The One-Pager Business Plan (Irish Potato)

The One-Pager Business Plan is presented in bite-size and easy-to-understand language. It highlights the basic insights and considerations that help you decide if and how to engage in agricultural ventures.

Irish potato in The World

China is the biggest producer of potatoes worldwide, with about one-third of the world's potatoes produced in China and India. According to FAO estimates, in 2021, over 376 million metric tons of potatoes were produced worldwide, an increase from a production volume of 333.6 million tons in 2010

Irish Potato in Nigeria

Nigeria is the fourth largest Irish potato producer in sub-Saharan Africa and the seventh largest producer in Africa, with an output of 1,284,370 metric tonnes and a yield per hectare of 31,201 kg/ha (2,720.1 kg/ha) (FAOSTAT, Page 4 2019). In addition, about 60,000 tonnes are exported annually, reducing the quantity of potatoes available for consumption. In Nigeria, Plateau State is the major producer of Irish potatoes. Other places with high altitudes are Mambilla Plateau, Taraba State and Obudu, Cross River State. Irish potato can also grow well in Zaria, Kaduna State, Borno and some parts of Nsukka in Enugu State.

Irish Potato Value Chain

Calendar Pattern for Irish Potato Production

Start End

Activity	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Field Preparation												
Planting												
Weeding												
Fertilizer Application												
Harvest												
Processing												

Planting	Month
North	May-July
South	April-Aug

SWOT Analysis

STRENGTH: Available base resources of land, labour and technical know-how

WEAKNESS: Finance

OPPORTUNITY: Large market, High demand with deficit supply

THREAT: Insecurity.

PESTLE Analysis

POLITICAL: Agriculture-centred policies to encourage more farmers to produce more Irish potatoes.

ECONOMIC: Economic reforms and a growing market that require import substitution.

SOCIAL: Common staple food in households, easy to brand and market.

TECHNOLOGY: The cultivation process does not require sophisticated machinery for cultivation and availability of processing machines.

LEGAL: Relative ease of doing farming business; as little to no licenses or regulation are required.

ENVIRONMENT: Suitable weather, present of vase land and readily available farm lands.

Technical Consideration

Potato is planted on a ridge or plough at a tilth of 45cm- 50cm deep. The ridge height is about 15cm from top to bottom. The potato seeds or sets are obtained by dividing the potato into parts and each piece is planted at a spacing of 30-50cm within rows and about 60-90cm between rows at 10-20cm depth depending on the seed's size. Maturity sets in when the leaves change to brown at about 90-110days

Marketing and Distribution

There are ready markets and offtakes for Irish potatoes. Ensure buyers are set weeks before harvest and consult with other potato farmers on price. Some buyers process it into powder and export it.

The target market of the product includes:

- Online customers
- Households
- Individuals
- Hotels
- Restaurants
- Fast food-eateries
- Agriculture merchants (wholesalers and retailers)

Operations

A medium-holder farm can be managed with a lean operational framework of not more than 5 people, mostly contractors with little overhead cost. Most administrative tools for such tasks as bookkeeping, project management and reporting can be sourced freely.

As farms grow, headcount may increase; however, it is advised to keep operations lean and overhead low by using contract workers for most of the farm tasks while growing capacity in managerial areas.

Risk

Irish potato farming at a medium scale is presented with a few risks that can be mitigated with low-complexity considerations and actions.

Environment

Unfavourable environments such as land issues, insecurity and pastoralism

Mitigant

Proper community engagement with legal backing, security assessment for safe areas against theft and insurgencies.

High Probability

Technical

Poor technical knowledge on Irish potato production

Mitigant

Obtain training on Irish potato farming and consult the service of an agronomist.

Low Probability

Pest & Diseases

Outbreak of pests and diseases

Mitigant

Proactive control/use of cultural, chemical and biological pest control methods.

Medium Probability

Climate

Drought or flood

Mitigant

Use weather prediction information from NIMET, avoid flood-prone land. Make use of irrigation facility during dry spell.

High Probability

Finance

Lack of funds or poor funding

Mitigant

Get adequate finance and credit to complete the production.

Medium Probability

Market

Product rejection and ripping off by middlemen

Mitigant

Apply good agricultural practices (GAP), produce based on the market quality requirement and understand the market and market channels.

Low Probability

Pricing

Poor pricing of commodity

Mitigant

Work with other farmers and associations on pricing. Also, you can get a pre-contract agreement with your buyer.

Medium Probability

Economics of Production (May 2024)

AgroMall Market Survey

Activities	Description	Material / Equipement	Qty/Ha	Unit of Cost	Total cost
Land Acquisition Value	Land lease or depreciation value		1	25,000.00	25,000.00
Land Preparation	Post emergence/sleashing		1	40,000.00	40,000.00
	Ploughing		1	70,000.00	70,000.00
	Ridging		1	87,500.00	87,500.00
Inputs Needed	Irish potato tuber (seeds)	Bags	60	3,000	1,800,000
	Pre-emergence	Lagon, Vigor	3	6,000	18,000.00
	Post emergence (systemic)	Double application	8	5,500	44,000.00
	NPK 15:15:15	FMN fertiliser	2	31,000	105,000.00
	UREA fertiliser	Indorame	2	32,000	64,000.00
	Map		2	37,000	74,000.00
	Pesticides	Lambda-Cyhalothrin	1	5,000.00	5,000.00
Labour Requirement	Planting		4	6,000	24,000.00
	Fertiliser application		4	4,000	16,000.00
	Spraying pre-emergence		2	4,000	8,000.00
	Spraying post-emergence	2 times application	4	4,000	16,000.00
	Spraying pesticide		2	4,000	8,000.00
Harvesting	Harvesting		4	6000	24,000.00
	Loading of Irish potato tubers		4	2000	8,000.00
Others	Security		1	20,000	20,000.00
	Miscellaneous		1	20,000	20,000.00
Total					2,481,000.00

Note: The prices of input quoted in the ExP are subject to change

expenditure is avoided at this stage and all capabilities are sourced as services. Labour and services costs vary per state or region and are amortised per hectare.

Profitability of Production (May 2024)

Description	Unit	Cost	Amount
Total cost of cultivation (₦)			2,481,000.00
Expected yield (Ton)	20tonnes/ha (400bags)		400 bags
Market Price/ton (₦)			40,000
Expected revenue (₦)			16,000,000
Profit margin/ha (₦)			13,519,000
Return on Investment (ROI) %			545%
Capital Turnover (CTO) %			84%

Funding

There are funding sources for medium-scale potato farming if capacity and capability are demonstrated. Typical funding sources from formal financial institutions include:

- Outgrowers
- Investors and partnerships
- Grants
- Development Interventions
- Resilience and Sustainability - **HIGH**
- Banks: Microfinance and commercial

Funding considerations will require that feasibility and viability are demonstrated; some track record in agriculture will also support a positive funding outlook.

Who is Suited for This?

Anyone interested in agriculture, who can create time for farming will do well in Irish potato farming if they put their mind, heart, and effort into it. The best-suited are agriculture students, agriculture graduates, professional farmers, side hustle farmers, and agriculture enthusiasts.

Consideration Score

- Viability - **HIGH**
- Feasibility - **HIGH**
- Profitability - **HIGH**
- Ease of entry - **HIGH**
- Aggregate Risk - **MEDIUM**
- Probability for Growth - **HIGH**
- Aggregate Consideration Score - **HIGH**

Conclusion

Potato farming is a viable option for economic engagement in today's Nigeria. If properly planned and executed, it will be profitable and sustainable, presenting a path for growth.