

PROJECT PROFILE – SUMMARY SHEET

Project Introduction

1. Project Title: Silica Processing

2. Sector: Industry

Sub sector: Non-metallic minerals other oil and coal

3. Products/Services: Used in casting, glass making and more

4. Location: Qorveh-Kurdistan

Free zone ☐

Economic special zone ☐

Industrial Estate ☒

Main Land ☐

5. Project description:

Silica comes from the Latin word of Silicis in the meaning of hard rock, flint stone and silica. It was discovered in 1824 by Jons Jacob Berzelius in Sweden. Crystallized Silica was discovered in 1854 by Deville.

Generally, all mineral stones with SiO₂ composition are called Silica. It is a plentiful composition in the nature. Quartz, Tridymite, Cristobalite, Quartzite, Orthose, Chalsedony, Flint, Jaspis, Diatomite, Agate and Opal are among silica based crude materials. Silica is one of the most complex and most abundant families of materials, existing as a compound of several minerals and as a synthetic product. Notable examples include fused quartz, fumed silica, silica gel, and aerogels. It is used in structural materials, microelectronics (as an electrical insulator), and as components in the food and pharmaceutical industries.

Due to the high volume of silica mines in Kurdistan province, in terms of raw materials, all the raw materials of this project can be produced within the province.

The importance of this product is related to its wide application in various industries. As a result, due to its wide application in domestic markets, including the glass industry, which is an intermediate product for the construction industry, it is the target, and the neighboring countries, including Iraq, Syria, and Afghanistan, which are growing, can be a suitable market for the sale of this product.

And according to the study, this project has a high Internal Rate of Return, Payback Period set to 396 and breakeven point set to 58.55%, therefore investment in this project is economically feasible.

Also, there are many investment incentives for investors. For example, "Preparation of land for the implementation of industrial plans and completed plans following technical and engineering principles and modern settlement methods", "Availability of infrastructure facilities in industrial areas", "Allotment of industrial land with suitable conditions", "Remission of 40 to 45 percent of the land price in industrial towns, especially for units that are put into operation faster than the schedule and have continuous production".

6. Annual capacity: 36000 Ton

Project Status

7. Local / internal raw material access 100 %

8. Sale:

- Anticipated export market ... %

9. Construction Period: 1 years, 6 months

10. Project Status :

- Feasibility study available?	Yes ☒	No ☐
- Required land provided?	Yes ☒	No ☐
- Legal permissions (establishment license, foreign currency quota, environment, etc) taken?	Yes ☒	No ☐
- Partnership agreement concluded with local/foreign investor?	Yes ☐	No ☒
- Financing agreement concluded?	Yes ☐	No ☒
- Agreement with local / foreign contractor(s) concluded?	Yes ☐	No ☒
- Infrastructural utilities (electricity, water supply, telecommunication, fuel, road, etc) procured?	Yes ☒	No ☐
- List of know-how, machinery, equipment, as well as seller / builder companies defined?	Yes ☒	No ☐
- Purchase agreement for machinery, equipments and know- how concluded?	Yes ☐	No ☒

Financial Structure

11. Financial Table

Description	Local Currency Required			Foreign Currency Required Euro	Total Euro
	Million Rials	Rate Rial	Equivalent in Euro		
Fix Capital	748,425	380,000	1,969,539	0	1,969,539
Working Capital	329,620	380,000	867,421	0	867,421
Total Investment	1,078,045	380,000	2,836,960	0	2,836,960

- Value of foreign equipment/machinery 0 euro
- Value of local equipment/machinery 78,947 euro
- Value of foreign technical know-how 0 euro
- Value of local technical know-how 0 euro
- Net Present Value (NPV): 9,135,984 euro for 5 Year
- Return on Investment (ROI) 20%
- Payback Period (PP) 3.96 Year

General Information

12. Project Type : Establishment ☒ Expansion and completion ☐

13. Company Profile:

-Name (legal /natural persons) :

-Company Name :

-Address :

-Tel: Fax:

-E-mail: Web site:

-Local entrepreneur : private sector ☐ public sector ☐ other ☐

Please attach follow documents if available

- Pre feasibility study ☒
- Feasibility study ☒
- Legal permissions (establishment license, foreign currency quota, environment, etc) ☐

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