PROMOTION OF WOOD BIOMASS AND PELLET IN CROATIA

WOODEMA CONFERENCE, GDANSK 2013

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Problems!

- Wood pellet and biomass is often **marginalized** in Croatian energy strategies and documents
- Symbolic interest of media in promotion of this ecological fuel
- **95% of produced quantities have been exported**

The pellet and other wood biomass production become on global level more and **more lucrative business**!

The European Commission **proposal is to maintain the EU’s position as a world leader in renewable energy**!

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What is Pellet?

Wood pellet is a type of wood fuel, generally made from compacted sawdust or other wastes from sawmilling.

The humidity of the wood pellets is only 10 percent and that is the reason for high energetic efficiency of the pellet. The pellet is mostly used in North America and Scandinavia but also in Austria, Italy and Germany.

It is suitable for residential and public heating and also for big industrial plants.
Pellets Advantages

The use of pellet brings many advantages: it replaces import of fossil fuels, balances account deficit, increases employment in rural areas and contributes to Kyoto protocol and EU strategy tasks (20:20:20).

The media campaign will include large spectar of promotional activities and the goal is to popularize the pellet among general population.
The wood pellet market has experienced a large growth in the last five years. In 2006 the production of wood pellets was estimated between 6 and 7 million tons worldwide (not including Asia, Latin America and Australia).

In 2010 the global wood pellet production reached 14.3 million tons, including the mentioned countries, while the consumption was close to 13.5 million tons\(^2\) thus recording an increase of more than 110 percent if compared to 2006.
Association Initiatives

Association of Croatian Pellet, Briquette and Wood Biomass Producers) have therefore started a promotional campaign, with the help of domestic pellet stove producers.

The campaign has been presented during the Ambienta fair 2012, and the pellet producers donated half of a kilogram of pellets to each visitor (38,000 pax).
Pellet Promotion

Pellet consumption in Croatia is in the beginning; manufacturers turn to pellet promotion with the support of competent institutions.

To provide these activities in 2013 the Association needs funds in the amount of 102,700 EUR. The funds should be raised through membership fees and donations as well as through participation in national and European projects.

The measurement of the success (carried out by Faculty of Forestry, University of Zagreb) will be parallel with the implementation of the activities.
Raw material and market position

Wood processing industry represents an important sector and more and more investors choose wood energy projects.

Forestry on the other hand, disposes with great amount of wood, thanks to the sustainable forest management (FSC).
Popularize the Pellet

The media campaign **will include large spectar of promotional activities** and the goal is to popularize the pellet among general population.

**Develop socially responsible business,** especially if using wood waste energy or produce energy fuels such as pellets or briquettes.
Project 300
public buildings!

Possible partners in Croatia

• AEBIOM
• KfW Bank Germany
• UNDP
Nekoliko europskih zemalja fokusiralo se na smanjenje ekleta staklenika sustavno povećavajući korištenje energetske izvora koji se obranjaju. Teme cilja uvelike pomaže korištenje drva kao goriva. Nemačka je na temu predložila oborinu oko 4.5 milijuna sastava za grijanje do 2005. godine. Pokrenuta je informativna kampanja kako bi se razbile sve preduslene i bolje upoznati drvo i njegova primjena u agrarnim industrije u različitim oblicima, jednostavnost uporabe, sigurnost i evolucije u tehnologiji izgaranja, zahtjevajući bilo koju se može upotrijebiti za korištenje izdvojiv ulja ili plina. S razvojem drevnih peleta i odgovarajućih pogona, drvo predstavlja efektni i siguran ekološki prihvatljiv gorivnic, ta je karakteristiku zamijenu za fosilna goriva.

Eko lo se prednosti
Proizvodnja ugljik-dioxida iz peleta staklenika je neugodna, što znači da će u gorištu dizajniranog, procesiranog pri izgaranju prehodno ispuštati dio plina, koja je u komandom temperaturama lagano zatvoren vlot. Kao neko moguće naše dijete, ujedno s ispuštanjem iz gorišta, odlučivajući na ove slike, ne mogu da se ispuštaju u zrak. Smanjenje troškova u novog dizajniranog gorišta, što na temelju malih, je postiženje gorišta CO2 u atmosferu što je pozitivno u vlastite slike atmosfere.

živi pelet
Peleti su malo prednosti izdvajajući se prednostno uzorak novog dizajniranog gorišta (plje- ne, hvatače, otvorene, grijanici 2-8 mm i dužine 10-30 cm, pojačani pod vezom peleti, koji bez kemijskih aktivna i smrtonosna izgaranja od 4-9 MW/č).

Eko lo se prednosti

Karakteristika elementa
U svijetu raste termalne ane- gece pravila odreda indus- trije (CO2, potrošnog na- druga biogoriva).

S obzirom na detaljnijeg, na temelju bio- goriva, raspoloživih na temelju grijanja, a po- stavljajući su vlastitu ener- giju, sistematički, odlučivajući na ove slike, ne mogu da se islagaju u zrak. To je karakteristika raspolo- živih goriva.

Partners

- Fund for Environmental Protection and Energy Efficiency
- Promotional campaign “Wood Comes First” (Croatian Chamber of Economy)
- Croatian Ministry of Economy; Department for Industry Policies, Energy and Mining
- Croatian Ministry of Environmental Protection
- Energy Institute Hrvoje Pozar
- HEP d.d. (Croatian Electricity Company)
- Center for Monitoring Business Activities in the Energy Sector and Investments.
Distribution?

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Distrbution?

PROMOTION OF WOOD
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Expected Effects

• Creation of the domestic market of pellets
• Rational and increased use of renewable energy sources
• Approaching to targets of Kyoto Protocol and EU regulations
• Greater representation of pellet stoves and pellet heating technology in the projects of new housing and public buildings
• More responsible approach to the environment, forest, wood and products from renewable sources
• Raising awareness of the relevant institutions for the problems of production and marketing of pellets in Croatia.
Promotion Results

• After only few months of promotional activities, some changes can be observed regarding pellet selling and consumption.

• Also, some new projects of biomass distance heating are started as a direct result of this promotion.
CLUSTER ACTIVITIES

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Marijan Kavran, Cluster Manager, Croatian Wood Cluster
Clustering in Croatia

Similar to other transitional countries the concept of 'clusters' is being utilized in Croatia, but without any real understanding of its nature, management or linkage with impeding and impelling development factors.

Research and development has been interpreted as indicating that “clustering” creates effects which help sustain long-term competitive production systems, even when they comprise predominantly small firms (Nadvi and Schmitz 1994).

However, even though cluster theory has been receiving praises among scholars, this theory also has not been far from critics.
What is Cluster?

The term business cluster, also known as an industry cluster, competitive cluster, or Porterian cluster, was introduced and popularized by Michael Porter in *The Competitive Advantage of Nations* (1990).

The importance of economic geography, or more correctly geographical economics, was also brought to attention by Paul Krugman in *Geography and Trade* (1991). Cluster development has since become a focus for many government programs.

**NEW PARADIGMA FOR WOOD_PROCESSING INDUSTRY:** Raw material and tradition are not sufficient to guarantee survival!
What is Cluster?

Rosenfield (1997) has defined clusters simply as ‘concentration of firms that are able to produce synergy because of their geographical proximity and interdependence’

Alfred Marshall, in his book Principles of Economics (1890), characterised ‘concentration of specialised industries in particular localities’ that he termed as industrial districts.
Croatian Ministry of Economy and the Agency for Investments and Competitiveness establishes three pilot Competitiveness Clusters with support from the „Support to cluster development“ Project.

Nine more are currently in the process of establishment.
Activities: Intensive international cooperation

Study tour: Austria 2006, Italy 2009, Bask Country 2012, Poland 2013, etc...
Activities: International Projects
IN2WOOD, ID: WOOD

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Big Potential in SEE Region

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Brending: Slavonian Oak!
Oak is Our Gold!

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THANK YOU FOR ATTENTION!

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