

Project development and realisation of sustainable agrifood companies

In this document you find the approach of Agriprogress in the design and realisation of projects. In Romania Agriprogress works under the name of Helfferich Consult SRL, established in Bucharest.

Every project starts with the step 1 planning, next step is realisation, setting up and last phase is startup management and coaching. Hereafter these steps are further declared.

Step 1 Planning

The eventual success of a project is almost always determined during the evaluation and planning stages. Opportunities for cost savings and risk reduction are the greatest during the prefeasibility and feasibility phases, but decrease as the project moves toward completion. Many projects fail to meet expectations because of inadequate planning, which may result in excessive changes, inadequate resources, and funding shortfalls during construction. Agriprogress's Pre-Investment planning services are designed to help farm owners, developers, and investors identify and mitigate potential problems, by applying the most detailed planning at the earliest time possible.

Conceptual and Project Identification Studies

Conceptual studies are the first step in the agricultural project development cycle. Many times, farmers or investors may want to develop an agricultural project but need assistance in focusing and choosing the most appropriate agricultural field (vegetables, flowers, poultry, aquaculture, etc.) Conceptual and identification study converts the initial idea to a tangible one by:

Study the local conditions in terms of climate, soil, light, water sources and quality and topography;

Identify the relative advantages and disadvantages of the potential site;

Propose specific project (s) for development;



Prepare a preliminary economic analysis for the proposed project;

Outline issues and options to be evaluated in the feasibility study at a later stage.

Feasibility Studies

An initial and objective formulation of a feasibility study is extremely important.

The feasibility study:

- Provides the basis for critical decisions to be made by the owners, investors, and/or regulatory agencies regarding whether or not to proceed with the project;
- Serves as the basis for securing project financing;
- Establishes the scope, schedule, budget, and execution plan for the project; and
- makes it possible, in the project development cycle, to dramatically reduce risks and make substantial changes at relatively low costs without adversely impacting the project development timeline.

When conducting feasibility studies, Agriprogress manages the work of specialty consultants or contractors, if needed, and coordinates its own work with the contribution of the owner/investor to produce a study that:

- Identifies site-specific issues;
- Defines the agricultural methods and technologies to be used in the project;
- Prepares an agricultural and production plan based on the relevant markets;
- Prepares the project's organizational and management structure;
- Estimates required project capital and operating costs;
- Presents the cash flow and economic evaluation of the project;
- Examines the project for fatal flaws and presents sensitivity analysis;
- Determines the required steps and timetable for project implementation.



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Step 2 Setting up

Supply of inputs, equipment & management

Once the Project is confirmed and the sides involved have decided to move ahead and implement the project, **Agriprogress** can carry out the supply of all inputs: materials, technology and equipment, for the setting up phase, as well as for the on-going operation of the Project for a specified future duration.

Agriprogress has established contacts with most of the main agricultural input suppliers. Among the suppliers and manufacturers can be found: machinery & implements, seeds & plants, agro-chemicals and fertilizers, irrigation and water supply systems, animals, chicken & fish inputs as well as food processing plants.

Agriprogress provides strong support and a backup administrative unit for the execution of supply orders for the Project. **Agriprogress** offers required tender preparation, coordinating consignment consolidations and arranging for the scheduled shipments.

Main supply related services:

- Equipment specifications according to Project requirements.
- Defining the technology and selecting the equipment and materials accordingly.
- Conversion of the Project design and technology into a comprehensive list of equipment and materials.
- Preparation of bidding tender documents for distribution among the designated suppliers.
- Selecting and analyzing the most appropriate and economical proposals.
- Negotiating with the suppliers for the best and most economical prices.
- Signing the contracts with the suppliers, coordinating payments and follow-up of the supplies.
- Supervising and assuring the quality of the supplied equipment / materials.
- Follow-up of the supply of spare parts and tools.
- Coordinating the orders and consolidating the consignment shipments.
- Assuring all relevant documentation and follow-up of the shipments.
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- Maintaining a strong and on-going process of communication with the suppliers for maintenance and back-up.

Management Services during Setting up phase

A major part of project setting up is: Construction, Establishment and Installation. **Agriprogress** proposes to take full responsibility for the implementation and management of the project's setting up. This service can be programmed in phases and/or in moderate stages. The client will be requested to specify the level of involvement and responsibilities he or she wishes to allocate to **Agriprogress** in the implementation process.

Management related services:

- Supervision and coordination of initial project infrastructure on site;
- Supervise contractors' task in the following fields: bush clearing, preparation of access roads, water ways and drainage, fencing, leveling, water supply and electricity;
- Managing and supervising the establishment of project construction and machinery;
- Managing and supervision of finances and accounts of the project, including presentation of financial reports to the Board of Directors;
- Providing management manpower for the key positions as required;
- Provide full scale management for the project's establishment, on a Turn Key basis;
- Provide full scale management for the setting up phase for a specific duration of time (in months, years, etc.);

All these services shall be agreed upon and specified according to the client's needs and requirements.



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Step 3 During operation and production

Immediately after the setting up phase is completed, the operation and production start. This requires strong and professional management system.

Agriprogress has the knowledge and the experience in building and operating such a system and suggests to supplying these services according to the client's needs.

On – going Management Services:

- Managing and agronomic supervising the on – going production of the project;
- Providing management manpower for the key positions as required;
- Managing and supervision of the finance of the project including preparation of financial reports for the Board of Directors;
- Management of marketing and the sales of the project's products;

The managers and professionals that will be allocated by **Agriprogress** will be also used to train the local staff.

All these services shall be agreed upon and specified according to the client's needs and requirements.

