



CORAL CONSULTING SERVICE

INVESTMENT PROJECT PROFILE



Project title	Production of pellets, Gradiska	
Sector	Wood industry	
Location	Municipality of Gradiska	
Location description	Located on the northern border with Croatia; distance from the Belgrade-Zagreb highway: 11 km; distance from Gradiska town: 1.5 km	
Project background	The project proposer owns a land plot of 111 000 m ² with a business building of 5 500 m ² that used to be a factory for bricks production, an asphalt parking lot of app. 5 000 m ² , available (flat) land of app. 50 000 m ² , 4 -5 smaller artificial lakes, and rest of the land is covered by forest.	
Project status	Business idea, completed project documentation with a building permit	
Project description	<p>This project proposes launching of pellets production. Financial analysis is based on the following:</p> <ul style="list-style-type: none">• The planned annual production capacity: 20,000 to 40,000 tons• The average market price of a ton of pellets produced in BiH• 140 EUR - 150 EUR / ton• Viable profit per ton of pellets: 40 EUR – 50 EUR• The planned production capacity will employ 25 workers directly in production• and 150 - 200 workers indirectly (other related activities)• Viable profits annually: 1-2 million EUR <p>With these calculations the maximum payback period is 2-3 years.</p>	
Estimated total investment cost	3 100 000 EUR	
Inputs provided by local partner	Value	Description
	1 250 000 EUR	Manufacturing facilities (land and associated buildings)
Investment from foreign partner	Value	Description
	1 850 000 EUR	Production line for pellets production: 1 500 000 EUR Adaptation of buildings: 150 000 EUR Purchasing of additional equipment: 200 000 EUR
Form of cooperation with foreign partner	Joint venture, partnership or selling	
For additional information about this project, please contact by e-mail: info@coral-consulting-service.com		