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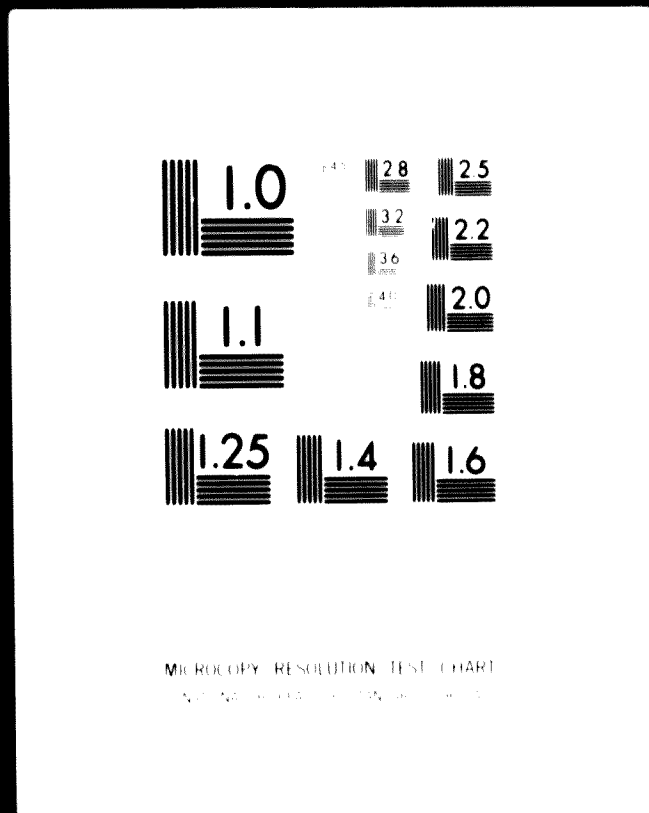
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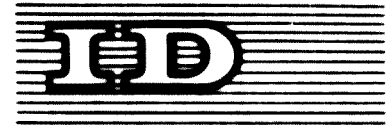
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PROJECT INFORMATION SHEET

SUD-04-71

United Nations Industrial Development Organization

THIRD AFRICAN MEETING TO PROMOTE
INDUSTRIAL PROJECTS 1/

ABIDJAN, IVORY COAST, 24 NOVEMBER - 1 DECEMBER 1971

ANIMAL FODDER

COUNTRY	Sudan
PROJECT	Animal Fodder Capacity: 36,000 tons Investment: US\$ 700,000
FOREIGN CONTRIBUTION REQUIRED	Equity participation Loan Supplier's credit Know-how



1/ Sponsored by: The African Development Bank (ADB), The Economic Commission for Africa (ECA), The United Nations Industrial Development Organization (UNIDO).

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IMPORTANT NOTICE

The basic purpose of this meeting is to provide an Exchange or Market Place for the initiation of contacts on specific industrial projects between their proponents from the African countries and potential suppliers of capital, finance, equipment or know-how, as the case may be, from the industrialized countries.

This Project Information Sheet has been prepared as a basis for such contacts. Its purpose is not to present detailed information about the project but to provide the recipient with an outline sufficient to determine tentative interest in principle. Any further available information on the project will be furnished on request to interested parties at the Meeting.

Experience has shown that industrialists frequently prefer to carry out their own further investigations in detail into projects in which they are interested, but assistance from UNIDO in these matters can be rendered to the African country concerned on request.

This Information Sheet contains only the information supplied to UNIDO by the proponent of the Project. UNIDO can therefore take no responsibility for its accuracy.

ANIMAL FODDER

I. INTRODUCTION

It is proposed to establish a plant for manufacturing animal fodder at the rate of 36,000 tons per year with an investment of US\$ 700,000.

The five year plan for development lays emphasis on the utilization of animal resources by encouraging related industries. It anticipates the establishment of 8 new factories for fodder production during the plan period (at present, only one factory for fodder products exists in Sudan).

The project will contribute to the economic development of the country by utilization of local raw material, enhancing local production of meat and dairy products and promoting cattle exports. It could therefore benefit from incentives to be granted by the government such as exemption from custom duties for machinery and equipment, exemption from profit tax for 5 years and guarantee for free capital repatriation in case of nationalization.

II. COMMERCIAL ASPECTS

The proposed production is geared to the domestic market, estimated at 50,000 tons in 1975 with a possibility of export.

Presently only one factory is producing animal fodder in Sudan. Its capacity is 10,000 tons per year.

The proposed price is US\$ 55 per ton.

III. PHYSICAL ASPECTS

The projected plant will produce on the basis of 24 hours/day operation/ 35,000 tons of fodder in the form of powder or pellets.

It will be located in the industrial area of Khartoum north, which disposes of efficient transport link with all parts of the country.

The main raw materials (vegetable oil cakes, ground nut shells and wheat bran) can be procured from nearby oil mills, decorticators and flour mills. Only molasses will have to be transported from the 100 miles distant Guneid sugar plant.

The prices of raw materials are:	<u>US\$/ton</u>
Cotton seed oil cake	50
Wheat bran	115
Ground nut shells	35
Molasses	15.50
Salts and minerals	6

IV. FACILITIES AVAILABLE

	<u>US\$</u>
Labour (skilled)	90/month
Labour (unskilled)	30/month
Electricity	.03/KWH
Water	.06/m ³
Fuel oil	25/ton

V. FINANCIAL ASPECTS

A. Investment

<u>(US\$ 1,000)</u>	<u>Local Cost</u>	<u>Foreign Exchange</u>	<u>Total</u>
Pre-investment expenses	4	-	4
Land	5	-	5
Building	28	-	28
Machinery	73	165	238
	<u>110</u>	<u>165</u>	<u>275</u>
Working capital	425	-	425
	<u>535</u>	<u>165</u>	<u>700</u>
	===	===	===

B. Financing Plan

<u>(US\$ 1,000)</u>	<u>Local Currency</u>	<u>Foreign Exchange</u>	<u>Total</u>
Equity	170	150	320
Loan	250	-	250
Supplier's credit	-	130	130
	<u>420</u>	<u>280</u>	<u>700</u>
	===	===	===

VI. FOREIGN CONTRIBUTION REQUIRED

The foreign partner is expected to participate on the capital of the private company to be formed to furnish the know-how and to provide additional funds in the form of supplier's credit.

VII. LOCAL PROMOTOR

Industrial Bank of Sudan
P.O.Box 1722
Khartoum, Sudan

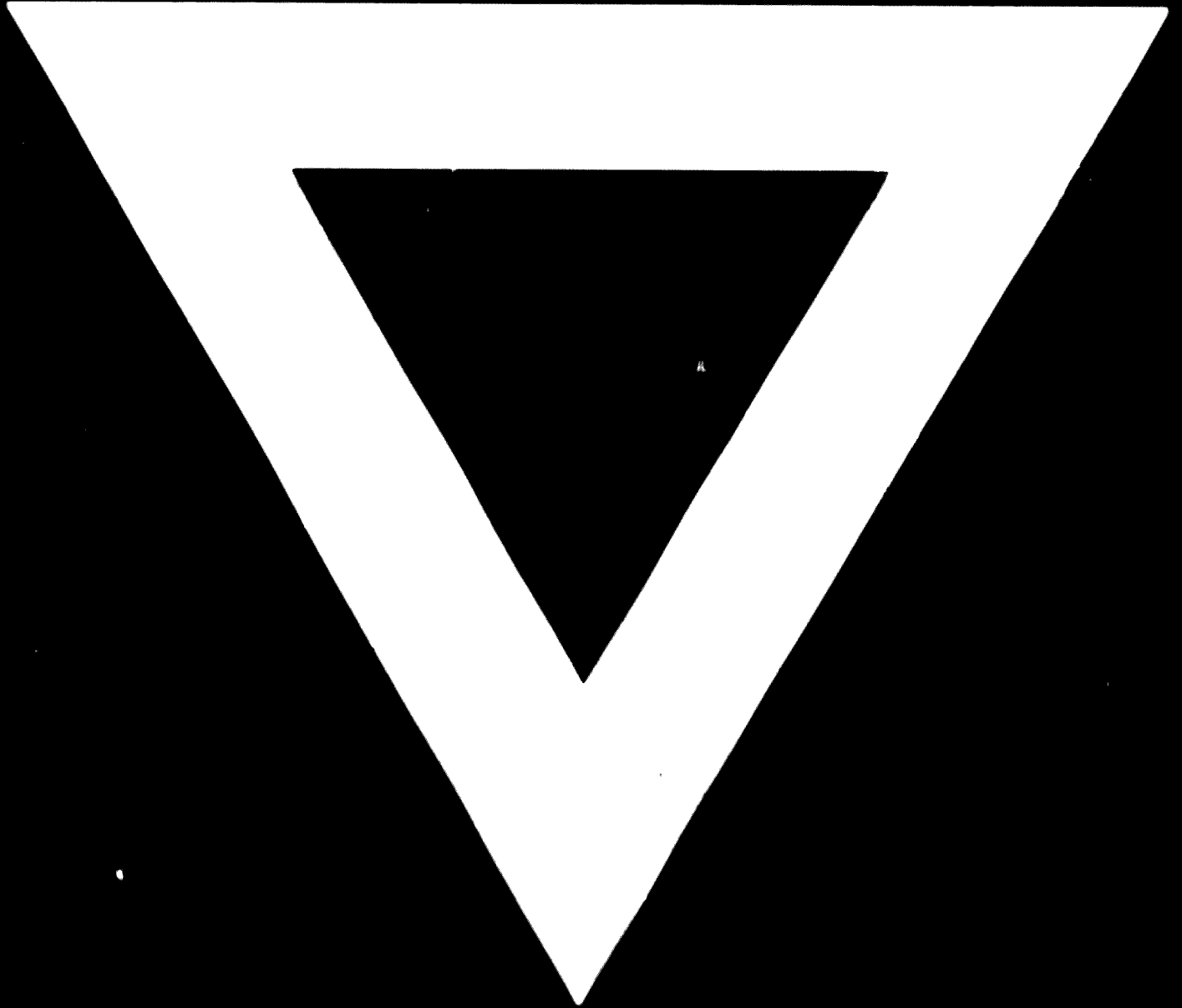
VIII. AVAILABLE DOCUMENTATION

A feasibility study, prepared by the Sudan Industrial Research Institute, shall be available at the meeting.

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