



NATIONAL AGENCY  
OF INVESTMENT  
AND PRIVATIZATION  
REPUBLIC OF BELARUS

## Investment offer

Construction of a nitrogen fertilizer complex on the “Grodno Azot” OJSC site



# Investment offer

## General information

Company's information	Domestic market and key sector indicators
<p><i>Company's name:</i> Open Joint Stock Company "Grodno Azot"</p> <p><i>Ownership:</i> state – 99.9%, other stakeholders – 0.03%</p> <p><i>Date of registration:</i> 28.08.2002</p> <p><i>Address:</i> 100 Kosmonavtov ave., 230013 Grodno</p> <p><a href="http://www.azot.by">www.azot.by</a></p>	<p><i>Product:</i> liquid ammonia for technical use</p> <p><i>Annual output:</i> BYR3 933 894 mln.</p> <p><i>Return on sales:</i> 23.5% (in 2013)</p> <p><i>Average nominal monthly wages:</i> \$450 (in 2011)</p>

## Description of the project

- **Description:** construction of a nitrogen fertilizer complex consisting of a combined ammonia and methanol production at capacity up to 717 000 tons per year – ammonia, from 0 to 80 000 tons per year – methanol, from 0 to 200 mln. m<sup>3</sup> per year – hydrogen; carbamide production shop with capacity of 700 000 tons per year. Production area for the project has been allocated
- **Project location:** the territory of OJSC "Grodno Azot"
- **Anticipated start date of the project:** July, 2015
- **Total investment:** \$1 475 mln.
- **Type of investor participation:** direct investment
- **Main consumers:** companies in Latin and South America (Brazil, Colombia, Argentina, Cuba, Guatemala), Africa (Burkina Faso, Cameroon, Côte d'Ivoire, Tanzania, Mozambique, Mali, Senegal, Nigeria), Europe (Germany, Belgium, Poland, Lithuania)

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## Project efficiency and expected performance indicators

- Sales revenue, excl. VAT (after reaching the estimated capacity): **\$462.7 mln.**
- Pay-back period (PBP): **10.7 years**
- Dynamic pay-back period (DPBP): **14.2 years**
- Internal rate of return (IRR): **13.93 %**
- Net present value (NPV): **\$518.642 mln.**
- Discount rate: **8.23%**
- Business plan is developed

## Project location

- The site area: 101.5 hectares
- Site preparation is completed
- Topsoil is removed
- Additional land allotment for the location of projected production is not required



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## Competitive advantages and investor's benefits

- Strong brand
- European rail track availability
- Presence of ISO 9001 quality management system certificates at Grodno Azot OJSC, issued by the State Committee for Standardization of the Republic of Belarus and bureau VERITAS
- Continuous improvement of production processes
- Entry to the market of Common Economic Space
- Skilled staff
- High, stable demand for the factory's products
- Considerable experience in producing nitrogen fertilizers
- Energy resources availability
- Free production areas availability



# Contact details



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