



Ouallo Kouya Foundation

Rice Farm Business Plan

Need by the Numbers - Why Help the People of the Ivory Coast?

- 57% of the rural population (5.95 million people) live below the national poverty line of \$1.90/day
- 51% of the population (11.6 million people) can't read, write or even understands the alphabet
- 46% to 75% of the rural population doesn't have access to clean water
- 87% of the rural population lacks access to adequate sanitation
- Only 29% of the rural population has access to electricity
- Only 2% of the rural population has access to internet



Our Purpose: To provide access to education and to promote a culture of self reliance in the villages of the Ivory Coast



What is the problem we are trying to solve?

- Access to Education
- Related issues to facilitate education
 - Clean water
 - Basic medical care for students
 - Meal while students are in school



How we intend to solve these problems

- ▶ Build an educational center for villages in need
 - ▶ Build school buildings
 - ▶ Grade 1-3
 - ▶ Grade 4-6
 - ▶ Dig a well to provide water for the educational center
 - ▶ Build a small medical center
 - ▶ Build a cafeteria
 - ▶ Build bathrooms
 - ▶ Build playground



How we intend to fund the educational centers

- Build Rice farms and use the profits to fund humanitarian projects
- Our Model
 - Villagers will contribute land
 - Labor and expertise will be provided by local workers
 - Agricultural Engineer
 - Agricultural Technicians
 - Farm Laborers
 - International community will contribute
 - Oversight
 - Expertise
 - Funding



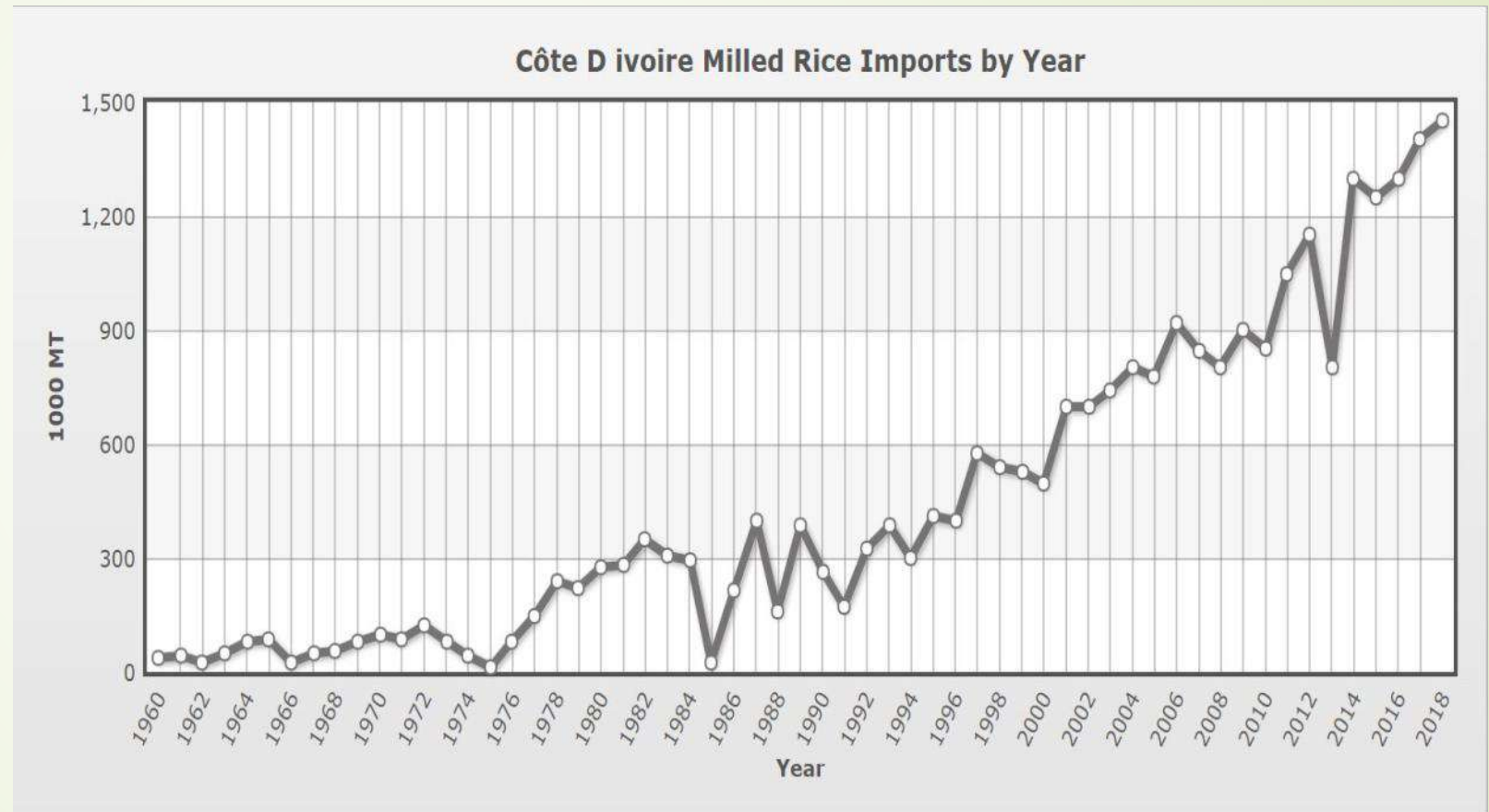
Why establish a rice farm?

- Ivory Coast imported 1.3 million metric tons of rice in 2018
- Consumption of rice in the country continues to increase as the population increases and rice in the diet gains wider acceptance
- Per capita rice consumption is over 100 kg/year
- In terms of money the Ivory Coast imported \$458 million US dollars worth of rice in 2016



Why establish a rice farm?

- This graph, produced by the US Department of Agriculture, clearly shows the historical increase of rice imports. The unit of measure is in 1000 metric tons (1000 MT). Just since 1991 imports have risen from 169 (1000 MT) to 2018 where there were 1,450 (1000 MT) of imported rice.



Why establish a rice farm?

- Ivory Coast farmers already produce 1.45 million metric tons of rice a year
- Commercial rice farms are uncommon
- Most rice comes from 1-2 hectare farms (2.47-4.94 acres)
- 5% of the planted rice is irrigated but accounts for 25% of all production



Why establish a rice farm?

- ▶ According to the USDA's 2018 report on the Ivory Coast:
 - ▶ A farm with proper irrigation system and current farming practices can significantly improve on traditional yields.
 - ▶ With mechanization of production and larger growing area, combined with high yields the possibility of significant return on investment is real



Cost for Educational Center

- ▶ Hand Pump Well = \$10,000
- ▶ Primary School
 - ▶ 3 Classroom building (Grades 1-3) = \$ 33,494.38
 - ▶ 3 Classroom plus a principal's office building (Grades 4-6) = \$41,585.71
 - ▶ Furniture for each classroom \$1,500
- ▶ School Cafeteria = \$7,246.75
 - ▶ Tables/chairs/dishes/pots = \$4,500
 - ▶ Cafeteria will serve 60 children at a time
- ▶ Health Care Facility = \$40,850.67
 - ▶ Furnishings \$3,000
- ▶ Medical Waste Disposal Facility = \$934.31
- ▶ Restroom Facility with handwashing station \$3,758.53
- ▶ Physical Education Area/Soccer Field/playground = \$1,000
- ▶ Project manager for building phase \$300
- ▶ **Total phase I humanitarian project cost = \$160,863.19**

Educational Center Yearly Maintenance Cost

- Food for cafeteria = \$2,500
- Staff to prepare food/year = \$700
- Maintenance budget = \$1,000
- **Total yearly maintenance cost for each set of phase I projects = \$4,200**



Estimated Cost for Rice Farm Project

- ▶ Land prep and installation of irrigation system =\$200,000
- ▶ Cost of materials (seeds, fertilizer herbicide etc.) =\$36,000
- ▶ Cost of operational expenses
 - ▶ Equipment = \$37,555 to \$132,180 (we will use the higher number for cost projections)
 - ▶ Irrigation system =\$168,886
 - ▶ Land Prep = \$37,700
 - ▶ Labor =\$12,960
 - ▶ Truck Rental harvest/delivery = \$4,000
- ▶ Cost of Factory and storage facility = \$50,000
- ▶ Cost of Fuel (tractor, milling machines, truck etc.) = \$4,200

Estimated Cost for Rice Farm Project

- Total startup cost to establish the farm, purchase the equipment, build a factory, and process the first harvest = **\$475,840**
- Total cost for each additional crop = **\$62,000**

Revenue Generated Per Harvest

- Total gross revenue per harvest = **\$301,500**
- Assumptions for gross revenue per harvest
 - average yield is 5 ton/ha
 - total yield is 500 tons/harvest
 - 67% of harvest is finished product after milling
 - Sale price to large buyers at \$.90/kg
- Total net revenue per harvest = **\$239,000**
- Total net revenue per year assuming only two harvests per year = **\$478,000**

Cost and Revenue of Each Farm

- Yearly cost of NGO operations: office, salaries, accounting, travel expenses etc. (see below for breakdown) = **\$27,590**
- Yearly cost of educational center operations **\$4,200/year**
- Total net revenue per year including additional costs = **\$446,210**
- Total net revenue through year 5 for each 100 ha farm = **\$2,231,050**

Total Initial Investment Sought to Establish the OKF

- Educational Center = \$160,863.19
- First years cost of operating educational center \$4,200
- Farm set up and operations through first year = \$538,340
- Office set up and foundation expenses through first year = \$24,080
- **Total Initial investment sought = \$727,483**

Who Will Purchase the Rice?

- The Ivorian Government has promised to facilitate the purchase of all the rice the foundation can produce at market price, for use in schools and universities
- The rice could also be sold to large and small distributors for resale in commercial stores





10 Year
Goals


100 School Buildings

50 Cafeteria Buildings

50 School Medical Facilities

50 Wells

Rice Farms totaling 2,000 Hectares
(4,942 acres)



Why Donate to the Ouallo Kouya Foundation?



Our Foundation will be entirely self-sustaining once the first rice farm is set up



The staff in the United States is 100% volunteer



Donated funds will be carefully guarded. Only certified construction companies in the Ivory Coast will be used and the majority of the funds will be paid AFTER the facilities are complete.