INVESTMENT OPPORTUNITY

Investment Opportunity(1026)

Integrated Potato Chips Production Plant Project

Project Overview

The Ministry of Investment presents an investment opportunity to establish an integrated potato chips production plant (chips) in Benghazi Industrial City, aiming to localize food industries, meet local and regional demand for snacks, and reduce imports. The project relies on modern automated production lines that guarantee high quality and operational efficiency in accordance with international food safety standards.

Project Location

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

Target Markets

- The Libyan market.
- Major supermarket chains.
- Hotels, restaurants, and cafes.
- Schools and universities.
- Distribution companies.
- North African markets.
- African Sahel countries markets.

Required Land Area

Item	Area
Total Area	**20,000 – 35,000 m^2**
Manufacturing and Production Zone	**8,000 – 14,000 m^2**
Storage and Logistics Facilities	**5,000 – 8,000 m^2**
Administrative Facilities and Expansions	**The Rest**

Estimated Investment Cost

Item	Value in Dollars
Infrastructure and Civil Works	5 – 8 Million
Production, Frying, and Packaging Lines	10 – 16 Million
Laboratories and Quality Systems	2 – 3 Million
Storage and Logistics Facilities	2 – 4 Million
Operating and Start-up Capital	4 – 7 Million
Total Investment	23 – 38 Million Dollars

Project Components

- Potato washing, peeling, and sorting lines.
- Continuous slicing and frying lines.
- Seasoning and flavor addition lines.
- Automated packaging and wrapping lines.
- Quality and food safety laboratories.
- Raw material and finished product warehouses.
- Oil and auxiliary materials storage units.
- Administrative and service buildings.
- Industrial safety and security system.

Core Products

- Classic potato chips.
- Flavored potato chips.
- Crinkle-cut potato chips.
- Low-fat potato chips.
- Potato-based snacks.
- Individual and family-sized packs.

Product Applications

- Household consumption.
- Schools and universities.
- Supermarkets and retail stores.
- Hotels and restaurants.
- Local distribution companies.
- Exporting to regional markets.

Estimated Production Capacity

- Production of 12,000 – 20,000 tons of potato chips annually.
- Production of more than 120 million packs annually.
- Possibility of future expansion by 50%.

Financial Indicators

Indicator	Value
Expected Annual Revenue	45 – 75 Million Dollars
Annual Net Profit	8 – 15 Million Dollars
Return on Investment (ROI)	18% – 26%
Payback Period	4 – 6 Years
Operating Profit Margin	20% – 28%

Competitive Advantages

- High local and regional demand for snacks.
- Proximity of the project to Benghazi Port and transportation networks.
- Possibility of relying on local agricultural production of potatoes.
- Using automated production lines that achieve high quality and reduce waste.
- Possibility of expanding to produce diverse varieties and flavors.
- Promising opportunities for exporting to African and Arab markets.

Job Opportunities

- Direct jobs: 180 – 300 jobs.
- Indirect jobs: 700 – 1,200 jobs.
- Jobs during the construction phase: 250 – 400 jobs.

Available Contractual Models

The Ministry of Investment provides international energy developers and investors with flexible contracting frameworks under the following models

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

Investment Incentives and Benefits

The project enjoys the benefits and exemptions prescribed under the Investment Promotion Law No. 9 of 2010, most importantly:

- Exemption from customs duties on equipment, machinery, and production lines.
- Tax exemptions prescribed for investment projects.
- Facilities for allocating industrial land.
- Freedom to transfer profits and capital according to applicable legislations.
- Facilitating government licenses and approvals procedures.
- Supporting industrial projects related to food security and agricultural manufacturing industries.

Technical and Economic Feasibility Studies Services

In case the investor wishes to obtain an integrated technical, economic, and financial feasibility study for the project according to approved international standards, specialized consulting offices are available at the Ministry of Investment and its partners, capable of preparing the final studies for the project, and the cost of preparing the final study is 1.5% of the total investment value of the project.

Invitation to Invest

The Ministry of Investment invites local and international investors, specialized companies in the food industries and snack and potato chips production sector to participate in this promising industrial project, which contributes to localizing food industries, enhancing food security, increasing the added value of local agricultural products, reducing imports, supporting non-oil exports, and diversifying the national economy.

MINISTRY OF INVESTMENTMINISTRY OF INVESTMENT -*State of Libya*