Limited

National investor

Lizjemson Nigeria Limited is a registered limited liability company currently producing lizdixal germicide and lizdaxetol antiseptic.

Current markets:

The market covers households, hospitals and public places located in the entire south west area of nigeria with a population of eight million people.

Total employees:

7 full time

0 part time

Competitors:

Tisco Pharmaceutical Company and Gongoni Company Limited.

Current products / services of the company:

Lizdixal Germicide

Lizdaxetol Antiseptic

Company strengths:

Ownership rights and licences

The company is licenced by the food and drug agency of Nigeria-NAFDAC

Reason(s) for low capacity utilization:

Capacity is not fully utilised due to limited finance.

Technical expertise

The company's products have been issued certificate of analysis by the Federal University of Technology, Akure

Managerial expertise

The Company's Managing Director is a seasoned Industrialist.

Marketing

There is enough local market that the company cannot even satisfy.

P R O P O S E D P R O J E C T

Project type:

New project - Diversification from current activity of promoter

Total investment (thousand US\$):	2.600
Foreign contribution (thousand US\$):	0

Purpose of the project:

Introduction of a new product (Lizdixal Disinfectant) at an additional cost of N3.4 million to be financed by joint venture and meet the market of about 8 million people in the South West area of Nigeria.

Planned products and services:

Joint-venture (equity)
30% Foreign, 70% local

Rationale behind the project:

Access to markets or market niche

There is a market that is inexhaustive.

Capability, competence

The promoters are already into production of related products and have the certificate of analysis from a reputable University of technology.

Favourable location

The location is favourable.

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Total investment (thousand US\$):	6.000
Foreign contribution (thousand US\$):	2.000

Purpose of the project:

The Project plans to set up a new hotel for the Royal Birds Motel Ltd. in Alagbaka, located in the heart of Government Reservation area in Akure. The project will be set up in owned land. The project proposes to set up a state of the art hotel with all modern amenities and create an infrastructure that will be a tourist attraction for the State and also promote other tourists destinations in the state.

Planned products and services:	
Double Rooms	133 rooms
Royal Suites	6 rooms
Presidential Suites	2 rooms

COMFAR *III* financial projections available

Rationale behind the project:

Capability, competence

The company has already created a goodwill among its patrons and this will help the news hotel in getting better support from its clientele. Moreover, with the lease period of the old premises getting over, the company needs to build new infrastructure to continue its business.

Favourable location

The location is very close to the central business district of Akure. It is on the Bank Road through to the Secretariat. Most business travellers frequent these areas for their business meetings and hence the location is most favourable.

Form of collaboration sought:

Joint-venture (equity)

The company willing to part with 40% equity in favour of equity partners

Management expertise

The company is willing to collaborate with Hotel Management companies like Hilton, Holiday Inn or Sheraton to manage this property as a 5-star facility.

Project No.: NIR-018-2007-01
 ISIC Code: D2109 - Manufacture of other articles of paper and paperboard
 Date of Submission: 1 Jan. 2007

Toyin Paper Converting Company Limited

C O M P A N Y I N F O R M A T I O N

Name of company

Toyin Paper Converting Company Ltd.

National investor

Toyin Group

Current markets:

Akure City and Ondo State

Competitors:

Note book manufacturers from other states of Nigeria like Thomas Wyatt Nigeria Limited, Lagos, Onward Paper Mills, Lagos and Star Modern Mills, Kano

Company strengths:

Marketing

The company will gain from the goodwill created by Toyin and Sons. The demand for the products of the company will mainly come from Toyin and Sons and the entire capacity is likely to be taken up by Toyin and Sons

Total employees:

33 full time

0 part time

Current products / services of the company:

Notebooks & Exercise Books	3.400.000 numbers / year
Duplicating Books	180.000 numbers / year
Foolscaps	166.700 numbers / year
Graph Books	134.000 numbers / year
Drawing paper books	166.700 numbers / year

Reason(s) for low capacity utilization:

The project has some of the machines to produce this capacity but require some more machines. At the same time, there is no working capital available with the company to start production.

P R O P O S E D P R O J E C T

Project type:

New project - Diversification from current activity of promoter

Total investment (thousand US\$):	365
Foreign contribution (thousand US\$):	0

Purpose of the project:

The proposed project will set up production facilities for production of exercise note books and other allied products in Akure. The demand for notebooks in Ondo State is very high and the same is being satisfied by suppliers from other states in Nigeria and also from imports. Toyin Paper Converting Company Limited will ensure production of good quality notebooks to satisfy the demands within the state and will also supply the same to other states in the neighbourhood.

The basic raw materials for the product are wood free bond paper or mechanised paper, printing ink, kraft paper for the cover, stitching pins and packaging materials (cartons). Wood free bond paper or mechanised paper is available within the country. The same can also be sources cheaply from international markets.

Machinery installed for this purpose at the company can process 7 tonnes of paper reams to different products on a single shift of 8 hours daily. Initially the project will start at 60% capacity utilisation which will increase to 90% in the fourth year.

Planned products and services:

Exercise Note books	3.400.000 numbers / year
Duplicating books	180.000 numbers / year
Foolscap book	166.700 numbers / year

Form of collaboration sought:*Joint-venture (equity)*

The promoters have planned to invest USD 364,840.00. This represents 100% of the equity. Of this, the promoters are willing to part with 50% in favour of a joint venture partner. The JV partner should bring in this amount partly in the form of cash and partly they can bring it in the form of machinery

Loan

The promoters of the project are looking for a loan of USD 160000. They are expecting to pay an interest rate of 8.5%.

Rationale behind the project:*Access to markets or market niche*

The company has a strong access to markets with the goodwill of Toyin and Sons.

Favourable location

The company has a favourable location to its main market. It is on the main road outside Akure and hence logistics becomes very easy.



Kisumu, Kenya

BACKGROUND

Kenya's third largest city (est. 500,000), situated on the Kavirondo Gulf, an arm of Lake Victoria, Kisumu is a regional hub with the potential to become the leading commercial, industrial and administrative center in the Lake Victoria Basin.

The city faces severe challenges, though, from the combination of declining railway and ferry use; cheap subsidized imports; a slump in fishing, sugar, cotton and rice production due to environmental degradation, adverse weather conditions, and inaccessible markets, as well as tremendous population pressure. Kisumu has one of Kenya's highest poverty levels (48% in 2004); severe shortages in housing, water, sanitation and appropriate solid waste disposal have slowed development, and the disease burden (untreated HIV/AIDS, malaria and other infectious diseases) is very high.



Over 60% of the population lives in peri-urban settings practicing unregulated, subsistence-level urban agriculture, thereby silting the lake and deforesting the surrounding hills. Yet the city is undergoing a resurgence in regional trade and tourism, and is working to improve its production and infrastructural capacity with an eye toward regaining its footing as an investment and tourist destination.

POSSIBLE BUSINESS OPPORTUNITIES

Agro-processing activities include refined sugar, frozen fish, textiles, beer, sisal fiber, ethanol, and molasses; there is room for expansion in banking, insurance, Internet technology, and telecommunications.

Plans for improving rail and air access have been budgeted for at the national level, and will, along with the revival of the ferry service, enhance opportunities for tourism, as well as convenient business access to Uganda and Tanzania.



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KISUMU - Investment Profiles

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Project No.:	KEN-012-2007-06
ISIC Code:	D1549 - Manufacture of other food products n.e.c.
Date of Submission:	29 Jun. 2007

Agro Chemical and Food Company Limited

COMPANY INFORMATION

Name of company

Agro Chemical and Food Company Limited

National investor

The company is a Joint Venture between the Government of Kenya and The Mehta Group. The Government of Kenya has invested 56% and the Mehta Group has invested 44% of the total Equity. Total Investment is USD 923,000 (60 mn Kenyan Shillings).

Current markets:

The Market for the products is global. Most of the products go to Alcohol producing countries. Some of the Dry Yeast products are consumed in Kenya locally but these are small quantities. Europe, USA and Asia are the major markets for the company.

Competitors:

In Kenya, Spectre International Limited offers competition especially in the Raw Materials market. However, on a worldwide basis there are many competitors. But the supply of the finished product is limited and hence there is a good scope for expansion.

Company strengths:

Access to natural resources

The company is located in the Sugarcane belt of Kenya with proximity to many Sugar Producers and hence access to raw materials is an advantage.

Quality control

The company produces high quality products due to stringent quality control standards and also due to high quality of equipment and machinery. Evaluation notes were added to the output document. To get rid of these notes, please order your copy of ePrint 5.0 now.

Total employees:

250 full time	0 part time
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Current products / services of the company:

Alcohol	18 mn litres / year (Capacity utilization: 100%)
Active Dry Yeast	973 tonnes / year (Capacity utilization: 81%)
Wet Yeast	389 tonnes / year (Capacity utilization: 39%)

Reason(s) for low capacity utilization:

The company has consistently produced at very high capacity. The company faces a problem of availability of Raw Materials due to which there may be a reduction in capacity utilisation in future. This is because many sugar factories around Kisumu are not doing well or closing down.

Annual turnover for the last three years (in thousand US\$):

	2004	2005	2006
Total sales:	14.630	14.652	N/A
Domestic Market (in %):	0.00	0.00	0.00
Export (in %)	100.00	100.00	0.00

Technical expertise

The company has a strong technical team which is a mix of Kenyan Nationals and Expatriates. The technical expertise of the team ensures high quality production with a high capacity utilisation.

Total investment (thousand US\$):	N/A
Foreign contribution (thousand US\$):	N/A

Managerial expertise

The company has received many awards for managerial excellence. The company received the best Para-Statal Award and The best company in Environmental Practices Award. The company is an ISO 9001-2000 certified company.

P R O P O S E D P R O J E C T

Project type:

Modernization and/or expansion of existing plant / line of business

Purpose of the project:

The company has no specific project at the moment. The Resident Director & Chief Executive of the company listed the following issues as issues of immediate concern:

1. Loss of Molasses from Kenya to Uganda for production of country liquor in Uganda (Waragi). The potential for value addition in Uganda is lost due to this.
2. Need supplier of technology to directly convert Sugarcane Juice to Molasses.
3. Technology for processing Cassava and Sweet Sorghum
4. Manpower Training for Quality & Environment Compliances.
5. Suppliers of some critical material like: Wood Naptha, Yeast Separator & Caoutchousine.

C O M P A N Y I N F O R M A T I O N

Bon Ton Limited

The National Investor is Bon Ton Limited which owns Kiboko Bay Resort in Kisumu. The Company also owns two restaurants called Mon Ami (1 & 2) in two of the most happening places in Kisumu. The Company also caters to the restaurant in the Simba Club.

Market is defined as tourists visiting Kisumu and local residents of Kisumu who want to have a good time. The restaurants have a very common market of walk in eaters. (Financial Information is available only till 2004).

At the moment there are no competitors to the Resort. It is expected that there will be some competitors in near future which is welcomed by the promoters as they are not able to improve their standards due to lack of opportunities to benchmark.

The company owns lease rights for Kiboko Bay Resorts and lease rights for the restaurants Mon Ami (1 & 2). These rights are extendable for longer duration. Further there is a potential to expand accommodations in Kiboko Bay Resort too.

The quality of service is very high, especially at the restaurants (including the restaurant in Kiboko Bay). The company was recently request to cater food to the Presidential party when they visited Kisumu. This speaks about their quality.

80 full time 0 part time

Kiboko Bay Tents 5 tented accom / day
(Capacity utilization: 75%)

This is the maximum capacity utilisation one can expect to achieve in Kisumu.

	2004	2005	2006
Total sales:	663	N/A	N/A
Domestic Market (in %):	100.00	0.00	0.00
Export (in %)	0.00	0.00	0.00

The Main Managing Team of company Mr. Nirmal Darbar, Mrs Bee Lay Darbar and Mr Raaj Darbar are all trained in Hotel Management from Reputed Hotel Management Institutes in Switzerland. Due to this the technical expertise to manage the business is very high.

Managerial expertise

Due to the high qualifications in the industry and vast experience among the directors of the company, the quality of management of the company is very high. Mr. Martin Owegi the fourth Director in the company has 14 years of experience in the business and is considered a very good manager in the industry.

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Purpose of the project:

To develop the Fig Tree Tented Camp as a site for a new concept called Responsible Tourism. This will be done in collaboration with the Kenya Wildlife Service and will be located in the Impala Park in Kisumu. There are logistical advantages for the company as the Impala Park is in the vicinity of the Kiboko Bay Resort and the Central Business District of Kisumu.

The company plans to do this new venture in a concept of responsible tourism. This means that the company will actively consider impact on the environment, resources and local indigenous people. More use of local raw materials and local style of construction and giving employment to local people will be the key to the success of this new project.

*Rationale behind the project:**Access to markets or market niche*

The concept of Responsible Tourism will be able to create a niche market for the company as it will be able to attract nature lovers and environmentally enlightened people.

Total investment (thousand US\$):	539,15
Foreign contribution (thousand US\$):	N/A

Planned products and services:

Tented Rooms and other Hospitality	
Products (Restaurants etc)	12 tents / day

Capability, competence

The company has already proven its capability and competence by managing Kiboko Bay Resort.

Favourable location

The propose site at the Impala park is located between the Kiboko Bay Resort and both the Mona Ami restaurants.

*Form of collaboration sought:**Joint-venture (equity)*

The company has bid for this project to the Kenya Wildlife Services and expects to receive the lease for the proposed resort. The expected investment is around USD 540,000. The company can raise 25% of this from its own resources. For the balance company is looking for an investment partner from the hospitality industry. If the JV works, then the company can also look for JV in the other expansion plans of the company in Kiboko Bay.

Loan

Since the existing shareholders do not want to give away stake of more than 25% in the total equity, the company is willing to take a loan to finance the balance that is not financed by an Equity Partner.

Technical expertise

The company expects the JV partner to bring in technical expertise to manage the new concept.

COMFAR III/ financial projections available

Project No.: KEN-015-2007-06
 ISIC Code: D2924 - Manufacture of machinery for mining, quarrying and construction, D2921, D2811
 Date of Submission: 30 Jun. 2007

Farm Engineerig Industries Limited

C O M P A N Y I N F O R M A T I O N

Name of company

Farm Engineerig Industries Limited

National investor

Farm Engineering Industries Limited

Current markets:

Market comprises mainly of the sugar factories in the estate.

Total employees:

80 full time 0 part time

Competitors:

None in the region.

Current products / services of the company:

Kiboko Bay Tents 5 tented accom / day
 (Capacity utilization: 75%)

Company strengths:

Financial resources

The company manufactures special purpose machineries and hence fetches very high value for its sales and is cash rich.

Reason(s) for low capacity utilization:

This is the maximum capacity utilisation one can expect to achieve in Kisumu.

Technical expertise

The company has a very good team of technically qualified team which is able to produce any kind of special purpose vehicles for agriculture and mining as per the needs of the customers.

Annual turnover for the last three years (in thousand US\$):

	2004	2005	2006
Total sales:	2999	5.415	6.982
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00

Managerial expertise

The company is professionally managed with highly qualified Owner/Manager Group.

P R O P O S E D P R O J E C T

Project type:

Modernization and/or expansion of existing plant / line of business

Total investment (thousand US\$):	N/A
Foreign contribution (thousand US\$):	N/A

Purpose of the project:

The company has no specific projects planned at the moment. However the company needs support in enhancing the value of its network by adding new products. For this the company wants to have marketing collaborations with International Partners for marketing their products in the company's network.

The company also wants to produce more products to its portfolio of manufactured products. The company is looking for collaboration in manufacturing new products under license from International companies.

Rationale behind the project:

Access to resources

The company being located in Kisumu has access to high quality Nile Perch which has high potential for value addition. Nile Perch variety of fish has high oil content. The company has a good network with Fishermen around the Lake Victoria who provide the company with constant supply the required Raw Material.

Access to markets or market niche

The company has a loyal customer base in USA and Europe who can be tapped to market the newly proposed project.

Project No.:	KEN-013-2007-07
ISIC Code:	H5510 - Hotels; camping sites and other provision of short-stay accommodation
Date of Submission:	5 Jul. 2007

Imperial Hotel

C O M P A N Y I N F O R M A T I O N

Name of company

Imperial Hotel

National investor

National investor is Mayfair Holdings. The hotel is managed by Ms. Salima Gilani.

Current markets:

The market is Business and Leisure Travellers to Kisumu. No financial information of sales and market was offered by the management of the Company.

Total employees:

66 full time	14 part time
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Competitors:

Kisumu Hotel, Victoria Hotel. But these hotels are managed by University and hence there are efficiency problems.

Current products / services of the company:

Rooms	70 rooms / day (Capacity utilization: 67%)
Appartments	14 rooms / day (Capacity utilization: 75%)
Restaurants	(Capacity utilization: 72%)
Conferences	(Capacity utilization: 50%)

Company strengths:

Financial resources

The Hotel business is a ready cash business and hence the cash flow position of the company is very healthy. Further, the company operates 3 restaurants that generate a very high cash flow every day.

Technical expertise

The management of the company is very customer friendly and ensure that there is a high degree of customer rentention and hence the hotel has become a sought after residential destination for tourists as well as business travellers.

Reason(s) for low capacity utilization:

The Imperial Hotel has the best capacity utilisation rate in the industry in Kisumu.

Annual turnover for the last three years (in thousand US\$):

	2004	2005	2006
Total sales:	N/A	N/A	N/A
Domestic Market (in %):	0.00	0.00	0.00
Export (in %)	0.00	0.00	0.00

P R O P O S E D P R O J E C T

Project type:

Modernization and/or expansion of existing plant /
line of business

Total investment (thousand US\$):	N/A
Foreign contribution (thousand US\$):	N/A

Purpose of the project:

The company expects the following support:

1. Rainwater Harvesting project for the hotel.
2. Solar Water Heaters for the Hotel
3. Software Development for Back office Operations
4. Manpower Training in Overall Maintenance of
Assets and Services of the Company.

Project No.: KEN-010-2007-07
 ISIC Code: D1729 - Manufacture of other textiles n.e.c.
 Date of Submission: 5 Jul. 2007

Kavirondo Fishnets Sundry and Hardware

C O M P A N Y I N F O R M A T I O N

Name of company

Kavirondo Fishnets Sundry and Hardware Limited

National investor

Mr. Hassanally Kassam and Nishad Kassam.

Current markets:

Industry, Fishermen and Farmers in and around Kisumu.

Total employees:

10 full time

0 part time

Competitors:

There are many competitors in Kisumu but due to the strategic advantage mentioned in 1.3.3, the company has kept competition under control.

Annual turnover for the last three years (in thousand US\$):

	2004	2005	2006
Total sales:	135	145	154
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00

Company strengths:

Financial resources

Due to trading business, the company has a very good cashflow position. The company also has reasonably high margins on its products.

Ownership rights and licences

The company promoters belong to the same family and are all citizens of Kenya. The promoters have huge landed properties and rights for expansion and development.

P R O P O S E D P R O J E C T

Project type:

New project - Diversification from current activity of promoter

Total investment (thousand US\$):	738.08
Foreign contribution (thousand US\$):	N/A

Purpose of the project:

The proposed project is to produce HDPE Ropes and Twine initially and later on to produce fishing nets. The products will be marketed through the existing trading establishment and through a network of retailers in and around Kisumu. The main markets for the products will be around the Lake Basin in Kenya, Uganda and Tanzania.

The promoters expect that the ropes and twines will have a market in the Agriculture, Fishing and Industrial Sectors. The company will import machinery from India for this purpose. The company expects to get into the export markets after two years.

Planned products and services:

HDPE Ropes and Twines	1.200 tonnes / year
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Cost competitiveness

The company will gain a 25% cost advantage due to duty free imports and saving from import duty of finished products which other importers will incur.

Form of collaboration sought:*Technical expertise*

The company is looking for technical expertise to produce fishing nets and value added products using HDPE Ropes and Twines.

Technology transfer

The company is also looking for new technology in its chosen line of business.

Rationale behind the project:*Access to markets or market niche*

The company is located in the Lake Basin which is the biggest market for HDPE Ropes and Twines due to the fishing and agro sector support in the region. At the moment there are only importers of these products and there are no manufacturers. Company expects to benefit from the reduction in import duties which will reduce cost of production and hence provide company a competitive edge. The promoters of the company already have a market for the products through their existing trading establishment.

Favourable location

As mentioned above, The company has locational advantage.

Project No.: KEN-014-2007-08
 ISIC Code: D1711 - Preparation and spinning of textile fibres; weaving of textiles
 Date of Submission: 31 Aug. 2007

Kisumu Cotton Mills

COMPANY INFORMATION

Name of company

Kisumu Cotton Mills

National investor

Kicomi is a fully integrated textile mill comprising of spinning, weaving, bleaching, dyeing and printing.

Current markets:

Closed for last three years. Last turnover \$4 million.
 Supply to local Industry for manufacture of canvas shoes (Bata, Umoja shoes), Uganda and Tanzania.
 Light cotton material to southern Sudan.

Competitors:

Mainly imports from China.

Company strengths:

Access to natural resources

Located in cotton growing area.

Ownership rights and licences

100% private ownership, family owned, decision easier.

Quality control

Kicomi has a name, which sells by itself as the quality of fabric production is the best in the region.

Total employees:

755 full time

0 part time

Annual turnover for the last three years (in thousand US\$):

	2004	2005	2006
Total sales:	N/A	N/A	N/A
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Purpose of the project:

The company has been shut down for a long time and is looking for strategic partners and investors to produce high value cotton. The funds so received from investors will be used for the following purposes.

To modernize the plant so that the fabric can be produced at a competitive price in comparison to China and India

To provide much needed employment in the Region as the company once was. To be able to export fabric or finished product to the East African Community Region at least.

Rationale behind the project:*Access to resources*

All the required resources are at easy reach as the company is located in the cotton growing belt of Kenya. The company is already very well known with cotton farmers of the Lake Basin Region. In the past the company used to provide seeds to the farmers and had a buy back arrangement for cotton from the farmers.

Capability, competence

The senior staff is skillful and capable. The company has laid off most of the lower level staff but has access to technical and skilled staff. The company is known for its quality which is derived from the skill and capability of senior technical staff members.

Total investment (thousand US\$):	29.000
Foreign contribution (thousand US\$):	10.000

Planned products and services:

100% cotton bedsheets	760.000 mtrs / year
Cotton Fabric	600.000 mtrs / year
Others Polyester/cotton	800.000 mtrs / year
Others Polyester/cotton	1.000.000 mtrs / year

Favourable location

The location is very suitable for cotton fabric production as it is cheaper to transport finished fabric rather than cotton. Further, there are no composite textile mills competing with Kisumu Cotton Mills in the entire East African Region due to which the company had a high degree of monopoly for a long time.

Form of collaboration sought:*Joint-venture (equity)*

Looking for investment in equipment

Technical expertise

Will improve efficiency

Market access

To export to USA and Europe

Project No.:	KEN-005-2007-08
ISIC Code:	Q9900 - Extra-territorial organizations and bodies
Date of Submission:	31 Aug. 2007

Lake Basin Development Authority

C O M P A N Y I N F O R M A T I O N

Name of company

Lake Basin Development Authority

National investor

Lake Basin Development Authority is a Parastatal established by an Act of Parliament cap 442 of 1979. It undertakes planning coordination and implementation of projects within the Kenyan side of lake Victoria catchment area.

Current markets:

Market is mainly regional. Most of the products are sold in the supermarkets in Western Kenya and in Nairobi. Market share is about 15%.

Total employees:

289 full time

0 part time

Competitors:

National Cereals and Produce Board for rice sales.
Imported rice varieties from Vietnam Pakistan and Egypt.

Company strengths:

Technical expertise

LBDA has Technical staff in various fields of Engineering, Agriculture, Environment, Industry etc.

Managerial expertise

LBDA has been restructured to ensure that the management staff on board have the best skills for the running of the organization.

Annual turnover for the last three years (in thousand US\$):

	2004	2005	2006
Total sales:	135	145	154
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00

Current products / services of the company:

Rice	1.000 tons / year (Capacity utilization: 40%)
Milk	500.000 tons / year (Capacity utilization: 90%)
Bricks	480.000 nos / year (Capacity utilization: 70%)
Cows	200 nos / year (Capacity utilization: 60%)
Sugarcane	1.500 tons / year (Capacity utilization: 75%)
Seedings	500.000 nos / year (Capacity utilization: 95%)
Fingering	500.000 nos / year (Capacity utilization: 70%)
Machinery Hire	96.000 hrs / year (Capacity utilization: 75%)

Reason(s) for low capacity utilization:

Rice Mill not fully utilized due to lack of capital to procure paddy from farmers.

P R O P O S E D P R O J E C T

Project type:

New project - Diversification from current activity of promoter

Total investment (thousand US\$):	10.610
Foreign contribution (thousand US\$):	8.460

Purpose of the project:

To provide much needed office space and conference facilities to the fast expanding business community in Kisumu town and its environs.

Planned products and services:	
Office	12.890 sq mtrs
Conference	1.200 sq mtrs

Rationale behind the project:*Access to markets or market niche*

Market is big and current office accommodation and conference facilities are inadequate within Kisumu town.

Favourable location

The proposed LBDA Headquarters building is located away from the hectic Kisumu town center thus offering conducive atmosphere to work and conferences.

Form of collaboration sought:*Joint-venture (equity)*

LBDA's existing land and structures to form its percentage contribution to final cost of the project.

Other

Build, operate and transfer (BOT) to LBDA after an agreed period of time.

Project No.: KEN-009-2007-07
 ISIC Code: D2221 - Printing
 Date of Submission: 5 Jul. 2007

Lake Printers and Stationers Limited

COMPANY INFORMATION

Name of company

Lake Printers and Stationers Ltd.

National investor

Rakesh Mandavia and Sanjay Mandavia

Current markets:

In and around Kisumu. Mainly in Nyanza Province.

Competitors:

Many Small printers.

Company strengths:

Ownership rights and licences

The company is owned by a family which also manages the company as all the promoters are appropriately qualified to run the operations of the company. The promoters have also divided management functions among themselves to ensure fast decision making.

Quality control

The company has high standards of quality and depending on the needs of the customers offer customised products and services.

Technical expertise

The company has a very high team of technical personnel and hence are able to offer highly satisfactory products and services to its customers.

Managerial expertise

The promoters are professionally sound and also have vast experience in managing business.

Total employees:

41 full time

0 part time

Current products / services of the company:

- Offset, Letterpress and Screen Printing on Paper/Board/Cards/Calendars/Envelopes
- Supply of Office Stationery
- Supply of Computer Stationery and Supplies
- Office Furniture
- Name Plates
- Rubber Stamps & Seals

Reason(s) for low capacity utilization:

The company produces and trading is based on the needs of their customers. The company has a large capacity and most of it is not utilised as there are many special purpose machines which are used when there are orders. The company also suffers low capacity utilisation because of closure of many large businesses in and around Kisumu.

Annual turnover for the last three years (in thousand US\$):

	2004	2005	2006
Total sales:	246	261	277
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Total investment (thousand US\$):	N/A
Foreign contribution (thousand US\$):	N/A

Purpose of the project:

The company has no specific plans at the moment. But the company plans to pursue a diversification and expansion programme in line with their present level of operations and aimed at cost reduction. The company also plans to expand into regional markets across Kenya and also to Uganda and Tanzania.

Project No.: KEN-006-2007-07
 ISIC Code: D1541 - Manufacture of bakery products
 Date of Submission: 5 Jul. 2007

Mayfair Bakeries Limited

COMPANY INFORMATION

Name of company

Mayfair Bakeries Limited

National investor

The company is a part of the Mayfair Holdings Group.

Current markets:

No information about turnover was given. The main markets for the company's products are in and around Kisumu. The company has 6 trucks in which they deliver products to their retail shops.

Competitors:

There are many small bakeries that distort the market efficiency but the Bakery run by United Millers is the most serious competitor. This is because they have a larger capacity and also have raw material cost advantage due to raw material sourcing done in-house.

Company strengths:

Financial resources

The company belongs to Mayfair Holding group which is very cash rich and hence the company has distinct financial advantages.

Quality control

The company produces its products in very high quality machines and hence has a quality advantage.

Managerial expertise

Though the company is managed by family members of the promoters, they have a very highly qualified team of managers both kenyans and expatriates.

Total employees:

104 full time

0 part time

Current products / services of the company:

400 Gms Wheat

Bread Loaves 13,500,000 loaves / year
 (Capacity utilization: 64%)

Reason(s) for low capacity utilization:

The capacity is synchronised to market demand. Due to new competition from larger players demand has reduced from a maximum capacity utilisation of 70000 loaves/ day to 45000 loaves per day. The company however has the highest capacity utilisation in the region.

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Total investment (thousand US\$):	N/A
Foreign contribution (thousand US\$):	N/A

Purpose of the project:

The company wants help in the following:

1. Improve the efficiency of manufacturing in the factory.
2. Improve quality and housekeeping facilities
3. Training of Manpower to handle higher responsibilities.

No financial information or information on how the company plans to implement the above was given to the UNIDO Team.

C O M P A N Y I N F O R M A T I O N

Pecche Foods Ltd

National Investor is Peche Foods, managed by Mrs. Munira Gilani is a part of the Mayfair Group.

Niche Markets: Small Volume High Margin. No Local Markets. 100% Exported to Europe and USA.

22 full time 60 part time

Within Kenya 4 competitor: 2 in Kisumu, 1 in Nairobi and 1 in Homa Bay. The competition is more for the raw material. Most of them are volume players. Most of them also have factories in either Tanzania and Uganda. Outside Kenya, competition is from Tanzania and Uganda.

Processed Nile Perch
(Skin on or Skin less) 600 tonnes / year
(Capacity utilization: 50%)

Reason(s) for low capacity utilization:
Lack of quality raw material available.

Financial resources

The Promoters of the company are financially sound and have good relationship with their bankers.

Ownership rights and licences

The company is wholly owned by the Promoters and hence have full rights and authorities to take any decision for the company.

Quality control

The company operates in a high quality market and hence the products of the company are of the highest quality. This is one reason why the company is not able to increase its capacity utilisation.

Technical expertise

The company has invested in high end machinery and also in qualified and trained manpower. The company has hired expatriates for key technical jobs

Managerial expertise

The company is managed by Ms. Munira Gilani who is a Chartered Accountant and MBA by profession. The other Promoters of the company also have vast experience in doing business in Kenya.

Other

Brand Building Efforts are slowly yielding results.

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Purpose of the project:

The company does not have any concrete projects on hand at the moment. However the company would like to increase yield from its products and also offer value added products to its customers. For this, the company would like to have products like:

1. Fish Oil from Nile Perch.
2. Branded Smoked Fish
3. Ready to Cook Fish Products like Fish Fingers.
4. To set up a fresh water shrimp farm and to process shrimp for export

The company needs technical support for the above projects. However the company is not interested in diluting its equity.

Rationale behind the project:*Access to resources*

The company being located in Kisumu has access to high quality Nile Perch which has high potential for value addition. Nile Perch variety of fish has high oil content. The company has a good network with Fishermen around the Lake Victoria who provide the company with constant supply the required Raw Material.

Access to markets or market niche

The company has a loyal customer base in USA and Europe who can be tapped to market the newly proposed project.

Total investment (thousand US\$):	N/A
Foreign contribution (thousand US\$):	N/A

Form of collaboration sought:*Marketing expertise*

The company has requested market access and brand development expertise for its existing and new products.

Market access

The company is looking for new markets for its existing products as well as new products.

Technology transfer

The company needs technology for producing the proposed products

Equipment purchase

Once the technology is identified for the new products, company will purchase machinery accordingly.



Project No.: KEN-004-2007-07
ISIC Code: J6592 - Other credit granting
Date of Submission: 5 Jul. 2007

Saga Thrift and Enterprise Promotion

COMPANY INFORMATION

Name of company

Saga Thrift and Enterprise Promotion Limited

National investor

Michael Ndeda, Henry Oketch, Ezra Anyango, Edward Osawa and KEY REP.

Current markets:

The main market for Saga is Kisumu and Bondo Districts of Kenya.

Total employees:

47 full time

0 part time

Competitors:

The Micro Finance institutions and the Commercial Banks operating in and around the main markets for Saga are the competitors.

Company strengths:

Technical expertise

The company has over the years gained high degree of technical expertise in offering savings and credit solutions for the small entrepreneurs and also to the rural farmers.



P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Total investment (thousand US\$):	N/A
Foreign contribution (thousand US\$):	N/A

Purpose of the project:

The main purpose of the project is to help Saga implement the following:

1. Capacity Building programmes for the officials of the company and also for the members of SACCO.
2. Computerising and Networking solutions for SAGA and all its branches
3. Technical banking support like Risk Management / Liquidity Management / Developing Security Systems and Portfolio Management.
4. Develop an Insurance Model for its Clients : both health and Life Insurance. There is no document for the project with the Company. The company has also not shared any information with the UNIDO team as to how it wishes to implelement the above projects.

C O M P A N Y I N F O R M A T I O N

Spectre International Limited

Mr. Israel Otieno Agina

The main markets are in Europe. The sale to Domestic markets are also to exporters who export to Europe.

215 full time 50 part time

Agro Chemical and Food Company Limited in Kisumu. There are many other competitors internationally.

Spirits 30.000 litre / year
(Capacity utilization: 50%)

Methane Gas for Own Use

The company has a very high quality standard. Hence the products have a high market demand in the International market

Lack of availability of raw materials. The company is promoting Sweet Sorghum to increase the capacity utilisation.

The managerial team is highly professional and committed. They are well qualified and highly experienced to manage the affairs of the company. The company's management team consists of many expatriates.

	2004	2005	2006
Total sales:	N/A	3.700	N/A
Domestic Market (in %):	N/A	40.00	N/A
Export (in %)	N/A	60.00	N/A

P R O P O S E D P R O J E C T

Project type:

Modernization and/or expansion of existing plant /
line of business

Total investment (thousand US\$):	N/A
Foreign contribution (thousand US\$):	N/A

Purpose of the project:

The company has no specific projects at the moment.
However the company expects support for the
following:

1. Develop outgrowers for sweet sorghum and cassava
in the Kisumu neighbourhood.
2. Support in technology acquisition for producing
alcohol from sweet sorghum and cassava.

Project No.:	KEN-002-2007-07
ISIC Code:	D2520 - Manufacture of plastics products
Date of Submission:	5 Jul. 2007

Vyatu Limited

COMPANY INFORMATION

Name of company

Vyatu Limited

National investor

Pride Group of Industries

Current markets:

Market for the products of the company is in and around Kisumu and within Nyanza Province. Sometimes the company also sells to Uganda through distributors. The company also frequently sells to other parts of Kenya like Eldoret.

Competitors:

There are very few competitors for the company within Kisumu. However the company faces competition from cheap imports.

Company strengths:

Financial resources

Being part of a diversified group and also having good reputation with all its bankers, the company has a strong financial position.

Managerial expertise

The company management is a combination of old age experience and highly qualified youthful management. The father/son team managing the company have wide experience and good management education and skills.

Total employees:

45 full time

45 part time

Current products / services of the company:

Plastic Vessels 70 tonnes / year
(Capacity utilization: 58%)

Plastic Drinking Straw

Reason(s) for low capacity utilization:

Capacity not utilised because of Raw material Constraint. Scrap plastic available for recycling is only to the tune of 50 Tonnes.

Annual turnover for the last three years (in thousand US\$):

	2004	2005	2006
Total sales:	1.398	1.501	1.288
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00



P R O P O S E D P R O J E C T

Project type:

New project - Diversification from current activity of promoter

Total investment (thousand US\$):	663,20
Foreign contribution (thousand US\$):	0

Purpose of the project:

The company is proposing to diversify into producing rotomoulded plastic tanks. The company has already identified technology and machinery from India. The project is in line with the company's existing line - Plastics. There are many manufacturers of plastic tanks in Kenya but most of them are in Nairobi and Mombasa and the cost of logistics makes it very expensive for consumers in Kisumu. The project will be implemented in the existing premises by removing the old rubber manufacturing facility.

Planned products and services:

Rotomoulded Water Tanks	600 tonnes / year
-------------------------	-------------------

Rationale behind the project:*Access to markets or market niche*

The existing suppliers of water tanks transport these tanks from Nairobi or Mombasa which makes it very costly for consumers in Kisumu. This project will be able to reduce costs for the consumers and also provide the much needed water conservation mechanism for high water consumers in Kisumu. The project will be a market niche creator especially in terms of reducing the cost of manufacturing.

Form of collaboration sought:*Technical expertise*

There is an acute shortage of manpower to support such high technology products. The promoters of the project have requested technically qualified manpower for the project. This could also be in terms of consultancy and manpower training.

Technology transfer

The company also need new technology for adding value to its existing projects.



COMFAR III financial projections available



Kumasi, Ghana

BACKGROUND

With a population of 1.2m (daytime ca. 2m), Kumasi is the capital of the Ashanti region and Ghana's northern hub.

Gold-mining, teak harvesting, breweries and agro-processing dominate the economy of this largest Millennium City; the rail and airport require upgrading before the potential in those industries can be maximized.

Kumasi boasts a bustling downtown and marketplace; yet much of the city's population lives and farms in peri-urban settings, having been forced off the farms by crop failure and lack of market access.

POSSIBLE BUSINESS OPPORTUNITIES

Hotels are much in need, both for business and tourism (including eco-tourism).

Internet technology is eagerly awaited, and there is room for banks and insurance firms ready to finance and insure small-scale entrepreneurs.

Cotton textile, leather goods, hardwood (teak) furniture production, fish farming, and cocoa processing (chocolate, butter, cosmetics) also have substantial underutilized potential, and the municipal authorities are keen to develop an industrial zone where such activities might take place.

The airport renovation is expected soon, and plans for a new international airport are also underway.



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KUMASI - Investment Profiles

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Project No.: GHA-001-2008-01
 ISIC Code: D1920 - Manufacture of footwear
 Date of Submission: 4. Jan. 2008

AOFAC Enterprise

COMPANY INFORMATION

Name of company

AOFAC Enterprise

National investor

AOFAC Enterprise is an indigenous Ghanaian owned company which was established in 1985 and incorporated under the companies act in 2000. The enterprise started as a cobbler shop set up by the promoter Mr. Anane. From humble beginnings, Mr. Anane ploughed profits back into the business to a corporate entity - a footwear and leather articles manufacturing company. The company is engaged mainly in Footwear manufacturing and repairing business. The company also produces other leather products like bags, wallets, bags etc.

Current markets:

Market is basically in Kumasi and Accra. Once the footwear is stitched, the MD goes to Kumasi and Accra and sells them to the retailers directly. The products are sold on credit and the money is collected by the MD during the next visit to deliver subsequent stocks. Average credit period is 30 days. The main customers are retailers. The MD now also markets directly to institutions like schools and offices.

Competitors:

There are many manufacturers of leather footwear in Ghana. The MD himself is an office bearer of the Association. However these competitors within Ghana are all facing the same problem: competition from cheap imports from Asian Countries.

Company strengths:

Quality control

The company products are of high quality standards and are known for sturdiness and aesthetics.

Managerial expertise

The MD himself being a trained cobbler is skilled in production and has over the years acquired marketing skills.

Total employees:

6 full time

0 part time

Current products / services of the company:

Footwear (pairs) 1,200 / year
 (Capacity utilization 50%)

Reason(s) for low capacity utilization:

Lack of raw material availability and low technology used in production process

Annual turnover for the last three years (in thousand US\$):

	2005	2006	2007
Total sales:	16	14	10
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Total investment (thousand US\$):	N/A
Foreign contribution (thousand US\$):	N/A

Purpose of the project:

The company has three broad projects in mind:

1. Take loan to infuse additional working capital to increase production
2. To take Equity Partners or long term loans to finance construction of a new factory in 3 acres of land owned by MD and to finance the purchase of high technology machines.
3. To identify partners to take over the closed down leather tannery owned by the Government of Ghana called the Leather and Tanning Company Limited (LTCL).

The company believes that if the LTCL starts operations, the problem of raw materials will be solved and the company will not have to go in search for tanned leathers. The company has plans for the above but does not have concrete business plans to implement these projects.

C O M P A N Y I N F O R M A T I O N

Ahenkaan Dapaah Ventures

The company was started by Mr. Kwame Ahenkaan Dapaah in a small artisanal way. The company was registered in 1999. The company operated on pavements of Ejisu Road with four workers before it moved to its present site (rented from Kumasi Metropolitan Authority) at Patasi Road in 2003. The company has increased production from a modest 50000 in 1999 to 250000 in 2007. The company can be classified a medium scale block making company. The target markets for block making industry is restricted to around 50 kms from the production area and the Ahenkaan Dapaah Venture has achieved this and claims a 2% market share in Kumasi City.

The Market is within 50 kilometers radius from the production facilities. The Marketing is within Greater Kumasi region i.e. Kumasi and some parts of Ashanti region.

There are many competitors but due to housing and construction boom there is no problem with competition. Every day more competition is coming up.

High Quality of the products produced gives a definite advantage to the company products.

Mr. Ahenkaan Dapaah, MD himself is a worker in the company and his experience of production techniques, quality and the overall industry helps the company in marketing and ensuring total customer satisfaction.

17 full time 0 part time

Cement Concrete Blocks	250,000 / year
------------------------	----------------

	2005	2006	2007
Total sales:	78.2	105	120
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00



P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Purpose of the project:

1. The main purpose of the proposed project is to relocate the operations of the company closer to the city where there is more demand.
2. The company also wants to acquire larger size of land for its drying process.
3. The company wants to expand production of current facilities by employing modern efficient technological processes.
4. Company wants to add new products using the same technology like production of cement pavement blocks, interlocking tiles, prefabricated cement pillars etc.

Rationale behind the project:*Access to markets or market niche*

The demand for cement blocks and related products is increasing at the rate of 30% and hence the company feels that it would be necessary to expand production.

Favourable location

The company is in Kumasi which is one of the fastest growing cities in Ghana and hence company feels that the demand for the products will be sustainable for long time.

Total investment (thousand US\$):	362.50
Foreign contribution (thousand US\$):	362.50

Planned products and services:

Cement Blocks	550.000 / year
Pavement Slabs	2.500.000 / year

Form of collaboration sought:*Loan*

Company expects a loan from a foreign partner at a reasonable rate of interest (negotiable) repayable within 5 years.

Technical expertise

The company needs support for improving its existing technology and training the manpower in the new technology.

Equipment purchase

The company wishes to purchase new equipment with the loan received.



C O M P A N Y I N F O R M A T I O N

Agriculture Limited

Established in 1968 by Pfizer International, New York, USA as a subsidiary. Pfizer ceded 25% of its equity to Ghanaian Individuals in 1975 and finally in 1991 the company sold off its remaining shares to Ghanaians. The company has been using manually operated feedmill manufactured by Simon Baron, USA since 1968. The existing machinery is obsolete and hence the company has proposed to set up a new high technology Fully Automatic Feedmill.

The company sells its products all over Ghana. The company sells through a set of authorised dealers and also directly to large Poultry and cattler farmers. The company has 30% market share of the existing market in Ghana.

36 full time 26 part time

Animal Feed 100,000 tonnes / year

The company has many competitors both in organised sector and also in unorganised sector. There are also many farms which manufacture their own feeds. However the company has no problems with its competition as the company is able to sell the products it produces.

	2005	2006	2007
Total sales:	3.250	2.769	4.466
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00

Due to Experience of the personnel and also due to investments in quality control, the company's products are known for best quality in Ghana.

The entire management team of the company has an average experience of 25 years in the industry.

The company is the most advanced manufacturer of Animal Feed in Ghana with Foreign Collaboration. The company also has experienced manpower to offer best quality.

The company has a wide marketing network to all parts of Ghana through its authorised dealers.

P R O P O S E D P R O J E C T

Purpose of the project:

The company has already commenced its expansion plan with setting up of high technology fully automatic Buhler AG machine from Germany. The Company needs funding support for the second and third phase of expansion to produce fish feeds and soyabean meal. The company is willing to offer Joint Venture Partner equity. The company has a business plan and is willing to share it with any interested investor.

Rationale behind the project:

The proposed project is for a New Animal Feed Production Plant with a capacity of 10 Tonnes per hour. The proposed project will help in installation of new high technology feed production plant from Buhler AG - Switzerland complete with pelleting facility. The proposed project will also help in installing a 810 KVA capacity stand by electricity generator.



Total investment (thousand US\$):	N/A
Foreign contribution (thousand US\$):	N/A



C O M P A N Y I N F O R M A T I O N

Yeboah Afihene Industries Limited

The company started as a manufacturer of spring mattresses. It was the first spring mattress manufacturer in Ghana. The company presently produces furniture in metal/wood combination. The company is actively involved in Research and Development of new products that reduces cost for the customer and is environment friendly. The company manufactures, at the moment, metal boxes, steel beds, steel chairs and tables and furniture in combination of wood and metal.

The markets for the company's products are one Institutional markets like offices, schools and hospitals. The company also produces furniture designs for walk in customers as per their design and choice. The company supplies its products to all regions of Ghana.

There are no specific competitors in the companies chosen line of business. But there are competitors who supply substitutes.

The company has high quality standards and a Zero Defect Policy.

Managing Director has vast knowledge in this industry with 25 years experience in managerial position.

The company has a highly skilled staff team which conducts research and develops new products regularly.

19 full time 8 part time

Metal Chairs/Tables	14.000 / year
(3 models)	(Capacity utilization 53%)
Metal Wood Combination furniture	8.000 / year
(4 models)	(Capacity utilization 80%)

Since the products are of new design, it takes time to educate the customers to know the benefits of the products.

	2005	2006	2007
Total sales:	90	135.65	400
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Total investment (thousand US\$):	N/A
Foreign contribution (thousand US\$):	N/A

Purpose of the project:

1. Relocate production facilities to a more modern facility to improve efficiency.
2. Expand production capacity and automate major processes.
3. Modernise labour intensive work and improve workers' safety and health (improve spraying booth for example in painting)
4. To improve woodworking equipment to reduce wooden waste.

The company has a plan for the same but it is not in a professional format. The company will make available a professional format for investors.

Project No.:	GHA-005-2008-01
ISIC Code:	D1554 - Manufacture of soft drinks; production of mineral waters
Date of Submission:	4. Jan. 2008

Masig Natural Fruits Industries

C O M P A N Y I N F O R M A T I O N

Name of company

Masig Natural Fruits Industries

National investor

The company was set up by Mrs. Mariam Asigri, a teacher for 25 years. She was known in her community in the quality of fruit juices she produced for various social functions on an informal basis. She was encouraged by her family and friends to commercialise her talent and start this venture.

Current markets:

The main market for the company's product is in the Kumasi Metropolitan Authority Area. The company also sells within the Ashanti Region.

Total employees:

8 full time

0 part time

Competitors:

There are many competitors including importers of juices from Europe/South Africa and Far East.

Current products / services of the company:

Fruit Juice 50.000 bottles / year
(Banana/Guava/Watermelon/Cashew Apple)

Reason(s) for low capacity utilization:

Capacity cannot be estimated at the moment. The demand is very high but due to lack of working capital (especially to buy and stock pet bottles), the company is producing at this level. Capacity can be increased by increasing manpower.

Company strengths:

Access to natural resources

Most of the Raw materials are available at competitive prices within Kumasi City and Ashanti Region.

Quality control

Quality Control through personal supervision of MD and through Chemistry Department of Kwame Nkrumah University (KNUST)

Managerial expertise

MD has good knowledge about the production of the products and she interacts frequently with experts in the field.

Annual turnover for the last three years (in thousand US\$):

	2005	2006	2007
Total sales:	11	16	20
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Total investment (thousand US\$):	65
Loan from any sources (thousand US\$):	65

Purpose of the project:

- To increase production capacity
- To purchase high-technology machines to improve quality and to meet higher demands
- To enhance working capital
- To intensify marketing efforts

Planned products and services:	
Fruit Juice	120.000 bottle / year

Rationale behind the project:

Access to resources

Raw material is available in large quantities.

Access to markets or market niche

The demand for the product is more than the ability of the company to supply

Form of collaboration sought:

Loan

Loan to purchase new machinery and improve production facilities including factory building, machineries, working capital (raw materials and labour) and improved marketing.

Technical expertise

Technical training in improved methods of production and also for identifying new technology for increased production and quality management.

C O M P A N Y I N F O R M A T I O N

Cita Printing Press Limited

The company was originally promoted to encourage employment of youth. The company started as a semi automatic printing press to generate employment in 1971. However the company grew over the years to producer of quality printed material custom made based on client demands. The company prints books, office stationery, magazines, packing cartons. The company has high quality Hiedelberg machines and is in the process of installing state of the art cartonating machines for making big packages. The company also has its own designing team.

The main markets are institutional customers of printed paper material in and around Kumasi and in Ashanti Region in general.

There are many competitors. There are 49 registered printers in the Association of Printers in Kumasi and there are many more who are not registered. The company does not face any problems from competitors.

The company is known for the quality of the printing done. The company has a reputation of taking back the products if the customer is not satisfied.

The company has good technical expertise both in terms of ability to design new products for the customers and also to handle and maintain the high-technology German and English Machines.

The company has a management team with 37 years of continous experience in the industry.

46 full time 21 part time

General Printing

The company produces against orders and hence it is difficult to estimate capacity utilisation. The company produces in different sizes and different shapes and different quality of printing paper.

	2005	2006	2007
Total sales:	520	560	600
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00

P R O P O S E D P R O J E C T

Project type:

Modernization and/or expansion of existing plant /
line of business

Total investment (thousand US\$): N/A

Foreign contribution (thousand US\$): N/A

Purpose of the project:

The company is at the moment implementing its diversification project into producing corrugated boxes. The company plans to increase its production capacity. However the company does not have any immediate date to start this project. There was no information available on the new project.

Rationale behind the project:

Company wants to enter into printing of Big Packages

Project No.: GHA-008-2008-01
 ISIC Code: F4520 - Building of complete constructions or parts thereof; civil engineering
 Date of Submission: 21. Jan. 2008

Paxdec Ltd

C O M P A N Y I N F O R M A T I O N

Name of company

Paxdec Limited

National investor

The Managing Director Mr. Osei Tutu Onas started this company 10 years ago as Onas Construction in the form of a sole proprietorship. In 2004, the same was converted into a private limited company with a capital of USD 10000. The company is the business of construction of residential properties, commercial properties, factories and warehouses on build, lease/rent and transfer basis.

Current markets:

The main markets are within Kumasi Metropolitan Authority Area.

Total employees:

7 full time 20 part time

Competitors:

There are no competitors

Current products / services of the company:

Construction/Renting/Leasing and Selling properties

Company strengths:

Managerial expertise

Managerial Expertise in the specified area of operation and understanding the clients needs.

Reason(s) for low capacity utilization:

It is very difficult to determine capacities in such a business

Annual turnover for the last three years (in thousand US\$):

	2005	2006	2007
Total sales:	45	54	60
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Purpose of the project:

1. The company needs capital to increase its level of operation
2. To enter into hospitality industry

The company has a business plan.

Total investment (thousand US\$):	516.00
Local partner equity (thousand US\$):	34.00
Foreign partner equity (thousand US\$):	482.00

Rationale behind the project:*Favourable location*

The company feels that Kumasi has a great potential for increased level of commerce and industry and hence there will be a boom in the real estate both for commercial and residential properties. The company also feels that the tourism flow to Kumasi will increase and hence its interest in hospitality industry.

Form of collaboration sought:*Joint-venture (equity)*

The company wants new equity partners for a Joint Venture with investment capability of at least USD 500,000 for the entire project.

Project No.:	GHA-009-2008-01
ISIC Code:	D1810 - Manufacture of wearing apparel, except fur apparel
Date of Submission:	18. Jan. 2008

Uni-Jay Fashion

COMPANY INFORMATION

Name of company

Uni-Jay Fashion

National investor

Uni-Jay Fashion was established as a small-scale Fashion Designing & Dressmaking Company in 1982. It was registered with the Register General Department as a sole proprietorship type of Company owned by Mrs. Abobigu. It was later turned in to a company and registered as such in 9th February, 2004 under the Companies Code 1963, Act 179 with Mrs. Jane Abobigu, Mr. Thomas Abobigu and John Tanko Bawa as owners with Mrs. Jane Abobigu as a majority shareholder.

Current markets:

The main market for the company's products is in Kumasi. The company has an overall market share of around 20% in the institutional markets in Kumasi. The main customers are institutional customers like schools, departmental stores, security companies and customers for uniform. The company also makes custom made garments for walk-in customers. Most customers are located in Kumasi.

Competitors:

The company has a fair knowledge of its competitors in the Ashanti. On a peer group analysis the company has three firms, which are above the company's status.

Company strengths:

Access to natural resources

Ownership rights and licences

Quality control

An important aspect of the production process is quality control. The company has put in place measures to ensure that products of the company conform to acceptable standards. Its products compared with those of its competitors in the Garment industry are unique. It is always concerned about the finishing of its products. It has carved a niche for itself due to the quality nature of its produces.

Total employees:

49 full time

30 part time

Current products / services of the company:

Designer Wear	(Capacity utilization 15 %)
Protective clothing	(Capacity utilization 9 %)
Uniforms	(Capacity utilization 17 %)
Casual wears and apparel	(Capacity utilization 10 %)

Reason(s) for low capacity utilization:

Capacity is not fully met because of low funds and low capacity of machinery. The company produces many things using the same machinery and manpower. It is very difficult to assign capacities to each product as allocation of machinery and manpower depends on the orders received. The capacity utilisation figures mentioned above are based on information given by the Director.

Annual turnover for the last three years (in thousand US\$):

	2005	2006	2007
Total sales:	120	160	210
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00

Managerial expertise

The company has a Board of Directors comprising the promoters and experienced individuals who provide efficient leadership and service for the smooth and successful management of the business. Furthermore, the company is structured into (3) main departments, and these are:

- Production and Technical Department
- Administration, Marketing and Sales Department
- Accounts Department

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Purpose of the project:

The main purpose behind the project is that, there has been a large demand for the products and services of the company. Looking at the current increase in demand for the company's products/services; it has become necessary to expand current facilities to meet the high customers demand.

Rationale behind the project:*Access to resources*

The major raw materials are fabrics, sewing threads, zips, buttons etc. These materials are bought on the local market without any difficulties.

Access to markets or market niche

The Company adopts direct and indirect distribution strategies. Individual consumers within the market are reached using intermediaries like wholesalers and market agents etc and heavy user customers such as institutions would be reached by direct distribution services. To this end the company will continually improve our packaging for better corporate identity, providing a more attractive package, is a very

Total investment (thousand US\$):

100.00

important ingredient in the Fashion Designing & Dressmaking industry.

Capability, competence

The company is capable of handling any size of order because of its hard working management and employees.

Favourable location

The company is currently located at Lake Road, Ahensan-Bonsum. The facilities of the Company include a parking lot, an office and operational premises. The area is already served with utilities of water, telephone and electricity. The site is connected by paved road to the main road making the location accessible.

Cost competitiveness

The Co provides consumers with value for money products (lower price/high quality). This can be achieved through purchasing of raw material at economic ordering, quality in - service training or operatives to be quality conscious and efficient leading to high productivity and lower production cost and therefore a higher profit margin for the company. The Company calculates its production cost and then adds its profit margin normally between 15% - 30%.

Form of collaboration sought:*Loan*

The main project under review is the purchasing of additional equipment for the expansion of the existing facilities. In view of this, the company is seeking for a loan to purchase the needed equipments for the expansion its facility to boost up the companies production and revenue. This loan will be repaid with an interest rate of 10% within five years of which one year will be moratorium period.

Project No.:	GHA-010-2008-01
ISIC Code:	D2211 - Publishing of books, brochures and other publications
Date of Submission:	21 Jan. 2008

Approachers (Ghana) Limited

C O M P A N Y I N F O R M A T I O N

Name of company

Approachers Ghana Limited

National investor

As a University student, the promoter Managing Director Mr. Alfred Obeng had a flair for writing and started writing text books for schools. He then decided to publish the same himself. Subsequently, along with experts in the subject Mr. Obeng started publishing textbooks for Sr. High Schools, Junior Secondary School in all subjects. The company bought a small printing press and started printing the books itself. However, with higher demand, the quantity of production increased and hence the company started getting the books printed in India and shipped to Ghana. This was cheaper too. In the recent past the company has been printing its own books only when they want to test marketability of the books. When the books are proven in the markets, the company sends the order to produce bulk quantities to Indian counterpart.

Current markets:

The main markets for the company's products are in Ghana. The company supplies its books to all regions of Ghana.

Total employees:

35 full time	10 part time
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Competitors:

There are very few competitors. But since the company is into niche text book production and also due to price advantage, the company does not have problems with competition

Current products / services of the company:

Textbook	25.000 / year
(Capacity utilization 10 %)	

Reason(s) for low capacity utilization:

Since books are printed in Ghana only for market testing.

Company strengths:

Ownership rights and licences

Company owns copyrights for all the textbooks it prints and publishes

Managerial expertise

The Managing Director is himself the author/editor of most of the books and he has a flair for writing. He is a highly qualified Engineer

Marketing

The company's marketing team keeps track of all the changes in the syllabus and ensures that updated

Annual turnover for the last three years (in thousand US\$):

	2005	2006	2007
Total sales:	70	100	160
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00

books are available from the company in the market at the shortest lag time.

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Total investment (thousand US\$):	N/A
Foreign contribution (thousand US\$):	N/A

Purpose of the project:

The company plans to have a new facility for printing all its books at low cost in Ghana itself. The company however does not have any project at the moment. If they find suitably interested parties, the company will prepare a project report for the same.

Project No.: GHA-011-2008-01
 ISIC Code: D3610 - Manufacture of furniture
 Date of Submission: 21 Jan. 2008

Taysteps Limited

COMPANY INFORMATION

Name of company

Taysteps Ltd

National investor

The company was promoted by Mr. Thomas Akum-Young to produce furniture from wood from the the Ashanti Region. The company is located near the Lumber company and hence wood is available cheaper due to saving in transportation. The company uses modern furniture design and uses the traditional skill of the Ashanti people in furniture and joinery.

Current markets:

Market of the company is defined by new construction of office/commercial or household space or educational institutions. The market for company's products spreads all over Ghana. The company does not export its products. The markets include new demand as well as replacement demand for furniture.

Competitors:

There are many competitors and the company is unable to give numbers of the same. However the company is able to fetch orders due to its high quality and commitment to time.

Company strengths:

Quality control

The High Skill levels of the workers offers high quality products and hence there is zero tolerance to defects.

Technical expertise

The company workers possess great skills in furniture making which is passed down from generations in the Ashanti Region. Due to this, the company possesses high technical expertise

Total employees:

52 full time

0 part time

Current products / services of the company:

Reason(s) for low capacity utilization:

Capacity is difficult to estimate. Production is done based on orders available. The main products are furniture for household and office purposes. The company also makes school furniture.

Annual turnover for the last three years (in thousand US\$):

	2005	2006	2007
Total sales:	11.000	15.000	25.000
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00

Marketing

The company is known for its good quality and long lasting products. The company has gained this goodwill over the last 10 years. Due to this marketing function in the company is very competent.

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Total investment (thousand US\$):	N/A
Foreign contribution (thousand US\$):	N/A

Purpose of the project:

The main purpose of the project is to add new product designs and in developing International markets. The company is interested in technology and design partnership with international companies and would like to have international consultants for technical improvements in its existing production.

C O M P A N Y I N F O R M A T I O N

Golden Web Company Limited

The company was started by Mr. Bello with a table top oil expeller in 1994 manufacturing crude oil. In 1996, the company rented the GIHOC premises and warehouse. In 2005, while retaining the rented premise, the company purchased a 2 acre plot at Lake Road to set up its refinery. The company uses Indian technology for oil expelling and Italian Technology for refining oil. The company produces vegetable oil with a mix of palm oil and other vegetables like sunflower etc.

The main markets of the company are in Ghana. The company sells through retail outlets all over Ghana.

50 full time 40 part time

There are many competitors both in the organised sector and unorganised sector. The company also faces competition from imported vegetable oils also.

Refined Vegetable Oil	3.750 tonnes / year (Capacity utilization: 30%)
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With high technology machines the quality of the company's products are the best in Ghana

Lack of availability of raw materials

The company is among the first in Ghana to refine oil. The visionary Management of the company has good experience in implement and running such projects

	2005	2006	2007
Total sales:	550	680	650
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Total investment (thousand US\$):	N/A
Foreign contribution (thousand US\$):	N/A

Purpose of the project:

1. The company needs support for increasing its working capital for creating a group of outgrowers of oil seeds with whom the company can enter into rationale: agreements for buying back their produce.
2. The company also plans to go into oil seed cultivation and hence is interested in investments in farming

C O M P A N Y I N F O R M A T I O N

Appiah Menka Complex Ltd

The company was promoted by Mr. Appiah-Menka in 1978 as an oil mill and later on also started production of soap. Since last two years, the company set up an oil refinery. The company also stopped producing oil and took over as a subsidiary an existing oil mill called the Ashanti Oil Mill. The company is one of the leading manufacturers of refined vegetable oils and has two brands in the name of „Mama“ and „Aunty Rose“. The company also has two brands of detergent soaps namely „Apino“ and „King“.

The main markets are in Ghana. The company plans future exports to Nigeria. The existing markets are households and institutions like hotels and restaurants in Ghana with focus on Kumasi and Northern parts of Ghana.

There are many competitors with the Unilever Ghana being the biggest one. The company however has no problems with competition as at the moment the company has a raw material constraint due to which the company is not able to satisfy its existing demand.

Financial resources

The company has a good standing with its bankers and also has reserves accumulated from the past and hence is in good financial condition.

High Technology in Vegetable oil refining offers high quality comparable to the best in the country.

The company is managed by a team of professionals with vast experience.

80 full time 0 part time

Refined Vegetable oil	36 tonnes / year (Capacity utilization: 45%)
Soap	1 tonne / year (Capacity utilization: 30%)

Lack of availability of raw materials main reason for Refined Vegetable oil capacity not being utilised. Because of this, the soap capacity is also not utilised as the raw material for soap is a by-product of vegetable refining process.

	2005	2006	2007
Total sales:	600	600	1.200
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00

P R O P O S E D P R O J E C T

Project type:

New project - Diversification from current activity of promoter

Total investment (thousand US\$):	N/A
Foreign contribution (thousand US\$):	N/A

Purpose of the project:

The company is planning a diversification project to produce plastic containers for packing vegetable oil that is produced by the company. At the moment, the pet bottles and jerry cans used by the company for packing its vegetable oil is purchased from Accra. This is costly mainly due to the cost of transportation of empty containers. The company can save substantially if the company starts producing the containers within the factory. Preliminary analysis by the company also indicates that there would be many customers locally in Kumasi to purchase containers that the company will produce in excess of its requirements. With this clear understanding, the company is embarking on the diversification project and the company requires support in technology transfer, technical know-how, equipment purchase, loan/equity to finance the project and access to sources of raw material. The company would also need support in project implementation and management of the project during operations phase.

The company does not have any project report at the moment. It is in the process of preparing one and the same will be available to investors/facilitators of the project.

Rationale behind the project:*Access to markets or market niche*

At the moment, the pet bottles and jerry cans used by the company for packing its vegetable oil is purchased from Accra. This is costly mainly due to the cost of transportation of empty containers. The company can save substantially if the company starts producing the



containers within the factory. Preliminary analysis by the company also indicates that there would be many customers locally in Kumasi to purchase containers that the company will produce in excess of its requirements.

Project No.:	GHA-014-2008-01
ISIC Code:	D2109 - Manufacture of other articles of paper and paperboard
Date of Submission:	2 Jan. 2008

Three Stars Paperworks Enterprise

C O M P A N Y I N F O R M A T I O N

Name of company

Three Stars Paperworks Enterprise

National investor

Three Stars Paperworks Enterprises is a Domestic Company wholly owned by Mr. Joseph Akwasi Agyemang

Current markets:

Local in Ghana. All products are sold in Kumasi. Educational institutions and bookshops buy 45% and General public buys 55%. The estimated market share of the product is 12%.

Competitors:

There are many competitors but the demand is far greater and the need is for custom made books. The competition from Chinese toilet paper suppliers is causing some difficulty in that business.

Company strengths:

Ownership rights and licences

Sole proprietorship and hence decision making is fast

Quality control

The quality of the products of the company is regarded as one of the best among competition and hence has higher demand. There is a trained quality control team in the company.

Managerial expertise

The Managing Director is highly experience in this business with large experience of selling stationery from earlier jobs.

Total employees:

6 full time	15 part time
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Current products / services of the company:

Exercise Books	316.8000 / year
Envelopes	253.440 packets / year
Toilet Rolls	120.384 bags / year

The exact capacities are not available

Annual turnover for the last three years (in thousand US\$):

	2005	2006	2007
Total sales:	500	1,459	N/A
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00

P R O P O S E D P R O J E C T

Project type:

Modernization and/or expansion of existing plant / line of business

Total investment (thousand US\$):	1.612
Foreign contribution (thousand US\$):	760

Purpose of the project:

The purpose of the new investment is to expand capacity and enhance working capital. There is a detailed business plan ready for investors .

Rationale behind the project:*Access to markets or market niche*

The company is at the moment having a higher demand than what it can supply and hence the increase in production capacity.

Favourable location

The Ashanti Region has a tradition for higher education. Further being located almost in the centre of the country it is easy to move goods around the country from Ashanti Region.

Form of collaboration sought*Loan*

The company requires working capital loans.

Equipment purchase

The company has identified the machineries it wants. These are Beilomatic Exercise Book Machine from Germany, W&D Envelope Making Machine from Germany and Toilet Roll machine from China. The expected cost of these machineries is around USD 698032.

COMPANY INFORMATION

Pangrove Enterprises Limited

Pangrove Enterprises Limited is a Ghanaian owned company producing detergent tablet soaps for distribution in Ghana.

Main Markets are in Kumasi city and the Ashanti Region as a whole. The company also sells products to the neighbouring provinces through a network of agents and distributors. But 70% of the sales is in the Ashanti Region.

The company competes with Unilever, Ameen Sangari and Sikelele Ltd (importers of P&G products). The competitors are Multinational Companies with high financial strengths and large economies of scale with good logistic support.

Quality control
High Quality Standards

The Entrepreneurial Skill of the Managing Director

The Brand image for „Hope“ brand

13 full time 6 part time

Tablet Soaps 650.000 / year
(Capacity utilization: 99%)

	2005	2006	2007
Total sales:	72.50	91	112.50
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00

P R O P O S E D P R O J E C T

Project type:

Modernization and/or expansion of existing plant / line of business

Total investment (thousand US\$):	550
Foreign contribution (thousand US\$):	338

Purpose of the project:

1. Expand production of tablet soap by 50% by end of 2008
2. Add new production line to produce liquid soap by end of 2008
3. Employ modern and efficient technology to achieve the above.

Planned products and services:

Tablet Laundry Soap	1.200.000 / year
Liquid Soap	120.000 / year

Rationale behind the project:*Access to resources*

The main raw material for the project is potash which is a by-product of cocoa husk and is available in abundance in the Ashanti Region.

Access to markets or market niche

The company is one of the two indigenous manufacturers of soaps in the northern region with access to markets in entire northern region of Ghana and also to emerging markets of Burkina Faso.

Favourable location

The firm's nearness to the target markets and the understanding of these markets is a major reason for the expansion cum diversification project.

Technical expertise

The company needs support in improving the skills of production and also on handling the new technology it proposes to buy.

Technology transfer

The company wants to procure technology for mechanising the tablet soap manufacturing and also wants technology for production of liquid soap.

Equipment purchase

The company wants to purchase equipment for manufacturing and packing both tablet soap and liquid soap.

Form of collaboration sought*Joint-venture (equity)*

The company is willing to offer equity to investors interested in the project.

Loan

The company wants low interest loans for its expansion cum diversification plans.

COMPANY INFORMATION

Mobs Asonaba Enterprise

Mobs Asonaba Enterprise is a sole proprietary firm of Mr. Alhaji Mohamed Osei Badu and is registered with the Ghana Enterprise Registry. The company started its operations 30 years ago as an individual business of the promoter till it was registered in 1996. The company started making significant impact in the Kente markets from 2000. It offers employment to 15 workers of which 10 are weavers, two store assistants and three members of the management including the Managing Director.

The main market for Kente cloth is in Ashanti region and in Greater Accra Region. Many foreign tourists purchase cloth from the firm's shops in both these places.

There are many competitors for the company in the Bonwire Wonoo Districts of Ashanti Region and in Kpetoe District of Volta Region. The company at the moment has a 1% market share of the total Kente business from Ghana.

100% Quality Control of all the products produced by the company.

High Skill of the weavers and tailors of the products.

Vast Experience of the Managing Director in this industry.

15 full time 10 part time

Kente Cloth 18.000 / year
(Capacity utilization: 82%)

Lack of skilled weavers

	2005	2006	2007
Total sales:	186	241	282
Domestic Market (in %):	80.00	80.00	80.00
Export (in %)	20.00	20.00	20.00

P R O P O S E D P R O J E C T

Project type:

Modernization and/or expansion of existing plant / line of business

Total investment (thousand US\$):	175.70
Foreign contribution (thousand US\$):	0

Purpose of the project:

The company wants to expand production by 30% each year for the next three years, improve efficiency without compromising on quality and production techniques. The company also wants to establish effective export marketing channels.

Planned products and services:

Kente Fabric	36.000 sq mtrs / year
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Rationale behind the project:*Capability, competence*

All the weavers of the company are very highly skilled and the company has a training plan to add more weavers regularly to its workforce.

Market access

The company is interested in partners who can provide market access to European and American Markets. The company also wants such partners to invest in brand building and working capital for increasing production.

Favourable location

The company is located in one of the main districts traditionally famous for kente fabric.

Unique technology

The traditional system of kente weaving is unique to the location where the company is located.

Form of collaboration sought*Technical expertise*

The company wants technical expertise to make yarn for kente fabric locally. At the moment the company is purchasing imported yarn.

Marketing expertise

The company needs support from a marketing expert to build export markets. The company targets to export 50% of its total production in 2008.

C O M P A N Y I N F O R M A T I O N

Wonoo Ventures Limited

Wonoo Ventures Limited is promoted by Nana Asante Frempong with the aim of promoting the traditional Ghanaian Kente weaving method across the world. The company has been in existence since 1974 and has been exporting over 50% of its total production. The company also used to produce and sell sheanut butter and other handicraft products.

Main Markets are in USA and UK with 50% of the products are sold through Agents and Promoters. Balance 50% is also exports but through local agents in Accra. The destination of these clothes is unknown.

There are many competitors.

Technical expertise

The MD himself is a skilled weaver and has over 40 years of experience in weaving the Kente Cloth.

The MD and the General Manager have over 30 years experience each in doing this business.

The company has been exporting since inception in 1974. The company has a network of niche markets in the USA.

10 full time 10 part time

Kente Cloth & Indigenous Garments

There is no capacity assessment done yet. The company has many weavers who produce for the company and the capacity can be expanded and reduced depending on the number of weavers the company engages.

	2005	2006	2007
Total sales:	186	241	282
Domestic Market (in %):	80.00	80.00	80.00
Export (in %)	20.00	20.00	20.00

P R O P O S E D P R O J E C T

Project type:

New project - Diversification from current activity of promoter

Total investment (thousand US\$):	N/A
Foreign contribution (thousand US\$):	N/A

Purpose of the project:

The purpose of the proposed project is to generate employment, reduce poverty and ensure the achievement of Millennium Development Goals. The company plans to set up 4 projects at the millennium village:

1. Silk Production
2. Liquid Soap
3. Activated Carbon
4. Cassava Processing

The company plans to set up these projects and use the produce from the Millennium village and offer employment and also improve the company's profitability.

Technical expertise

The company requires technical assistance to develop a project report and also to implement the new projects

Market access

The company wants European and American Market Access for the new products.

Technology transfer

The company is interested in new technology for the new products proposed to be produced

Rationale behind the project:*Access to resources*

The company plans to use the increased production of raw materials coming from the millennium village

Favourable location

The company expects to benefit from the specific advantages offered by being in the Millennium Village.

Form of collaboration sought*Joint-venture (equity)*

The company wants partners to share equity in the new projects

Loan

If JV partners are not available for the equity, the company is willing to take loans at low cost.

C O M P A N Y I N F O R M A T I O N

Alex Kwadwo Nsiah Enterprise

Mr. Alex Nsiah, the promoter of the company started the business as an artisan and due to his designing skills and also due to his ability to market the products to tourists grew into a large manufacturer of Handicrafts and wooden carvings. The company at the moment employs around 50 people on a part time basis and 7 people on a full time basis. The company produces Masks, Dolls, Coffee Tables, Drums, Profile bags, Walking sticks, Figures and many more handicraft items.

Market is basically in Kumasi and Accra where the tourists come. Some of the sales is also to local retailers in Kumasi and Accra. The company has not directly exported.

There are many competitors. It is difficult to estimate.

Technical expertise

The skill of the artisans is the main selling feature of the company's products.

The personal skills of the Proprietor in designing new products and also in marketing to tourists and retailers is a great strength to the company.

8 full time 50 part time

Handicraft Items of wood and leather

It is very difficult to define capacity.

	2005	2006	2007
Total sales:	5	9	12
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Total investment (thousand US\$):	30
Foreign contribution (thousand US\$):	30

Purpose of the project:

The company plans to formalise its activity by setting up a proper workshop. The company plans to increase its production by 10 times and set up a planning system to ensure higher yields and greater profits. The company needs financial support for investing in Fixed Assets and also for working capital.

Planned products and services:

Wooden Dolls	5.000 / year
Masks	4.000 / year
Drums	3.000 / year
Walking Sticks	4.000 / year
Serving Trays	3.500 / year
Coffee Tables	3.000 / year

Rationale behind the project:*Access to resources*

The Raw material and Skill for production (artisans) are available in the area where the company is located.

Favourable location

Kumasi City and Ashanti Region as a whole is well known for its handloom and handicraft business.

Form of collaboration sought*Loan*

Loan for purchase of land, construction of building and for working capital to procure raw material in bulk

Project No.:	GHA-019-2008-01
ISIC Code:	D2109 - Manufacture of other articles of paper and paperboard
Date of Submission:	21 Jan. 2008

Jolly World Cool Ltd

COMPANY INFORMATION

Name of company

Jolly World Cool Ltd

National investor

The company is a part of the Addai Family business. The Addai family is into trading in Agricultural tools and musical instruments. The Family started this company with a view to benefit from the higher demand for disposable food packaging and toilet papers. The company set up its waste paper recycling project which is the basic raw material for toilet paper. Subsequently looking to demand for disposable food containers, the company set up another production facility for producing the same. The company is at the moment in the process of setting up production facilities for Nails for construction and carpentry. The company used to produce candles but due to pressure of competition from imported cheap candles, the production is at the moment stopped.

Current markets:

Main markets for the company's products are in Ghana. Jolly toilet rolls are sold exclusively in Ghana. Sweetie Toilet Rolls are made for markets in Togo. Lunch boxes are exported to Nigeria. The main customers for toilet rolls are households and these are sold to supermarkets and retail shops. The market for lunch boxes are more institutional and the network used is wholesale distributors.

Competitors:

There are many competitors for toilet rolls. The competition from Chinese hurts the most. This is because they import toilet paper as fillers (scrap paper) when they import electronic and plastic items. These toilet rolls are then packed and sold at a very low cost. There are very few competitors in Lunch Box business. However there are competing products like plastic bags, paper bags and aluminum foil packs.

Company strengths:

Technical expertise

The company has latest equipment and expatriate Chinese Technology Support for its production facilities and hence the company provides the best quality materials in the region.

Total employees:

101 full time	115 part time
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Current products / services of the company:

Toilet Paper Rolls	200.000 rolls / year (Capacity utilization: 75%)
Lunch Boxes	50.000 nos / year (Capacity utilization: 40%)

Reason(s) for low capacity utilization:

New Project and competition from cheap Chinese imports.

Annual turnover for the last three years (in thousand US\$):

	2005	2006	2007
Total sales:	3.600	5.000	7.000
Domestic Market (in %):	80.00	70.00	55.00
Export (in %)	20.00	30.00	45.00

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Total investment (thousand US\$):	N/A
Foreign contribution (thousand US\$):	N/A

Purpose of the project:

The company is planning to produce in Nigeria.

The company is also planning an unrelated diversification to Quarry Business in Buoho, Ghana.

C O M P A N Y I N F O R M A T I O N

Asare Farms and Company Limited

Mr. Asare after completing his Bsc in Agriculture started doing small scale farming in citrus fruits and poultry. Due to high quality of products and hard work, the company grew into Asare Farms which is well known in Ashanti region for its poultry and agriculture products. The farm is self sufficient in most of its raw material requirements and has been innovating many new products. Mr. Asare has a plantation of Moringa and has also started processing Moringa based products. The company also makes its own poultry feed which they also market to other farms in the region. For sometime in the past, Mr Asare used to export Timber from Ghana to Senegal and sweet lime to Burkina Faso. Most of the agriculture produce of the company is organic.

Main markets for poultry is in Ghana for both household and institutional use mainly in food. The company sells its poultry through agents in Kumasi and nearby cities and towns. For Sweet Orange and Moringa products also the demand is mainly within Ghana. However both these products have export potential.

There are many competitors in poultry and in citrus fruits segments but the demand is far greater than supply and hence the company faces no problems. But in Moringa products there is no competition. However since the concept of Moringa is new, it is very difficult to market it.

The MD is an agronomist with a keen interest in developing agriculture business through professional farming and through a scientific process. Due to this the company has developed new and innovative products.

70 full time 80 part time

Poultry	200.000 / year (Capacity utilization: 40%)
Citrus Fruits (Sweet Orange)	
Moringa based products	

For poultry the capacity is not fully utilised as there is very poor supply of day-old chicks for development. Other products capacities are not yet measured.

	2005	2006	2007
Total sales:	66.000	79.000	59.000
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00

The company has a good plantation of Citrus Fruits and Moringa.

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Total investment (thousand US\$):	N/A
Foreign contribution (thousand US\$):	N/A

Purpose of the project:

The main purpose of the project is to expand the existing business by doubling capacity.

The company also plans support in getting hatchery technology and to buy chicks from Belgium.

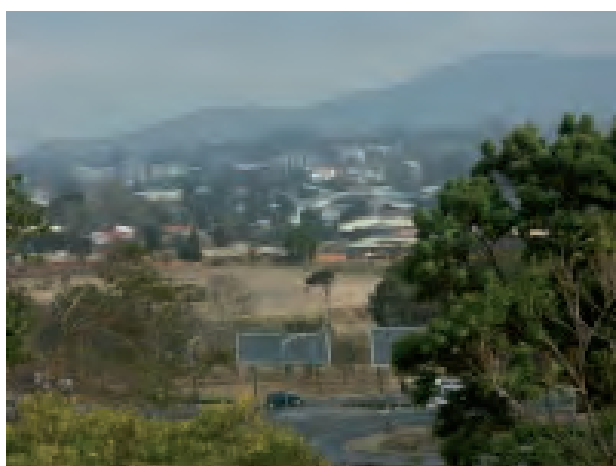


Blantyre, Malawi

BACKGROUND

Malawi's most populous city (est. 750,000), Blantyre is also the country's main commercial and industrial center, with road, rail, and air links to all parts of the country and rail links to Indian Ocean ports in Mozambique. Key industries include cement, soap, food and tobacco-processing, and textiles, with the latter ripe for revitalization, given the potential for locally produced cotton.

The City Assembly has developed extensive plans for improvements both in infrastructure and in the delivery of essential services, but has few resources with which to implement its plans. HIV/AIDS has had a debilitating presence (over 17%) on the urban community, with an immeasurable cost in human resources.



Although enjoying bumper harvests in recent years, Malawi is still prone to famine from droughts; child and maternal mortality rates (137 per 1000 under fives and 950 per 100,000 deliveries respectively) are extraordinarily high, and life expectancy which was at 39 is now at 42 thanks largely to growing availability and use of ARVs and behavioural change with respect to HIV/AIDS.

POSSIBLE BUSINESS OPPORTUNITIES

Successful private and joint ventures include fish farming and a range of agro-processing activities, with opportunities for expansion into tea blending, tobacco processing, dairy production and the processing of macadamia nuts, oranges, pineapples, tomatoes, potatoes, cassava, mushrooms, soya beans and coffee.

Other opportunities include the revitalization of cotton and textile production; tourism (focused on wildlife viewing and eco-tourism), and Internet technology and telecommunications, as well as ready access to regional markets and transnational partners in South Africa, Zambia, Zimbabwe, Mozambique and Tanzania.

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BLANTYRE - Investment Profiles

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COMPANY INFORMATION

Sacha's Bakery

From humble beginnings during the past twenty years the name Speedys has been associated with the car sales business. It started as a motor vehicle spares business and grew into the car sales business. The Speedys investment as a portfolio started as a family business. The Jakhura family has been associated with businesses of all types from transport in the 70's and now the family businesses include food processing, civil construction, bakeries and confectionary and agro-processing. The family's involvement in community and charity work is well acknowledged in the Malawi society. The Rab brand as a leading food processor is a household name associated with manufacture of products of quality that stand competition from both local and imported products. Over the years the bakery and confectionary business has grown fast with the Sacha's Bakery name becoming a household name due to the consistency in quality of its products.

The main market is in Blantyre City and its surrounding areas, especially in the southern regions of Malawi.

30 full time 0 part time

There are many competitors in both the organised and unorganised sectors in and around South Malawi.

Bread Produced 1.600.000 loaves / year
(Capacity utilization: 80%)

Competition from the unorganised sector and infrastructure constraints.

The company owns the exclusive brand rights to „Sacha“ which is very popular among the local population of Southern Malawi

The company has stringent quality control norms which is higher than the Malawian standards.

The company is a single owner owned company and decisions are taken very fast. There are professional managers who run the day to day activities of the company with large pool of experience.

	2005	2006	2007
Total sales:	250	400	700
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Total investment (thousand US\$):	3.171
Foreign contribution (thousand US\$):	3.171

Purpose of the project:

The objective of the project is to expand the customer base for the famous Sacha's products by developing a production and distribution network which will make inroads into the semi-urban and rural areas.

Planned products and services:

Bread & Confectionary

The concept of the project is to make available to more people including those in rural areas baked and confectionary products. This will be achieved by offering franchises to business entrepreneurs in the cities and townships to open bakeries on the Sacha's label. The first phase will begin with eight (8) such franchises. There will be eight such franchise units starting with the main cities during the first phase. Smaller satellite bakeries will be opened in a few selected places which can not be supplied economically from the franchise units. These will be limited in their range of products concentrating mainly on baking products on a Sacha's label.

produced fresh bread and confectionary using high standard raw materials and machinery is available to the rural population.

Form of collaboration sought:

Loan

The promoters are also looking for soft loan from investors as this is both a financially viable project as well as a social objective project.

Equipment purchase

The promoters are willing to receive suppliers' credit for machinery for the satellite bakeries.

Rationale behind the project:

Access to markets or market niche

The project will involve creating franchise bakeries as a satellite to the main company production facility. The company will offer the franchisees all the raw material and standard equipment to ensure high quality and good health and safety standards. The company will train the franchisees and their employees in all aspects of bakery and food production management.

Other

The new project is one of its kind in Malawi and is expected to create large number of rural jobs. Further the project will ensure that good and hygienically

COMPANY INFORMATION

Speedy's Food Industries Ltd

Speedy's Food Industries (SFI) is a fully registered company under the Company's Act and is a member of the Speedy's Group. Its core business is Agro-processing and supply of farm produce. The main activities of SFI are:

- Poultry farming
- Agro-processing of animal and poultry feed

Institutional and individual buyers in and around Blantyre. Larger Institutional buyers like Hotels, Schools and other NGOs are main buyer groups.

400 full time

0 part time

Small Holder unorganised farmers.

Financial resources

Strong Cashflows from internal sources and day to day collection mechanism

Fast Decision making due to 100% ownership with single owner. Good team of professionals supporting the MD.

High Quality Standard

Very high Goodwill for family business and good distribution network of group companies

Eggs

16.200.000 nos / year

(Capacity utilization: 75%)

As per industry norms

	2005	2006	2007
Total sales:	417	500	790
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Total investment (thousand US\$):	11.010
Foreign contribution (thousand US\$):	0

Purpose of the project:

The company has a large plot of land measuring 200 acres within its existing production area. The project is being proposed to utilize the land so that the company can produce its own feed and also utilize the land for other profitable purposes.

Planned products and services:

Maize
Soyabean
Fish - Tilapia
Beef and Dairy
Broiler Chicken
Pelletized Chicken Feed

1.0 Crop Production

2.0 Fish Farming

3.0 Beef and Dairy Cattle

4.0 Broiler Chicken farming

5.0 Feed Pelletization

Form of collaboration sought:

Joint-venture (equity)

The promoter is willing to share equity. It is negotiable

Loan

A loan with a reasonable interest rate

Management expertise

Promoter is looking for an investor who has experience in integrated farming

Rationale behind the project:

Access to markets or market niche

The proposed projects are very viable and have huge demand. There is a large market which is already available.

Capability, competence

The company has the market networks and the capacity to produce and sell.

Favourable location

The Entire tract of land is very close to Blantyre which is the largest market in Malawi.

Project No.: MLW-003-2008-11
 ISIC Code: H5510 - Hotels; camping sites and other provision of short-stay accommodation
 Date of Submission: 10 Nov. 2008

Hotel Victoria Ltd.

C O M P A N Y I N F O R M A T I O N

Name of company:

Hotel Victoria

National investor:

Victoria Hotel and The Gani family

Current markets:

No information was provided about Annual turnover by the Management. The Market is tourists and official visitors to Blantyre and Institutions requiring Conference facilities in Blantyre.

Total employees:

70 full time

0 part time

Competitors:

Hotel Malawi Sun/ Hotel Mount Soche and a host of small hotels and lodges. The company does not perceive these as competitors but as collaborators as the demand is more than supply and every hotel faces over booking of rooms and hence shares information with them.

Current products / services of the company:

Hotel Rooms	50 rooms / day (Capacity utilization: 60%)
Conference	60 persons / day (Capacity utilization: 75%)

Reason(s) for low capacity utilization:

The hotel has a capacity utilisation higher than the industry standards in Blantyre.

Company strengths:

Financial resources

High Capacity Utilisation and hence high availability of cash flows

Access to natural resources

Ideal Location

Quality control

High Quality of service

Managerial expertise

Professionally Managed

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Total investment (thousand US\$):	12.500
Foreign contribution (thousand US\$):	12.500

Purpose of the project:

The Hotel Proposes the following projects:

1. Expansion of the hotel rooms to add 35 more rooms in the existing premises
2. New conference facility with a capacity of 1000 persons in the existing premises
3. New hotel complex in Blantyre with shopping mall

Total investment expect to the tune of USD 12.5 million.

The company is willing to have Joint Venture partners with equity partnership. The equity partner will have a pre-planned exit route.

Rationale behind the project:

Access to markets or market niche

Victoria Hotel is a very well known hotel brand name in Blantyre and there demand for the hotel room is very high and hence the hotel has access to markets

Favourable location

Blantyre is the largest and the biggest commercial city of Malawi. The demand for hotel rooms and conferencing is very high and hence Blantyre is a favourable location.

Form of collaboration sought:

Joint-venture (equity)

Hotel Victoria would like investors to participate in Equity with an exit plan.

Project No.:	MLW-004-2008-11
ISIC Code:	F4520 - Building of complete constructions or parts thereof; civil engineering
Date of Submission:	14 Nov. 2008

Pacific Ltd

C O M P A N Y I N F O R M A T I O N

Name of company:

Pacific Ltd

National investor:

Pacific Ltd - the holding company with interests in Food and Agro processing sector, Tourism & Hotel Sector, Finance and Banking Sector, Textile and Garment Sector and in Construction and Infrastructure sector.

Current markets:

All around Malawi. The company has a group turnover of over USD 10 million.

Total employees:

2.203 full time

0 part time

Competitors:

There are many competitors to the various businesses of the company.

Current products / services of the company:

Real Estate and Construction

Company strengths:

Financial resources

The company has many business that generate large cashflows and hence has adequate financial resources for its current level of operations.

Access to natural resources

The company has a large bank of land resources for development of future projects in real estate and construction business and for fish farming

Ownership rights and licences

The ownership of the business is with Aboo Family with Mr. Faizal Aboo controlling the overall management of the company.

Capacity not applicable.

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Total investment (thousand US\$):	N/A
Foreign contribution (thousand US\$):	N/A

Purpose of the project:

The company is proposing the following projects:

1. Low cost housing construction for Lower and Middle Income groups
2. Fish Farm for farming Tilapia as a low cost protein substitute for the people of Malawi
3. Hydroelectric power project in partnership with Government of Malawi.

The company has already done prototypes of the projects mentioned in 1 and 2 above.

The company is expecting partners for taking these pilot projects across the nation and seeks Technical, Managerial and Financial support both in terms of Joint Venture Partnership and Loan.

The company requires a management and technology partner and also a financial partner for the project mentioned in 3 above.

The company can provide detailed project reports for all the projects mentioned above.

The company has not offered UNIDO any details of the projects above. They would like to discuss with prospective investors before revealing their plans.

Project No.:	MLW-005-2008-11
ISIC Code:	D1810 - Manufacture of wearing apparel, except fur apparel
Date of Submission:	14 Nov. 2008

Crown Fashions Ltd.

COMPANY INFORMATION

Name of company:

Crown Fashions Ltd

National investor:

The company was set up in 1975 by Mr. Sattar Aziz Mohammed as a export processing Company to cater to the needs of South African and Zimbabwean Export Markets. The company took advantage of high skills and low cost of the Malawian employees.

The company got greater advantage due to SADC common markets and also due to ACP and AGOA.

Current markets:

The company is under Export Processing Zone and all the products of the company is exported. Main Export markets are in South Africa and US. The company's products are sold through chain stores in US and South Africa. The company produces for J. Crew, Giorgio, Mr. Price, Woolworth, Truworth, Edgars and many more brands.

Competitors:

In Malawi there are not many competitors except Knitwear Industries Limited as the company does not sell its products in Malawian Markets. The company faces stiff competition from Asian and Turkish Suppliers in the market.

Company strengths:

Financial resources

100% equity financed company and since 100% export oriented the company has a good cash flow.

Technical expertise

The company has a high skill labour force trained in-house and hence high quality.

Managerial expertise

The company is entirely managed by Professional

Total employees:

2.300 full time

0 part time

Current products / services of the company:

Garment 3.600.000 pcs / year
(Capacity utilization: 80%)

Reason(s) for low capacity utilization:

Lack of trained local manpower, absenteeism.

Annual turnover for the last three years (in thousand US\$):

	2005	2006	2007
Total sales:	1.000	1.000	1.000
Domestic Market (in %):	0.00	0.00	0.00
Export (in %)	100.00	100.00	100.00

Managers without direct interventions by owner group.

Exports

100% Export. The company is known for the quality of the products and the existing customer group is happy with the products.

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Total investment (thousand US\$):	N/A
Foreign contribution (thousand US\$):	N/A

Purpose of the project:

The company has many plans for development and growth. Some of the plans are related to its existing business and some are not. Given Below is a small list of the projects planned:

1. New Project for production of Bed Linen:

This is a project which the company was already doing in the past and exporting to South Africa but due to quota problem under the SACU agreement, the company is now unable to produce and export. The company also is at the moment short in manpower. The company requests support for training manpower. The company is willing to partner with organisations/institutions which can train manpower.

2. Dyeing House Project:

The company can generate more profits and greater access to US, Europe and South African markets if the company can import grey cloth instead of printed cloth. They can then dye the cloth in Malawi and get advantage of double transformation and hence get greater access to Export Markets. The total investment in a dyeing house would be approximately USD 2 million. The company is willing to partner with any investor. The company expects to generate business for the dyeing house from other small Malawian Garment manufacturers too. The proposed project has a huge dependence on water and the company would like to warn the prospective investor in this project that water is a major problem in Blantyre.

3. The company plans to invest in Olive Plantation in Malawi for 100 acres. The company is looking for technical support and also if possible an investor. The company also wants to diversify into Olive oil production.

4. The company plans to invest in cultivation and production of Lime and Lime juice. The company can offer a detailed project report on all the projects mentioned above. The company has not shared details of the above proposed project with UNIDO Team.

Project No.: MLW-006-2008-11
 ISIC Code: H5510 - Hotels; camping sites and other provision of short-stay accommodation
 Date of Submission: 17 Nov. 2008

Office World - Hotel Project

C O M P A N Y I N F O R M A T I O N

Name of company:

Office World

National investor:

Office World - A partnership firm promoted by the Tayub Family of Blantyre.

Current markets:

Institutions like Govt., NGOs, Banks, Private sector companies, Schools, Other Educational Institutions and small traders and Individual buyers including school children.

Competitors:

Many small retailers.

Company strengths:

Financial resources

Financial Sources of the Promoters are secure and they have enough cashflows to support new ventures

Total employees:

40 full time

0 part time

Annual turnover for the last three years (in thousand US\$):

	2005	2006	2007
Total sales:	1.695	1.839	2.633
Domestic Market (in %):	0.00	0.00	0.00
Export (in %)	100.00	100.00	100.00

P R O P O S E D P R O J E C T

Project type:

New project - Diversification from current activity of promoter

Total investment (thousand US\$):	715
Foreign contribution (thousand US\$):	315

Purpose of the project:

The proposed Hotel Project is as per the Govt. policy of promoting tourism business in the country. The proposed hotel is likely to have good self contained and well furnished rooms, excellent conference facilities, auditorium halls, dining halls and secretarial services.

Planned products and services:

Hotel Rooms
Seminar Hall
Conference Room
Auditorium
Board Room
Restaurant

The project is expected to have a turnover of USD 1.43 million in first year and will increase to USD 2.25 million in the 3rd year. The project is likely to break even in the second year with a turnover of USD 1.8 million. The project will provide employment to 43 people in the first year and will go up to 70 people in the third year.

The Expected investment in the project is USD 0.7 million and is likely to pay back in 3 years.

Rationale behind the project:

Access to markets or market niche

There is a huge demand supply gap for Hotel and Conference rooms in Blantyre

Favourable location

The company has acquired land for the project and has got the plans for the hotel approved from the Authorities.

Form of collaboration sought:

Joint-venture (equity)

The investor is expected to invest USD 315,000 as equity for the project.

Project No.: MLW-007-2008-11
 ISIC Code: D2010 - Sawmilling and planing of wood
 Date of Submission: 15 Nov. 2008

Hamwood Ltd.

COMPANY INFORMATION

Name of company:

Haamwood Ltd

National investor:

Haamwood Ltd commenced business in July 2004 by taking over the assets of M/s Steel and Wood Works Ltd. The factory and office is situated in Mapanga, which is 7 kms from Limbe on Zomba Road. Haamwood Ltd is managed by a group of professional managers who have over 20 years combined experience in the wood industry in Malawi.

Current markets:

Current markets are in and around Blantyre and Lilongwe. The customers are mainly institutional customers like Government Agencies, NGOs, Schools and Construction companies.

There are very few individual customers.

Competitors:

There are many competitors. The largest is Kenyan Investor called Raiply. However, the company has not faced market problems due to competition.

Company strengths:

Ownership rights and licences

The company owns logging rights in Zomba near Blantyre. However the forest there is depleting and there is no effort on the part of the government or the locals for afforestation. The company is paying money to the locals for planting but the same is not being honored by the local population.

Technical expertise

The company has highly skilled manpower - both Local and Expatriate and hence the quality of the products of the company is considered very good.

Total employees:

110 full time

0 part time

Current products / services of the company:

Block Boards, Ply Wood Flush Doors/Panel Doors/Door, Frames/Windows/Window frames, Construction Timber, Tounge and Groove, Cornice, Skirting wood, Furniture - Office/School/Residential, Pallets, Bee hives and small joinery items

Reason(s) for low capacity utilization:

The capacity of the company is to handle 250,000 cubic metre of wood in a year. At the moment the company is handling approximately 100000 cubic metres which is 40% capacity utilisation. Low capacity utilisation is due to lack of raw material availability in the neighbourhood and also due to working capital constraints..

Annual turnover for the last three years (in thousand US\$):

	2005	2006	2007
Total sales:	300	410	495
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Total investment (thousand US\$):	1.500
Foreign contribution (thousand US\$):	1.000

Purpose of the project:

The Board of Haamwood Limited believe that the company is not utilising the resources available to them to the maximum. They feel that though they are better than most companies in Malawi, their efficiency is less than the Italian or Asian Manufacturers of Plywood. They want to develop a project to improve utilisation of wood in the manufacture of plywood. They require technical assistance for this purpose.

Planned products and services:	
Sawn Logs for Blantyre factory	2.500.000 cubic metres per year

They also plan to expand production by setting up another factory facility in Mzuzu. For this they have already identified a sick saw mill in Mzuzu and require a Joint Venture (equity) partner.

Rationale behind the project:

Access to resources

The company has already identified a saw mill with logging license (concessions) and having its own private estate.

Favourable location

The new project area is very close to the logging site and hence the cost of production is expected to be very low.

Form of collaboration sought:

Joint-venture (equity)

The company is expecting a total investment of USD 1.5 million. Of the 1.5 million USD, the existing promoters will invest USD 500,000. The company expects a partner to invest USD 1.00 million as equity for which the promoters are willing to give 49% holding in the company.

C O M P A N Y I N F O R M A T I O N

Tambala Food Products Ltd.

Tambala Food Products Ltd was originally a subsidiary of the Government of Malawi owned Company called Press Corporation. The company was taken over by a group of Ethnic Malawian Professionals in 2005. Tambala Food Products Ltd produces salted peanuts, peanut butter and processes rice, dhall and other agro based commodities.

Market for the company's products is mainly in Malawi. The company has presence in all the major shopping malls in Malawi. The company has its own fleet of trucks to deliver goods across Malawi. The company offers its products to both sales through a retail chain and also direct sales to institutional buyers like Air Malawi.

There are many competitors in rice and salted peanuts business from Malawi. However in the peanut butter business the competition for the company is mainly from imports.

The company has a good network with outgrowers and using the company's fleet of 5 trucks the company is able to procure all the required raw material during the harvest season. The only problem the company faces is lack of working capital.

The company's brand name is well known and hence the company does not have a marketing constraint.

50 full time 0 part time

Peanut Butter	600 tonnes / year (Capacity utilization: 20%)
Salted Peanut	400 tonnes / year (Capacity utilization: 20%)
Rice Processing	1.000 tonnes / year (Capacity utilization: 20%)

Lack of working capital to stock material.

	2005	2006	2007
Total sales:	284	360	385
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Total investment (thousand US\$):	500
Foreign contribution (thousand US\$):	500

Purpose of the project:

The company requires partners to invest money in the working capital of the company. The company management is willing to discuss the form of partnership which the investors may want.

The company requires the following support:

1. Working Capital: USD 100,000
2. Refurbishment of Equipment: USD 200,000
3. New Product Development: USD 200,000

Total: USD 500,000

Rationale behind the project:

Access to markets or market niche

Tambala foods limited is at the moment rejecting orders due to lack of working capital. The company will be able to increase its sales if investors invest in the company's working capital.

Form of collaboration sought:

Joint-venture (equity)

Investment of USD 500,000 in equity for working capital, equipment refurbishment and new product development.

Project No.: MLW-009-2008-11
 ISIC Code: D2010 - Sawmilling and planing of wood
 Date of Submission: 17 Nov. 2008

Timber Export Africa Ltd.

C O M P A N Y I N F O R M A T I O N

Name of company:

Timber Export Africa Ltd.

National investor:

Timber Export Africa Limited is a company registered in Malawi in the year 2007. The main investors of the company are Mr. Farook Ibrahim, Mr. Syed Mohammad Amin and Mr. Syed Mohammad Shahzaib. Currently the company is operating a saw mill and exporting timber.

Current markets:

The company has currently markets for export to Dubai, Kuwait, India, Pakistan, South Africa. The company has orders for logs, sleepers and finished furniture too.

Competitors:

The company is working with a group of customers who have a long standing relationship with the promoters and hence the company does not expect any problems from the competitors. There are many competitors in the local market but the company has so far not ventured into the local markets.

Company strengths:

Financial resources

The Promoters of the company are financially secure and have no third part liabilities

Technical expertise

The company has employed 6 skilled technical personnel from various Asian Countries. These expatriates ensure that the production is maximised and wastages are reduced. Due to this efficiency, the company is able to generate extra revenues.

Total employees:

134 full time

0 part time

Current products / services of the company:

Sawn Timber

Reason(s) for low capacity utilization:

Capacity not calculated as there is a raw material constraint. This is the first year of operation and hence actual capacity not calculated.

Annual turnover for the last three years (in thousand US\$):

	2005	2006	2007
Total sales:	N/A	N/A	2.000
Domestic Market (in %):	N/A	N/A	100.00
Export (in %)	N/A	N/A	0.00

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Total investment (thousand US\$):	N/A
Foreign contribution (thousand US\$):	N/A

Purpose of the project:

The company has many projects. They are listed below:

1. Expanding to Mozambique for logging.
(investment USD 2 million)
2. Establish a furniture joinery business in Malawi
(investment USD 1 million)
3. Establish a saw dust pellet manufacturing business
(investment USD 1 million)

The promoters have prepared project report for the first two projects. They have not shared the same with UNIDO. The same is available to prospective partners on request.

The promoters want financing partners for the first two projects and technology partner for the third project.

Rationale behind the project:

Access to resources

The company has access to large concessions of forest.

Project No.: MLW-010-2008-11
 ISIC Code: D1514 - Manufacture of vegetable and animal oils and fats
 Date of Submission: 15 Nov. 2008

Maone Oil Mills Ltd

C O M P A N Y I N F O R M A T I O N

Name of company:

Maone Oil Mills Limited

National investor:

Maone oil mills limited is a limited liability company incorporated in 1984. The company was taken over by the existing shareholder in August 2008. The company is producing cottonseed oil as edible oil in the markets of Malawi.

Current markets:

Individual and Institutional customers in and around Blantyre. The company is still in the process of setting up a good distribution network in Malawi. However, in a short time the company has gained a 20% market share in the local Malawian markets.

Competitors:

Main Competition comes from Capital Oil Refining Industries, National Oil, CAMI and Iponga Cotton Mills. There are many unorganised oil producers.

Company strengths:

Technical expertise

As a part of restructuring the company has employed highly skilled expatriate technical experts to improve the efficiency and reduce the down time of the machines. This is likely to increase the productivity and profits of the business.

Managerial expertise

The new management has over 30 years of work experience especially in turning around sick companies and building brands.

Total employees:

28 full time

0 part time

Current products / services of the company:

Edible Vegetable Oil (mix of cotton seed/soyabean and sunflower) 2.400 tonnes / year
 (Capacity utilization: 20%)

Reason(s) for low capacity utilization:

New management and low working capital.

Annual turnover for the last three years (in thousand US\$):

	2005	2006	2007
Total sales:	N/A	N/A	150
Domestic Market (in %):	N/A	N/A	100.00
Export (in %)	N/A	N/A	0.00

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Total investment (thousand US\$):	N/A
Foreign contribution (thousand US\$):	N/A

Purpose of the project:

The company has not yet prepared a detailed business plan for its future operations. The new management is still diagnosing the existing problems. Based on the problems diagnosed so far, the company requires the following support:

1. Manpower training
2. Working Capital Support of USD 1 million
3. Oil Refining technology

The company has not prepared any business plan but if there is any investor/technology provider who is willing to partner the company in any of the activities mentioned above, the company is willing to offer a business plan.

Form of collaboration sought:

Joint-venture (equity)

The company requires investors who can invest in refining technology and working capital of the company. The working capital requirement is estimated at USD 1 million. The company does not have any estimate of refinery.

Other

The company has requested for manpower training for its employees in utilising the proposed new refining technology.

Rationale behind the project:

Access to resources

There are many kinds of oil seeds available in and around Malawi which is going waste. The company has access to these resources which can be exploited for improving the company's financial position. For this the company requires additional working capital.

Unique technology

The company requires a unique technology as there are no manufacturers of refined edible oil.

Project No.:	MLW-011-2008-11
ISIC Code:	D1531 - Manufacture of grain mill products, D1514 - Manufacture of vegetable and animal oils and fats
Date of Submission:	15 Nov. 2008

Rab Processors Ltd.

COMPANY INFORMATION

Name of company:

Rab Processors Ltd

National investor:

Rab Processors Limited was founded in 1983 and is a family owned company. The company has a pan-Malawi presence with 64 outlets across Malawi and has production facilities in Limbe close to Blantyre. The company has very good manufacturing facilities with high quality machinery and very strong distribution mechanism.

Current markets:

Domestic Market Share 40% in food products. In addition the company has the farm input distribution activity and exports.

Total employees:

1,500 full time

0 part time

Competitors:

No comparable competitor to the company due to the variety of activities. However there are many small competitors in the different areas of the business.

Current products / services of the company:

Semi Processed/Fully Processed

Food Products 100.000 tonnes / year
(Capacity utilization: 50%)

Reason(s) for low capacity utilization:

Limitations of utilisation are due to fluctuating demand patterns due to changes in international commodity prices

Company strengths:

Financial resources

Financially the company has no loans and uses its own funds. However the resources are limited.

Access to natural resources

The company has developed a good supply chain with the farming community through 64 outlets.

Ownership rights and licences

The company's brand names are well known within and outside Malawi.

Quality control

The company meets all quality requirements of Malawi and also of all export destinations. To ensure high quality the company has appointed highly qualified technical personal

Annual turnover for the last three years (in thousand US\$):

	2005	2006	2007
Total sales:	39.000	38.000	47.000
Domestic Market (in %):	80.00	80.00	80.00
Export (in %)	20.00	20.00	20.00

Technical expertise

Managerial expertise

The company has highly experienced and qualified professional managers.

Exports

The company has very good export networks.
The company is exporting a small portion of its production. The company can increase its exports when the capacity utilisation increases.

Marketing

High Brand Recognition and good network

Total investment (thousand US\$):	2.500
Foreign contribution (thousand US\$):	2.500

Planned products and services:

Edible Oil

P R O P O S E D P R O J E C T

Project type:

New project - Diversification from current activity of promoter

Purpose of the project:

The company is looking for Joint Venture Partner to start a new business of Edible Oil Processing and Refining. The company is willing to partner with an investor who can offer finance and technology. The expected investment in the project is approximately USD 2.5 million. The company will be able to offer land and infrastructure. The Joint Venture Company can also use the Rab Processor's marketing network across Malawi. The JV partner will have to contribute to the equity for plant and machinery.

*Rationale behind the project:**Access to markets or market niche*

The company has access to the markets of Malawi through its three branch offices and 64 outlets. The company also has a good brand image which will improve the market access to the new project.

*Form of collaboration sought:**Joint-venture (equity)*

The company requires equity partners to invest approximately USD 2.5 million for the project and also offer technology for the business.

Project No.:	MLW-012-2008-11
ISIC Code:	H5510 - Hotels; camping sites and other provision of short-stay accommodation
Date of Submission:	15 Nov. 2008

Chilembwe Lodge

C O M P A N Y I N F O R M A T I O N

Name of company:

Chilembwe Lodge: Trust Auctioneers & Estate Agents (1980) Ltd.

National investor:

Trust Auctioneers & Estate Agents (1980) Ltd is the Holding company which owns Chilembwe lodge. The company was established in 1980.

Current markets:

Market mainly consists of visitors to Blantyre from within Malawi and from outside the country. Most of the customers who prefer to stay at the Chilembwe Lodge are the ones who have business work in Blantyre and want good value for money.

Competitors:

There are many competitors like Hotel Mount Soche, Hotel Malawi Sun and Hotel Victoria. There are also many lodges. But the Chilembwe Lodge is preferred by most budget travelers because of its high quality, low cost and proximity to the CBD of Blantyre.

Company strengths:

Access to natural resources

Best Location for a Lodge

Quality control

High Quality residential facility

Managerial expertise

Professional Management

Total employees:

35 full time

0 part time

Current products / services of the company:

Lodging Rooms 14,000 room days
(Capacity utilization: 65%)

Reason(s) for low capacity utilization:

The capacity utilisation is as per industry standards.

Annual turnover for the last three years (in thousand US\$):

	2005	2006	2007
Total sales:	330	402	508
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Total investment (thousand US\$):	900
Foreign contribution (thousand US\$):	900

Purpose of the project:

The holding company M/s Trust Auctioneers and Estate Agents (1980) Ltd. wants to convert the lodge into a Three Star Hotel by improving the existing facilities, adding new rooms and by adding more professional manpower. The total investment proposed is USD 0.9 mn.

Planned products and services:

Hotel Rooms Rentals
Conference Facilities

A detailed business plan will be made available to any body who is interested in Jointventure or any other form of partnership.

Rationale behind the project:

Access to markets or market niche

The existing lodge facility is located in the middle of the CBD of Blantyre and hence the proposed project has great potential for generating profits for investors.

Form of collaboration sought:

Joint-venture (equity)

The company expects the JV partner to invest USD 0.9 million for the upgrading of the lodge and adding new facilities.

Project No.:	MLW-013-2008-11
ISIC Code:	D2423 - Manufacture of pharmaceuticals, medicinal chemicals and botanical products
Date of Submission:	15 Nov. 2008

Pharmanova Limited

C O M P A N Y I N F O R M A T I O N

Name of company:

Pharmanova Limited

National investor:

The company is promoted by the Sterling MEASC Group which includes 4 separate companies. These companies are Pharmanova Ltd, Petroleum Services Malawi Ltd, Sterling Investments Ltd and Sterling Marketing and Distribution Ltd. The MEASC Group is owned by the Sidat Family. Mr. Mohammed Sidat is the CMD. The Group employs professional managers to run the companies under its fold with minimal involvement of the family in the day to day management of the company.

Pharmanova Limited manufactures pharmaceutical and cosmetic products and employs 150 employees. The company has a very high goodwill for all its pharmaceutical and cosmetic brands in Malawi. The company produces generic medicines and is the only pharmaceutical producer in Malawi.

Current markets:

Main markets are in Malawi. The company has as sister concern in Zambia to which also the company exports from Malawi. The main markets are through retail pharmacies across Malawi.

Competitors:

There are no local competing Manufacturers. Most competitors are importers.

Company strengths:

Financial resources

The company has good cashflows for the existing level of business.

Quality control

The company has very good quality control norms and meets all the Malawian and international standards for its products. The equipment used by the company is also of international standard.

Managerial expertise

The company is run by professionals from the

Total employees:

150 full time

0 part time

Current products / services of the company:

Pharmaceutical Tablets	800 million tablets / year
(incl capsules)	(Capacity utilization: 83%)

Reason(s) for low capacity utilization:

As per industry standard. Capacity not utilised fully due to tooling changes between different products.

Annual turnover for the last three years (in thousand US\$):

	2005	2006	2007
Total sales:	3.149	3.435	4.477
Domestic Market (in %):	90.00	90.00	80.00
Export (in %)	10.00	10.00	20.00

pharmaceutical industry who have very wide and diverse experience in the industry.

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Total investment (thousand US\$):	N/A
Foreign contribution (thousand US\$):	N/A

Purpose of the project:

The main purpose of the proposed project is to identify partners with whom the company can produce on a license all speciality pharmaceutical products for the Malawian and SADC region Markets. The company also wants to expand its production to Monoclonal Antibodies, New Molecule development for diabetics and blood pressure. The company is looking for sourcing technology for the same.

Planned products and services:

Hotel Rooms Rentals
Conference Facilities

The company als wants training support for its manpower.

The company does not have detailed plans for the proposed project and have not shared any plans with UNIDO team.

Rationale behind the project:

Access to markets or market niche

The company has very good opportunity to market the products of the proposed project in the SADC Region.

COMPANY INFORMATION

Nuline Textile Manufacturer Pvt. Ltd

The manufacturing facility was a joint venture between two private parties for almost 6 years. Nuline Textile Manufacturer took over the manufacturing facility in 2007. Nu Line is owned by the Aboo Family which also owns the conglomerate Pacific Limited. Nu Line is a manufacturer of Blankets. The company imports yarn and weaves blankets. The company has weaving machines, rewinding, raising machines. The company employs 150 people and produces 1.2 million blankets per year.

Market for the company's products is 100% in Malawi. The company has retail distributors in Lilongwe, Blantyre and Mzuzu who sell through a set of retail outlets across Malawi.

CONFORZI is the only company in Malawi which also produces blankets but they are not working in full swing.

Financial resources

Due to good sales, the company's cash flow position is very good.

The company has machines from India, China and Singapore. The company has 5 expatriate technical experts who take care of machine maintenance, quality control and overall production facilities.

The company is able to sell all its production due to a good sales team and also due to a good network of marketing outlet.

150 full time 0 part time

Blankets 1.200.000 pieces / year
(Capacity utilization: 57%)

Lack of space to install new machines.

	2005	2006	2007
Total sales:	N/A	N/A	774
Domestic Market (in %):	N/A	N/A	100.00
Export (in %)	N/A	N/A	0.00

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Total investment (thousand US\$):	14.445
Foreign contribution (thousand US\$):	6.445

Purpose of the project:

The company is planning this USD 14,445 million to increase production from the existing 1.2 million blankets per year to 3 million blankets per year. Currently the Malawi produces only 25% of its total requirement of Blankets. The investment does not include land which the existing promoters already have.

Planned products and services:	
Blankets	3.000.000 pieces / year

The proposed project is for expanding production capacity by setting up a new factory building block, to put into operation all the 21 machines and to add additional 12 machines. The project will also include provision for additional working capital.

Technology transfer

Company is interested in new technology also

Other

Training of Manpower

A detailed project report can be offered to a prospective partner.

Rationale behind the project:

Access to markets or market niche

At the moment on 25% of the market potential is tapped. There is a very good opportunity to improve sales.

Capability, competence

The company has the technical and marketing capability.

Form of collaboration sought:

Joint-venture (equity)

Investment in Equity for purchase of additional 12 machines

Project No.:	MLW-015-2008-11
ISIC Code:	D1549 - Manufacture of other food products n.e.c.
Date of Submission:	24 Nov. 2008

Nali Limited

C O M P A N Y I N F O R M A T I O N

Name of company:

Nali Limited

National investor:

Nali Limited was originally established on 10th November 1974 by Late Nali-Lo Alford Khoromana in Thyolo District of Malawi. The company was then a proprietorship. The company was incorporated as a company on 15th December 1983 as Nali Farms Limited which was later changed as Nali Limited on 12th November 1985. The company is owned by the Khoromana family. The company is chaired by Mrs. M. Khoromana (wife of the Late Mr. Khoromana) and the day to day activities of the company is handled by Mr. Endward Khoromana (son of the Late Mr. Khoromana) who is the Asst. Managing Director.

Nali Limited is the only company in Malawi involved in the processing and selling of sauces and condiments for both local markets and export markets. The company has over 90% market share in the Malawi markets.

Current markets:

The main market is in Malawi through retail stores. All the major retailers in Malawi stock the companies products. The company also exports within the SADC region. The company has individual buyers who are catered to from the retail shops. The company also has direct institutional sales.

Competitors:

There are no competitors in the organised sector.

Company strengths:

Access to natural resources

The company grows around 40% of its requirement of bird's eye chillies in its own farm and has a network of dedicated high quality farmers of bird's eye chillies.

Ownership rights and licences

The company's brand name is well received in the whole of Malawi and SADC region

Quality control

The company's products are produced in high quality factory that meets the Malawi Bureau of Standards, has Hallal Certification and FDA certification

Total employees:

70 full time

0 part time

Current products / services of the company:

Sauces and Condiments 150.000 litres / year
(Capacity utilization: 90%)

Agriculture products 25.000 tonnes / year
(Capacity utilization: 0%)

Reason(s) for low capacity utilization:

For Sauce and Condiments, the capacity utilisation is higher than the industry standards. The company is not producing at 100% as the company has to clean equipment due changes in different sauces and condiments. As far as the Agriculture products is concerned, the company is trading in it and hence there is no capacity constraint. The sales and procurement is based on orders.

Marketing

The company has very good marketing network and is available in all the retail stores selling food in Malawi. The company's products are also available in 2600 outlets in the SADC region.

Annual turnover for the last three years (in thousand US\$):

	2005	2006	2007
Total sales:	400	420	480
Domestic Market (in %):	95.00	85.00	85.00
Export (in %)	5.00	15.00	15.00

Total investment (thousand US\$): N/A

Foreign contribution (thousand US\$): N/A

Planned products and services:

Sauces and Condiments 100.000 litres / year

PROPOSED PROJECT

Project type:

New project - Same as current activity of promotor

Purpose of the project:

Nali Limited wants to improve its quality and technology for exploiting the export markets. The company has been receiving export orders from USA and Europe but due to various quality and technology constraints, the company is not able to offer its buyers entire range of products. The company is looking for partners who can invest in technology and quality improvements. The company is willing to negotiate with investors various forms partnerships which would create a win-win situation for the investor as well as for the company.

Rationale behind the project:

Access to markets or market niche

The company has been receiving inquiries from USA and Europe.

Capability, competence

The company has the capability to produce for the Developed markets of Europe and has the quality. The company requires better technology, equipment and quality control for this project.

Form of collaboration sought:

Joint-venture (equity)

The company requires a JV partner to invest in technology and quality control system. The company is open to discussion on equity and other forms of partnership

Market access

The company's new expansion plan will leave the company with adequate spare capacity. The company would like the JV partner to offer market access to ensure that the spare capacity is utilised.

Technology transfer

The company has problems in the existing raw material sorting process and also in the quality for export markets.

Joint R&D

The company would like to take support from JV partners and other investors to develop new products using local Malawian raw materials

Equipment purchase

The company wants to invest in new equipment for the export markets

Project No.: MLW-016-2008-11
 ISIC Code: D1531 - Manufacture of grain mill products
 Date of Submission: 25 Nov. 2008

Fadamz Rice Milling

C O M P A N Y I N F O R M A T I O N

Name of company:

Fadamz Rice Milling

National investor:

The company is a part of the Pacific Group of Companies but run independently. The company is owned by the Aboo Family and managed by Mr. Imtiaz Aboo. The company produces 10 tonnes of rice per day. The company has a demand of over 100 tonnes per day. The company plans to expand to at least 100 tonnes per day.

Current markets:

The main market is in Malawi. The products are sold through retail chain within Malawi.

Total employees:

53 full time 0 part time

Competitors:

Tambala Food Products Ltd.

Current products / services of the company:

Rice 3.000 tonnes / year
 (Capacity utilization: 100%)

Company strengths:

Financial resources

The company is able to sell 100% of all it produces and hence the company has enough cashflow.

Quality control

Specialised systems for quality implemented.

Technical expertise

The company has two expatriate and well trained professional technicians.

Annual turnover for the last three years (in thousand US\$):

	2005	2006	2007
Total sales:	N/A	1.218	1.398
Domestic Market (in %):	100.00	100.00	100.00
Export (in %)	0.00	0.00	0.00

P R O P O S E D P R O J E C T

Project type:

New project - Same as current activity of promotor

Total investment (thousand US\$):	6.001
Foreign contribution (thousand US\$):	4.001

Purpose of the project:

The company plans to increase its production by 10 times. The company is at the moment producing 10 tonnes of rice per day, the company plans to increase this to 100 tonnes per day. For this the company requires additional machinery which requires an investment of USD 530600 and requires construction of warehouse to the tune of USD 2.1 million, transportation vehicles to the tune of USD 1.09 million and a working capital requirement of USD 2.27 million. The total investment is USD 6.00 million.

Planned products and services:	
Rice	30.000 tonnes / year

The company will offer a detailed business plan to any investor willing to join as a Equity Partner.

Form of collaboration sought:

Joint-venture (equity)

The company requires 6 million USD for the expansion. The company is in a position to invest 2 million USD. The balance has to be brought in by the JV partner. The company management can negotiate appropriate equity sharing with potential investor.

Rationale behind the project:

Access to resources

At the moment only 10% of the total production of Malawi's paddy is processed in the organised sector. The farmers are willing to sell their paddy directly to the company.

Access to markets or market niche

The company has huge market demand which it is at the moment unable to satisfy due to capacity constraints and working capital constraints.

Capability, competence

The company has developed good quality control systems and has professional technical experts.

Project No.: MLW-017-2008-11
 ISIC Code: D1729 - Manufacture of other textiles n.e.c.
 Date of Submission: 24 Nov. 2008

African Cotton Ginnery Ltd.

COMPANY INFORMATION

Name of company:

African Cotton Ginnery Ltd

National investor:

The company is a new venture promoted by three industrialists who are into various diversified manufacturing businesses. The promoters have their own businesses but have decided to keep African Cotton Ginnery as a business independent of their existing businesses. The promoters decided to launch this venture as they felt that there would be good opportunity for cotton farming as the Government of Malawi has launched an Anti-Tobacco drive. Tobacco is the main export commodity of Malawi.

PROPOSED PROJECT

Project type:

New project - Start up/promoter's first investment activity

Purpose of the project:

The project is to set up a Cotton Ginning Plant with an annual capacity of 5000 metric tonnes to separate cotton lint from organically grown Cotton Pods. The cotton lint so extracted will be packed by use of hydraulic baling presses to reduce volume and is intended for export market while the cotton seed will be crushed to extract cooking oil for the local as well as export market. Further the cotton seed deoiled cake will be used as organic dairy and poultry feed.

The project will be located in the Neno area of Mwaza district 30 kms from the main Mwanza Township which is 30 kms from the Mozambique border and around 50kms from Blantyre. The company has already acquired 200 hectares of land for cultivation of cotton as raw material for the Ginnery. Further the company will train the local population to grow cotton and also offer buy back from the farmers.

In Mwanza district the population does not have enough employment opportunities. This project is likely to generate a direct employment of 250 new jobs and another 250 jobs through the cotton farming activities.

Rationale behind the project:

Favourable location

The company is located in a very favourable location which is suitable for cotton cultivation.

Form of collaboration sought:

Loan

Investment in the Land, Building, Plant and Machinery

Total investment (thousand US\$):	1.909,18
Foreign contribution (thousand US\$):	0,00

Planned products and services:

Cotton Lint	2.071.800 kgs / year
Cotton Seed	2.302.000 kgs / year

COMFAR III financial projections available







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