

## ROMANIA

Improving the  
competitiveness of  
the agricultural and  
forestry sector

### Location

Nucet, Dambovitza County

### Programming period

2007-2013

### Axis / Priority

Axis 1

### Measure

121 - Modernisation of  
agricultural holdings

### Funding

Total budget 5.1 mil EUR  
EAFRD 0.9 mil EUR  
National/Region. 0.05mil EUR  
Private 3.7 mil EUR  
Other 0.4 mil EUR

### Project duration

Jul 2011 – Sep 2015

### Project promoter

BEST TEAM CONSULTING SRL

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A dairy producer in Romania obtained EAFRD support for the construction of a renewable energy production unit that uses by-products from milk production.

## Summary

In response to increasing demand for milk in Romania, a dairy producer through Measure 121 – which grants support for the modernisation of agricultural holdings – was able to set up its own power generation system.

The system produces renewable energy (biogas) from milk production by-products.



More specifically, using livestock manure and wastewater from the milking room and the milk processing unit, the system produces sufficient electricity and heat to operate the farm and the processing unit.

## Results

The advanced technological solutions applied helped reduce energy consumption and wastewater. Animal welfare for the animals was improved due to improved ventilation and reduction of insects. Processing of the manure for the production of biogas reduced gas emissions to almost zero.

The investment also helped create new jobs without gender discrimination since the units have separate changing lockers.

Thanks to EAFRD support high-quality milk and dairy products are being produced to meet the high demand in the market. At the same time, reduced production costs and greater efficiency has increased the farm's profitability and competitiveness.

## Lessons & Recommendations

- A good applicant's guide and specialist consulting services greatly help with applications for funding.
- The investment may not be possible without engaging a company specialised in designing and implementing industrial construction projects.
- Good communication between the beneficiary, local authorities and the Agency for Financing Rural Investments helps overcome challenges.
- Obtaining private sources for funding from the banks is difficult for start-up companies.
- It can be necessary to repeat the procurement procedure if insufficient or non-compliant offers are received.

## Context

BEST TEAM CONSULTING, a large dairy producer, is based in Dambovită County, a major area for agricultural production in Romania. Farms in the county are predominantly large producers. In response to an increasing demand for milk in Romania, the dairy farm wanted to expand its activities using the support of Measure 121 - modernisation of agricultural holdings.

## Objectives

The overall aim of the company was to expand its production line by creating a modern dairy processing unit. It was also aimed to benefit from renewable energy by using by-products to produce electricity and heat to operate the farm and the milk processing unit. In addition, through the efficient use of secondary products, it would reduce ammonia emissions.

## Activities

As a first step the company purchased a piece of land for breeding animals. The milk processing and biogas production units were also set up. The biogas production unit would use livestock manure, wastewater from the milking room and from the milk processing unit to produce the necessary electricity and heat to operate the farm and the milk processing unit.

The business plan for the expansion of the farm included:

- A 'greenfield' type project to breed at least 250 dairy cows;
- A milk processing unit;
- A renewable energy plant, with a capacity of 250 kW;
- A local water supply system to meet the drinking water needs of the farm; and
- A local sewer system and sewage for wastewater and manure.

Several procurement procedures were organised in order to purchase the equipment at the best price, while local authority support was solicited to obtain the necessary permissions in order to carry out the investment as planned.



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### Additional sources of information

n/a