

Improve food safety? *Know how.*

With funding from the European Union, we helped Drenovac, a manufacturer and distributor of high quality frozen and dried fruit products, to receive international food safety certification and improve its quality management.



Producer of fruit products, Serbia

With funding from the European Union, we helped Drenovac to introduce international food safety standards and improve its overall quality management which resulted in turnover growth of 23%, production capacity increase of 41% and successful international certification.

Drenovac was founded in 1992 and was initially engaged in the fresh fruit retail business. In 2000 the company specialized in the freezing, freeze-drying (lyophilisation) and cold storage of fruits, such as raspberries, blackberries, plums and apples.

Exports to the EU and US grew to over 90% of total revenue, demanding cooperation with global wholesale companies, as well as external financial support, both of which required a standardisation of the company's production processes.

We helped Drenovac engage a local consultant in order to implement the International Food Standard (IFS), as well as the improvements required for Hazard Analysis Critical Control Point (HACCP) certification.



The International Food Standard (IFS) certification ensures that both food safety requirements and customer specifications are met.

As part of the project, the consultant:

- Analysed the existing system, documentation and process mapping
- Prepared the IFS system and additional improvement for the HACCP system implementation
- Introduced the new IFS and HACCP systems, trained personnel, prepared an internal audit and provided support in preparation for the certification.

The project not only improved Drenovac's food safety standards, it also ensured its business independence and compliance with the requirements of foreign clients, both current and prospective. The company received its IFS certification in 2014 and was re-certified in 2015.

Despite heavy floods hitting the region in 2014, Drenovac managed to increase its production capacities from 600,000 to 850,000 tons, thus boosting the overall export of products to 95%, especially increasing the export to USA by 50%.

Following strong turnover growth, the company also managed to access a € 0.5 million from a commercial bank and use it for financing of working capital. The loan was repaid within one year of the project.

Drenovac's cooperation with the EBRD continued when, in 2014, the company participated in a tour to Italy to study the use of geographical indications in food production, organized by the EBRD and FAO. The company's success continues the promotion of such origin-based labelling in the region.

Following the continuous development of freeze-dried fruit production lines and the introduction of a new product line consisting of chocolate-covered fruit, Drenovac plans to further develop its exporting activities.

www.ebrd.com/knowhow

Turnover
+23%

Productivity
+18%

Production capacities
+41%

Total project cost
€9,700

Funds raised externally
€500,000