

PROYECTO DE INVERSION #292

Installing a production plant of pellets and briquettes from vegetable biomass and/or animal waste, with a production capacity of 15,000 ton/year.

Sector

RENEWABLE ENERGY

Subsector

BIOMASS

Brief description of the business opportunity

The investment opportunity is to install a production of pellets and briquettes (capacity: TN 15000 per year) from plant biomass and/or animal waste in order to supply the domestic and foreign markets. The internal rate of return expected is 13 % and the recovery period of investment is two years.

Brief description of the product/service

The project plans to install a production plant with an installed capacity of 15,000 Ton. of biomass (pellets and briquettes), which would be produced from agricultural, agro-industrial and livestock waste. Ton market is estimated at a price of 135 € / ton. (CIF industrial pellet in the port of Rotterdam). The estimated cost of production is estimated at 40 % compared to the international price of wholesale.

Brief description of the target market(s) of the product/service

Currently, the world market for pellets amounted to 20 million tons a year. In 2012 , Europe consumed 12.7 million tons . (63%), reaching a figure of around U.S. \$ 3,000 million. Global demand is growing and is unsatisfied. The output of this project will be used by 75-80 % to the foreign market whereas 20/25 remaining % will go to the domestic market.

Brief description of the advantages of the company or cooperative to carry out the investment project

The developer has developed other projects use diverse biomass and helical. He also has experience in structuring strategic partnerships for project development.

Brief description of the context of the investment opportunity

The trend of the energy market is the rising price of non- renewable sources. Also, regulations on environmental damage indicate that the future scenario is for growth in demand for biomass pellets. Europe must reduce carbon emissions to meet the Kyoto Protocol. Trade in pellets/briquettes has a wide international market and a promising domestic market. European countries generate high demand, besides giving tariff benefits that facilitate marketing because of existing treaties. In 2012, Europe consumed 12.7 million tons of pellets and the United States and Canada established themselves as the main exporters.

More information about the investment project

City/Area: Entre Ríos, Argentina

Total amount of the Investment Project: US\$ 1.300.000,00

Minimum amount required from investor: US\$ 1.040.000,00

Payback period: 2-5 years

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Purpose of the Investment: New productive unit, Development of new products/services, Breaking into new markets in Argentina, Other (specify) - To treating

Destination of the Investment: Machinery and Equipment, Vehicles and Transport Equipment, Land and Buildings, Intangible Assets (Patents, Licenses), Sales and Marketing, Working Capital

Investment Project's stage of development: Business plan

Brief description of the main stages of the project:

Year	Amount	Destination
1	850.000,00	Land and buildings. Machinery/equipment. Working Capital.
2	200.000,00	Vehicles & Transport, Trade and marketing. Commissioning of patentable method and briquettes.
3	150.000,00	Quality Certification. Training new technologies. Machinery.
4	100.000,00	Patent licenses. Promoting domestic/industrial use. Kyoto Protocol: economic advantages.
Rest		
Total	1.300.000,00	

Type of public incentives available for the Investment Project: Tax breaks, Subsidised credits, Direct subsidy, Financial facilities

Type of investor required for the project: Financial Investors around the world, preferably with contacts, activity or experience in the project area to increase marketing opportunities for products.

Información de la entidad promotora del proyecto de inversión

Entidad promotora de este proyecto: Fundación

If you're interested in learning more about this project, send an email to bapip@mrecic.gov.ar