

# Energy and cost saving for a candy production line by replacing inefficient equipment



## CLIENT

- A Mongolian company specialised in production and trading of a wide variety of candy and chocolate products. Company strategy in terms of production equipment is oriented toward high-quality, automatic and efficient equipment in all stages of production.

## PROJECT

- The company decided to replace an inefficient candy production system (manufactured in China, purchased as second-hand equipment) with a new, more efficient one. This new technology is 78% more energy efficient, particularly thanks to higher efficiency of electrical motors, Variable Speed Drives installed at the different motors and significant optimization of production layout.

## FINANCIAL STRUCTURE

- Loan USD 56,300

## TECHNICAL ASSISTANCE

- The MonSEFF team visited the company production site and, based on the gathered data, calculated the energy and cost savings related to the investment.

**DONOR:** EBRD Special Shareholder Fund



## EXPECTED IMPACT

- Payback period: 8 years
- Internal rate of return (IRR): 11%
- Energy saving: 232 MWh/year
- Costs Saving: 9,400 USD/year
- Carbon emission reductions: 74 tonnes per year
- Other benefits: Reduced maintenance costs; lower failure and reduced unexpected interruptions; Increased product quality; simpler and more precise control of the operations