




«Uzbekekspertiza» JSC

BUSINESS PLAN

*For the cultivation of Granova pepper using 20 hectares of
land year-round in Uzbekistan*



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Business Plan for the Cultivation of Granova Pepper with Year-Round Land Use in Uzbekistan

1. Project Summary

The goal of the project is to establish an agricultural business for growing and exporting Granova pepper in the Tashkent region of Uzbekistan. The project involves the use of open fields during the seasonal period and greenhouses for year-round cultivation. This allows for maximum land utilization throughout the year, with the produce being exported to neighboring and distant countries.



1.1. Key Project Indicators:

- Initial investment: \$1.5 million.



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- Land area: 20 hectares.
- Yield: up to 30 tons of pepper per hectare of open field and up to 40 tons per hectare of greenhouses.
- Percentage of land used for greenhouses: 25% of the land (5 hectares) for greenhouses, 75% (15 hectares) for open fields.
- Growing period: 6-7 months on open land, year-round in greenhouses.
- Payback period: 3-4 years.
- Net profit: up to 40% of gross revenue.

2. Granova Pepper



Granova pepper is a high-yield and popular variety of sweet pepper, known for its bright flavor and excellent yield performance. It is in demand both in domestic and international markets due to its unique characteristics and versatile applications.

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2.1. Main Characteristics of Granova Pepper:

1. Color and Shape:

- Granova peppers come in bright red or deep green colors, making them attractive to consumers.
- The fruits have a characteristic blocky shape with thick, juicy walls, which enhance their taste and nutritional value.

2. Size and Weight:

- The average weight of one pepper is between 180 to 250 grams.
- The wall thickness is 6-8 mm, making it suitable for culinary use, canning, and export.

3. Taste:

- Granova pepper has a sweet flavor with no bitterness and a crunchy texture, making it ideal for fresh consumption, salads, canning, and cooking.

4. Yield:


- The variety has a high yield—about 30 tons per hectare in open fields and up to 40 tons per hectare in greenhouses.

5. Ripening Period:

- Granova is a mid-early variety. The period from sprouting to full fruit ripening is about 110-120 days, making it suitable for commercial cultivation in warm climates like Uzbekistan.

6. Resilience:

- Granova is well-adapted to different climatic conditions and resistant to major diseases, ensuring stable yields with minimal plant protection costs.

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7. Economic Benefit:

- Its high yield and excellent taste qualities make Granova pepper attractive for export. The peppers are easy to transport and have a good shelf life, increasing their demand in international markets.

8. Usage:

- This variety is widely used fresh as well as for processing. It is commonly used in canning, freezing, and preparing various dishes, making it popular among both individual consumers and the food industry.

Granova pepper is ideally suited for commercial cultivation and export due to its high yield, resistance to climatic conditions and diseases, and the excellent quality of its fruits. It is in demand both in the domestic and foreign markets, making it an excellent choice for long-term agricultural projects.

3. Market Analysis


3.1. Domestic Market

The Uzbekistan market shows growing demand for high-quality vegetables, including peppers. However, the main focus of the project is on export due to higher profitability and government support measures.

3.2. Foreign Markets

The main export destinations are:

- Kazakhstan and Russia — neighboring countries with high demand for fresh vegetables and favorable logistics conditions.
- European Union — a large market with high-quality standards, but with the potential for high prices when successfully entering the market.
- UAE and China — promising markets for eco-friendly products with growing demand.

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3.3. Competition

On international markets, the main competitors are Turkey, Morocco, and Spain. However, Uzbekistan has several competitive advantages: low production costs, access to tax incentives, and favorable geographical location.

4. Legal and Tax Aspects

4.1. Tax Incentives

The government of Uzbekistan provides tax incentives for agricultural exporters:


- Profit tax: exemption from profit tax on exports.
- VAT: not applicable for export activities.
- Subsidies: transportation costs for exports to CIS and distant foreign countries can be subsidized up to 50%.

4.2. Land Lease Benefits

Farmers can receive significant discounts on land lease fees (up to 50%) when implementing projects aimed at agricultural exports.

4.3. Personal Income Taxes

Employees will be taxed at a rate of 12% on personal income, which also needs to be considered in the financial calculations.

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5. Production Plan

5.1. Cultivation Period and Land Use

The land will be used in two ways:

1. Open field (75% of the land — 15 hectares) for growing peppers from April to October.
2. Greenhouses (25% of the land — 5 hectares) for year-round production, ensuring continuous product supply.

In the colder months, frost-resistant crops such as cabbage, radishes, and spinach will be grown on the remaining open field areas.

5.2. Technological Process


1. Land preparation: fertilization, installation of drip irrigation systems.
2. Pepper planting: use of seedlings to increase yields.
3. Irrigation and plant care: modern methods and organic fertilizers to produce high-quality products.
4. Harvesting and processing: sorting and packaging the products for export.

5.3. Equipment and Materials

The project requires the following equipment:

- Greenhouses (5 hectares): \$400,000.
- Drip irrigation system: \$150,000.
- Harvesting and packaging equipment: \$100,000.
- Storage facility for temporary product storage: \$200,000.

5.4. Investment Costs

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Item	Cost (USD)
Land lease (20 ha)	50,000
Land preparation	70,000
Greenhouses (5 ha)	400,000
Drip irrigation system	150,000
Harvesting and packaging equipment	100,000
Storage facility and packaging materials	200,000
Wages for workers and specialists	300,000
Miscellaneous expenses	100,000
Total initial investment	\$1,370,000

6. Financial Plan


6.1. Yield and Revenue

- Yield per hectare of open field: 30 tons/ha.
- Yield per hectare of greenhouses: 40 tons/ha.
- Area of greenhouses: 5 hectares.
- Area of open fields: 15 hectares.

Total harvest volume:

- Open field (15 hectares): $15 * 30 \text{ tons} = 450 \text{ tons}$.
- Greenhouses (5 hectares): $5 * 40 \text{ tons} = 200 \text{ tons}$.
- **Total harvest volume: 650 tons.**

Price of products:

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- Price for open field products: \$1.5/kg.
- Price for greenhouse products: \$2/kg.

Total revenue:


- Revenue from open field: 450 tons * \$1.5 = \$675,000.
- Revenue from greenhouses: 200 tons * \$2 = \$400,000.
- **Total revenue:** \$1,075,000.

6.2. Operating Expenses

Item	Cost (USD)
Transportation and packaging	\$150,000
Logistics and duties	\$100,000
Personnel wages	\$300,000
Other operating expenses	\$100,000
Total operating expenses	\$650,000

6.3. Taxes

1. Profit tax: not applicable for exports.
2. VAT: not applicable for exports.
3. Personal income tax: 12% of the wage fund (\$300,000), which equals \$36,000.

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6.4. Net Profit

- **Gross profit:** \$1,075,000 - \$650,000 = \$425,000.
 - **Net profit (after taxes):** \$425,000 - \$36,000 = \$389,000.
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7. Marketing Strategy

7.1. Export Contracts

The strategy involves entering long-term contracts with buyers from Russia, Kazakhstan, China, and the EU. The product will be promoted as eco-friendly, which is especially relevant for the EU market.

7.2. Certification


Obtaining international quality certifications, such as GlobalGAP, to access higher-profit markets.

7.3. Local Markets

A portion of the product can be sold on the domestic market to provide flexibility and additional income.

8. Risks and Mitigation Measures

1. **Climatic Risks:** The use of greenhouses and drip irrigation reduces climatic risks.
2. **Currency Fluctuation Risks:** Diversifying currencies and sales markets, as well as using currency hedging tools, will help minimize risks.
3. **Logistics Risks:** Working with multiple transportation operators and creating storage facilities for products will reduce risks of delays.

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Conclusion

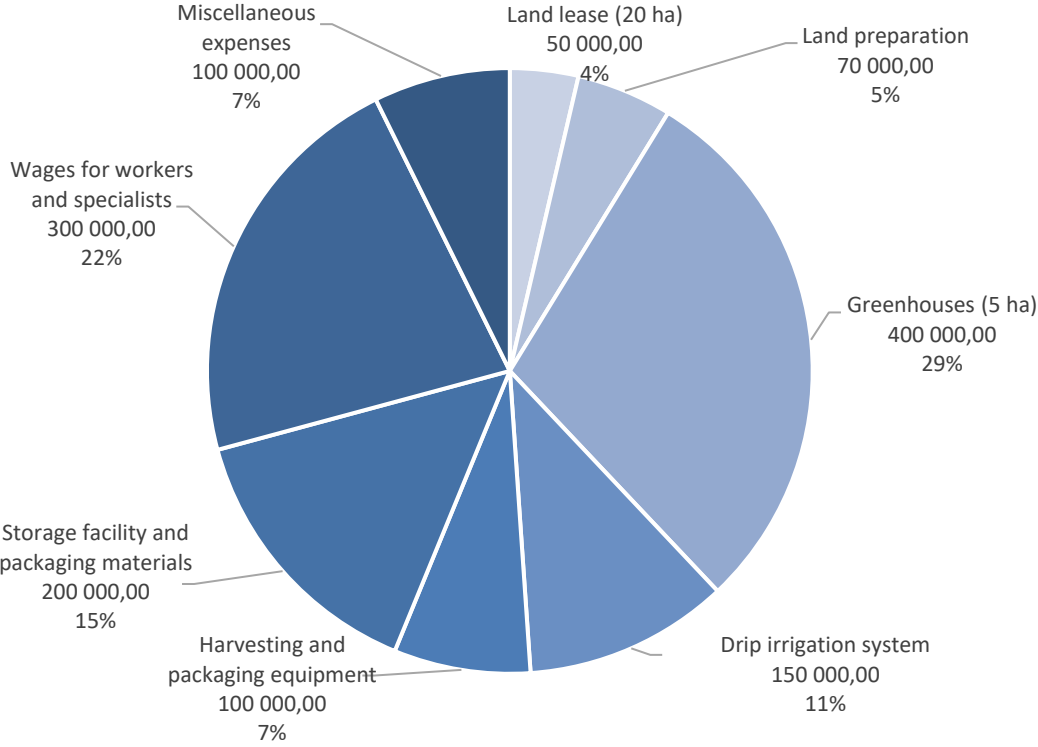
The project of growing and exporting Granova pepper using both greenhouses and open fields offers high profitability and stability due to year-round land use, government support, and favorable market conditions.

****Note:** The images presented in this business plan are conceptual and may differ from the final project. The actual design and architectural decisions may change during the development and construction phases.

Appendix. Financial Indicators and Cash Flow Chart

Composition of Investments (in US dollars)

Item	Cost (USD)
Land lease (20 ha)	50,000
Land preparation	70,000
Greenhouses (5 ha)	400,000
Drip irrigation system	150,000
Harvesting and packaging equipment	100,000
Storage facility and packaging materials	200,000
Wages for workers and specialists	300,000
Miscellaneous expenses	100,000
Total initial investment	\$1,370,000





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Financial Indicators (in US Dollars)

	in US Dollars
Total initial investment	1 370 000,00
Other Indicators	
Yearly	
Total operating expenses:	650 000,00
Transportation and packaging	150 000,00
Logistics and duties	100 000,00
Personnel wages	300 000,00
Other operating expenses	100 000,00
Total revenue	1 075 000,00
Internal rate of return:	31% (yearly)
Payback period	3 3/5 years



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