

PRESENTS

FORMAT FOR FEASIBILITY STUDY

 $\begin{array}{c} \text{(COMPILED AND SUMMARIZED)} \\ BY \end{array}$

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FORMAT FOR FEASIBILITY STUDY

1. Project Background

- i. History and nature of the business
- ii. National economic output
- iii. Legal requirement
- iv. Promoters, shareholders and management
- v. Technical assistance

2. Market Analysis

- i. Determinants of market demand
- ii. Data required for market analysis
- iii. Sources of data
- iv. Size
- v. Market Plan

3. Technical Feasibility

- i. Product description
- a. Product specification should cover the following characteristics of the product
 - ✓ Physical properties (size, dimension, viscosity, density, etc.)
 - ✓ Chemical properties (form, composition, etc)
 - Mechanical properties (hardness, elasticity, etc)
- b. The various uses of the products (clearly spelt out)
- ii. Plant Layout
 - ✓ The process flow and flow of materials
 - ✓ Storage needed for materials and supplies as well as goods-in-process and finished goods.
 - ✓ Space required for maintaining an in-plant transport
 - ✓ Utility service systems
 - ✓ Inter-departmental communication.
 - ✓ Future expansion alternatives; and
 - ✓ Disposal of industrial wastes.
- iii. Choice of technology
- iv. Selection of machinery and Equipment
- v. Structure and civil works
- vi. Raw materials requirement
- vii. Infrastructural requirement
- viii. Manpower and training requirement
- a. Input factors
 - ✓ Land
 - ✓ Materials
 - ✓ Labour
 - ✓ Capital
- b. Output Factors
 - ✓ Nature of Products
 - ✓ Marketing costs
 - ✓ Market potential
- c. Transport and communication facilities
- d. Role of public policies

4. Financial Feasibility

- i. Total investment
- ii. Financial evaluation
- iii. Project financing
- iv. Financial projections
- 5. Conclusion and Recommendations
- 6. Project Implementation Plan