



Every Child Tanzania (ECT) Business Plan 2023-2030



Executive Summary

The ECT Farm is located in Uwemba, Njombe region Tanzania. It is a 30 min drive from Njombe Town. The Farm is within Njomlole Village, Uwemba Ward under Njombe Town Council jurisdiction. The ECT farm was bought by the organization Every Child Tanzania in partnership with Mufindi Orphans Inc (MOI) in 2019 and fully paid off in May 2023. The Farm consists of 67 acres of land with excellent soil for farming, timber and vegetation. The farm currently has about 6,639 pine trees, three houses, 27 avocado trees and a big garden. Two houses are for the staff and one big house acts as our office and guest house. The big house has two guest rooms, and the main room can be used as a classroom for seminars and during leadership camps. Also, the Farm has two Swiss army tents that accommodate up to 4 people per tent. The farm is on a beautiful small hill surrounded by flower farms, a small waterfall and a stream. There is an opportunity to build more tiny houses and lodging for guests and camp attendees in the future.

The Farm Business plan includes an overview of the income-generating projects and revenue-generating activities that we plan to conduct to build the financial sustainability of our organization and cover the overhead and administration costs of our organization. This includes an overview of the products we aim to start producing, a market analysis and a financial model. ECT is planning to invest in at least five areas:

1. Avocado farming,
2. Timber business
3. Beekeeping and honey production
4. Tourism/accommodation (bed & breakfast) and facilitation of experiential learning trips
5. Hosting activities for companies, schools, and students.

Business Description

1. Avocado Farming Market Overview

Avocado farming is the best in Njombe because of the excellent soil, climate and reliable weather. Avocado farming has a very impressive potential Return On Investment (ROI). We are well connected to the biggest avocado producers in Njombe and many others who are transporting all over the country and exporting worldwide. ECT plans to plant avocado seedlings on 5 acres of land with the goal that in the next four years we will start harvesting. We expect to start preparations in September 2024 to get the best seeds, to prepare the farm and the availability of water to ensure that

all the seedlings flourish and produce the best avocado fruits. We are planning to farm the X-Ikulu and Hass types of avocados. These two types are prevalent in the southern regions of Njombe, Iringa, Mbeya and Ruvuma and have a great market here in Tanzania and outside of Tanzania. The shape of the fruit is large, and the colour of the shell is green before and after ripening. It takes six months from flowering to maturity and matures when other varieties are off the market.

One acre of avocado Farm can have up to 80-100 avocado trees on it. It takes 3 to 4 years for an avocado to be ready for harvest. One tree produces 300-400 avocados per year, starting in year 3 or 4 years but can produce 700-800 avocados in 7 years. 3 avocados make 1 kilogram and the price per kilo is \$2 USD.

Acre	No. avocado trees per acre	No. Avocados per tree	No Avocados per acre	No. Avocados per kilo	Price for Kg	Potential per acre by year 4
1	100	300	30,000	3	\$2	\$20,000

Year	Cost for one acre	Gain	Profit per acre	Overall Profit for project
1	\$15,000	\$0	\$-15,000	\$-15,000
2	\$3,000	\$0	\$-18,000	\$-18,000
3	\$3,000	\$0	\$-21,000	\$-21,000
4	\$3,000	\$20,000	\$-4,000	\$-4,000
5	\$3,000	\$20,000	\$13,000	\$13,000
6	\$3,000	\$20,000	\$20,000	\$30,000
7	\$3,000	\$40,000	\$40,000	\$67,000

Investment.

The investment for one acre of avocado farm ranges from \$15,000 for year one, and \$3,000 for every year after for upkeep of the field. Each acre needs a five-year investment of \$27,000 before we will break even and make a profit.

ECT is looking for a total investment of \$135,000 to plant 5 acres of avocado trees to completely sustain the annual costs of running the entire farm and scholarship program, as well as to contribute towards upkeep and capital improvements that will be needed. While ECT waits for the avocados to mature to harvest, ECT will also invest in other revenue streams. The investment for an avocado farm includes buying seedlings, manure, an irrigation system, transport for materials, labor, training, and tools.

Risks.

Avocado trees continue to profit year over year, with little upkeep costs. ECT recognizes that there are some risks, such as fire, diseases, changes in the market, climate change etc that can impact revenues, which is why there will only be a 5-acre plot to start with.

2. Pine Trees & Timber Market Overview and Opportunity

The ECT farm has about **6,639 pine trees** that have been planted in different years. The farm is divided into 5 sections. Section A trees are ready to be sold or to be cut down and produce timbers at any time. We expect that by the beginning of 2025, ECT will start producing timber from trees ready to be harvested. The potential profit from these trees could cover half of the operation costs starting in 2025 and ECT will continue to plant more trees as we continue to cut down. We are anticipating selling at least \$3 per pine tree, as the purchaser will come to cut, prepare and haul out the tree. ECT will be able to keep the offcuts for future use of firewood, temporary shelter wood, and fencing.

If we cut down the trees, the investment is about \$6,000 (\$0.90 per tree) and can produce a \$34,103 profit after the investment, but we would likely be unable to attain this amount until 2033. Therefore, we will likely sell a larger portion of our trees (especially Section A-D) in order to gain the most profit, quickly and sustainably. The timber market in Njombe is large for both small and large producers due to tree farming and timber production which provides better timber than most parts of Tanzania. So this is a sustainable and environmentally friendly agricultural practice that ECT is proud to have.

Risks and Future Production

One challenge that we have (yet, also an advantage) is that the trees are not all ready at once to cut down (see chart below). This means we must cut down and sell them in sections slowly. Secondly, these trees were not planted with standard measurements when they were brought in by previous owners, so many trees do not have the quality to be sold at a high price for higher profit. We hope to grow quickly and produce trees of sufficient size and more profit. For every section we cut, we will plant with more exacting measurements for production purposes. We will utilize restorative agricultural practices whenever possible and integrate some areas with indigenous trees to the Njombe region in order to ensure better soil growth and ecosystem sustainability. We are learning from a Sustainability expert and consultant from an Arusha-based organization called Kijani Pamoja

who is working to plant more than 100,000 trees in Arusha and Moshi. We also expect that the potential for profit will grow over time due to inflation and increased market rates.

Year	Number of trees to harvest (\$3ea.)	Number of trees to plant	Cost of planting	Cost of Pruning	Annual Profit	Overall Profit of Project
2025	416	200	\$500	0	\$748	\$748
2026	0	0	0	0	0	\$0
2027	6,669	500	\$500	0	\$20,007	\$20,255
2028	0	500	\$500	\$500	\$0	\$19,255
2029	0	500	\$500	0		\$18,755
2030	0	0	0	0	0	\$18,755
2031	0	500	\$500	\$1000	0	\$17,255
2032	0	0	0	\$500	0	\$16,755
2033	6116	0	0	\$1000	\$18,348	\$34,103
2034	0	500	\$500	0	0	\$33,603
2035	0	0	0	0	0	\$33,603
2036	0	0	0	\$500	0	\$33,103
2037	200	500	\$500	0	\$600	\$33,203
2038	0	0	0	\$1000	0	\$32,203
2039	500	0	0	0	\$1500	\$34,704
2040	500	500	\$500	\$500	0	\$33,704

3. Beekeeping and Honey Production Overview

Beekeeping is one of the projects that ECT has been doing since the beginning of moving to the farm. Beekeeping does not cost much, and the upfront costs are not much. Beekeeping requires only

willingness to learn and try and love for the environment. We know that beekeeping may not be very profitable in of itself but it is one of the projects that can reduce the overhead costs of ECT when added to other investments in addition to helping our garden produce and improving the environment overall. Njombe region is also famous in Tanzania for having a good environment for beekeeping.

ECT already has four hives, two of which are producing honey, and our goal is to have 50 active hives by 2028. One hive can produce 30 liters per year, six-seven months after the installation. The selling cost per liter is \$8. ECT can make a total amount of \$22, 840 by 2028.

Investment

The set up cost for beekeeping includes 4 filters, 5 bee suits and protective gear, and collection materials cost roughly \$1000.

To package the honey and market honey from 50 hives costs a total of \$12,173, or roughly \$244 per hive. We anticipate starting to gain profit after two years of investments.

Year	No. New Hives	Cost per Hive (Production and packaging and Market)	Total cost	Year to harvest	Liters per year (30 Liters)	Price for Liter \$5	Profit
2024	5	\$244	\$1220	2024	150	\$750	\$-470
2025	10	\$244	\$2440	2025	450	\$2250	\$-660
2026	10	\$244	\$2440	2026	750	\$3750	\$-180
2027	15	\$244	\$3660	2027	1200	\$6000	\$2160
2028	10	\$244	\$2440	2028	1500	\$7500	\$7220

Market Analysis and Opportunity

Most of the honey will be sold and/or used for guests and by students attending camps at the Farm and the rest of the honey will be sold in Njombe and other southern regional towns of Tanzania like Iringa, Mbeya and Ruvuma. ECT intends to produce the best honey, set prices that will be friendly

to buyers and that will be available in groups starting from small packages of \$2.20 to \$5 so that everyone can afford it. We intend to cooperate with several shops and hotels in Njombe and Iringa, to get long-term and reliable customers who will buy our honey every time we produce it. This will have a large market due to having a good price and being accessible to every customer, following the current price that many people cannot afford. In the next 5 years, ECT will have made a total profit of 7220.

4. Tourism (B&B) and Experiential Learning Trips

The ECT Farm currently has three houses, two are used by the Executive Director and Farm Manager, and the third house is the biggest house with two bedrooms, a large sitting room, a kitchen and a storage room.

There are no other properties like ours within at least a 50 km radius that have the same kind of peacefulness, and retreat-like space. Our Farm has a unique potential to fill a large gap in the market for a peaceful and relaxing country farmhouse with incredible home-grown food.

ECT will host tourists and guests who want to learn about Tanzania's culture, history, food, and languages and even learn about Tanzanian education and its history. We will utilize and promote ethical and sustainable tourism, including teaching about the origins of the Hehe and Bena tribes, dance, food, languages and even visiting a few parts of these areas. This tour will also include learning deeply about our leadership camp and ECT's work, with an option to make a donation or get involved.

Over time, we envision that this income stream will significantly increase, pushing us to expand both our housing for guests and groups, as well as the number of students we would host during leadership camps. The housing could include cabins with bunk beds, glamping tents for visitors, and other hostel-like structures to support larger groups. However, an additional investment of \$100K would be necessary to make this a reality.

Volunteers

ECT plans to host interns and volunteers from Tanzania and other countries who want to come to Tanzania to learn, volunteer or work with us. Volunteers and interns would need to pay for their stay at the residential rate to cover their costs. Peace Corps Volunteers is another demographic we would like to engage with.

Retreats

ECT aims to market the Farm to people who live in Tanzania and just want a weekend away during the quieter periods. Additionally, ECT aims to host retreats, such as an experiential learning and community development retreat, farm-to-table programming, and yoga and meditation retreats, and is open to renting out the space for churches or company retreats.

We are also aiming to partner with safari companies that we have connections with within the US, and other parts of the world. Though prices will be negotiated through said Safari companies, visitors on Safari can often pay up to \$100 per night to cover accommodation, food and transport from Njombe town to the farm and return to town. We would expect local residents to pay \$35 per day, which covers breakfast, one meal and accommodation. If residents exceed one day and would like to pay for a meal it will cost \$15 per meal. The cost to ECT per person will be \$15pp, which creates a large profit margin for the organization. Realistically, we predict no fewer than 30 guests per year, and more often, we would be hosting groups that we will aim to host annually. All told, this revenue stream could generate more than \$2,000 per year when operating at minimum capacity.

6. Hosting activities for companies, schools, and students.

ECT is planning to host activities tailored for companies, schools, and students. Students under ECT's care will have the opportunity to acquire practical experience, expand their networks, and develop hands-on skills. As they undergo training during their stay, they'll also become eligible candidates for potential volunteer positions and employment in the future.

For companies, ECT will tailor charges based on the number of individuals and the duration of their stay at the farm. Typically, ECT will levy a fee of \$100 for the whole big house with two bedrooms, with an additional \$10 per meal (breakfast, Lunch and dinner)

Revenue-Focused Objective Key Results 2023-2025

Objective 2025: Secure \$200,000 in grants, revenues and contributions

Main Objectives/KPIs for 2024:

- \$80,000 by December 31st, 2023
 - Min. target: \$60,000
 - Mid-point target (August 30th, 2024): \$40,000
- Accelerate growth towards long-term sustainability by massively diversifying revenue streams
 - 50% of funders renew and contribute to our 2023-2025 revenue goals (slowly building up our pipeline)
 - 20% of funders commit to multi-year contributions and/or grants
- Build and solidify organizational and operational growth to deliver on two main objectives
- Build a strong internal fundraising strategy in Tanzania.
 - Attract at least 3 Financial Institutions to donate to programs or funds for a bigger fundraising event, Hotels in Njombe and Iringa, Business people and other institutions.

ECT SWOT ANALYSIS

Strengths

- ECT owns 67 acres of arable land
- Strong mission and vision
- Diverse team with many years of experience
- Product brand- Njombe Avocado is the most liked avocado type in the market
- Relationship with existing Farmers and Suppliers- For example, Nemes Green Farms, Hillside Hotels, Green Tulip etc
- Impact curriculum
- Great relationships with community and community leaders
- Property has a long history in the community
- We've made a large impact through community projects on the local community and people are excited to support us
- Our relationship with Mufindi Orphans Inc. and other major donors is supportive, sustainable, and impactful
- Our network of excellent donors and funders who are collaborating and supportive

Opportunities

- Njombe does not have diverse markets or farmers' markets with diverse products. ECT has the opportunity to host its own market in Njombe and Uwemba to improve the local economy.
- Access to the International Market: Many Farmers in Southern Tanzania focus only on the domestic market. So this would be an opportunity for ECT to venture into the International market. We have contacts with those who could export avocados. However, in the short term, as we have already, we can sell baskets and other uniquely Tanzanian Goods
- Extensive network of funders focused on education - we are starting to build a name for ourselves and getting more connected with funders and partners interested in supporting Tanzanian youth. We have potential introductions to many funders in the education sector through people in our network and volunteers.
- Tourism is a massive opportunity for ECT to galvanize because Njombe is a massively growing region
- Our knowledge and potential to run agricultural projects will be impactful on the local economy, and also is potentially very interesting to donors and investors who focus on agricultural advancement, economic mobility and sustainable agriculture in Africa.
- With such a large property we can build cabins to host larger groups in the future and use the timber we have.
- Tree investments will grow over time due to inflation and increased market rates.
- These revenue streams mean that our donors can donate directly to our programs instead of our operational expenses, and to the things they really care about.

Weaknesses

- Lack of enough financial resources and investments for full-scale avocado and timber farming, so it will take a couple of years to reach a space where we can really begin to make a large profit.
- Human resources - ECT has a few staff with avocado farming experience, so hiring consultants and other experts may incur some costs.
- ECT houses are not enough to host more than 15 students. This limits the number of students to take into the program.
- Still building a network - we still only have one real institutional donor and are building our network for potential funders and investors
- Small team - currently we have a small team that is working on fundraising, and all are unpaid except the ECT Director

Threats

- Customer's price Change or fluctuation. In the past few years, customers have been demanding no increase in the price of avocados. This may change our projection but so far the price has stayed the same.
- Pests and diseases could have a big effect on trees and avocados
- Climate change - given the major effects climate change has had on East Africa this poses a risk, especially with droughts. Luckily the Southern Highlands have remained with much rain and fair weather, comparatively to other regions of E. Africa.
- International and geo-political Factors. Due to the change of leadership and policies, taxes on products change, and the prices of other things like oil and transportation can trigger the

initial projection of the profit. ECT is paying a close eye on this so that we know what steps to take.

- Price Culture. Consumers are used to one price, they do not expect, and to have a different price for the same product even when there is an added value to it.
- Looking for funds for the Farm business plan and programs at the same time. This becomes difficult in finding institutions that can invest in production, especially for Nonprofit, so we hope to use the network of people we have had in making this Business Plan a reality.

Key program goals and predictions

Each year ECT will implement 38 community development projects (funded through DonorSee) that are small, individual and others that are education-related projects. This includes responding to emergencies like COVID-19, helping families achieve economic mobility, digging a well for a community, paying medical fees for a family, and even start-up capital for youth entrepreneurs. For student sponsorship, ECT will continue to support the 20 students from Mufindi plus 38 students who will join the leadership camp from 2023-2026. By 2025 ECT's aim to have served at least 78 students for leadership camps, and 60 students for sponsorship and facilitate more than 195 community development projects.

Program	Year	Cumulative No. beneficiaries /Projects	Year	Cumulative No. beneficiaries /Projects	Year	Cumulative No. beneficiaries /projects	Year	Cumulative. beneficiaries /projects
Students sponsorship	2022	40	2023	52	2024	64	2025	78
Leadership Camp	2022	21	2023	33	2024	45	2025	59
Community dev project	2022	111	2023	139	2024	167	2025	195

Budget Breakdowns & Financial Projections

1. Students sponsorship

16 students from Mufindi (primary students) 8 Secondary students from Mufindi and 15 students from the leadership camp (On average Mufindi students receive between \$600 and \$1100 per year and those from the leadership camp receive \$100 per year). The total student sponsorship for 5 years will be around \$132,000.

Year	No. students	Amount needed in USD
2023	51	\$19,900
2024	64	\$25,805
2025	78	\$27,331
2026	93	\$28,966
2027	108	\$30,601

2. Leadership Camp (8 weeks), mentorship and Teacher Training

- Leadership camp costs are food, transport, learning materials, interns and volunteers stipends for 8 weeks
- Teacher training covers leadership development, Instructional coaching, reading, Job applications and an additional program for teaching Math and improving performances for primary students) this will be for one week and may involve setting the model at a respective school.

Year	No. students	No of volunteer Teachers- Newly Graduate	Amount needed (USD)	Cost per student/teacher (a full budget)
2022/2023	11	4	\$6,560	\$433
2023/2024	10	5	\$25,000 ¹	\$2083
2024/2025	24	5	\$50,000	\$2083 (Two cohorts)
2025/2026	24	5	\$50,000	\$2083 ² (Two cohorts)

¹ The cost of the leadership camps has more than doubled here, because our first year 2022-2023 was really our first pilot. We plan for the subsequent years to host camps that are 6-8 weeks long at a minimum, or take more students. We tested the real costs of the 2022/2023 leadership Camp, and did not have enough money to achieve this.

² As we implement economies of scale and continue to improve on our program, we expect the cost per student to reduce. We will likely increase the number of students, without seeing as big of a jump in expenses (as we build our own resources like our garden, in-kind food donations, our own transportation, and all the accommodations we need for students).

3. Community development projects

We are aiming to continue fundraising through Donorsee, and we aim to implement 38 projects for this year. Our goal is to fundraise at least \$20,000 by Dec 31, 2023. These are projects related to improving school maintenance, pads for girls, handwashing stations, one-time support for students who are not on the sponsorship list, providing small start-up capital to women and responding to emergencies. It is our current policy that 20-40% of these funds are utilized for covering shared services and overhead costs. It is a great revenue driver to cover costs like electricity, maintenance transportation, etc.

Total Expenses Budget (USD) for 2023-2025

Item Name	2023	2024	2025
Leadership Camp and Teacher Training	\$25,000	\$50,000	\$50,000
Students sponsorship	\$19,900	\$25,805	\$27,331
Community Development Projects	\$14,000	\$14,000	\$14,000
Overhead and Admin Costs (GM&A)	\$21,750	\$18,750	\$22,650
Salaries and Benefits Costs	\$12,000	\$42,000	\$47,000
ECT Business Investment	\$135,000	\$4,720	\$5,440
Total	\$227,650	\$155,255	\$166,421

Total Revenue Projections 2023-2025

Revenue	2023	2024	2025
Individual Donations	\$50,000	\$60,000	\$60,000
Grants	\$50,000	\$100,000	\$125,000
Investments	\$10,000	\$0	\$0
Timber	\$0	\$748	\$0
Honey	\$0	\$1,220	\$1,440
Tourism	\$1,200	\$3,480	\$3,480
Avocado	\$0	\$0	\$0
Paid Camps	\$0	\$500	\$700
Total	\$111,200	\$165,948	\$190,620