

ARKHANGELSK REGION: PAST, PRESENT AND FUTURE

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It is not necessary to introduce the Arkhangelsk Region to the global industrial timber community. Some of its enterprises are recognized as the largest in Europe. Arkhangelsky TsBK and Kotlassky TsBK, Solombalsky LDK, Lesozavods #3 and #25 as well as many others, create the image of the region, and the claim 'made in Arkhangelsk' is a guarantee of the high quality and environmental friendliness of their timber products.

Arkhangelsky TsBK

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Project location: Arkhangelsk Region, town of Nyandoma.

Feasibility report: Production capacity - 50,000 tons of fuel granules per year

Total project cost: \$2.82 million

Required investment: \$2.82 million

Expected profit:

NPV - \$3.48 million

IRR - 240.8%

Cost recovery period - 2.2 years

23 new jobs

Project status:

Itinerary feasibility study conducted. Enterprise's investment - \$0.135 million. Possible forms of investor participation - project crediting.

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UPGRADING OF JSC SHALAKOUSHSKY LESOZAVOD

Project initiator: JSC Shalakoushsky Lesozavod.

Project summary: Production upgrading includes the installation of drying chambers and grading and treatment facilities for dried sawn timber. At present the plant produces fresh sawn timber whose properties deteriorate during storage and transportation to the customers. The enterprise can allocate a ground for the construction of the sawn timber drying and finishing shop. The energy for driers can be supplied by the existing boiler house using sawmilling waste. After the installation of drying chambers, the enterprise will be able to finish and grade kiln-dried sawn timber. A packing line for the preparation of timber for shipment will be fully automatic.

Project aim: Upgrading of production lines of JSC Shalakoushsky Lesozavod.

Project location: Arkhangelsk Region, Nyandoma district, s. Shalakousha.

Feasibility report: Drying and treatment facilities for exporting oven-dried sawn timber with the annual output of 50,000 m³.

Total project cost: \$3.44 million including installation of drying chambers - \$1.1 million grading and treatment of kiln-dried sawn timber - \$2.34 million

Required investment: \$2.57 million

Expected profit:

Annual profit - \$0.56 million

Cost recovery period - 6 years

Number of retained and new jobs - 15

Project status: Business Plan developed. Project implementation period - 18 months. Enterprise's investment - \$0.87 million. Possible forms of investor participation - project crediting.

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NEW DRYING AND INTEGRATED TIMBER PROCESSING LINE

Project initiator: JSC Niva

Project location: Arkhangelsk Region, Plesetsk region.

Project summary: Establishment of up-to-date processing line for the drying and deep processing of timber.

Project aim: Expansion of production capacity.

Total project cost: \$0.4 million

Required investment: \$0.3 million

Expected profit:

Net profit - 30%

Cost recovery period - 30 months

Increased number of jobs (by 25)

Project status: Investment offer developed. Enterprise's investment - \$0.1 million. Possible forms of investor participation: project crediting, establishment of joint production.