

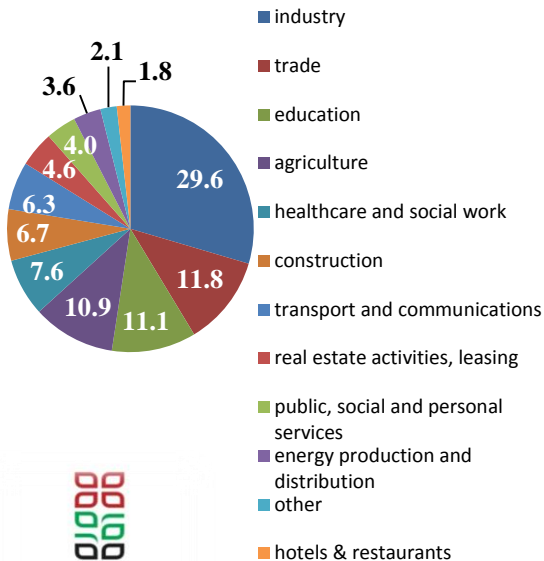


# Investment potential of Mogilev region



## 1. Labour resources

Employment by sector of economy (%), 2012  
Mogilev region

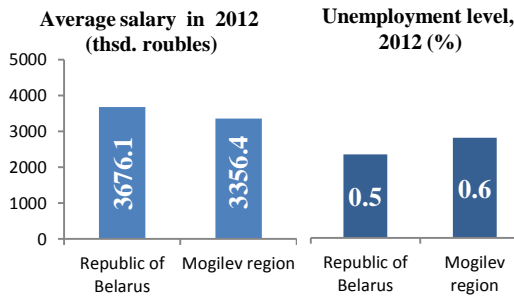


The population of Mogilev Region is mostly active in the industry (29.6%), commerce (11.8%), agriculture (11.1%) and education (10.9%).

POPULATION ACTIVE IN SECTORS OF ECONOMY, 2012 (thsd. persons)	
Total active	491.1
including:	
Industry	145.2
Trade	57.9
Education	54.3
Agriculture	53.3
Healthcare and social services	37.1
Construction	33.1
Transport and communications	30.9
Real estate, renting and business services	22.8
Public, social and personal services	19.5
Energy production and distribution	17.8
Other	10.5
Hotels and restaurants	8.7

Source: National Statistics Committee of the Republic of Belarus, 2013

The official unemployment level in the region is 0.6% of the economically active population, which exceeds the national index by 0.1%. The average monthly salary in the region is 10% below the relevant index in the country.



WORKFORCE QUALIFICATIONS, 2012 (thsd. persons)	
Workforce, total	589 557
including those with educational level as follows:	
higher	118 107
vocational	135 361
specialised secondary	127 804
general secondary	187 873

Source: National Statistics Committee of the Republic of Belarus, 2013

## 2. Region's economy

Mogilev Region is one of the principal industrial regions of Belarus; it specialises in manufacturing of lifts, pneumatic rubber tyres, tractor trailers, tractor-mounted mowers, steel pipes, cement, slate, chemical fibres and yarn. The region occupies the leading positions in manufacturing of motor scrapers, and underground road trains, farming machinery, passenger lifts in the CIS.

The largest industrial centres are Mogilev, Bobruisk, Krichev, Kostyukovich, Osipovich.

Crop production leads in the agricultural industry: over 50% of the region's territory is occupied by cultivated land. Grain (barley, rye, wheat), potatoes, forage crops prevail, flax production is well-developed.

The husbandry is dairy and meat.

GROSS REGIONAL PRODUCT (GRP), 2012		
	2011	2012
Total (bln. roubles)	19 923.0	39 841.8
Per capita (mln. roubles)	21.52	36.94
GRP share in GDP of Belarus (%)	7.3	9.3
Real GRP growth rate (%)	105.8	103.7

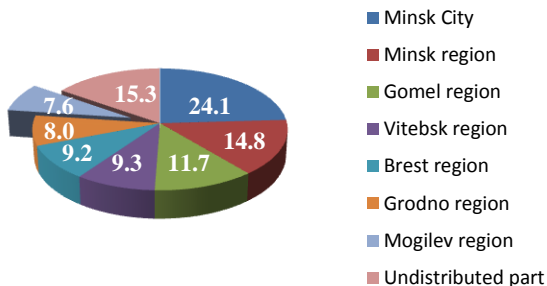
Source: National Statistics Committee of the Republic of Belarus, 2013



# Investment potential of Mogilev region

With its volume of the gross regional product Mogilev Region occupies the last place among the regions.

## Share of Mogilev Region in the country's GDP, 2012 (%)



### Largest enterprises by industry:

- *chemical and petrochemical* (Mogilevkhimvolokno OJSC, Belshina OJSC produce around 30% of all the products manufactured in the region);
- *engineering and metal processing* (Elektrodivigatel Mogilev Factory OJSC, Strommashina Mogilev Factory OJSC, Mogilevliftmash Factory RUC, Mogilev Steel Works OJSC, Bobruisk Machine-Tool Factory OJSC, Kramet OJSC);
- *food* (Mogilev Meat-Processing Factory OJSC, Bobruisk Meat Processing Plant OJSC, Mogelit OJSC, Mogilev Ice-Cream Factory OJSC, Babushkina Krynka OJSC, Dairy Hills OJSC, Bykhovmoloko OJSC, Mstislavl Butter and Cheese Production Factory OJSC, Osipovichsky Milk Processing Plant OJSC, Shklov Butter Production Factory OJSC, Bobruisk Vegetable Oils Factory OJSC, Krasny Pischevik OJSC, Belatmit JCJSC, Heineken Breweries FCJSC);
- *power engineering* (Mogilevenergo Power Engineering RUC);

- *production of construction materials* (Belarusian Cement Plant OJSC, Yelizovo Glass Factory JCJSC, Krichev Ferroconcrete Structures Plant OJSC, Chaussy Ferroconcrete Structures Plant OJSC, Glass Works Elizovo JCJSC, Krovlya JOJSC, Krichevceментnoshifer OJSC);
- *light* (Mogilev Textile OJSC, Sopotex JV, Lenta OJSC, Slavyanka OJSC, Vyasnyanka Mogilev Clothing Firm CJSC);
- *forestry and wood-processing* (Bobruiskmebel CJSC, Fandok OJSC, Mogilevdrev OJSC, Mogilevles OJSC, Mogilevmebel OJSC).

## 3. Foreign trade

In the recent years exports have steadily grown in the region. Products with the trademarks of Mogilev producers are exported to 90 countries of the world. Those are Russia, Kazakhstan, Ukraine, in the first place. Among the non-CIS countries, the principal trade partners are Germany, Poland, Lithuania, Italy, the USA, Belgium etc.

The industrial infrastructure of the Mogilev Region economy, its manufacturing capabilities significantly exceed the needs of the internal market of the Republic of Belarus. In the overall volume of industrial products sale exports amount to over 40%.

VOLUME OF FOREIGN TRADE IN GOODS, 2012 (mln. USD)		
Region	Mogilev region	Republic of Belarus
Turnover	4 575.1	92 464.3
Exports	2 444.4	46 059.9
Imports	2 130.7	46 404.4
Balance	313.3	-344.5

Source: National Statistics Committee of the Republic of Belarus, 2013

An advantageous geographical location, modern industrial organisations and communication, motorway junctions offer unlimited possibilities for fruitful co-operation with partners in the country as well as abroad.

## 4. Foreign investment

Mogilev Region is greatly interested in developing external ties and establishing contacts with foreign investors.

Investment to industrial and commercial organisations is the most attractive for foreign investors. In 2012 foreign investment was received from 40 countries most of which has been attracted from Russia, the United Kingdom, Cyprus, Netherlands, and Austria.

### FOREIGN DIRECT INVESTMENT, net, 2012 (mln. USD)

Republic of Belarus	1 376.5
Mogilev region	71.6

Source: National Statistics Committee of the Republic of Belarus, 2013

In the territory of Mogilev FEZ, enterprises specialising in the field of engineering, wood-processing, chemical industry, construction, textile and sewing industries.

With participation of foreign investors, a number of important investment projects have been realised to produce high-quality beer (Heineken Breweries FCJSC), meat and semi-finished meat (Belatmit JCJSC), juices (Old Fortress FPUMCC), Montblan windows (Extruzya Stl JLLC) etc.

## 5. Transport and communications

• Mogilev airport (located 20 km away from the city of Mogilev) is able to receive aircraft Il-76, Tu-154, Boeing 737-800, Boeing 757-200 and other aircraft of smaller classes and helicopters of all types.

• River harbours «Mogilev on the Dnieper» and «Bobruisk on the Berezina» (length of waterways is 226 and 369 km, respectively) are used to transport cargo.





# Investment potential of Mogilev region

- The length of general motorways is 13.3 thousand km.
- The length of general railway operating tracks is 810 km directly connecting Mogilev region with all the regions of Belarus, Ukraine, Moldova, Baltic countries as well as a number of regions of Russia.

## 6. Education and science

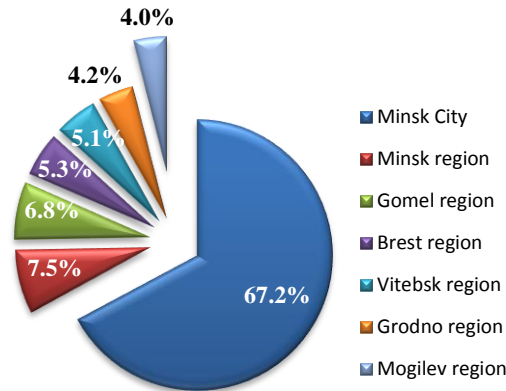
The region possess a significant intellectual potential. A wide network of educational institutions includes 6 higher educational institutions, 21 vocational secondary educational institutions as well as 36 vocational educational institutions. At higher educational institutions highly-qualified specialists of the chemical, engineering, metal-processing, economic, and legal sectors as well as the specialists for the food and processing industries, agriculture are trained. The majority of vocational secondary and technical-vocational institutions train specialists for the chemical, engineering, light, and instrument-making industries.

EDUCATION AND SCIENCE, 2012	
No. of higher educational institutions	5
No. of R&D organisations	21
Personnel engaged in R&D	635
Expenses for R&D (mln. roubles)	63 677
No. of organisations active in innovations	34

Source: National Statistics Committee of the Republic of Belarus, 2013

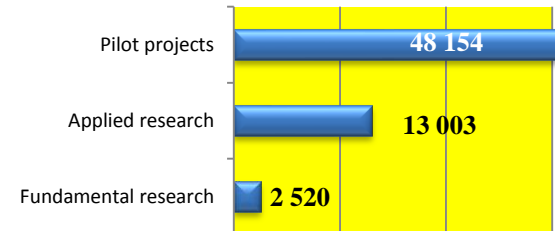
Mogilev Region occupies the penultimate place among the regions as to the number of R&D organisations.

R&D organizations by region and Minsk City, 2012



In the overall volume of expenses for R&D in Mogilev Region over 50% falls within development and around 40% within applied research.

R&D expenses distribution by type, mln. roubles Mogilev region



As to the expenses for R&D, Mogilev Region occupies the 5<sup>th</sup> place among the regions of the country.

R&D expenses by region and Minsk City, 2012

