The Republic of Belarus is situated in the center of Europe, bordered by Russia to the northeast, Ukraine to the south, Poland to the west, Lithuania and Latvia to the northwest. It’s Europe and CIS Countries traffic and trade corridor.
ECONOMY AND INDUSTRY

Diversified Economy with Strong Export Positions

A GDP 2014
Industry 23.2% 
Agriculture 7.7% 
Transport and communication 7.9%

B Belarus position on the World Market (*faostat.fao.org)

1. Producer of mining dump tracks (30% of global market)
4. Producer of potash (16% of world reserves)
4. Producer of tractors (6%), harvesters (17%)
4. Exporter of whole milk*
4. Exporter of cattle meat*
4. Producer of flax (6.4%), potato (2.8%)
8. Exporter of butter (4.1%)

C Exports 2014
Crude oil and petrochemicals 34.2%
Chemical industry products 17.3%
Machinery, equipment and transport vehicles 15.2%

D Foreign trade turnover 2014
Russia 48.5%
EU 26.2%
Others CIS 10.6%

The Global Innovation Index
2015
Belarus 53 rd
Russia 48 th
Kazakhstan 82 nd

The Global Creativity Index
Belarus 37 th
Russia 38 th
Kazakhstan 84 th

Other international rankings, 2015

Human Development Index
Belarus 53 rd
Russia 57 th
Kazakhstan 70 th

Legatum Prosperity Index (Safety & Security)
Belarus 53 rd
Kazakhstan 66 th
Russia 91 st

The World Justice Project (Civil Justice)
Belarus 30 th
Kazakhstan 53 rd
Russia 60 th

Belarus 44 th
Russia 51 st
Kazakhstan 41 st
ATTRACTION OF FOREIGN CAPITAL

A FDI inflow

- FDI inflow (bln. USD)
- FDI/GDP (%)

2007: 1.8, 4.0
2008: 2.2, 4.0
2009: 1.9, 3.8
2010: 1.4, 2.5
2011: 6.8, 4.0
2012: 1.4, 2.2
2013: 2.1, 3.0
2014: 1.3, 2.4

B FDI structure 2015

- Russia: 43.3%
- Germany: 20%
- Others: 16.4%
- Cyprus: 31.0%
- United Kingdom: 41%
- Lithuania: 3.2%

C Number of registered companies with foreign capital

- 2006: 1545
- 2008: 4218
- 2010: 5176
- 2012: 5759
- 2014: 7172

D Share of companies with foreign capital (%)

- Staff: 8.5%
- Fixed investment: 17.6%
- Sales revenues: 24.5%
- Export of goods: 29.9%
- Import of goods: 40.2%

3

ZTE, TELEKOM, Coca-Cola, Kapsch, ABB, Kronospan, Philips, Henkel, Epam, Alcatel-Lucent, Zeiss, Fresenius, Heineken, Microsoft, Huawei, Gazprom, Raiffeisenbank, Danone, Stadler
1. Industrial park is situated in Smolevichy district, Minsk region, in the distance of 25 km from Minsk, the capital of the country, and occupies about 91 sq.km.

2. The aim of park construction is to create a new international city which will attract intellectual assets due to its closeness to universities and scientific centers, will combine advanced industries and modern services, and will be based on the harmony of nature, production and innovations.

3. Advantageous geographical situation and infrastructure

4. The park is situated in close vicinity to Minsk National Airport, railways. The international highway E30 (M1) with a total length of 5700 km which extends from Ireland to Siberia passes through the territory of the industrial park. The distance from the industrial park to Moscow – 700 km, to Berlin – 1100 km.

5. The distance to the closest seaport in Klaipeda (the Baltic Sea) is 500 km.
Detailed regulatory plan for the first phase of industrial park

- First class residential
- Second class residential (apartment buildings)
- Trade, service and commercial facilities
- Business projects
- Scientific and educational facilities
- Cultural and entertaining facilities
- Sports and recreation facilities
- Medical institutions
- Engineering structures
- Industrial facilities
- Logistics and warehouses
- Planting for public use
- Planting for special purpose
- Transport infrastructure facilities

Land plots can be leased for a period of 99 years or can be privatized

A. Zone of residential buildings and buildings of public use
141 ha — to provide enterprise-residents with land plots for residential, trading and services rendering space.

B. Industrial zone
182 ha — to provide enterprise-residents with land plots for business activities.

C. Warehousing and logistic zone
86 ha — to provide enterprise-residents with land plots for warehouse and logistic services.
1. Customs Union of Belarus, Russia, Kazakhstan, Armenia and Kyrgyzstan — more than 183 mln people; customs duties and economic limitations are not applied;

2. The Eurasian Economic Union: free traffic of goods, services, capital, labor force, harmonization of legislation, technical and regulatory standards and rules;

3. CIS Free Trade Agreement: free trade with 11 CIS countries;

4. The proximity to the neighboring European countries: reduction of transport and time expenditures when exporting goods to Europe.
<table>
<thead>
<tr>
<th>Benefits</th>
<th>Totally around Belarus</th>
<th>Industrial Park, priority projects*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income tax</td>
<td>18%</td>
<td>First 10 years — 0%; subsequent 10 years — 50% from the existing rate</td>
</tr>
<tr>
<td>Real estate tax</td>
<td>1%</td>
<td>First 10 years — 0%; subsequent 10 years — 50% from the existing rate</td>
</tr>
<tr>
<td>Land tax</td>
<td>Average rates per 1 ha: Park area — 126 USD/ year Minsk district — 2,150 USD/ year Minsk — 24,000 USD/ year</td>
<td>First 10 years — 0%; subsequent 10 years — 50% from the existing rate</td>
</tr>
<tr>
<td>Value added tax (on sales)</td>
<td>20%, in case of export of finished goods including the Customs Union countries — 0%</td>
<td>Prompt refund of the full amount from the state budget, paid by purchasing (import) of goods (works, services), property rights for creation of park facilities</td>
</tr>
<tr>
<td>Customs fees (VAT and customs duty) for raw materials, materials</td>
<td>duties depend on materials (5–20%), VAT — 20%</td>
<td>0% in case of export of finished goods outside the Customs Union or by absence of analogue materials produced in the CU</td>
</tr>
<tr>
<td>Customs fees (VAT and customs duty) for components and equipment</td>
<td>duties depend on equipment (usually 5%, rarely 10%)</td>
<td>0%</td>
</tr>
<tr>
<td>Income tax for physical bodies (employees of resident enterprises pay)</td>
<td>13%</td>
<td>9%</td>
</tr>
<tr>
<td>Allocations to the social protection fund (enterprises pay)</td>
<td>35%</td>
<td>Belarus citizens — 0% for part of incomes which exceed average salary around the Republic. Foreign citizens — 0%. Example: Salary of some Belarusian employee in October = 700 $. Average salary in Belarus in September was 390 $. Generally fees per October = 700 * 0.35 = 245 $. Fees in the Park = 390 * 0.35 = 137 $.</td>
</tr>
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<tr>
<td>Tax on dividend income and other similar income accrued to its founders (participants, shareholders, owners)</td>
<td>Not more than 12%</td>
<td>5%</td>
</tr>
<tr>
<td>Compensation payments for harmful impact upon objects of flora and fauna during construction</td>
<td>Depending on territory</td>
<td>Released</td>
</tr>
<tr>
<td>Obligatory sale of currency earnings</td>
<td>30%</td>
<td>Allowed</td>
</tr>
<tr>
<td>Payments in foreign currency in the course of construction of the industrial park objects</td>
<td>Prohibited</td>
<td></td>
</tr>
<tr>
<td>Certification of goods and materials for construction at the territory of the industrial park</td>
<td>Obligatory certification</td>
<td>Released</td>
</tr>
<tr>
<td>State duty for issue (prolongation) of permit to attract foreign workforce, special permits for the right to work in the Republic of Belarus, for temporary residency in the Republic of Belarus</td>
<td>~70$/foreign person. ~750$/legal entity</td>
<td>Released, exemption applies also to contractors engaged</td>
</tr>
</tbody>
</table>

* projects over 5 min $ in electronics, biomedicine, pharmaceuticals, new materials, chemistry, machinery, logistics, R&D(1 mln $)
Labor Force Policy

- There are no restrictions on recruitment of foreign labor force.
- Exemption from fees connected with engagement of foreign labor force, temporary residence in Belarus.
- Opportunity to obtain a residence permit in the Republic of Belarus when investing more than 150 thousand euros.
- Fixed and preferential rate of a personal income tax (9%).
- Access to manpower of the capital city of Minsk:
  1. The population of the city of Minsk is 1.9 million people.
  2. The nearest district of the city (the settlement of Sokol) is located at a distance of 1 km only from the park territory (its population is 6 thousand people).

High scientific potential

- The total number of students in the Republic of Belarus:
  - 2014: 362.9 thousand people
  - 2013: 254.3 thousand people
  - 2012: 207.1 thousand people

- The number of graduates in Minsk:
  - 2014: 54 thousand people
  - 2013: 30 thousand people
  - 2012: 16.2 thousand people

- Proportion of population:
  - 30-34 years old: 28.4%
  - 20-24 years old: 92.6%

- Patent applications annually in Minsk from 2010 to 2014:
  - 8,000 patent applications

From 2010 to 2014, Belarusian scientists submitted more than 8,000 patent applications.
ONE-STOP STATION

Company registration:
1. Choice and approval of a company name;
2. Business registration with the State Registry;
3. The registration of the company in tax inspection, insurance company, social security fund;
4. Making of a company seal;
5. Opening of a regular bank account with any of 26 banks acting in Belarus.

Conclusion of a contract concerning terms and conditions of activity in the Park with the Administration,* submittal of substantiation of an investment project in any form.

Conclusion of a contract with a management company on rent/purchase of a land plot for construction* or a ready real estate.

Registering property

According to the report of Doing Business 2016, the Republic of Belarus ranks 7rd in the world in registering property.

Activity in the Park

The Administration makes decisions independently and operatively on registration of the Park residents, on placement of construction facilities in the Park territory, on permission to carry out design and survey work and construction, on other procedural matters and day-to-day management of the Park in whole.

In case some questions fall within the competence of another body of state administration, the Park Administration provides answers to such questions without direct interaction of the resident with this body.

THE INDUSTRIAL PARK IS A TERRITORIAL UNIT OF THE REPUBLIC OF BELARUS, THE DAY-TO-DAY MANAGEMENT OF WHICH IS CARRIED OUT BY THE PARK ADMINISTRATION.

* a standard form is available on www.industrialpark.by
10 GUARANTEES FOR INVESTORS

1. Invariability of preferential treatment even in case of establishment of new taxes and dues in the country (Decrees of the President of the Republic of Belarus on the Park dated 5 June 2012 and 30 June 2014)

2. Permanent most favourable treatment in comparison with special economic zones of Belarus (the Intergovernmental agreement on the Park of 18 September 2011 ratified by the Law of the Republic of Belarus of 7 January 2012)

3. Unimpeded transfer of profit from the Republic of Belarus (Decrees of the President of Republic of Belarus on the Park dated 5 June 2012 and 30 June 2014, the law “On investments”)

4. Protection of property against nationalisation and requisition (the Law of the Republic of Belarus “On investments”)

5. Bilateral agreements on mutual promotion and mutual protection of investments concluded with more than 60 countries of the world

6. Opportunity to conclude an investment contract with the Republic of Belarus (the Decree of the President of 6 August 2009)

7. Judicial protection, including arbitration and the International Centre for settlement of investment disputes (Washington convention on the settlement of investment disputes of 18 March 1965)


Benefits

1. Political and social stability;
2. Steady economic growth;
3. Advantageous geographical position and developed transport infrastructure;
4. Developed industrial, science & technical, export potential;
5. Customs Union & Eurasian Economic Union of Belarus, Russia, Kazakhstan, Armenia and Kyrgyzstan, MIGA and other membership;
6. Low level of crime;
7. Highly qualified and relatively low-cost labour force;
8. Progressive investment legislation and positive dynamics of foreign direct investment.
www.industrialpark.by

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