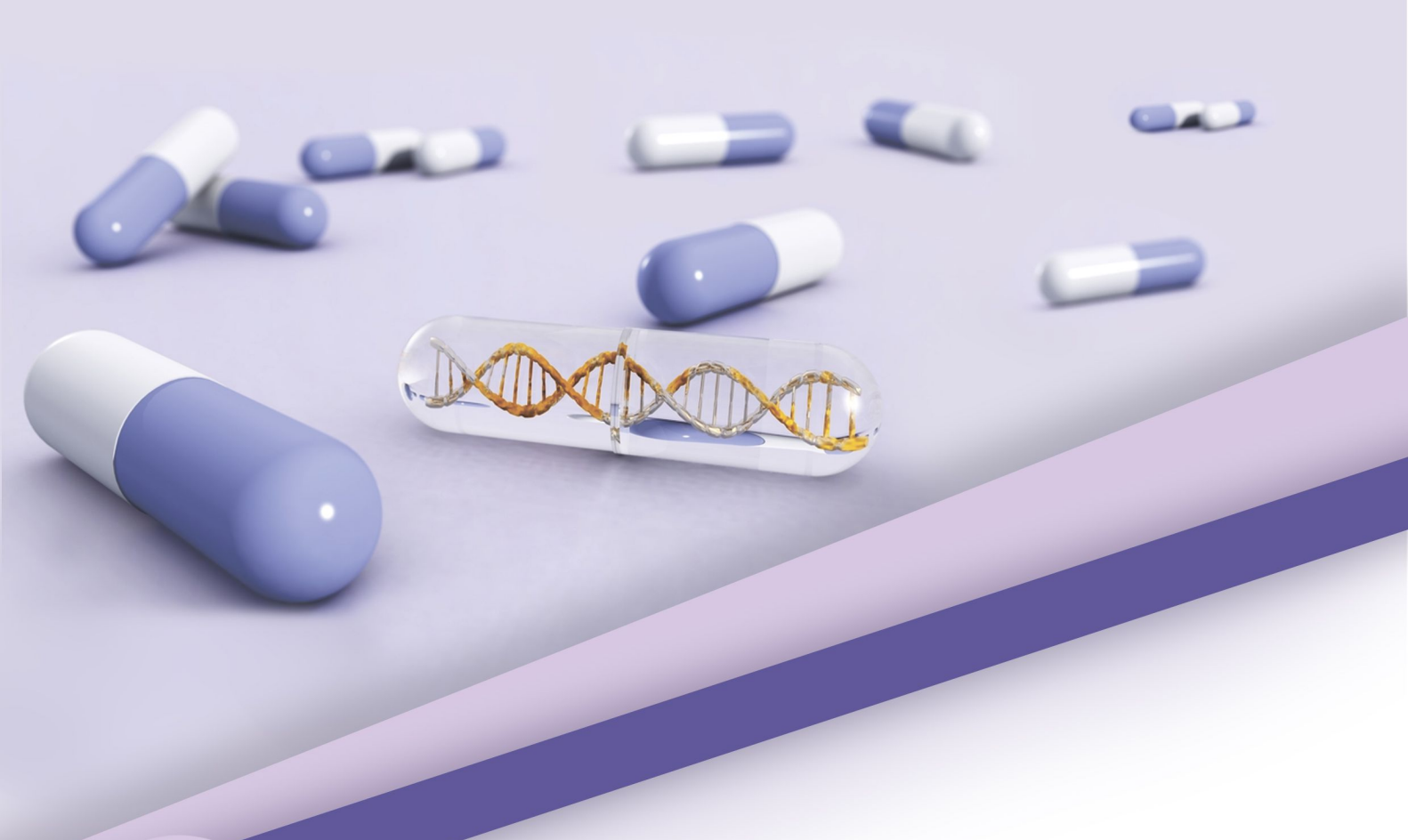


# Pharmaceutical industry in Belarus

NATIONAL AGENCY
OF INVESTMENT
AND PRIVATIZATION
REPUBLIC OF BELARUS

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The pharmaceutical market of Belarus is a strategically important sector of the economy, the basis of the country's healthcare security as well as of pharmaceutical and medical supply.

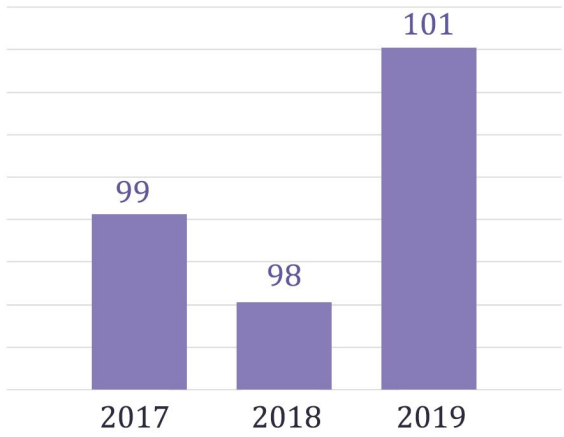
The pharmaceutical industry of the Republic of Belarus is a science- and capital-intensive industry and has a high potential for the cooperation development.

The production of pharmaceuticals and pharmaceutical products (along with the production of computing, electronic and optical equipment) is qualified as a high-tech type of economic activity in Belarus. Currently, the emphasis in the pharmaceutical industry is placed on science and own developments as well as on mastering the manufacture of innovative drugs and substances used as a base for tablet, powder or solution production.

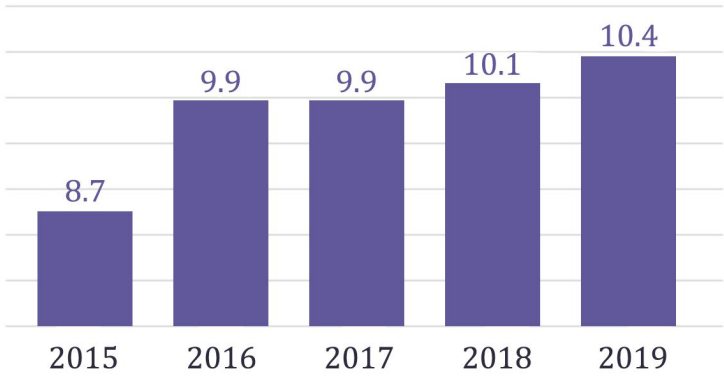
The increase of the pharmaceutical production volumes is provided owing to the implementation of investment projects in this industry. To date, 36 investment projects have been implemented for the amount of 345 million US dollars. It is planned to implement 14 more investment projects aimed at equipping pharmaceutical manufacturers with high-tech equipment.



The share of employees in this sector has increased over the past five years. The nominal gross average monthly wages of pharmaceutical workers increased by 46%, reaching 636.2 USD in 2019, which exceeded the national average indicator by 21.7%.




**The number of organizations producing basic pharmaceutical products and pharmaceuticals (as of January, 1)**




**Dynamics of the average number of employees in the pharmaceutical industry, thousand people**

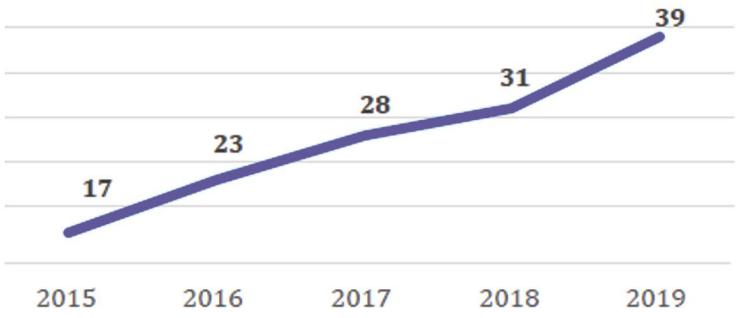
## HIGH-LEVEL HR POTENTIAL

The pharmaceutical industry in Belarus employs more than 10 thousand professionals of various qualification, all possessing a wide range of skills. Every year, they are joined by specialists skilled in developing original and generic medicines via biotechnology and organic synthesis methods, registering and promoting medicines in foreign and domestic markets, quality control, wholesale and retail sales, pharmaceutical marketing and management.

Training of specialists with higher education is carried out at the Belarusian State Medical University (BSMU) on the Faculty of Pharmacy and at the Vitebsk Medical University. Specialists with secondary specialized education in the field of pharmacy are trained at the Belarusian State Medical College, as well as in the Vitebsk and Mogilev Medical Colleges.

**Number of pharmacists in the Republic of Belarus in 2018-2019**

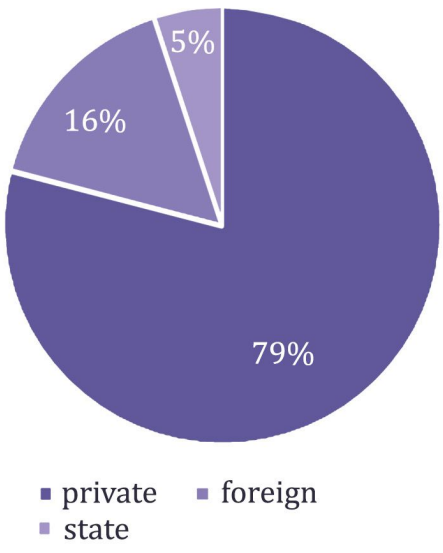
| | 2018 | 2019 | 2018 per 10 thousand people | 2019 per 10 thousand people |
|---|---|---|---|---|
| number of pharmacists | 3967 | 4069 | 4.2 | 4.3 |
| number of senior pharmacists | 3187 | 3130 | 3.4 | 3.3 |



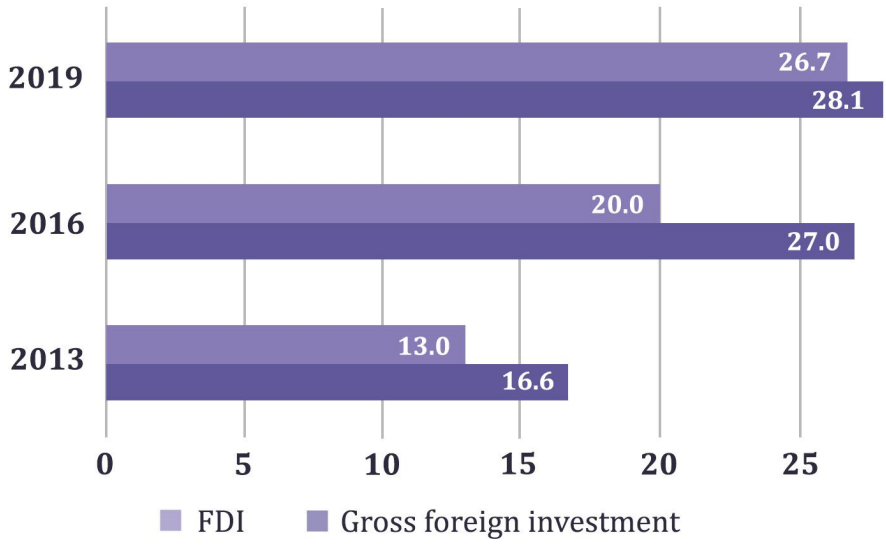

**Number of clinical pharmacologists**

In 2019, 5% pharmaceutical enterprises were of the state form of ownership, 79% of pharmaceutical enterprises were private and 16% were of foreign ownership.

The share of foreign-owned pharmaceutical enterprises in the Republic of Belarus increased by 1.6% compared to 2018.




**The number of pharmaceutical enterprises by form of ownership in 2019,%**

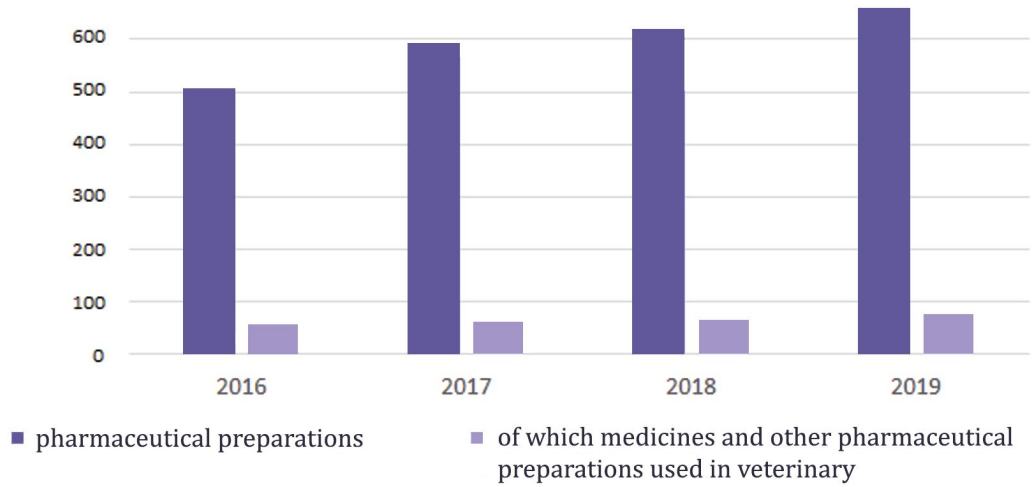



**Inflow of foreign investments to pharmaceutical production of the Republic of Belarus in 2012-2019, million US dollars**

# Production

Belarusian medicines are produced on the high-tech technological equipment of the same pharmaceutical substances used by the leading world manufacturers. During 2016-2019, the pharmaceutical production index revealed a positive growth (in 2019 + 26.7% compared to 2015).

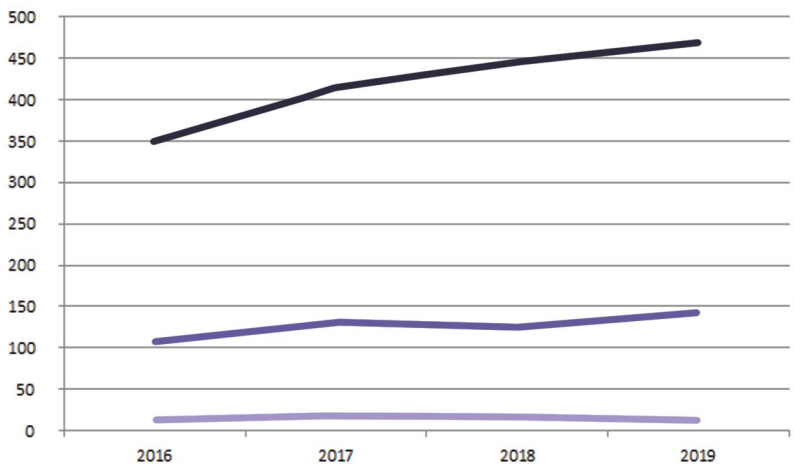
In recent years, a positive growth trend has been observed on the pharmaceutical market in Belarus, significantly exceeding the growth of GDP. Production of pharmaceutical products over the past four years increased by 37% and amounted to 653 million USD.




**Production of pharmaceuticals in the Republic of Belarus, 2016-2019, million USD**

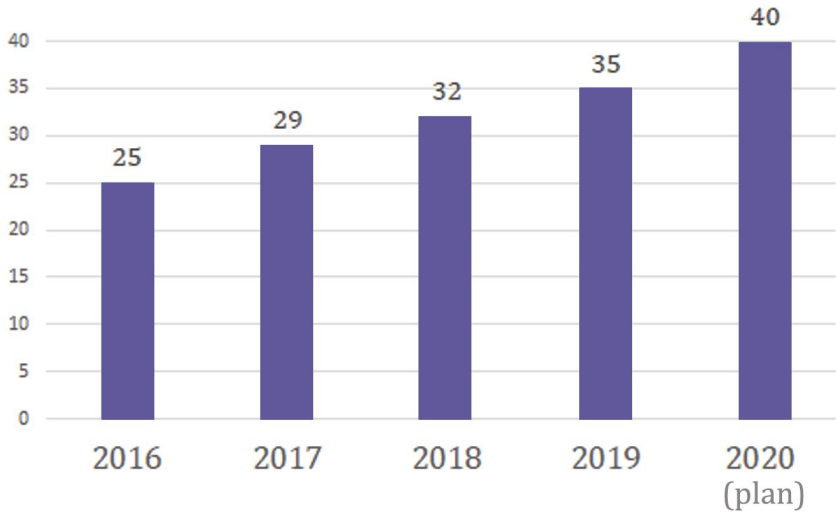
Pharmaceutical production in the Republic of Belarus is classified as a profitable branch of industry, yielding just to "information and communication" and "finance and insurance" activities.
The sales margin level of pharmaceutical production has been exceeding 20% for many years.

**Production of selected types of pharmaceuticals, 2016-2019, million USD**



The main goals of the Belarusian pharmaceutical industry for the period up to 2020 are as follows:

- creation of a modern research infrastructure for the development and production of innovative pharmaceutical products, including the reconstruction of existing enterprises and the construction of modern production facilities meeting international quality standards;
- cooperation with leading pharmaceutical manufacturers through the organization of joint and foreign ventures.




**The share of exports of medicines in the total production of medicines, %**

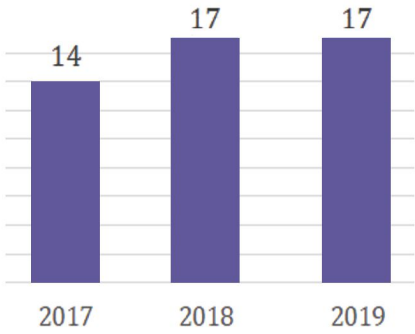
In order to reduce dependence on imports and increase inner output in the Republic of Belarus, it is planned to increase the share of domestically produced drugs on the pharmaceutical market to 50% in value terms by the end of 2020.

**48.9%** - the share of domestically produced medicines in the market of the Republic of Belarus in value terms

Every year pharmaceutical companies reveal a steady trend of increasing the number of domestically produced medicines registered.

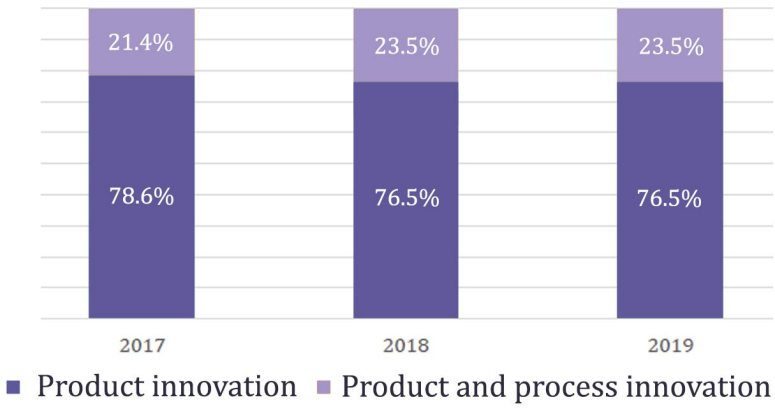
As of January, 1, 2019, a total of 4,266 medicinal products were registered in the Republic of Belarus, including 1,674 medicinal products of domestic production (of which 95 are original, 1,553 are generic, 23 are innovative). As of January 2020, the number of medicines produced in Belarus amounted to 1,670 names.

# Innovative activity of pharmaceutical enterprises

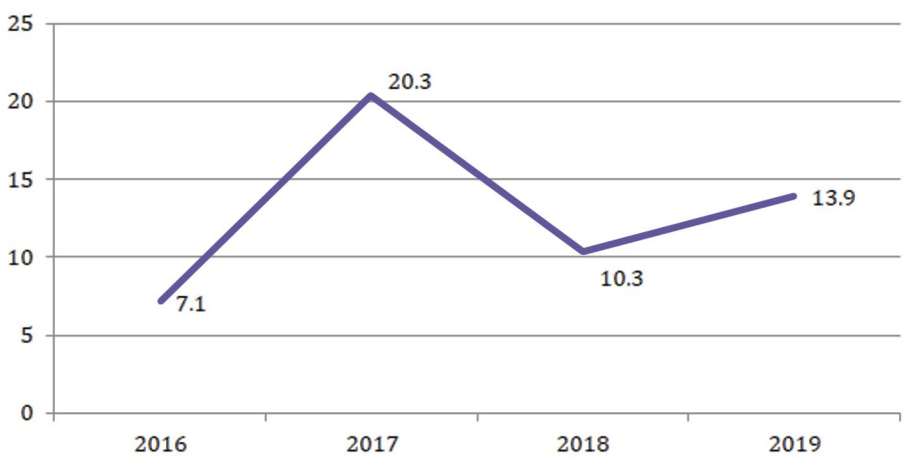



**Number of innovatively active pharmaceutical manufacturing enterprises**

In 2019, the share of innovatively active enterprises engaged in production of pharmaceuticals in the total amount of industrial enterprises reached 70.8%, which is the largest share among all types of activities in 2019.



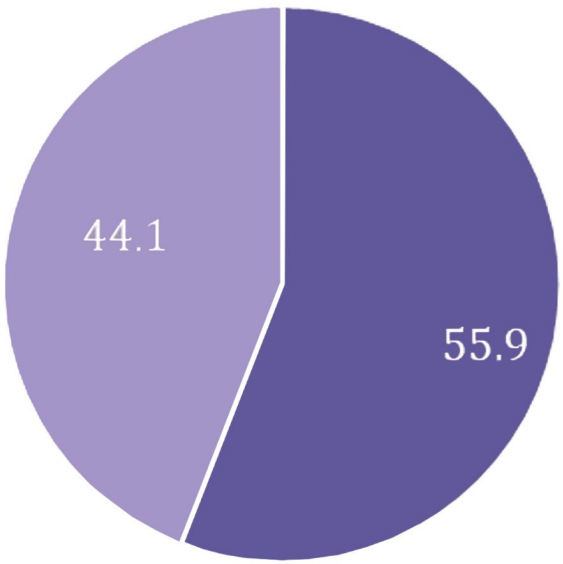

**Structure of innovation activity of pharmaceutical enterprises by type of technological innovation (percent of total)**



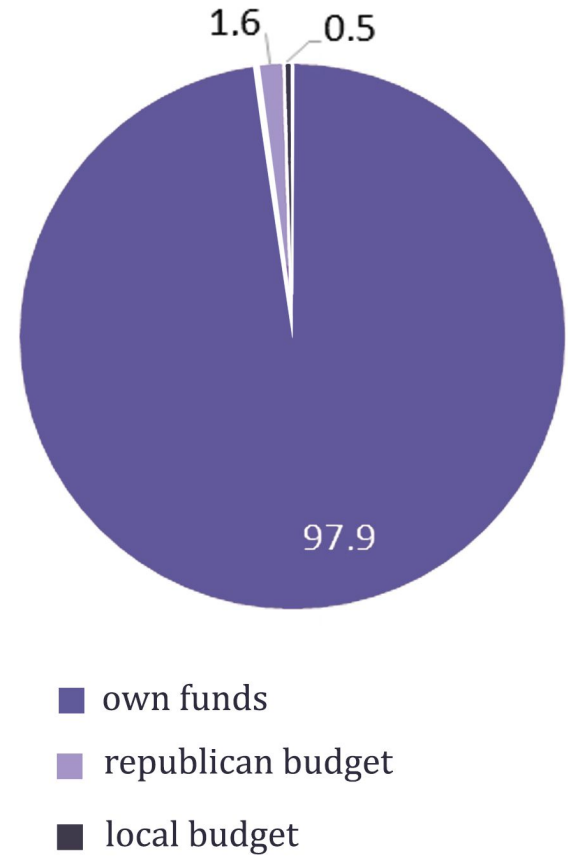

**Financing of expenses for technological innovations, million USD**

In four years, the volume of financing from own funds has doubled. Over the same period (2016-2019), the value of shipped innovative pharmaceutical products has also doubled.

**Structure by funding sources in 2016**




**Structure by funding sources in 2019**




Optimization of the product range of domestic pharmaceutical enterprises is one of the primary targets for the pharmaceutical industry development aimed at meeting the demand of the domestic market and stimulating export activity.

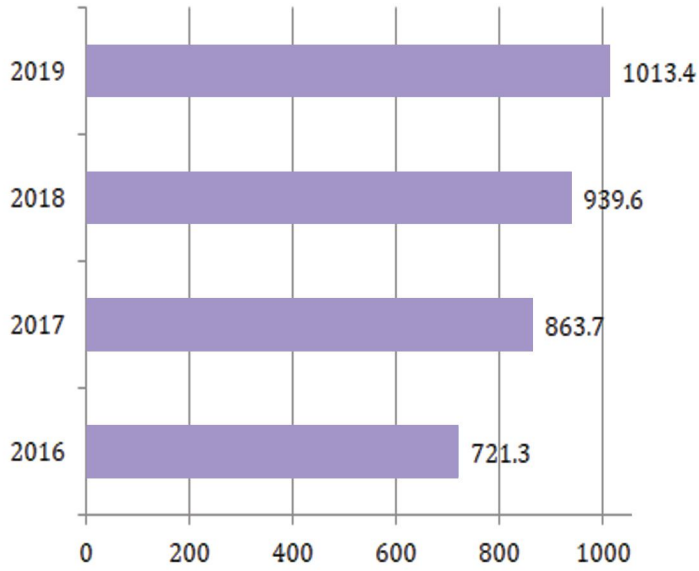
The two-fold growth in exports of pharmaceutical products in the total volume of innovative pharmaceutical products in 2019 relative to 2018 is indicative (the share increased to 32.6% in 2019, of which to the Russian Federation - 28.3%).

# Domestic trade

**Over 68%** of basic domestically produced medicines are currently sold in retail (pharmacy chains).

In the hospital sector, the share of domestic drugs **exceeds 85%.**

In 2019, the volume of retail trade in pharmaceutical products increased by **8%** and amounted to **714 million USD**.

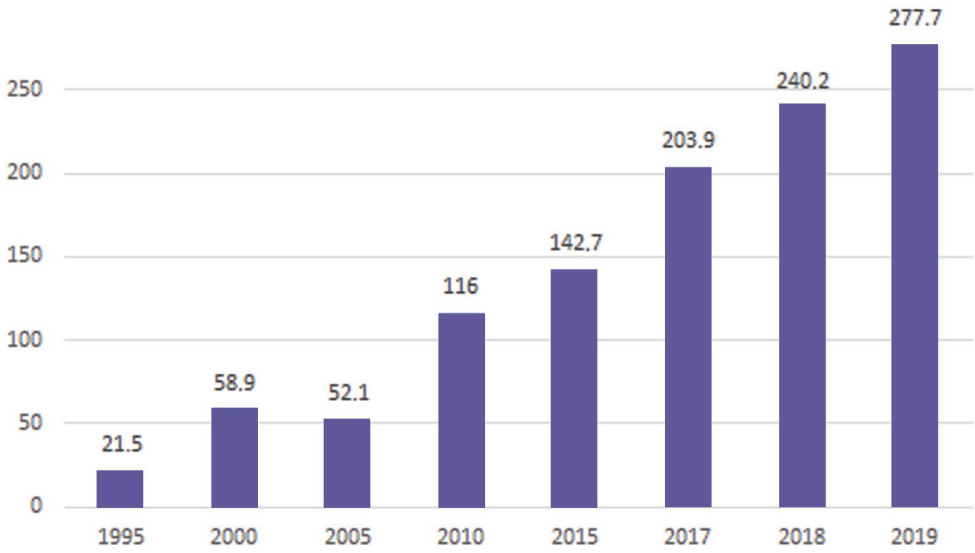



**Sale of pharmaceutical products by wholesalers, million USD**

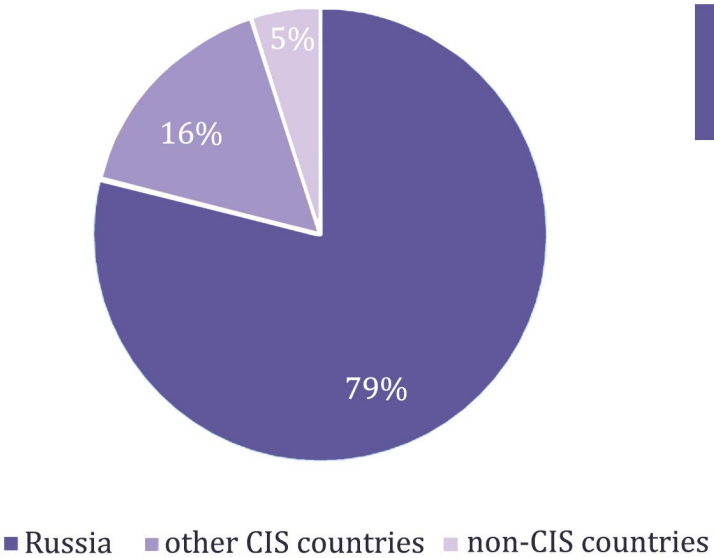
The volume of trade in pharmaceutical products by wholesale organizations has increased **by 1.5 times** over 4 years.



# External trade




**Export of pharmaceutical products in 1995 - 2019, USD million**



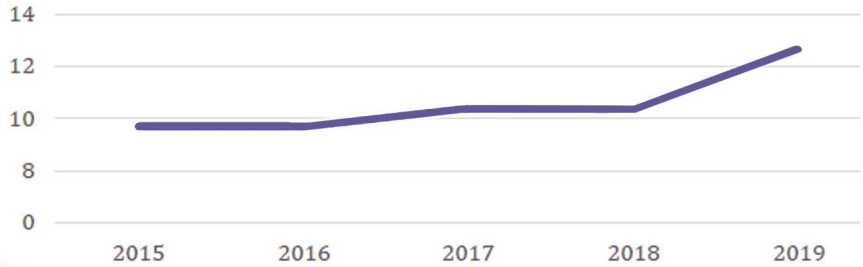

**Export of pharmaceutical products by country in 2019, USD million**

## It is planned to expand the export portfolio up to 35 countries

In 2019, the growth in exports of pharmaceutical products and pharmaceuticals amounted to 20.7% as compared to 2018.

The geographic structure of exports reveals the significant role of the CIS countries. Over 70% of exports go to Russia.

The mass segment and low prices are the main competitive advantages of Belarusian pharmaceutical manufacturers. Belarus is to a large scale integrated into the international system of pre-production testing and quality control of medicines.




**Export of pharmaceuticals packaged for retail sale, thousand tons**

**Exports / imports of the selected types of medicines packaged for retail sale, 2019, thousand USD**

| HS code | Heading Description | Export | Import |
|---|---|---|---|
| 300215 | Immunological products, put up in measured doses or in forms or packings for retail sale | 56.5 | 29 221.8 |
| 300320 | Medicaments, containing antibiotics | 105.6 | 5 298.5 |
| 300410 | Medicaments, containing penicillins, streptomycins or their derivatives, for therapeutic or prophylactic uses, packaged for retail sale | 5 090.5 | 19 000.0 |
| 300420 | Medicaments, containing antibiotics (other than penicillins, streptomycins or their derivatives), for therapeutic or prophylactic uses, packaged for retail sale | 74 665.6 | 49 419.4 |
| 300431 | Medicaments, containing insulin, for therapeutic or prophylactic uses, packaged for retail sale | 44.5 | 5 950.1 |
| 300432 | Medicaments, containing corticosteroid hormones, their derivatives or structural analogues (but not containing antibiotics), for therapeutic or prophylactic uses, packaged for retail sale | 4 601.6 | 18 695.9 |
| 300439 | Medicaments, containing hormones (but not insulin), adrenal cortex hormones or antibiotics, for therapeutic or prophylactic uses, packaged or retail sale | 594.7 | 20 948.3 |
| 300450 | Medicaments, containing vitamins or their derivatives, for therapeutic or prophylactic use, packaged for retail sale | 12 867.3 | 29 631.7 |

| Exports / imports of the selected types of medicines packaged for retail sale, 2019, thousand USD | | | |
|---|---|---|---|
| HS code | Heading Description | Export | Import |
| 300610 | Sterile surgical catgut, suture materials, tissue adhesives, laminaria, laminaria tents, absorbable surgical or dental haemostatics, and surgical or dental adhesion barriers | 3 825.1 | 4 091.8 |
| 300630 | Opacifying preparations for x-ray examinations, diagnostic reagents designed to be administered to the patient | 415.1 | 5 401.9 |
| 300640 | Dental cements and other dental fillings, bone reconstruction cements | 1 363.7 | 10 865.4 |
| 300660 | Chemical contraceptive preparations based on hormones, on other products of heading 2937 or on spermicides | 527.4 | 8 402.2 |
| 300691 | Appliances identifiable for ostomy use | 1 187.1 | 724.8 |

# Export potential

The geography of Belarusian export of medicines is represented by 33 countries: the CIS countries are traditionally the main sales markets for Belarusian exporters.

TOP-3 importing countries are the Russian Federation, Kazakhstan, Azerbaijan. Among the non-CIS countries, the main markets are Georgia, Iraq, Vietnam, Syria, Mongolia. It is planned to expand the sales geography in the near future. Since 2018, medicines have been exported to such countries as Tunisia (North Africa), Cameroon (Central Africa) and Cote d'Ivoire (West Africa).

It is also planned to supply pharmaceutical products to the countries of South Asia: Sri Lanka, Pakistan and Afghanistan. Promotion of Belarusian medicines to the countries of the Middle East (Iraq, Yemen, Jordan and Syria) is proceeded. The markets of East Asia (Mongolia and South Korea) are being actively developed.

More than 20 Belarusian enterprises are currently carrying out exports; in the future, a significant increase in the number of exporters is predicted.



Currently, **over 90%** of Belarusian export of medicines is formed by enterprises as follows:

- JSC "Borisov Plant of Medical Preparations",
- RUE "Belmedpreparaty",
- UE "Minskintercaps",
- JLLC "Lekpharm".

**The main focal points of export policy for the near future are as follows:**

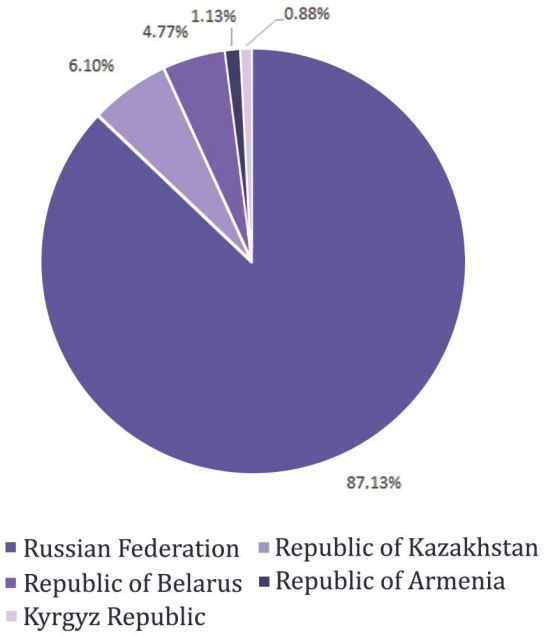
- expansion of the distribution network in the traditional sales markets;
- increasing the share in the newly developed markets, strengthening positions in the previously developed markets;
- expanding the range of medicines exported and increasing the export supply volume;
- confirmation by Belarusian pharmaceutical manufacturers of the compliance of drug production with GMP requirements;
- creation of joint ventures, both on the territory of the Republic of Belarus and in other countries;
- development of new promising markets - the countries of the Persian Gulf, Southeast Asia, Africa and Latin America.

The geographical structure of pharmaceutical imports to Belarus is quite diverse. Thus, the largest share is accrue to Russia (14.0%), Germany (12.4%), France (5.4%), India (4.7%), Slovenia (3.9%) and the USA (3.5% ).

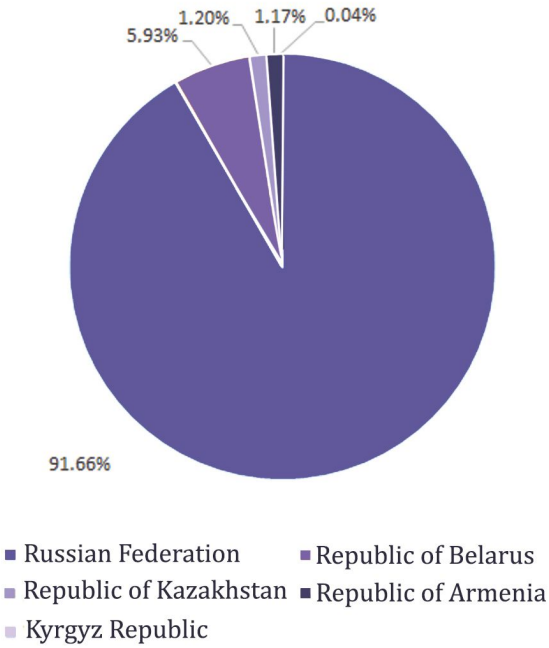


# The EAEU market

The production of pharmaceutical products in the Republic of Belarus provides duty-free access to the large and dynamic market of the five member states of the Eurasian Economic Union (Armenia, Belarus, Kazakhstan, Kyrgyzstan and Russia). The EAEU market size is estimated at 184 million consumers.

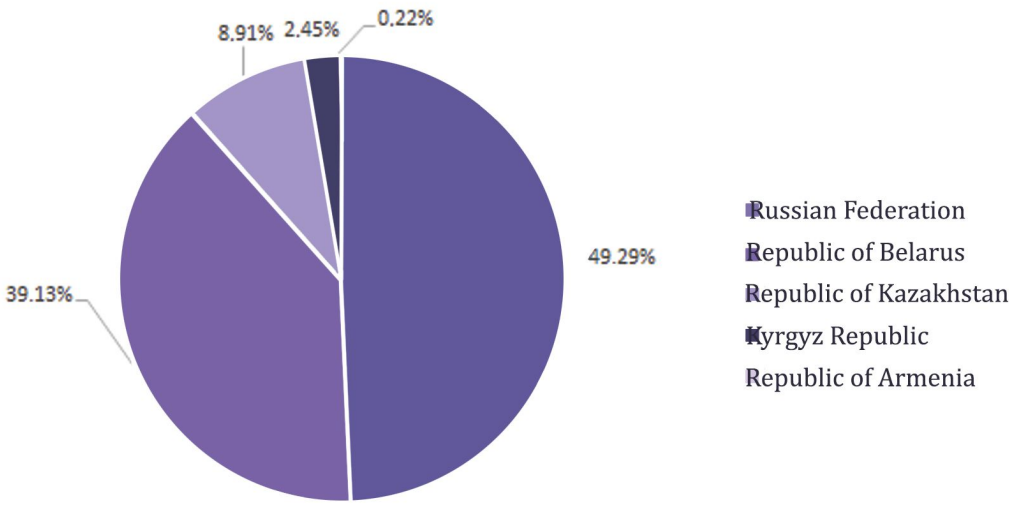



**Shares of the participating countries in the total import of pharmaceutical products from third countries to the EAEU in 2019,%**




**Shares of the participating countries in the total export of pharmaceutical products to third countries from the EAEU in 2019,%**

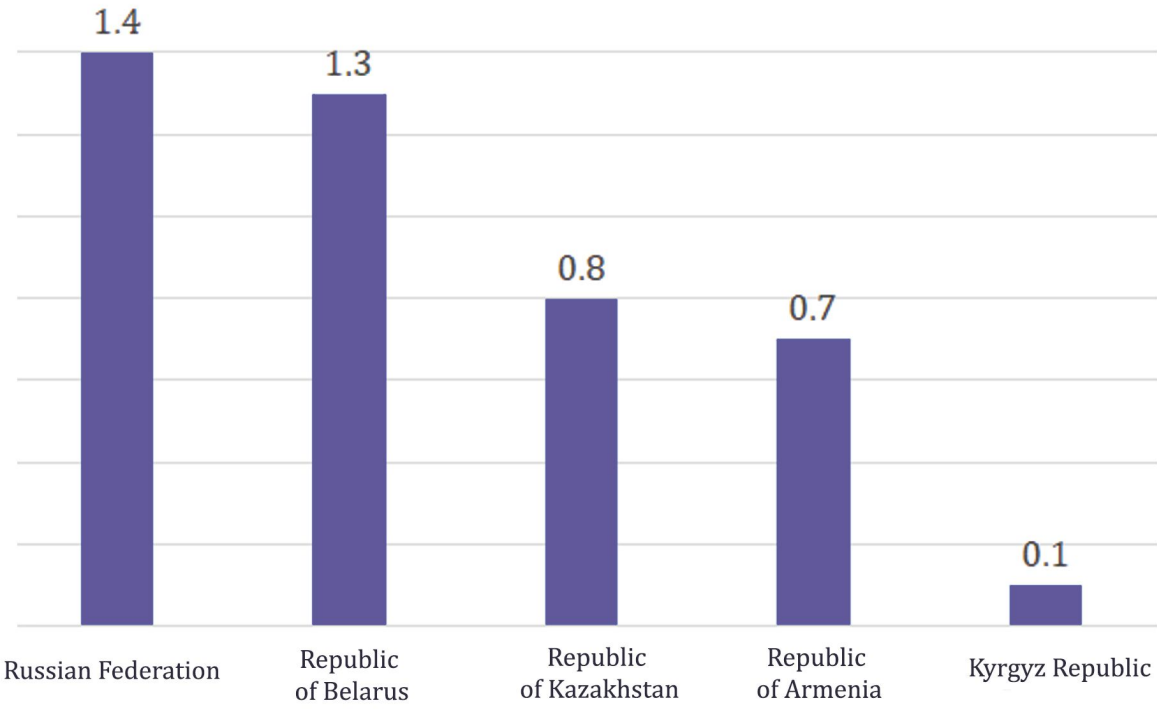
In 2019, Belarus ranked second after the Russian Federation in terms of export of pharmaceutical products to third countries.




**Shares of the EAEU member states in the total volume of mutual trade in basic pharmaceutical products and pharmaceuticals in 2019, USD million**

The EAEU member states are developing a Common Market for medicines that meet the standards of Good Pharmaceutical Practices. Major principles of the Common Market are: harmonization and unification of the legal requirements of the member states in the field of medicines circulation; ensuring the unity of mandatory requirements for the quality, efficacy and safety of medicines; implementation of licensing and control and supervisory functions, etc.

The EAEU GMP certificate is a mandatory requirement for drug registration, confirmation of registration, as well as for bringing registration in line with the EAEU requirements.




**Share of pharmaceutical production in the total volume of manufacturing industry production of the EAEU member states, 2019, %**

**Belarus ranks 2nd** among the member countries of the EAEU by the share of pharmaceutical products in the overall structure of the manufacturing industry production, slightly trailing to the Russian Federation.

# Investment potential and prospects of the industry

Attracting investments in the pharmaceutical industry is one of the priorities of the economic policy of the Republic of Belarus. Attracting investments, including foreign ones, will ensure a further increase in the scientific, technical and production potential of the Belarusian pharmaceutical industry, mastering the production of new medicines, reconstruction and modernization of existing facilities with advanced technologies and in accordance with the requirements of Good Manufacturing Practice (GMP).

Currently, the governmental policy is aimed at ensuring the drug safety of the country, as well as at the development and introduction of new medicines, progressive modernization of the pharmaceutical sector, creation of new science-intensive and high-tech enterprises, export growth, financing of advanced scientific and technical developments, creation of favorable conditions for the transition on the innovation-driven growth model.

The main goal is to expand the range of domestically produced pharmaceuticals through the development and quality assurance of generic and original medicines for the treatment of diseases of the cardiovascular and skeletal systems, gastrointestinal tract, direct antiviral drugs, antitumor and anti-tuberculosis drugs, drugs for the treatment of rheumatoid arthritis and diabetes mellitus, blood substitutes and neuroprotectors, etc.

**Within 2012 – 2018, as a result of technical re-equipment, 32 modern high-tech production facilities were put into operation in accordance with the requirements of Good Manufacturing Practice.**





Belarusian pharmaceutical enterprises have launched quality systems, within the framework of which the work is carried out to bring the production of medicines and pharmaceutical substances in accordance with the requirements of Good Manufacturing Practice (GMP) of the Republic of Belarus, as well as the countries of the European Union (EU), USA (FDA), PIC/S.

In total, 88 sites in 30 pharmaceutical organizations of the Belpharmprom Holding are certified according to the national GMP requirements, 7 production sites have GMP certificates of Ukraine (a PIC/S member country).

An investment project was implemented in 2019 to create a joint venture by the Indian company Lok-Beta Pharmaceuticals Pvt. Ltd. and RUE "Belmedpreparaty" for the production of medicines in the form of tablets and capsules. For that purpose, an investment agreement has been concluded between the Republic of Belarus and Lok-Beta Pharmaceuticals Pvt. Ltd.

The joint Belarusian-Indian pharmaceutical company Novalok LLC was established to implement in Belarus the investment project “Creation of industrial production of medicines in the form of tablets and capsules, meeting the requirements of Good Manufacturing Practice (GMP)”.

Novalok LLC is located in Skidel. It is planned to produce drugs for the treatment of HIV infection, viral hepatitis, as well as other drugs in demand on the Belarusian and Russian markets. Over 15 positions are being discussed for localization.

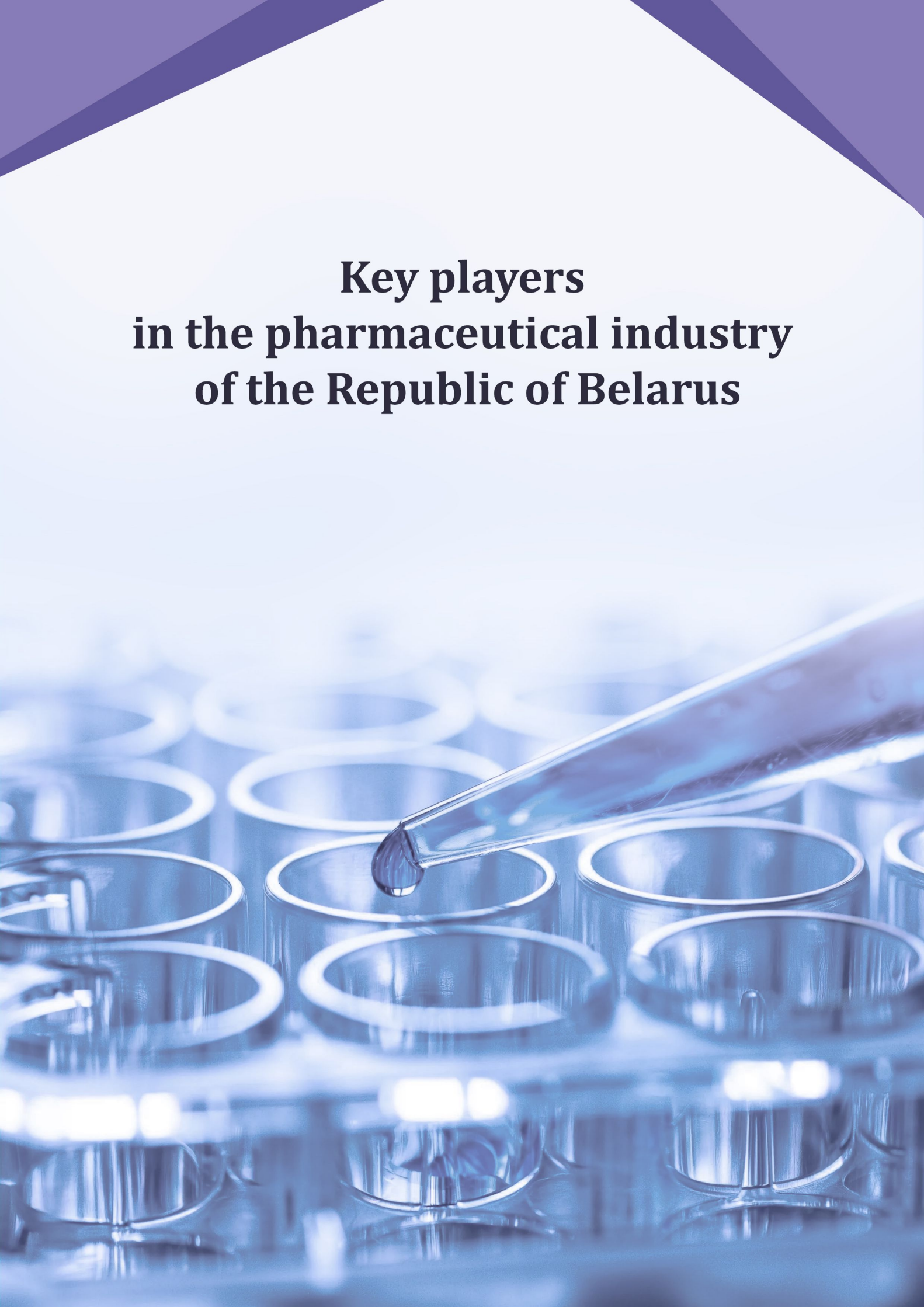
The Managing Company of the Belpharmprom Holding is working on the technology transfer and localization of medicines production with the leading Indian companies (Hetero, Natco Pharma, Lok-Beta Pharmaceuticals Pvt. Ltd., Gennova Biopharmaceuticals Limited, Cipla, Nabros Pharma Pvt. Ltd., Sun Pharmaceutical Industries, Biocon and Dr. Reddy's Laboratories Ltd., etc.) and transnational companies (Pfizer (USA), Astellas (UK), Takeda (Japan), Hoffman-la Roche (Switzerland), and also with individual foreign companies, such as Gedeon Richter (Hungary), Arterium (Ukraine), Biocad (Russian Federation).

Projects are underway to localize the production of 40 modern medicines of various pharmacotherapeutic groups, including those used for the treatment of viral hepatitis, HIV infection, cardiovascular and oncological diseases, and X-ray contrast agents in demand by the healthcare system.



In general, the implementation of investment and innovation projects has made it possible to create a new pharmaceutical industry in the country with highly profitable production that meets international standards of Good Manufacturing Practice. Medicinal safety and medicines import substitution were ensured at the level of 50% of the market in value terms. Currently, Belarusian medicines have been registered, enabling effective treatment of almost all major diseases - oncological, diabetes, cardiovascular, tuberculosis.

# Key players in the pharmaceutical industry of the Republic of Belarus



# Belpharmprom Holding

34 organizations are consolidated by Belpharmprom Holding, of which 8 organizations are the members of the Holding (6 pharmaceutical organizations, 1 scientific organization and 1 manufacturer of medical devices):

- "Belmedpreparaty" RUE
- "Exon" OJSC
- "Ferein" OJSC
- "SPC LOTIOS" SE - scientific organization
- "Nesvizh Plant of Medical Products" OJSC
- "Borisov Plant of Medical Preparations" OJSC
- "FreBor" PUP - manufacturer of medical products
- "Minskintercaps" U.V.

and 26 organizations that have entered into cooperation agreements with the Management Company of the Belpharmprom Holding, of which:
24 pharmaceutical manufacturers and 2 manufacturers of medical devices.

Pharmaceutical organizations of the Belpharmprom Holding produce over 95% of the domestic medicines.



As of the end of 2019, output of the participating organizations of the "Management Company of the Belpharmprom Holding" RUE reached USD 524.56 million with a growth rate of + 5.11% by 2018. At the same time, export shipments amounted to USD 169.51 million with a growth rate of + 13.7% by 2018.

## RUE "Belmedpreparaty"

RUE "Belmedpreparaty" is the largest pharmaceutical company, the pioneer of the pharmaceutical industry in Belarus.

- **13** manufacturing and **7** auxiliary divisions
- owns **about 40%** of all trademarks and **more than 50%** of patents for inventions in the industry
- the range of registered and manufactured products includes about **350 items**
- own production of 40 original medicines and 36 pharmaceutical substances
- RUE "Belmedpreparaty" accounts for **more than 60%** of the total number of trademarks registered by members of the Belpharmprom Holding in the Republic of Belarus

## OJSC «Borisov Plant of Medical Preparations»

- the plant produces **about 300 types** of medicines
- **every 4 package o**f Belarusian drugs is manufactured at the Borisov Plant of Medical Preparations
- **31%** - market share
- the range of products is expanded by 10-12 items every year
- the plant manufactures 20 drugs out of 162 used in the world to treat Covid-19

## OJSC «Ferein»

- the company manufactures medicines, medical products and dietary supplements using natural plant and animal raw materials, as well as raw materials of microbiological and chemical synthesis
- **more than 500 types of medicines** are produced
- the stuff number **exceeds 200 people**

## Minskintercaps U.V.

- the assortment of the enterprise is annually replenished with new medicines, about 95% of which are produced under the import substitution program and are the generics of original brands
- the enterprise produces **70 items**, including medicines used in cardiology, neurology, ophthalmology, obstetrics and gynecology, urology, gastroenterology
- the ratio of exports and production amounted to **43%** by the end of 2018

## OJSC «EKZON»

EKZON OJSC is a modern pharmaceutical company engaged in production of medicines, food additives and food products.

In 2019, the enterprise produced:



21 549 100
hematogen tiles



6 706 300
packs of tablets



400 300
other products



1 310 300
syrup bottles



899 900
packages of powders and granules

## JSC «Nesvizh Plant of Medical Preparations»

A modern pharmaceutical organization producing sterile infusion and injection solutions, solutions for local and external application, used as medicines and veterinary drugs.

## Pharmtechnology LLC

- the largest domestic non-state pharmaceutical enterprise with a full production cycle
- the company's product range includes **over 150 names** of medicines
- annual increase in production volumes amounts to **20%**
- the range of products grows by 5-10 items annually

## LLC «Fortiva Med»

- the priority of the company is mastering the production and introducing to the market of pulmonary drugs in the form of aerosols, solutions and capsules with powder for inhalation
- manufacture of aerosol inhalers produced by Fortiva Med LLC is the first production of this dosage form in Belarus
- in addition to pulmonary drugs, the production of drugs used in oncology, endocrinology, cardiology, immunology has been mastered

## CJSC «BelAseptika»

- produces a wide range of professional antiseptics, disinfectants, detergents and cleaning agents
- since 1999, BelAseptica has been an active member of the International Forum of Hospital Hygiene with headquarters in Germany

## JV «Pharmland» LLC

- Pharmland is one of the few Belarusian manufacturers of medicines and medical devices possessing its own full-scale Research and Development Center
- every year the Center develops more than 30 generic drugs and conducts more than 8 clinical trials

# The Union of Medical, Pharmaceutical, Scientific and Educational Organizations "Medicine and Pharmaceuticals - Innovative Projects"

The first pharmaceutical cluster of the Republic of Belarus unites the leading companies of the Vitebsk region, engaged in the field of medicine, pharmaceuticals and medical education. The Union is a non-profit organization on a voluntary basis.

**The main idea of the cluster is to promote interaction between science and business.**

| Scientific and educational unit |
| --- |
| Vitebsk State Medical Institute, Vitebsk State University |

| Production unit |
| --- |
| Aconitfarma LLC, Academpharm, Sivital SPE, Technopark "Vitebsk Silicon Valley" |

| Service companies |
| --- |
| Vitebsk Regional Center of Marketing, VitVar Ltd., The Union of Pharmaceutical and Biomedical clusters of Russia |

The implementation of the cluster's programs will lead to the local concentration of scientific and technical potential, which will speed up the development and launch of new drugs, which will ultimately contribute to improving the quality of education, as well as the implementation of import substitution programs and drug safety in the Republic of Belarus.

# Pharmaceutical cluster in Logoysk

## JLLC «Lekpharm»

The company produces a wide range of medicines in solid forms (tablets and capsules) and powders for internal use. Counting all the dosages produced, the enterprise product range includes 238 names of medicines.

**Major indicators of the enterprise in 2019:**

products manufactured for 76.7 million US dollars (+ 17%)

export of products US $ 15.11 million (+ 6%)

13 new medicines were registered, of which 8 were mastered in industrial production and released into the market

For 2020, it is planned to develop and register 15 medicinal products.

## LLC «AMANTISMED»

New pharmaceutical enterprise built in accordance with current GMP requirements.

35 new drugs are being developed with the prospect of being released by 2021 - 2022.

By the fall of 2020, 3 new positions (antiviral drugs) and 2 new cardiac medicinal products have been created.

## JLLC «TriplePharm»

A young dynamically developing pharmaceutical company producing high quality generics.

One of the five leaders among foreign and domestic manufacturers of products for the hospital segment of the pharmaceutical market of the Republic of Belarus.

# Scientific and practical centers and research institutes in the field of pharmaceuticals

## Institute of Bioorganic Chemistry of the National Academy of Sciences of Belarus

In the field of pharmacy, the Institute carries out developments in the field of technology for the synthesis of drug substances, including those with high antitumor and antiviral activity (leukladin, zamicite, fludarabel, alamine, cytarabine, thioguanine, cyclocytidine, phosphaden, sodium levothyroxine) and hemosorbents (ovosorb, antiglobulin, liposorb, nucleosorb), dietary supplement phytonol.

In total, the Institute employs 300 people, including 150 researchers, of which 11 are doctors (2 academicians and 3 corresponding members) and 50 are candidates of sciences.

## Institute of Microbiology of the National Academy of Sciences of Belarus

The Institute conducts research in the field of microbiology and biotechnology, develops substances for medicines and diagnostics, probiotics, etc.
The laboratory of molecular biotechnology has developed and introduced into production original chemical-enzymatic technologies for obtaining pharmaceutical substances of highly effective domestic anticancer drugs "Leikladin" and "Fludarabel".

## Institute of Biochemistry of Biologically Active Compounds of the National Academy of Sciences of Belarus

The Institute develops innovative medicines, vitamins, biologically active additives, as well as methods for isolation and purification of biologically active compounds from herbal medicinal raw materials and the development of their laboratory production for the needs of the pharmaceutical industry, etc.

## Institute of Biophysics and Cell Engineering of the National Academy of Sciences of Belarus

The main areas of activity are as follows: cell biology and engineering, development of drugs, medical technology and methods of medical care, immunology of humans, animals and plants, molecular, membrane and cell biophysics.

## SPC "ChemFarmSintez"

SPC "ChemFarmSintez" is a separate structural unit for low-tonnage production of new pharmaceutical substances for anticancer and antiviral drugs. At present, the range of pharmaceutical substances and medicines includes 9 items. Clofarabine, Letrazole, Pemetrexed, Azacitidine and a number of other high-tech drugs are at various stages of development or registration.

## Unitary Enterprise "Pilot Production of the Institute of Bioorganic Chemistry National Academy of Sciences of Belarus"

The enterprise is engaged in the development and industrial production of reagent kits for radioimmunoassay, enzyme immunoassay and other types of medical microanalysis for early detection and control of treatment of oncological, endocrine, hematological and infectious diseases, as well as the production of drug substances.

## State-Owned Enterprise "Academpharm"

Akadempharm is a modern enterprise for the production and sale of high quality medicines and dietary supplements. In 2011, Academpharm produced 6 types of drugs, and in 2019 - already 40.

## GNPO "Chemical synthesis and biotechnology"

The main areas of activity are the development and production of new types of science-intensive biotechnological, pharmaceutical and other high-tech products.

## SE "SPC LOTIOS"

SE "SPC LOTIOS" is engaged the scientific and technical, instrumental and analytical, information and methodological support and quality control of products, the safety of production for humans and the environment.

# Investment projects for implementation in the Republic of Belarus



# PRODUCTION OF "A" AND "E" VITAMINS IN COOPERATION WITH JSC "EKZON"

## About the project

The project aim is to set up a modern enterprise in order to produce "A" & "E" vitamins.

## The project effectiveness

The cost of the project implementation is **15 mln USD**.

## Infrastructure

- Engineering premises: 2606,3 $m^2$
- Warehouses: 1817,4 $m^2$
- Industrial premises: 2109,6 $m^2$

## Products

Vitamin "A"
Vitamin "E"

## Sales market

The main export market is Russia.
The main import countries are Switzerland and China.

## Forms of cooperation

Setting up a joint venture or another form of cooperation.

# PRODUCTION OF RADIOPAQUE MEDICAL DRUGS IN COOPERATION WITH JSC "BORISOV PLANT OF PHARMACEUTICAL PRODUCTS"

## About the project

The project aim is to set up an enterprise in Belarus in order to produce innovative pharmaceutical products - radiopaque medical drugs.

## Infrastructure

- Railway (the distance is 3 km).
- Highway (the distance is 8 km).
- Availability of infrastructure.
- Electricity, water pipe, gas pipe.
- Land plot (8,4 ha).
- Production and administrative premises (2,5 ha).
- Availability of warehouses and logistics terminal.

## The project effectiveness

The cost of the project implementation is 55 mln USD.

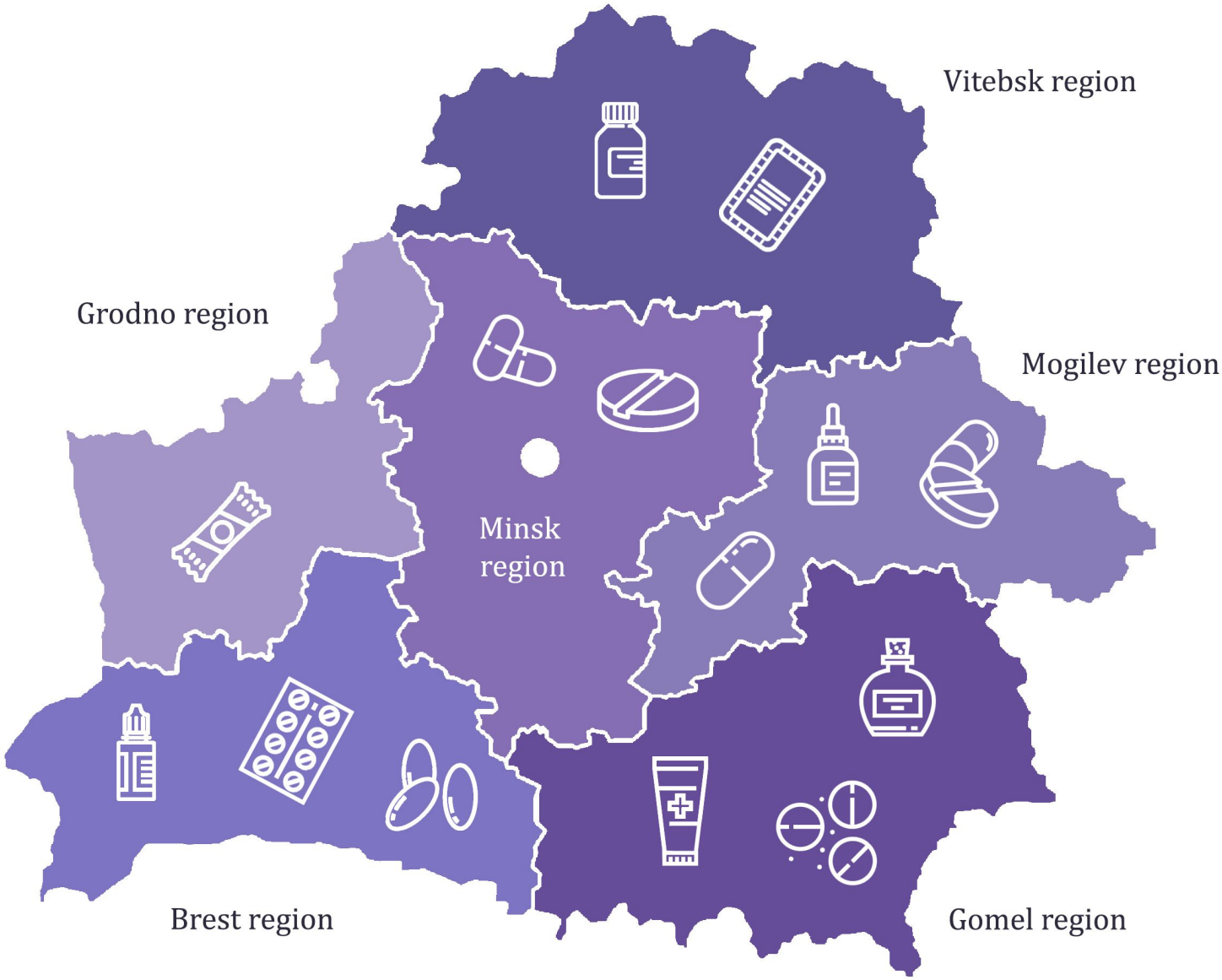
## Products

Iohexol (solution for injection) Iopromid (solution for injection) Ioversol (solution for internal and intraarterial injection) Iodixanol (solution for intravascular injection).

## Forms of cooperation

Setting up a joint venture or another form of cooperation.

# Projects in the field of medicine and pharmaceuticals are represented at the interactive portal "Investor's Roadmap"




**map.investinbelarus.by**

More investment projects and ideas, as well as land plots and real estate objects for the implementation of investment projects can be found on the interactive portal "Investor's Roadmap"

# The Republic of Belarus

**Population**: 9.48 mln (45.7 people/km$^2$)

**Territory**:207, 600 km$^2$

The Republic of Belarus is a state in the center of Europe. The shortest transport communications that connect the CIS countries with the states of Western Europe run through the territory of Belarus. By area Belarus surpasses such European countries as Austria, Belgium, Greece, the Netherlands,Portugal, and the Czech Republic.

The Republic of Belarus is an exportoriented state with a developed industry, services sector and agriculture.

Belarus maintains trade relations with almost all countries in the world.




## Key indicators, 2019

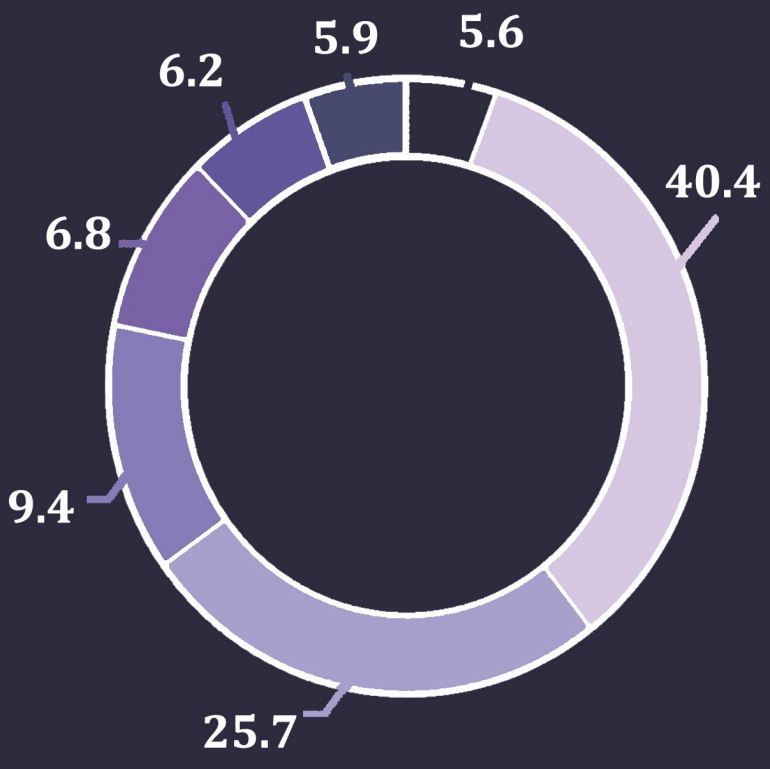
**Nominal GDP**
~63.2 b$

**Foreign trade in goods and services**
~84.2 b$

**GDP per capita**
~20.1 thsd $

**Net FDI**
~1.3 b$

# GDP structure, 2019




# Global rankings

| FDI Intelligence, 2020 | |
|---|---|
| **Minsk** | **2** |
| Sofia | 3 |
| Bucharest | 4 |
| Kiyev | 5 |

*among the cities of Europe, division «The Financial Times», category "Cost Effectiveness doing business "

| Global Food Security Index, 2019 | |
|---|---|
| **Belarus** | **36** |
| Romania | 38 |
| Russia | 42 |
| Kazakhstan | 48 |

* country performance by food indicator security, 2019

| Human Development Index, 2019 | |
|---|---|
| **Belarus** | **50** |
| Bulgaria | 52 |
| Georgia | 70 |
| Ukraine | 88 |

*Belarus belongs to the group of countries withhigh level of human development

B Fitch Ratings

B Standart&Poor's

B Moody's Investors Service

*«B» - stable outlook

**5.7**
**Dentists per 10 000 population**

**Belarus in top 10 of Lonely Planet Best in Travel 2019**

**Belarus in top 25 countries favorable for motherhood**

10 mln consumers of Belarus



184 mln consumers of EAEU

## Investment agreement

**Investment agreement with Belarus provides substantioal benefits and additional governmental support.**

**>60**

**agreements with countries for promotion and mutual protection of investments**

**>70**

**agreements with countries on avoidance of doble taxation**

## Visa-free regime

**Visa-free travel to Belarus for 30 days for the citizens of 70+ counties through the national airport. Visa-free travel to Brest and Grodno regions for 15 days for the citizens of 70+ countries coming through 12 international checkpoints on the EU border.**

# Preferential Investment Regimes

## Free Economic Zones

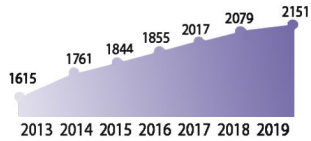
1. Exemption from income tax upon sale for export customers and to other residents of FEZ
2. Exemption from real estate tax on objects within the territory of FEZ for three years from the date of registration
3. Exemption from land tax and lease of land for the period of design and construction, but no more than 5 years from the date of registration. Exemption holds no matter what actual uses of the land are,provided that it is used for export sales and (or) for sales to other residents.
4. Exemption from payment for the right to conclude a land lease agreement

*Minimum investment amount 0.5 million EUR

## Investment agreement

1. VAT deduction in full
2. Exemption from import customs duties and taxes upon import into the Republic of Belarus of technological equipment, raw materials
3. Exemption from compensation for losses of forestry and agricultural production

**Number of concluded investment agreements**




## Small towns

1. Exemption from income tax for 7 years from the date of registration, on the sale of goods (works, services) of own production
2. Real estate tax exemption for 7 years from the date of the building registration
3. Exemption from import customs duties in respect to the imported goods contributed to the shareholders capital, provided that no more than 5 days have passed from the date of their manufacture
4. Exemption from income tax in respect to profit derived from the sale of goods of own production
5. Income tax exemption for 7 years

## Southeastern region of the Mogilev region

1. Income tax - 10% for 7 years from the date of commencement of business
2. Pension insurance for entities - 24%, within 7 years from the start of business
3. Financing the costs of building engineering and transport infrastructure for the implementation of projects in agriculture and industry

## Industrial park "Great Stone"

1. Exemption from income tax for 10 years, and 50% of the current tax rate from then on
2. Real estate tax exemption
3. Land tax exemption
4. Rent exemption
5. Exemption from compensation for losses of forestry and agricultural production

## Orsha district

1. VAT deduction in full for the objects built and equipped within Orsha district
2. Exemption from charges for issuing work permits for foreign citizens
3. Exemption from compensation for losses of forestry and agriculture production
4. Pension insurance for entities - 24%
5. Financial support for medium-sized enterprises at the expense of the regional budget

# Favorable geographical location

**103** *thsd km*
motorway total length

**6**
international airports, 9 airfields

**5480** *km*
railway total length

**2067.4** *km*
length of inland waterways

**8**
river ports

Belarus is located on the crossing of the main Trans-European Corridors (II West-East and IX North -South, with branching Corridor IXB). The country's beneficial geographical location determines its advanced transport infrstructure.

The Trans-European Transport Corridor with its branches opens direct access to the specialized sea ports of Klaipeda, Ventspills and Kaliningrad for cargo owners from Central Russia and Eastern Ukraine.

**Distance to the ports of the Baltic Sea**

- **Riga**-600 *km*
- **Klaipeda**-700 *km*
- **Ventspils**-760 *km*
- **Tallinn**-760 *km*
- **Gdansk**-900 *km*

# 20-foot container delivery charge (from Minsk)



# National Agency of Investment and Privatization

**The Agency is a state institution that provides assistance at no cost for foreign investors interested in launching a business in Belarus:**

- provision of information about investment opportunities, preferential regimes and benefits granted, economic sectors and legislation
- provision of up-to-date information about investment projects
- assistance in selection of sites and premises
- search for prospective partners for investment projects, arranging meetings and negotiations for establishing cooperation
- providing a platform for negotiations and support during negotiations
- organization of visits to the Republic of Belarus (schedule development, visa support)
- representation of investor's interests during negotiations with governmental representatives concerning implementation of investment projects, as well as improvement of investment climate in the Republic of Belarus
- aftercare

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