

GREECE

Improving the competitiveness of the agricultural and forestry sector

Location

Kalampaki, Drama

Programming period

2007-2013

Axis / Priority

Axis 1

Measure

M – 123 Adding value to agricultural and forestry products

Funding

Total budget 1.9 mil EUR
RDP support 1.1 mil EUR
Private 0.8 mil EUR

Project duration

Mar 2014 – Nov 2015

Project promoter

SME

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EAFRD funding enabled setting up a sawn timber production company in northeast Greece that employs modern equipment and contributes to the local economy by using local resources.

Summary

Measure 123 support enabled Mr Michael Isaakidis to establish his sawn timber production company. The investor had already considerable experience in the field of timber. His trading company ISAAKIDIS SA, which is engaged in the marketing of timber, firewood and building materials, has enjoyed a significant presence in the Greek market for 25 years.



Support from the rural development programme enabled the investor to carry out the construction of the buildings and the supply of the required equipment for an integrated standard woodworking plant. Infrastructure included a complete sawmill processing line, equipment for the management of wood chips, sawdust silo assembly machinery, an electronic weighbridge, hoisting equipment, a loader for handling the sawdust and computer equipment. The sawmill products produced include:

- Fir timber intended primarily for the construction of roofs;
- Beech used primarily in the making of furniture and wood boards; and
- Pin mainly used for making pallets.

The raw material for sawn timber production is mainly sourced from the Drama regional unit and the wider region of Central and Eastern Macedonia, and Thrace.

Results

The project created a prototype integrated wood processing plant that represents a significant boost to the local economy and the creation of jobs.

The support received enabled the company to produce high-quality products using the latest technologies that meet the latest standards.

Eventually it is expected to deepen market penetration by further developing the customer base thanks to sufficient production that meets the expected demand and that unit costs are minimised through economies of scale.

Lessons & Recommendations

- ❑ The project showed that investing in modern equipment and production methods can give companies a competitive advantage, improving the quality of the products while lowering production costs while contributing to the wider local economy.