



NATIONAL AGENCY
OF INVESTMENT
AND PRIVATIZATION
REPUBLIC OF BELARUS



Chemical and petrochemical industry in the Republic of Belarus

| | |
|--|----|
| Production..... | 3 |
| Economic potential within the framework of the EAEU..... | 11 |
| Legal regulation of the petrochemical complex within the framework of the EAEU..... | 13 |
| External trade..... | 14 |
| Key players of chemical and petrochemical industry in the Republic of Belarus..... | 16 |
| Petrochemical cluster formation..... | 26 |
| Research in the field of chemistry and petrochemistry..... | 27 |
| Investment projects for implementation in the Republic of Belarus..... | 28 |
| Information about the Republic of Belarus..... | 35 |
| Preferential investment regimes..... | 38 |
| Favorable geographical location..... | 39 |

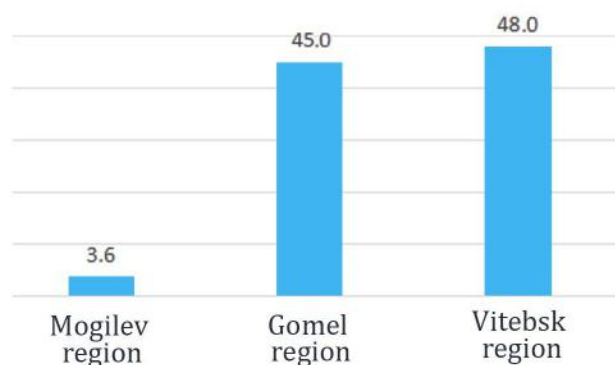


Production

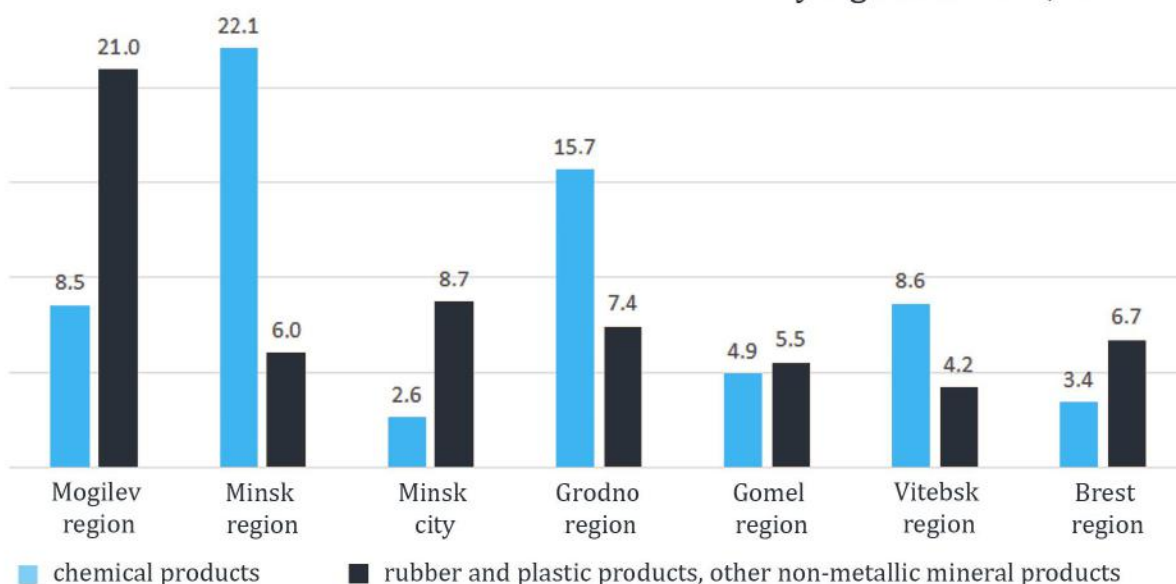
The petrochemical complex of Belarus includes organizations for the extraction, processing and transportation of oil, oil products supply, chemistry and petrochemistry, a number of scientific, engineering, construction, maintenance and commissioning organizations. The main part of them is united by the Belneftekhim concern. It is one of the largest and most strategically important industrial complexes in the country.

Organizations of the petrochemical industry provide about 30% of the industrial output of the Republic of Belarus and half of the export of goods. The industry's products are exported to more than 120 countries worldwide. More than 70% of the products manufactured by the petrochemical complex are sold on the external market. On foreign markets it is represented by a wide distribution network.

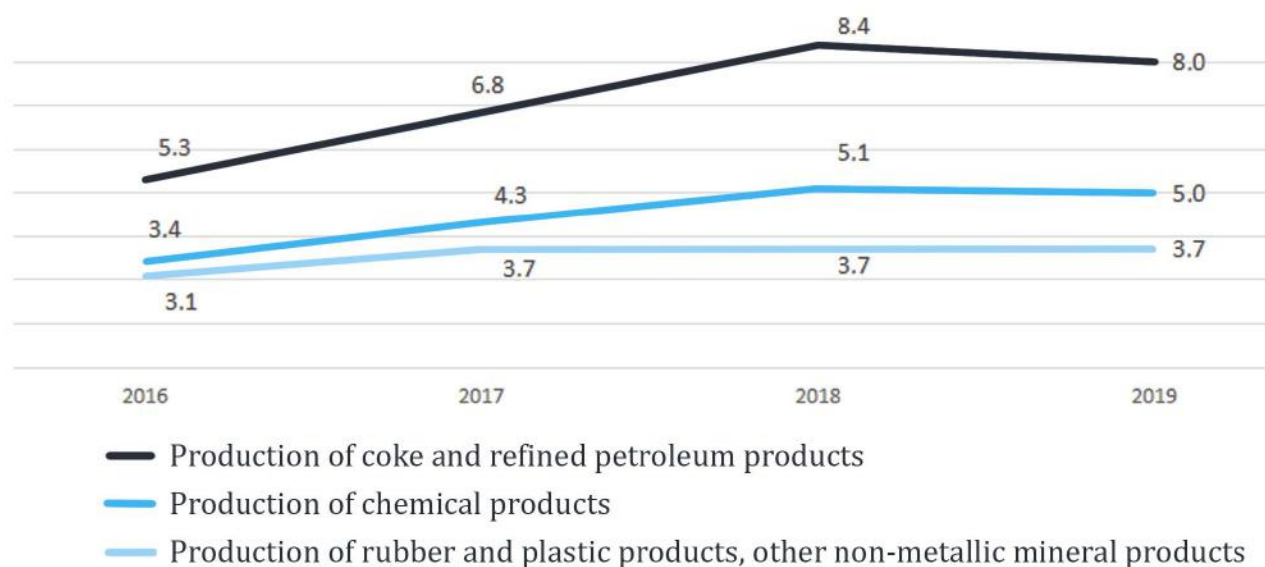
More than **500 types** of petrochemical and chemical products are produced in Belarus.



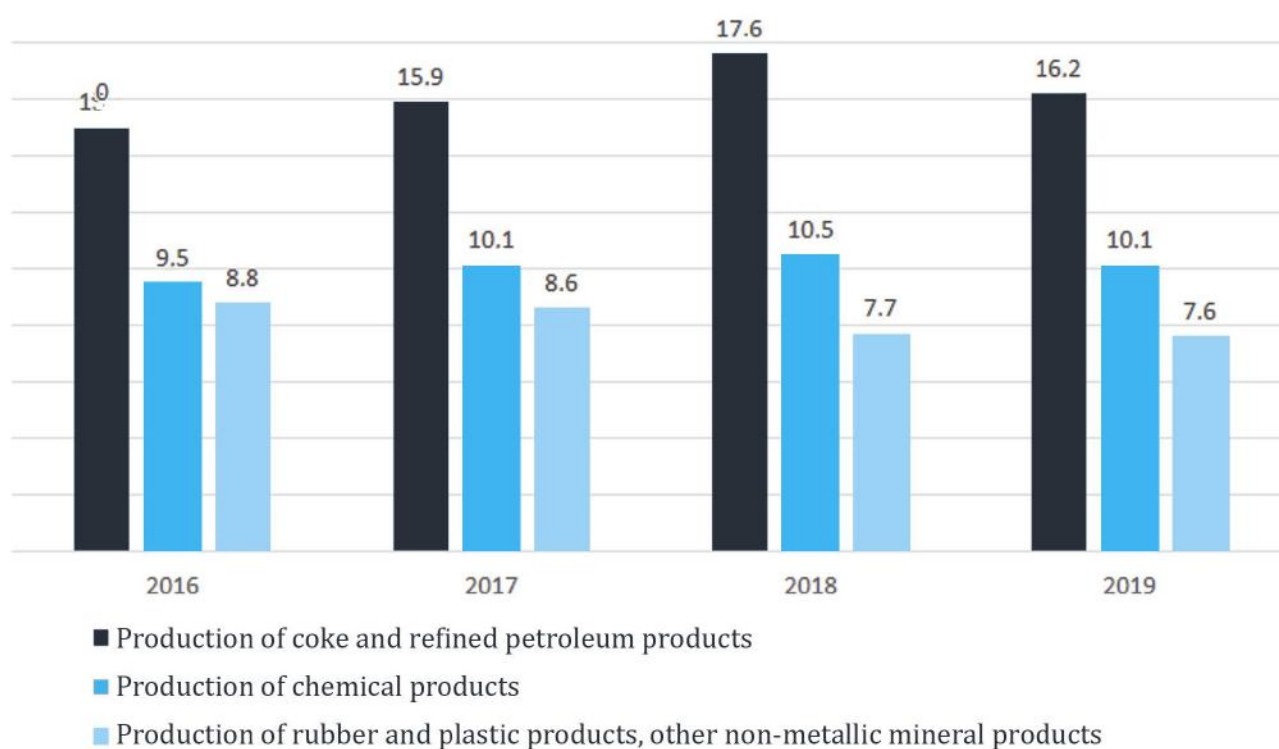
Share of coke and refined petroleum products production in the structure of the manufacturing industry by regions in 2019, %



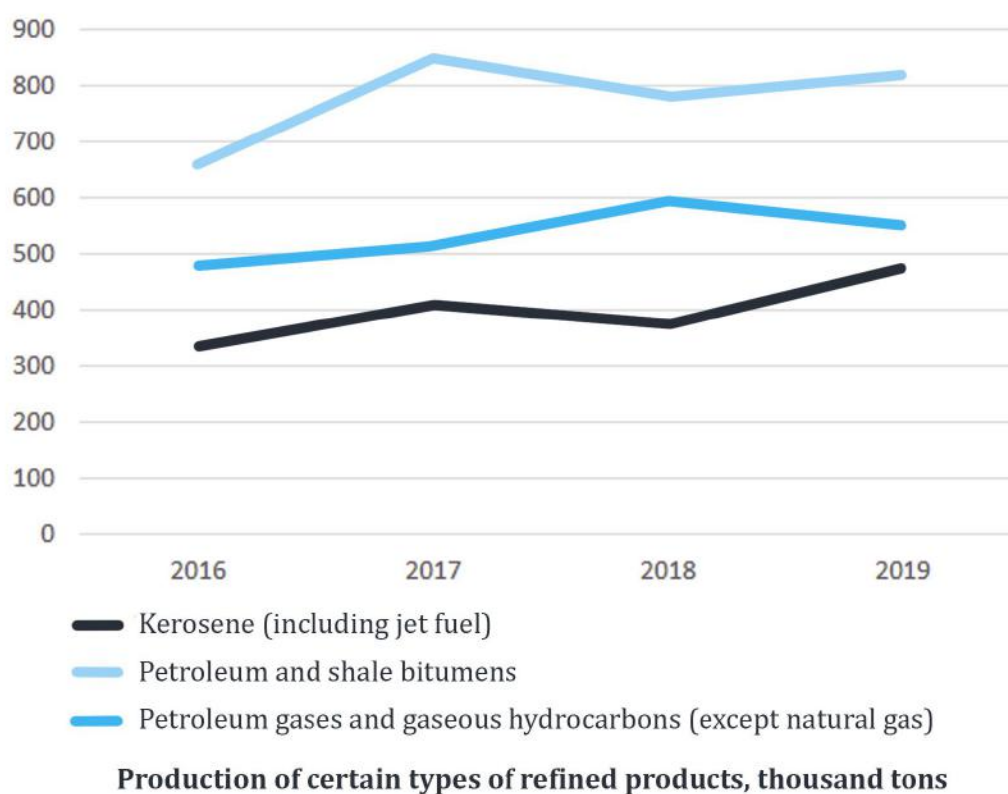
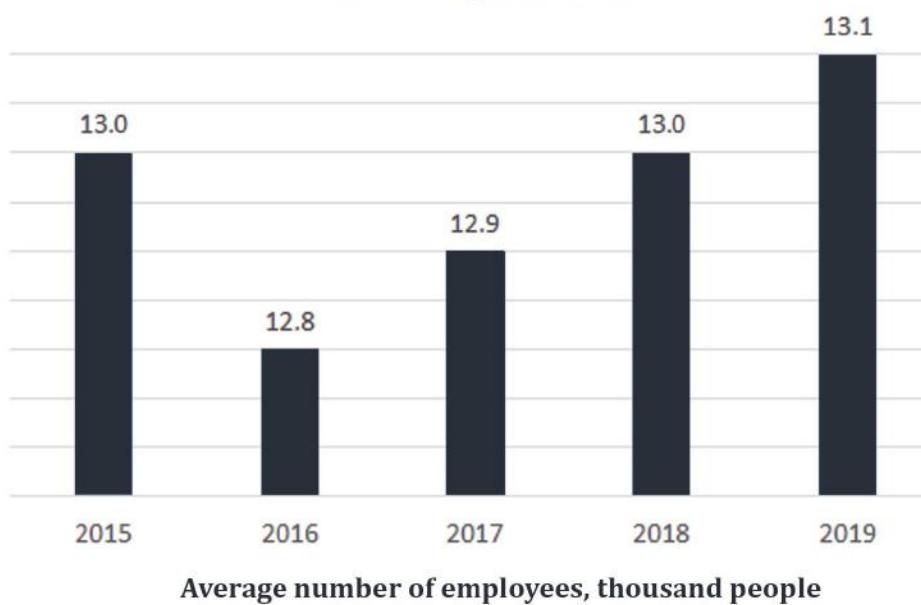
Share of chemical products, rubber and plastic products, other non-metallic mineral products in the structure of manufacturing industry production by regions and Minsk city in 2019, %



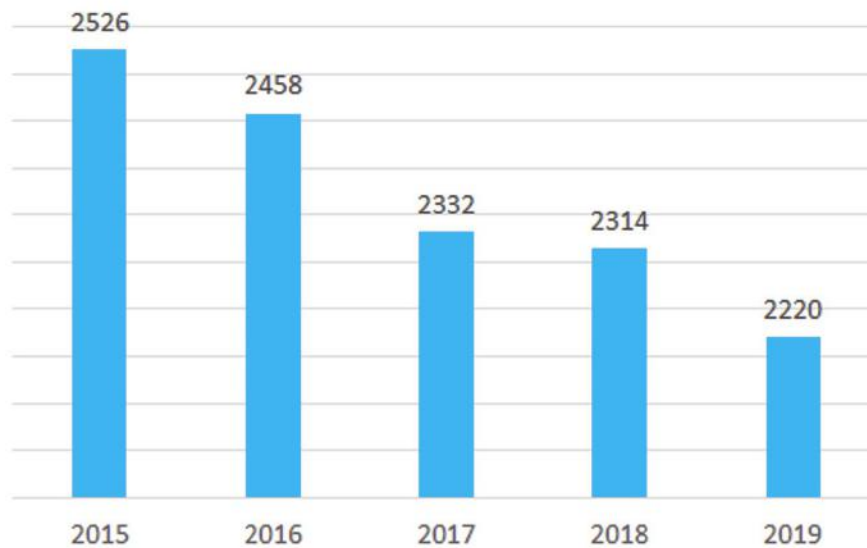
The index of production of rubber and plastic products, other non-metallic mineral products amounted to **103.1%** in 2019 against 2018 in comparable prices.



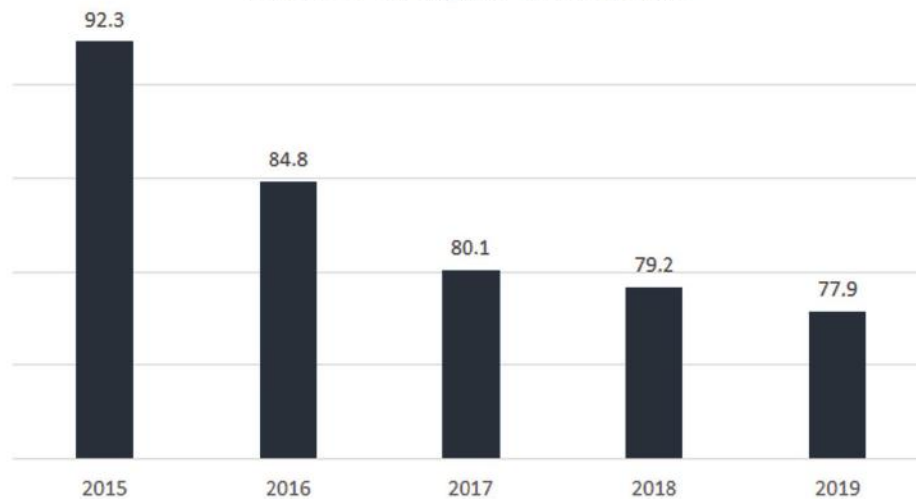
Production of coke and refined petroleum products



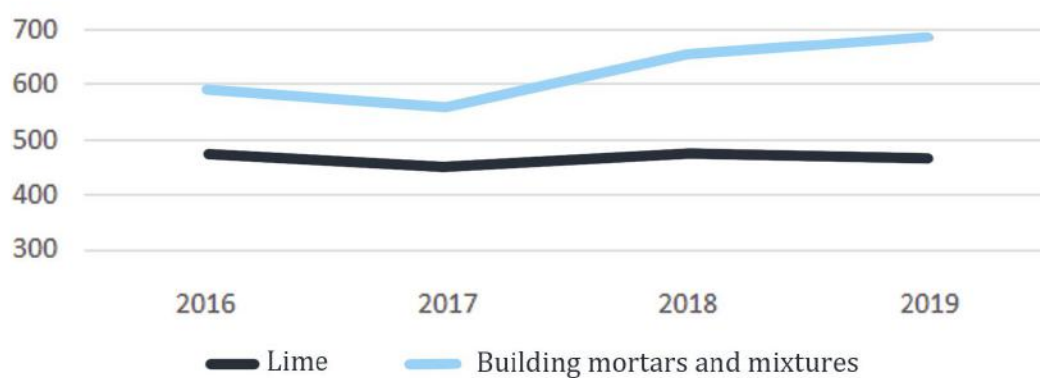
Production of rubber and plastic products, other non-metallic mineral products



Number of organizations, units



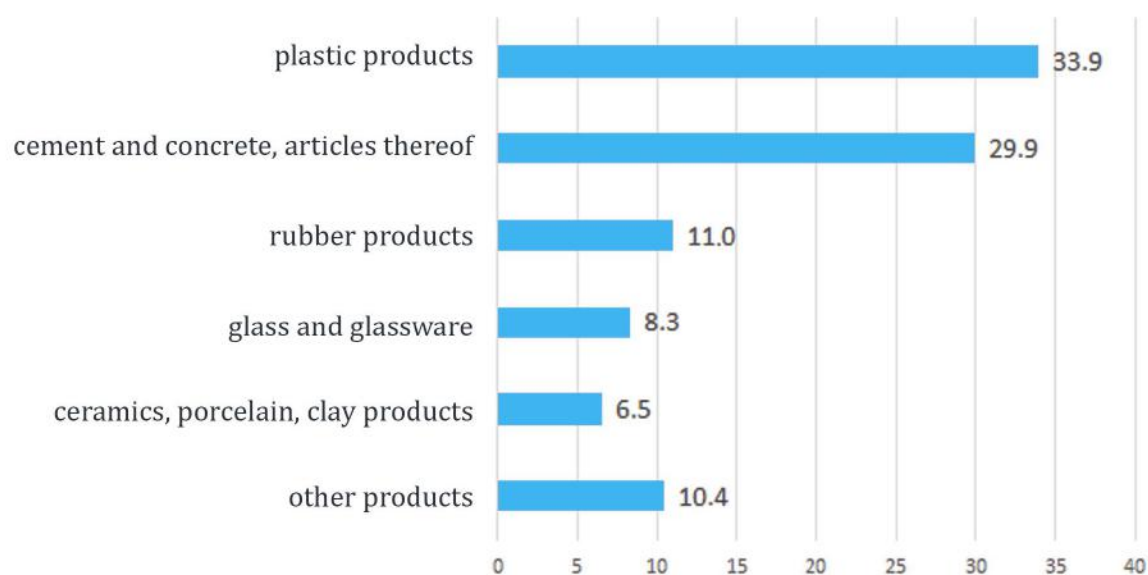
Average number of employees, thousand people



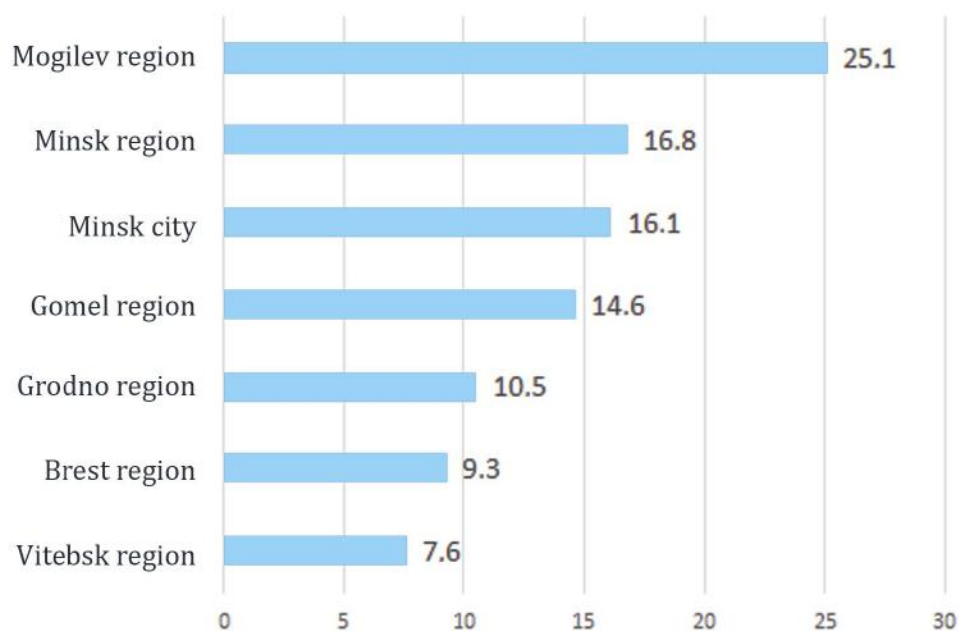
Production of certain types of non-metallic mineral products, thousand tons

**Structure of production of rubber and plastic products,
other non-metallic mineral products
in 2019, % of the total**

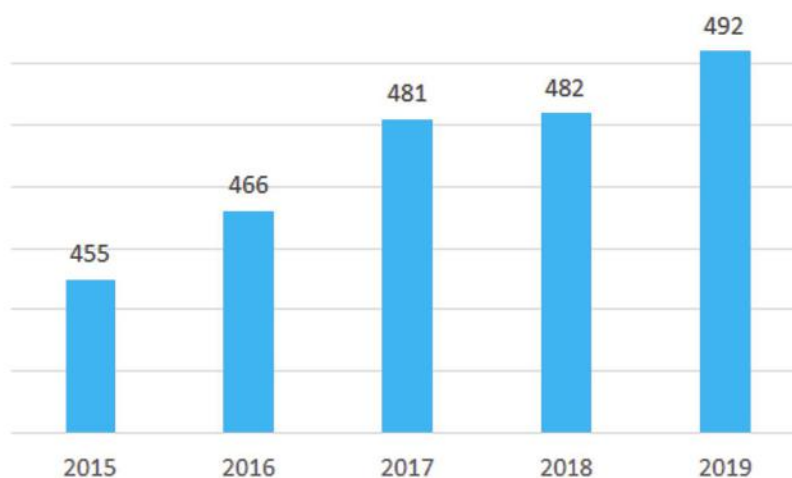
by main product groups



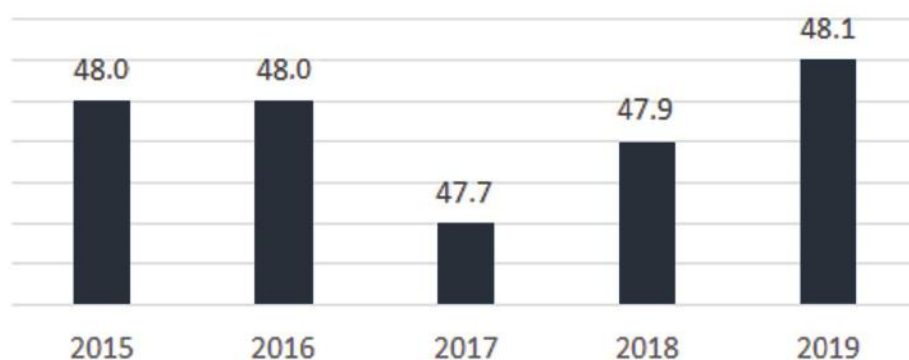
by regions and Minsk city



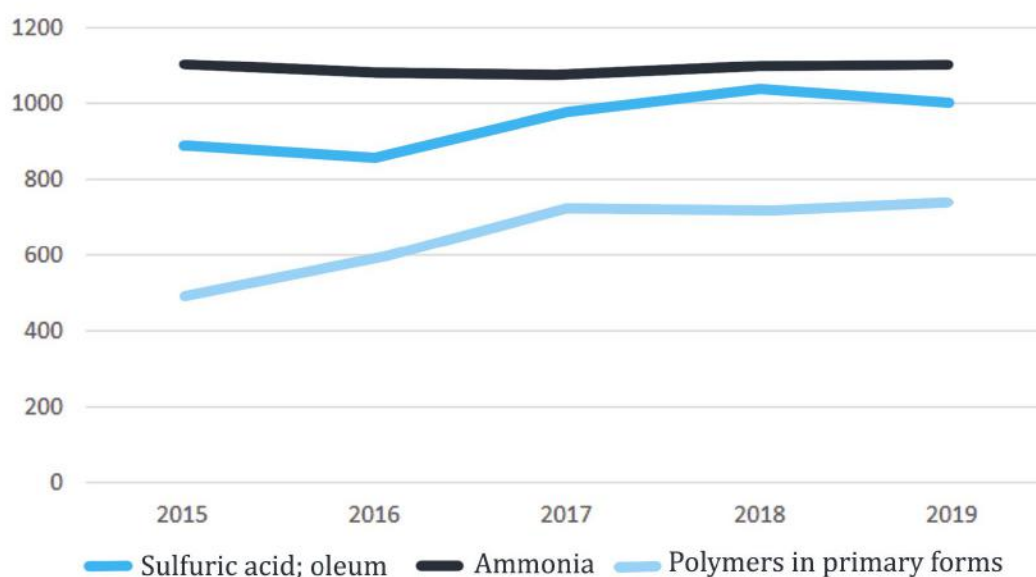
Production of chemical products



Number of organizations, units



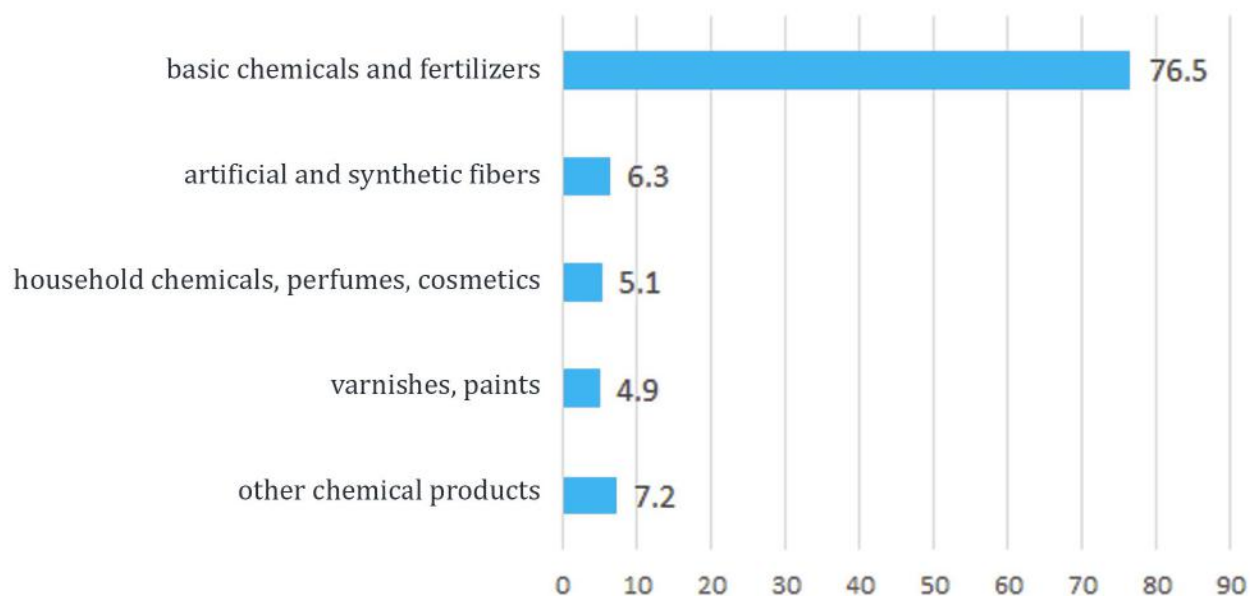
Average number of employees, thousand people



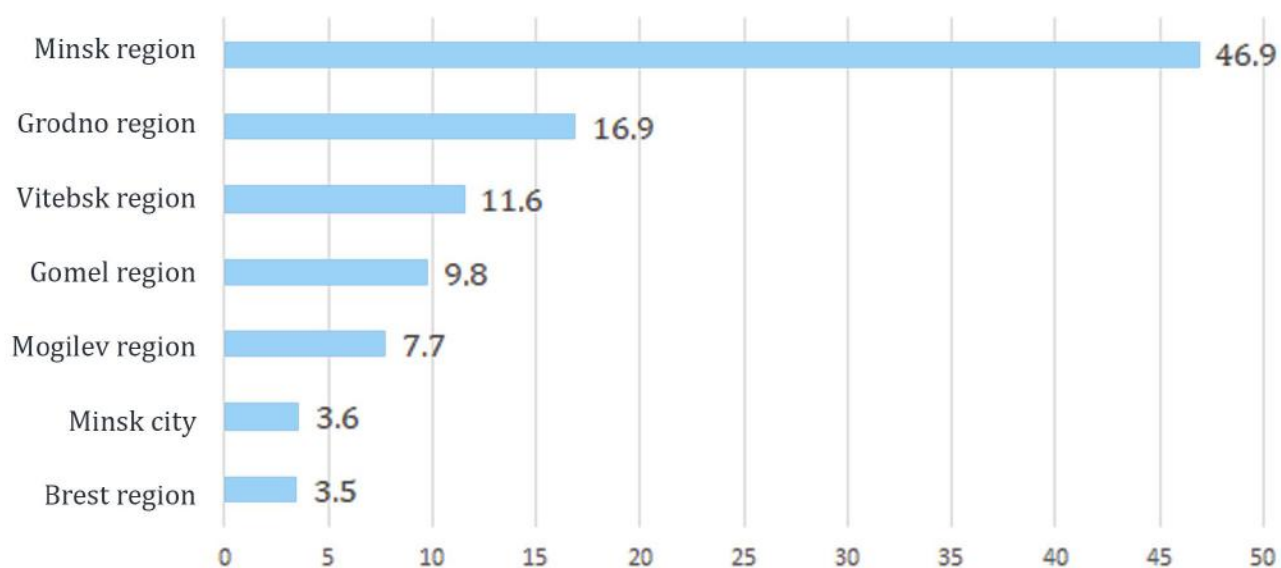
Production of certain types of chemical products, thousand tons

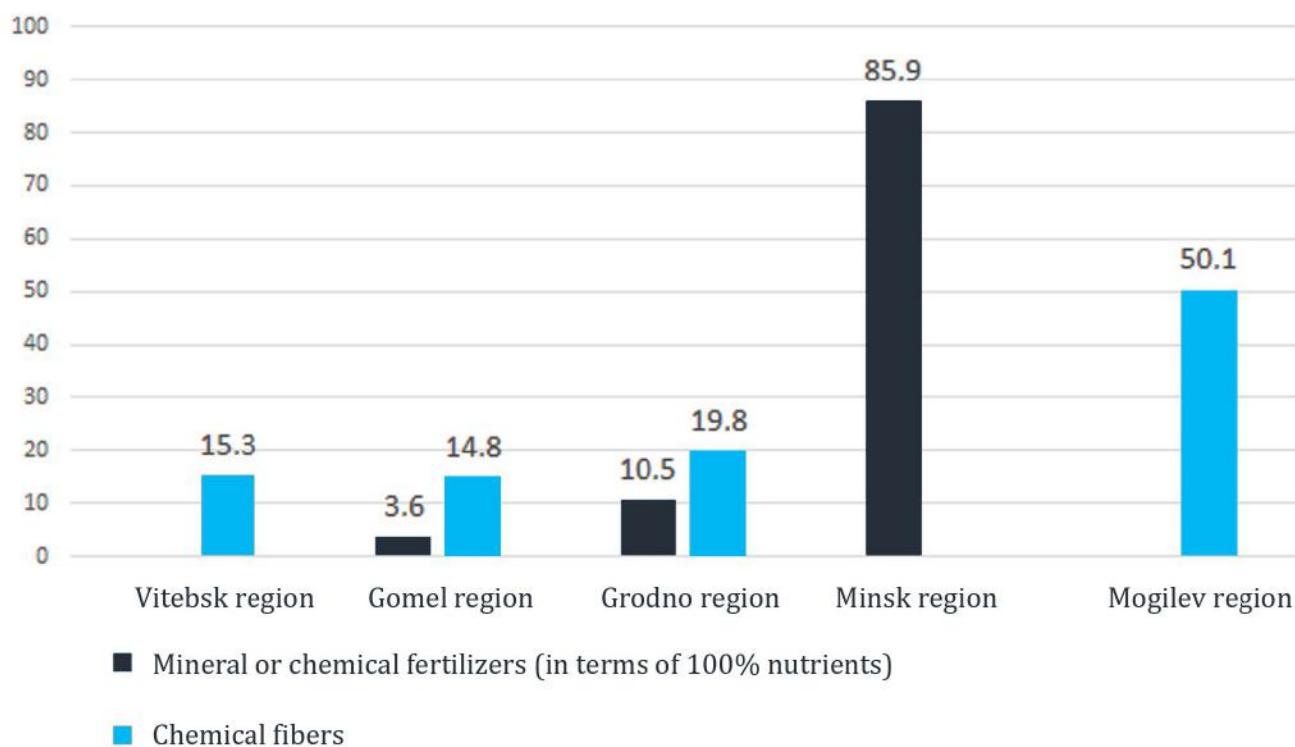
Structure of production of chemical products in 2019, % of the total

by main product groups

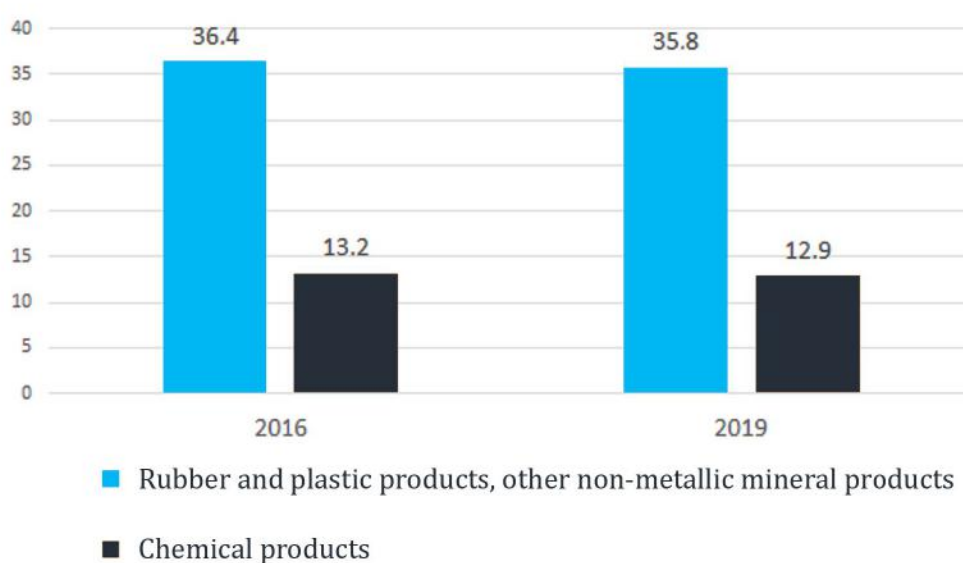


by regions and Minsk city





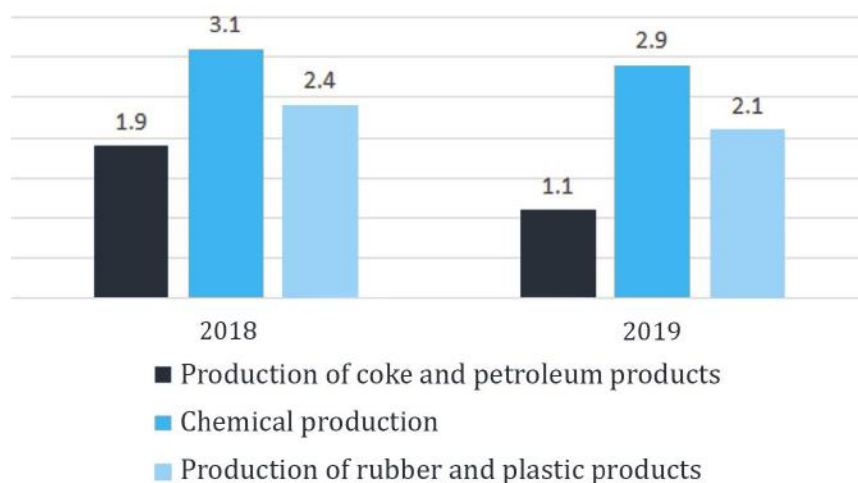
**Share of regions in the nationwide production of certain types of industrial products in 2019
(% of the total production in the Republic of Belarus)**



**Share of micro-, small and medium-sized organizations in the volume of production by type of economic activity
(% of the total for the corresponding type of activity)**

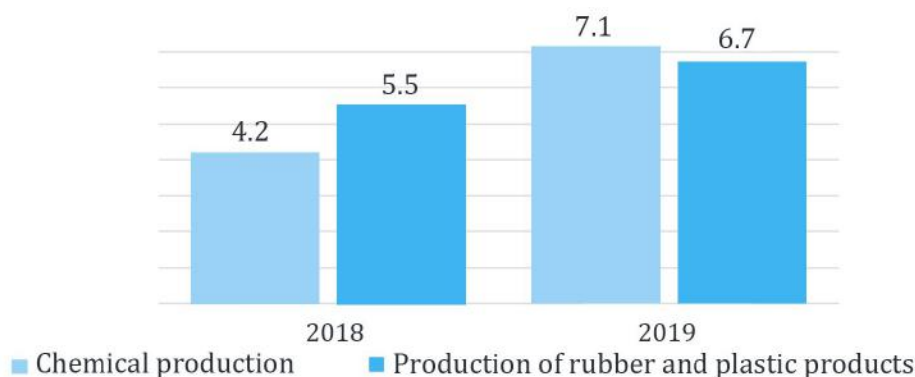
Economic potential within the framework of the EAEU

The production volume of rubber and plastic goods in Belarus increased by 3.1% in 2019, which corresponds to the 2nd place in terms of growth among the EAEU member states.

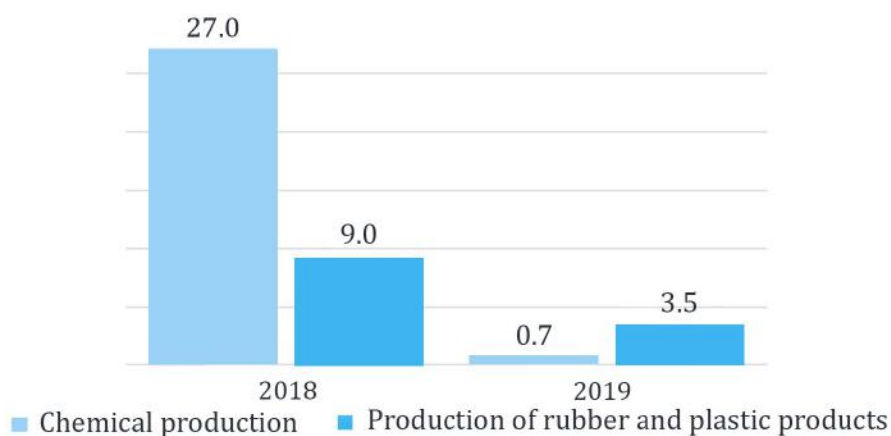


Industrial dynamics of the EAEU countries by sectors in 2018-2019 (% to the previous year)

15 out of 21 manufacturing industries revealed an increase in the volume of mutual trade in 2019, including chemical production (+ 7.1% growth), production of rubber and plastic products (+ 6.7% growth).

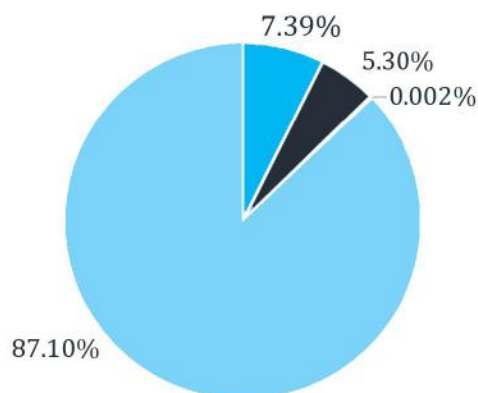


Increase in the volume of mutual trade of the EAEU countries in 2018-2019 (% against the previous year)



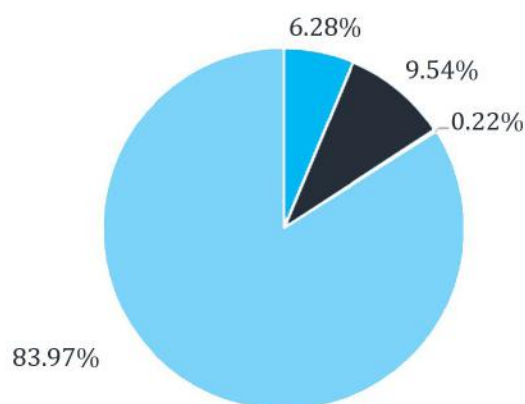
Growth in export volumes of the EAEU countries in 2018-2019 (% over the previous year)

Output of certain types of products by the manufacturing industry of the EAEU



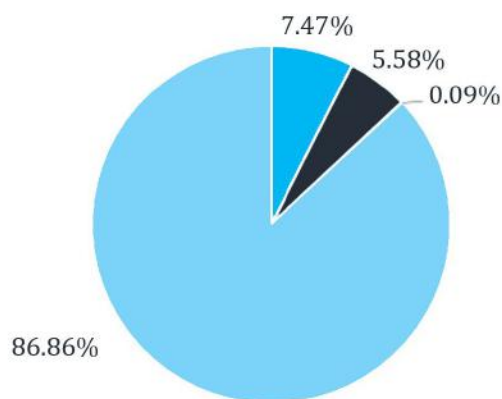
■ Russia ■ Belarus ■ Kazakhstan ■ Kyrgyzstan

**Fuel oil production
by the EAEU countries in 2019, %**



■ Russia ■ Belarus ■ Kazakhstan ■ Kyrgyzstan

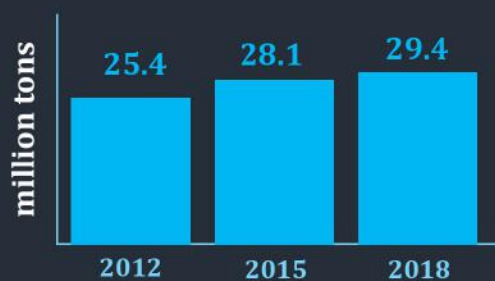
**Motor gasoline production
by the EAEU countries in 2019, %**



■ Russia ■ Belarus ■ Kazakhstan ■ Kyrgyzstan

**Diesel fuel production
by the EAEU countries in 2019, %**

Production of mineral fertilizers in the EAEU



2nd place in the world

4.3% the share in the world

Legal regulation of the petrochemical complex within the framework of the EAEU

The Council of the Eurasian Economic Commission, by its decision No. 98 dated December 20, 2017, approved the draft decision of the Supreme Eurasian Economic Council "On the formation of common markets for oil and oil products of the Eurasian Economic Union."

The program comprises of more than fifty actions – from the harmonization of the legislation of the member states in the oil sector to the development of software and hardware systems for exchange trading operators.

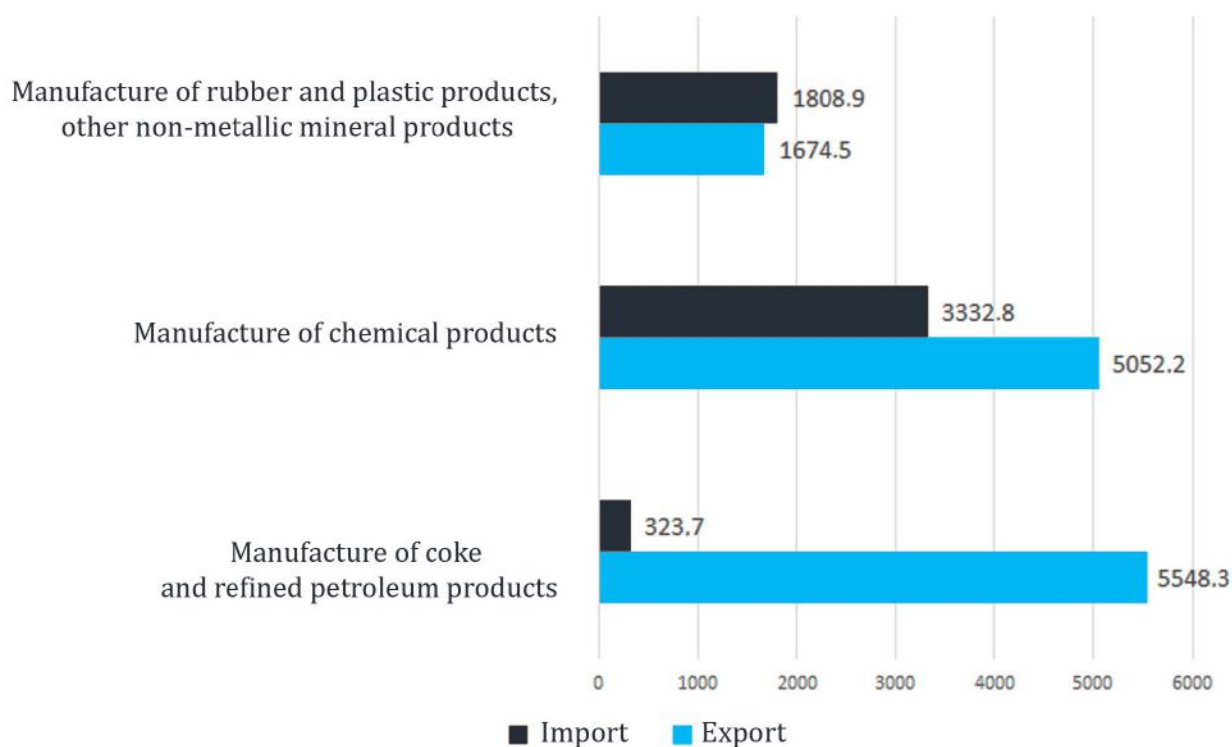
As a result of the program implementation, by 2025, common market for oil and oil products of the EAEU will be formed, and non-discriminatory access to them will be provided for economic entities of the EAEU member states.

Within the framework of the EAEU common markets for oil and oil products, a single exchange space, exchange and over-the-counter price indicators will operate.

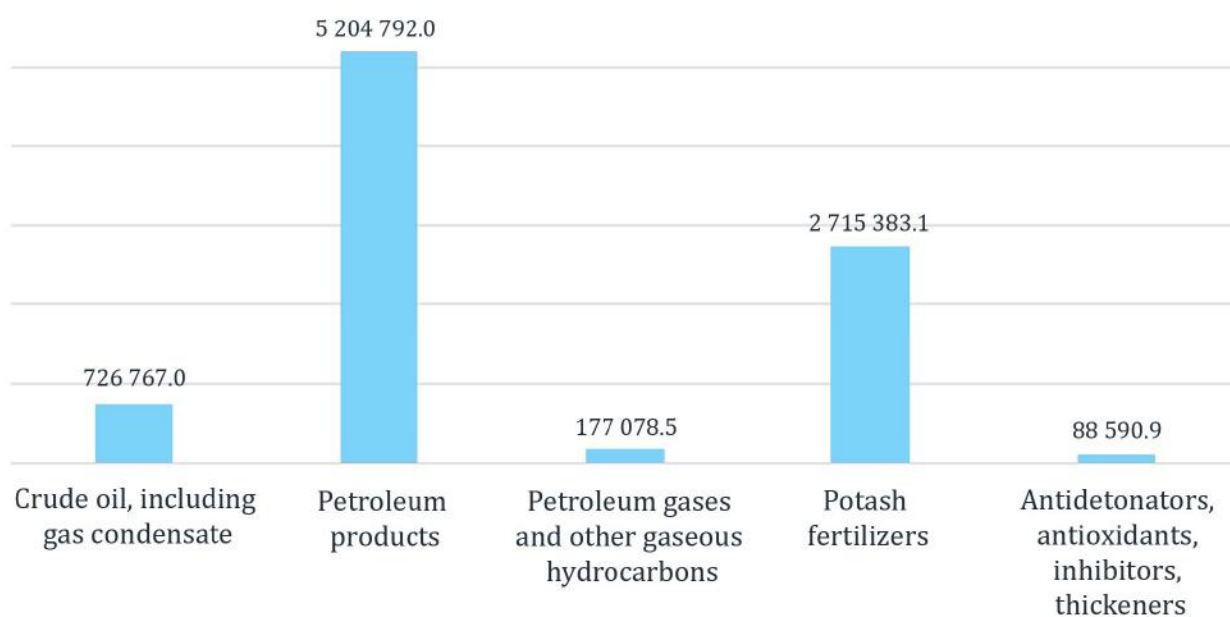
Thus, for Belarus, the implementation of the program and the formation of the EAEU common market for oil and oil products means further economic development, strengthening of energy security, including provision of hydrocarbon raw materials on a non-discriminatory basis, as well as an increase in the competitiveness of Belarusian refineries both in the EAEU market and in the global energy market.



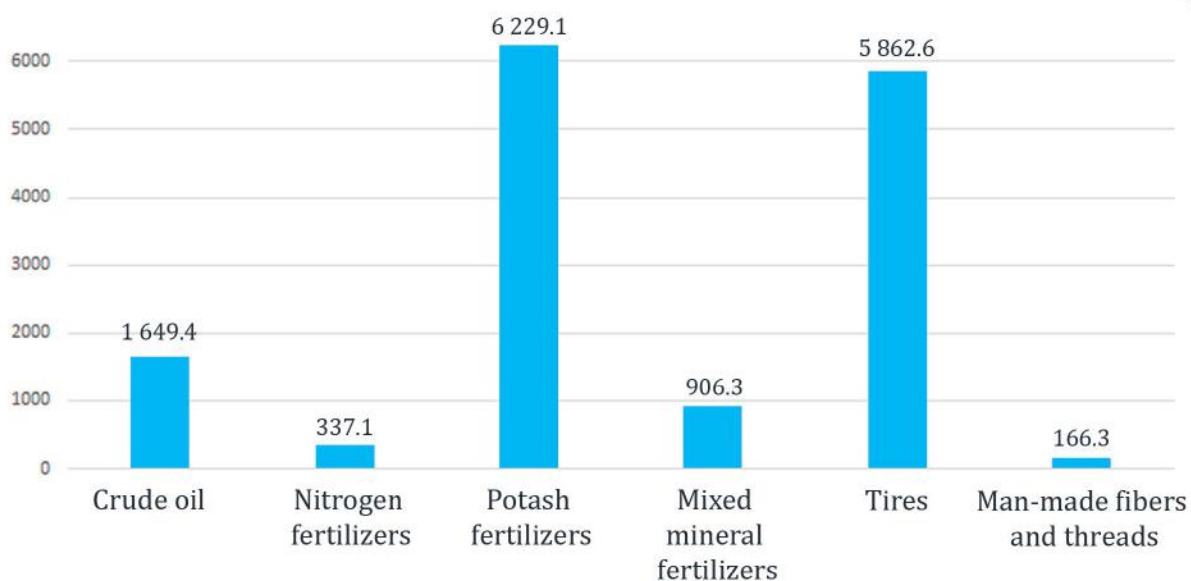
External trade



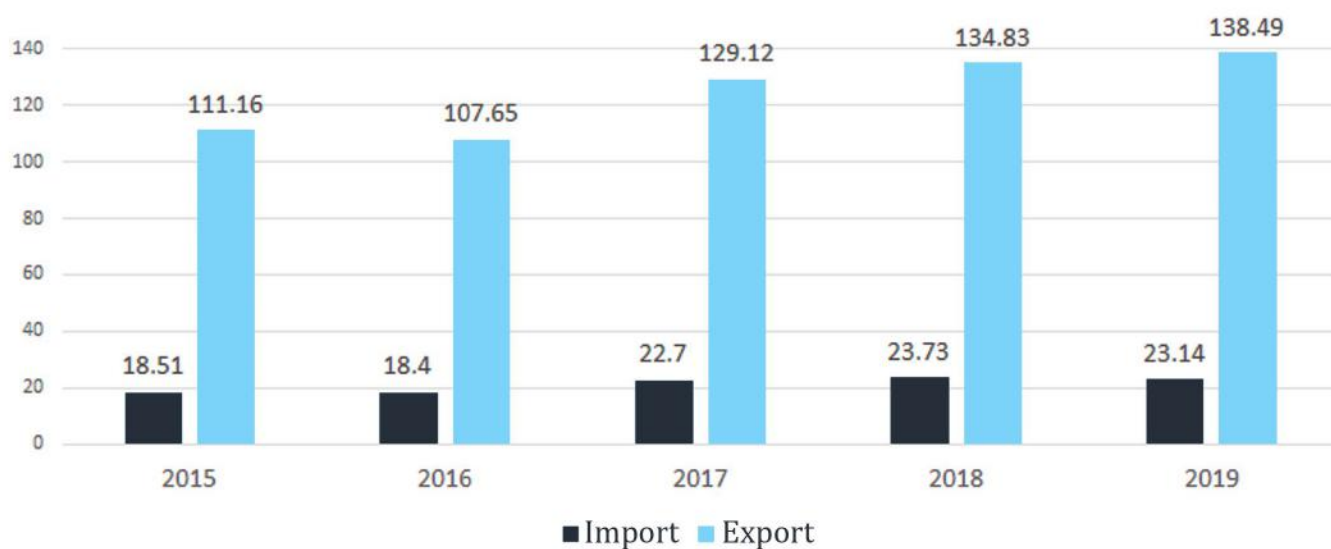
External trade of the Republic of Belarus by certain types of economic activities in 2019, USD million



Export of petrochemical products from the Republic of Belarus in 2019, thousand USD



**Export of certain types of goods
from the Republic of Belarus in 2019, thousand tons**



**Dynamics of export and import of surfactants, detergents
and cleaning agents (code 3402) in value terms, USD million**

Key companies in the field of chemistry and petrochemistry in the Republic of Belarus



Belneftekhim Concern

The main part of the petrochemical organizations is united by the Belarusian State Concern for Oil and Chemistry (Belneftekhim Concern). It is one of the largest and most strategically important industrial complexes in the country.

Performance monitoring of the Belneftekhim Concern in 2019



nitrogen fertilizers
(on primary nutrient basis)
938 618 tons



potash fertilizers
(on primary nutrient basis)
7 348 293 tons



motor gasoline
2 989 938 tons



diesel fuel
6 739 526 tons



fuel oil
4 382 023 tons



bitumen
818 822 tons



tires
4 318 306 pieces



chemical fibers
216 379 tons

For three months of 2020, the enterprises of the Concern produced **424 thousand tons** of oil (+ 1.9% compared to January-March 2019).

The volume of oil refining over three months of 2020 amounted to **2.76 million tons**.

Completion of the most important investment projects:

- ▶ **"Photovoltaic station at the head facilities at RUE "Production Association "Belorusneft".**
The project is aimed at obtaining commercial electric power from an environmentally friendly and renewable source with annual volume of up to 55 million kWh, which will reduce the supply of imported energy resources to the Republic of Belarus.
- ▶ **"Reconstruction of the glass furnace No. 4" at OJSC "Polotsk-Steklovolokno".**
The project envisages an increase in productivity from 15.3 to 17 thousand tons per year of E-grade glass fiber and a furnace service life from 4 to 6 years, as well as a 17.8% reduction in the specific consumption of natural gas.
- ▶ **"Reconstruction of the phosphoric acid shop. Transfer of pneumatic transport to mechanical feed of phosphate raw materials" at JSC "Gomel Chemical Plant".**
The project is aimed at saving electricity by reducing the cost of transporting phosphate raw materials to the phosphoric acid production process.
- ▶ **"Reconstruction of the primary oil refining unit AT-8" at OJSC "Naftan".**
The project is aimed at increasing the volume of oil refining up to 12 million tons per year.
- ▶ **Launch of production of all-metal cord tires of radial structure with a bore diameter up to 63" with reconstruction of the preparatory shop, first stage" for JSC Belshina.**
Production of radial tires of standard sizes by OJSC "BelAZ", new for the republic, has been launched for assembly of dump trucks of extra heavy carrying capacity, as well as for quarry equipment of foreign production.
- ▶ **"Technical re-equipment of phthalic anhydride production with an increase in capacity up to 48 thousand tons for JSC Lakokraska.**
The project is aimed at increasing the capacity for the production of phthalic anhydride from 26.5 to 54 thousand tons per year, reducing energy costs through the use of secondary energy resources. The implementation of the project will reduce the cost of phthalic anhydride production by reducing the consumption of natural gas per ton of product by 37.4% and electricity by 54%, completely abandon the steam consumption of the CHP plant through the use of secondary resources.

Belorusneft

The state production association "Belorusneft" carries out a full cycle of works related to the exploration and production of oil, both in the Republic of Belarus and abroad: in the Russian Federation, Venezuela, Ecuador and other countries.

Since the beginning of development, more than 136 million tons of oil and about 15.4 billion cubic meters of associated petroleum gas have been produced. The largest deposit is Rechitskoye. More than 400 wells have been drilled here. Over a period of 55 years, 85 deposits have been discovered in Belarus, of which 61 are operating.

In addition to the extraction of "black gold" and associated petroleum gas, the company is engaged in the generation of electrical and thermal energy, is a national operator for the construction and development of a network of electric charging stations. In the energy complex of "Belorusneft", five facilities operate on local types of fuel (dry stripped gas obtained from associated petroleum gas).

"Belorusneft's" network of generating facilities consists of 6 block stations. Their total capacity is 45.4 megawatts. Also the country's largest photo station is in operation (55.2 megawatts).

Over 400 million kWh of electricity are generated at Belorusneft's own generating facilities. This is a record amount for the entire period of existence of its own generation network.

In terms of the quality and ecological purity of motor fuel, the Republic of Belarus is the leader among the CIS countries. Since 2016, the annual volume of oil refining has been 24 million tons.

JSC "Mozyr Oil Refinery" and OJSC "Naftan"

Belarusian oil refineries (JSC "Mozyr Oil Refinery" and JSC "Naftan") are the enterprises of a high technological level. These modern complexes produce high quality oil products that are supplied to the countries of the European Union, Ukraine, the Russian Federation and other CIS countries.

OJSC "Naftan" is the largest petrochemical complex of the European level, comprising of an oil refinery with fuel, oil and aromatic profile and a petrochemical plant "Polymir".

World trends in the petrochemical complex indicate that the existing oil reserves in general and the so-called light oil in particular are being depleted. In oil refining, in the long term, there will be a tendency to actively involve heavy types of oil and bitumen in refining. It is believed that the central role in the world oil refining will be retained by technological processes for deep processing of crude oil - the processes of delayed coking, hydrocracking, etc. The reason is in different level of profitability with deep and shallow processing schemes and in the need to process heavy feedstock.

In this regard, the Mozyr Oil Refinery and Naftan set themselves as the most important strategic tasks until 2030 the continuation of the phased modernization of oil refineries, aimed at increasing the depth of oil refining and the yield of light distillates by maximizing the involvement of dark oil products while producing high quality motor fuels. An important task is to ensure the compliance of the product quality with the requirements of the EU countries.

When developing a further strategy for Belarusian refineries, options are being considered for the production of other non-fuel petrochemical products in demand both on the territory of Belarus and abroad. In particular, the petrochemical production will be developed on the basis of the Polymir plant of Naftan OJSC. It is planned to build new facilities for pyrolysis and gas separation with decommissioning of worn-out ethylene and propylene facilities.





Today, the refineries produce not only motor fuels, but also raw materials for the petrochemical industry. The share of vehicles in the global fuel consumption no longer exceeds 20%. New chemical projects will start in Belarus in five-year period.

Currently, the implementation of the project **"Construction of a delayed coking complex at OJSC "Naftan"** is under way (it is planned to be completed in 2021). The modernization will allow to increase the processing depth of oil raw materials from 72% to 90%, the yield of light oil products - from 53-55% to 65% and to obtain new products: sulfur (liquid, granular) and coke, which is used as a fuel in the cement industry, and also in energetics. After commissioning of the complex, OJSC "Naftan" will be able to fully meet the country's demand for diesel fuel (up to 3.4 million tons) and gasoline (up to 1 million tons). Until now, there were no such technological structures in the Republic of Belarus.

The construction of a hydrocracking complex for heavy oil residues (H-Oil) at OJSC "Mozyr Oil Refinery" is planned to be completed in 2020, and in 2021 the facility will be commissioned. The implementation of the project will increase the depth of oil refining from the current 75% to 90%, the yield of light products to 67%. The production of hydrotreated diesel fuel will also increase. This will improve the quality of boiler fuel.

The project "Construction of a complex for hydrocracking of heavy oil residues" is the most ambitious in terms of investment and production in the history of the enterprise. In fact, the complex is a separate plant within a plant. It includes three main units: hydrocracking of heavy oil residues, hydrogen production and sulfur production, as well as 21 off-site facilities.

JSC "Belaruskali"

JSC "Belaruskali" is one of the world's largest producers of potash mineral fertilizers.

According to the International Fertilizers Association, Belaruskali accounts for a fifth of the world's potash fertilizers production.

Today OJSC "Belaruskali" offers more than 40 types of mineral fertilizers, including potassium chloride, potassium nitrate, fertilizer mixtures, complex NPK fertilizers. In addition, Belaruskali is a manufacturer and supplier of table salt for food, feed and technical purposes, as well as chemical products - potassium hydroxide, hydrochloric acid, sodium hypochlorite. The company's long-term plans are to maximize the range of products based on its own potassium for agriculture, chemical, food, pharmaceutical industries.

The enterprise produces every sixth ton of potash fertilizers in the world. Products are supplied to Europe, East Asia, the Mediterranean countries, Africa, India, China, South and North America - in total to more than 100 countries around the world.

After 2013, JSC "Belaruskali" made a powerful breakthrough in all areas of production. In 2013, the company's share in the world market was 12.5% and about 7 million tons were produced. In 2019, the figure increased to 17.9%, and 12 million tons were produced. This brought the Belarusian potash giant to the first place in the world in terms of production. In terms of potash fertilizers production, OJSC Belaruskali bypassed the Canadian company Nutrient, formed by the merger of two strong players in the market - Agrium and PotashCorp.

Organizations of the petrochemical complex produce mineral fertilizers of various types:

potash fertilizers - JSC "Belaruskali"

nitrogen fertilizers - JSC "Grodno Azot"

phosphorous and complex fertilizers - OJSC "Gomel Chemical Plant".

Every year JSC "Belaruskali" expanded the geography of supplies. In 2010, potash fertilizers were shipped to 68 countries of the world, then in 2015 the number of countries increased to 97, and in 2019 exceeded 100. The total number of countries, which imported Belarusian potassium chloride in 2014-2019, amounted to 138 countries.

Export of potash fertilizers:

| 2010 | 2015 | 2019 |
|---|---|--|
| 6,815.1 thousand tons (including 3,006.0 thousand tons of granular fertilizers) | 9,188.8 thousand tons (including 3,696.7 thousand tons of granular fertilizers) | 10,540.6 thousand tons (including 4,366.2 thousand tons of granular fertilizers) |

JSC "Belaruskali" is implementing a large-scale investment program aimed at increasing the resource base and production volumes.

The Petrikovsky GOK project is the main investment project of the enterprise in recent years. Currently, the construction of the first stage is 90% complete, and it is planned to be finished in 2021. Work has begun on the potash horizon; mining is underway.

In May 2019, construction began on the Darasinsky mine with a capacity of 1.8-2 million tons of potassium chloride per year.

In November 2019, Belaruskali, together with the Chinese company Migao, launched an enterprise for the production of potassium nitrate. The new plant is the first joint project of Belaruskali JSC and the Chinese Migao Corporation Limited (a leading manufacturer on the Chinese market for specialized potash fertilizers). It is also the first potassium nitrate plant in Belarus. The fertilizer will be produced using Migao's technology by converting ammonium nitrate and potassium chloride. Small-grade technical potassium chloride produced at the 4th mining department and ammonium nitrate from Russia will be used as a feedstock.

Man-made fibers and threads

The production of synthetic and artificial fibers for various purposes (lavan, nitron, nylon, viscose, acetate fibers, etc.) is established at joint-stock enterprises in Mogilev, Polotsk, Svetlogorsk, Grodno ("Himivolokno" plant of JSC "Grodno Azot"), "Polymir" plant of JSC "Naftan".

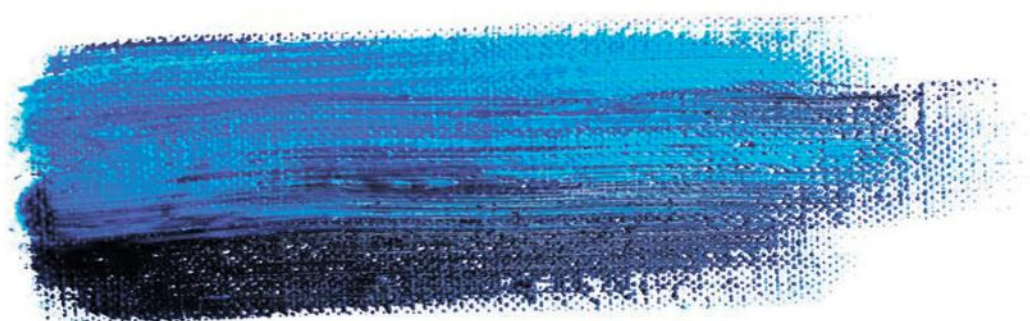
There is a certain specialization among these enterprises: in Mogilev, the largest enterprise in Europe produces lavsan, polyester threads and dimethyl terephthalate, in Novopolotsk nitron is produced, in Svetlogorsk - cord fabric, in Grodno - caprolactam, in Polotsk - fiberglass.

Belarus ranks second after Russia in the production of chemical fibers and threads among the CIS countries with the production share of about 25%. 210 thousand tons of chemical fibers and threads are produced annually in the country. The structure of production corresponds to similar structures in the industrialized countries. The share of synthetic fibers and threads in Belarus accounts for over 95% of the total amount of produced fibers and threads, while in the CIS as a whole this figure is 53%.

Paint and varnish industry

The paint and varnish industry of Belarus provides about 6% of varnishes and paints in the CIS. In Belarus, the production volume of these materials per capita is almost 2 times above the average for the CIS countries.

JSC "Lakokraska" produces about half of all paints and varnishes in Belarus. The association produces varnishes, enamels, water-based paints. The range of products includes more than 2,000 product names. More than 70% of the total output is exported abroad to Russia, Ukraine, Uzbekistan, Kazakhstan and other European and Asian countries.



Tires

JSC "Belshina" produces over 300 standard sizes of tires in the amount of more than 4 million pieces per year for cars and heavy trucks, road construction, lifting and transport, agricultural machines and tractors. The company is especially proud of the extra-large tires for giant cars such as BELAZ. The main consumers of the Belshina products are large domestic and foreign enterprises, such as BelAZ, MAZ, MTZ, MZKT, Rostselmash, Gomselmash, Amkodor, AVTOVAZ, KAMAZ, GAZ Group.

By the end of 7 months of 2020, Belshina JSC sold about 2 million tires, including more than 1.6 million tires for export. The enterprise launched the first phase of the project for the production of tires for BELAZ dump trucks with a carrying capacity of up to 450 tons. It is the largest tire produced in the world today. Its height is more than 4 meters, width is 1 meter 47 centimeters, weight is 5 tons and 770 kilograms, carrying capacity is more than 100 tons.

In 2020, a new brand of industrial radial tires, Forcerra Industry, was launched. A year earlier, the new brand of winter passenger tires ArtmotionSnow HP was introduced. The investment project "Mastering the production of all-steel radial tires with a bore diameter of 57-63 inches with the reconstruction of the preparatory workshop" is at the final stage of implementation. Tires of this size had been produced by only three companies in the world before the implementation of the project.

In the coming five-year period, the enterprise will implement several investment projects: creation of production of all-steel radial tires with 25-29 inches diameter; increasing the capacity for the production of all-steel truck tires.

The enterprises of the Belarusian petrochemical complex also produce:

- fiberglass and fiberglass-based products (JSC "Polotsk-Steklovolokno"),
- paraffin (JSC "Mineral Wax Plant"),
- rubber products (in Borisov, Bobruisk, Mogilev and Kopyl),
- kitchen and technical salt, technical chlorine (in Mozyr, Soligorsk),
- household chemicals (in Brest, Baranovichi, Kalinkovichi),
- fodder protein substances from hydrocarbon or wood raw materials, antibiotics, vitamins (in Minsk, Bobruisk, Rechitsa, Novopolotsk, etc.)

Formation of the petrochemical cluster



OJSC "Naftan" and Polotsk State University supported by the local authorities are the core of the petrochemical cluster, which was launched in November, 2017.

The idea of any cluster is a symbiosis of industrial and scientific structures: integration of science and production, common infrastructure, raw materials flows, release of new product types.

The Novopolotsk petrochemical research and production community possesses all the features of a cluster. Both parties - an enterprise and an institution of higher education - are localized within the same geographic territory and are united by complementarity relationship. The common goal is increasing the competitiveness of both OJSC "Naftan" and the cluster as a whole, as well as regional economic growth on this basis.

Commercialization of developments

Creation of an innovative product prototype - sulfur concrete – may serve as an example of developments commercialization.

Sulfur concrete, or sulfur-asphalt, based on sulfur, is a cost-efficient product. Sulfur concrete is not a new product on the world market: it is produced both in Russia and in Canada. But in Belarus it was the Polotsk State University that pioneered the development of the sulfur concrete production technology. Road pavement, power transmission line supports, overpasses for pipelines and cables, rings for wells, foundations, floors, drain gutters in buildings and much more - structures made of sulfur concrete have high hydrophobic properties, strength, they are resistant to the chemical attack of acids, salts, oils. The Novopolotskzhelezobeton branch of OJSC "Krichevcementnoshifer" is interested in the production of this product.

The petrochemical cluster is a precondition for the creation of business incubators in the region, where small enterprises associated with oil refining will be launched. A hot topic is the processing of by-products of a large petrochemical enterprise. Facilities aimed at production of white oils by deep catalytic hydrogenation of petroleum fractions are also considered as an option.

Research organizations in the field of chemistry and petrochemistry

State Research and Production Association "Chemical Products and Technologies"



The purpose of the Association is to carry out, scientific, technical and innovative activities in the field of chemistry and chemical technologies, as well to create new high-tech products

State Scientific Institution "Institute of Nature Management of the National Academy of Sciences of Belarus"



In terms of chemical technologies and petrochemistry, the institution is engaged in the production of new chemical products, oil production technologies, oil refining and petrochemicals.

Belarusian Oil Research and Design Institute BelNIPIneft



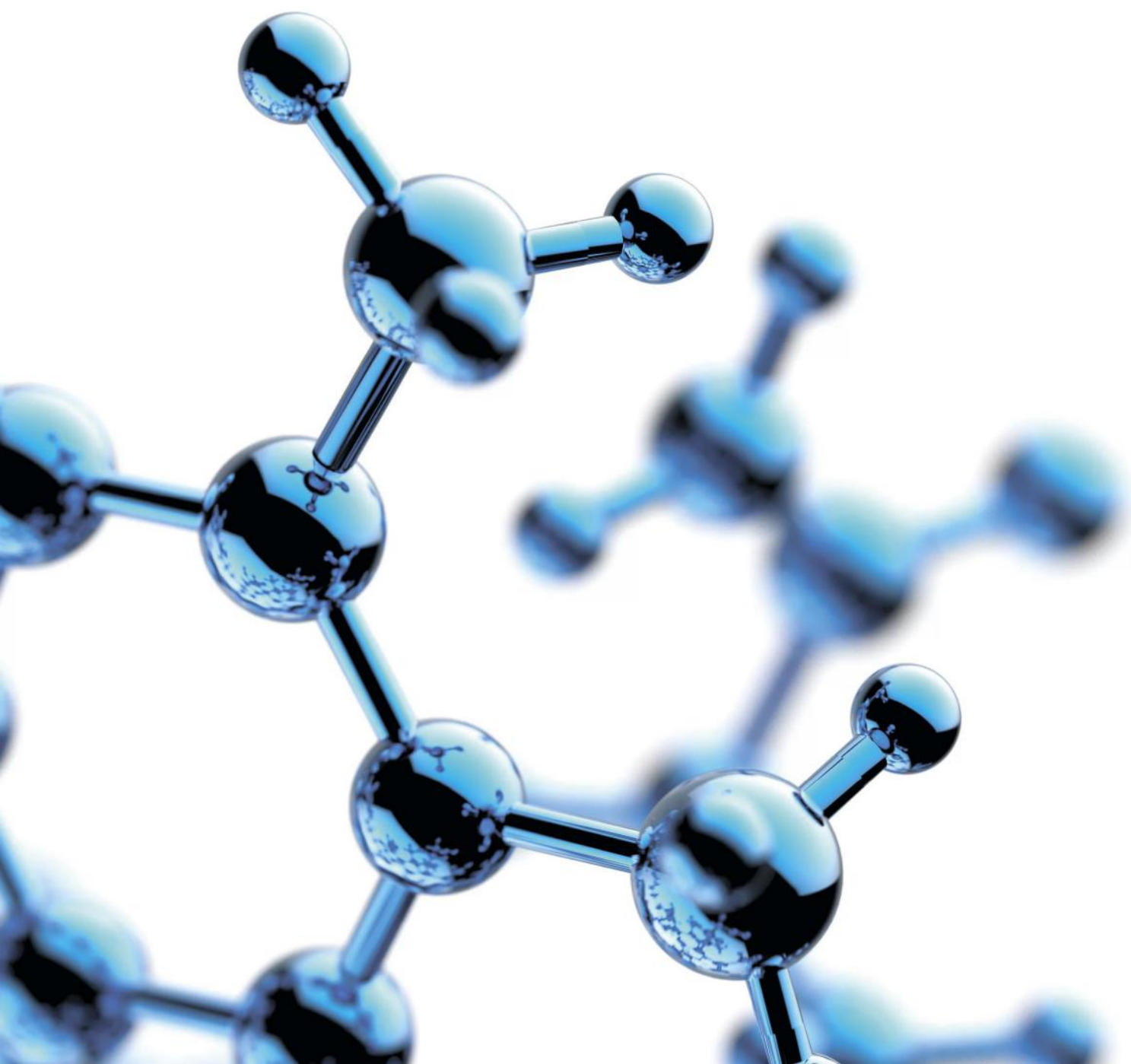
One of the leading institutes of the oil industry in the CIS countries, engaged in problems related to the search, exploration and development of oil and gas fields.

State Enterprise "Belorusneft - Neftekhimproekt"



A design organization with many-year experience in the design of petroleum storage warehouses, petrol- and gas-filling stations, etc.

INVESTMENT PROJECTS FOR IMPLEMENTATION IN THE REPUBLIC OF BELARUS





ABOUT THE PROJECT

PRODUCTION OF ABS PLASTICS AT "NAFTAN" OJSC

PROJECT DESCRIPTION

The project provides for the creation of a number of independent chemical productions of the particular raw materials (ethylbenzene, styrene, etc.) that establishes the prerequisites for their future use in the production of a wide range of chemical products, including fine and small-tonnage chemistry products.

INVESTMENT VOLUME

from 310 mln USD.

WHY ABS PLASTICS?

- Dynamically growing demand in the markets.
- Steadily rising prices.
- Availability of raw materials (ethylene, benzene, butylene-butadiene fraction, acrylic acid nitrile) at Naftan OJSC.
- Production of ABS plastics creates the conditions for the production of a wide range of the compound products (ABS polycarbonate, ABS +polyamide, etc.).



ABOUT THE PROJECT

PRODUCTION OF POLYCARBONATE AT "NAFTAN" OJSC

PROJECT DESCRIPTION

The project provides for the creation of a number of independent chemical productions of the particular raw materials (cumene, phenol, bisphenol A, etc.) that establishes the prerequisites for their future use in the production of a wide range of chemical products, including fine and small-tonnage chemistry products.

INVESTMENT VOLUME

from 262 mln USD.

WHY ABS PLASTICS?

- Dynamically growing demand in the markets.
- Steadily rising prices.
- Availability of raw materials (propylene, benzene) at Naftan OJSC.
- Production of polycarbonate creates the conditions for the production of a wide range of the compound products (polycarbonate+ABS, etc.).



ABOUT THE PROJECT

CONSTRUCTION OF NITROGEN COMPLEX AT “GRODNO AZOT” OJSC.

PROJECT DESCRIPTION

The project provides for the construction of the nitrogen complex at "Grodno Azot" OJSC in order to meet the growing needs of the national economy of the Republic of Belarus in nitrogen fertilizers, increase the export potential of the enterprise and implement the new technologies.

AREA OF USE

Agriculture.

PRODUCT NAME

Nitrogen fertilizers.

PRODUCTIVITY

Ammonia production - 2625 tons per day (918,75 thousand tons per year);

Granular carbamide - 3675 tons per day (1286,25 thousand tons per year).

INVESTMENT VOLUME

from 1,390 bln USD.

Up to 15% of the project costs are to be financed at the expense of "Grodno Azot".



ABOUT THE PROJECT

"MOGILEVKHIMVOLOKNO" OJSC. POLYESTER PRODUCTS PLANT CONSTRUCTION.

PROJECT PURPOSE

The project provides for the construction of the polyester products plant at "Mogilevkhimvolokno" OJSC in order to ensure a complete transition to the modern technologies for the production of polyester products (polyethylene terephthalate, polyester fiber and polyester technical yarns); an increase in production and sales, as well as competitiveness of products and expansion of markets.

PROJECT IMPLEMENTATION PERIOD

2025 - 2030.

INVESTMENT VOLUME

from 282 mln. USD.

PLANNED STRUCTURE OF THE PLANT

- system of the continuous polycondensation of PET with the capacity of up to 180 thousand tons per year;
- system of the solid-phase pre-polycondensation with the capacity of up to 20 thousand tons per year;
- 3 lines of the high-speed combined molding and drawing with the total capacity of 16,5 thousand tons per year;
- 3 lines for the production of polyester fibers with the total capacity of 125 thousand tons per year;
- 2 lines for the production of polyester non-woven fabrics with the capacity of 6 thousand tons per year each.

AREA OF USE

Petrochemistry, light industry.



ABOUT THE PROJECT

"NAFTAN" OJSC, "POLYMIR" PLANT.

NEW ETHYLENE - PROPYLENE PLANT CONSTRUCTION.

PROJECT DESCRIPTION

The project involves launching of the pyrolysis capacity, compression and gas separation capacities with the complex of new facilities of the plant that will increase the volume of hydrocarbon processing and production at the plant.

AREA OF USE

Petrochemistry, light industry.

PRODUCTIVITY

200 thousand tons of ethylene per year.
100 thousand tons of propylene per year.

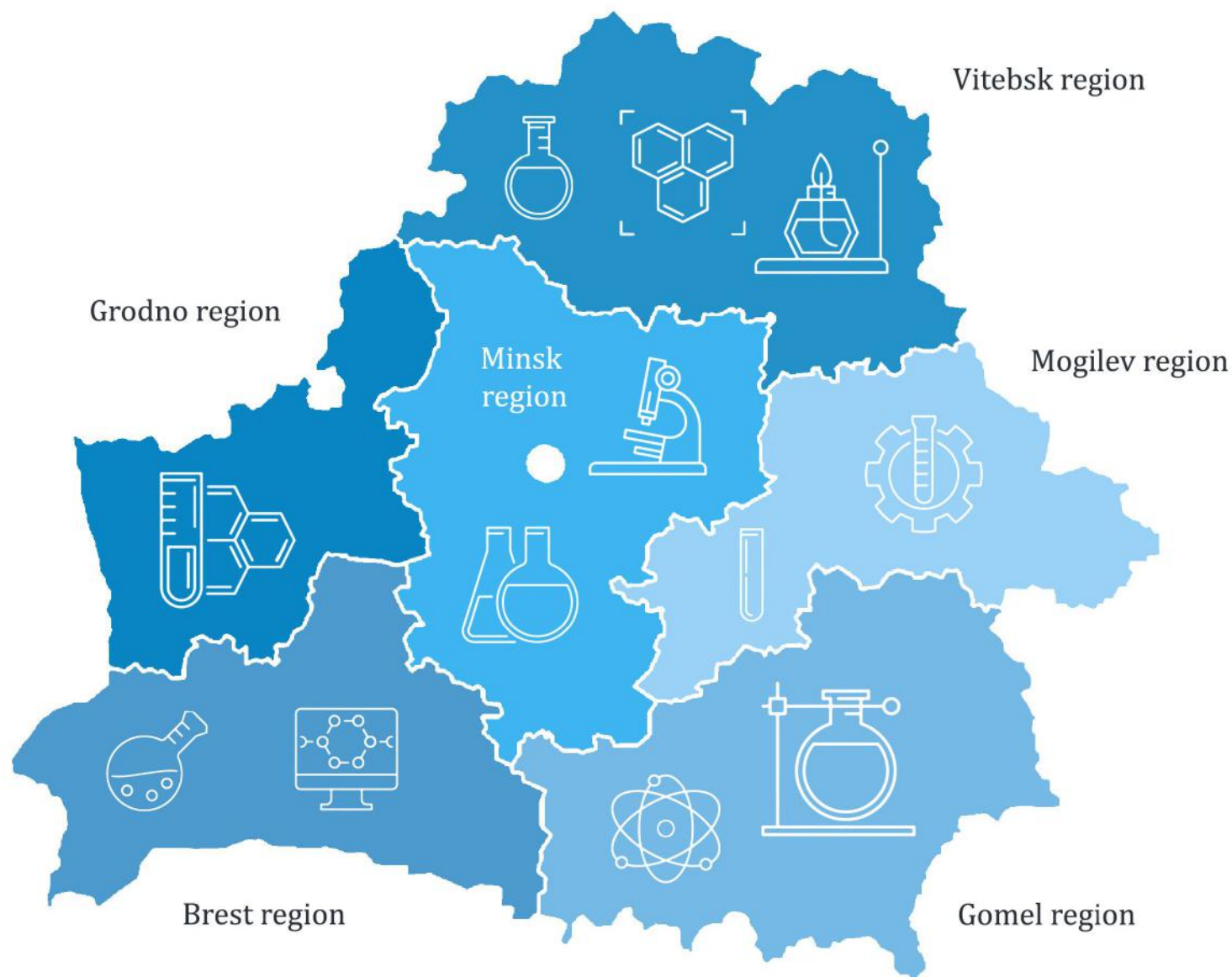
PRODUCT NAME

Low-density polyethylene, acrylonitril, acrylic fibres.

INVESTMENT VOLUME

from 647,3 mln USD.
Up to 15% of the project costs may be financed at the expense of "Polymir" plant.

Projects in the field of chemistry and petrochemistry 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/km²)

Territory: 207,600 km²

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 export-oriented state with a developed industry, services sector and agriculture.

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



Key indicators, 2019



Nominal GDP
~63.2 bln \$



Foreign trade in goods and services
~84.2 bln \$

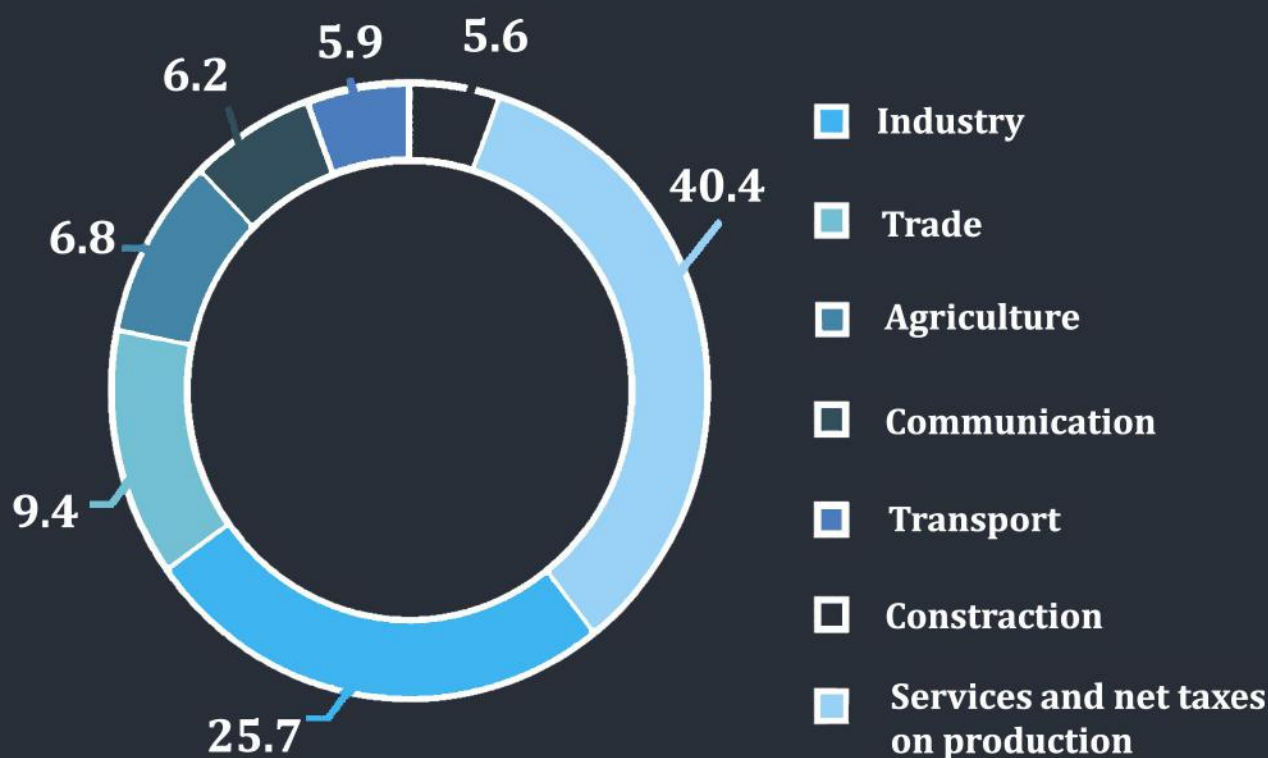


GDP per capita
~20.1 thsd \$



Net FDI
~1.3 bln \$

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 with high level of human development



* «B» - stable outlook


5.7
Dentists
per 10 000
population

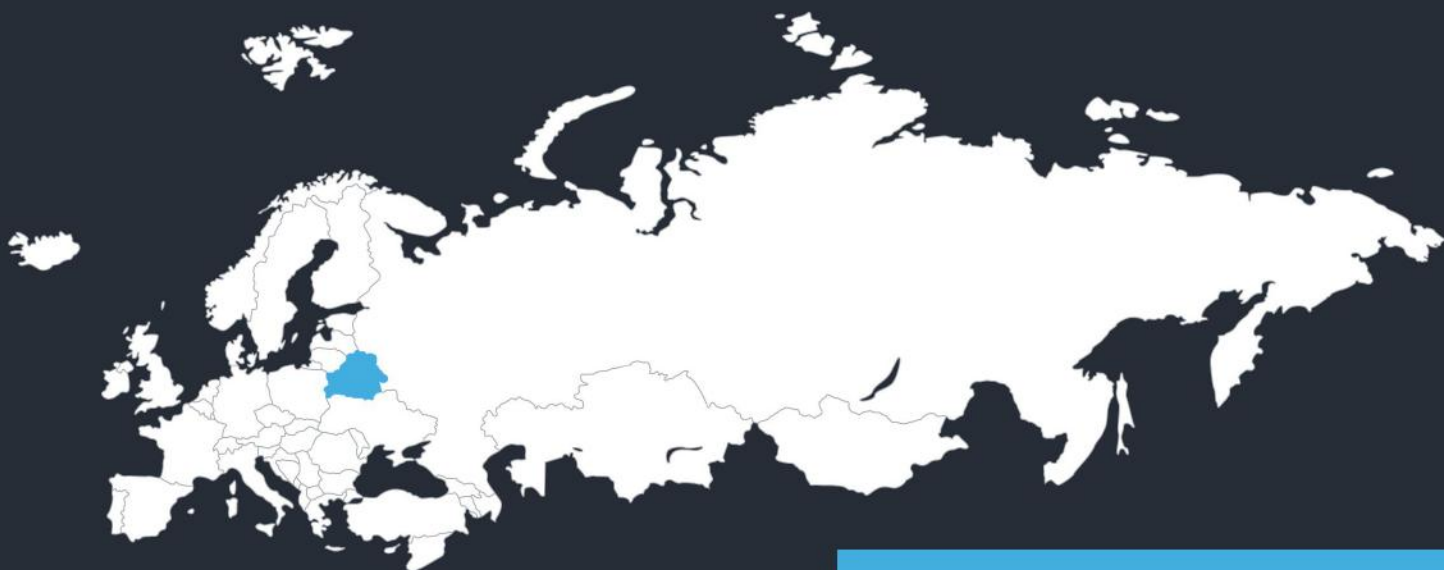

Belarus
in **top 10**
of Lonely Planet
Best in Travel 2019


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


BelAZ
450-ton
dump truck
twice entered into
the Guinness Book
of Records


Belarus is
world's
3rd largest
exporter
of potash
fertilizers

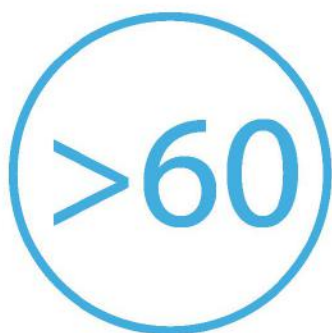
10 mln customers of Belarus



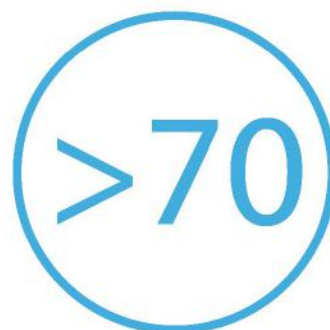
184 mln customers of EAEU

Investment agreement

Investment agreement with Belarus provides certain other benefits and additional governmental support.



agreements for promotion and mutual protection of investments



agreements on avoidance of double taxation

Visa-free regime

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

Preferential Investment Regimes

Free Economic Zones

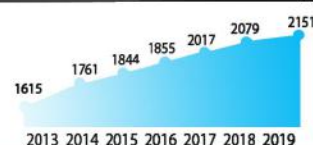
1. Exemption from income tax upon sale for export and to other residents of FEZ
2. Exemption from real estate tax on objects in the territory of FEZ for three years from the date of registration
3. Exemption from land tax and lease of land for the period of design and construction, but not more than 5 years from the date of registration. Exemption irrespective of the direction of their use (when sold for export and (or) to other residents of the FEZ)
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, in the sale of goods (works, services) of own production
2. Real estate tax exemption for 7 years from the date of buildings registration
3. Exemption from import customs duties in respect of imported goods contributed to the authorized capital, from the date of manufacture of which no more than 5 years have passed on some commodity items
4. Exemption from income tax in respect of 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 creating 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 subsequently at a rate of 50% of the current in the republic
2. Real estate tax exemption
3. Land tax exemption
4. Rent exemption
5. Exemption from compensation for losses of forestry and agricultural production
6. Income tax for employees of residents of the park - 9% until 01/01/2027

Orsha district

1. VAT deduction in full when constructing and equipping facilities in the territory of Orsha district
2. Exemption from state duties for issuing special permits for the right to engage in labor activities in the Republic of Belarus to foreign citizens and stateless persons
3. Exemption from compensation for losses of forestry and agricultural production during the implementation of projects to create (expand) the production of goods (works, services)
4. Pension insurance for entities - 24%
5. Financial support of 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 crossed by the main Trans-European Transport Corridors (II West-East and IX North-South, with branching Corridor IXB). The country's beneficial geographical location determines its advanced transport infrastructure.

The Trans-European Transport Corridor with its branching opens direct access to the specialized sea ports of Klaipeda, Ventspils 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 doing business in the Republic of Belarus
- ▶ aftercare



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