



Aras Free Trade-Industrial Zone Organization

## **Technical and Economic Feasibility Form Production Projects (Industrial - Agricultural)**

1. Project: Packaging of seafood

2. Project Presentation:

Processing and packaging of seafood with a capacity of 2,200 tons per year

### **3. Description of the Project:**

a. Necessity of the Project:

Considering the unique potential of the Aras Free Zone due to the presence of the water-rich Aras River and the existing advantages for aquaculture and fisheries projects, the establishment of a seafood processing and packaging unit is important both for producing healthy products and increasing the shelf life and export potential of the products, given the high risk of perishability of protein products derived from seafood.

b. Mainland Privileges (Raw Material – Market):

1. The presence of the water-rich Aras River as a permanent water source and the operation of multiple fish farming units. 2. Proximity to CIS countries as buyers and customers of protein products. 3. Suitable domestic market for processed seafood products.

c. Market Potentials:

Domestic market, Persian Gulf neighboring countries, CIS countries, European countries

d. Added Value:

The creation of significant value-added through proper processing of protein products, leading to increased shelf life and high export potential of processed products.

#### **4. Market Feasibility; Economic – Financial:**

a. Annual Demand for the Product (Domestic – Countries of the Region – World Demand):

There is an annual demand for the produced product in Iran, regional countries, and worldwide.

b. Raw Materials Provision Potential (Domestic – Countries of the Region):

The supply of raw materials is primarily possible through the existing operational fish farming units and local production. If needed, investors can also source raw materials from abroad.

c. Local and Regional Markets:

Domestic market, CIS countries, European countries

#### **5. FS Components:**

a. Fixed Capital: 650,000,000,000 Iranian rials  
110,000,000,000 Iranian rials

b. PBP: 3.5 years

c. IRR: 34

d. Land Area: 10,000 square meters  
Built-up Area: 6,000 square meters

e. Direct Employment: 25 individuals

6. Technical Specs:

a. Table of Raw Materials and Estimated Consumption:

Various types of seafood: 2,500 tons per year

b. Table of Products and Estimated Production:

Various products derived from aquaculture: 2,200 tons per year

c. Table of Machinery and Production Line Equipment

1. Equipment related to seafood processing
2. Packaging equipment
3. Cold storage unit equipment
4. Suitable transportation equipment

d. Schematic Diagram of the Production Process:

Various fish species and aquaculture products - Processing seafood products and aquaculture - Packaging - Transfer to cold storage – Sales

e. Table of Energy and Labor Costs

Cost: 6351 million Rials	
Energy:	4451 million Rials
Work force:	8251 million Rials

## 7. Risks of the Project:

### a. Existing Risks in case of Losing Potential Market:

Exchange rate risk - Inflation risk - Liquidity risk - Business risk

### b. Risk of Rising Raw Material Price:

In case of an increase in the exchange rate, the cost of imported raw materials also increases, which affects the total cost of the product.

### c. Retention Risk:

Mandatory management of safety and hygiene in the workplace - Organizational risk management on performance - Training of human resources and personnel for risk awareness to reduce the likelihood of harm

### d. Risk of Currency Fluctuations and Inflation:

Financial provision based on national currency - Alignment of debts or assets based on the unit currency - Presentation of financial reports and statements in currency (without conversion) - Presence in the market for derivative contracts - Execution of compensatory transactions - Contracting for the purchase and sale of products in the national currency.