

INVESTMENT PROPOSAL

Organisation of wood processing production in the “Mogilev” Free economic zone

Benefits of project implementation in the “Mogilev” FEZ

The project concept involves the creation of a wood processing plant for processing wood into sawn timber with the purpose of organising export supplies.

- Processing of wood into sawn timber will give additional margin (profit) on the territory of the Republic of Belarus and sale of sawn timber for export as opposed to direct purchase of sawn timber at the exchange from producers of the Republic of Belarus
- Sales market - Russian Federation, Azerbaijan, Uzbekistan, Turkey, China and others. In total for 9 months of 2024, timber processing companies of the Mogilev region exported sawn timber in the amount of 32.9 million dollars
- Access to raw materials - forest resources of the Republic of Belarus, Bryansk and Smolensk regions of the Russian Federation
- Highly qualified labor: 7 higher education institutions, 20 professional secondary schools, 48 vocational schools and colleges.

Economic features of the project

- Product profitability - **not less than 30%**
- Total amount of investments - **not less than € 1 mln**
- Payback period - **up to 3 years**





Economical benefits of the project implementation in “Mogilev” FEZ

Tax preferences

- Exemption from Profit Tax
- Exemption from Real Estate Tax
- Exemption from rent payment for the land plots located within the boundaries of “Mogilev” free economic zone

Customs preferences are granted by Free Customs Zone (FCZ) procedure. The goods (equipment, tools, raw materials, components) that have been placed under the FCZ procedure are exempt from customs duties and taxes when exported outside the Eurasian Economic Union.

Other preferences (Decree of the President of the Republic of Belarus)

- Providing loans on favourable terms for up to 15 years;
- Within 10 years from the date of establishment of the industrial park, tariffs for natural gas, electricity, water supply and wastewater disposal are set at the level of actual costs of supplying organisations