Forest Inc.
Optimising Supply Chain for Prosperity & Sustainability

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Kristijan Molan, Mikran, Slovenia
Mikran - More than Fiber and Paper

Established in 1993 as an independent sales agency with 45 years of experience in pulp and paper business

By 1999 we had grown to become one of the largest agents of international pulp, paper and board suppliers in the territory of former Yugoslavia

Adding value to supply chain is our core competence
Slovenia – A Land of Forests

Forest cover by Cadastral Communities

Source: Gozdarski inštitut Slovenije
Slovenia – A Land of Forests

Area of forests: 1,2 mil. Ha (59 %)
Ownership: 30 % state & other public
Wood stock: 301 mil. m³ (con. 142 / dec. 159)
Increment: 7,6 mil. m³
Available cut: 4,1 mil. m³ gross
Actual cut: 2,8 mil. m³ net

Forest area per inhabitant: 0,6 ha
Woodstock per inhabit.: 150 m³
Increment per inhabit.: 2,5 m³
Slovenia – A Land of Forests

59% of Slovenia’s surface is covered with forest BUT ONLY

0,6% of total GDP comes from forestry sector which calls for immediate action and opens wide range of opportunities
Forest Inc.
Optimising Supply Chain for Prosperity & Sustainability
Forest Incorporated

Is a working name for a project that aims to create an organisation which would optimise the supply chain from underused natural resources (forest) to future investors in Slovenia in several fields of value-adding end uses, such as:

- Biofuels
- Bio chemicals
- Nano cellulose
- Bio composites
- Bioenergy
- Speciality pulp & paper
- Food and pharmaceuticals
Maximizing Added Value

Smaller countries must create an effective supply chain and position their services towards niche industries and products in order to maximize added value.

Only by such set up they can attract the buyers and investors and keep the profits at home.

Profit = JOBS!
A well managed and successful sales organisation would enable some 300,000 forest owners to focus on their assets which would create new jobs in both, UPSTREAM (forest, farming) and DOWNSTREAM (various industrial and bio-end uses) as solid ground for investments (greenfield) would be created.
EU incentives for such investments are available, but widely unused as supply chain for sustainable wood procurement is not in place.
Investing for the Future

Forest Inc. and its future co-operative partners would contribute to a trust fund which would be used to support:

- Research
- Education of future generations starting from kindergarten level
- Student grants

Clever HR tools are one of the key elements of success on the long run!
Nordic Know-How

Created over decades, proven in practice and fine tuned for the purpose, it offers a great expertise in the supply chain solutions and same time attracts Nordic and other bio-tech investors as potential customers.

It creates a platform of modern, clean and sustainable industry from renewable sources, any society is aiming at.
A Case Study for an Area Far Bigger than Slovenia

SEE, CEE and EE countries in transition have a lot in common:

• Focusing on transition of ownership
• Focusing to put the green initiative forward
• Adopting EU / UN green legislation
• Lacking an effective supply chain in the primary forestry sector
A Business Model for New Opportunities

• Know-how of creating a super efficient cooperative could well be applied to small farmers growing BIO/ECO fruits and vegetables.

• Many countries in CEE/SEE have not yet managed to spoil their soil with pesticides, pollution etc. – It’s time to show how added value could be created rather than moan over imports of cheap and tasteless vegies and fruits.

• Again, a supply chain and critical mass are key elements.
Action Plan

- Addressing Investors
- Addressing future customers
- Finnish Government has offered support to Slovenian Government (experience, legislation, ...)
- Study of CEE/SEE potential (Q1-2012)
- Going LIVE (Q2-2012)
Details and Future Discussions

Kristijan Molan
+386 40 787 231, k.molan@mikran.si

Martin Granholm
+358 400 560 481, gholm.advise@multi.fi