

T.C.
DIŐIŐLERİ BAKANLIĐI
İkili Siyasi İŐler Genel M¼d¼rl¼ė¼-AFGM

: 22061769-413.60-2013/4102504

25.12.2013

onu : Gambiya Kadınları Ulusal
Federasyonu Yetkililerinin Ziyareti/
¼lkemizden Destek Talebi

T¼RKİYE ODALAR VE BORSALAR BİRLİĐİ BAŐKANLIĐINA

1) Banjul B¼y¼kelçimizin, Gambiya Kadınları Ulusal Federasyonu Proje Ofisi Sorumlusu Osman Cham ile muhtemel işbirliĐi konularını ele almak üzere 12 Aralık 2013 tarihinde bir g¼r¼Őme gerçekteŐirdiĐi, anılan B¼y¼kelçiliĐimizce bildirilmiŐtir.

2) G¼r¼Őmede Proje Ofisi Sorumlusu Cham;

- Gambiya Kadınları Ulusal Federasyonu'nun Cumhurbaşkanı Jammeh'in tavsiyeleri ve y¼nlendirmeleri doĐrultusunda 2010 yılında kurulduĐunu, bununla birlikte baĐımsız bir sivil toplum kuruluŐu olduĐunu,

- Gambiya Cumhurbaşkanı YardımcılıĐı ve Kadından Sorumlu Devlet BakanlıĐı'na baĐlı devlet kuruluŐu 'Women's Bureau' ile birlikte çalıŐtıklarını, bu devlet kurumunun denetimine tabi olduklarını,

- İzmir Ticaret Odası İş Kadınları Konseyi ile birlikte ortak çalıŐmalar y¼r¼ttüklerini, bu çalıŐmalar kapsamında, üç defa ¼lkemizi ziyaret ettiklerini,

- Ayrıca, 'Women's Bureau' yetkilileriyle birlikte 2013 Őubat ayında anılan B¼y¼kelçiliĐimizi ziyaretleri sırasında Gambiyalı kadınların işsahibi kılınarak g¼çlendirilmesi amacıyla yer fıŐtıĐı ¼retimi ve işlenmesine iliŐkin olarak geliŐtirmekte oldukları bir proje hakkında B¼y¼kelçiliĐimizi bilgilendirdiklerini,

- 500.000 kadın ¼yesi bulunan Federasyonlarının, projelerine finansman bulabilmek amacıyla Groundnut Oil Company Ltd. ve Food Processing Company Ltd. adıyla iki özel Őirket kurduĐunu, bu iki Őirketin de kadınların ekonomik olarak g¼çlendirilmesini hedeflediĐini, bu çerçeve, Federasyon ¼yesi Gambiyalı kadınlara tek başına veya grup halinde 10.000 Gambiya Dalasisi (200 Euro) karŐılıĐında anılan Őirketlerden hisse verdiklerini,

- Őirketlerde hisse sahibi olan kiŐi veya grupların Őirketlerin y¼netim kurulunda temsil edildiklerini, y¼netim kurulunda ¼lkedeki her b¼lge, mahalle, kasaba ve k¼y¼n eŐit Őekilde temsilini saĐlayacak Őekilde demokratik y¼ntemlerle ¼yelerin belirlendiĐini,



- Projeye talepler doğrultusunda 33 ilçenin dahil olduğunu, anılan ilçelerin her birinin proje kapsamında yer fıstığı yetiştirmek için 10-20 hektarlık bir tarım arazisi ayırdığını, projeye katılan kadınların bu arazilerde yer fıstığı yetiştireceklerini,

- Federasyonlarının yıllık hasatı, kadınlardan teslim alarak yer fıstığından yağ üretecek olan Groundnut Oil Company Ltd. tesislerine transfer edeceklerini, bu yer fıstığı yağının nihai ürün haline getirilerek iç ve dış pazarlara satılmasını teminen Food Processing Company Ltd.'ye gönderileceğini,

- Projenin başında, Gambiya Kadından Sorumlu Devlet Bakanlığı'ndan yer fıstığı tohumu ve gübre için aynı yardım aldıklarını, ayrıca yer fıstığından üretilen ürünlerin satılması için Büyük Banjul Bölgesi'nde yer alan Brusubi'de bir pazar inşa etmekte olduklarını, Gambiya Cumhurbaşkanı Jammeh'in yaptığı 2 milyon Gambiya Dalasisi (50.000 ABD Doları) değerindeki nakdi yardım sayesinde projenin ilk iki aşamasını tamamladıklarını, pazarın geri kalan kısmının Federasyon üyesi olan hissedar Gambiya kadınlarının katkılarıyla inşa edileceğini,

- Brusubi'de inşa edilen kadınlar pazarının ülkedeki en büyük pazar olacağını,

- Proje kapsamında, Groundnut Oil Company Ltd. şirketinin gerekli makine ve teçhizat ile donatılmasını teminen 30 milyon Gambiya Dalasisi'ne (yaklaşık 750.000 ABD Doları) ihtiyaç duyduğunu,

- Ticari bankaların 8 milyon Gambiya Dalasisi kredi vermeye hazır olduğunu, ancak yüksek faiz oranları nedeniyle bu meblağın geri ödenmesinin güçleşeceğini, üstelik bu finansmanın temin edilmesinin hemen ardından Groundnut Oil Company Ltd. şirketinin üretime geçmesinin mümkün olmadığını, bu yüzden geri ödemeye başlamak için en az altı aylık bir süreye ihtiyaç duyduklarını,

- Söz konusu şirketin, düşük faiz oranları ve geri ödeme koşullarında kolaylıklar sunması nedeniyle Türk Eximbank'a başvurmayı planladığını ve proje için finansman sağlanmasını teminen Büyükelçiliğimizin yardımını talep ettiklerini ifade etmiştir.

Projeye ilişkin iş planı adıgeçenden alınarak ekte sunulmaktadır.

3) Banjul Büyükelçimiz, Gambiyalı kadınların iş sahibi kılınarak ekonomiye kazandırılmaları ve toplum içindeki yerlerinin güçlendirilmesi amacına yönelik böyle bir projeyi, mümkün olduğu takdirde, ülkemizin desteklemesinden memnuniyet duyacağımızı, bu projenin, uzun vadede iki ülke arasındaki ticari ilişkilerin geliştirilmesine de katkı sağlayabileceğini, proje kapsamında Türk Eximbank kredisizle almayı planladıkları makine ve teçhizatın tam listesinin iletilmesi halinde, Gambiya Kadınları Ulusal Federasyonu'na proje bağlamında hangi Türk firmalarıyla görüşebilecekleri hususunda gerekli yönlendirmenin yapabileceğini, ayrıca, projeye ilişkin olabilecek tamamlayıcı diğer bilgileri de Büyükelçiliğimizle paylaşmaları halinde kendilerine yardımcı olunabileceğini kaydetmiştir.

4) Gambiya Kadınları Ulusal Federasyonu'nun projeye ilişkin referans ihtiyaç listesini oluşturmak amacıyla Hintli bir firmadan temin ettikleri ayrıntılı proforma Büyükelçiliğimizden alınmakla birlikte takdim kılınmıştır.

Keyfiyeti bilgilerine ve anılan Federasyon'a ait Groundnut Oil Company Ltd. şirketinin proje kapsamında ihtiyaç duyduğu makine ve teçhizatı satın alabilecek Türk firmalarının isim ve iletişim bilgilerinin, Büyükelçiliğimize iletmek üzere Bakanlığımıza bildirilmesini izinlerine saygılarımla arz ederim.

Bakan a.



Aykt KUMBAROĞLU
Elçi
Genel Müdür Yardımcısı ✓
AFDY

Ek:

1. Ayrıntılı proforma faturası
2. Gambiya Kadınları Ulusal Federasyonu iş planı

Dağıtım:

Ekonomi Bakanlığı
TÜRKİYE ODALAR VE BORSALAR
BİRLİĞİ BAŞKANLIĞINA

Dated: August 30, 2012

Ref. No.: SBEI/GAM/2012/QT/3A

Kind Attn.: Mrs. Ndey Awa Ceesay

Sub.: Quota on from Indocorp for Oil Expeller with refinery

Dear Madam,

We are thankful for your query and are pleased to submit our offer for Oil Expeller with refinery. Kindly find the terms & conditions mentioned along.

S. NO.	PRODUCT DESCRIPTION	QTY	UNIT OF MEASUREMENT	UNIT PRICE (IN US\$)	TOTAL PRICE (IN US\$)
A	OIL Expeller (Capacity 25 TPD)				
1.	Oil Expeller 44"X7" cast Iron Bodies, modified Gear Box with oil bath system, Heating Kettle with heating system complete with V Belts, Foundation Bolts, Pipe Fittings, without Electricals	1	Unit	15,000	15,000
2.	Oil Expeller 44"X6" cast Iron Bodies, modified Gear Box with oil bath system, Heating Kettle with heating system complete with V Belts, Foundation Bolts, Pipe Fittings, without Electricals	1	Unit	14,300	14,300
3.	Filter Press complete with pet cocks, pressure gauge, Plunger pump, Tray, Cotton Cloth SIZE: 24"x 24" x 24 Plates	1	Unit	9,000	9,000
4.	Boiler Heavy Duty with chimney, pump, motor and all accessories	1	Unit	8,300	8,300
5.	Ground Nut Decorticator complete with Electricals & Accessories. CAP. 25 TPD	1	Unit	6,200	6,200
6.	Seed Cleaner with accessories	1	Unit	6,060	6,060
7.	Bucket Elevator with MS Bucket, Bucket Bolts, Steel Chain	3	Unit	3,000	9,000
8.	Screw Conveyor 30 Feet Long	1	Unit	3,360	3,360
9.	Electric Motor 40 Hp with Switch & Starter	2	Unit	4,900	9,800
10.	Motor 3 HP for Elevator & conveyor	4	Nos.	420	1,680
11.	Spares for one year Operation	1	Lot	9,800	9,800
12.	Freight (for 1X40' container), Packaging & Insurance				11,108
13.	Installation: Cost of installation includes deputation of 2 Service Engineers at the installation site in The Gambia for a period of 90 days. Air fare, hotel stay and local conveyance are at buyer's scope.				4,000
TOTAL					107,608
Less cost of spares as a discount					9,800
Net Total					97,808
Amount in words: US Dollars Ninety seven thousand eight hundred and eight only					

Springboard Enterprises (India) Ltd.

 2nd Floor, Plot No. 7, 8, 9, Garg Shopping Mall, Opp. Sector-11 (Extn.), Rohini Phase -2, Delhi-110085, India
 T: +91 11 4751 4751, F: +91 11 4751 4752, E: indocorp@indocorp.org, W: www.indocorp.org



S. NO.	PRODUCT DESCRIPTION	QTY	UNIT OF MEASUREMENT	UNIT PRICE (IN US\$)	TOTAL PRICE (IN US\$)
B	OIL REFINERY (Batch Type 5 TPD)				
1.	Batch Neutralizer Net Cap: 2.5 tons cylindrical in M.S. with lye, brine and water spray coil. Inlet and outlet nozzle, heating coil and with adequate surface area complete with agitator assembly with Motor & Gear Box	1	Unit	9,100	9,100
2.	Bleacher Net Cap: 2.5 tons cylindrical with Motor & Gear Box, inlet & outlet nozzle, heating coil with adequate surface area complete with agitator assembly, sight glass, manhole with cover and set of coupling. Built to lye brine and water spray coil. Built to stand Absolute Vacuum	1	No.	10,500	10,500
3.	Bleached Oil Tank Cylindrical type identical to the neutralization tank	1	No.	2,870	2,870
4.	DEODORIZER: Horizontal cylindrical type with Catcher & other accessories Capacity 2.5 TPD Per Batch	1	Unit	17,710	17,710
5.	Thermic Fluid Heater Capacity 2 Lac Kilo Calories Complete with all accessories	1	Unit	10,710	10,710
6.	All pumps & accessories needed to complete this section, Pipes and fittings set of straight pipes 2" sch 40 to be sufficient, set of flanges 2" DIN 16 slip on	1	Lot	17,500	17,500
7.	Filter Press 18" x 18" with cocks, small tray, filter cloth and accessories	1	Unit	4,900	4,900
8.	Polish Filter with bags	2	Unit	1,099	2,198
9.	Vacuum System	1	Set	6,650	6,650
10.	Complete Steel Structure (Approx 12 Ton)	1	Lot	14,700	14,700
11.	Cooling Tower	1	Unit	4,900	4,900
12.	Cooler	1	Unit	5,320	5,320
13.	Boiler with chimney, pump with motor accessories. CAP. 1 TPH, Wood Fired 7.5 Kgs. Pressure etc.	1	Unit	35,700	35,700
14.	Laboratory Equipments	1	Lot	9,842	9,842
15.	20lts Jar packing machine with conyayor	2	Unit	5,000	10,000
16.	Freight (for 2X40' containers), Packaging & Insurance				21,399
17.	Installation: Cost of installation includes deputation of 2 Service Engineers at the installation site in The Gambia for a period of 90 days. Air fare, hotel stay and local conveyance are at buyer's scope.				8,000
TOTAL					191,999
Amount in words: US Dollars One hundred ninety one thousand nine hundred and ninety nine only					

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A. Cost of Oil Expeller (25 TPD): \$ 97,808
B. Cost of Oil Refinery (5 TPD): \$ 191,999
Total Cost: \$ 289,807

Terms & Conditions:

1. Price : CIF Port Banjul, The Gambia
2. Price Validity : 30 days
3. Inspection : Goods can be inspected at manufacturer's site before dispatch
4. Payment Terms : 20% as advance through telegraphic transfers
80% through letter of credit confirm by UK or US bank
5. Payment Mode : (a) Through telegraphic transfer
(b) Through confirmed irrevocable L/C from U.S. or U.K. Bank
6. Bank Details : Bank of India, New Delhi Overseas Branch
(a) Account No. 604230110000071
(b) Swift Code: BKIDINBBDOS

Hope our offer suits your requirement. Thanking you and assuring you of our best services all the time.
For any further details, feel free to contact us.

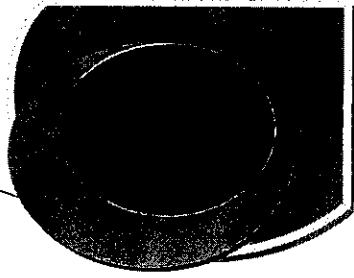
For Springboard Enterprises India Ltd

Thanks & Regards

Mohit Kapoor
DGM Int'l Business

Springboard Enterprises (India) Ltd.

2nd Floor, Plot No. 7, 8, 9, Garg Shopping Mall, Opp. Sector-11 (Extn.), Rohini Phase -2, Delhi-110085, India
T: +91 11 4751 4751, F: +91 11 4751 4752, E: indocorp@indocorp.org, W: www.indocorp.org



National Federation of Gambian Women

Business Plan for setting up a groundnut cooking oil factory

August 2011

This business plan has been prepared on the basis of the limitation that it is difficult to obtain authoritative statistics on the size and performance of the industry. We also found it quite challenging to find people with the right experience who were willing to share their knowledge of the industry. Hence we have relied on the opinions of two experts with significant knowledge of the industry for many of the assertions that we have made in this document.

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1 Executive Summary

1.1 Background

The National Federation of Gambian Women (NFGW) wishes to set up a groundnut cooking oil factory with the main objective of providing high quality cooking oil to help fill the gap in production capacity in this sector and contribute towards meeting domestic needs as well as reducing the importation burden. It has set up a private limited liability company called NFGW – Groundnut Oil which is wholly owned by women members of the federation to undertake the operations of the business. This ownership arrangement in the cooking oil industry is the first of its kind in the Gambia and is a shining example of the federation's leading role in empowering Gambian women. The initiative will make an immense contribution in national development by creating a number of tangible benefits including new employment opportunities, enhancing shareholder value for its members and promoting wealth creation in general which will help reduce the levels of poverty especially amongst women.

1.2 Mission Statement

The Federation holds a powerful vision of Enhanced standard of living for Gambian women.

1.3 Vision Statement

To achieve the economic, social and political empowerment of women in The Gambia.

1.4 Market Overview

The cooking oil industry in the Gambia has a massive consumer base with every household in the country consuming cooking oil and by-products of the production of cooking oil on a large scale every day. The production capacity in the country at the moment falls way short of meeting this huge demand. Therefore, new entrants to the market can play a vital role in supplementing production and contributing towards reducing the over-reliance on imported cooking oil.

The presence of NFGW Groundnut Oil would be a welcomed addition to the industry. The company will provide high quality groundnut cooking oil which will reduce the importation of cooking oils that are potentially hazardous to healthy living. The by-products of the production of groundnut cooking oil include groundnut cake which will boost agriculture and soap ingredients for use as raw material in soap making. The company will also promote the cultivation of good quality groundnuts by effectively engaging all stakeholders in the supply chain. These interventions will create jobs, alleviate poverty as well as bring in much needed foreign exchange mainly from sale of by-products.

1.5 A SWOT analysis of the industry is summarized as follows:

<u>Strengths</u>	<u>Weaknesses</u>
Cooking oil is a necessity and therefore demand is assured	High cost of purchasing raw materials that are required in the production of cooking oil
Readily available market	Inadequate competition in the industry to add value to the product

Its value addition is great and abundant	Inadequate regulation and legislation
The main ingredient of the industry is the cash crop for Gambian farmers	Lack of collaboration
Raw material is available in large quantities	High electricity costs
Create employment opportunities all year round	Variability in the supply of raw materials
Huge growth opportunities	Droughts and other forms of natural disasters
Significant revenue earning potential	Government regulation
Investment opportunities in other forms of cooking oils	Slow economic growth and inflation
Business opportunities in food for animal husbandry	Little barriers to entry
Potential for strong cash flow and low bad debt rate	Cheap cooking oil imports

2.0 About the National Federation of Gambian Women

The Women's federation is formed with an estimated membership of over 500,000 members derived from within the Gambia and in the Diaspora. It is planned that this structure will complement the National Women's Council by providing a wider and more representative platform for women to be able to express themselves and make visible their concerns and undertake where possible, activities that will lead to their greater empowerment.

In 2010, Gambian women got together to assess successes and challenges in women's development since the establishment of the National Women's Council and Bureau and to map out a way forward. Though many women's groups and associations exist in the country and in the Diaspora, and are engaged in productive socio-economic activities, these groups lack efficient co-ordination of their activities. As a result, they often are unaware of each other's opportunities and challenges, duplicate efforts and fail to reap the most from the fruit of their labours. The National Federation of Gambian Women was formed with the aim of injecting structure, sound management and sustained organized effort into the activities of the diverse women's groups or associations.

2.1 NFGW – Groundnut Oil

In line with its mission and vision statements and to promote further the participation of women in manufacturing businesses, the federation has embarked on establishing a groundnut cooking oil production factory at either the federation's market at Sukuta or specially allocated land for the purpose of this industrial activity. It has registered a private limited liability company called NFGW Groundnut Oil which will carry out its business activities as an independent and separate legal entity under the laws of the Gambia.

2.2 The objective of NFGW – Groundnut Oil

NFGW –Groundnut Oil is in business with the primary aim of providing high quality groundnut cooking oil at affordable prices to the Gambian population using groundnuts that are locally grown. It is estimated that up to 200 metric tons of cooking oil is cooked or consumed per day nationwide. The cooking oil factories that currently exist in the Gambia and the local methods of producing cooking oil can barely satisfy this demand leaving a huge shortfall that is covered through importation of cooking oil.

The imported oil includes large quantities of palm cooking oil which due to its high cholesterol and other additives content can be detrimental to the health of users. NFGW Groundnut Oil will provide a better alternative to palm oil by producing healthier cooking oils and will make a significant contribution towards satisfying the nation's cooking oil needs.

The company will champion the drive to achieving self sufficiency in the area of cooking oil production and will promote all stakeholders in the industry with the broader aim of creating employment and alleviating poverty particularly amongst women. The company will endeavour to use the most efficient methods of production, hire outstanding management team and personnel, employ highly efficient methods of delivering its products and develop superior ability to satisfy its customers.

2.3 Strategic Partnership with Indocorp and a division of Springboard Enterprises India

NFGW has formed a strategic partnership with Indocorp, through the company's local Gambian partner. Indocorp is a division of Springboard Enterprises, an Indian multinational company. Indocorp is focused on doing business in Africa and has joint ventures in Ghana, Nigeria, South Sudan, Senegal and Malawi. They are specialists in establishing industrial parks, setting up business incubators and creating small scale industries in Africa in the areas of agriculture, food processing, packaging, pharmaceuticals, recycling, waste management, fisheries and mobile phone repairs. Indocorp will supply the plant and machinery for use by NFGW Groundnut Oil, provide spare parts for a year and undertake after sales service.

2.4 The key success factors

The key success factors in this industry include:

- Good quality products- NFGW Groundnut Oil appreciates that supplying high quality products goes a long way in reducing the effects of environmental damage and promotes customer loyalty. The company would compete by emphasising and supplying top quality products in order to win and retain customers and remain profitable.
- Excellent customer service to promote customer loyalty- Customer satisfaction and retention is the key to successful business. NFGW Groundnut Oil would ensure that its staff are well trained in the art of customer service and marketing and are well placed to meet customer needs.
- Strong marketing strategy: A strong and effective marketing strategy would really help NFGW Groundnut Oil expand very rapidly and at the right pace; every staff member of the company would be responsible for marketing and promote the company at all times.
- Location – the factory will be located close to the heart of its consumer base which will facilitate easier logistics in terms of speedy delivery of its products to the market.

3.0 Organisation and Management

The governance structure of organisation will consist of:

- The board of directors mainly comprised of women stakeholders and / or their representatives;
- The management consultant team appointed by the shareholders to oversee the running of the business and
- The Management team that is tasked with managing the business.

3.1 Board of Directors

The board of directors is responsible for the management of the affairs of the company. The board is responsible for providing strategic decisions and directions for the company and making sound investment decisions. It will also endeavour to ensure that robust internal controls are in place which will safeguard the company and enable it to fully discharge its obligations.

3.2 Management Consultant

The company has hired a firm called Risk Assurance Services (RAS) Gambia to be its management consultant. Under this arrangement, RAS will provide business management services including preparations of business plans, oversee the performance of the management team, facilitate the recruitment of suitable staff for the company, discharge oversight responsibility by sitting on the board and generally facilitate the smooth running of the business both internally and in dealing with external stakeholders.

3.3 Management Team

The management team is responsible for the day to day running and operations of the company. It is tasked with ensuring that strategic decisions that are taken by the board are fully and efficient implemented and all operation responsibilities are satisfactorily discharged. Senior Management of the company will comprise of competent and experienced Gambians and who will be supported by expatriates with appropriate technical skills and knowledge. The team will be led by a General Manager / Technical Expert who will be supported by a Senior Production Supervisor / Technical Expert, Sales and Purchasing Manager, Admin Manager and an Accounts function. An appropriate organization chart has been drawn to set out this structure.

3.4 Strategic Objectives

NFGW – Groundnut Oil has a bright vision for the future of Gambia women. It aspires to complement the wider work of the NFGW by delivering its share of the quota in providing the skills required by women to become key entrepreneurs in light manufacturing and associated production activities. The growth strategy of the company will make it a major player in the industry over the next five years. NFGW intends to be a vendor of choice for the central government and public enterprises. The future growth strategy includes opening mills in all key and strategically located commercial hubs in the provinces where women members will supply the raw materials. This has the added advantage of lowering costs, creating employment and introducing basic industrial skills. The company also plans to acquire more than 25% of total market share within five years and becoming the leading player in the market in terms of market share and profitability.

4.0 The Marketing Plan

The local or domestic market will be the primary focus of the company for the marketing and selling of its products. NFGW Groundnut Oil will tap into NFGW network of women members and the wider community to develop highly efficient channels for the distribution, marketing and sale of its groundnut cooking oil and its related products such as groundnut cake and raw material for soap making in The Gambia.

NFGW groundnut oil overall marketing strategy will include:

- A market penetration strategy to ensure that the company becomes an established household name during its first two years of operation;
- A growth strategy of increasing the size of the business by at 40% over the next five years;
- A channel of distribution strategy with the aim of building first class supply chain network; selling not only its products but those of competitors as well through strategic partnerships;
- Communication strategy to reach its customers using the most effective means i.e. promotions, advertising, public relations and the use of printed materials such as brochures.

NFGW Groundnut Oil through its marketing strategy will aim to acquire a profitable and a sizeable share of the market in which it operates. The company intends to target women group members of the federation, central government, public enterprises and the wider public. A key market advantage of NFGW Groundnut Oil is that the company will be identified as being 100% owned by Gambian women.

5.0 Financial Projections

5.1 Assumptions

- NFGW Groundnut Oil will offer good quality cooking oil that the market needs;
- NFGW Groundnut Oil would recruit and maintain the best talent in the market;
- NFGW Groundnut Oil would come up with a strong and effective marketing strategy that would facilitate overall market growth;
- Year end 2011 is the base year for all the financial projections;
- It is expected that NFGW Groundnut Oil will be awarded a special investment certificate giving amongst others tax exemptions for at least 5 years. However, taxation at the going rate is provided for in the profit and loss forecast;
- NFGW Groundnut Oil would invest D9,700,000 in plant and machinery and associated costs in year one and a further D1,000,000 in years two to five which is expected to give it competitive edge;
- NFGW Groundnut Oil will enter into a financing arrangement of D9,700,000 to purchase plant and machinery and associated costs and will negotiate a monthly revolving financing of D5,000,000 during the first 6 months of operation to cover working capital requirements and a significant amount of future cash flows would be reinvested into the business;
- NFGW will also secure funding of D1,500,000 to build the factory premises;

- Revenue is recognized based on selling price of D850 (per 20 litres of oil), D250 (per 20 litres of soap) and D5,000 (per metric ton of cake);
- Cost of sales includes duties and taxes due to Government. The cost 9,000 tons of groundnut to be used in production is expected to be D90,000,000 i.e. D10,000 per ton.
- 8%¹ of revenue earned would be owed annually and collected the following year;
- 16%² of credit purchases would be owed annually and paid the following year;
- NFGW Groundnut Oil will increase its production capacity by 10% each year;
- The company expects to capture at least 25% of the Government market and Public Enterprises market in cooking oil;
- Forecast of the overall performance of the economy assumes a steady economic growth.

5.2 The profit and loss projection

FORECAST

PROFIT AND LOSS ACCOUNT					
	Yr1	Yr2	Yr3	Yr4	Yr5
	D	D	D	D	E
Operating revenue	126,825,000	139,507,500	153,458,250	168,804,075	185,684,483
Total revenue receivable	126,825,000	139,507,500	153,458,250	168,804,075	185,684,483
Operating expenses					
Cost of raw materials	90,307,500	99,338,250	109,272,075	120,199,283	132,219,211
Processing costs	9,949,600	10,944,560	12,039,016	13,242,918	14,567,205
Packaging	4,375,000	4,812,500	5,293,750	5,823,125	6,405,438
Salary & Wages	2,640,000	3,049,200	3,492,720	4,049,372	4,652,958
Administration costs	1,468,000	1,614,800	1,776,280	1,953,908	2,149,295
Selling & distribution	250,000	275,000	302,500	332,750	366,025
Total expenses payable	108,990,100	120,034,310	132,176,341	145,601,355	160,360,135
Earnings Before Finance Charge, Tax and Depreciation	17,834,900	19,473,190	21,281,909	23,202,720	25,324,343
Depreciation	150,000	1,271,000	1,377,000	1,653,000	1,759,000
Earnings Before Finance Charge and Tax	17,684,900	18,202,190	19,904,909	21,549,720	23,565,343
Finance Charge	2,673,000	0	0	0	0
Earnings Before Tax	15,011,900	18,202,190	19,904,909	21,549,720	23,565,343
Tax	5,254,165	6,370,766	6,966,718	7,542,402	8,247,870
Profit for the period	9,757,735	11,831,424	12,938,191	14,007,318	15,317,473

6.0 Environmental and Social Impact

¹ Represents 30 days credit to customers

² Represents 30 days credit from suppliers

NFGW Groundnut Oil will obtain an environmental impact assessment clearance from the National Environment Agency and a fire and safety clearance from The Gambia Fire and Ambulance Services department before setting up its production factory. It will also fully abide by all the relevant environment legislations that are applicable to its line of business.

NFGW Groundnut Oil will take its corporate social responsibilities very seriously. The company has a responsibility to society and has the objective of impacting society positively. It will build good relations with communities that are closely located to the factory. The company also appreciates the fact that it cannot ignore the potential risks of litigation arising from the use of its products and the effect of pollution on the health of people working in and around the factory and also on people living in the area. The Gambian population is becoming more educated and aware of their rights and risks to health. Hence, the company would pay attention to the quality of the products it supplies and the effect of pollution in order to minimise the risks of causing adverse health concerns.

7.0 Conclusions

NFGW groundnut oil will enter the market with the objective of first targeting NFGW wide network of women members who will serve as both wholesalers and retailer of its products. It also aims to capture the government and public enterprises cooking oil market as well as serving the wider community. The company would be marketed as an entity wholly owned by Gambian women that is focused on providing quality products with excellent customer service that is best in class in the industry.