INVESTMENT OPPORTUNITY

Investment Opportunity(1008)

Establishment of an Integrated Dairy and Cheese Factory

Project Overview

The Ministry of Investment presents a strategic investment opportunity for the establishment of an integrated factory to produce dairy and cheese in the Industrial City in Benghazi. The project aims to enhance national food security, localize downstream food industries, reduce reliance on imports, and meet the growing demand for high-quality dairy products in the local and regional markets.

Project Location:

- **Location:** The Industrial City Benghazi – State of Libya.
- **Type of Activity:** Food Industries.
- **Nature of the Project:** Strategic Industrial Project.

Target Markets:

- The Libyan Market.
- The Retail Sector and Commercial Markets.
- Hotels, Restaurants, and Tourist Establishments.
- North African Countries.
- African Markets.
- Neighboring Arab Markets.

Land Area Requirements

Item	Area
Total Area	80,000 m^2
Production and Manufacturing Area	35,000 m^2
Storage and Refrigeration Facilities	20,000 m^2
Expansion Areas and Supporting Services	25,000 m^2

Estimated Investment Capital

Item	Value in USD
Infrastructure and Civil Works	8,000,000
Dairy and Cheese Production Lines	18,000,000
Refrigeration and Storage Systems	6,000,000
Laboratories and Quality Systems	2,000,000
Utilities and Supporting Services	3,000,000
Working and Operational Capital	8,000,000
Total Investment	**45,000,000 USD**

Project Components

- Raw Milk Reception and Testing Unit.
- Milk Pasteurization and Sterilization Lines.
- Long-Life and Short-Life Milk Production Lines.
- Cheese Production Lines of Various Types.
- Laban, Yogurt, and Cream Production Lines.
- Automated Packaging and Wrapping Lines.
- Quality Control and Food Safety Laboratories.
- Modern Refrigeration and Storage Warehouses.
- Integrated Administrative and Service Facilities.
- Integrated Industrial and Food Safety and Security System.

Core Products

- Pasteurized and Sterilized Milk.
- Long-Life Milk (UHT).
- White Cheeses.
- Yellow Cheeses.
- Laban and Yogurt.
- Clotted Cream and Liquid Cream.
- Butter.
- Derived Dairy Products.

Product Applications

- Household food consumption.
- Restaurants and hotels.
- Educational and health institutions.
- Food industries.
- Food catering companies.
- Export to regional and international markets.

Estimated Production Capacity

- Processing of 150 million liters of milk per annum.
- Production of more than 40,000 tons per annum of dairy and cheese products.
- Potential for future expansion to increase production capacity by 50%.
- Production compliant with Libyan and international specifications.

Financial Indicators

Indicator	Value
Expected Annual Revenues	70 – 120 Million USD
Annual Net Profit	12 – 22 Million USD
Rate of Return on Investment (ROI)	15% – 22%
Capital Payback Period	5 – 7 Years
Operating Profit Margin	18% – 28%

Competitive Advantages

- Growing demand for dairy products in the Libyan market.
- Contribution to the reduction of food imports.
- Proximity of the project to major consumer markets in Eastern Libya.
- Availability of opportunities for expansion and export to neighboring markets.
- Adoption of the latest manufacturing and packaging technologies.
- Support for national food security.
- Feasibility of contracting with local farms and livestock breeders.
- Realization of added value for the Libyan agricultural and livestock sector.

Employment Opportunities

- Direct Jobs: 250 – 400 jobs.
- Indirect Jobs: More than 1,000 jobs.
- Jobs during the Construction Phase: 500 – 800 jobs.

Contractual Frameworks Available

The Ministry of Investment offers investors the possibility of contracting under one of the following models:

- Direct Investment.
- Partnership with the Libyan Private Sector.
- Partnership with the Public Sector.
- Joint Venture (JV).
- Public-Private Partnership (PPP).
- Build-Operate-Transfer (BOT) System.
- Build-Own-Operate (BOO) System.
- Management and Operation Contracts.

Investment Incentives and Advantages

The project enjoys the advantages and exemptions prescribed pursuant to the Investment Promotion Law No. 9 of 2010, foremost among which are:

- Exemption from customs duties on equipment, machinery, and production lines.
- Tax exemptions prescribed for industrial and food projects.
- Facilities for the allocation of land plots within industrial zones.
- Freedom to transfer profits and capital in accordance with legislation in force.
- Facilitation of procedures for governmental licenses and approvals.
- Support for projects linked to food security and food industries.
- Eligibility to obtain additional incentives for projects of strategic importance.

Technical and Economic Feasibility Study Services

Should the investor wish to obtain a comprehensive technical, economic, and financial feasibility study for the project in accordance with approved international standards, specialized consultative offices capable of preparing the final studies for the project are available through the Ministry of Investment and its partners. The cost of preparing the final study shall be 1.5% of the total investment value of the project.

Invitation to Invest

The Ministry of Investment hereby invites local and international investors, companies specialized in the food industries and dairy and cheese products sectors, investment funds, and financing institutions to participate in this strategic project. This project represents a promising opportunity to enhance national food security, develop Libyan food industries, reduce imports, and elevate the contribution of the industrial sector to the national economy, thereby supporting sustainable development efforts and the diversification of sources of income in Libya.

MINISTRY OF INVESTMENT -*State of Libya*