



NATIONAL AGENCY
OF INVESTMENT
AND PRIVATIZATION
REPUBLIC OF BELARUS

Investment offer

Participation in construction and
exploitation of a biogas station with
capacity of 1270 kW (JV “Novosyolki” LLC)



Investment offer

General information

Company's characteristics	Market characteristics of the planned production
<p><i>Companies' names:</i> "Belkrug", "Soyuzgranit", "Promshtamp"</p> <p><i>Ownership:</i> private</p> <p><i>Registration date:</i> "Belkrug" – 2002, "Soyuzgranit" – 2006, "Promshtamp" – 2013</p> <p><i>Address:</i> Minsk region, Novosyolki village</p>	<p><i>Product:</i> electricity, heat energy, biofertilizers</p> <p><i>Main consumers:</i> electricity networks in Borisov town, agricultural enterprises</p> <p><i>Prospective distribution channels:</i> direct sale to consumers</p> <p><i>State regulation:</i> multiplying coefficient for energy produced – 1.3</p> <p><i>Annual output of the sector (in current prices):</i> \$1.83 mln.</p> <p><i>Return on sales:</i> 65%</p>

The project

- **Description:** participation in construction and exploitation of a biogas station (BGS) with capacity of 1270 kW. Participation in the projects developed for other 6 biogas stations, which will be constructed after the completion of the project given, is possible.
- **Project branch:** energy
- **Project location:** Minsk region, Novosyolki village
- **Financing requirement for investor:** \$4.13 mln.
- **Total investment:** \$5.51 mln., including capital expenditures – \$5.46 mln.
- **Type of investor participation:** establishment of a joint venture with a local partner



Investment offer

Preliminary indicators of the project efficiency

- Sales revenue, excl. VAT (after reaching the estimated capacity): **\$1.83 mln.**
- Pay-back period (PBP): **3.4 years**
- Dynamic pay-back period (DPBP): **4.6 years**
- Internal rate of return (IRR): **22.2%**
- Discount rate: **14.7%**
- Business plan and feasibility study: available

Competitive advantages of the project

- Company for the project implementation – JV BGS “Novosyolki” LLC has been founded and registered in the area with tax relief (exemption from profit tax, VAT, and customs duties on equipment BGS).
- Contracts of equipment delivery have been negotiated, land permit and technical requirements for designing have been obtained, geodesy and geology of land for the BGS station construction have been surveyed, project design work are being conducted.
- The station to be constructed will not require additional current assets, electric power will be conveyed to the operating electricity network, payments will be conducted monthly and according to the counter.
- Required infrastructure and utilities, including motor roads with improved surface (0.5 km); electricity (380 V, 0.2 km), water and gas pipelines are available.
- A land plot for the biogas station construction is available (1.6 ha).

Strategic advantages

- Possibility of output expansion and installation of additional production capacities; assessment of Belarusian raw-material base available for construction of fast-payback biogas stations (capacity over 1000 kW) showed the potential for implementation of 20 such projects.
- Profiled staff
- Undersaturated Belarusian market for the production proposed
- Guaranteed volume of orders
- Access to local raw materials



Contact details



NATIONAL AGENCY
OF INVESTMENT
AND PRIVATIZATION
REPUBLIC OF BELARUS

Regional Development Department

+375 17 226 48 51

region@investinbelarus.by

Address: 220030, 14 Bersona str.,
Minsk, Republic of Belarus



*Participation in construction and exploitation of a biogas
station with capacity of 1270 kW (JV "Novosyolki" LLC)*