



Transport and Logistics in the Republic of Belarus



NATIONAL AGENCY
OF INVESTMENT
AND PRIVATIZATION

REPUBLIC OF BELARUS



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Transport system of the Republic of Belarus

Belarus is located at the intersection of 2 trans-European transport corridors, defined according to the international classification as number II (West - East) and number IX (North - South) with a branch IX B. The advantageous geographical position of the country has determined its well-developed transport infrastructure. The transport infrastructure of Belarus is represented by a wide network of railways, air routes, highways, river and pipeline transport.

The main share in the structure of goods transit in 2019 was occupied by road transport - 37.8%, rail transport - 34.0% and pipeline - 27.7%.

In 2019, the freight turnover of all types of transport amounted to 130.8 billion ton-kilometers, the passenger turnover - 27.6 billion passenger-kilometers.

The transport passenger turnover index for 2019 had a positive trend and was significantly ahead of the forecast level. At the end of the year, it reached 106.7% (against 102.3% forecast). The increase in passenger traffic occurred on all types of transport. The most significant increase was observed on air transport (128.9% in January-December 2019) due to the visa-free regime for foreigners entering the Republic of Belarus through the Minsk national airport checkpoint, as well as due to the ongoing incentives to develop and increase transfer flows through the Minsk national airport and regional airports, and the development of the route network.

In 2019, the “Transport” type of activity attracted USD 1.955 billion of foreign investment (+ 3% by 2018), including USD 1.911 billion of foreign direct investment (+ 6% by 2018).



Transport system of the Republic of Belarus



Transport in the Republic of Belarus in 2019

Freight turnover

130 842 million ton-kilometers

Freight transported

427 849 million ton-kilometers



Pipeline transport

54 039
million ton-kilometers

118 364
thousand tons



Railway

48 205
million ton-kilometers

145 531
thousand tons



Automobile transport

28 516
million ton-kilometers

161 686
thousand tons



Air transport

48
million ton-kilometers

28
thousand tons



Inland water transport

33
million ton-kilometers

2 241
thousand tons

Passenger turnover

27 574.0 million passenger-kilometers

Passengers transported

1995.0 million passenger-kilometers



City electric transport and subway

4 100
million passenger-kilometers

699.0
million people



Railway

6274.1
million passenger-kilometers

79.7
million people



Automobile transport (including taxi)

11 228.6
million ton-kilometers

1212.0
million people



Air transport

5968.0
million passenger-kilometers

4.1
million people

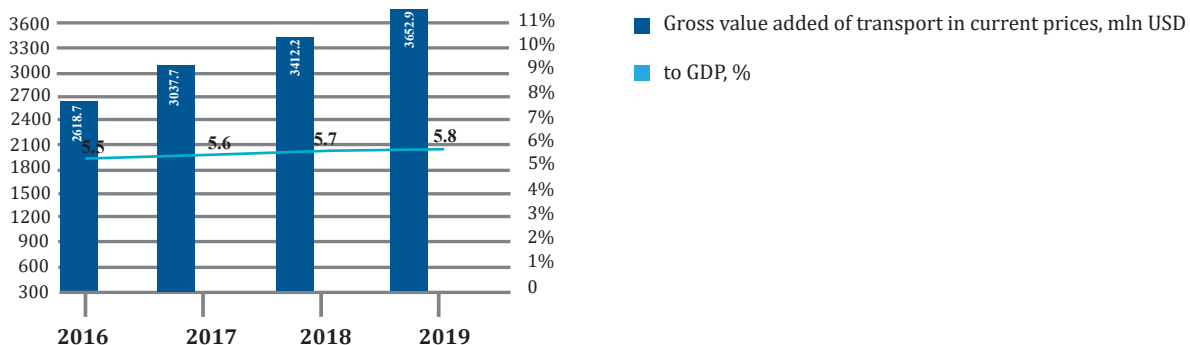


Inland water transport

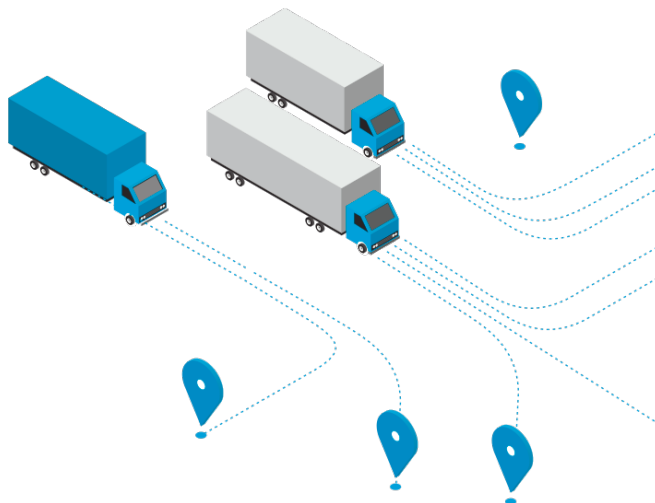
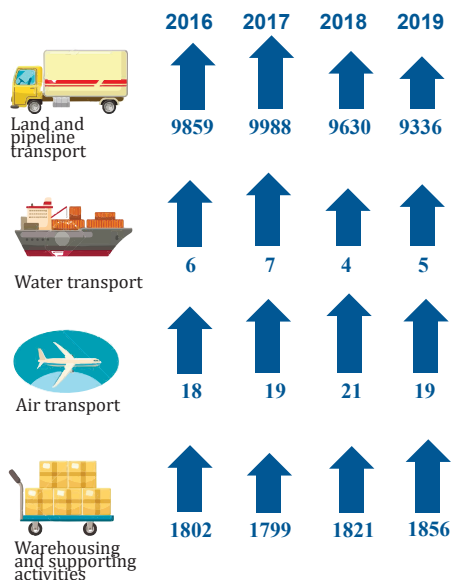
3.0
million passenger-kilometers

0.2
million people

Main indicators of transport sector



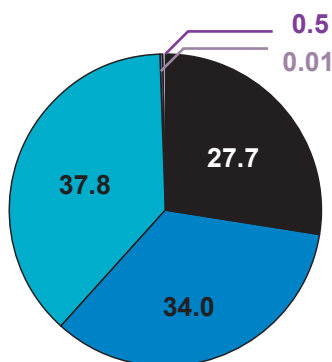
Number of transport organizations
(by main activity, units)



Freight turnover

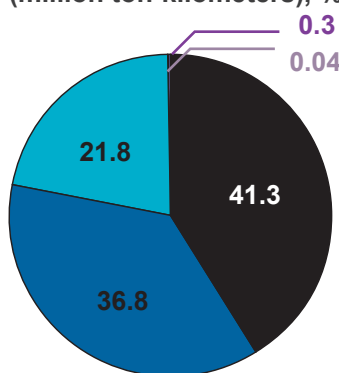


Structure of freight turnover by type of transport in 2019 (thousand tons), %



- Railway
- Car
- Pipeline
- Inland water
- Air

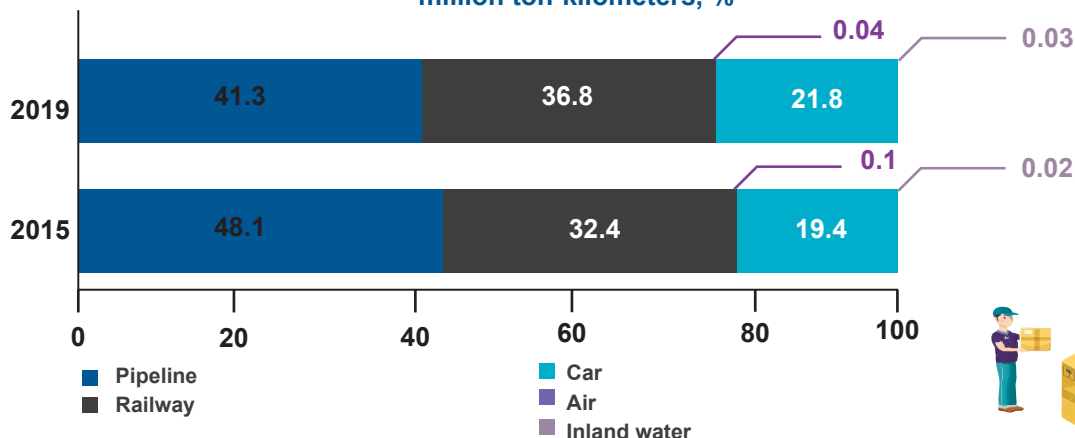
Structure of freight turnover by type of transport in 2019 (million ton-kilometers), %



- Pipeline
- Railway
- Car
- Inland water
- Air



Dynamics of the structure of freight turnover by type of transport in 2015 - 2019, million ton-kilometers, %

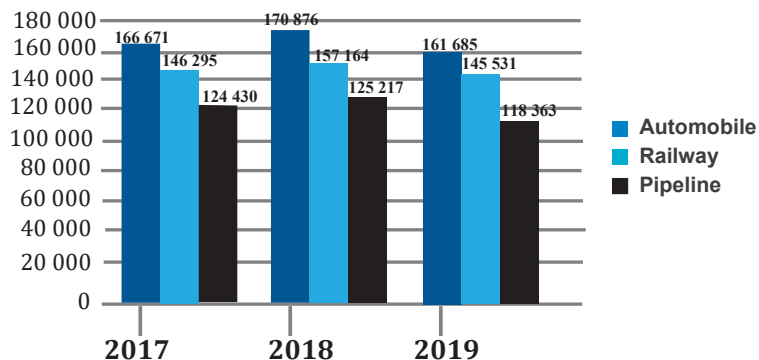


- Pipeline
- Railway

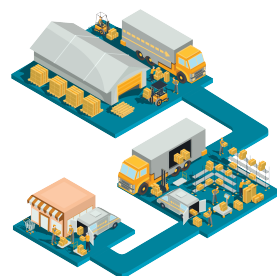
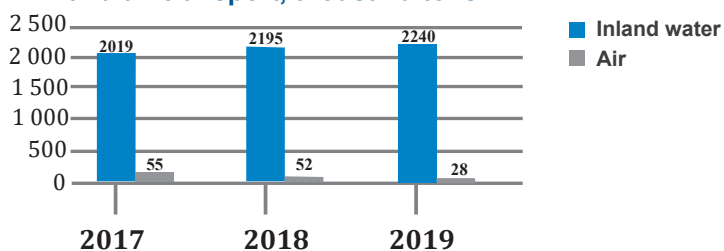
- Car
- Air
- Inland water



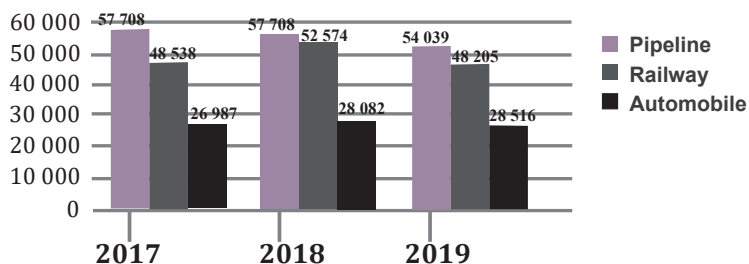
Transportation of goods by road, rail and pipeline modes of transport, thousand tons



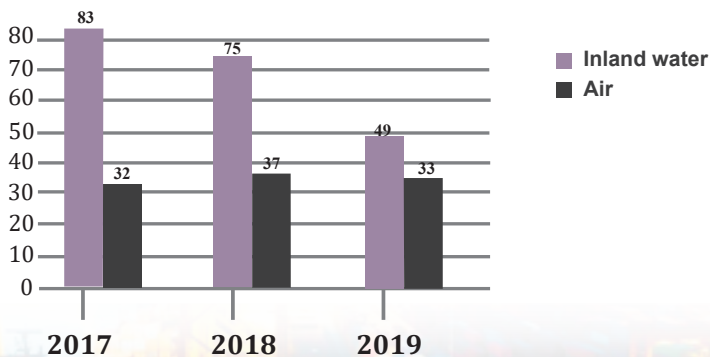
Transportation of goods by inland water and air transport, thousand tons



Freight turnover of pipeline, railway and road transport, million ton-kilometers



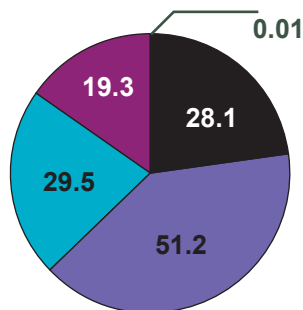
Freight turnover of air and inland water transport, million ton-kilometers



Passenger turnover

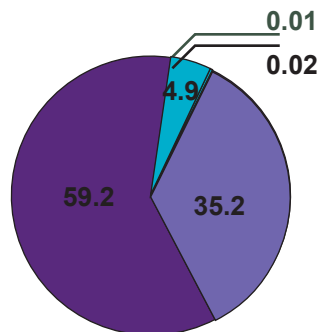


Structure of passenger turnover by type of transport in 2019
(million passenger-kilometers), %



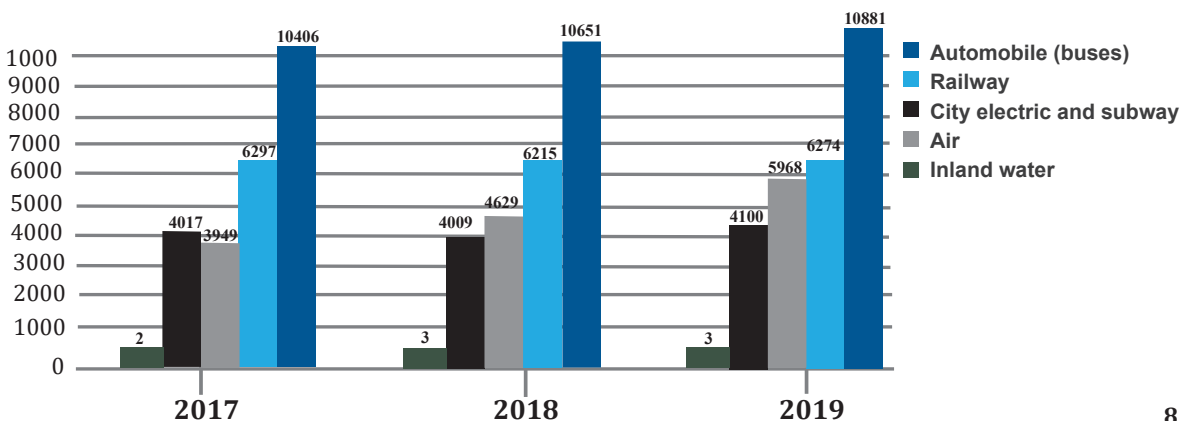
- Automobile
- Railway
- Air
- City electric and subway
- Inland water

Structure of passenger turnover by type of transport in 2019 (million people), %



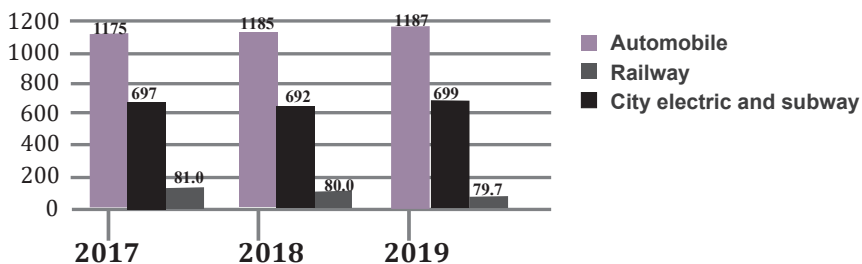
- Car
- City electric and subway
- Railway
- Air
- Inland water

Passenger turnover by mode of transport, million passenger-kilometers

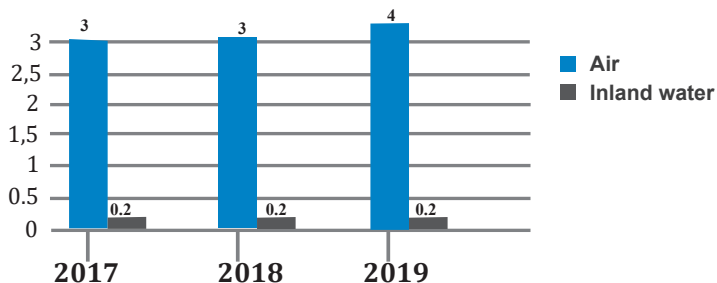




Volume of passenger traffic by automobile, urban electric and rail transport, million people



Volume of passenger traffic by air and inland water transport, million people



Railway transport

The total length of railways in 2018 amounted to 5.480 km. The State Association Belarusian Railway is the operator of the Belarusian railway network providing about 75% of all freight traffic in the country as well as more than 50% of passenger traffic.

Two international railway transport corridors run across the territory of the Republic of Belarus: No. II Berlin – Warsaw – Minsk – Moscow – Nizhniy Novgorod (within the republic, the railway section Brest – Minsk – Orsha – Osinovka); No. IX – Helsinki – St. Petersburg – Kiev – Chisinau – Bucharest – Dmitrovgrad – Alexandroupolis (within the republic is represented by the railway sections Ezerishche – Vitebsk – Mogilev – Zhlobin – Gomel – Teryukha and branch IXB – Zhlobin – Minsk – Gudogai).

In order to develop the railway infrastructure of these transport corridors, the Belarusian Railway has implemented several projects aimed at increasing the capacity of stations, repairing the track, replacing and modernizing technical means of signaling and communication, reconstruction of engineering structures, etc.



**Dynamics of the length of railway lines in 2015-2019,
by the end of the year, thousand km**



2015	2016	2017	2018	2019
5490.9	5480.0	5480.0	5479.8	5479.8

Public railway tracks

Of great importance are transportation operations along the II Pan-European Corridor, which, in conjunction with the Trans-Siberian Railway, forms the shortest and most optimal overland route for the transportation of foreign trade goods along the Europe-China-Europe traffic line.

The enterprises "Brestgruztranslogistik" and "Baranovichi freight center of transport logistics" were created in order to develop transport and logistics activities and attract additional cargoes in the East-West-East traffic line through the Brest border and the border crossings of the Grodno region.



Investment activity with the involvement of foreign companies

Together with the Swiss company "Stadler Rail Group", a project is being implemented to supply electric trains manufactured for a new format of passenger transportation on the Belarusian Railway.

Together with the Czech company "CZ LOKO" on the basis of the Lida Locomotive Depot, an investment project is being implemented to modernize shunting locomotives.

Together with the China Corporation for the Import and Export of Electrical Equipment, the following projects are being implemented: for the supply of freight electric locomotives produced by the Datong Electric Locomotive Plant; on electrification of the Gomel-Zhlobin-Osipovichi and Zhlobin-Kalinkovichi sections.

The growth in the volume of freight traffic on the Belarusian Railway is achieved due to timely response to changes in the transport services market, optimization of transportation schemes for major foreign trade goods, and improvement of tariff conditions.

As a result of the measures taken to develop container traffic in the course of the implementation of the Silk Road Economic Belt initiative, a stable growth in traffic between China and Western Europe was ensured.

Taking into account the dynamic growth of container traffic volumes, the Belarusian Railway, together with participants in the transport services market, is currently developing new transportation routes through the Belarusian-Polish border crossings Bruzgi/Kuznitsa Belostotskaya and Svisloch/Semyanuvka.

Thus, in October 2020, the Belarusian Railway provided the passage of container trains through the Belarusian-Polish border checkpoint Bruzgi/Kuznitsa Belostotskaya in the China-Europe-China route.

In general, for 9 months of 2020, more than 380 thousand TEU containers were transported along the Belarusian railway in the China-Europe-China route. This is 1.6 times more as compared with the same period of 2019.

Taking into account the incentives to attract transit cargo flows, the annual increase in container traffic is expected in the amount of at least 10% annually, and by 2025 the volume is projected to reach 1 million containers in TEU.



Water transport

The water transport system includes 8 river ports (Bobruisk, Brest, Gomel, Mikashevichi, Mogilev, Mozyr, Pinsk, Rechitsa), 3 waterway enterprises (Gomel, Pinsk, Bobruisk) serving waterways on the Dnieper, Berezina, Sozh, Pripyat, Western Dvina, Neman rivers and Dnepro-Bug channel. As of January 1, 2020, 835 vessels are registered in the State Ship Register of Belarus, including 28 passenger vessels. The system of water transport organizations includes freight companies that carry out sea transportation of goods (JSC "Belarusian Shipping Company", JSC "Belarusian Forwarding and Freight Company").



The growth of freight traffic and the reduction in world reserves of hydrocarbon fuels result in price rise, which stimulates carriers to optimize transport costs. This is the reason making water transport of great importance. Water transport energy consumption per unit of transport work is much lower than of road transport and 1.5-2 times less than of rail transport.

A number of export-import freight flows of Belarus, Poland, Ukraine and other European countries, including Scandinavian, lean towards this transport system, the volume of which is estimated in millions of tons (coal, ore, metal, potash fertilizers, table salt, sugar, gravel, peat, timber, sapropel, etc.). This water connection can carry up to 4 million tons of cargo per year.

The reconstruction of the navigable structures of the Dnieper-Bug canal is carried out as part of the development of the international waterway E-40.

Dynamics of the waterways length in 2015-2019, as of the end of the year, km



2015	2016	2017	2018	2019
1714.0	1714.0	2115.0	1888.8	2067.4

Navigable inland
waterways of general use

Air transport

Air transport of the Republic of Belarus is a complex of enterprises and organizations engaged in passenger and cargo transportation by air, both in the republic and abroad, as well as performing aviation work. In Belarus, each major regional city has its own airport. There are 6 international airports and 9 certified airfields in the country. More than 300 aircrafts are registered in the State Register of Civil Aircraft of Belarus.



✈ Joint deployment aerodromes:

Lipki
Machulishchi



Civil aviation aerodromes:

Minsk-2
Brest
Vitebsk
Grodno
Gomel
Mogilev
Starinki
Orsha
Bellesavia



Airports:

Minsk National Airport
Brest
Vitebsk
Grodno
Gomel
Mogilev



The development of air transport being the most mobile component of the transport infrastructure is of exceptional importance. Air transport is the most modern and technologically advanced mode of transport.

More than 20 airline companies are engaged in providing air transportation and aircraft maintenance services in Belarus.

As of January 30, 2020, 26 agencies passed certification and have a certificate of the Agency for the provision of air cargo transportation, 40 agencies – for passenger transportation.

The system of aviation organizations of the Ministry of Transport and Communications of the Republic of Belarus includes:

- OJSC "Airline "Belavia";
- OJSC "Transaviaexport Airline";
- JSC "Airline Grodno";
- RUE "National Airport Minsk";
- RUE Navigation Services Air Traffic "Belaeronavigatsia";
- JSC "Minsk Civil Aviation Plant No. 407";
- Educational Institution "Belarusian State Academy of Aviation".

Automobile transport

Automobile transport together with urban electric transport and the metro have a significant impact on the social sphere of the republic, accounting for about 96% of the total passenger traffic. In addition, about 40% of all freight traffic is carried out by road. More than 418 thousand trucks are in operation.



About 4.4 million units of auto and motor vehicles and trailers are registered in Belarus (88.1% are in personal use of citizens, 11.9% belong to legal entities), including about 3.7 million cars (according to UGAI of the Ministry of Internal Affairs of the Republic of Belarus as of January 1, 2020).

According to the Association of International Road Carriers "BAMAP", more than 19 thousand vehicles capable of carrying out international cargo transportation are registered in Belarus (about 3 thousand business entities).

International cargo transportation by road occupies the 2nd place in the value of services export in Belarus, second only to the IT sector.

98%
of foreign currency earnings in the volume of export of road transport services are provided by freight carriers (according to BAMAP)

Dynamics of the road length in 2015-2019, as of the end of the year, thousand km



Public roads

2015	2016	2017	2018	2019
101.6	101.9	102.4	102.5	102.8

The territory of the country is crossed by 2 trans-European transport corridors, defined according to the international classification as number II (West - East) and number IX (North - South) with a branch IXB. Almost all republican highways have improved coverage.

- Given the geographical position of the Republic of Belarus, the following four main directions are of particular importance, providing foreign economic and international relations:
- 1. Brest - Minsk - border of the Russian Federation;
 - 2. Kaliningrad - Kaunas - Vilnius - Minsk - Gomel;
 - 3. Saint Petersburg - Vitebsk - Gomel - Kiev - Odessa;
 - 4. Minsk - Grodno - Gdansk.



Pipeline transport

In 2019, the share of pipeline transport in the total freight turnover in Belarus was 41.3%.

Of particular importance are the Druzhba (large oil pipeline) and Yamal-Europe (main gas pipeline) pipelines, through which energy resources transit from Russia to the European Union via Belarus. The total length of the pipelines is within 11.8 thousand km, of which 2/3 are gas pipelines.

The growth in the volume of cargo transportation on the Belarusian Pipeline is achieved due to prompt response to changes in the transport services market, optimization of transportation schemes for major foreign trade cargo, and improvement of tariff conditions.



Dynamics of the trunk pipelines length in 2015-2019, as of the end of the year, km



2015	2016	2017	2018	2019
11 656.5	11 653.4	11 728.1	11 931.9	11 805.8

Main pipelines









External trade

Within the 2009-2019 period, transport services accounted for almost a third of the contribution to the growth of services export of the Republic of Belarus - 46.1% (with 157.6% of the total growth) and increased by 1.76 times: from USD 2.3 billion in 2009 to USD 4 billion in 2019.







The main consumers of transport services of the Republic of Belarus are Russia, Germany, USA, Lithuania.

In the medium term, the growth in the export of transport services will arise from an increase in trade turnover and will amount to about USD 5.2-5.5 billion by 2025.




Export of transport services, USD million

	2018	2019	2019 in % to 2018	share in the total volume of services exports in 2019, %
 Railway transport	1 068.3	1 088.7	101.9	11.3
 Automobile transport	1 401.7	1 479.4	105.5	15.3
 Air transport	450.8	490.4	108.8	5.1
 Sea transport	324.5	277.8	85.6	2.9
 Pipeline transport and power transmission	620.7	600.7	96.8	6.2
 Other modes of transport	37.5	48.4	129.1	0.5






Export of cargo transportation services, USD million

	2018	2019	2019 in % to 2018	share in the total volume of services exports in 2019, %
 Railway transport	916.7	926.8	101.1	9.6
 Automobile transport	1 306.6	1 374.4	105.2	14.2
 Air transport	45.9	42.6	92.8	0.4
 Sea transport	324.1	277.5	85.6	2.9
 Pipeline transport and power transmission	618.8	598.0	96.6	6.2
 Other modes of transport	22.1	29.2	132.1	0.3





Export of passenger transportation services, USD million

	2018	2019	2019 in % to 2018	share in the total volume of services exports in 2019, %
 Railway transport	70.8	71.0	100.3	0.7
 Automobile transport	15.8	18.7	118.4	0.2
 Air transport	251.1	299.4	119.2	3.1

Total import of transport services, USD million

	2018	2019	2019 in % to 2018	share in the total volume of services exports in 2019, %
 Railway transport	384.6	409.0	106.3	7.0
 Automobile transport	748.1	826.2	110.4	14.2
 Air transport	192.2	216.1	112.4	3.7
 Sea transport	460.1	431.9	93.9	7.4
 Other modes of transport	41.9	49.4	117.9	0.8

Import of passenger transportation services, USD million

	2018	2019	2019 in % to 2018	share in the total volume of services exports in 2019, %
 Railway transport	33.7	33.3	98.8	0.6
 Automobile transport	7.2	9.0	125.0	0.2
 Air transport	59.7	59.6	99.8	1.0
 Sea transport	0.1	0.1	100	0.0

Legal and regulatory framework for the development of the transport potential of the Republic of Belarus

- In February 2017, at the 79th session of the UNECE ITC in Geneva, representatives of 58 countries signed a resolution “Entering a new era of sustainable inland transport and mobility” to stimulate the transition to digital document circulation in the international transport sector. This served as an incentive to activate the processes of updating the provisions of international treaties, including the accession of the EAEU member states to the e-CMR Protocol. The Republic of Belarus has joined the e-CMR Protocol in accordance with the Decree of the President of the Republic of Belarus No. 14 dated January 14, 2019.
- According to the Resolution of the Council of Ministers of the Republic of Belarus No. 560 dated July 18, 2016, the Republican Program for the Development of the Logistics System and Transit Potential for 2016 - 2020 was approved.
- According to the order of the Ministry of Transport and Communications No. 57-C dated February 25, 2015, the Strategy for the Innovative Development of the Transport Complex of the Republic of Belarus until 2030 was approved, the main directions of which include creation of a network of multimodal transport and logistics centers, development of intermodal transport, including piggyback transport, improvement conditions for the development of the transit potential of the republic, as well as improvement of national transport legislation taking into account international practice.
- In the National Strategy for Sustainable Socio-Economic Development of the Republic of Belarus up to 2030, one of the sections is devoted to the development of the transport industry.
- In December 2017, the Decree of the President of the Republic of Belarus No. 8 “On the Development of the Digital Economy” was signed. In the field of transport, the development of electronic commerce in terms of electronic public procurement, simplification of trade and transport procedures was determined.
- Also a State Program for the Development of Digital Economy and Information Society for 2016 – 2020 is being carried out in the Republic of Belarus. The expected results of the program include improving the quality of transport services, as well as the efficiency and safety of the transport process, including the creation of systems for centralized road transport services for large cargo-forming objects, improving the system of information exchange, accounting and document circulation based on the use of international standards and norms. Clause 38 of the set of measures attached to the program provides for the development and implementation of a national intelligent information system for monitoring goods and transport flows based on modern technologies of automatic identification and electronic document management.



Implementation and development of an intelligent transport system (ITS)

Intelligent transport system is a transport subsystem for traffic management and transport activities, based on the use of information and communication technologies.

In the Republic of Belarus, a telecommunication infrastructure of road facilities has been created, a data transmission network has been built for a toll collection system and a network for photographing speed violations on highways. Republican roads are equipped with video surveillance networks, road measuring stations, technological radio communications, data transmission stations based on fiber-optic communication lines (fiber-optic communication line) and other telecommunication infrastructure of highways.

Software products and resources used in the Republic of Belarus:

- operational information about road conditions according to the data of road measuring stations (RUE "Beldorcenter");
- the system of remote issuance of special permits for the passage of heavy and (or) large vehicles on public roads of the Republic of Belarus (RUE "Beldorcentr");
- video surveillance system of road facilities for monitoring the situation on the republican public highways (RUE "Beldorsvyaz");
- the system of winter road maintenance "Meteomagistral" (RUE "Beldorsvyaz").

In 2013, an electronic toll collection system BelToll was introduced on the territory of the Republic of Belarus.

Every year there is a further improvement and development of intelligent systems on the roads of the Republic of Belarus.

According to the Decree of the Council of Ministers No. 902 dated July 4, 2011, the Concept of creating a unified system of navigation and time support of the Republic of Belarus was adopted, one of the main goals of which is the creation of intelligent transport systems based on navigation technologies.

By the decree of the Ministry of Education of the Republic of Belarus No. 85 dated August 4, 2015, the educational standard approved the specialty in the operation of intelligent transport systems in road and city transport.

The Republican Program for the Development of the Logistics System and Transit Potential for 2016-2020 provides for unification of documents required for the implementation of transport and logistics activities; development of logistics activities through the active use of innovative management and automation technologies; international cooperation in the field of logistics on information interaction, exchange of best practices, scientific, technical and educational cooperation; development of infrastructure and information and communication technologies in the logistics sector.

Since 2016, the national standard of the Russian Federation GOST R ISO 14813-1-2011 "Intelligent transport systems" has been approved as a state standard of the Republic of Belarus.

Logistics infrastructure

As of January 1, 2020, 1,774 organizations were engaged in logistics, transport and forwarding activities in the Republic of Belarus.

In 2019, the volume of logistics services amounted to USD 209.7 million (+ 45% compared to 2018).

The indicator of income from transit (total, including revenues from oil transit and natural gas transit services) amounted to USD 1604.7 million (+ 6.2%).



	2016	2017	2018	2019
Volume logistic services	124.1	153.5	148.3	209.7
Volume logistic services for processing transit cargo on territory of the Republic of Belarus	30.1	39.6	26.6	27.1
Volume transport-expeditionary services, including number of types transport:	1475	1964	2146	2234
car	763.1	1036	1089	1114
aquatic, marine	69.5	79.3	80.3	96
railway air	617	823.3	946	986.2
	25.7	25.9	30.4	37.5
Import transport-expeditionary services	472.3	653	760.9	825.2

A sharp increase in the number of logistics centers in the Republic of Belarus, which was largely due to a low starting base, gave way to a period of quality development. It is precisely the qualitative changes in the previous quantitative boundaries that logistics responds to the crisis phenomena in the economy. According to the World Bank, in developed countries, logistics services provide from 15 to 25% of the country's GDP.

There are 60 logistic business entities operating in the republic (+ 36% by 2018). Most of them are located in the Minsk region. About 25% of the operating logistics centers are state-owned, the rest are created through investments by domestic (OMA, Prostor, Euroopt, etc.) and foreign investors (from Russia, Azerbaijan, Iran and China).

As for the distribution of warehouse space by consumers in Minsk and the Minsk region, at the beginning of 2019 suppliers and online stores were occupying the lion's share - 38%, followed by retail chains - 35%, logistics - 19% and manufacturers - 8%.

With the distance of 8-10 km from the Minsk Ring Road, the rental rates are reduced by an average of 1 EUR per 1 m² of area compared to similar facilities located within the Minsk Ring Road area.

As for the regions, class C warehouses and industrial premises prevail there. The most attractive are objects in the FEZs and logistics centers at enterprises.

	2016	2017	2018	2019
Number of logistics centers, units	15.1	18.1	21.6	28.7
Volume of logistics services, of which provided:	78.1	99.8	110.7	106.9
in transport and logistics centers	36.8	57.1	47.1	58.2
in wholesale and logistics centers, trade and logistics centers	4.4	4.0	8.7	8.2
by logistics operators in warehouses	36.6	31.4	45.0	31.0
Volume of logistics services for the processing of transit cargo on the territory of the Republic of Belarus	28.8	39.2	25.8	26.3
Volume of freight forwarding services	216.3	338.0	356.8	433.6



Domestic investors in logistics centers include manufacturing enterprises, transport and logistics companies, logistics operators, distributors, retailers, developers; foreign investors are represented by the companies from Russia, Azerbaijan and Iran.



RUP BELTAMOZHSERVICE
LOGISTICS CENTERS:

Minsk Region:
- BELTAMOZHSERVICE
- BELTAMOZHSERVICE - 2
Brest region:
- BREST - BELTAMOZHSERVICE - 1
- BREST - BELTAMOZHSERVICE - 2
Gomel region:
- GOMEL - BELTAMOZHSERVICE
Mogilev region:
- BELTAMOZHSERVICE - MOGILEV

LOGISTICS CENTERS ESTABLISHED
IN ACCORDANCE WITH THE
PROGRAM OF LOGISTIC
SYSTEM DEVELOPMENT
OF THE REPUBLIC
OF BELARUS UNTIL 2015:

Brest region:
- BRESTVNESHTANS
- TRANSIT
- EUROOPT (BARANOVICH)
Minsk Region:
- OSTROV CHISTOTY
- EUROOPT (POS. OBCHAK)
- PRILESE
- OZERTSO - LOGISTIC
- BELRUSINVEST
- SCHOMYSLISA
- BELMAGISTRALAVTOTRANS
- SLC 24
- SHATE - M
The Grodno region:
- BELAGROTERMINAL

LOGISTICS CENTERS ESTABLISHED
IN ACCORDANCE WITH DECISIONS
OF THE OBLISPOLKOMS AND
MININGORISPOLKOM:

Brest region:
- BOOG-MARKET
Vitebsk region:
- MARCO
The Grodno region:
- BREMINO-BRUZGI
- BELTAMOZHSERVICE-KAMENNY LOG
Minsk Region:
- KOLYADICHI
- KS - LOGISTIC
- KUNTSEVSHCHINA
- BELTSPED-LOGISTIC
- EURASIA
- AMAZON-COLORIT
- MINSK-CRYSTAL
- VLADPRODIMPORT
- HENKEL-BAUTECHNIK
- EUROOPT (MINSK)
- KHATEZHINSKY Refrigeration Plant
- DOMINIK
- EUROSCLAD
- MZBN
- KAMAKO PLUS
- CHISTYJ BEREG
- BELSOTRA
- RESTORACIA
- SHABANY
- MIKHANOVICHSKY LC
- ARMTTEK
- BOROVAJA
- DOBRADA
- SEVERNYY
- ELNITSJA
- HALEX
- BELPART-ALLIANCE
- UNIFOOD
- MINSK NATIONAL AIRPORT
- PRADIUS NOVA
- GREAT STONE

INVESTMENT PROPOSALS FOR
CONSTRUCTION OF LOGISTICS
CENTERS:

- BELTERMINAL TLC
- BELIMPORTTORG
- MOTIKALY
- VITEBSK-AVIA
- COMPLEX
- BREMINO GROUP
- ZHLOBIN
- DINA
- VLATE LOGISTIC
- GRODNO - AVIA
- LIDA
- LOGISTIC PARK
- ALBA-LOGISTIC
- MOGILEVTRANS TLC
- BOBRUISK
- NOVOSIELKI

Minsk region (outside the Minsk Ring Road, near the II and IX trans-European transport corridors) and Brest region (border with Poland) are remaining the most attractive regions for the construction of logistics centers. The

decisions of the Board of the Eurasian Economic Commission on the introduction of mandatory preliminary notification of customs authorities about goods imported by vehicles into the customs territory of the EAEU are being consistently implemented. The legal conditions created and being created in the Republic of Belarus will contribute to an increase in the number of services rendered by logistics operators in logistics centers.

Capacity building measures in transport and logistics of the Republic of Belarus

Currently, the Republic of Belarus is implementing a set of measures to develop its transport and logistics system as well as transit potential.

The main directions for the development of the country's transport system, approved by the National Strategy for Sustainable Socio-Economic Development of the Republic of Belarus for the period up to 2030, are the improvement of transport infrastructure through the reconstruction and modernization of communication lines, engineering structures, terminals and communication facilities, renewal of the rolling stock with modern highly efficient and environmentally friendly vehicles and improving the quality and range of services provided. Particular attention is paid to the development of the export of transport services by creating conditions for attracting transit cargo flows to the territory of the republic, expanding the geography of transportation and pursuing a coordinated transport policy within the EAEU.

Measures are planned to build the capacity of the Republic of Belarus in the following areas:

railway transport development:

- expanding the capacity of border crossings through the reconstruction and commissioning of checkpoints, electrification and reconstruction of railways in order to develop high-speed traffic;
- improvement of cargo transportation technologies using direct accelerated container trains;
- renewal of the railway rolling stock (electric trains and freight electric trains), including the purchase by Belarusian Railways of 30 electric trains, 20 diesel trains, 242 wagons till 2025;
- design and construction of an aeroexpress train to the National Airport Minsk;
- improving the quality of passenger traffic by expanding the route network, improving the train schedule, providing new services;
- development of IT applications for infrastructure and rolling stock, expanding the use of mobile organization tools and the transition to the implementation of paperless digital rail freight;
- creation of the Unified Digital Model of the Infrastructure of the Belarusian Railway (UMI), which will ensure the unification of data on infrastructure facilities as well as creation of a basis for navigation and positioning systems of rolling stock;
- participation in large-scale projects, including the organization of container traffic in the China-Western Europe route, the conjugation of the EAEU and the One Belt - One Road project;



road transport development:

- reconstruction and construction of new border infrastructure facilities of the required throughput (including their equipping with special scanning devices (mobile inspection and screening complexes for non-intrusive control);
- modernization of bus stations, passenger service points, specially equipped taxi stands;
- introduction of electronic and information technologies into the TIR system (e-TIR), use of online platforms and mobile applications in the work of carriers, introduction of information systems at the border and customs;
- increasing the share of vehicles for international transportation of the EURO-6 ecological class, from 7.5% to 43.0-49.3% in the total volume of all purchased trucks;
- increasing the number of permits from 715 thousand in 2018 to about 880 thousand in 2020 and 1,292 thousand permits in 2025;
- carrying out a coordinated transport policy within the EAEU, transition to an declarative system for road freight carriers from third countries by 2025

development of urban electric transport and metro:

- increasing the share of electric vehicles for the carriage of passengers (trolleybuses, electric buses, trams, subway trains);
- development of tram traffic in radial and circular directions by expanding the tram network;
- completion of the construction of the third metro line, beginning of construction of the fourth metro line (by 2030, 25.4 km long);
- renewal of the rolling stock of urban electric transport - at least 10% annually;
- creating conditions for increasing the use of electric vehicles, building a charging infrastructure

development of water transport and infrastructure:

- demonopolization of the water transport through the implementation of a mechanism for attracting private port operators and carriers to the industry by dividing the functions of managing the water transport infrastructure and transportation activities, attracting external investment into the industry;
- development of water tourism by improving the guaranteed dimensions of inland waterways.
- reconstruction of inland waterways providing access to the territory of Ukraine and the Black Sea, construction of a port terminal on the Dnieper River;
- development of the infrastructure of the international waterway E-40 on the territory of the Republic of Belarus with a length of 641.0 km;
- reconstruction of hydroelectric complex No. 4 "Ovzichi", coastal structures of road and rail ferry services;
- construction of 6 waterworks to ensure the conditions of navigation on the river Pripyat;
- modernization of the transport fleet through the acquisition and renewal of passenger, cargo, tugboats, the acquisition of special water transport vessels;
- development of a strategy for the Belarusian marine fleet, formation of an effective national system of transport and logistics services for sea transportation, search for additional sources of funding, work in accordance with the recommendations of the International Maritime Organization (IMO).



development of air transport:

- increasing airport capacity, expanding the geography of transportation, opening new flights, increasing the number of charter flights;
- reconstruction of airports; construction of a new terminal at the National Airport Minsk;
- renewal of the aircraft fleet with an increase in passenger capacity;
- continuation of work to improve the efficiency of regional airports, including the stage-by-stage reconstruction of buildings of air terminals and airfields;
- replacement of equipment for an automated air traffic control system, the use of systems and visualization tools, an increase in the level of aviation security by modernizing the work places of dispatchers; digital aeronautical information management; rationalization of area navigation routes;
- attracting additional transit cargo and passenger flows to Belarus through regional airports

development of road infrastructure:

- increasing the share of paved roads up to 90% by reconstructing the network of local roads and bridges;
- development of roadside service (gas stations, parking lots, catering points, campgrounds and campgrounds, etc.) by allocating free areas for the construction of roadside service facilities and supplying communications;
- increasing the efficiency of expenses for maintenance and repair of roads (transition to new forms of contracts for defect-free maintenance or results-oriented, implementation of infrastructure projects based on public-private partnerships);
- deployment of networks for collecting telemetric information at priority transport infrastructure facilities

warehousing and auxiliary transport activities:

- commissioning of a multimodal industrial and logistics complex in the Bolbasovo village, Orsha District;
- development of transport and logistics centers that provide a full cycle of services for the delivery of goods to the client "from door to door", integration into international transport and logistics networks;
- expansion of the activities of logistics 3PL-providers and organization of work in the country of 4PL-, in the future 5PL-providers;
- introduction of GS1 bar-coding systems and RFID radio frequency identification into the field of freight forwarding services;
- providing conditions for the inclusion of transport in the global logistics system through the use of geographic information systems and global positioning systems.





Investment projects for implementation in the Republic of Belarus



CONSTRUCTION OF A LOGISTIC CENTER FOR HANDLING RAILWAY CARGO

About the project



The aim of the project is the construction of a logistic center for handling railway cargo from broad-gauge to narrow-gauge trains.

The total amount of investment – **1.5 million USD**.

Land plot - **11 ha** near the Novye Lishchitsy village (Brest region).

PROJECT ADVANTAGES

The distance to the land plot from Brest is **15.5 km**, to the border with Poland - **10 km**. In the village of Novye Lyshitsy there is a railway platform Lyshitsy (the Bialystok - Brest line).

Brest railway hub is **the largest transshipment** area in Belarus at the hub of the "1520 space" and the European 1435 mm gauge.

Recently, there has been **a steady growth** in the volume of rail freight traffic from China to the EU countries, which creates an objective need for the development of border "joints" and stations, railway terminals.



ESTABLISHMENT AND DEVELOPMENT OF A CARGO HUB AT THE INTERNATIONAL AIRPORT "GOMEL"

ABOUT THE PROJECT

The aim of the project is to use the international airport "Gomel" and adjacent territories for the operation of a cargo hub using a special legal regime, established for the Free Economic Zone port. Construction and equipment of a warehouse space is carried out using the preferential regime of the free customs zone.

Total investment - **1 million USD.**

INTERNATIONAL AIRPORT "GOMEL"

(IATA: GME, ICAO: UMGG)



- ✓ **10 km** from the Gomel center;
- ✓ **24/7** working hours;
- ✓ airfield class corresponds to **4D code**;
- ✓ **runaway strip** 2569 × 43 m, asphalt-concrete, PCN 54/F/D/X/T;
- ✓ airport is capable of receiving and sending A-300, A-300-B2, A-300-600C4, A-300-600RB4, A-310-200, A-319-100, A-320-200, A-321-200, B-727-100, V-727, V-737-400, V-737-700, V-737-800, V-757-200, V-757-300, V-767-300, V-767-300ER, IL-76TD, IL-62 aircraft, and other aircraft with a maximum weight up to 191 tons and a wingspan up to 51.9 m, as well as all types of helicopters;
- ✓ the area of the platform and parking spaces is about **200,000 sq.m.**

PREFERENCES FOR PORT ZONES



- ✓ POSSIBILITY OF NON-DECLARATION OF GOODS
- ✓ THE POSSIBILITY OF DECLARING GOODS BY NON-RESIDENTS OF FEZ

CUSTOMS BENEFITS AND VAT

- ✓ on import of materials, machinery and equipment for the construction and operation of facilities

0%

TAX BENEFITS preferences are granted when exporting products (services), or selling to other residents of the Free Economic Zone

- ✓ income tax for the entire duration of the project
- ✓ real estate tax exemption for buildings and structures
- ✓ rent for land plots

0%

HANGAR COMPLEX CONSTRUCTION FOR BUSINESS AVIATION AIRCRAFT STORAGE AT THE "VITEBSK" AIRPORT

ABOUT THE PROJECT

Project initiator - Vitebsk Branch of "BELAERONAVIGATSIA", the Republican Unitary Air Navigation Services Enterprise.
At present time, the land on the territory of the airport "Vitebsk" is allocated.



6000 m²

HANGAR
COMPLEX
AREA



3

AIRCRAFT
TYPE B-737

OR



15

BUSINESS - JETS

PROJECT ADVANTAGES

At present, the hangar storage of aircraft and their maintenance is very much in demand. It **doubles** the resource and lifetime of the aircraft.

The cost of these conditions is more than two times lower than in Moscow and St. Petersburg.

The formalities for the stay of crews of foreign aircraft **is simplified** (the possibility of staying on the territory of the Republic of Belarus without visas up to 15 days).

PROJECT FINANCING

Total amount of investment - **2.6 million USD**

Payback period- **5 years**

Internal rate of return- **15,9%**

MULTIMODAL LOGISTIC CENTER "GRODNO"

ABOUT THE PROJECT

The project provides for the establishment of a multimodal logistic center on the border of the European and Eurasian Economic Unions to service the growing commodity flows between Europe and Asia.

PROSPECTS OF INVESTMENT PROJECT



SERVICING THE
INCREASING GOODS
TURNOVER OF FEZ
RESIDENTS

WAREHOUSE COMPLEXES
AND TERMINALS FOR
VARIOUS TYPES OF
CARGO ESTABLISHMENT

SHOPPING AND
EXHIBITION CENTER,
SERVICE OBJECTS AND
COMMERCIAL REAL
ESTATE ESTABLISHMENT

PRECIPITATION OF
TRANSBOUNDARY
MOBILITY AND
DEVELOPMENT OF
REGIONAL TOURISM

CROSS - BORDER INFRASTRUCTURE

	TRAFFIC CAPACITY PER DAY	CAPACITY LOAD
BRUZGI - 1		
93 ha	BRUZGI (815)	55-60 %
	BERESTOVITSA (650)	60-70 %
BRUZGI - 2	PRIVALKA (295)	65-75 %
144 ha	BENYAKONI (500)	30-40 %
	KAMENNIY LOG (1000)	35-40 %
AULS	KOTLOVKA (350)	50-60 %
60 ha		
OBUHOVO	BRUZGI	
75 ha	6 pairs of trains/per day (wide gauge)	72 %
	4 pairs of trains/per day (narrow gauge)	
	SVISLOCH	
	5 pairs of trains/per day (wide gauge)	71 %
	5 pairs of trains/per day (narrow gauge)	

LOGISTIC CENTER CONSTRUCTION

ABOUT THE PROJECT



The project includes the construction of cargo, container terminals, warehouses, as well as an information and computing center.

PLANNED ACTIVITIES



Provision of services for the acceptance, storage and delivery of goods, as well as the provision of services for the rental of various types of storage facilities (heated, not heated), open areas, loading (unloading) cargo from railway cars and trucks, provision of additional services (hotel, parking, etc.).

CONSUMERS

Potential consumers are transport and trade enterprises of the Republic of Belarus, the Russian Federation, the Baltic and the EU countries.

KEY ADVANTAGES



- free niche of the logistic services on the territory of the Republic of Belarus;
- geographical location of the Republic of Belarus;
- benefits and preferences when implementing an investment project;
- availability of a land plot and developed infrastructure;
- availability of qualified personnel.

POSSIBLE LOCATIONS FOR THE PROJECT IMPLEMENTATION

MYADEL DISTRICT

COST - \$0.75 M

MIORY DISTRICT

COST - \$1 M

OSTROVETS DISTRICT

COST - \$1 M

VORONOVSKY DISTRICT

COST - \$6.25 M

GRODNO DISTRICT

COST - \$100 M

3 LAND PLOTS -

93, 144, 75 HA

MOGILEV CITY

COST - \$7.5 M

LAND PLOT - 10,1 ha

BEREZENSKY DISTRICT

COST - \$3 M

LAND PLOT - 16 ha

SVISLOCH DISTRICT

COST - \$5 M

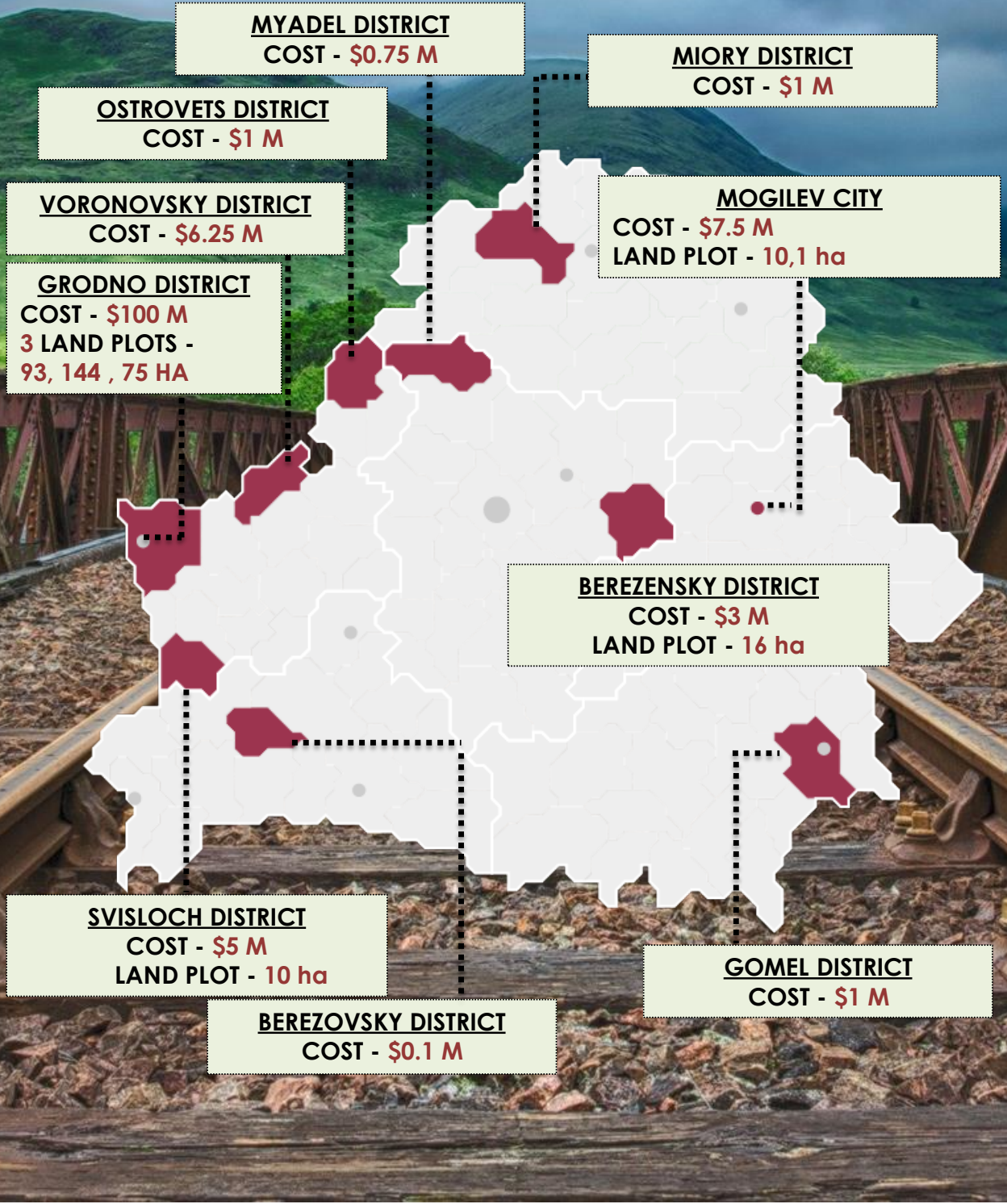
LAND PLOT - 10 ha

BEREZOVSKY DISTRICT

COST - \$0.1 M

GOMEL DISTRICT

COST - \$1 M



ROADSIDE SERVICE FACILITY CONSTRUCTION

ABOUT THE PROJECT



The project provides for the construction of a parking lot for vehicles, catering facilities, a store, a hotel, a playground for children, as well as a service station and a car wash.

Investor participation form - establishment of a new enterprise.

Potential consumers of services are long distance drivers, motorists, transit tourist groups, inbound and local tourists.

PROJECT IMPLEMENTATION PREREQUISITE



- free niche of the roadside service;
- geographical location of the Republic of Belarus;
- growth of cargo transportation;
- the growth of the tourist flow.

KEY ADVANTAGES



- formed and stable regulatory framework;
- lack of competitors in the field of roadside service;
- benefits and preferences in implementing an investment project;
- availability of a land plot and developed infrastructure;
- availability of qualified labor resources.

POSSIBLE LOCATIONS FOR THE PROJECT IMPLEMENTATION

MYADELSKY DISTRICT

COST - \$1.5 M

LIOZNENSKY DISTRICT

COST - \$0.7 M

SHARKOVSKY DISTRICT

COST - \$5 M

LAND PLOT - 1,5 ha

LIDSKIY DISTRICT

COST - \$0.9 M

LAND PLOT - 2,9 ha

VETKOVSKY DISTRICT

COST - \$0.4 M

LAND PLOT - 0,1 ha

BARANOVICH DISTRICT

COST - \$1 M

LAND PLOT - 1,7 ha

SLONIMSKY DISTRICT

COST - \$0.7 M

LAND PLOT - 1,5 ha

KALINKOVICHSKY DISTRICT

COST - \$0.5 M

LAND PLOT - 0.2 ha

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

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

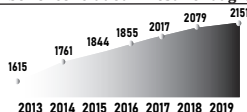
Industrial park "Great Stone"

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

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



Southeastern region of the Mogilev region

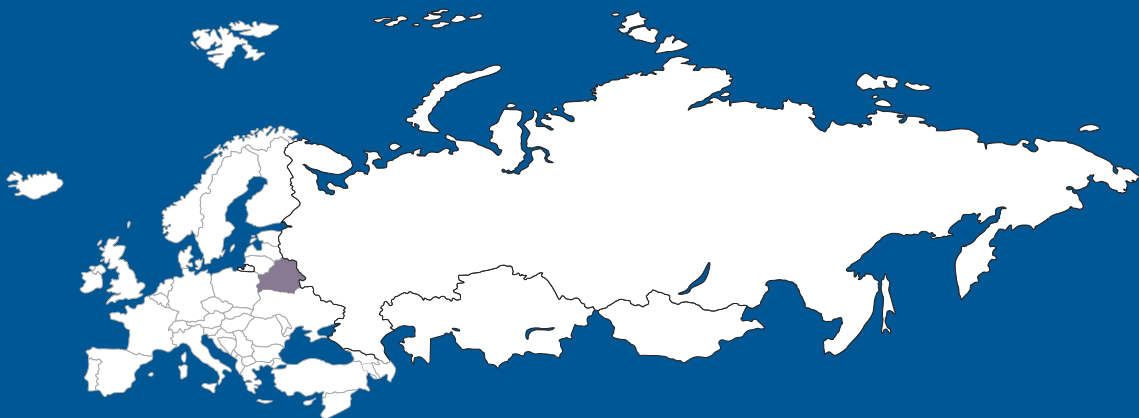
1. Income tax - 10% for 7 years from the date of commencement of business
2. Pension insurance for entities - 24%, within 7 years from the start of business
3. Financing the costs of creating engineering and transport infrastructure for the implementation of projects in agriculture and industry

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



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

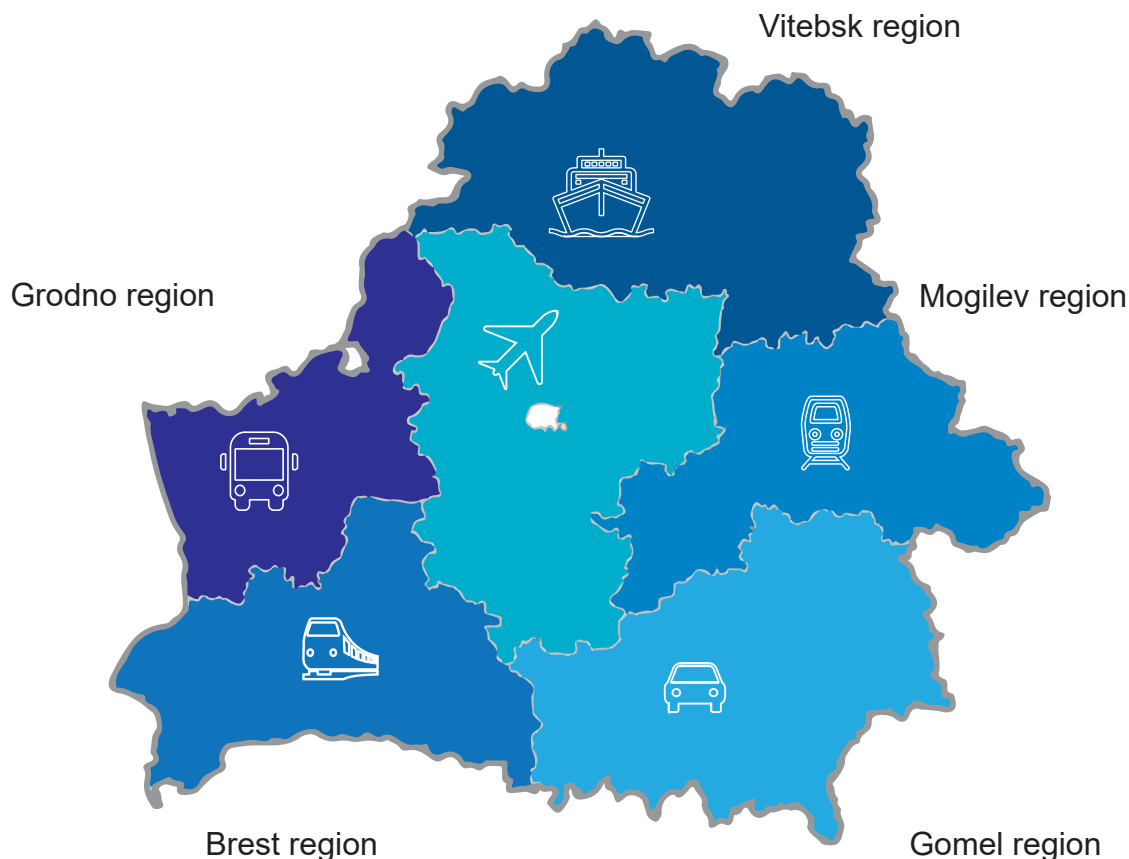


agreements on avoidance of double taxation

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.

Projects in the transport and logistics 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

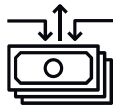
The Republic of Belarus is a state in the center of Europe. The shortest transport communications that connect the CIS countries with the states of Western Europe run through the territory of Belarus. By area Belarus surpasses such European countries as Austria, Belgium, Greece, the Netherlands, Portugal,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

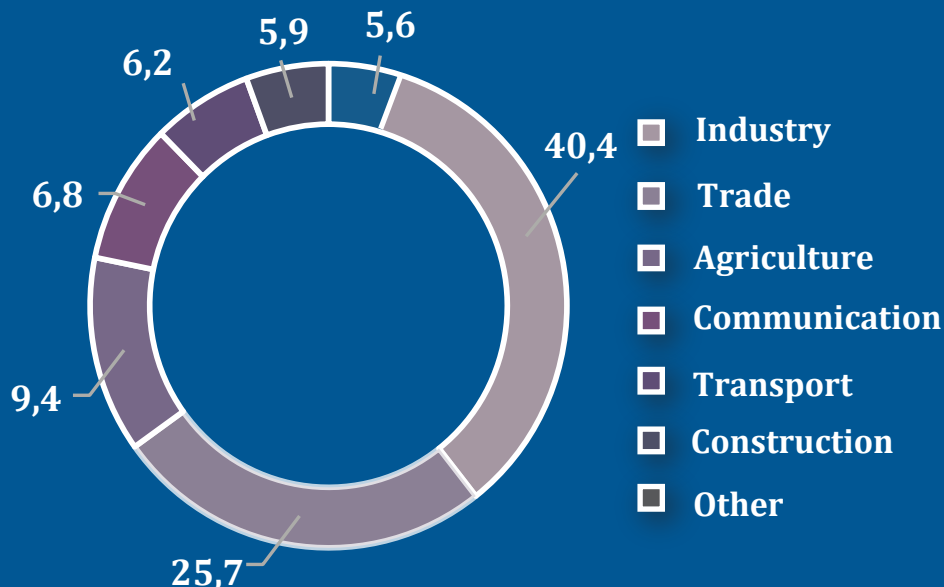
~20.1 thsd \$



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



Standart & Poor's



Fitch Ratings



Moody's Investors Service



BelAZ

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



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



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

National Agency of Investment and Privatization

The Agency provides assistance 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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