

# INDUSTRIAL STARCH PRODUCTION

## Project

Establish and operate a cassava starch processing plant

## Project Concept

- ▶ This project involves the establishment of a cassava starch processing plant on 10 000 ha of land
- ▶ The intention is to create a core estate which could supply at least 30% of plant requirements and the balance to be contracted to outgrowers
- ▶ Specifications include 240 000 tons of cassava root per annum and about 60 000 tons of starch.

## Location

- ▶ Northern KwaZulu-Natal

## Current Status

- ▶ Feasibility study and business plan have been completed

## Return on Investment

- ▶ Economic returns of at least ZAR 90 million per annum (as at 1 June 2009) from roots and about ZAR 150 million per annum from starch
- ▶ USD 30 million in forex savings
- ▶ Projected IRR of 15.5% and payback over 9 years

## Required Investment

- ▶ An investment of ZAR 400 million (as at June 2013) is required



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