

CYPRUS

Renewable sources & waste management

Location

Psematismenos, Larnaca

Programming period

2014 – 2020

Priority

P5 - Resource efficiency & climate

Measure

M04 - Investments in physical assets

Funding (EUR)

Total budget 1 026 722
EAFRD 318 000
National/Regional 282 000
Private 426 722

Project duration

2017 – 2019

Project promoter

Aeroponics Mediterranean Ltd.

Contact

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Website

www.planty.eu

‘Planty’ have built a state-of-the-art greenhouse, that uses environmentally friendly techniques and covers the complete production cycle from seed to market.

Summary

Seeking innovative agriculture projects that are environmentally friendly and adapted to the market reality of Cyprus, the beneficiaries decided to invest in a state-of-the-art agricultural production unit. The new unit will provide premium horticultural products to the Cypriot market and, more importantly, will be able to export these products to new markets, such as the Greece and the Gulf Countries.

Rural Development Programme (RDP) support facilitated the construction of a state-of-the-art greenhouse which includes a nursery and a hydroponic growing plant, using Nutrient Film Technique (NFT) as well as storage and packaging facilities.



Results

Establishment of a 10 000 m² state-of-the-art facility and greenhouse made up of a 5 000 m² nursery and a 5.000 m² area for hydroponic production using the Nutrient Film Technique (NFT).

The facility also includes 850 m² for storage and packaging facilities, ready to supply the market with premium horticultural and hydroponic products including micro leaves/microgreens, herbs and leafy vegetables.

Lessons & Recommendations

- ? It is essential to have a very detailed construction plan that is updated daily during the works. In these types of projects, it is very easy to deviate from the budget.



Context

Cyprus, especially its seaside, is an ideal area for agricultural production due to the prevailing climate and exposure to sun light. Cypriot agricultural products are also considered qualitatively superior to those produced by the main competing Northern European countries (the Netherlands for example). Additionally, Cyprus has easy access to the vast markets of the Middle East, Russia, the Balkans and Greece.

The beneficiary wanted to make the most of these competitive advantages while also responding to the current market demand for healthier food, environmentally-friendly leafy vegetables and packaged ready-made products.

Hence, the beneficiary decided to set up a state-of-the-art agricultural production unit that would operate through the complete production cycle from seed to market and provide premium products. No such production unit existed in Cyprus at the time. The problem of water shortage would be solved by the high-tech cultivation technique (NFT) to be applied in the unit.

Objectives

The objective of this project in setting up a state-of-the-art agricultural production unit was two-fold: generate premium products to be sold at a high prices and produce them in sufficiently significant volumes to allow their export. Such an investment would improve the competitiveness of the business and create new business opportunities.

Activities

The facilities are located in the Psematismenos area of Larnaca, Cyprus. In September 2019 the beneficiary, launched the biggest horticultural facility and packaging factory in Cyprus with the support of EAFRD funding. This project supported the establishment of the unit. The initial stage included the development of the greenhouse covering one hectare and the packaging plant in 2.5 hectares of land, in the Maroni area that had already been purchased.

This project/business model is based on the team’s principles, where strong professionalism and teamwork are key. These strengths are the basis on which the actions of the four-year project was undertaken and led to

the beneficiary having a ‘ready to go’ business. Some of the actions included:

- Establishing the Aeroponics Mediterranean Ltd.;
- Signing an agreement with a certified organisation to prepare the Business Plan and feasibility study for the project;
- Identifying the appropriate area for the project using a multicriteria analysis through GIS analysis;
- Identifying the plots to be used: 35 000 m² were acquired through a land leasing agreement;
- Executing the engineering study;
- Finalising the feasibility study and using the B.O.M. (Bill Off Material) results for the financial analysis;
- Carrying out the preparatory work for the funding application;
- Submitting the funding application;
- Receiving the final financial approval for the project from the Cypriot Rural Development Programme (RDP);
- Securing additional financing (the beneficiary’s own funds and a Bank loan);
- Kicking off the construction works; and
- Gathering the 1st harvest.

Main results

Creation of a facility consisting of a 10 000 m², state-of-the-art greenhouse including a 5 000 m² nursery and 5 000 m² for hydroponic production, using Nutrient Film Technic (NFT).

The facility also includes 850 m² of storage and packaging facilities, ready to supply the market with premium horticultural and hydroponic products. The use of hydronic, NFT technology helped ensure high production yields, low operating costs, efficient production and major savings on water and fertilisers. The products have a longer shelf life and including micro leaves/microgreens, herbs and leafy vegetables.

Key lessons

It is essential to have a very detailed construction plan that is updated daily during the works. In this type of projects, it is very easy to deviate from the budgeted plan.

Additional sources of information

www.2bfreshcyprus.com