



# **Advantages of woodworking business in Mogilev FEZ**

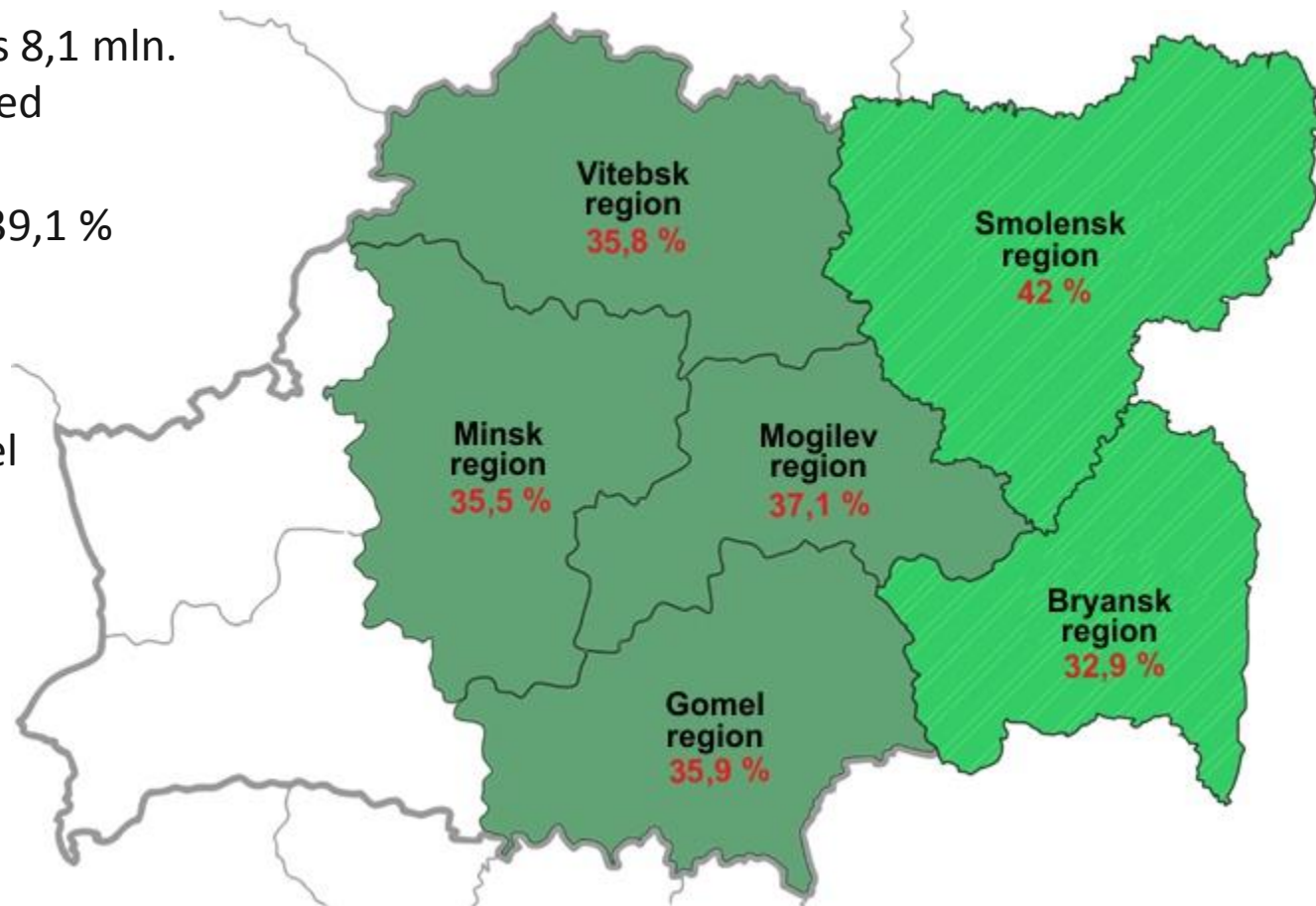
# *Availability of raw materials*

**Belarus is among the ten leading countries of Europe  
in terms of forest resources availability**

On the territory of Belarus 8,1 mln.  
hectares are forested

Forests cover more than 39,1 %  
of Belarus territory

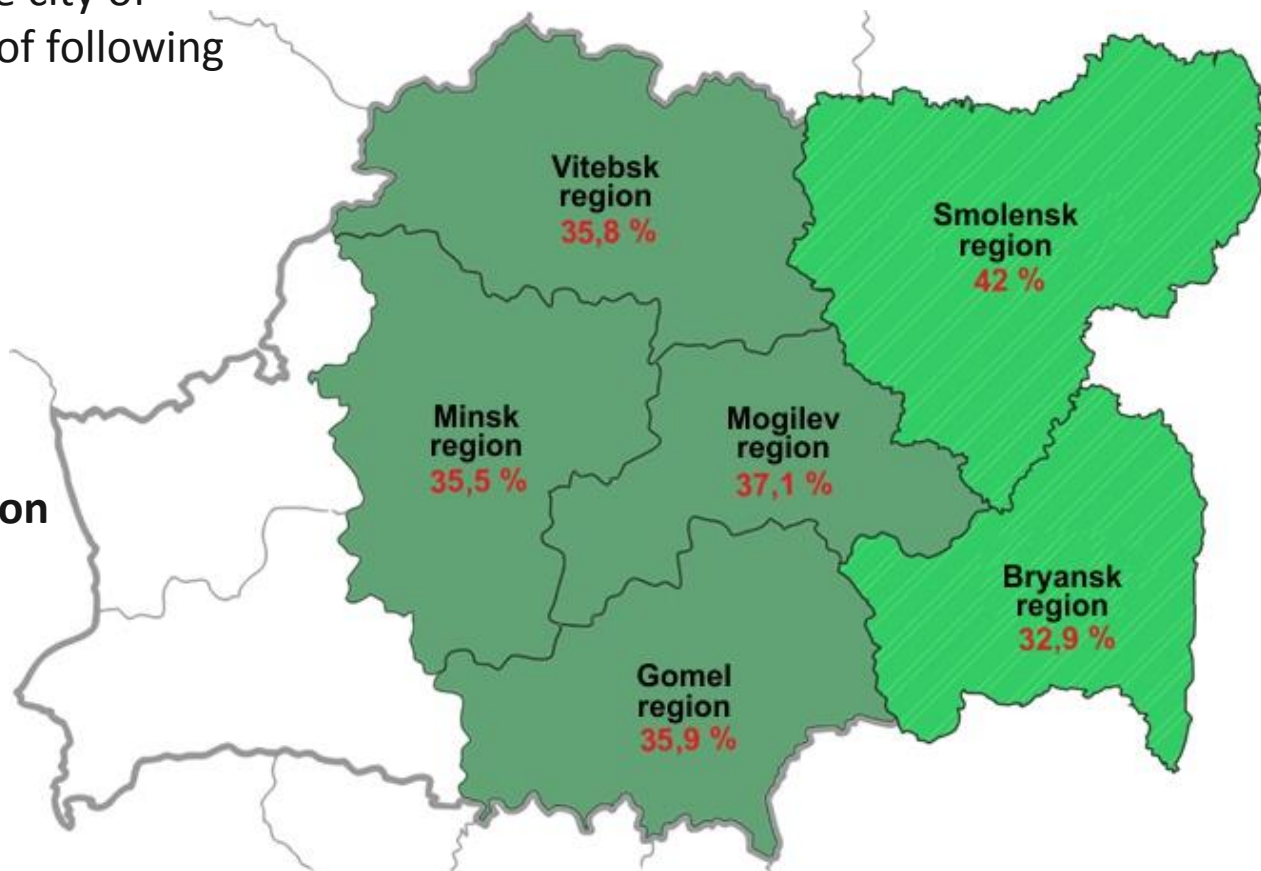
Mogilev, Vitebsk and Gomel  
are the most forested  
regions of the Republic  
of Belarus



# *Availability of forest resources*

In a radius of 200 km from the city of Mogilev the forest resources of following territories are available:

- **Vitebsk region**
- **Mogilev region**
- **Minsk region**
- **Gomel region of Belarus,**  
as well as
- **Smolensk and Bryansk**  
**region of Russian Federation**



# ***Balance of commercial wood material in Belarus, thousand m<sup>2</sup>***

	<b>2015 (in fact)</b>	<b>2016 (in fact)</b>	<b>2017 (prognosis)</b>	<b>2020 (prognosis)</b>
<b>Wood harvesting, in total</b>	<b>18 472</b>	<b>21 345</b>	<b>21 895</b>	<b>23 556</b>
<b>Including industrial wood</b>	<b>12 144</b>	<b>15 197</b>	<b>15 697</b>	<b>16 897</b>
<b>Free resources of industrial wood</b>	<b>367</b>	<b>1089</b>	<b>1892</b>	<b>1010</b>

# ***Availability of highly qualified personnel***

**The education system of Belarus provides the highest level of training and characterized by the following indicators:**

## **55 Higher Educational Establishments**

Training is carried out for more than 380 specialties  
The ratio of students to 10,000 people is 383  
(this index corresponds to the level of European countries).

## **231 Specialized Secondary Schools**

The total number of students amounts more than 128.9 thousand people.

## **185 Vocational Schools:**

- vocational schools
- professional lyceums
- vocational colleges

The total number of students amounts more than 70 thousand people  
Training is carried out for more than 100 specialties including more than 300 professions.

**There is a possibility to make an application for the training of necessary staff without obligation for further employment**



# ***Training of the staff in the Mogilev region***

## **8 Educational Institutions of Mogilev region ensure training of personnel in woodworking**

- *Mogilev professional lyceum № 5*
- *Mogilev state economic vocational-technical College*
- *College of architecture and construction*
- *Bobruisk state College of forestry*
- *Bobruisk state professional-technical College*
- *Bobruisk state vocational College of art*
- *Mstislavl state vocational-technical College*
- *Krichev professional agrotechnical state College*

# ***Advantageous geographical location of Mogilev FEZ***

**Mogilev is a favorable location for production exports to the markets of the EU and the Eurasian economic Union**





# *Engineering and transport infrastructure of Mogilev FEZ*

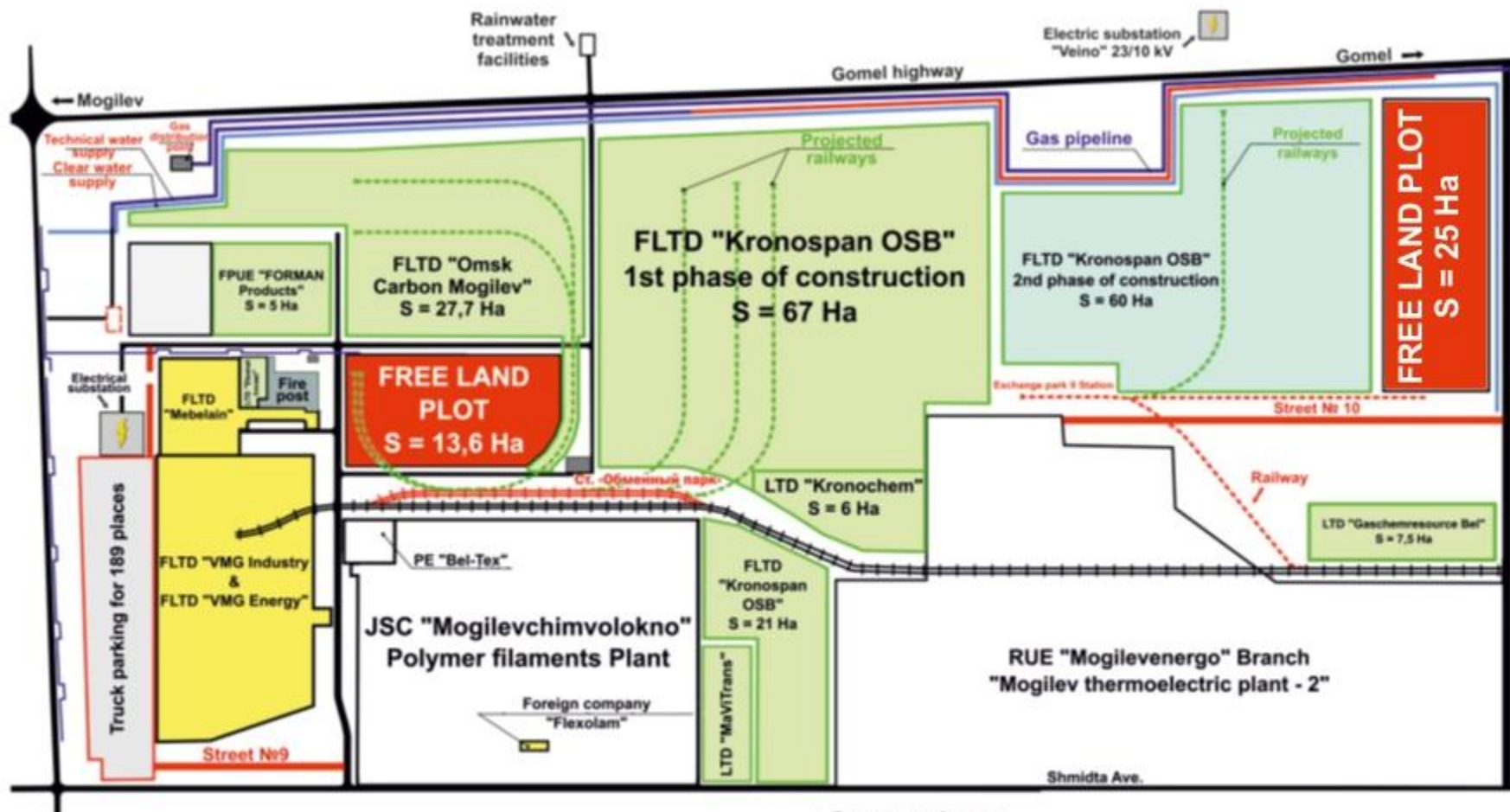
Deciding to implement the project in Mogilev FEZ the investor has an advantage of saving his capital and, just as important, his time for the organization of the production. It is possible due to the developed engineering and transport infrastructure of Mogilev FEZ sites and the ability of providing the connection to the existing utility network.



On the site №4 administration of Mogilev FEZ released its own high-profile infrastructure project in the framework of which electrical supply network, water supply network, heating system, railway access roads and automobile roads, sewerage systems, electrical substation, networks of storm water, parkings, fire post and other facilities were constructed.



# Mogilev FEZ site №4



## Conventions:

- - Infrastructure of 1st phase of construction
- - Infrastructure project of 2nd phase of construction
- - Resident construction sites
- - Free lands
- - Current residents
- - Plots assigned for residents

# Preferences of the Mogilev FEZ

## ***Tax preferences:***

- ✓ Exemption from Real Estate Tax
- ✓ Exemption from Profit Tax for 10 years since declaring the first profit, and application of the halved profit tax rate further on



## ***Customs preferences:***

- ✓ Exemption from import customs duties when bringing in raw materials, equipment and components
- ✓ Exemption from import customs duties liabilities in case the final products are supplied outside the Eurasian Economic Union



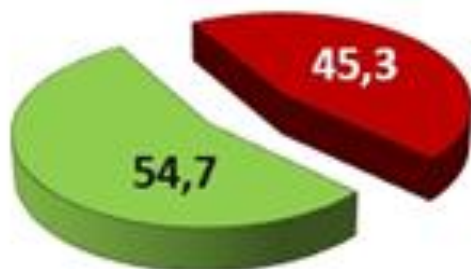
## ***Other:***

- ✓ Exemption from rent payments for land plot
- ✓ Exemption from obligatory exchange of foreign currency
- ✓ Assignment of a land plot without holding an auction
- ✓ Exemption from the compensatory payments



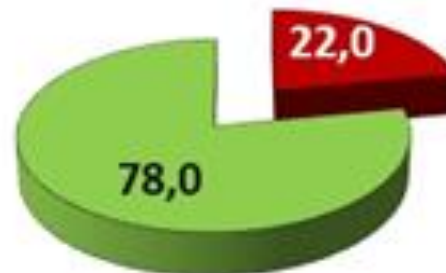
# Volume of "Mogilev" FEZ in the performance of Belarusian FEZs

## Volume of foreign investments



■ Mogilev FEZ  
■ Other FEZ of Belarus

## Exports



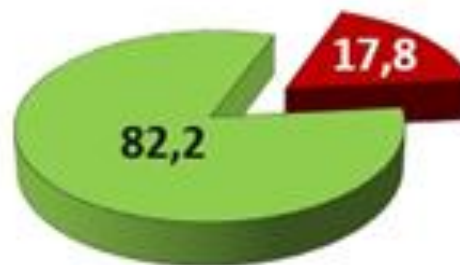
■ Mogilev FEZ  
■ Other FEZ of Belarus

## Investments in fixed capital



■ Mogilev FEZ  
■ Other FEZ of Belarus

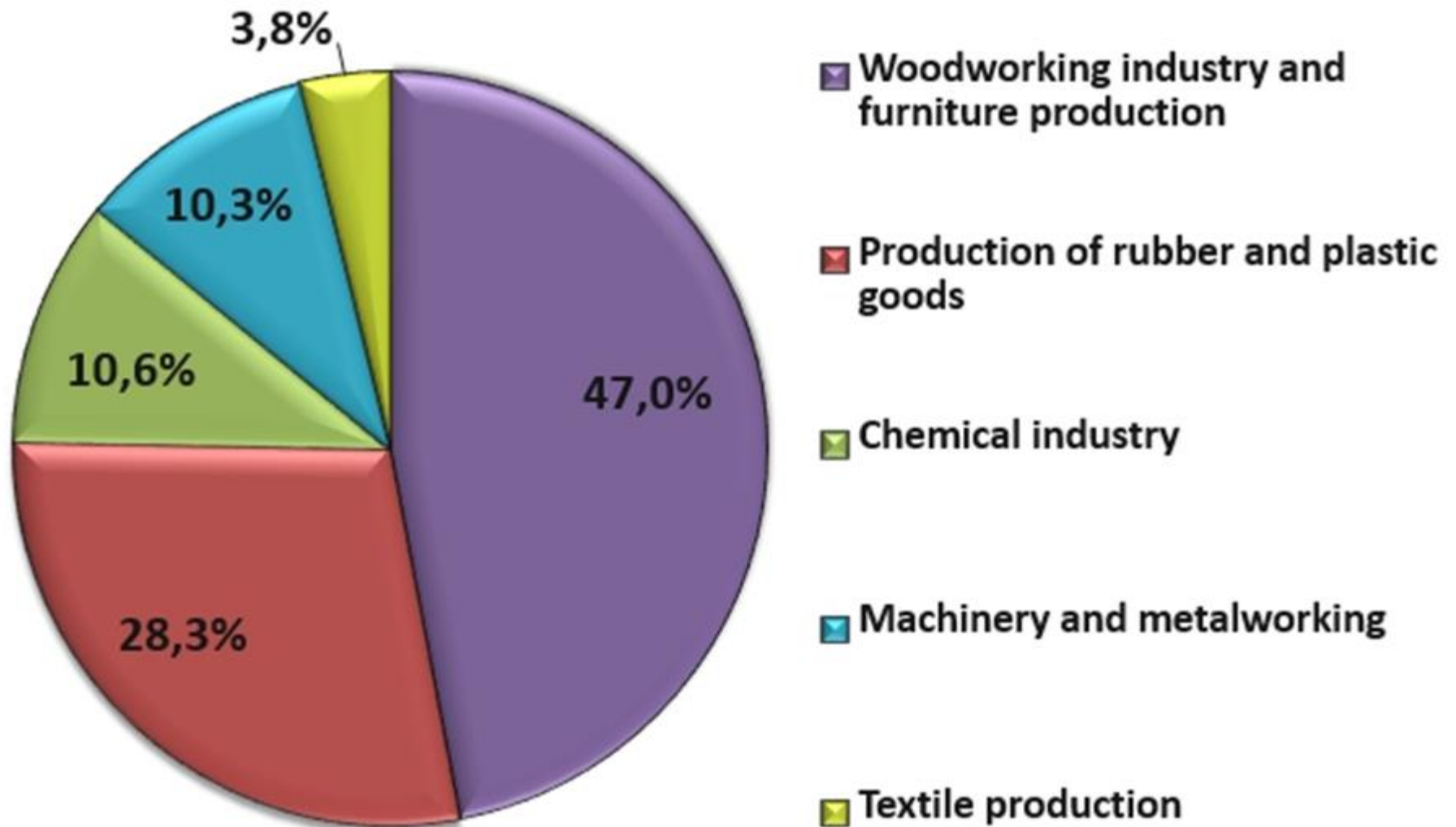
## Taxes, fees and payments to the budget and extra-budgetary funds



■ Mogilev FEZ  
■ Other FEZ of Belarus



# *Structure of investments by industry*



# ***Foreign Limited Liability Company «VMG Industry»***



***Investment project:  
Vertically integrated wood-processing complex  
in Mogilev Free Economic Zone***

***Investor's country:  
Lithuania      Netherlands***



***Employees: 1 406***



***Production:    Chipboards  
                         Veneer and ply-curve parts  
                         Furniture***



***Product range:    Export-oriented***

# Foreign Limited Liability Company «Mebelain»



Investment project:  
Setting up production of furniture  
in Mogilev Free Economic Zone

Investor's country: Lithuania



Employees: 280



Production: Case furniture made of natural veneer



Product range: Export-oriented



# ***Joint Limited Liability Company «Zavod Belmash»***



***Investment project:***  
***Organization of production  
of wood-processing machines***

***Investor's country:***

***Germany***



***Russia***



***Belarus***



***Employees: 98***



***Production:*** ***Wood processing machines, Additional tools to wood processing machines,  
Protective covers, Belts, Saw blades and other parts for wood processing machines***



***Product range:*** ***Export-oriented***

# Foreign Limited Liability Company «Kronospan OSB»



**Investment project:**  
**Setting up production of materials for  
furniture and construction industries**

**Investor's country: Cyprus**



**Employees: 187**



**Production: materials for the furniture and construction industries**

**Product range: Export-oriented**



# Limited Liability Company «Kronochem»

**kronospan**



**Investment project:**  
***Establishment and further maintenance of the plant for production of the urea-formaldehyde resins and the phenol formaldehyde resins. This materials and other components are going to use for further manufacturing in Mogilev at the production site of the Mogilev FEZ.***

**Investor's country: Cyprus**



**Employees: 50**

**Production:**

***Urea-formaldehyde resins and the phenol formaldehyde resins and components***



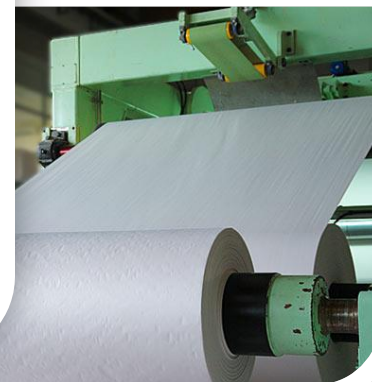


# Republican Unitary Enterprise «Factory of newsprint paper»



**Investment project:**  
**Creation and development of high technological production RUE**  
**“Factory of newsprint paper”**

**Investor's country: Belarus**



**Production: Newsprint paper**



**Product range: Export-oriented**

# Limited Liability Company «Mikromatika»



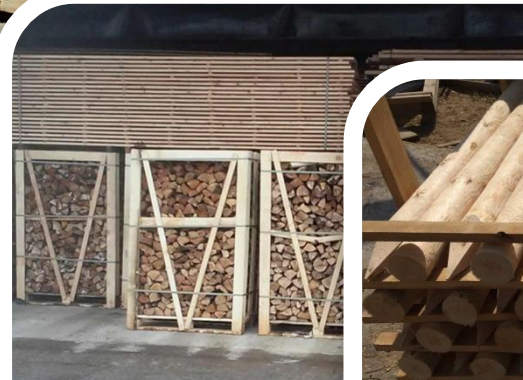
**MIKROMATIKA**  
woodworking

Investment project:  
establishment of enterprise  
for deep processing of the wood

Investor's country: Беларусь



Employees: 21



Production:  
Lumber and wood pellets (pellets)



# *Events with the participation of representatives of polish business*



*Mogilev business forum  
«Pridneprovye» 21.06.2015*



*Belarusian-Polish regional  
economic forum in Mogilev  
12.11.2015*



*Business meeting with polish  
business representatives  
03.02.2016*



*Business meeting with polish  
business representatives  
06.06.2016*



*Business meeting with polish  
business representatives  
13.10.2016*



# ***Public events with the participation of the Mogilev FEZ administration***



*Sport competitions  
of VMG Concern 20.06.2015*



*Sport competitions  
of VMG Concern 04.06.2016*



*Mini-football tournament  
in Mogilev FEZ 08.07.2016*



*Green Action – Plant a Tree  
in Mogilev FEZ 01.10.2016*



*International conference on woodworking  
and anthropogenic impact on forest resources*

THE EVENT PROGRAM INCLUDES:



International conference



Visits to woodworking companies



Observation of investment sites



Cycling Eco Tour



Green Action – Plant a Tree