

CROATIA

Forestry

Location

Sisak-Moslavina County

Programming period

2014 – 2020

Priority

P2 – Competitiveness

Measure

M8 – Investments in forest areas

Funding (EUR)

Total budget 887 540.45

EAFRD 377 204.69

National/Regional 66 565.53

Private 443 770.22

Project duration

2017 – 2018

Project promoter

SHERIF EXPORT-IMPORT Ltd.

Contact

amor.barakovic@sherif.hr

Website

www.sherif.hr

Acquisition of a wood chipper that produces chips for cogeneration more efficiently, thus reducing the cost of tools and consumables per unit of finished product.

Summary

“SHERIF EXPORT-IMPORT” Ltd. is one of the leading companies producing wood and wood products for export in Croatia. The company aimed to improve the market price of its products and at the same time, use part of its biomass for the cogeneration of electricity and heating. For this purpose, the company used RDP support to purchase a wood chipper that allows greater volumes of biomass to be produced and of better quality.



Results

The project enabled the independent production of wood biomass at a rate of 50 tonnes per hour.

4 new workers were recruited to support the operation of the wood chipper. 2 additional employees were also hired to take care of the logistics of supplying the machine.

The wood chipper allows the business to process wood residues from all over the county at its site.

Lessons & Recommendations

- ❑ As this was a large investment, the beneficiary made sure that all risks were properly anticipated and eliminated before implementation of the project.

Context

In its long-term development strategy, "SHERIF EXPORTIMPORT" Ltd. aims to become a regional leader in the production of electricity and thermal energy and a logistics centre for processed biomass. The company is among the top 3 top exporters of wood and wood products in Croatia. It owns a forest estate from which it produces the forest biomass, which it would like to sell on the market at 60 euros per tonne. This compares favourably to the 30 euros per tonne it receives for exporting unprocessed raw material to Italy. Part of the biomass will also be used for generating heat and power. SHERIF intends to become the leading regional hub for biomass. This will result in additional environmental benefits.

Objectives

The purpose of the project is to increase the volume of production and competitiveness of the beneficiary, strengthen its position in the domestic market and facilitate its access to new markets.

The wood chipper will allow it to maintain existing jobs and create new employment opportunities, while adhering to the principles of sustainable development.

Activities

SHERIF EXPORT-IMPORT" Ltd., together with the affiliated company "BE-TO Glina" Ltd., built a biomass cogeneration plant in 2009 that produces electricity and thermal energy. In order to improve the efficiency in raw material production for the plant, the group purchased a wood chipper in January 2018 through a procurement

procedure. As the company had no experience in implementing such projects, meaning receiving finance under Measure 8 on investments in forest areas, it engaged an external expert who was in charge of advising on the implementation of the project.

Main results

The project enabled the independent production of wood biomass at a rate of 50 tonnes per hour. This will contribute to the increased long-term sustainability of the business and add value to the raw materials produced.

4 new workers were recruited to support the operation of the new wood chipper. 2 additional employees were also hired to take care of the logistics of supplying the machine.

The wood chipper allows complete control of the residual wood management, making the entire manufacturing process more efficient.

The wood chipper enables the business to process wood residues from all over the county at its site.



Key lessons

As this was a large investment, the beneficiary made sure that all risks were properly anticipated and eliminated before implementation of the project.

Additional sources of information

n/a