

Construction of «Ivatssevichdrev» Open Joint Stock Company, the particle boards and laminboards production unit of 250 thousand m3 per year productive capacity.

<b>A. Project Opportunity Description:</b>	
A1. Project Name:	
Construction of «Ivatssevichdrev» Open Joint Stock Company, the particle boards and laminboards production unit of 250 thousand m3 per year productive capacity.	
a. Short name:	
Construction of «Ivatssevichdrev» Open Joint Stock Company, the particle boards and laminboards production unit of 250 thousand m3 per year productive capacity.	
b. Full name:	
Construction of Ivatssevichdrev Open Joint Stock Company, the particle boards and laminboards production unit of 250 thousand m3 per year productive capacity.	
c. Summary description:	
Creation of modern high-tech particle boards and laminboards production facilities of 250 thousand m3 per year productive capacity; increase of their production output and sales volume; ensuring competitive strength in the national and foreign markets.	
A2. Progress Status:	
Business plan has been developed. The investor is required.	
A3. Organizations involved and their roles:	
1) OJSC «Ivatssevichdrev» - the borrower. 225295, Ivatssevichi, Zavodskaya st., 4; phone.: +375 1645 22104; 2) Concern «Bellesbumprom» - carries out the control over the project and its coordination. 220030, Minsk, K. Marks st., 16. Phone/fax +375-17-2274483, +375-17-2104445. Chairman – Shulga Vladimir Edvardovich.	
A4. Project Description:	
Creation of modern high-tech particle boards and laminboards production facilities of 250 thousand m3 per year productive capacity; increase of their production output and sales volume; ensuring competitive strength in the national and foreign markets. Purchase of the processing line for production of particle boards and laminboards of 750, 1830, 2070 mm width after side-lay edge cutting at the press output. The equipment will ensure possibility to manufacture plates of 2440, 2750, 2800, 4500, 3600 mm length, and from 8 to 40 mm thickness.	
A4a. Project cost (mln USD):	
118.8	
A5. Background / history / overall programme / related or similar projects:	
Startup of the particle boards and laminboards production plant will satisfy demand for high-quality boards used in furniture industry, as well as for manufacture of laminated floors. Stable high demand will enable minimization the project payback period.	
A6. Environmental impact summary:	
It is planned to purchase high-technology equipment which will enable to reduce hazardous impact on the environment thanks to application of the state-of-the-art technologies that provide for use of waste wood as fuel. Such measures will enable to minimize emission concentration in the area where the facilities are located.	
A7. Possible obstacles/ problems/ risk assessment:	
Wood particle plates use steady demand with the tendency on increase in the external and internal markets. In Byelorussia there is enough forest resources for maintenance of manufacture.	
A8. Term of realization / term of recoupment (years):	
- /5,6	
A9. Project's branch:	
Woodworking	
<b>B. Capital Cost Items (additional requirements for project):</b>	
B1. Project physical components	B2. Capital cost (mln USD)

design and construction	16.0
complete set of equipment	74.0
other components (erection, transport, filling equipment supplied by the purchaser)	28.8
Total:	118.8
<b>C. Capital Resources Available from Sponsors/ Proposers:</b>	
C1. Resources 'in kind', grants, investments, equity / ownership, etc.	C2. Amount (mln USD)
Own means:	1.0
<b>D. Required Financial Assistance:</b>	
D1. Financing gaps, type of financial assistance required:	
- foreign loan against guarantee of the Government of the Republic of Belarus, for purchase of the manufacturing equipment; - loan of the Belarusian bank.	
D2. Sources of finance	D3. Type of investment
As source of financing will be investor's funds.	credit contract
	D4. Amount (mln USD)
	117.8
D5. Financial/ International Institution Name:	
<b>E. Demand (users) and revenues:</b>	
E1. Type of users/ markets, volumes, pricing, revenues, quantifiable benefits/ savings:	
The particle boards of 8 to 40 mm thickness will make the basis of production and export potential during the project implementation. The forecasted particle board price will be approximately USD 120 in 2007, up to USD 129 in 2010, etc. From the date of attaining 100 % productive capacity, the production volume will make 250 thousand m3 of particle boards and laminboards.	
E2. Revenues (Sales)	E3. Amount (mln USD)
Total:	68.0
<b>F. Operating and Maintenance Costs:</b>	
F1. Cost components, strategies for cost recovery, operating organisations, subsidies, etc.:	
F2. Cost Item	F3. Amount (mln USD)
Raw material and materials	24.0
Fuel and energy	6.0
Expenses for remuneration of labour, with deductions	6.0
Depreciation charges	12.0
Total:	48.0
<b>G. Net Income Value:</b>	
G1. Net Income Value	G2. Amount (mln USD)
Net income:	20.0
<b>H. Project information source:</b>	
H1. This form was completed by:	
Tomin Dmitry Vladimirovich, Concern «Bellesbumprom», tel. +375-17-2255030.	
H2. Organisation (address):	
OJSC «Ivatsevichdrev» - the borrower. 225295, Ivatsevichi, Zavodskaya st., 4.	
H3. Tel/Fax/E-mail:	
phone.: +375 1645 22104	
H4. Date:	
March, 2007	
H5. Supreme Organization:	
Concern «Bellesbumprom»	