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for a sustainable future

OCCASION

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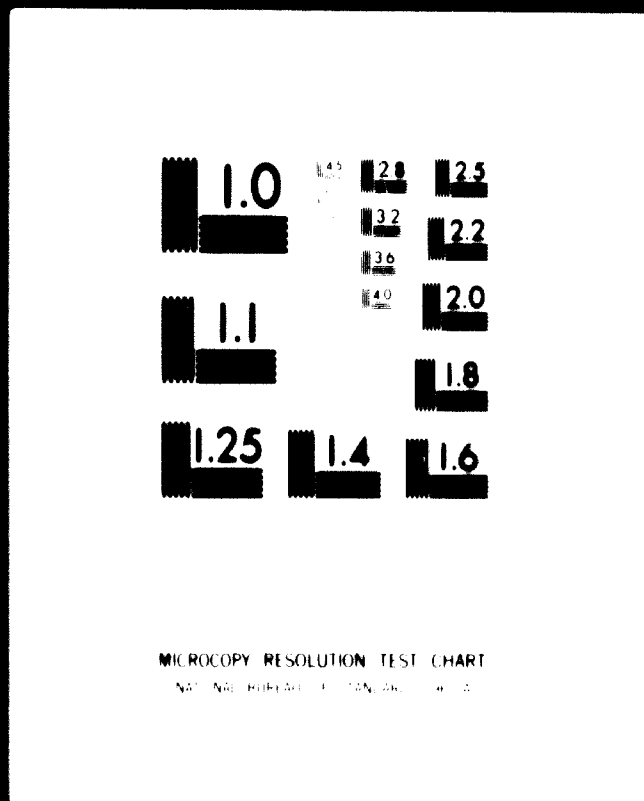
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Third Asian Meeting to Promote
Industrial Projects

Kuala Lumpur, Malaysia
14-21 November 1973

Project Information Sheet

FEEDMEAL

COUNTRY

Malaysia

PROJECT

Feedmeal

Capacity: 100,000 tons per annum on 2 shift/day

Total investment: US\$ 1,400,000

FOREIGN CONTRIBUTION REQUIRED

Know-how

Equity

Marketing

Sponsored by: The Economic Commission for Asia and the Far East (ECAFE) and
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 Asian 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 Asian 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.

FEEDMEAL^{1/}

I. THE PROJECT

The proposed project is for the production of feeds in mash and pellet form. For types of feedmeal see section under "Raw Materials".

At present, the existing feedmeal plants are catering only to demand in the local market and very little of the products are exported. The present project is partly for export.

Foreign Contribution Required

Know-how

Equity:

Marketing (for export)

II. ECONOMIC ASPECTS

The project is based on local raw materials, is labour intensive and offers good chances for partial export of its products. It is eligible for incentives such as duty free import of machinery and equipment and tax relief or investment tax credit.

III. COMMERCIAL ASPECTS

Proposed Capacity

100,000 tons per annum on a 2 shift/day basis.

Market

Local: The local demand of animal feeds has long been met by local production. The business activity of local feed producers is largely concentrated on supplying the requirements of swine and poultry raisers. The present demand is about 300,000 tons per annum with an annual growth rate of 7-10%. This is met by about 50 animal feed manufacturers, both large and small, in the country. There are strong indications that the future local demand will be even brighter due to the Government's plan to implement dairy and cattle breeding schemes.

In particular, the Malaysia Poultry Sendirian Berhad, in which the Negri Sembilan State Development Corporation is a partner, with a present livestock of 75,000 chickens, processes about 3,000 chickens per day.

1/ All figures in this project information sheet are based on an exchange rate of: US\$ 1 = M\$ 2.5.

The farm consumes about 43,000 tons of feed per annum. In the very near future, the company intends to set up an additional hatchery plant for chicks and to establish its own poultry market. Thus the demand for animal feed will be increased. Furthermore, the Negri Sembilan State Development Corporation has plans to establish a cattle breeding scheme which, along with the existing pig farms consisting of about 280,000 head, will further enhance local demand for feedmeal.

South Pahang Development Corporation in the State of Pahang is also planning to set up a cattle breeding scheme. Preparatory work on this scheme has already started in collaboration with a foreign partner.

Export

There is potential demand from neighbouring countries of Malaysia.

Prices

The local selling price is about US\$ 8.00 per picul (15 piculs = 1 ton).

IV. PHYSICAL ASPECTS

Location

To be determined.

Land and Building

About 3 acres of land with a factory building covering 17,000 sq.ft. is required.

Labour

The proposed project requires an estimated 136 workers as indicated below.

<u>Post</u>	<u>No. Required</u>	<u>Salary (per month) US\$</u>
Supervisory	10	120
Technical/skilled	35	30
Unskilled	91	48

Raw Materials

There are about 6,000 primary feed stuffs to choose for the formulation of a chemically balanced ration. Some of the locally available ingredients are: Alfalfa meal or grass meal, animal fat, beans, bloodmeal, bone meal (raw/steamed), brewers grains, bread (dried), coconut meal, feather meal, fish meal, meat meal, molasses, peanut cake, rice, rice bran, shrimp meal, sugar meal, tapioca waste, wheat bran, yeast (dried), etc.

VI. ADDITIONAL RELEVANT INFORMATION

Proponent

The Federal Industrial Development Authority (FIDA), Malaysia, on behalf of the state Development Corporations (SDC) to be determined. At this stage, the South Pahang Development Corporation (Lembaga Kemajuan Pahang Tenggara) and the S.D.C. of Negri Sembilan have shown keen interest in this project.

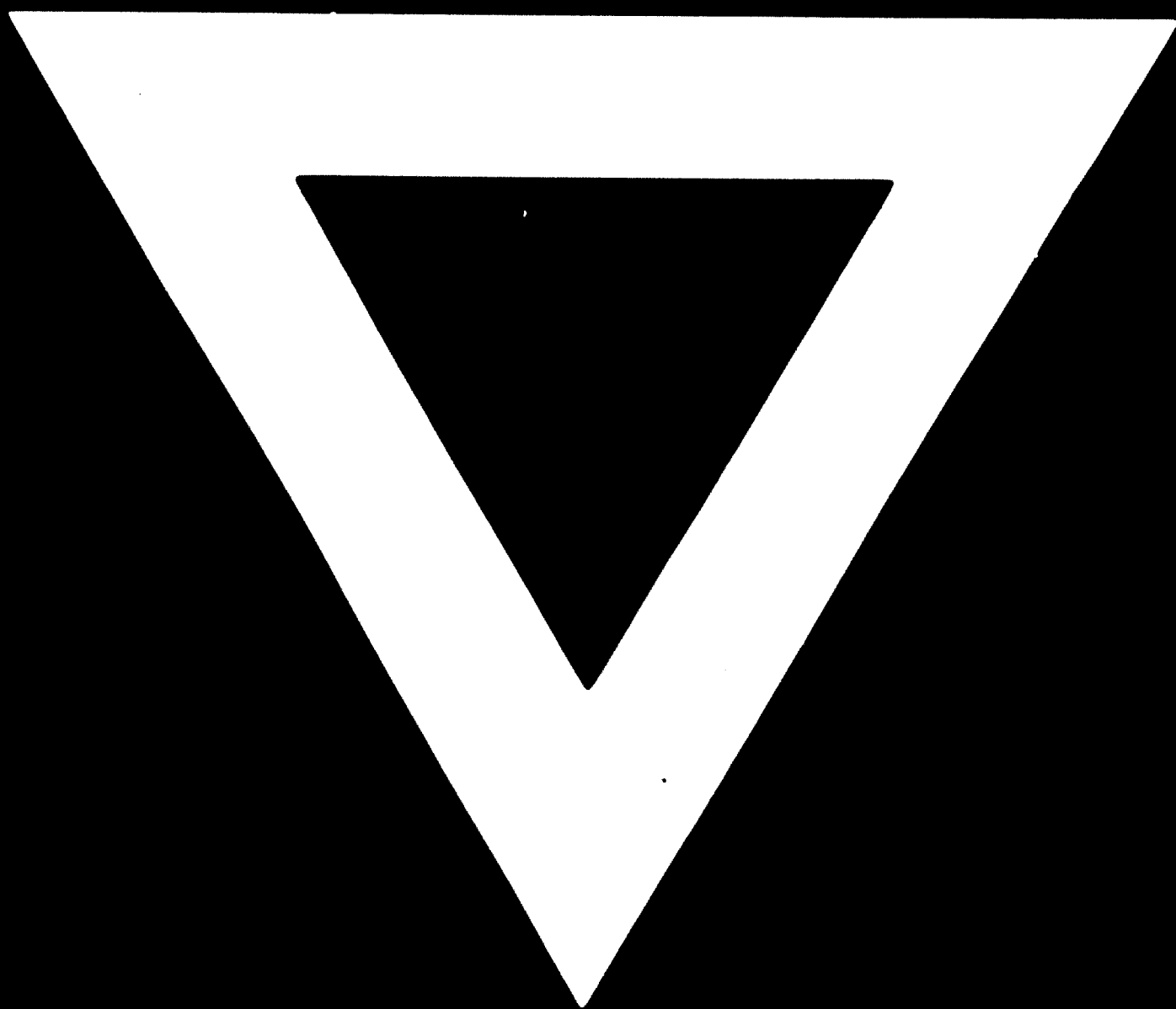
Address: FIDA Headquarters
5th and 6th Floor
Wisma Damansara
Jalan Semantan
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Tel: 202388
Cable: FIDAMAL

Proposed Legal Structure

Private Limited Company.



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