

Annex No 7

Plant the Future Programme
Component of Co-financing of Nursery Gardens

Questionnaire

Please, draw up the project of creating nursery gardens in the order given below based on this questionnaire.

If any of the issues does not cover the specifics of your project, please submit the information based on your project.

The submitted information may not be limited only to the issues given below. You can submit any additional information necessary for taking a decision.

1. Legal status and history

1.1. The date of establishment / registration, the history of activities, the achieved results including the volume of sales for the past three years (must be certified with the taxation documents, which must be submitted in an annex), the amount of assets, the profit gained in the past three years (must be certified with the taxation documents). If an enterprise / entrepreneur is established / registered in the past 3 years, they must submit the volume of sales and assets since the date of establishment, which must be certified with appropriate taxation documents.

2. Ownership, management and personnel

2.1. **The list of owners and their corresponding shares** – all founders of the beneficiary (an enterprise which will receive co-financing), specifying their names and ID numbers; if a company is established or will be established by another legal person, the name, identification code and scope of activities of the founding company and the full names and ID numbers of its founders must be submitted;

2.1.1. Description of activities of the founders of a beneficiary company – current working place, shares in other companies, incomes (shares and incomes must be certified by appropriate documents and the documents must also be attached to a business plan); the implemented projects, their experience in business, etc.;

2.2. **Key personnel of the nursery gardens and their qualification** - which are the key positions at the nursery gardens and what circumstances contribute to the importance of those positions in the successful operation of the nursery gardens. The qualification of the personnel occupying those key positions, the extracts of the main parts of CVs of those personnel that certify their qualification (complete CVs of the key personnel must be attached to a business plan).

Note: The key personnel of the nursery gardens may not be employees, but rather the founders of the company; in this case supporting arguments must be specified how the founders' experience ensures success of the nursery gardens. If the nursery gardens have no key personnel, nothing must be invented.

2.3. **The number of employees** – the planned number of employees must be given in details, specifying the positions and the remuneration (gross salaries including the income tax), the principle of payment of remuneration, also in case of changing the number of the personnel according to seasons, the number of employees during a season and a whole year must be separately specified. The number of employees of the company must be appropriately justified.

3. Saplings

3.1. **Types of saplings** – enlist all the perennial cultures in detail, the saplings of which will be produced in the nursery gardens, also specify their species, rootstocks (if any), types (grafted trees, rooted trees) and the specification of the produced saplings according to their qualities (height, number of branches, root system, age);

3.2. **Number of the produced saplings** – the annual capacity of the potential co-financed nursery gardens must be specified according to each species;

3.3. Technology:

3.3.1. Describe complete technological cycle of production of saplings for each species of saplings in detail, which must include all stages from the groundwork and grafting to the formation of complete standard sapling and preparation of saplings for sale; the stages must be time-bound in accordance with the agro-technological timeframes;

3.3.2. Describe all basic means used in the process, such as equipment, facilities and machinery, according to the stages;

3.3.3. Describe types of propagating plants and the used rootstocks, also justify the feasibility of their use;

3.3.4. Describe and justify the necessity and importance of each stage separately;

3.3.5. Describe all those lines (from the agronomist to the seasonal workers) which participate in the process and their role in the process;

3.3.6. Describe the plan of using the area of the land plot during the technological cycle;

3.3.7. Submit the situational plan of the land plot allocated for the nursery gardens in an annex, which must include the locations of the propagating plants and rootstocks and the territory allocated for the basic nursery gardens;

3.3.8. Specify the period after the commencement of the production, when the saplings of each species may be sold;

3.3.9. Specify the period of sales of the produced saplings according to months;

4. Pricing and the structure of prime cost

4.1. **Sales price of saplings** – specify the sales prices of saplings according to the species and types (prices may also differ according to the age and in this case, specify the prices of the saplings of various age);

4.2. **Prime cost and its structure** – The structure and calculation of the prime cost of all potentially produced saplings, rootstocks, mobile laboratory equipment, modern

irrigation systems must be given in tables, which must include direct and indirect costs calculated per each sapling;

- 4.2.1 Total production costs calculated per each sapling;
- 4.2.2 Administrative costs, which may include the costs of security service, accountant, agronomist and others, calculated per each sapling.

5. Planned production and sales capacities

- 5.1 **Sales and production plan** – must include the production and sales capacity for each type and species of saplings for the following 5 years, considering the yield percentage.

6. Evaluation of competition and market

6.1. Competition –

- 6.1.1 Submit the information on the areas of the produced species. Specify the approximate area of gardens in hectares, which is created for those species in the past 3 years, and also specify current tendencies of the gardens (stable, increasing, decreasing). If accurate data are not available, the information may be estimated and justified with the logical assumptions that were used in your estimations;
- 6.1.2 Specify the types of saplings, which are produced by similar nursery gardens, and describe basic differences in comparison to the saplings that will be produced by you.

6.2. Market –

- 6.2.1 Submit the information on the area of gardens in hectares, which was created in Georgia in the past 3 years, according to the years and specify the source of the information; if the accurate data are not available, the information may be estimated and justified with the logical assumptions that were used in your estimations;
- 6.2.2 Specify the place of sales of the saplings: whether in Georgia or abroad. If you plan to export the products, specify the country and justify the capability of export (the justification must not include the only argument that saplings will be of high quality); if the saplings are mainly sold in Georgia, please specify the regions / towns;
- 6.2.3 Describe the sales channels in detail – the methods, which will be used for the sales of the saplings by export as well as by local sales.

7. Land plot and its description

- 7.1. Specify total area of the land plot where the nursery gardens will be created; the updated excerpt from the Public Registry and the cadastral map must be attached to the project;
- 7.2. Justify the principle of selection of the land plot for the nursery gardens;
- 7.3. Specify the composition of the soil of the land plot, namely its mechanical composition (absorption bases: Ca, Mg and Sodium); humus, Nitrogen, Phosphorus, Potassium, complex of cations, Ph-level; content of carbonates, EC salinity. The laboratory analysis must be attached to the project;
- 7.4. Specify whether the land plot is fenced, and if fenced specify the material of the fence, the distance between the poles, the number of wire rows, etc.;
- 7.5. List of crops grown on the plot for the last 5 years;
- 7.6. Specify the plan of seed turnover of the fields to be propagated on the land plot;
- 7.7. Specify the distance between the land plot and the existing local water source and the type of the water source (for example: river, lake, channel, well, drill hole, etc.).

8. Fixed assets

- 8.1. Detailed description of the facilities – describe the types of the facilities which are necessary for proper operation of the nursery gardens and the area of the necessary facilities in square meters (if they already exist, please attach the photo materials);
- 8.2. Submit the detailed list of the equipment and machinery to be purchased, specifying the manufacturers and the purchase price, which must also include the transportation costs and the VAT;
- 8.3. Specify the cost of purchasing and installing the drip irrigation system, its manufacturing company and models of aggregates, as well as the name of the selling company;
- 8.4. Specify the company that supplies propagating plants, and the cost of the propagating plants including the cost of their transportation to Georgia;
- 8.5. Specify the company that supplies rootstocks, and the cost of the rootstocks including the cost of their transportation to Georgia;
- 8.6. Specify the detailed list and cost of the laboratory equipment, their manufacturing and supplying companies; the cost must also include the transportation costs and the VAT;
- 8.7. Fencing of the land plot (if it is not already fenced) – specify the fencing materials, its cost and length of its perimeter;
- 8.8. Other fixed assets.

9. Current assets

- 9.1. The cost, methodology and timeframes of cultivating the land plot – justify the costs;
- 9.2. The list and cost of organ and mineral fertilizers - justify the costs;
- 9.3. The operational costs of the initial period – the remuneration of the personnel employed at the nursery gardens; electricity, fuel and water consumption costs (must be submitted according to the months, before gaining first income by the nursery gardens) - justify the costs;
- 9.4. Other costs – specify in detail.

10. Sources of co-financing and the investment plan

- 10.1. Specify the source of co-financing of each article, determined by clauses 8 and 9, in the tables, which must also include each article, its cost, approximate period of incurring costs and the source of co-financing;
- 10.2. Submit the plan for self-financing – specify the resources of accumulation of self-financing;
- 10.3. If the self-financing resources are already obtained, please attach the certifying document to the project.

11. Miscellaneous

- 11.1 Any other information which will be important, in your opinion, in the process of discussion of the project.