

PLANTATION AND CULTIVATION OF TREES (Tectonia Grandis)

The project, which offers excellent economic revenue and at the same time pays regard to environmental aspects, which are of utmost importance when it comes to developing the Bolivian countryside. The project comprises investments in subsequent plantation and cultivation of trees (Tectonia Grandis).

We can offer a perfect location for the project and for the plantation of these trees, which demand delicate soil and climate conditions for good growth.

- The cost of planting one hectare is 3,000 USD.
- The maintenance costs of 1 hectare not exceed 800 USD per year.
- Main harvest will take place after 12 years, gross revenue calculated to 40,000 USD per 1 hectare.

Current main markets for precious wood are North America, Japan and Europe. The Japanese use precious wood for construction of houses, while use in NA and Europe is mainly for furniture. Given the situation of decreasing supplies of natural forests, the long-term perspectives of plantations are very promising. In 2009 world market price for precious wood lumber was around 1,200 USD per cubic meter, and during the last 30 years prices have registered an average increase of 10% annually. As of today, nothing points to lower points but it looks inevitable that prices will keep on climbing as demand increases and supplies decrease.

