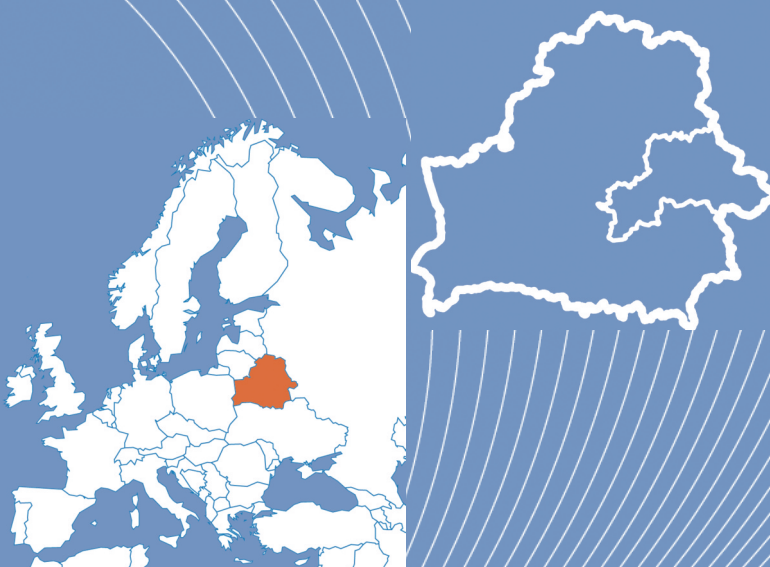




Executive Committee of Mogilev region

Investment Guide

Mogilev region



2010

Investment Guide

Mogilev region

Legal conditions favourable for investors' activities have been formed in Belarus. In the opinion of the International Financial Corporation involved in investment climate analysis in different countries, the Belarusian investment legislation is worthy of appreciation and is among the best in CIS member-states.

A stable political situation and absence of ethnic or religious conflicts make the country more attractive for the investors.

*By today, favourable conditions for attraction of foreign investments to this country have been established. In many respects they were conditioned with the governmental investment policy based on the following **basic principles**:*

- Multi-vector nature of investment cooperation;*
- Provision for investment orientation towards industry and innovations in connection with basic adjustment and modernization of the workable sector of economy, ensuring competitive advantages of the Republic;*
- Creation of equal conditions for foreign and national investors.*

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1. Macroeconomic environment



“Belarus achieved an average 7.5 percent annual growth in the ten years up to 2008, benefiting from its inherent strengths and favorable external conditions. High investment-to-GDP ratios and productivity gains from a well-educated and disciplined labor force were the main contributors to growth....”
IMF

Putting Belarus on the map

The Republic of Belarus:

is on the 58-th place in the WB Doing Business 2010 ranking, #7 in the ranking by starting up business (+ 91 positions compared to 2007); the second year in a row among TOP-4 global reformers;

lies in the Eastern Europe and offers a favourable geographical position as a transit country;

possesses well-developed traditional industries that remain key drivers of the economic growth;

occupies leading positions in machine building, oil processing, agriculture and food production, and metalworking on the Russian and global markets;

operates an open, export-oriented economy: external trade turnover to GDP ratio exceeds 1 over the last 10 years;

depends heavily on supplies of Russian natural resources and raw materials and on exports of value-added products to Russia;

has 70% of national GDP generated by state-controlled enterprises with share in total exports exceeding 80%.



Main features:

Territory - 207 600 sq km (ranked 86 in the world);

Population – 9.48 mln (ranked 79 in the world);

Population density - 46 per sq km;

Workforce– 4.5 mln;

Literacy - 99.6%;

Capital – Minsk (1.83 mln people);

Regional centres: Gomel (484 thou); Mogilev (354 thou), Vitebsk (349 thou), Grodno (328 thou), Brest (311 thou);

Total GDP 2009 – USD 48.8 bln.

Belarus economic backgrounds

Belarus played the role of an “assembly plant” in the Soviet economy

Due to limited natural resources and raw materials, the country was one of the largest recipients of funds channeled to industrial development.

During the USSR's last 20 years, the value of capital assets in real terms in Belarus grew 4,1 times, compared with 3,4 times average growth in other Soviet Republics. Between 1970 and 1989, Belarusian national income growth rates stood 1,7 percentage points higher than the Soviet average. Thus, a very substantial and to some extent unique industrial base was created in Belarus, dominated mainly by the traditional industries (49% of GDP in 1990).

Even during the Soviet era, the Belarusian economy was export-oriented

In 1990, the Total Exports / GDP ratio amounted to 50%, far higher than in other Soviet Republics. Exports outside the CMEA came to 5,5% of GDP – in second place behind Russia, which exported mainly natural resources. The traditional industries continue to play the most important role in the economy. Belarusian industry is dominated by machinery, metalworking, mineral products. In 2007, the share of machinery and metal working in total industrial output aggregated 24.5%. Sectors dealing with fuels, fertilizers, and petrochemicals hold very good positions due to a solid industrial base in Belarus, favorable external conditions, links with Russia. Belarus possesses one of the largest deposits of potash salts for production of potash fertilizers in the world.

Belarus is an export oriented economy

External trade turnover/ GDP ratio in 2007 reached 1.18. Since the beginning of 2008, external trade turnover has been growing 5 times faster than GDP, so that the ratio reached 1,21 by the end of 2008.

The major import and export items are Mineral products and Machinery and Equipment. These sectors contribute 57.9% to total exports and 60.5% to imports.

The largest trading partner of Belarus is Russia. This position has even strengthened since 2006. In 2007 the share of the Russian Federation in Belarus' total external trade turnover reached 49.2%. Exports to Russia – 36.6%. Imports from Russia – 59.3%.

Russia is the largest supplier of raw materials to Belarus and the largest consumer of Belarusian investment, chemical, and food products.

The main export items from Belarus to the EU are: Mineral products, Petrochemicals and fertilizers, Ferrous metals, Textiles and textile goods, Wood and wood products.

Gross domestic product

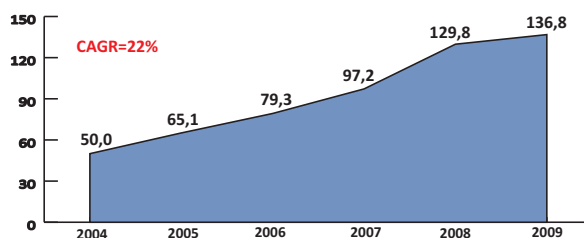
In 2009 the Belarusian nominal GDP in dollar terms composed USD 48.8 bln., having decreased by 18.5% yoy. However, real GDP increased by 0.2% in 2009. Such situation was firstly caused by a one-step and then by a gradual national currency devaluation. The main facilitator of real GDP growth was the maintenance of a positive capital investments' dynamic, closely connected with the governmental support of construction sector.

Moreover, nominal GDP in current prices (in national currency) amounted to BYR 136,8 trln. in 2009, growing by 5.4% yoy.

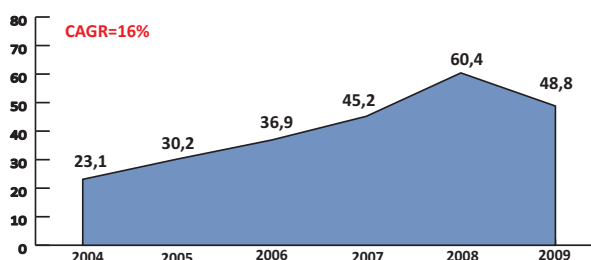
Compound annual growth rate of nominal GDP during 2004-2009 period reached 22% in national and 16%- in foreign currency.

During 2004-2008 period real GDP growth rate was within 8-11%. The maximal level was reached in 2004 (11.4%), the minimal one was observed in 2007 (8.6%). Real GDP growth rate in 2009 reached only 0.2% due to consequences of such global shocks, as financial crisis, drop in demand for products and others). However, the 1H 2009 reflected 6.6% real GDP growth rate.

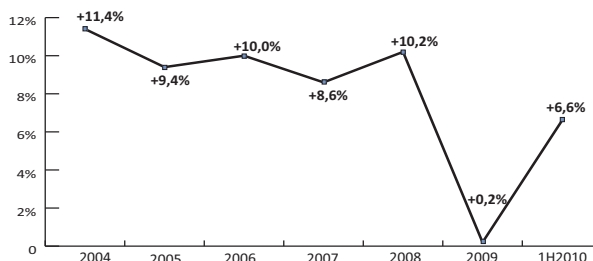
Nominal GDP dynamics, trln. BYR



Nominal GDP dynamics, trln. BYR



Real GDP growth dynamics



Industrial output

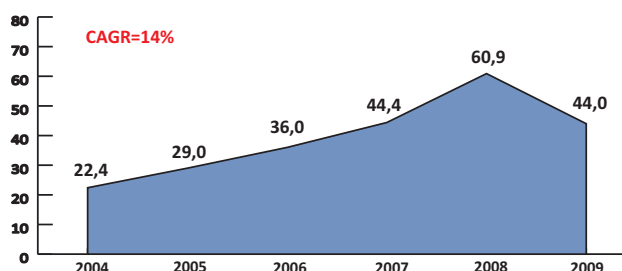
In 2009 the Belarusian industrial output amounted to USD 44 bln., decreasing by 27.7% in nominal dollar terms, however, the real decrease composed 2.8%. It is essential to note, that the given real decrease looks good in comparison with that in neighbor countries.

In 2009 nominal industrial output in national currency decreased by 5.8% amounting to BYR 123.2 trln. (moreover, compound annual growth rate over 2004-2009 period reached 20%).

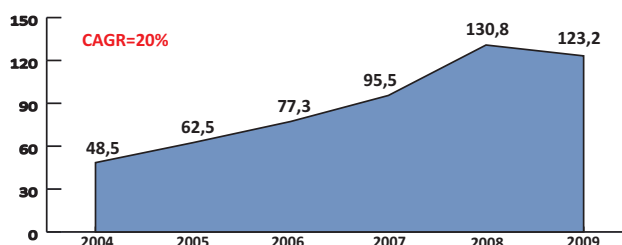
High actual demand for industrial products in Belarus and abroad caused such high growth rate.

In 2009 industrial output and sales reflected a slow decrease both: in domestic and foreign markets, that was, first of all, caused by such external factor as global financial crisis, negatively influenced external demand for industrial products.

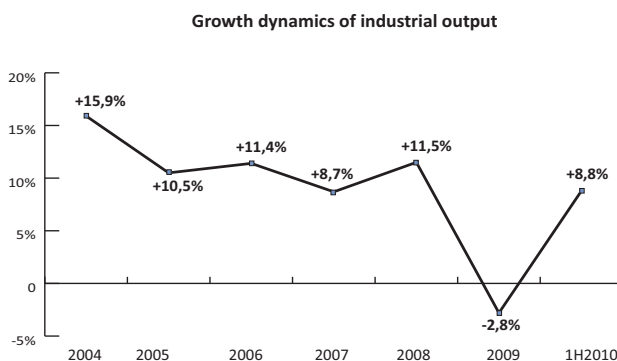
Industrial output, bln. USD



Industrial output, trln. BYR



Over 2004-2008 period growth rate of real industrial output was within 9-16% (maximal level was reached in 2004— 15,9%; minimal one- in 2007 – 8,7%). In 2009 real industrial output dropped by 2.8%, but in 1H 2010 real industrial output recovered and reached almost 9%.



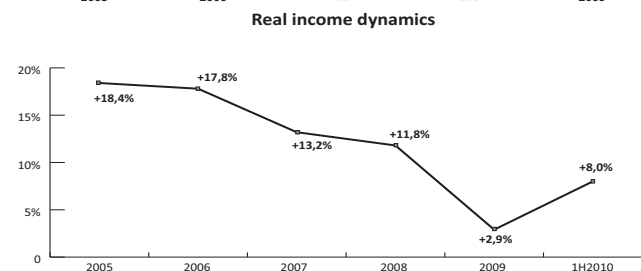
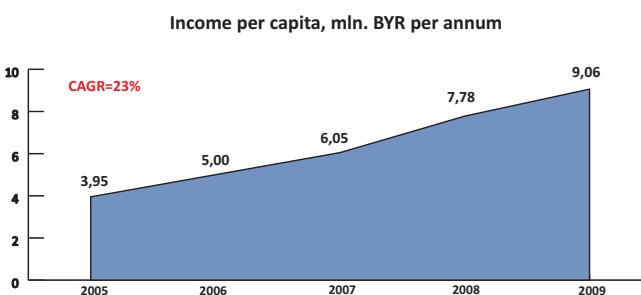
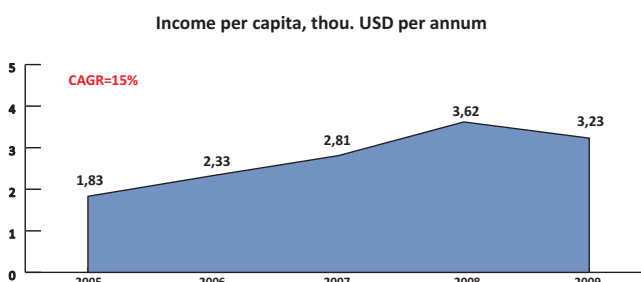
Incomes of population

In 2009 incomes of population in dollar terms reduced by 8.3% and made \$ 3.23 thou. per capita a year, however, the real growth composed 2.8%. Nevertheless, compound annual income growth rate over 2005-2009 period reached 15%.

Nominal incomes in national currency increased by 16.5% in 2009 and exceeded 9 mln. BYR per capita a year.

Real income dynamics reflects a stable tendency—thus, annual growth rate over the last 5 years was above 11%, except for real income in 2009, when its growth has slowed, reaching 2.9%.

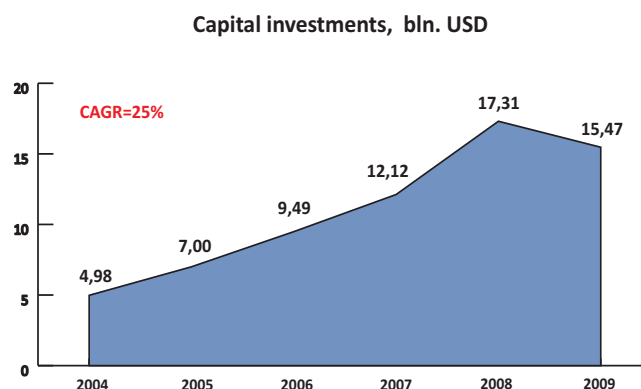
Besides, 1H 2010 faced a gradual real income growth reaching 108%, that indicated gradual economic stabilization after external shocks (i.e. financial crisis and etc.)



Capital investments

In 2009 the Belarusian capital investments formed USD 15.4 bln. or 7.8% yoy reduction in dollar terms.

Nevertheless, the real investments growth composed 8.6%. Its share in GDP reached 31.5% or 3% yoy growth. In general, since 2004 compound annual growth rate of real capital investments made 25.1%.

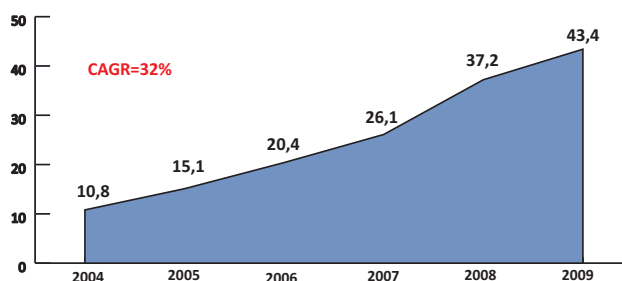


Nominal capital investments in national currency grew by 17%, at that, compound annual growth rate over 2004-2009 period reached 32%.

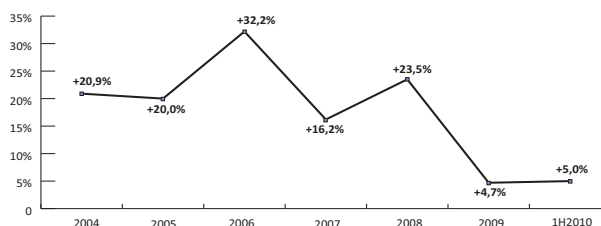
Capital investments growth (in real terms) in 2009 reached only 4.7%, at that over 2004-2008 period minimal level was 16.2% (ref.: maximal one was 32.2%)

The 1H 2010 has a tendency of capital investments increase and over January-June period capital investments' growth reached 5%- such situation favorably influences economic stabilization and further development.

Capital investments, trln. BYR



Dynamics of capital investments



Dynamics of retail turnover

In 2009 the total retail turnover in Belarus composed USD 19.5 bln. and decreased by 21% yoy in dollar terms. Compound annual growth rate of retail turnover (in foreign currency) amounted to 17 % over 2004-2009 period.

Retail turnover in national currency in 2009 composed BYR 54.7 trln. and grew by 8.1%. Average annual growth rate of retail turnover amounted to 23 % over 2004-2009 period.

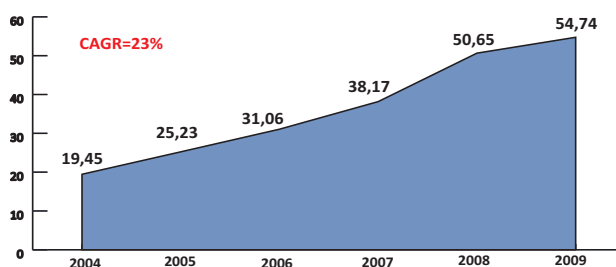
Real retail turnover in 2009 reached only 3.2% (that is higher compared to other countries).

Over 2004-2008 period maximal growth rate of retail turnover was in 2005- +20%; minimal one- in 2004 – +11.5%).

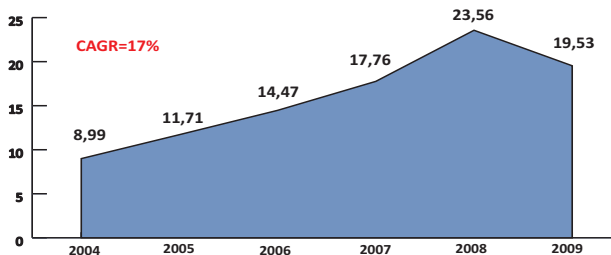
However, retail turnover growth rate was recovered in 1H 2010 and reached +15% (almost +12% compared to 12 months of 2009).

Such situation indicates recovery of the trade as industry and creates premises for economic growth.

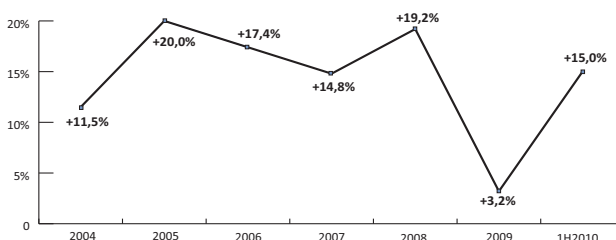
Retail turnover, trln. BYR



Retail turnover, bln. USD



Retail turnover growth rate



Financial stability

Over 2004-2009 period consumer-price inflation was fluctuating within 10% \pm 4 percents (7% in 2007, 14% - in 2004). Average rate of consumer-price inflation over the stated period was 10.8%. In 2009 consumer-price inflation was within average level and reached 10%, decreasing by 4% yoy.

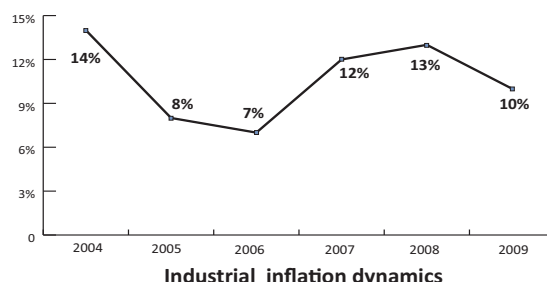
Over 2004-2009 period index of industrial inflation was fluctuating within 14% \pm 5 percents (9% in 2006 and 19% in 2004). Average rate of industrial inflation over the stated period was 13,7%. In 2009 industrial inflation was below the average level reaching 11%.

Dynamics of currency exchange rate over 2004-2009 period indicates the existence of a stable exchange rate of the Belarusian ruble (2004-2008), "devaluating" exchange rate of the Belarusian ruble (2009).

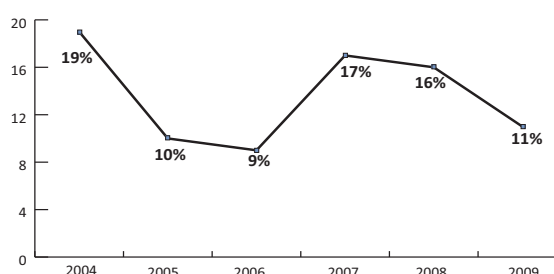
Enforced national currency devaluation in the beginning of 2009 was caused by external factors (global financial crisis), and by one of the major requirements of IMF cooperation on the question of financial resources attraction to the Belarusian economy.

But during 2009-1H 2010 period the situation has stabilized and exchange rate was fluctuating within exchange rate corridor, agreed with IMF and set by the National bank of the Republic of Belarus.

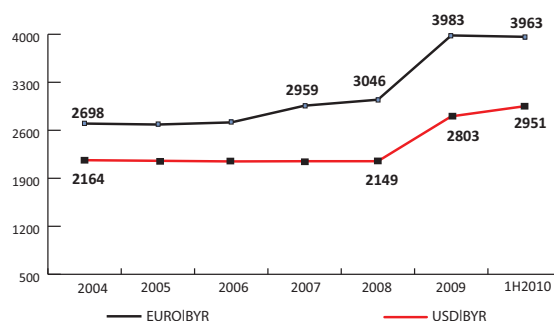
Consumer-price inflation dynamics



Industrial inflation dynamics



Currency exchange rate dynamics



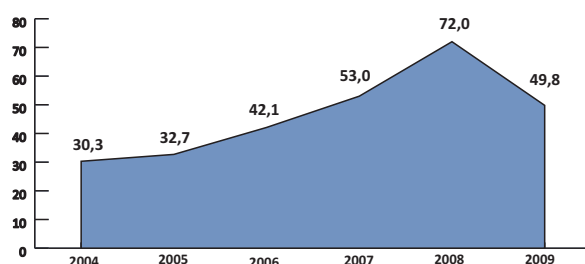
External trade

Belarus external trade – is the main factor, significantly influencing the internal macroeconomic situation through foreign exchange market. Thus, in 2009 the Belarusian external trade reduced by 30.7% and made \$ 49.6 bln.

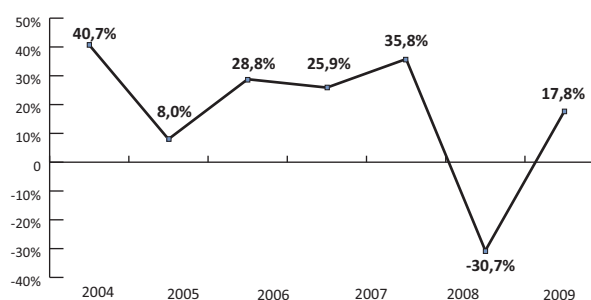
External trade turnover dynamics reflected a positive tendency over 2004-2008 period and sharp decrease in 2009 (by 30.7%), but in the 1H 2010 growth rate of external trade turnover composed +17.8%, that indicates partial recovery of national external trade and possible improvement of the situation.

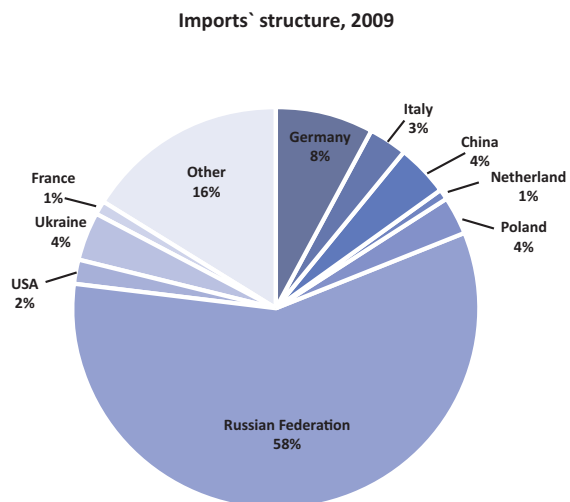
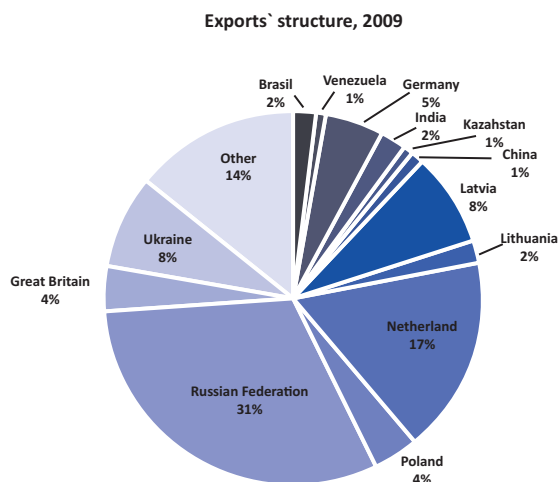
The principal foreign trade partner of Belarus is the Russian Federation, that counts for 31% of exports and 58,5% of imports.

External trade turnover, bln. USD



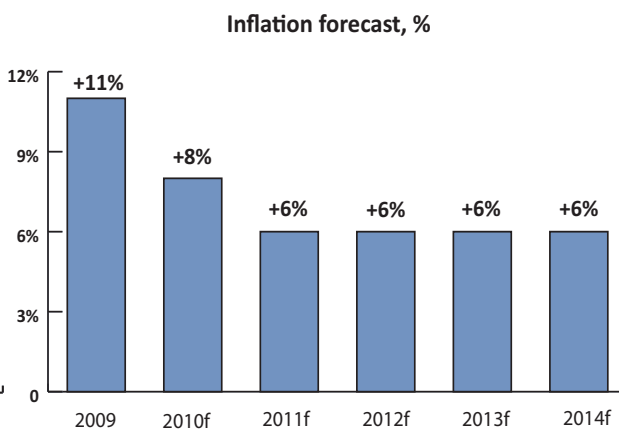
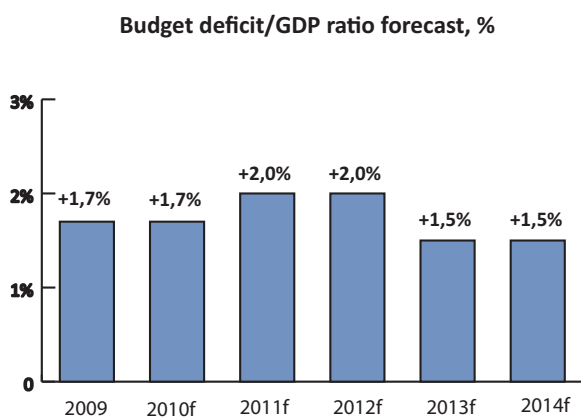
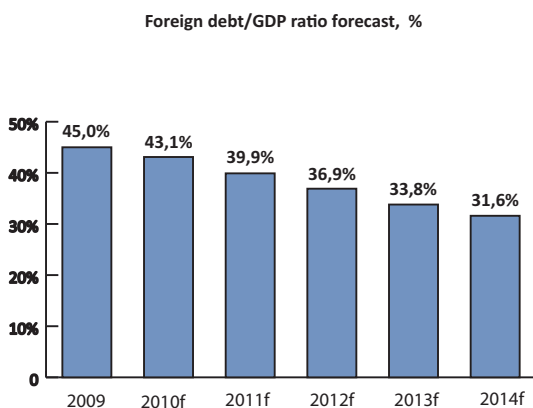
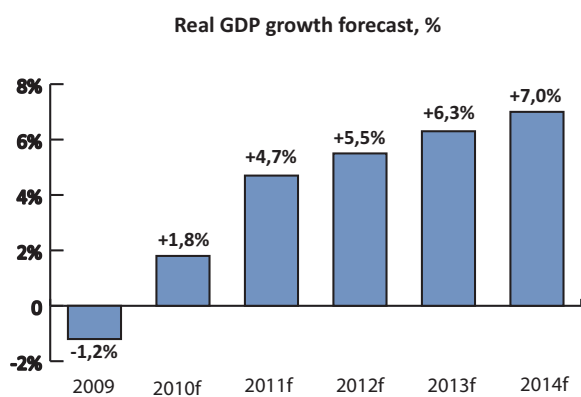
Rate of external trade turnover





Macroeconomic forecast: 2015

According to IMF forecast, the Belarusian economy would recover its economic growth rates to 2014, but the possibility of higher rates over early periods is not excluded.



Comparative analysis

In 2009 numerous countries faced a difficult financial situation- many economies reflected a sharp decline in economic development

Only 2 countries of the region had demonstrated real GDP growth (in Belarus it was 0.2% and in Poland- 1.7%)

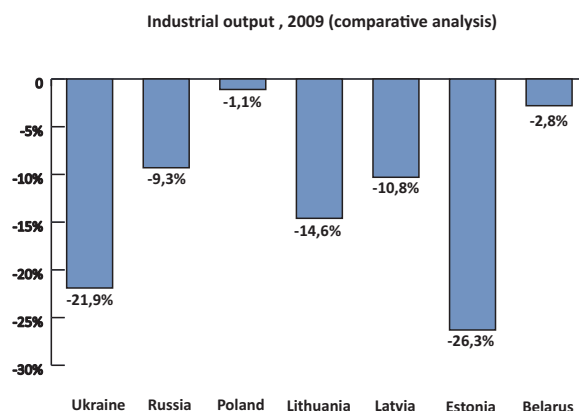
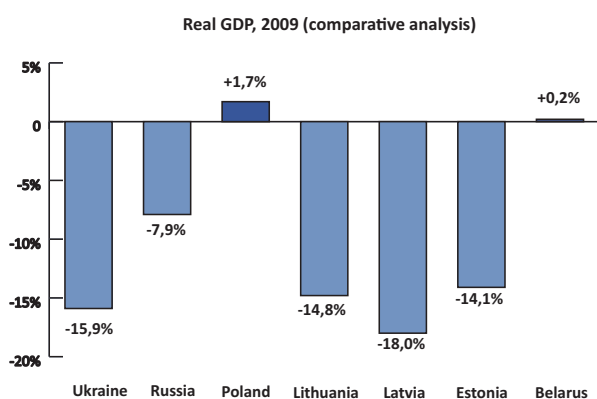
Maximal decrease was recorded in Lithuania –about 18% (average rate of real GDP decrease in Baltic region was 15.6%); the Ukrainian economy experienced real GDP drop by 15.9%, Russian economy was also influenced by external shocks (real GDP declined by 7.9%).

The consequences of financial crisis of 2008 had a negative impact on the production in the World in 2009

Minimal production drop was observed in Poland (only by 1.1%), the maximal one occurred in the Ukraine, Estonia and Lithuania.

On the background of sharp production drop in other countries, the Belarusian production complex was also influenced by external shocks, but at that the drop amounted only 2.8%

Production decrease in Russia – the principal external trade partner of Belarus was fixed on the level of 9%.



Capital investments in 2009 had changed considerably (practically all countries faced a sharp reduction of capital investments and only Belarus has a positive tendency).

In 2009 capital investments in Belarus grew by 4.7%.

Maximal reduction was observed in Lithuania- it was about 45%. Considerable reduction was also in the Ukraine, Latvia, exceeding 40%. In Estonia it reached 27.6%.

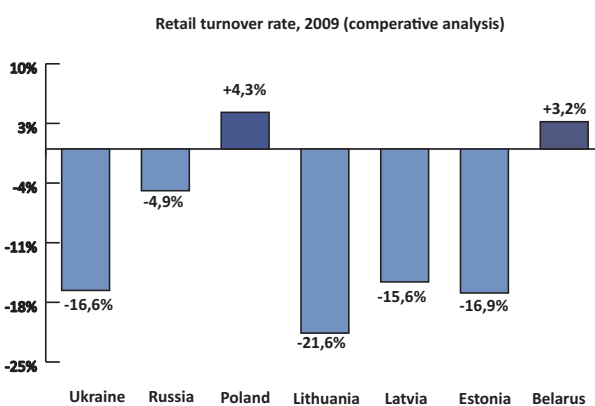
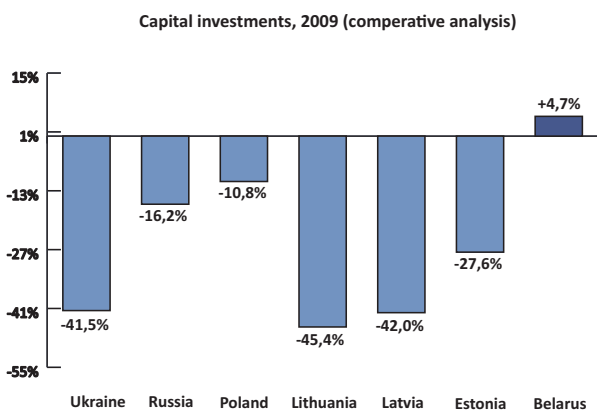
The countries with strong economic also faced difficulties in 2009: the Russian capital investments decreased by approximately 16%, the Polish ones-almost by 11%.

Financial crisis, its consequent consumer demand reduction and other factors have influenced greatly retail turnover of the countries (consumer behavior factor).

Simultaneously with negative tendencies and practically countrywide consumer demand reduction only retail industry of Belarus and Poland had a positive tendency of growth- about 4% and 3 % correspondingly.

Maximal retail turnover reduction in 2009 was observed in Lithuania- almost 22%.

Inconsiderable reduction of retail turnover was observed in the Russian Federation- about 5%, other countries faced reduction within 15%-17%.



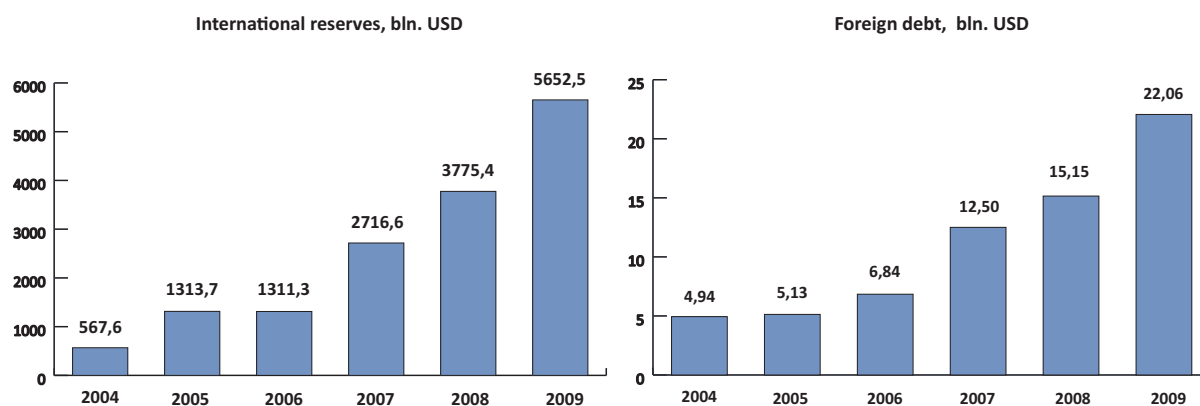
Foreign debt

Total volume of international reserves in Belarus in 2009 reached USD 5.65 bln. and increased for USD 1.88 bln. compared to the beginning of the year.

Support of reserves on acceptable level was also possible thanks to IMF cooperation under stand-by program. According to the agreements, IMF provided Belarus with a USD 3.5 bln. loan.

One more significant factor, influencing the Belarusian macroeconomic situation in 2009 was a continuous foreign debt growth. Gross foreign debt in 2009 reached USD 22,06 bln. or 45% from GDP. In 2008 it was equal to 25.1 % from GDP.

Gross volume of foreign debt is not disturbing, nevertheless, its growth dynamics can be dangerous especially on the background of very low international reserves in Belarus.

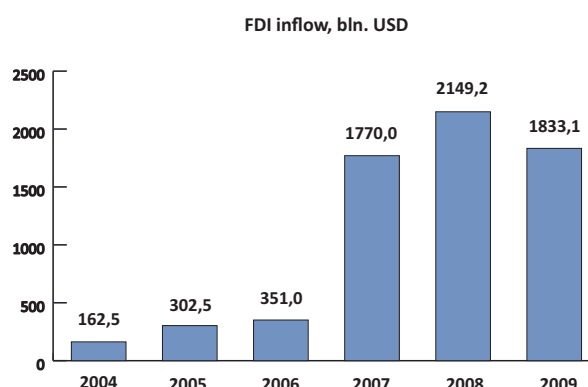


Foreign Direct Investment

In 2009 direct investments in the amount of about USD 1.8 bln. were attracted to the Belarusian economy, that is considerably lower of the amount in 2008 (14.7% yoy reduction). Moreover, direct investments' calculation methodology has changed since the beginning of 2009.

The largest investment deal in 2009 was Gazprom's purchase of Beltransgaz's equity stake (12.5%).

At that, different steps are taken for rising the country's attraction on the investment markets.



In 2009 M&A transactions in Belarus composed USD 289.9 mln. The main volume was formed due to the purchase by Sberbank of Belarusian BPS-Bank for USD 280.8 mln.

During 2009 the transactions volume reduced by 2.8 times.

Besides the transaction with Sberbank, the following events were momentous:

1. The purchase of the Belarusian producer of dry construction materials "Tajfun" by the large Polish producer "Atlas" for USD 4 mln.;
2. The creation of joint ventures by large Russian producer of milk products "Unimilk" with a) Shklov milk plant b) Pruzhany milk plant.

Also it was announced that Danone considers the opportunity to enter the Belarusian market.

Moreover, this year the participants of retail market in Belarus have continued their development. The Russian project "Belmarket" bought network of shops in Mogilev, the local retail operator "Euroopt" purchased the Mozyr network "Nelli".

In general, it is essential to mention, that the Belarusian M&A market was not in the best condition, but revitalization of the investors, particularly within announced privatization is expected during 2010-2011 period.

M&A activity outlook

Sound transactions

GazProm is in the process of acquiring a controlling stake of BelTransGaz for USD 2.5 bln. during the period 2007-2010;

Russian banks and insurance companies strengthened their positions in Belarus through acquisition of controlling stakes in 4 medium-sized Belarusian banks (VTB, Alfa Bank, VneshEconombank, RosBank - SocGen) and in 2 insurance companies (RESO Group);

Mobilkom Austria Group acquired 70% of mobile service provider MDC (Velcom) for EUR 730 mln.;

Turk Cell acquired state-owned mobile phone operator BEST for USD 600 mln.;

Heineken NV bought Syabar brewery the second-largest beer brand in Belarus for EUR 70 mln. and 51% stake in Rechitsa brewery (#4) for EUR 6.4 mln.;

Olvi plc (Finland) acquired a controlling stake in Lidskoe Pivo Brewery for USD 32 mln.;

Baltic Beverages Holding (Carlsberg) acquired Alivariya brewery (#3);

Ergo Group acquired a private insurance company Basco in 2008;

Getin Holding (Poland) acquired small-sized Belarusian bank Sombelbank;

FransaBank (Lebanon) acquired small-sized Belarusian Bank GT-Bank.

Home Credit Group (Czech republic) acquired a controlling stake of Lorobank;

PPF / Generali created an insurance company in Belarus;

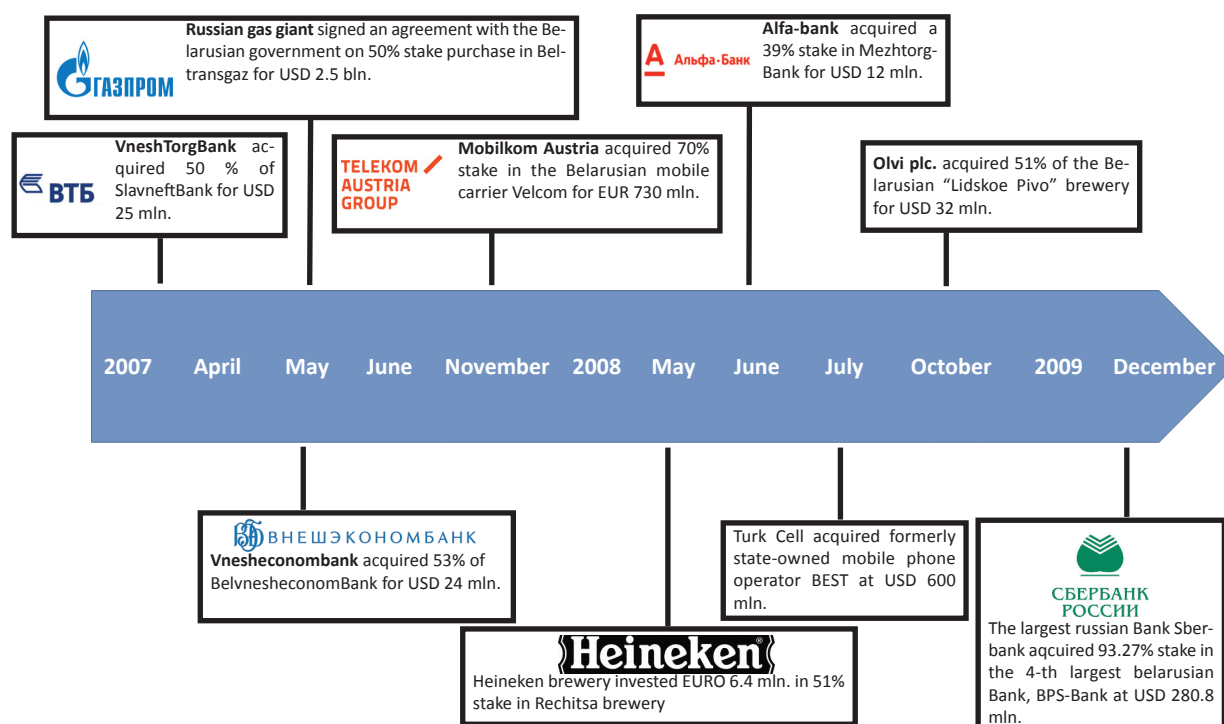
Horizon Capital (American PE fund) was the first one from PE funds entered the Belarusian market via acquiring Minsk transit bank in 2008;

Silvano Fashion Group (Estonia) was the first company, owing principally the Belarusian equity (producer of women's underwear "Milavitsa"), quoted on the foreign stock exchange (Warsaw stock exchange).

Kesko (Finland) acquired a leading construction materials' retailer in Belarus

Polish ATLAS purchased majority stake of private enterprise Tajfun - the major manufacturer at the building sector in Belarus. ATLAS and Tajfun shall invest ca. USD 4 mln. for the modernization and manufacture development, within the next two years;

Sberbank of Russia acquired 93.27% stake of the 4th largest Belarusian Bank – BPS bank for USD 280.73 mln. It has become the largest strategic investor into the Belarusian banking sector. In the nearest future Sberbank is planning to consolidate up to 100% of the Belarusian bank.



Sector	Number of deals			Transactions volume, mln. USD		
	2007	2008	2009	2007	2008	2009
Bank sector	7	6	1	87,0	175,0	280,8
Insurance	2	5	1	N/A	N/A	N/A
Leasing	0	2	0	N/A	N/A	N/A
Retail	3	1	3	N/A	N/A	N/A
Machine-building	1	1	0	7,0	6,0	0,0
Transport	0	1	0	0,0	6,0	0,0
Food	1	3	3	N/A	133,0	5,0
Telecoms	1	2	0	350,0	500,0	0,0
Construction materials	0	0	1	0,0	0,0	4,0
Total	15	21	8	444,0	820,0	289,9

Investment environment

TOP-Priority task set by the President is to attract FDI in Belarus (Belarus should be among TOP-30 of the most investment attractive countries by 2010);

Belarus became a Top 10 reformer (moving up from rank 85 to rank 58) in the World Bank's Report "Doing Business 2010";

70% of GDP is still produced by state-controlled enterprises, including petrochemical, oil-refining, raw materials, automotive and machinery, agriculture and food industries;

Government takes clear steps towards liberalization of the stock market and privatization:

- I. abolishment of "golden share";
- II. phase-out of the moratorium on circulation of shares acquired during preferential privatization;
- III. lists of hundreds of enterprises to be reorganized into open joint stock companies and list of companies ready for selling to investors;
- IV. governmental program encompassing 52 clear steps towards further simplification of Doing Business in Belarus (taxation, business administration....)

In 2008 the Belarusian Government issued a list of enterprises to be reorganized into open joint stock companies (505 enterprises) and to be privatized (144 enterprises) in 2008-2010;

Moreover, privatization plans of the leading companies in the financial sector (banks and insurance companies) were declared. In addition, the Government is lifting limitations on sale of shares obtained by individuals during privatization in 1990s.

Thus, in the beginning of 2010 privatization plans will include:

- I. 1 leading Belarusian Banks (# 5): sale of a majority stake to the strategic investor;
- II. 2 large insurance companies: sale of controlling stake to strategic buyers or IPOs in the foreign capital markets;
- III. 2 largest state-owned Belarusian breweries: sale of controlling stake to strategic buyers;
- IV. Leading pharmaceuticals manufacturers: sale of controlling stakes to a strategic buyers, JVs;
- V. Refinery– readiness to negotiate investment opportunities for "Polimir" JSC – "Naftan" JSC;
- VI. Energy and Green projects: JVs (energy generation and waste treatment);
- VII. Under stand-by agreement with IMF a pilot privatization of 7 enterprises.

Sectors with prime appeal

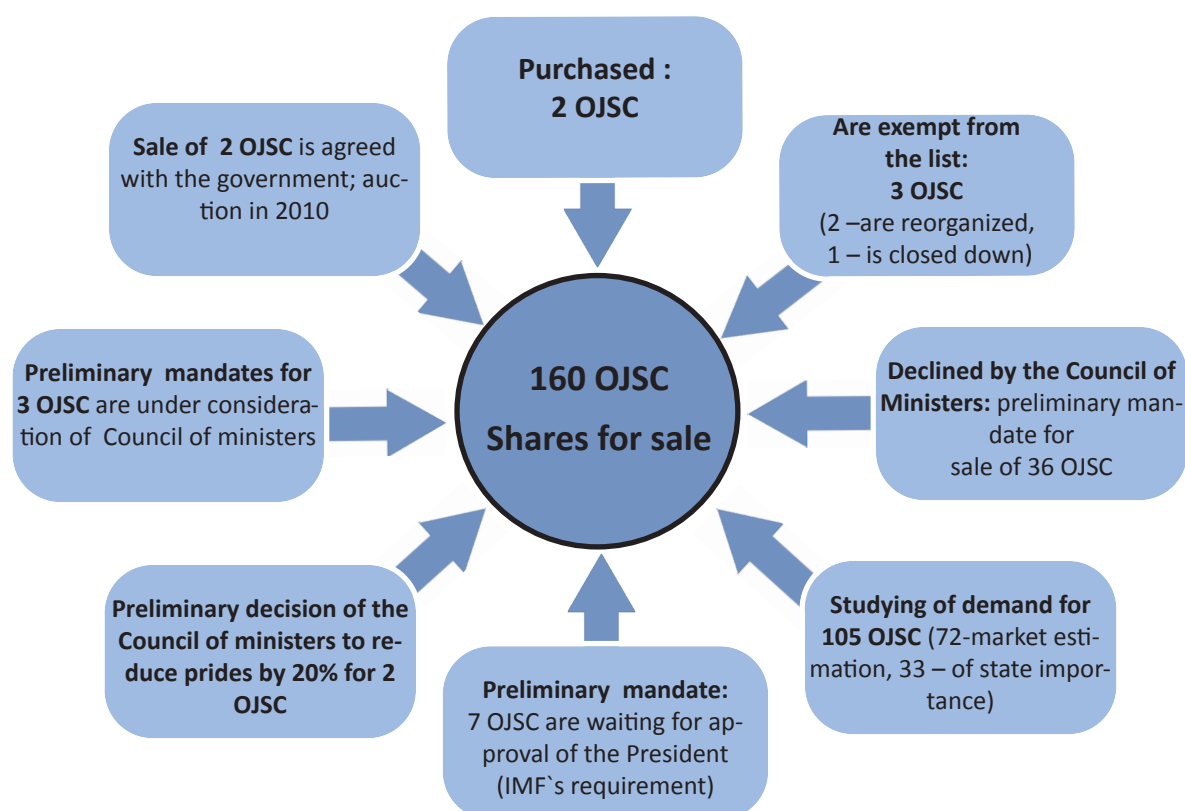
Financial sector	Most developed in terms of corporate governance; Huge potential for development ; Insurance sector has a very low level of penetration compared to peer countries.
Telecommunications	Less affected by the world crisis; Room for privatization (Beltelecom, MTIS cable networks); Low penetration of telecom services if compared to peer countries (Cable Networks, Internet).
Pharmaceuticals	Good production base in generics; Strong position at the local market (Pharma market size is USD 500 mln. in retail prices); Privatization declared.
Food processing	Sizeable domestic market; High-quality local resource base (agricultural sector heavily supported by the State); Low level of industry consolidation in some sub-sectors (milk and cheese production, meat processing); Open niches (juices).
Retail trade	Comparatively high level of personal income, together with the lack of strong national chains.
Wood processing	Rich local resources base (woods) if compared to EU countries; Excellent exports potential (EU market)
Tourism, hotel business	High touristic potential, which is little used. A small number of hotels. Lack of hotels' network.
Logistics	Transit opportunities; Underdeveloped logistic industry (by now no logistic centers of "A" class operating).
IT&Innovations	Cheap and properly educated labour force. TOP 100 in Global Outsourcing Report. High Technology Park (benefits to investors); more than 300 scientific institutes; 24 technology transfer centers; 5 innovative centers.
Construction materials	Heavy (100%) state domination in the sector; Strong domestic demand, strong exports potential due to closeness to Russian market
Machinery	Strong position at the large CIS market (tractors, and agricultural machinery, road building equipment machines, and machines for mining).
Petrochemicals	Solid industrial base created in the Soviet times (yarns and fibers, PET, basic petrochemical products, oil refining). Close oil and oil products transporting facilities links with the Russian Federation (main supplier of petroleum).
Energy/Clean energy	Underdeveloped sector, a serious restructuring needed; Supported by the state due to reasons of the national energy security.

Privatization in Belarus

During 2007-2009 period Belarus has considerably activated the processes of the state-owned companies' reorganization and privatization. The number of reorganized enterprises has significantly risen.

	2007	2008	2009
Number of reorganized enterprises, including	13	193	232
- Republican	5	156	169
- Municipal	8	37	63
Number of created joint-stock companies, including	12	141	167
- companies partially owned by the republic	5	107	108
- companies partially municipally-owned	7	34	59
Number of enterprises, sold through public auctions, competitive biddings, including	1	52	63
- companies partially owned by the republic	0	49	60
- companies partially municipally-owned	1	3	3
Selling of stakes of created joint-stock companies under a special decree of the President			
- Total amount of deals, mln. USD (estimation)	3 114	358	281
- Number of deals	9	3	2
Selling of state real estate			
- Number of fulfilled deals through auctions with starting price equal to 1 basic amount (35 000 BYR as for 01.07.2010)	80	444	526
- Number of other purchase and sale deals	761	1 095	1 189

Sale of state stakes in reorganized joint-stock companies, 2009



Economic rating

Doing Business Project of the World Bank was created for estimation of the country's and other risks of a particular country (allows provision of objective assessment of law, connected with business regulation and its application in 183 countries).

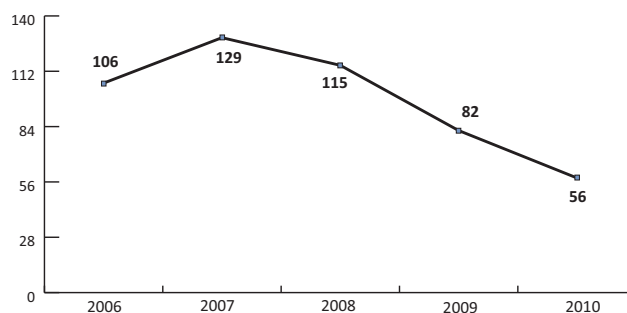
In this rating in 2009 Belarus was 82nd (however, in the 1H 2010 it managed to reach 58 place, growing for 24 points). It should be noted that the country takes the leading position on the section of the enterprises registration simplicity (7th place), property registration simplicity (10th place), simplicity in fulfillment of contracts (12 place).

Practically all sections reflected positive trends (91th place in section of enterprises registration simplicity was the major one).

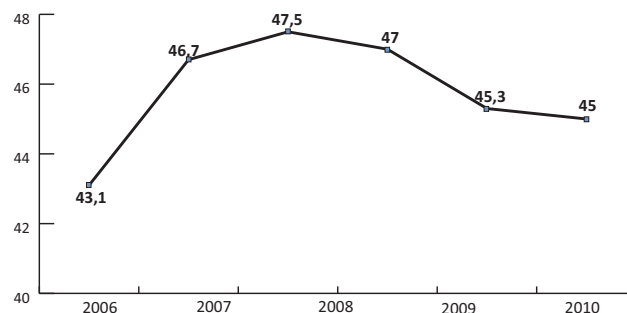
Index of Economic Freedom – determines economic freedom as absence of governmental interference on production, allocation and consumption of products and services, except for providing of required protection and support for citizens. Index of economic freedom is based on 10 indexes, measured from 0 to 100, where reaching of 100 points indicates about maximal freedom and of 0, correspondingly, the minimal one. According to this index Belarus is in the middle and for the period from 2004 to 2009 this calculated index was fluctuating within 43-48.

Corruption Perceptions Index – determines the level of corruption perceptions among governmental members and politicians. The maximal level of the index is 10, that determines low corruption perceptions level, and the minimal one is 0, correspondingly determining high corruption perceptions level. It is defined through interrogation method that is why it is quite subjective. Nevertheless, according to Corruption Perceptions Index, Belarus takes 139th place (from 180 places) and is behind the Russian Federation and the Ukraine. However during 2004-2009 period this index was practically on the same level.

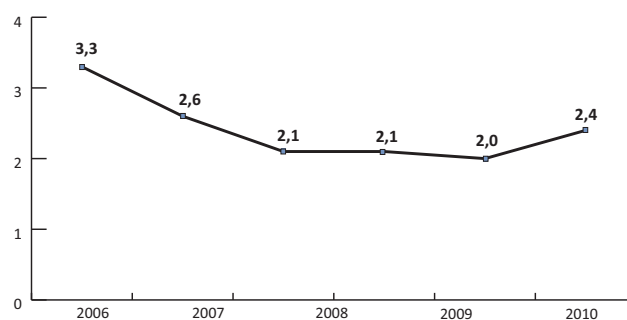
"Doing Business" rating (World Bank)



Index of Economic Freedom



Corruption Perceptions Index



Credit ratings

Date	International rating (Standard and Poor's)					
	In national currency			In foreign currency		
	Long-term	forecast	short-term	Long-term	forecast	short-term
21.08.2007	BB	Stable	B	B+	Stable	B
03.11.2008	BB	Negative	B	B+	Negative	B

Long-term ratings assess the ability of the issuer to pay timely its debt obligations. The Company's ratings are made in alphabetic notation: from AAA evaluation (that is given to the best quality borrowers, reliable and stable) to D evaluation (given to the companies who have defaulted on obligation). Interim evaluations can be also given between the estimates of AA and B, which are denoted by signs of plus and minus (for example, BBB, BBB and BBB-).

BB – an issuer is solvent, but adverse economic conditions can badly affect his payment ability.

B + - an issuer is solvent, but it is most likely that adverse economic conditions will badly affect his ability and willingness to pay debts.

Short-term ratings assess the possibility of timely repayment of short-term debts. Standard & Poor's credit ratings for short-term debt obligations are made in alpha-numeric notation: from A-1 -the highest estimation to B- the lowest one. More reliable obligations from the category of A-1 can be labeled with a plus sign. Estimates of category B can also be adjusted with a figure (B-1, B-2, B-3).

B – debt obligation is a speculative one. The Issuer can pay them, but his payment ability is very sensitive to unfavorable economic conditions.

Simultaneously with rating the companies, S&P also gives the forecast of its changing for the near two-tree years:

Negative— downgrade is possible.

Stable— change of rating is unlikely.

Date		Country's limit for bank deposits rating	Country's limit for bonds and other debt obligations	General forecast
From 22.08.2007	The Republic of Belarus	B2	Ba2	Stable
Date		Issuer rating (national currency)	Issuer rating (foreign currency)	General forecast
From 22.08.2007	Government of the Republic of Belarus	B1	B1	Stable

Moody's agency ratings of long-term obligations can be considered as an opinion about relative credit risk of debt obligations with fixed income and original maturity greater than a year or two. These ratings reflect the possibility of failure to fulfill some obligations, as it was promised. Such ratings are assigned to a global (international) Moody's scale and reflect the possibility of default or any financial losses in case of default

Ba –Debt obligations rated Ba are considered to be speculative and are subject to substantial credit risks

B - Debt securities rated B are considered to be speculative and subject to high credit risks

Each Moody's general rating category - from Aa to Caa – is added by 1, 2 and 3 numerical modifiers. The modifier 1 indicates that this obligation is in the upper part, modifier 2 indicates its position in the middle and modifier 3 indicates that the obligation is in the lower part of the overall rating category.

Belarus – EBRD cooperation

New strategy assumptions

Since 1996 the Bank's activities in the Republic of Belarus have been limited by the country's slow progress in democratic and market-oriented transition. As a result of the difficult operational environment created by these inconsistencies, the Bank's engagement with Belarus has been constrained.

The Bank remains concerned about the slow pace of reform in Belarus. Elections are not fully free and fair and the development of political pluralism, free media and civil society has a way to go before meeting the standards of a mature democracy. The state continues to dominate the economy and the use of production targets, wage restrictions, price controls and directed lending remain common. However, towards the end of the last Strategy period there have been encouraging signs of progress on both the political and economic fronts that, if continued and intensified, would provide a basis for deeper engagement with the Bank.

During the course of 2008, Belarus implemented some democratic reforms, including the release of political prisoners, the partial liberalisation of print media distribution, and showed greater tolerance towards the political opposition.


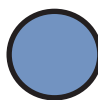
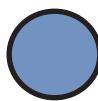
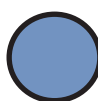

There were also several economic reforms implemented in recent years. The golden share provision was abolished across all industries in 2008 and a number of privatisations via sales to foreign investors took place. In the financial sector, improvements in regulation and supervision have been accompanied by the removal of lending interest rate caps. The simplification of the taxation regime has benefited small and medium-sized enterprises as well as companies operating in small towns. Notable progress has been made in the area of deregulation.

The Belarusian authorities have become more open to cooperation with the international financial institutions with regard to the development and implementation of market-oriented reforms. By cautiously increasing its level of engagement, the Bank will seek to enhance the effect of programmes recently introduced by other organisations with a similarly strong interest in moving the Belarusian transition forward.



New Strategic priorities

New Strategy outlines a calibrated strategic approach that will allow the Bank to increase its engagement with Belarus on the basis of concrete implementation of sector-specific reforms designed to promote the further development of a market economy. The objectives in Belarus over the Strategy period will include the following, with certain areas of activity to be phased in as progress in meeting sector conditions is documented:

-  Expansion of existing credit lines for micro, small and medium-sized enterprises via established privately owned partner banks, including the Belarusian Bank for Small Business. The Bank will also consider expanding its SME credit lines to commercially oriented state-owned banks with credible privatisation prospects in order to increase the geographical reach of its credit lines into the Belarusian regions and to support future privatisation efforts.
-  Provision of technical assistance and, potentially, financial support to pre-privatisation and privatisation measures. These activities will focus in the first instance on technical assistance for the establishment of a Privatisation Agency and the pre-privatisation of a number of medium-sized and large state-owned firms, in line with Belarus' Stand-by Agreement with the IMF and Development Policy Loan with the World Bank.
-  Promotion and financing of activities aimed at increasing energy efficiency, by working with local financial intermediaries to develop dedicated energy efficiency credit lines. The Bank will also work with private operators and foreign strategic investors to support the development of sustainable energy sources. The development of both energy efficiency credit lines and renewable sources of energy will require the Belarusian authorities to develop an appropriate regulatory framework to foster long term investments in this sector.
-  Expansion of the Bank's Trade Facilitation Programme (TFP) to promote cross-border activities. TFP for existing Bank clients will be increased for on-lending to private sector clients. In addition, the Bank will consider the step-by-step expansion of the TFP programme to allow private sector partner banks to provide trade finance to selected state-owned clients and make TFP available to selected state-owned banks, with similar requirements in terms of commercial nature of operations and privatisation prospects as in the MSME credit line case for on-lending to private sector clients.
-  Provision of support for the reform and technical upgrade of the environmental infrastructure and municipal services sector in cities and smaller urban areas to reduce pollution, improve energy efficiency, and improve standards for basic services including provision of clean drinking water, sustainable processing of waste and waste water, and enhancing energy efficiency of district heating and other urban infrastructure. Where possible the Bank will work alongside partners such as the NDEP, NIB and EIB to achieve these mutually shared objectives.

Belarus-IMF cooperation

IMF-Belarus Stand-by cooperation Timeline	
October 22, 2008	The Belarusian authorities have requested financial assistance from the Fund under a program that could be supported by a Stand-By Arrangement. The amount of Fund financing under a Stand-By Arrangement has yet to be determined.
December 31, 2008	An IMF staff mission and the Belarus authorities have reached agreement, subject to approval by IMF Management and the Executive Board, on an economic program to be supported under a 15-month Stand-By Arrangement for SDR 1.62 bln. (about USD 2.5 bln.).
December 31, 2008	Letter of Intent, Memorandum of Economic and Financial Policies, and Technical Memorandum of Understanding was signed by the Head of the National Bank of the Republic of Belarus Mr. Prokopovich and Prime-Minister of the Republic of Belarus Mr. Sidorsky and Mr. Dominique Strauss-Kahn Managing Director International Monetary Fund.
January 12, 2009	The Executive Board of the International Monetary Fund (IMF) approved a 15-month SDR 1.62 bln. (about USD 2.46 bln.) Stand-By Arrangement for Belarus in support of the country's efforts to adjust to external shocks. The approval makes an amount equivalent to SDR 517.8 mln. (about USD 787.9 mln.) available immediately. The Stand-By Arrangement entails exceptional access to IMF resources, amounting to 418.8 percent of Belarus's quota.
January 30, 2009	IMF issued a Financial System Stability Assessment—Update, including Report on the Observance of Standards and Codes on Banking Supervision. Key findings of the report were the following: 1) The Belarusian financial sector had so far weathered the ongoing turmoil well; 2) The regulatory and supervisory framework has improved since the 2004 FSAP, though concerns remain in some crucial dimensions.
March 10, 2009	An International Monetary Fund (IMF) team visited Minsk to meet with the authorities and discuss recent economic developments in the context of Belarus's IMF-supported economic program. The following statement of the Mission Head was made.
May 12, 2009	An International Monetary Fund (IMF) mission led by Mr. Chris Jarvis has visited Minsk to conduct discussions on the first review of Belarus's Stand-By Arrangement.
June 10, 2009	The IMF reached staff-level agreement with the Belarusian authorities on the conclusion of the first review under the SBA, completing the work carried out by the mission in Minsk during April 29-May 13. The staff recommended to IMF Management and the Executive Board an increase in IMF financial support for Belarus by SDR 651.4 mln. (about USD 1 bln.).
June 22, 2009	IMF supported the decision of the National Bank of the Republic of Belarus (NBRB) to widen the exchange rate band from $\pm 5\%$ to $\pm 10\%$. The widening of the band increases the flexibility of the exchange rate regime, which will make it easier for Belarus to absorb external shocks.
June 29, 2009	The Executive Board of the International Monetary Fund (IMF) completed the first review of Belarus's performance under a program supported by a Stand-By Arrangement (SBA) and increased the financial support to SDR 2.27 bln. (about USD 3.52 bln.), equivalent to 587 percent of Belarus's quota or 7 percent of its GDP. These decisions enable the disbursement of SDR 437.93 mln. (about USD 679.2 mln.).
September 3, 2009	The IMF mission reached staff-level agreement with the Belarusian authorities on the conclusion of the second review under the SBA. The completion of this review would release a tranche of SDR 437.93 mln. (about USD 683 mln.).
October 21, 2009	The Executive Board of the International Monetary Fund (IMF) today completed the second review of Belarus's performance under an economic program supported by a Stand-By Arrangement (SBA). This decision enables the disbursement of SDR 437.93 mln. (about USD 699.5 mln.).
December 18, 2009	The Executive Board of the International Monetary Fund (IMF) today completed the third review of Belarus's performance under an economic program supported under a Stand-By Arrangement (SBA). The completion of the third review enables the immediate disbursement of SDR 437.93 mln. (about USD 688 mln.), bringing total disbursements under the program so far to an amount equivalent to about SDR 1.83 bln. (about USD 2.88 bln.).

Belarus-World Bank cooperation

Implementation of cooperation strategy

- Based on the limited amount of aid proposed under the Cooperation Strategy, modest targets were set, however, success in achieving the goals of the country and the objectives of the strategy is significant.
- A significant progress has been made in improving of energy efficiency in buildings of communal property, as well as in improving of the services quality of heat and hot water supply in the areas, affected by the Chernobyl disaster
- Substantial progress has also been made in increasing the energy independence, that can be proved by high share of local fuels in the country's energy balance.
- Quality of services provided in wastes, water and sewage sector is increasing, but it is expected that the benefits from the Bank's investment operations will be felt mainly during the implementation period of the next cooperation strategy.
- A significant progress was achieved in improving of living conditions and exceeding of various opportunities for residents of the areas affected by Chernobyl.
- A significant progress has been made in improving of the operation conditions for small and medium-sized enterprises.
- IFC's activity is focused on improving an access to loans for micro, small and medium-sized enterprises by means of investing in the banking sector by providing loans through financial intermediaries.
- According to the results of governmental expenditures' and financial accountability's assessments, budgetary practice in Belarus corresponds the best practices in the region.
- A progress has been made in improving and expanding targeted social assistance schemes in order to maintain the promised level of social protection.
- Analytical and advisory activity of the Bank has also assured the support of the dialogue with the Government on the issue of economic policies and reforms and facilitated the strengthening of interaction between the Bank and the IMF

Main results, achieved in Belarus under cooperation strategy

- Significant economic growth in the pre-crisis period (for 9 % per year in average during 2003 – 2008 period), a threefold increase of income per capita and one of the highest rates in the region on poverty reduction (poverty rate was 6 %; the rate of extreme poverty - 1.6 % in 2008).
- Considerable results in preservation of equality and social protection of population have been achieved; the levels of inequality and poverty in the country are among the lowest in the world.
- Low level of national debt (13 % of GDP at the end of 2008), resulted from rapid economic growth and good budgetary resources allocation.
- Energy consumption of national economy has been decreased for 2 / 3 since 1992 to the level of 0.32 tons of oil equivalent per dollar of GDP in 2008, that is much lower than that in other CIS countries, and is approaching to the level of such countries as Canada or Finland.
- Significant progress has been made in the energy independence increase. In 2008 the share of local fuels in the fuel mix was increased to 18.3 % compared to 17.2 % in 2006. Only in Housing and utilities service the share of local fuels in the period 2006-2008 was doubled, reaching almost 27 %.
- Being launched in 2008, the process of economic liberalization allowed achievement of significant improvements in stimulating of economic activity and private sector development. As a result, Belarus has significantly improved its ranking to simplify the business environment (with 115 positions in "Doing Business" study in 2008 to 58 positions in 2010).
- Targeted social assistance programs, characterized by low targeted cover level, have been improved by means of changing the benefit programs on targeted social assistance programs.
- External assistance was expended in recognition of considerable country's efforts for making reforms in economy and politics. Substantial progress was also achieved in complying with the conditions of IMF's lending programs of macroeconomic reforms support.



2. Regional outlook - Mogilev region



Investment outlook – Mogilev region

Background

Location

Mogilev region is the easternmost region of Belarus bordering with the Russian Federation. Our eastern neighbors are Smolensk and Bryansk regions of Russia. In the north the region borders with the Vitebsk region, in the west with Minsk region and in the south with Gomel region of Belarus.

Territory – The area of the region is 29,1 thou. sq. km.

There are deposits of various minerals, including unique for Belarus phosphate in the region. The region also possesses the largest in the country deposits of cement raw materials (chalk, marl, clay loam and cement), large deposits of building and silicate sands, sand-gravel, peat, sapropel, mineral and fresh water. In the eastern part of the region there are vast reserves of tripoli powder, which is characterized by high technological quality.

Forests, mostly coniferous, cover more than 30% of the region's area. The highest percentage of forest lands is located in the south-west of the region and amounts to more than 50%.

Transport corridors

Mogilev region takes an important place in the Republic of Belarus both because of geographical location and industrial potential. Located at the meeting-point of Russia and EU the Region is a bridge between East and West. The region are crossed by important transport routes.



Railways network



Automobile roads network



Region's population

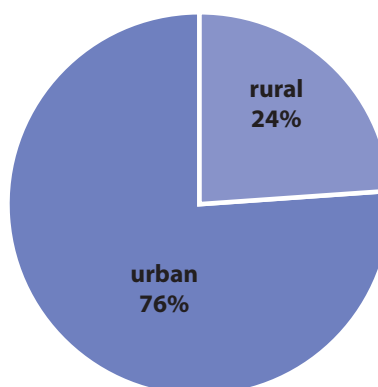
The region has a huge qualified labor force potential

According to the last population census as of 1st of January 2010 the population of Mogilev region amounted to 1 091,9 thou. people. Population density is 38 persons per sq. km.

76% of the region's population (more than 800 thou. people) is urban population, the share of urban population accounts for only 24%.

Two largest cities of the region Mogilev and Bobruisk make up 48% of total region's population (569 100 people) .

Rural/urban population structure



The largest towns of the region are Osipovich, Gorki, Krichev, Klimovich which compound population amounts for 109 100 people.

Big industrial enterprises which play an important role in the region's and country's economy are located in large towns of the region.

City	Population, thou. people
Mogilev	354,0
Bobruisk	215,1
Gorki	32,8
Osipovich	32,6
Krichev	27,1
Klimovich	17,0

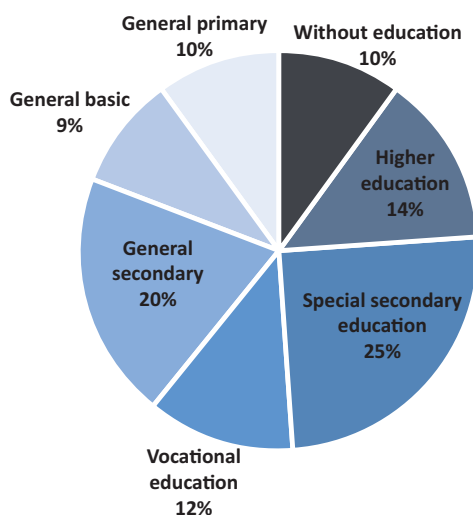
The gender structure of the region's population is dominated by females - 53% (or 584 483 people)

Educational level of the region's population is quite high. There are only 10% of population don't have secondary education (106 850 people). Share of people with special secondary education amount to 25%, general secondary education makes up 20%. 14% of the region's population has higher education.

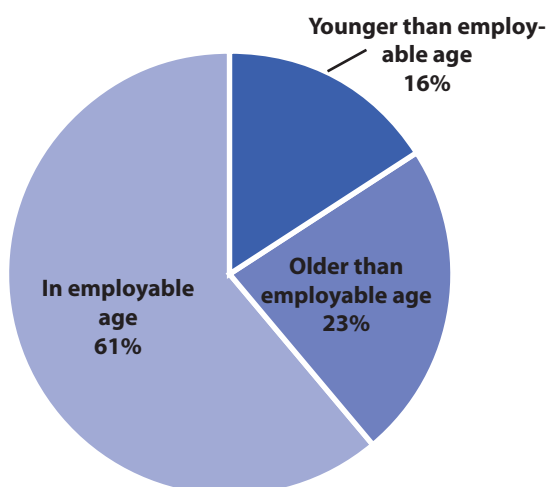
61% or 675 421 people of the region's population is employable (able-bodied). 16% of population (175 690 people) are younger than employable age, and 23% (248 254 people) are older employable age.

As far as age structure is concerned the predominant age group is people in the age from 20 to 54 years.

Educational level of the region's population



Working structure of the region's population



Region's resources

The main minerals of the region are chalk and marl, peat, silicites, phosphate, sand and sand-gravel and clay

The region has one of the Europe's largest deposits of raw materials for cement production: they amounts to 216.5 mln. cubic meters of chalk and 376.8 mln. cubic meters of marl. In addition, it is worth noting significant deposits of minerals for the construction industry: building sand in the amount of 106.6 mln. cubic meters, sand and gravel - 42.8 mln. cubic meters. It is explored 27 fields with deposits of clay in the amount of 5.1 mln. cubic meters. It is planned to develop Krugloye, Mstislavl, Chaussy and Khotimsk deposits of clay.

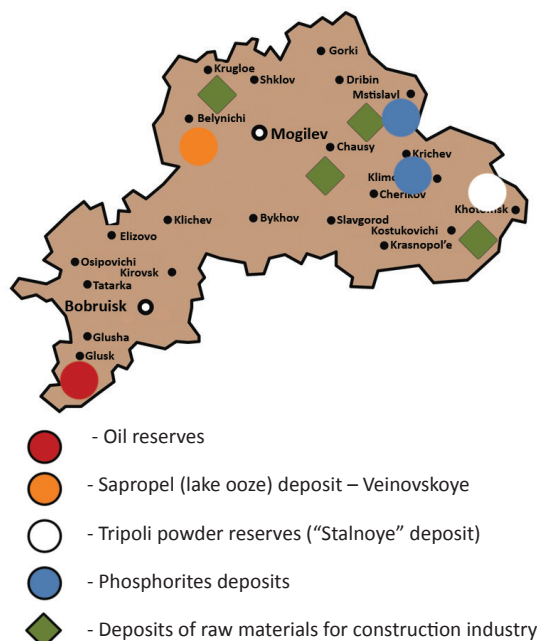
There are only two deposits of phosphorites in Belarus, and both are located in Mogilev region: pre-explored reserves of Lobkovichi deposit (in Krichev district) in the amount of 245 mln. tons and Mstislavl deposit (in Mstislavl district) in the amount of 175 mln. tons. Deposits are suitable for obtaining phosphoric flour. Deposits are not developed because of the high water content and big stratification depth (average up to 34 m.). It is discovered oil deposits in Glussk district (3 oil deposits in the amount of 1,65 mln. tons).

The volume of developed peat reserves amounts to 20 mln. tons. 5 peat fields are developed by the following republican unitary enterprises: PRUPE "Dneprovskiy", PRUPE "Gonchanskoye", PRUPE "Tatarka", "Gluskiy Zhilkomkhoz" companies On the territory controlled by P/A Beltopgaz (PRUPE "Dneprovskiy", PRUPE "Gonchanskoye", PRUPE "Tatarka") the remaining deposits of peat amount to 4,4, mln. tons.

Sapropel or lake ooze is a valuable organic fertilizer and its deposits account for 6,9 thou. tons. The largest reserve is Veinovskoye in Belynychy district.

There are tripoli reserves in Khotim district ("Stalnoye" deposit in the amount of 61,3 mln. tons). Tripoli powder can be used as a cement ingredient, addition component for mineral-organic fertilizers and soil medium. These reserves will allow to ensure cement ingredients supplies to Belarusian cement plants for more than 60 years.

Deposits	
Oil	1,65 mln. ton
Peat	About 20 mln. ton
Sapropel (lake ooze)	6,9 thou. ton
Tripoli	61, 3 mln. ton
Phosphorite	420 mln. ton
Chalk	216,5 mln. cu m.
Marl	376,8 mln. cu m.
Building sand	106,6 mln. cu m.
Sand-gravel	42,8 mln. cu m.
Clay	5,1 mln. cu m.
Water resources	
Groundwater resources	6 833 thou. cu m./ day
Rivers and steams	453
Water reservoirs	648
incl.	
Natural lakes	73



The region possesses significant groundwater, fresh and mineral water resources ample both to meet the needs of local population and business and create a base for exports of mineral waters.

453 rivers and steams flow across the region's territory. The largest ones are Dnepr, Berezina, Sozh.

There are 648 water reservoirs, including 73 natural lakes. The largest artificial reservoirs are the following ponds: Chigirinskoye, Teterinskoye, Rudeya. Estimated groundwater resources amount to 6833 thou. cu m./ day

Economy of the region

Mogilev region is a region with a modern developed industry

Industrial complex of Mogilev region is represented by 200 large and medium enterprises, as well as more than 1500 small ones with overall number of employees 149 thou. people.

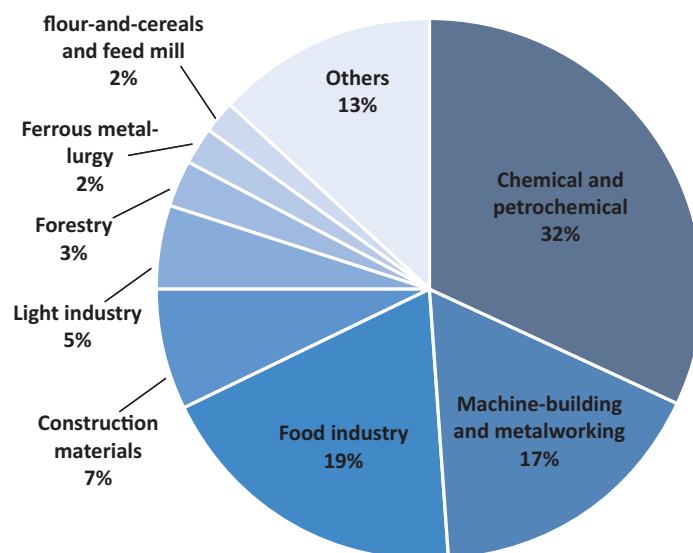
There are 22 companies with the number of employees more than 1000, 20 companies with the number of employees between 1000 and 500, 81 companies – between 500 and 100 and 62 companies - with less than 100 organizations.

The region produces more than 96% of all tractor trailers manufactured in Belarus, 91% flexible roofing, about 90% of trimmings, about 65% of tractor-mounted mowers, more than 60% of steel pipes, 57% of cement, about 50% of roofing slates, about 40% of chemical fibers and threads, about 54% of silks, 98% of woodworkers. All lifts, tires, glass cans produced in Belarus are originated from Mogilev region.

Key industrial centers of the region



Industrial structure of the region



As of 2009 the basic industrial branches of the region were chemical and petrochemical industry – 31,7%, machine-building and metalworking – 17,3%, food industry – 18,8%, construction materials industry – 7,2%, light industry – 4,8%, forestry, woodworking, pulp and paper industry – 3,4, ferrous metallurgy – 2,0%, flour-and-cereals and feed mill industry – 2,3%, printing industry – 0,15% and fuel industry.

In spite of the problems caused by the world financial crisis, preliminary figures indicate that industrial complex of the region manages to implement the development plan of industrial production for 2006 – 2010. The increase of industrial production for 4 years (2006-2009) made up 56,4% (in comparable prices), for 5 years (2006-2010) it is expected to gain a figure of more than 80%, comparing to 5-years plan of 47,5-56%.

Industrial production

During the period of 2005-2009 the volume of industrial production of the Mogilev region doubled and made up BYR 11,1 trln.

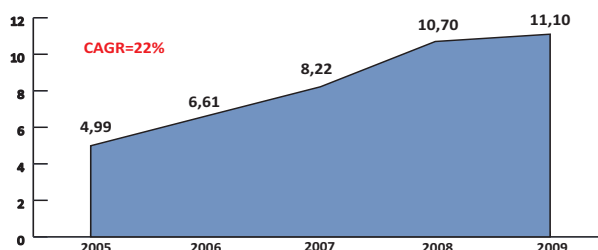
In national currency the compound annual growth rate of industrial production for the period of 2005-2009 accounted for 22%. Mogilev region ranks second in Belarus (after Grodno region) by this indicator leaving behind Minsk and Gomel regions and average country figure of 19,4%.

In USD the CAGR indicator for 2005-2009 made up 14,3%, also taking second place among Belarusian regions.

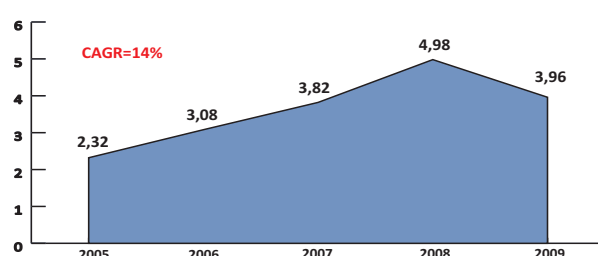
The region's share in total value of industrial output increased from 8% in 2005 to 9% in 2009.

Product	2009
Synthetic resins and plastics, thou. tons	159,2
Chemical fibers and threads, thou. tons	70,4
Tires for automobiles and agricultural machine, thou. items	5 072,8
Steel pipes, thou. tons	47,1
A.c. motors with central height of 63-355 mm.	
thou. items	271,1
thou. kW	703,3
Woodworking machines, thou. items	42,9
Lifts, items	8 269,0
Tractor-mounted mowers, items	1 471,0
Tractor trucks, items	3 065,0
Automobile trailers and semitrailers, items	4 245,0
Sawn wood, thou. cu m.	371,4
Wood-fiber boards, mln. standard sq m.	11,8
Plywood, thou. cu m.	24,1
Carton, thou. tons	18,7
Cement, thou. tons	2 558,5
Walling materials, mln. standard bricks	537,8
Precast concrete units and products, thou. cu m	365,7
Asbestos-cement boards (roofing slates), mln. standard boards	94,2
Flexible roofing materials, mln. sq m	24,8
Bottles, mln. Items	58,5
Glass cannery, mln items in 0,5 liters equivalent	146,3
Silks, mln sq m	20,7
Bed linen, thou. items	2 132,0
Trimnings, thou. running m	4 212,0
Products from chrome-tanned leather, mln. sq dm	69
Meat (incl. 1st category by-products), thou. ton s	67,5
Sausage products, thou. tons	35,3
Butter, thou. tons	17,7
Whole-milk products in terms of milk, thou. tons	147,1
Fat cheeses, thou. tons	11,9
Preserves, mln. standard cans	64,6
Bread and bakery products, thou. tons	71,5
Confectionary and pastry, thou. tons	20,8
Soft drinks, mln. deciliters	2,8

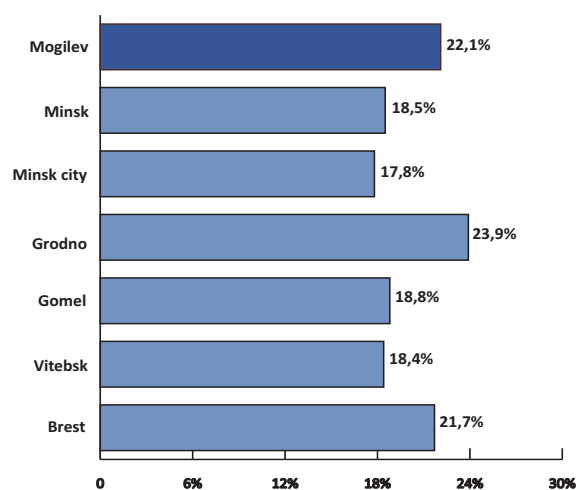
Industrial output, trln. BYR



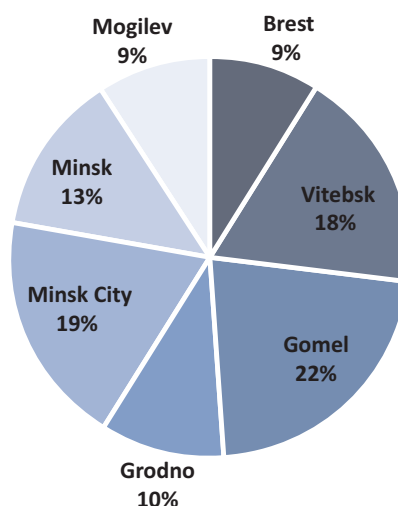
Industrial output, bln. USD



Industrial output CAGR for 2005-2009 of the Belarusian regions in national currency



Regional structure of industrial output of Belarus, 2009



Largest enterprises of the region

Name of the enterprise	Brief Description
JSC "Mogilevkhimvolokno"	One of Europe's biggest plants producing chemical fibers. Due to the high quality and wide range of products that meet international standards, the company has gained markets in 40 countries and has the reputation of a reliable business partner. It cooperates with 1500 enterprises and firms from Belarus, Russia, Ukraine, Germany, Austria, Czech Republic, China and other countries. The enterprise was marked with "Gold Star" at the International Selection Committee in Madrid, as well as a prestigious international prize "Arch of Europe" with the wording "for immeasurable contribution to the world business, for high status and professionalism". In the 90-ies the Belarusian-American JV "Belpak" was established on the basis of Mogilevkhimvolokno - the only producer of polyethylene terephthalate (PET chips) of food quality in Belarus.
OJSC «Belshina»	One of Europe's largest companies, producing a wide range of over 200 types of tires. The company takes a leading position in the production of tires for heavy trucks (from 25 to 180 m), that won a high reputation in the operation of mining quarries in all climatic zones. Belshina was awarded with international prizes "Arch of Europe" for excellence in corporate image and quality, and with the "Golden Globe" for competitive and quality products.
Subsidiary of PRUE «Minsk Automobile Plant» «Plant «Mogilevtransmash»	Established on the basis of "Mogilevtransmash" in February 2005. The plant produces trailers and semitrailers for trucks, cranes, special construction equipment on truck chassis. The enterprise carries out constant updating and produces competitive products using the latest advances in science and technology.
JSC "Mogilevsky zavod "Elektrodvigatel"	The largest company in the CIS manufacturing induction electrical motors of different power. Products of the plant are known in more than 50 countries. High quality of the goods is confirmed by prestigious international awards, such as the International Diamond Star for Quality.
RPUE "Mogilev Plant "Strommashina"	At present the company manufactures machines for construction materials production (more than 400 basic modifications of machines) and consumer goods. The companies products are present in more than 300 countries (CIS, France, Germany, India, Hungary, Check Republic, Iraq etc.).
RUE «Mogilevliftmash»	The company is specialized in production of wide range of elevators. In 1999 Mogilevliftmash among the first in the country certified its quality management system for designing and manufacturing of lift equipment in accordance with STB ISO 9001. Elevators from Mogilev are installed in all CIS countries, incl. on Rocket and Space Complex "Baikonur", as well as in 12 countries of Europe, Asia and America..
JSC «Mogilev Metallurgical Works»	The company produces steel electro welded round and profile cross-section tubes, water and gas supplying tubes, tapping. The main company's advantage is constantly changing range of goods, highest quality control, maintaining of sustainable links with consumers, delivery of company's products in ferry cars in agreed time and at acceptable prices. All this made possible for the company to enter the markets of both CIS and non-CIS countries. On December, 4th 2004 the company was awarded with a Prize of the Government of the Republic of Belarus for advances in quality.
JSC «Mogilev textile»	The company is the largest producer of textiles in Belarus. It produces a wide range of fabrics and stockinet and manufactures clothes. The permanent participation in specialized exhibitions, fairs, makes it possible to develop and present new samples of products of high quality and design. The company's products are exported to CIS countries, Europe, Asia and America..
CJSC JV «Soloteks»	The company is one of the most modern in the country by production of yarns and fabrics. It produces cotton, polyester-cotton yarn of various numbers. The quality of the yarn corresponds to the international standards and is controlled by the unique German laboratory equipment. Moreover, the company manufactures lining, whip-line, wear, bed and uniform fabrics, professional, service, working and uniform clothes, silks and yarns. The goods are exported to CIS countries, Portugal, Germany, Italy, Poland, Switzerland, Austria, Hungary.
JSC «Lenta»	The enterprise is the largest CIS producer of textile fancy goods and curtains. The on-going renewal of the assortment by our artists and designers, using modern computer technologies for creating new patterns, allows us to find new markets and increase the supplies to our regular partners, meeting the needs. 60% of curtain patterns, 50% of piece goods and more than 20% of fancy goods are renewed annually. Besides CIS countries, the goods are exported to Poland, Czech Republic, Baltic countries. The companies products are now promoted to the Swedish and Italian markets. For best goods and services quality indicators the enterprise was awarded with the international prize "European Quality Class" in nomination "XX century enterprise".
JSC «Babushkina Kryнка»	The company is one of the largest producers of natural milk products (about 200 kinds). They are whole milk products, butter, cheeses (soft, semihard, hard), casein, chocolate glazed curd bars, ice-cream, mayonnaise, icing. The enterprise complies with the international standards HACCP and ISO-9000-2001. New products are developed constantly. The company promotes its goods with modern package design and new brands "Babushkina Kryнка", and "Veselye vnuchata" and distributes its products to all regions of Belarus, and some regions of Russia. Company's products are awarded by numerous diplomas of republican and international exhibitions and contests. In December 2005 the company was awarded with a Prize of the Government of the Republic of Belarus for advances in quality, diplomas of the winner of two contests "Best goods of the Republic of Belarus" and "Best goods of the Republic of Belarus on the market of Russian Federation".

TOP 30 taxpayers of Mogilev Region

№	Name of the organization	The amount of tax paid 2009, mln. BYR	The share in the con- solidated budget of Mogilev region %
1	RUE "KLIMOVICH I ALCOHOLIC BEVERAGE FACTORY"	126 523,60	6,45
2	OJSC "Mogilevkhimvolokno"	60 002,50	3,06
3	RUE "Mogilevliftmash"	55 618,80	2,84
4	RUE "Mogilevenergo"	44 672,20	2,28
5	PRUE "Krichevcementnoshifer"	30 103,50	1,54
6	Ltd Co "Bobruiskagromash"	25 938,70	1,32
7	PRUE "Mogilevoblgaz"	23 892,40	1,22
8	PRUE "Belarusian Cement Plant"	22 949,60	1,17
9	RUE "Mogilev Plant "Strommashina"	21 310,50	1,09
10	Mogilev subsidiary RUE "Beltelekom"	19 699,20	1,00
11	OJSC "Holding "Agromashservice"	15 088,70	0,77
12	FJSC "Syabar Brewing Company"	13 763,70	0,70
13	JSC "Factory of polymeric pipes"	13 616,90	0,69
14	RUE "Mogilev branch of Belarusian Railways"	13 217,20	0,67
15	Mogilev MAPE "Gorvodokanal"	12 159,50	0,62
16	CJSC "BELATMIT"	11 529,30	0,59
17	RUE "Belorusneft-Mogilevoblnfteprodukt"	10 998,00	0,56
18	Bobruisk UE "Vodokanal"	10 663,20	0,54
19	JSC "Lavsanstroy"	9 036,50	0,46
20	JV "Krovlya" OJSC	8 970,00	0,46
21	OJSC "Osipovich I Automobile Units Plant"	8 270,10	0,42
22	JSICC "Mogilev Carriage Building Plant"	7 917,40	0,40
23	Bobruisk RUE "Hydrolitic plant"	7 573,30	0,39
24	UE "Bobruisk drinks plant"	7 441,30	0,38
25	JSC "Plant of silicate products"	6 900,80	0,35
26	JSC "TAiM"	6 489,50	0,33
27	OJSC "Bobruisk plant of large panel housing construction"	6 421,40	0,33
28	JSC "Belarusrezinatexnika"	6 325,10	0,32
29	OJSC "Construction trust #12"	6 236,10	0,32
30	JSC "Mogilev meat-packing plant"	5 999,00	0,31

Agriculture

Agriculture – the most dynamically developing branch of the region's economy

Over the past 5 years (2005-2009) agricultural production has increased more than 2.3 times and reached BYR 3.35 trln.

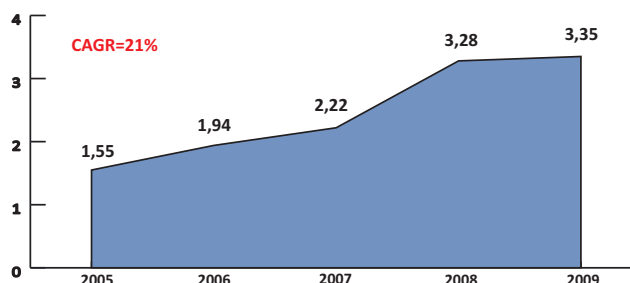
The compound annual growth rate for these 5 years (2005-2009) is 21% in local currency terms. According to this indicator, Mogilev region is the leader in Belarus, exceeding all other regions and republican indicator (20%).

In USD terms the annual growth in agricultural production for 2005-2009 was 13%.

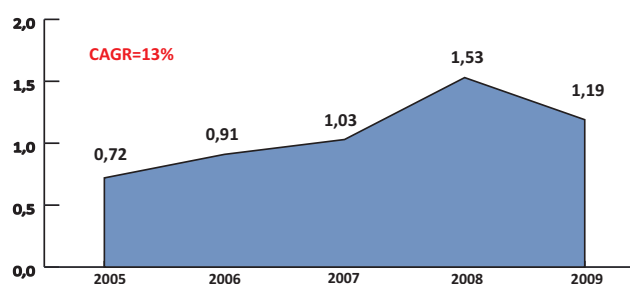
During the period 2005-2009 the proportion of the Mogilev region in total agricultural production rose from 12% to 12,6%.

Total acreage of the region is 848.9 thou. hectares. The key acreage is intended for grain and forage crops (80%). The region is the leader in Belarus in potato yields (237 kilograms per hectare - 27% more than the average for the Republic), vegetables (260 tons per hectare - 7% more than the average for the Republic). It took the second place in yield cereal (35 kilograms per hectare).

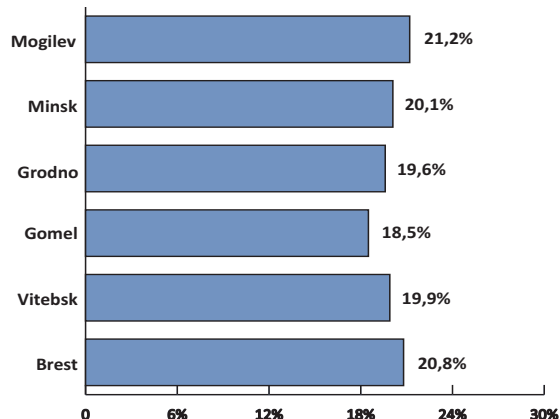
The production of agricultural products, trln. BYR



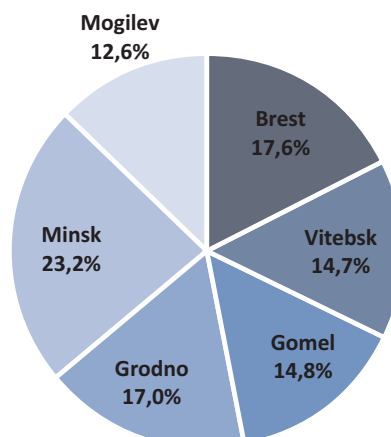
The production of agricultural products, bln. USD



Average annual growth rate of agricultural production for 2005-2009 by the regions of Belarus in National currency



Region structure of agricultural production in Belarus, 2009



Acreage of agricultural products (thou. ha)		2009
The whole acreage		848,9
Cereals and leguminous plants		381,4
Industrial crops (except flax)		64,2
Flax		10,5
White beet		4,6
Potato		47,0
Vegetables		10,2
Forage crops		331,0
Croppage in economies of different activities (thou. tons)		2009
Cereals and leguminous plants		1 305,0
Potato		1 100,0
Vegetables		300,0
Flax fibre		7,0
White beet		163,0
Cattle head by categories of economies (thou. heads)		2010
Cattle(except cows)		368,4
Cows		179,7
Pigs		402,8
Sheep and goats		15,4
Horses		20,5
Poultry (mln. heads)		3,9
The production of the main products of the cattle breeding in economies of all categories		2009
Sales of livestock and poultry (thou. tons)		151,9
Milk production (thou. tons)		821,4
Eggs, (mln. pcs.)		448,0

Investments

Mogilev region – one of the leader regions in Belarus concerning investments attracting

In 2009 the volume of capital investments made up USD 1.44 bln. In the ruble equivalent the volume of investments reached BYR 4.03 trln.

The compound annual growth rate of capital investments in Belarusian rubles was 33%. The region ranks second by this indicator and is ahead of the average annual growth rate of investment in the country by 3 percentage points.

The compound annual growth rate of capital investments in USD amounted to 24,8%.

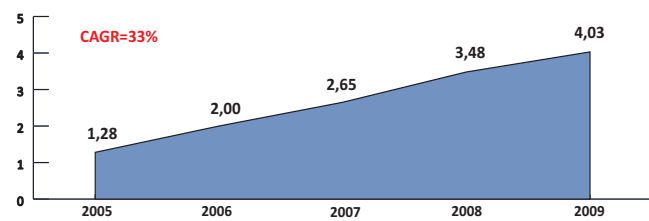
The high compound annual growth rate beneficially effects on long-term development of the region (increasing its technological and innovative level).

The volume of investments from foreign investors into the real economy of the region in 2009 amounted to USD 119 mln. Total for 2005-2009 was invested by foreign investors more than USD 0,5 bln. The average annual growth rate composed 17%.

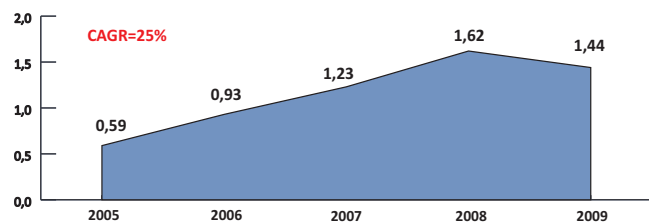
In the structure of foreign investments the share of direct investment in 2009 amounted to more than 70%.

The share of the Mogilev region in the total volume of capital investments of the country has grown over the 5 years from 8,5% to 9,3%.

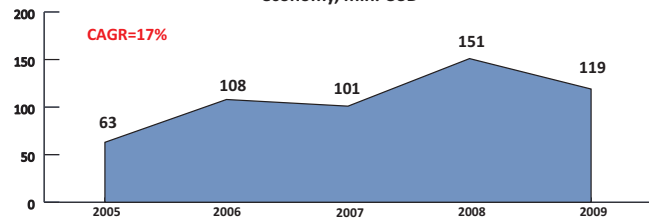
Capital investments, trln. BYR



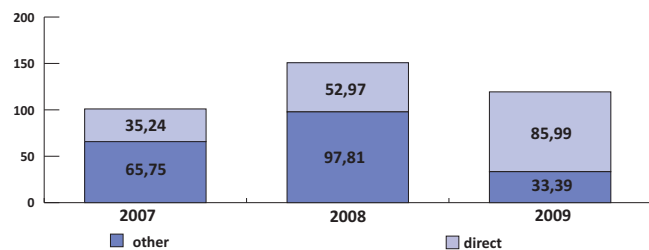
Capital investments, bln. USD



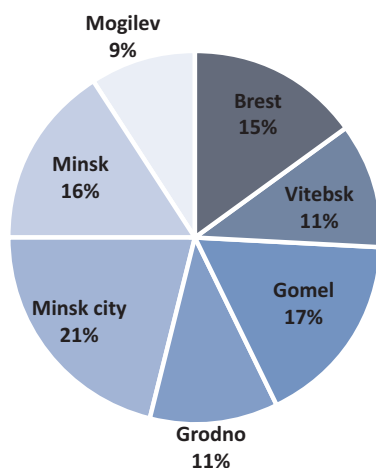
The volume of investments from foreign investors into the real sector of economy, mln. USD



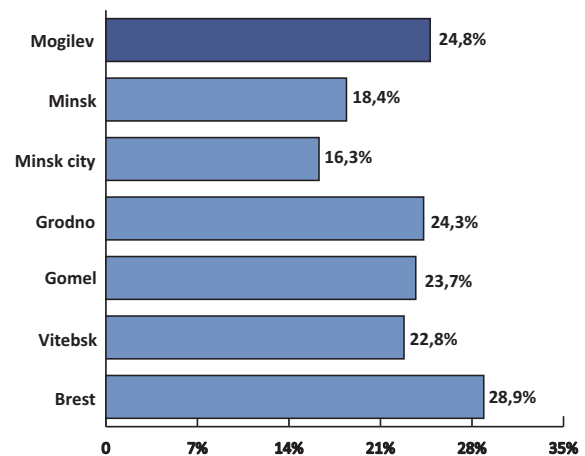
The structure of investments from foreign investors, mln. USD



Regional structure of capital investments (2009)



Average annual growth rate of capital investments (2005-2009) by regions in USD



Investments

Annually the representatives of more than 20 states invest into the region's economy.

The traditional interest to the region's enterprises often show the investors from Austria, Germany, Italy, Russia, Latvia, the United States and other countries.

The largest share of foreign investment is in the industrial area. Over the past two years the industry receives more than 80% of their total volume.



The largest projects

Enterprise	The description of the invest project	The sum of investments	The funds of the country
JV «BELPAK» CJSC	Increasing the production of the polyethylene terephthalate of food designation	more USD 13,5 mln.	Cyprus
CJSC «Glass factory «Elizovo»	Technical reconstruction of the production	more USD 16 mln., among them the direct – more USD 6 mln.	Austria
CJSC «Brewery «Syabr»	Modernization of the production on high quality beer output	more USD 17 mln.	USA
OJSC «Mogilevkhimvolokno»	Two investment projects realization	about EUR 50 mln.	Belarus (Under the grants of the government)

Incomes of the population

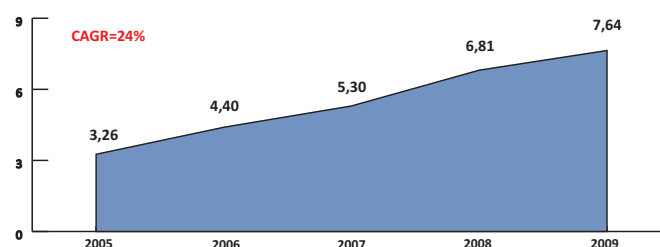
In 2009, the incomes of the population were BYR 7.64 mln. per year (increased in comparison with 2008 by 12%). The average annual growth rate for 2005-2009 composed 24%.

In currency terms, cash earnings slightly decreased and amounted to USD 2.73 thou.

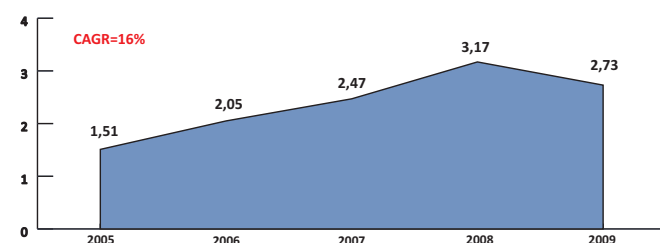
Nevertheless, it is worth noting that the average annual growth of cash income in USD for 2005-2009 made up 16%. According to this indicator, the region is the second in the Republic (after the Minsk region) and ahead of average national value by 0.5 percentage points.

In 2009, the money incomes of the population of Mogilev region was about BYR 637 thou. a month.

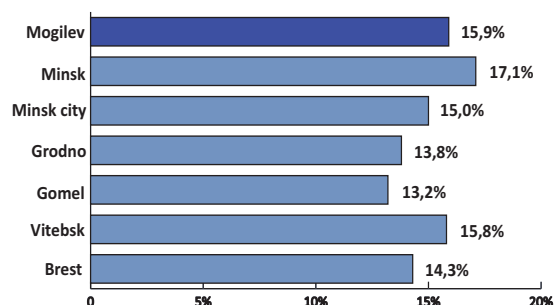
Incomes per capita, mln. BYR/year



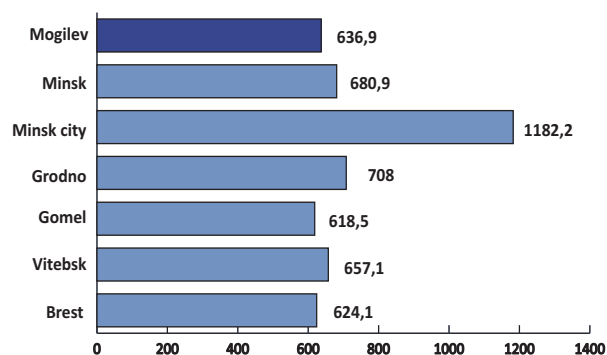
Incomes per capita, thou. USD /year



Average annual growth rate of the population incomes (2005-2009) by regions by USD



Money incomes of the population, thou. BYR/month



Retail turnover

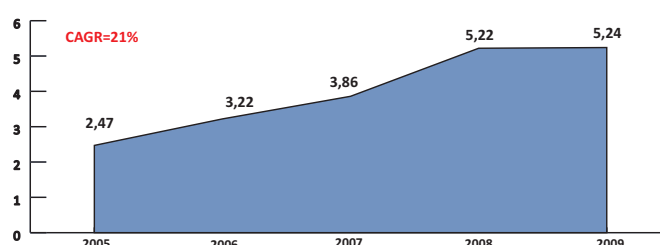
In 2009 the total retail turnover in the region amounted to BYR 5.24 trln. and grew by 0.4%. The average annual growth rate of retail turnover for the period 2005-2009 was 21%. This figure is average national.

In dollar terms, retail turnover slightly decreased to USD 1.87 bln. Average annual growth rate of retail turnover for the period 2005-2009 in USD terms was 13%.

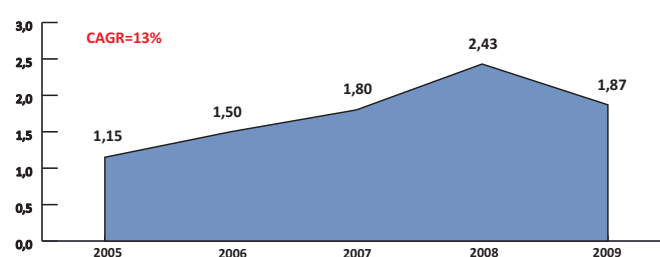
In 2009 87% of retail turnover in the region was carried out by enterprises of private ownership (the leader among all regions, the average national rate was 82%).

The share of retail turnover in the region in the nationwide is about 10% and remained stable for the past 5 years.

The volume of the retail turnover, trln. BYR



The volume of the retail turnover, bln. USD



Foreign-economic activity

Foreign trade turnover of Mogilev region in 2009 amounted to USD 2.31 bln. The average annual growth of foreign trade turnover in 2005-2009 composed 9%. In 2009, there was a decrease of foreign trade turnover, caused by the influence of external markets (reduction of market demand for the main trade partner - the Russian Federation). However, it should be noted that there was an equal decrease in both exports and imports, reflecting the stable positions of the export enterprises in the region to external markets.

Mogilev is one of the three regions of Belarus with the trade surplus, what indicates about high "export positions" of the regional economy. The share of exports in foreign trade turnover in 2009 amounted to 53%.

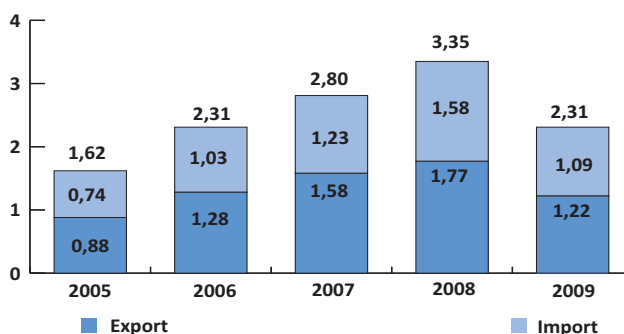
The main foreign trade partner of Belarus is the Russian Federation - it accounts for 75% of exports and 46% of imports. Among other counterparties are: Germany (4% of exports and 13% of imports), Ukraine (9% of imports), as well as Kazakhstan, Lithuania, Poland, China, etc.

The major "export" of goods in the region is the production of building materials, chemical, petrochemical, light industry, food industry and also tube-rolling and engineering industries.

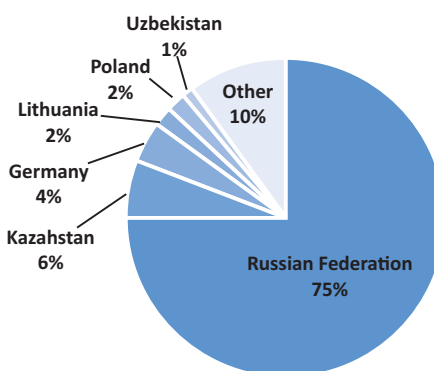
In 2009, export grew in the following product's position: milk and cream (+23%), cement (90%), plates, sheets, films from plastics (51%), tires (+10%), synthetic fibers (+ 10%).

Name	2009
Milk , dried and concentrated cream, tons	18 921,0
Cheese and cottage cheese, tons	12 334,0
Cement, thou. tons	301,0
Polyacetal and n polyether, thou. tons	56,3
Plates, lists, film from plastics, tons	10 856,0
Tires, thou. pieces	3 790,3
Cellulose fiber plates, thou. m2	6 935,3
Cotton textile, mln. m2	12,8
Synthetic threads, thou. tons	9,2
Synthetic fibers, thou. tons	53,9
Nonwoven materials, tons	8 192,0
Glassware, thou. tons	23,0
Steel pipes, thou. tons	45,4
Lifts, pcs	5 611,0
Electric motors and generators , thou. pcs	225,1
Tractors and truck tractors, pcs	577,0
Fluid pumps, thou. pcs	57,8
Plastic goods, tons	12 242,0

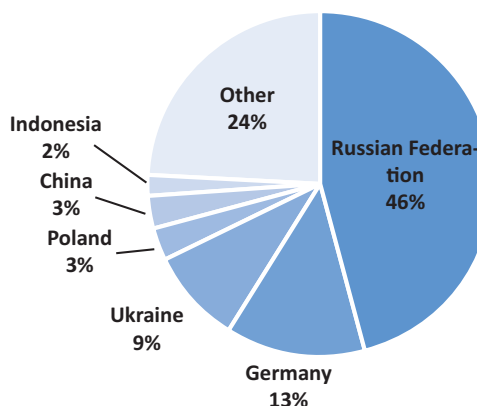
Dynamics of external trade, bln. USD



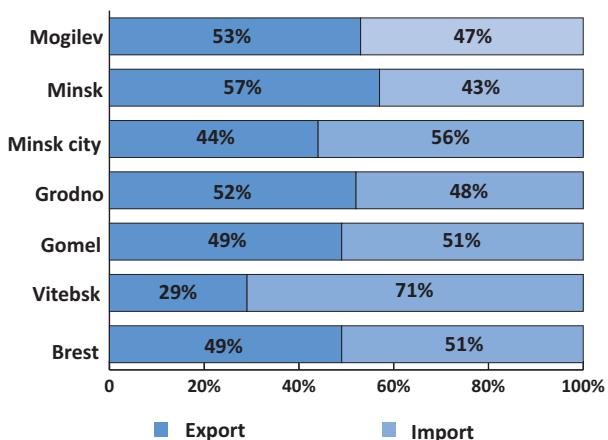
Country structure of export, 2009



Country structure of import, 2009



Regional structure of foreign trade turnover (2009)



Fiscal policy of Mogilev region

During 2009 to the income of the consolidated budget of the area was forwarded BYR 1958.5 bln. or 101.6% of the planned budget revenues, including the national budget income amounted to BYR 510.3 bln. or 104.3%, and local - BYR 1448, 2 bln. or 100,7%.

As of September 1, 2010 the consolidated budget of the area received BYR 1405.5 bln. or 105.2% of the planned budget revenues, the national budget received BYR 321.5 bln. or 111.1%, the local budget received in BYR 1084,0 bln., or 103.5%.

THE DATA ON CONSOLIDATED BUDGET OF MOGILEV REGION FOR 2009-2010

Item	Implemented for 2009	The budget for 2010 (confirmed)
INCOMES		
<i>TAX INCOMES</i>	1 335 158 282,80	1 522 119 553,00
<i>NON-TAX INCOMES</i>	113 003 384,70	104 644 083,00
<i>FREE FLOWS</i>	1 032 699 990,60	1 234 266 125,00
TOTAL INCOMES	2 480 861 658,10	2 861 029 761,00
EXPENDITURES		
<i>STATE ACTIVITY</i>	275 634 711,30	316 558 317,00
<i>NATIONAL SECURITY</i>	3 347 209,40	706 302,00
<i>JUDICIAL AUTHORITY, LAW ACTIVITY AND SECURITY PROVIDING</i>	55 563 297,70	23 370 884,00
<i>NATIONAL ECONOMY</i>	346 145 204,10	339 582 823,00
<i>ENVIRONMENTAL PROTECTION</i>	10 816 664,40	29 282 705,00
<i>HOUSING AND COMMUNAL SERVICES AND HOUSE BUILDING</i>	434 068 889,60	458 061 682,00
<i>PUBLIC HEALTH PROTECTION</i>	511 864 324,70	501 851 994,00
<i>PHYSICAL TRAINING, SPORT, CULTURE AND MASS MEDIA</i>	148 468 201,00	123 739 093,00
<i>EDUCATION</i>	697 444 622,00	747 611 430,00
<i>SOCIAL POLICY</i>	155 611 432,40	186 608 760,00
TOTAL EXPENDITURES	2 638 964 556,60	2 727 373 990,00
SURPLUS (+), DEFICIT (-)	-158 102 898,50	133 655 771,00

Law environment. The republican level

Indirect taxes

Tax	Tax rate	Tax object
Value added tax	<p>20% - general tax rate;</p> <p>10% - sale of agricultural products produced on the territory of the Republic of Belarus; at the importation on the territory of the Republic of Belarus and (or) at the sale of food and goods for children;</p> <p>0% - goods export</p>	<p>- turnover of sales of goods (works, services), property rights in the territory of the Republic of Belarus;</p> <p>The importation of goods into the customs territory of the Republic of Belarus.</p>
Excise	<p>The rates of excises are set in absolute amount per physical unit of excisable goods.</p>	<p>Excisable goods are:</p> <ul style="list-style-type: none"> - Alcohol and alcohol products; - Tobacco products; - Motor gasoline, diesel, biodiesel and marine fuel, gas, LPG and compressed natural gas used as motor fuel; - Oil for diesel and (or) the carburetor (injector) engines; - Vans and passenger cars.

Local taxes

Tax	Tax rate	Tax object
Service tax (it is supposed to be cancelled from 01.01.2011)	<p>Rates are set in the amount not exceeding 5%.</p> <p>The tax base is defined as the revenue from sales of services without the inclusion of service tax.</p>	<p>Provision of services by taxpayer :</p> <ul style="list-style-type: none"> -Markets, fairs, exhibitions and sales; - Hotel (camping, motels); - Restaurants (bars, cafes); - Disco, billiards, bowling clubs; - Hairdressing (beauty saloon), solarium, cosmetic services; -With real estate, cellular mobile telecommunication to subscribers; -Cable TV; -Maintenance and repair of vehicles for individuals; -Travel
Territory development tax (it is supposed to be cancelled from 01.01.2011)	<p>Rates are set in the amount not exceeding 3%.</p> <p>The tax base is defined as the sum of the gross profit remained at the disposal after tax (for organizations) or as the amount of income remained available after tax (for entrepreneurs).</p>	<p>Implementation of the entrepreneurial activity in the respective administrative-territorial units.</p>

Direct taxes

Tax	Tax rate	Tax object
Profit tax	24% - for companies of the Republic of Belarus and foreign organizations which are not operating in the Republic of Belarus through the permanent representative body; 12% - dividends; 10% - production of laser and optical equipment; 5% - sale of information technology and services on their development to the members of the scientific and technological associations; 24% rate, decreased by 50%, with implementation: - High-tech goods (works, services) of own production by companies in the list of high-tech organizations; Shares in the share capital (stocks, shares) of organizations in the territory of the Republic of Belarus, or their parts	Gross sales (incomes except of expenditures).
Profit tax of foreign organizations which are not operating in the Republic of Belarus through the permanent representative body	6% - international transportation and freight forwarding services; 10% - income from debt obligations; 12% - dividends and their equivalent - income, gains from the alienation of shares in the share capital (stocks, shares), or their parts; 15% - royalties, gains from the alienation of immovable property and other incomes; 5% - incomes from dividends, bonds, royalties, licenses, and if the source of payment of such income is a resident of High Technologies Park.	Income of foreign organizations that are not operating in the Republic of Belarus through the permanent representative body, derived from sources in the Republic of Belarus. The priority of international treaties over national tax law is established.
Income tax from individuals	12% - the overall rate 9% -received incomes : - By individuals from the residents of High-Tech Park (HTP) on labor agreements (contracts); -By individual entrepreneurs - residents of HTP; -By physical entities involved in the implementation of the business project in the field of new and high technologies from non-residents of HTP on labor agreements (contracts). 15% for the individual entrepreneurs and private notaries..	For tax residents of the Republic of Belarus - the total income from sources in the Republic of Belarus and (or) from sources outside of the Republic of Belarus. For non-residents - total income from sources in the Republic of Belarus.

Taxes included in cost of production and sale of goods (works, services), property rights, accounted for taxation

Tax	Tax rate	Tax object
Real estate tax	<p>1% of residual value- for companies; 0,1% - for individuals, entrepreneurs, cooperatives and horticultural associations;</p> <p>2% - for organizations owing the excess objects of uncompleted construction and carrying out construction of new facilities.</p>	<p>Buildings and constructions:</p> <ul style="list-style-type: none"> -that are a property or are owned, in economic management or operational management; -located on the territory of the Republic of Belarus and belong to individuals. <p>Not deemed to be an object of taxation by organizations:</p> <ul style="list-style-type: none"> -facilities of excess uncompleted construction for construction projects financed from the budget, uncompleted construction of housing projects facilities of excess uncompleted construction for construction projects, implemented on its own without the involvement of a third-party construction organization.
Land tax	<p>Land tax rates depend on the category of human settlements, cadastral valuation of lands and type of functional use.</p> <p>The tax base of land tax is determined as a cadastral value of land, except for cases stipulated by tax legislation.</p>	<p>Located on the territory of the Republic of Belarus land plots that are :</p> <ul style="list-style-type: none"> -owned or in permanent or temporary use by organizations. -owned, in life inheritance tenure or in a temporary use by individuals.
Environmental tax	<p>The tax rate depends on the amount / volume of pollutants emitted, their type, duration of contamination, etc.</p>	<ul style="list-style-type: none"> -emissions of pollutants into the air; -discharge of sewage water or pollutants into the environment; -storage, disposal of industrial waste; -transit transfer of oil and oil products by pipelines on the territory of the Republic of Belarus; -oil and oil products processing by organizations engaged in oil refining; -production and (or) import of goods containing in its composition 50 percent and more of volatile organic compounds; -production and (or) import of plastic, glass containers and other goods, generating waste, which has harmful effects on the environment, as well as imports of goods packed in such containers.
Tax on natural resources extraction (withdrawal)	<p>Tax rate for natural resources extraction (withdrawal) are set depending on the type of natural resources being extracted.</p> <p>The tax base of tax on natural resources extraction (withdrawal) is defined as the actual volume being extracted (withdrawn).</p>	<p>Natural resources extraction (withdrawal).</p> <p>For exceeding the established limits (volume) of natural resources extraction (withdrawal) the is levied in a tenfold.</p>

Special investment zones: small towns, rural areas

Article 289 of the Tax Code of the Republic of Belarus, determine the conditions and procedure for applying reduced tax rates under the simplified system of taxation. Paragraph 2 of this article establishes the following tax rates under the simplified taxation system for organizations and individual entrepreneurs with the location (residence) in the villages and settlements, specified in Annex 24 to the Tax Code (excerpt from the Annex attached), carrying out activities for the production of goods (works, services) in these settlements, as well as in the areas outside the spatial boundaries of local councils (except for territories of urban-type villages and cities of regional subordination):

five (5) percent - for companies and individual entrepreneurs that do not pay value added tax (VAT);

three (3) percent - for companies and individual entrepreneurs that pay value added tax (VAT).

Small and middle-sized urban settlements (up to 50 thou. inhabitants)

A commercial enterprise, established after April 1, 2008, located in the settlements with a population of up to 50 thou. people is exempt from income tax and republic fee for agricultural and food producers' support during five years since the moment of its establishment.

Located in a small town, an enterprise will have the following privileges:

- Opportunity of obtaining unused state-owned real estate objects through auction on EUR 11 starting price;
- Opportunity of exemption from value added tax and customs fee payment for imported technological equipment;
- Exemption from non-tariff regulation measures of export and import transactions and other measures of economic policy.

Rural area

An enterprise, created in rural area, is exempted from income tax and real estate tax payment and additionally obtains the following:

An opportunity of buying of unused state-owned real estate objects through auction on EUR 11 starting price;

50% privilege in payment of license fee;

Exemption of fee payment for amendments and changes of the license;

Exemption from value added tax and customs fee payment for imported technological equipment.

LIST of settlements where for organizations and individual entrepreneurs the reduced tax rates under the simplified taxation system are applied

t. Bykchov	t. Cherkov
t. Gorki	t. Shklov
t. Kirovsk	t.s. Belynichi
t. Klimovichi	t.s. Glusk
t. Klichev	t.s. Dribin
t. Kostukovich	t.s. Krasnopol'e
t. Krichev	t.s. Krugloe
t. Mstislavl	t.s. Khotimsk
t. Osipovich	w.s. Glusha
t. Slavgorod	w.s. Elizovo
t. Chausy	w.s. Tatarka



Free economic zone “Mogilev”

FEZ “Mogilev”

Free economic zone “Mogilev” (FEZ “Mogilev”) is a part of the territory of the Republic of Belarus with strictly defined borders, its special favorable legal and tax regime establishes more favorable conditions for carrying out business (also with foreign capital) and other types of economic activity than the regular one.

FEZ “Mogilev” was founded by the Decree of the President of the Republic of Belarus № 66 dated 31.01.2002 at eastern frontier. Its special legal regime implies favorable conditions for capital raising.

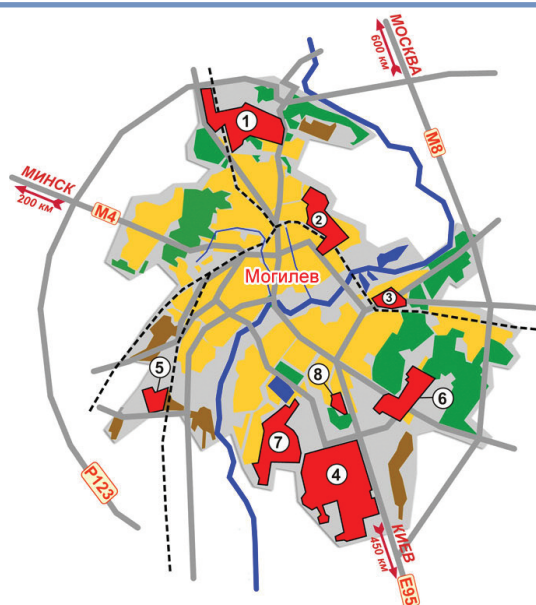
The area of free land for new construction is 789.8 hectares. Also there are 160 thou. sq. m. of unused working area on the territory of FEZ suitable for manufacturing locations. All areas of FEZ “Mogilev” offer advanced engineering and transport infrastructure.

Currently, the FEZ “Mogilev” realized the investment projects with total investments announced over USD 500 mln., involving investors from Germany, Austria, Britain, Turkey and other countries, are being realized.

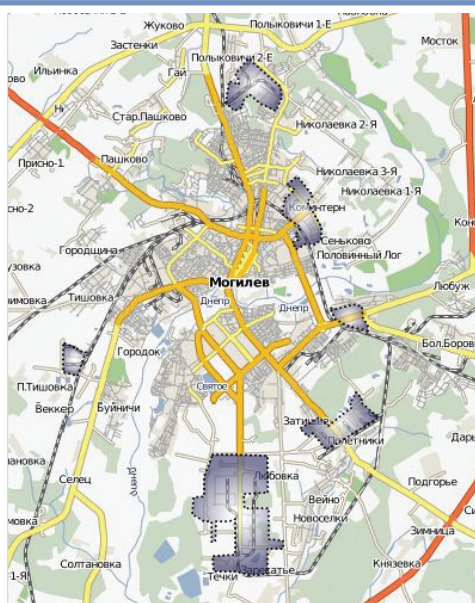
The annual production volume of existing enterprises of FEZ “Mogilev” is more than USD 450 mln. Goods produced in the FEZ “Mogilev” are exported to more than 35 countries worldwide.



Structure and infrastructure of FEZ



Region 1	373,0 ha
Region 2	182,6 ha
Region 3	65,7 ha
Region 4	925,3 ha
Region 5	78,5 ha
Region 6	188,0 ha
Region 7	237,0 ha
Region 8	58,0 ha



Automobile transport

Total highway length in the region exceeds 8 300 km including those with hard surface 8 000 km. The density makes up 220 km/1000 km².

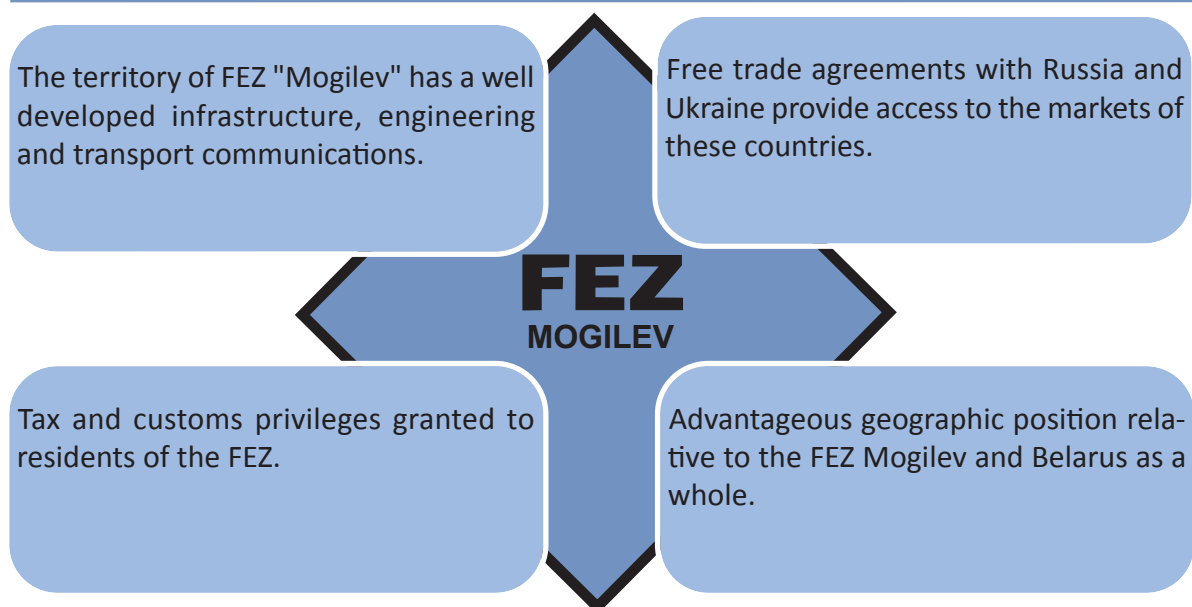
Direct routes connect Mogilev with Minsk, Grodno, Novogrudok, Gomel, Novopolotsk, Baranovichi, Moscow, Smolensk, St-Petersburg and other cities.

Railway transport

The railway of Mogilev region is a complex multiple-discipline enterprise including more than 1 180 km of mail railways, 495 stationary ones and 231 km of approach lines. Four out of 74 railway station departments carry out cargo operations. These stations accept cargo to be delivered throughout Belarus, to CIS countries and abroad.

Region 1 (free land)	Region 2 (partially re-claimed)	Region 3 (free land)	Region 4 (partially re-claimed)
Electricity supply - remote up to 1 km from a 10 kW substation. Water supply and sewerage - remote up to 1 km from the appropriate infrastructure. Heat supply - remote up to 1,5 km from the local boiler house. Gas supply - remote up to 1 km from the gas distribution station.	Electricity supply – adjoin with a reclaimed region. Water supply and sewerage –adjoin with a reclaimed region . Heat supply – adjoin with a reclaimed region. Gas supply adjoin with a reclaimed region.	Electricity supply –remote up to 50 m from a transformer station. Water supply and sewerage – remote up to 200 m from trunk pipelines. Heat supply - remote up 200 m from trunk heating system. Gas supply - remote up to 200 m from a trunk gas pipeline.	Electricity supply – adjoin with a reclaimed region. Water supply and sewerage – adjoin with a reclaimed region. Heat supply – adjoin with a reclaimed region. Gas supply adjoin with a reclaimed region.
Region 5 (almost fully re-claimed)	Region 6 (almost fully re-claimed)	Region 7 (free land)	Region 8 (partially re-claimed)
Electricity supply –remote up to 500 m from a substation. Water supply and sewerage - remote up to 100 m from the appropriate infrastructure. Heat supply - remote up 200 m from underground heating system. Gas supply - remote up to 500 m from a trunk gas pipeline.	Electricity supply – adjoin with a reclaimed region. Water supply and sewerage –adjoin with a reclaimed region . Heat supply – adjoin with a reclaimed region. Gas supply adjoin with a reclaimed region.	Connection of engineering infrastructure with urban networks and / or neighboring industrial zones (remote up to 1 km) is needed.	Connection of engineering infrastructure with urban networks and / or neighboring industrial zones (remote up to 1 km) is needed (remote up to 1-2 km).

Advantages of FEZ Mogilev



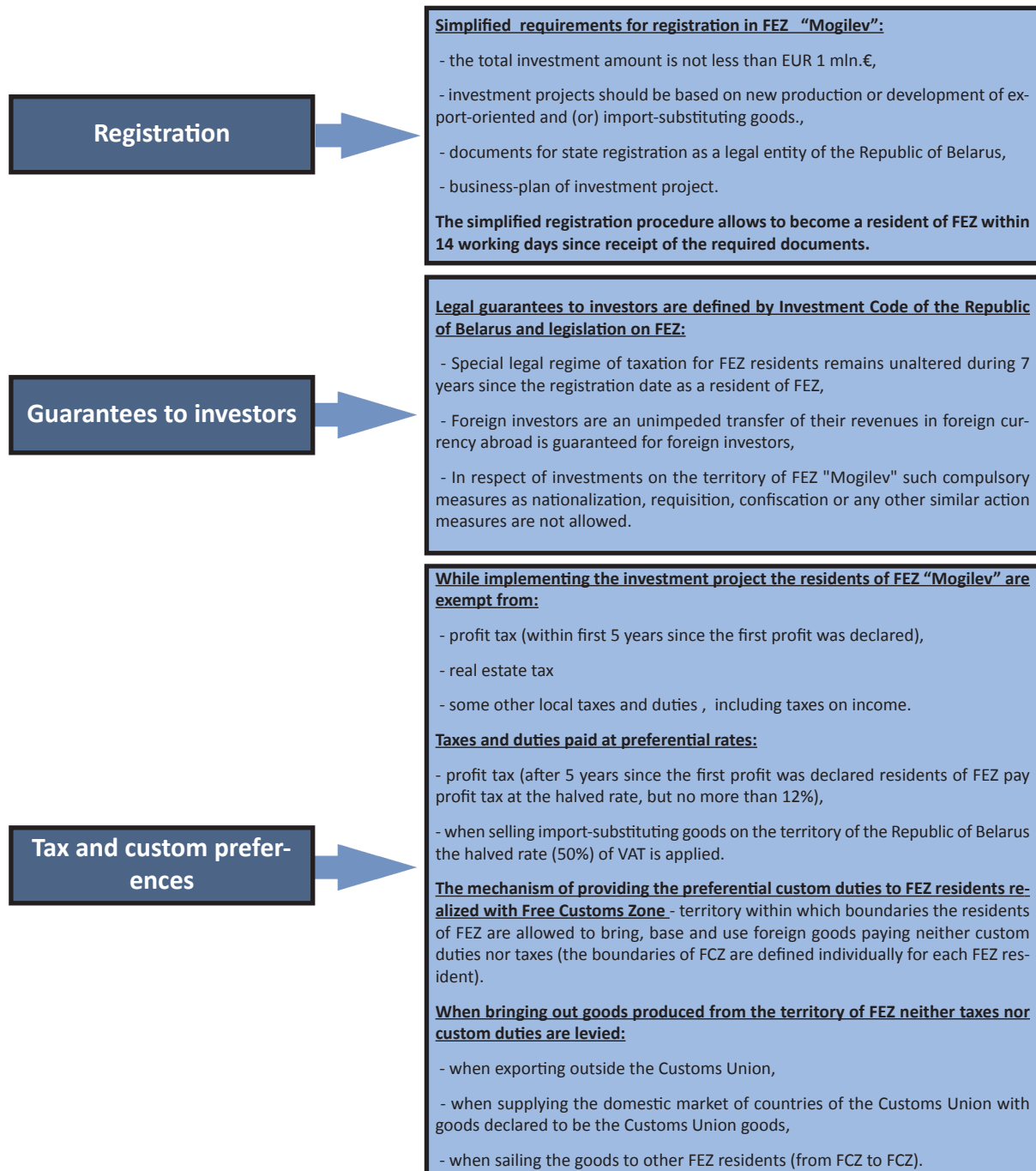
Leading enterprises

No	Name	Registration Date	Activities	Investments total, mln. USD	Personnel
1	Joint Limited Liability Company STL EXTRUSION	2007	Setting up production of PVC-plastic window systems "MONTBLANC"	28,70	231
2	Joint Closed Joint-Stock Company "Mogilev Carriage Building Plant" (Belarus, Russia)	2005	Setting up production of railroad cargo rolling-stock in the Republic of Belarus	7,00	374
3	Joint Limited Liability Company "Jokey Plastic Mogilev" (Belarus, Germany)	2003	Production of plastic packaging by injection molding	5,22	90
4	Additional Liability Company "Techno-Tex" (Belarus, Russia)	2002	Production of technical textiles and textile products	3,34	65
5	Foreign Enterprise "RePlas-M" (Austria)	2003	Setting up production of PET-bottles recycling	2,47	31

Residents of FEZ "Mogilev"

№	Resident	Investment Project	Industry	Investor's country
1	Additional Liability Company "TechnoTex"	«Production of technical textiles and textile products»	Chemical industry	Belarus-Russia
2	Joint Limited Liability Company "Jokey Plastic Mogilev"	«Production of plastic packaging by injection molding»		Belarus- Germany
3	Joint Limited Liability Company STL EXTRUSION	«Setting up production of PVC-plastic window systems "MONTBLANC"»	Building materials industry	United Kingdom - Lithuania - Cyprus
4	Foreign Limited Liability Company Karbaltechs	«Production of household textile goods»	Textile industry	Turkey
5	Foreign Enterprise NORFILL	«Production of mattress covers»		Denmark
6	Foreign Enterprise "RePlas-M"	«Setting up production of PET-bottles recycling»	Recycling	Austria
7	Joint Closed Joint-Stock Company "Mogilev Carriage Building Plant"	«Setting up production of railroad cargo rolling-stock in the Republic of Belarus»	Machine-building	Belarus- Russia
8	Limited Liability Company "SpecLit"	«Setting up production of brake drums for trucks»		Belarus
9	Limited Liability Company "Bumprompak"	«Setting up production of 3- and 4-layers paper bags for cement and dry mortars»	Pulp and paper industry	Belarus
10	Limited Liability Company ISOSPAN	«Setting up production of foamed polyurethane and polyurethane products»	Building materials industry	Belarus
11	Private Enterprise "Mining Equipment Plant"	«Setting up production of mining automotive cars»	Machine-building	Belarus
12	Foreign Enterprise "Mogilev Machine-building Enterprise"	«Setting up production of special equipment for cable industry, polygraphy and packaging in FEZ Mogilev»		Russia
13	Open Joint-Stock Company "Mogilevkhimvolokno"	«Technical development in 2008-2012»	Chemical industry	Belarus
14	Open Joint-Stock Company "Gazosilicat"	«Setting up production of blocks from aerated concrete»	Building materials industry	Belarus
15	Limited Liability Company "Mahina-TST"	«Setting up production of unbleached and warp-knitted polyester technical fabrics from high-strength fibres»	Textile industry	Belarus
16	Foreign Limited Liability Company "Banis"	«Setting up production of PP packaging and PE films»	Chemical industry	Lithuania
17	Foreign Enterprise "ROS Logistik"	«Setting up Logistic Center in FEZ "Mogilev"»	Trucking industry	Lithuania
18	Foreign Enterprise "Master-Cap"	«Production of cork products»	Chemical industry	China
19	Private Enterprise "Bel-Tex"	«Organization of texturized polyester fibers manufacturing»		Belarus
20	Foreign Limited Liability Company "SBI Kauchuk"	«Setting up production of general mechanical rubber goods applied as seals in translucent constructions»		Turkey
21	Foreign Limited Liability Company "VMG Industry"	«Vertically integrated wood-processing complex»	Woodworking, furniture manufacturing	Lithuania
22	Limited Liability Company Heating facilities works "VIKTORY"	«Setting up production of household gas boilers»		Belarus
23	Foreign Enterprise "Mebelain"	«Setting up production of furniture»		Lithuania
24	Limited Liability Company "Arna"	«Organization of furniture production»		Belarus
25	Foreign Enterprise "Cage Gas and Oil Services"	«Organization of boring tools production for oil and gas companies»		Switzerland
26	Private Enterprise "NTC Didaktika"	«Setting up production of educational equipment for institutes of higher education and specialized secondary schools»		Belarus
27	Joint Limited Liability Company "Returna M"	«Organization of production of finished products and complementary parts for sectional gates»		Russia - Lithuania- Belarus
28	Joint Limited Liability Company "UniMaster-Bel"	«Organization of production of wood-processing machines»		Germany- Russia - Belarus
29	Limited Liability Company "PCC BelPol"	«Organization of production of polyether polyols»		Germany - Poland
30	Limited Liability Company BICWOOD	«Organization of production of rubber chips and wooden articles»		Russia - Belarus

Special regime of FEZ



Tax environment in FEZ «Mogilev»

According to the Article 326 of the Tax Code of the Republic of Belarus FEZ residents in respect of taxes and duties have the rights and duties established by this Code for those who pay taxes and duties and (or) other obligated persons, together with the peculiarities stipulated by legislative acts, regulating the activity of FEZ, and Customs Code of the Republic of Belarus.

Peculiarities of taxation in FEZ are defined by the Tax Code of the Republic of Belarus.

The decision of the Mogilev City Council of Deputies from 18.03.2010 № 28-1 «On Tax Rates for real estate and land tax», which increased the tax rate on real estate and land twice for organizations from 1 April 2010, does not apply to the residents registered in FEZ "Mogilev".

Property Fund of Mogilev region

Fund "Mogilevoblimuschestvo" is a territorial authority (Mogilev region) of the State Property Committee of Belarus on matters of public policy in the field of property relations (including management, disposition and privatization, valuation and accounting of property owned by the Republic of Belarus), as well as the structural unit of Mogilev Regional Executive Committee on Administration, disposal, privatization, valuation and accounting of property owned by the region.

Tasks

Implementation of state policy measures in the field of property relations (including management, disposal, privatization, valuation and accounting of property under state ownership), except the relationship concerning the use and protection of land, mineral and natural resources, housing fund, and other property determined by law;

Organization and implementation jointly with the republican state bodies, other state organizations subordinated to the Government of the Republic of Belarus, the State Property Fund, the regional authorities, municipal and district executive committees the work on the privatization of state property;

Ensuring the execution of the registry of property owned by the region;

Protection of property rights and interests of the Republic of Belarus, represented within its competence, the interests of the state as owner in the issues of management, disposition and privatization of state property, except land, mineral resources, other natural resources, housing and other property determined by law.

Functions

Management of State Property of republican and regional communal property;

Privatization of the republican and regional communal property;

Transformation of state and leased enterprises into joint stock companies;

Participation at the disposal of public property:

rent,

transfer without charge,

sale:

real estate

shares packages of OJSC with the state share in statutory fund;

Organization and conduction of auctions and competitions concerning the sale of objects belonging to the State;

Provision of guidance and advisory on the disposition, lease, mortgage of property;

Execution of a common policy on the leasing of buildings, structures, manufacturing and other areas that are in the regional communal property;

Implementation of the register of property owned by the Mogilev region;

Issuance of certificates of registration of property in the Register of state property;

Coordination of the work on transformation of state organizations into joint stock companies;

Accounting and control over the use of personal privatization vouchers "Property" at the time of their circulation in the territory of the Republic of Belarus within the privatization of state property;

Monitoring of compliance with legislation on statutory activities of OJSC created in the transformation of state enterprises and other economic entities, in the statutory funds of which there is state ownership.

3. Investment Attractiveness– Mogilev region

Successful investment projects

The largest juice producer in Belarus – FE “Staraya Krepost”

General overview

The company «Staraya Krepost`» is a modern high-tech enterprise producing natural juices and nectars, created in November 2006 on the basis of production premises of OJSC "Bobruisk cannery". The Founder is «Detroit Belarus Juice Company LLC», established by an investment group Detroit Investments (USA) and the International Finance Corporation (IFC, the World Bank group).

"Staraya Krepost`" is the largest producer of juices in Belarus and the leader in this market (according to expert estimates its market share accounts for more than 22%).



Title of the company	Foreign Private Unitary Production and Commercial Enterprise "Staraya Krepost"
Year of foundation	2006
Location	Bobruisk
Investors	Detroit Investments (USA), International Finance Corporation (the World Bank group)
Acquisition of the site	End of 2006 – acquisition of OJSC «Bobruisk cannery»
Launch of production	28 April 2008
Investments	More than USD 20 mln.
Capacity	70 mln. litres of juice per annum
Staff	130 employees

Product Range

Juices and nectars "Sochnyi", juices and drinks «Exotic», juices and nectars Prigat (produced in collaboration with the Israeli company "Prigat International Ltd." (www.prigat.com), which is a top company in the Israeli juices market with a 48% share).



Production

Manufacture workshop of the enterprise is located in Bobruisk and occupies an area of 5 000 sq. m. The main production sites - a site of processing (preparation and blending) and a filling site – are almost fully automated production units, equipped with the most modern and efficient machinery of the world famous companies from Sweden, Italy, etc. The filling site includes three filling lines and two pasteurizers.



Beer Producer number 2 in Belarus – FCJSC "PC "Syabar"

General overview

Brewing Company "Syabar" was created in 2004 by Detroit Belarus Brewing Company (founded in 2002 by Detroit Investments (USA) and the International Finance Corporation) for the implementation of the investment project in Bobruisk brewery OJSC "Ded-novo". The initial company name was "Belarus Brewing Company, but in 2005 the company got its actual name.

In December 2007 CJSC «Brewing Company "Syabar" joined the international brewer holding HEINEKEN N.V.

Since 2004, the company has invested about USD 85 mln. In 2008, a comprehensive upgrade was completed at the company, which resulted in increased capacity from 12 to 17 mln. dal.

Along with the comprehensive modernization of "Syabar" company Heineken aims at growing quality malting barley in Belarus.

Product Range

"Bobrov" is a leader brand of the company "Syabar". The Company started production of premium beer, it currently produces 8 kinds of beer (6 - under the brand name "Bobrov" and 2 – under the brand name "Syabar", as well as 2 kvass items "Khatny"). On the basis of "Syabar" facilities Heineken is planning to launch licensed production of its own brands, especially those that are currently produced in Russia ("Doctor Diesel", «Gösser», «Zlaty Bazant», Buckler). "Bobrov" was introduced in autumn 2005. Today it is among the most popular brands of Belarus.

In April 2008 the brand "Bobrov" got a unique for Belarus unscrewed cap - twist-off. In July 2009, "Bobrov" started producing beer in aluminum cans with capacity 0,5 liters.

Title of the company	Foreign Closed Joint-Stock Company "Brewing Company "Syabar"
Year of foundation	2002
Location	Bobruisk
Investors	Step 1: Detroit Investments (USA) and International Finance Corporation (the World Bank group) Step 2: 2007 – the Company was incorporated into Heineken N.V.
Acquisition of the site	2003 – acquisition of OJSC «Ded-novo» (former Bobruisk Brewing Company)
Launch of production	2005
Investments	More than USD 85 mln.
Capacity	More than 17 mln. decalitres
Staff	200 employees



Production Policy

The quality system is certified for compliance with international standards ISO 9001; the control system of food safety HACCP was also implemented.



The largest non-state trader and manufacturer in the agricultural sector - CJSC "Servolux"

General overview

Group of companies "Servolux" was established in 1999 to operate in the Eastern European markets. Most actively "Servolux" is represented in the market of Belarus being the largest non-state agricultural trader and producer.

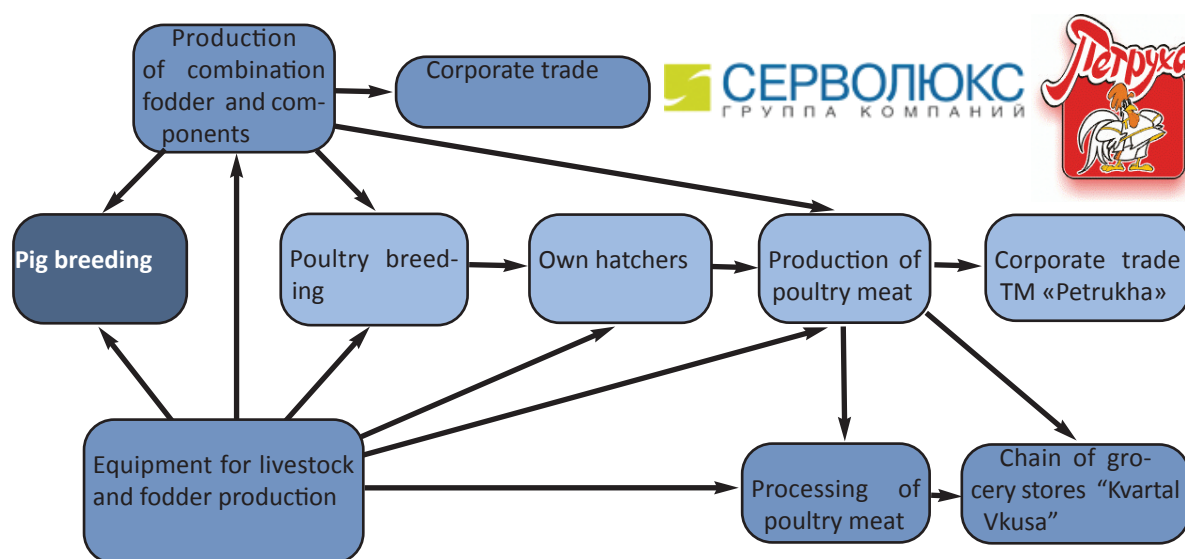
Group of companies "Servolux" is an authorized dealer of:

- the companies of Europe's largest agricultural holding - «Nutreco» (Netherlands);
- the leading European agricultural equipment producers: «Chore-Time Europe» (Netherlands), «Fancor» (Netherlands), «Awila» (Germany).

Title of the company	Group of companies "Servolux"
Year of foundation	1999
Location	Mogilev, Bykhov, Minsk, Orsha district, Mogilev region
Investors	United Kingdom
Acquisition of the site	2006 – acquisition of Mogilev broiler plant
Launch of production	2005
Investments	More than USD 10 mln.
Capacity	26 thou. tons per annum

Structure of the Company

Nowadays the group "Servolux" consists of five companies that together form a vertically integrated complex, which includes the entire cycle of production and sale of broiler chickens' meat: from production of hatching eggs and combination fodder to processing and sales of finished products. The structure and key processes of the Company are represented in the following diagram:



Prospects for Development

The Company is implementing an investment project "Expansion of an industrial complex for production of broiler meat at the branch company "Servolux Agro" (CJSC "Servolux"). The project implies the construction of additional facilities, among them is a poultry farm for growing broiler chickens in the village Lezhnevka, Mogilev district. The project implementation started in 2008 with a planned completion of construction by the end of 2012. Along with a working capital increase such an expansion of industrial base will provide the output capacity of 50 thou. tons of poultry meat a year, with partial sales of products going for export.



Private meat processing company - CJSC "Belatmit"

Foreign Closed Joint Stock Company "Belatmit" was founded in 1999 by Latvian investors, and renamed in 2006 to a Joint CJSC "Belatmit".

In 2000, a modern plant for production of meat products and convenience foods was built in Bykhov. In February 2001 the first charge of products was produced.

In November 2002, a frozen food section was put into operation for production of prepared food. In 2005 the launch of a vacuum line enabled manufacturing of serving sliced food.

May 2006 was marked with launch of production of jerked and smoked sausages and the implementation of quality management system. In 2007 HACCP system was introduced that guarantees production of high quality and safe food.

In 2009, a new vacuum packaging workshop with modern equipment started its operation, also a modern laboratory was built.

Currently the range of products include around 300 items. About 10% of production is exported.

CJSC "Belatmit" acquired the status of "Partner of the National Olympic Committee of Belarus", it is also participating in event "Olympic Quality".

Title of the company	Closed Joint Stock Company "Belatmit"
Year of foundation	1999
Location	Bykhov
Investors	Latvia
Launch of production	2001
Investments	More than USD 10 mln.
Staff	600 employees



Agricultural enterprise for growing apples – JLLC "ARNICA"

A good example of successful foreign investments into agricultural sector is the activities of the joint Belarusian-Dutch-French enterprise "Arnica" in Mogilev district. JV "ARNICA" is an enterprise specialized in growing European varieties of apples in the territory of Belarus and implementing import-substitution project.

The history of the enterprise began in 2001, when the Belarusian, Dutch and French experts have joined forces for the implementation of the project. In spring 2002 laying of the first industrial park of the total area of 115 ha (in Mogilev district) took place; spring 2003 was marked with launch of the second industrial park of total area of 213 hectares and the manufacturing base of 16 sq. m. (in Mogilev), where the area of storage for apples takes 11 thou. sq. m. In September 2009, a land plot of 82 hectares was chosen for the establishment of another industrial park on the lands of the Mogilev region.

There is a steady trend showing growth of production of the Company. Products are sold both domestically and exported to Russia.

Title of the company	Joint Limited Liability Company "ARNICA"
Year of foundation	2001
Location	Mogilev region
Investors	France, Netherlands
Launch of production	2002
Investments	More than USD 5 mln.



Production of glassware - CJSC "Glass plant "Elizovo"

The history of joint Belarusian-Austrian CJSC "Glass plant "Elizovo" began in 2002 with the entry of Austrian company ATEC.

Rehabilitation of production with modern, high-precision and high-tech equipment required more than USD 40 mln.

The company specializes in producing wide-and narrow-neck colorless glass containers with different types of capping, as well as a brown beer bottle. The product range includes over 30 items compared to four types of goods produced here before the creation of the Belarusian-Austrian CJSC "Glass plant "Elizovo".

Such products as glass bottles and jars are in the same success demand in both domestic and foreign markets. The company exports its products to CIS countries and abroad.

Products are certified in accordance with international standards ISO 9001 and HACCP.

CJSC "Glass plant "Elizovo" is the largest dynamically developing enterprise of the glass industry in the country. The company employs about 1000 people.

Title of the company	The joint Belarusian-Austrian Closed Joint Stock Company "Glass plant "Elizovo"
Year of foundation	2002
Location	Osipovich district
Investors	Austria, ATEC company
Investments	More than USD 40 mln.
Staff	1000 employees



Manufacturer of PVC window systems – JLLC "STL Extrusion"

JLLC "STL EXTRUSION" was registered as a resident of FEZ "Mogilev" in August 2007. The founders of the Company are companies from Lithuania, Cyprus and the UK. The main investment objective of the enterprise was setting up production of PVC-plastic window systems "MONT-BLANC".

To solve this problem in 2007 in the territory of FEZ "Mogilev" the Company acquired an unfinished block of shop floors with an administrative building, which for a long time hadn't been functioning and gradually destroying. During the reconstruction of production facilities the Company was purchasing and installing modern high-tech equipment.

As a result, the first pilot batch of products was manufactured in August 2008, which means that it took one year to set up production.

The main type of product is window system "Montblanc" of PVC. About 70% of products are sold for export, and the rest - at the domestic market. When the full capacity is reached the production volume will amount to more than 40 tons per annum.

Since the beginning of the company more than 250 jobs were created, about USD 23 mln. invested into fixed assets.

Title of the company	Joint Limited Liability Company "STL EXTRUSION"
Year of foundation	2007
Location	FEZ "Mogilev"
Investors	Lithuania, Cyprus, United Kingdom
Investments	More than USD 23 mln.
Launch of production	2008
Staff	250 employees




4. Investment Attractiveness– Mogilev region

Investment projects for implementation

Investment projects for implementation

Entertainment: construction of a water park in Mogilev

Project description	Key features	
<p>The project - construction of a modern year-round water park in Mogilev.</p> <p>Estimated project cost USD 7-10 mln.</p> <p>Designed for the simultaneous visit of 300-400 people.</p> <p>The complex is expected to include: 20-25 meter pool, children's pool, a variety of rides, a cafe or restaurant.</p> <p>For the construction of the facility an investor can be offered 4 sites, each of which is serviced by regular urban passenger transport, with an extensive engineering infrastructure.</p>	Phase of project implementation	Pre-investment phase
	Initiator of the project	Mogilev Regional Executive Committee: Management of Physical Culture, Sport and Tourism
	Total cost of the project	USD 7 mln.
	Expected annual net income	USD 0,53 mln.
Advantages of the project		
<p>No water parks in Mogilev region;</p> <p>The growing demand for sports and entertainment services;</p> <p>A growing tourist attractiveness of the Republic of Belarus;</p> <p>The development dynamics of the region;</p> <p>The popularity of water parks tours to neighboring countries;</p> <p>Growing incomes of the population;</p> <p>Inclination of population to diversify their recreation and entertainment activities.</p>		





Investment projects for implementation: PRUE “Mogilevhlebprom”

Information about the enterprise PRUE “Mogilevhlebprom”

The enterprise includes bread-baking plants in Bobruisk, Bykhov, Gorki, Klimovich, Kostyukovich, Mstislav, and Osipovich, as well as a factory in Mogilev. In 2009 revenues of the enterprise amounted to USD 153 bln. (more than USD 50 mln.).

The company supplies the bakery to the Mogilev region, and pastries are supplied to other areas of Belarus and CIS countries.

Technological line for production of grissini, taralli, torchetti and other similar products on the PRUE “Mogilevhlebprom” in Klimovich

Project description	Key features	
<p>The project - the installation of equipment for the cooking, preparation (lamination) and dough handling for production of traditional Italian products - grissini, taralli, torchetti, etc.</p> <p>The purchased set of equipment will complement the existing production line of boublik products at Klimovich bakery.</p> <p>The projected output is 360 tons per annum. Production will be in demand at the domestic market, since these are new products and are not produced yet by state-owned enterprises.</p> <p>Potential obstacles and risks:</p> <p>The risk level is low: PRUE “Mogilevhlebprom” has a strong financial position, good credit history; raw products will be supplied by Belarusian companies and dealers. There is an experienced and highly qualified personnel for the development of production. The sales market is guaranteed, since the output of import-substituting products is several times lower than volumes of similar products imported from outside the country.</p>	Phase of project implementation	Technical-economic proposal and justification
	Initiator of the project	Initiator-PRUE “Mogilevhlebprom”; Coordinator - Department of Bread of the Ministry of Agriculture and Food of the Republic of Belarus
	Total cost of the project	USD 1 mln.
	Project implementation/ payback period (years)	2/5
	Expected annual net income	USD 0,21 mln.



Investment projects for implementation: PRUE "Mogilevhlebprom"

Complex mechanized line for production of concentrate of kvass wort at PRUE "Mogilevhlebprom" in Krichev

Project description	Key features	
<p>Project - the organization of production of kvass wort concentrate with total output of 40 tones per month (100 kg / h) at Krichev bakery. This will start the manufacture of the basic raw material used for production of bread kvass, as well as for carbonated and noncarbonated soft drinks, demand for which is increasing annually.</p> <p>The line will ensure the whole production process: from rye malt used for production of concentrated kvass wort to bottling of the final product into different types of packaging. The projected output is 200 tons / year.</p> <p>Products will be used for the Company's own use as a raw product, as well as sold at the domestic and foreign markets, as it is currently produced in insufficient quantities.</p> <p>Trade policy:</p> <p>Consumers will be all factories of PRUE "Mogilevhlebprom" in Belarus, as well as other enterprises of the Department of Bread of the Ministry of Agriculture and Food of Belarus.</p>	Phase of project implementation	Technical-economic proposal and justification
	Initiator of the project	Initiator - PRUE "Mogilevhlebprom". Coordinator - Department of Bread of the Ministry of Agriculture and Food of the Republic of Belarus
	Total cost of the project	USD 0,7 mln.
	Project implementation/ payback period (years)	2/5
	Net income	USD 0,14 mln.

Setting up production of biscuits "Cracker" on complex mechanized lines of PRUE "Mogilevhlebprom" in Mogilev

Project description	Key features	
<p>The project - the installation of complex-mechanized production line for production of import-substituting products – biscuits "Cracker" with capacity of 350 kg/h at Mogilev production unit 1. The project will enable production of biscuit "Cracker" of various sizes, with various fillings, including butter biscuit, with inclusions and dressing (salt, poppy seeds, spices, etc.) The line will ensure the whole process: from preparation of raw products to various types of packaging.</p> <p>The projected output is 900 tons per annum.</p>	Phase of project implementation	Technical-economic proposal and justification
	Initiator of the project	Initiator - PRUE "Mogilevhlebprom". Coordinator - Department of Bread of the Ministry of Agriculture and Food of the Republic of Belarus
	Total cost of the project	USD 1,8 mln.
	Project implementation/ payback period (years)	1/5
	Net income	USD 0,22 mln.



Investment projects for implementation: PRUE "Mogilevhlebprom"

Organization of production of jams, fillings, toppings (including heat-stable ones) on the basis of fruit and vegetable raw products in the production line at PRUE "Mogilevhlebprom" in Klimovich

Project description	Key features	
<p>The project - the installation of complex-mechanized production line for production of jam, fruit paste, confiture, thick spread, fillings, toppings (including thermal stable ones) with capacity of 50 kg/h. The projected output is 120 tons/year.</p> <p>Vegetables, fruits and berries by local producers are planned to use as raw products. The line will ensure the whole production process: from raw material preparation to packaging of finished goods into transport or consumer packaging.</p> <p>Production will be used as a feedstock for both the company's own needs and the food industry, and for sale as a finished product.</p>	Phase of project implementation	Technical-economic proposal and justification
	Initiator of the project	Initiator - PRUE "Mogilevhlebprom"; Coordinator - Department of Bread of the Ministry of Agriculture and Food of the Republic of Belarus
	Total cost of the project	USD 0,5 mln.
	Project implementation/ payback period (years)	2/5
	Expected annual net income	USD 0,1 mln.



Construction of a separate-standing warehouse for wholesale and retail sale of bread and pastries in Mogilev

Project description	Key features	
<p>The project - the construction of a separate-standing warehouse equipped with modern storage systems using material handling equipment and software for all operations and accounting for the storage and distribution of confectionery, bakery products, alcoholic beverages and soft drinks, juices in the consumer packaging, produced by all enterprises of PRUE "Mogilevhlebprom". Purpose: wholesale and retail sale. Construction is planned to be carried out at the production unit 4 in Mogilev. Estimated area of the warehouse is 1000 m². The volume of sales of products through the warehouse will account for 4,000 tons per annum.</p>	Phase of project implementation	Technical-economic proposal and justification
	Initiator of the project	Initiator - PRUE "Mogilevhlebprom". Coordinator - Department of Bread of the Ministry of Agriculture and Food of the Republic of Belarus
	Total cost of the project	USD 1,2 mln.
	Project implementation/ payback period (years)	2/4
	Expected annual net income	USD 0,35 mln.



Investment projects for implementation: FEZ "Mogilev"


Construction of international transport and logistics center at FEZ "Mogilev"

Project description	Key features										
<p>The project is the construction of a modern international transport and logistics complex in the territory of FEZ "Mogilev" near Mogilev.</p> <p>Transport logistics has become a key element in implementing the country's transit potential. In order to attract additional volumes of transit cargo the Development programme of logistics system until 2015 was elaborated in the Republic of Belarus.</p> <p>The site is linked to the Mogilev ring road and Rail Saint-Petersburg-Odessa. Mogilev airport is located 25 km from the site. It is allowed to provide international flights and has the services of customs, border and sanitation control, as well as a network of customs and commercial warehouses and facilities for the handling, storage and shipment of goods by air, road or rail. International air routes linking North and West Europe with countries of Central and South-East Asia pass through the airport. PTO BELTAMOZHSEVRIS RUE MOGILEV BRANCH is located within a radius of 1 km.</p> <p>The distance to the border crossings with Russia: automotive - Koskovo/Klyukino 105 km, Zvenchatka/Ponyatovka 138 km, Smolky/ Belyani 172 km, Samotevichi/Medvedi 168 km; rail-road - Sheshterovka/Ponyatovka 136km, Zhurbin/Surazh 176 km. Distance from Mogilev to: Moscow - 610 km, Minsk - 220 km, Vilnius - 385 km, Kiev - 540 km, Riga - 681 km, Klaipeda - 705 km, Tallinn - 915 km, Warsaw - 735 km, Berlin - 1215 km.</p> <p>Implementation of the project in the FEZ "Mogilev" will improve its economic efficiency through incentives provided to residents of the FEZ (exemption from payment of import customs duties and VAT, certain turnover taxes, income taxes (within 5 years), some local taxes, etc. etc.).</p> <p>Setting up a transport and logistics center in the territory of FEZ "Mogilev" a potential investor will receive free access to the markets of Russia and Kazakhstan due to the establishment of the Customs Union of Belarus, the Russian Federation and the Republic of Kazakhstan.</p> <p>Common measures apply on the territory of these states: the customs and tariff regulation (tariff concessions, Common customs tariff, tariff preferences), and non-tariff regulation.</p>	<table> <tr> <td>Phase of project implementation</td><td>The site for the construction of transport and logistics center at FEZ "Mogilev" is defined of total area of 98.85 hectares adjacent to the city of Mogilev.</td></tr> <tr> <td>Initiator of the project</td><td>Administration of FEZ "Mogilev"</td></tr> <tr> <td>Total cost of the project</td><td>Defined by investor</td></tr> <tr> <td>Project implementation/ payback period (years)</td><td>-</td></tr> <tr> <td>Net income</td><td>-</td></tr> </table>	Phase of project implementation	The site for the construction of transport and logistics center at FEZ "Mogilev" is defined of total area of 98.85 hectares adjacent to the city of Mogilev.	Initiator of the project	Administration of FEZ "Mogilev"	Total cost of the project	Defined by investor	Project implementation/ payback period (years)	-	Net income	-
Phase of project implementation	The site for the construction of transport and logistics center at FEZ "Mogilev" is defined of total area of 98.85 hectares adjacent to the city of Mogilev.										
Initiator of the project	Administration of FEZ "Mogilev"										
Total cost of the project	Defined by investor										
Project implementation/ payback period (years)	-										
Net income	-										



Investment projects for implementation: light industry

Technical upgrading and modernization of production at CJSC "Mogilev Sewing Firm "Vesnyanka"

About the Company	Key features	
<p>CJSC "Mogilev Sewing Firm "Vesnyanka" is a member of the Bellegprom Concern. The factory was established on 1 July, 1929, by the order of Belshveytrest of the Council of People's Commissars. In the year 2000 it was transformed into CJSC "Mogilev Sewing Firm "Vesnyanka".</p> <p>CJSC "Vesnyanka" consists of primary production (4 sewing workshops, a research, preparatory and cutting ones), auxiliary workshops (mechanical, energy workshop, construction and transport area), as well as a finished product warehouse.</p> <p>Product of "Vesnyanka" - is a high quality top women's and men's clothing: women's demi-season and winter coats, jackets, suits, jackets, pants, skirts, dresses, sarafans, business style clothing for students.</p> <p>Sewing output in a shift is 150-170 coats, 250-280 jackets. The volume of output in 2009 - 288 thou. items (top men's and women's clothing). More than 80% of production is exported (mainly to Russia)</p> <p>The company has an extensive experience cooperating with foreign companies from Germany, America, Holland, Britain, Canada, Czech Republic. A significant part of services are provided to foreign companies on basis of raw materials supplied by customer.</p>	Phase of project implementation	Pre-investment phase
	Initiator of the project	CJSC "Mogilev Sewing Firm "Vesnyanka"
	Total cost of the project	USD 0,8 mln.
	Project implementation/ payback period (years)	1/4
Project description		
<p>The project - replacement of worn-out equipment, which will reduce work stoppage due to technical problems, reduce energy costs, improve productivity and competitiveness of the products.</p> <p>Products that will be made under the investment project: ready-made garments to the public (coats, suits, etc.).</p> <p>As a result of the project production volumes will increase to 415 thou. units.</p> <p>Projected sales markets: Belarus, Russia</p> <p>Net present value of the project will be about USD 0.17 mln., profitability index – 1.12, payback period is about 4 years.</p>		
		



Investment projects for implementation: light industry

The development of advanced technologies for the production of new types of textile fabric at OJSC "Bobruysktrikotazh"

About the Company

Open Joint Stock Company "Bobruysktrikotazh" specializes in production of knitted garments for sports and recreation, and produces a diverse range of products: suits, pants, jumpers, overalls, jackets, sweaters, underwear, shorts, tops for women, adolescents, and children, as well as specialized clothing with a logo of the customer in various fields of business.

Annually more than 500 models is produced. The volume of clothing for children in total output is 70%.

The company has new production facilities, equipped with modern knitting, finishing and sewing equipment with a high potential of knitting and finishing textile fabric, sewing knitted goods.

65% of production is sold at domestic market, and 35% - in the CIS countries. Quality of products is certified with the quality system requirements of ISO 9001.

In 2009, the company fabricated 925 thou. items (7% more than in 2008).



Project description

The aim of the project - the purchase of equipment for production of modern textile fabric, increased output, expanding the product range.

Product that will be produced within the investment project, its purpose - knitted high-quality products for adults and children using the cloths of new trendy textures with the attachment of elastomeric yarns.

The volume of production as a result of the project - 1008 thou. items per annum.

Projected sales markets - Republic of Belarus, the CIS countries.

Key features

Phase of project implementation	Pre-investment phase
Initiator of the project	OJSC "Bobruysktrikotazh"
Total cost of the project	USD 1,4 mln.
Project implementation/ payback period (years)	1/6



Investment projects for implementation: petrochemical industry – OJSC “Belshina”

About the Company

OJSC “Belshina” is one of the largest enterprises in Europe, producing over 200 nominal sizes of tires for cars, trucks, heavy trucks, road construction and lifting transport vehicles, electric motor vehicles, buses, tractors and agricultural machinery.

About 90% of tires produced are of radial design. All products (pneumatic tires) have been patented for two parameters: design and exterior. Belshina was the first works in CIS to master and mass-produce truck metal-cord tires.

The company includes: large-dimension tires works, car and truck tires works, super large-dimension tires works, mechanical works and other structures needed for production organization and products marketing, as well as social infrastructure.

The major local consumers of tires are largest manufacturers in the republic, like BelAZ PA, MAZ, MTZ, MZKT, Gomselmash RUE, Amkodor OJSC, and others.

Belshina has business mutually beneficial relations with 51 countries. The company’s products are sold not only in Russia and other CIS countries, but also in Europe, Middle East, Africa, as well as North and South America.

In 2009, revenues of the company totaled BYR 1,395 trln. (about USD 500 mln.) and profits - BYR 12,803 bln. (about USD 5 mln.). Average number of employees in 2009 amounted to 12,853 thou. people.

Investment project № 1. The main building of the Car and Truck Tires works. Technical re-equipment of production of all-steel truck tires

Project description	Key features												
<p>The aim of the project - increasing the range and volume of production of all-steel (AST) radial tires for trucks and buses, taking into account the needs of MAZ.</p> <p>The project implies the purchase of modern technological equipment and tooling for the production of truck OST radial tires.</p> <p>The project will be implemented during the period 2010 – 2013 and will increase the production of truck tires by 150,8 thou. units per year, as well as increase productivity, maintain and improve the competitive position of enterprises on domestic and foreign markets, and increase export potential. Project implementation does not require new construction works.</p> <p>Product that will be produced within the investment project, its purpose – products are to equip RUE “MAZ”, and to be used at vehicles of foreign production - «MAN», «Volvo», «Skania», «Mersedes» and others on the secondary market.</p> <p>The volume of production as a result of the project - projected output of AST radial tires on the new assembly equipment with capacity utilization at 100% will be 150,800 units per year.</p> <p>Projected sales markets – RUE “MAZ”, as well as for foreign vehicles - «MAN», «Volvo», «Skania», «Mersedes» and others on the secondary market.</p>	<table> <tr> <td>Phase of project implementation</td><td>Pre-investment phase. The business plan of the project has been elaborated, the design estimates and bidding documents for procurement of equipment are being developed.</td></tr> <tr> <td>Initiator of the project</td><td>OJSC “Belshina”</td></tr> <tr> <td>Total cost of the project</td><td>USD 19,9 mln.</td></tr> <tr> <td>Project implementation/ payback period (years)</td><td>3/6</td></tr> <tr> <td>Net present value (NPV)</td><td>USD 2,14 mln.</td></tr> <tr> <td>Internal rate of return (IRR)</td><td>11%</td></tr> </table>	Phase of project implementation	Pre-investment phase. The business plan of the project has been elaborated, the design estimates and bidding documents for procurement of equipment are being developed.	Initiator of the project	OJSC “Belshina”	Total cost of the project	USD 19,9 mln.	Project implementation/ payback period (years)	3/6	Net present value (NPV)	USD 2,14 mln.	Internal rate of return (IRR)	11%
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Project implementation/ payback period (years)	3/6												
Net present value (NPV)	USD 2,14 mln.												
Internal rate of return (IRR)	11%												



Investment projects for implementation: petrochemical industry – OJSC “Belshina”

Investment project № 2. Technical upgrading of OTR Tire Plant

Project description	Key features										
<p>The aim of this project is capacity expansion and diversification of bias and radial OTR tires with steel cord in carcass area, not yielding to tires from leading outside manufactures in technical aspects and corresponding to the demands of both Belarus industry and users from CIS and foreign countries.</p> <p>Technical re-equipment program includes the modernization and reconstruction of existing equipment, replacement of obsolete and outdated equipment to increase production, expand the product range, increase productivity, improve product quality and working conditions.</p> <p>The project will be implemented during the period 2011 - 2015.</p> <p>Possible limitations and risks:</p> <p>The most crucial risk that can influence the project implementation is price increase of raw materials.</p> <p>Product that will be produced within the investment project, its purpose – agricultural tires for wide use with low ground pressure for the assembly of agricultural production at RUE "MTZ" and PA "Gomselmash", as well as exploitation in the agricultural machinery of foreign producers.</p> <p>The volume of production as a result of the project – the input capacity according to the project is 35,9 thou. units per annum, including: 22 285 units of agricultural tires with bore diameter 28 "- 34" of the following sizes: 540/65R30; 600/65R28; 14,9R30; 540/65R34; 14,9R28; 21,3R30; 13,615 pcs. of agricultural tires with bore diameter 38 "- 42" of the following sizes: 710/70R38; 650/65R42; 580/70R42; 710/70R42; 650/65R38.</p> <p>Projected sales markets - expected sales as to the markets (with additional study): at the domestic market - 40% (assembly at RUE "MTZ" and PA "Gomselmash", the secondary market); for export - 60% (CIS countries and abroad).</p>	<table> <tr> <td>Phase of project implementation</td><td>Pre-investment phase. The business plan has been worked out</td></tr> <tr> <td>Initiator of the project</td><td>OJSC “Belshina”</td></tr> <tr> <td>Total cost of the project</td><td>EUR 40,4 mln.</td></tr> <tr> <td>Project implementation/ payback period (years)</td><td>5/6</td></tr> <tr> <td>Net income</td><td>Being worked out</td></tr> </table>	Phase of project implementation	Pre-investment phase. The business plan has been worked out	Initiator of the project	OJSC “Belshina”	Total cost of the project	EUR 40,4 mln.	Project implementation/ payback period (years)	5/6	Net income	Being worked out
Phase of project implementation	Pre-investment phase. The business plan has been worked out										
Initiator of the project	OJSC “Belshina”										
Total cost of the project	EUR 40,4 mln.										
Project implementation/ payback period (years)	5/6										
Net income	Being worked out										



Investment projects for implementation: machinery manufacturing Industry - OJSC «Bobruiskagromash»

Technical re-equipment of enterprise facilities aimed at the output of new agricultural machinery including unitized one with energy-saturated tractors

About the Company

Open Joint Stock Company "Bobruiskagromash" (originally — Bobruisk plant machinery for fertilizer) was built in 1974. Currently, it is one of the largest enterprises of the Republic of Belarus and CIS countries specialized in agricultural machinery.

The plant produces the following types of agricultural machinery: spreaders for organic fertilizers, disc spreaders for mineral fertilizers, machinery for preparation, storages and distribution of forages, complexes for preparation of a forage, hook-on tractors vehicles, machinery for flax harvesting as flax strip wrappers and other products.

The company sells its output to the markets of Finland, Denmark, Sweden, Germany, Canada, Argentina and other countries in Western Europe and Latin America. In particular demand in the markets of these countries are the machine for fodder storage.

In 2005 PRUE "Bobruiskagromash" was transformed into an open joint stock company "Bobruiskagromash".

Production output in kind in 2009 was 7 160 units of agricultural machinery.

Revenue in 2009 amounted to about BYR 184 bln.(USD 65 mln.). Profit of the enterprises was approx. BYR 31 bln. (USD 11 mln.). The company employs 2 780 people.

Project description

The aim of the project - is an increasing of the assortment, production volume and mastering of new products.

The project implies the acquisition and mounting of the paint line for frames by a jet spraying by means of airless spraying method, as well as modernization of harvesting-welding engineering and machining process engineering through the acquisition of a high-performance energy-efficient equipment.

Products to be produced in terms of the project implementation, their functions – semitrailers for distribution of solid organic fertilizers with a carrying capacity of 11, 15, 20, 24 tons; machines for distribution of liquid organic fertilizers with carrying capacity of 16 tones; machines for distribution of mineral fertilizers on the basis of automobile chassis wit carrying capacity of 6 tons; rotary mowing machines with a coverage of 6 and 9 m; aggregate for subsurface tillage with a coverage of 6 m; self-propelled feed distributors with a self-unloading mechanism; mobile grain dryers with a productivity of up to 350 tons per day.

Production volume as a result of the project – machinery and aggregates to the amount of BYR 79,0 – 96,0 bln. p.a. (USD 25-30 mln.)

Projected sales markets: the Republic of Belarus , CIS and Baltic countries.

Key features

Phase of project implementation	Pre-investment phase
Initiator of the project	OJSC «Bobruiskagromash»
Total cost of the project	USD 18,1 mln.
Project implementation/ payback period (years)	1/4
Internal rate of return (IRR)	34%



Investment projects for implementation: machinery manufacturing Industry - OJSC «Bobruiskselmash»

Reconstruction of the paint spray processing and assembly production

About the Company

OJSC "Bobruiskselmash" is one of the oldest producers of agricultural machinery and equipment in the Republic of Belarus.

The company produces the following products: grass working, harrows, mowing, trailers, semitrailers, seasonal equipment, equipment for MTZ-320.

In 2009 the company produced 1 951 units of equipment and aggregates.



Project description

The aim of the project is a mastering of new products, increasing of the assortment and production volume.

The project implies the performance of design work, building and assembly jobs, acquisition, mounting and fitting of high-technology equipment, introduction of new types of agricultural machinery.

Products to be produced in terms of the project implementation, their functions - unit ATSM-6, assigned for the pre-plant soil cultivation and drill sowing of cereals, leguminous plants with simultaneous granular phosphate fertilizer application; units ATM-6, ATDS-6 and ATD-7,5M, assigned for pre-plant soil cultivation, placement of organic and mineral fertilizers.

Production volume as a result of the project - a 167% increase in the average annual production of machinery and aggregates is planned; output of new machinery – from 50 up to 300 units p.a.

Projected sales markets: the Republic of Belarus, CIS countries, in distant and near foreign countries.

Key features

Phase of project implementation

Pre-investment phase

Initiator of the project

OJSC "Bobruiskselmash"

Total cost of the project

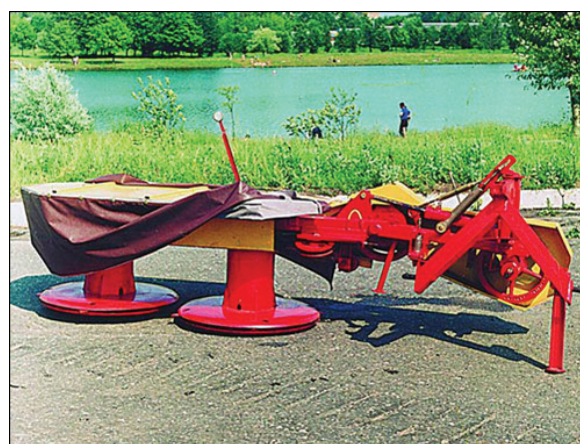
USD 5 mln.

Project implementation/ payback period (years)

1/5

Internal rate of return (IRR)

26%



Investment projects for implementation: dairy industry

Technical production re-equipment of OJSC «Babushkina Krynka»

About the Company

Babushkina Krynka OJSC is the Belarus' largest dairy producer. OJSC includes: parent company, 6 branches and a cheese production unit, located in the towns of a Mogilev region.

The enterprise revenue in 2009 amounted to BYR 340 bln. (about USD 121 mln.), the profit - BYR 17,7 bln. (about USD 6,3 mln.). Average number of employees - 1 294 people (as of January 1, 2010).

The main products of OJSC «Babushkina Krynka» are: dry fat-free milk, butter, cheeses: semi-hard and hard, soft cheeses, whole milk products: kefir, sour cream and cream, curd, drinking yoghurts and yoghurt products; chocolate-glazed curd bars, ice-cream; mayonnaise; whole milk substitute (WMS).

Babushkina Krynka makes over 250 kinds of dairy products that are sold under the following three brands: Babushkina Krynka, Happy Grandchildren and Life Energy on the territory of Republic of Belarus and abroad.

OJSC "Babushkina Krynka" output is being delivered to all regions of Belarus, as well as the markets of Russia (Smolensk, Bryansk, Moscow, St. Petersburg), Ukraine, Poland, Germany, France, Egypt, Pakistan and the Philippines.



Output, tons	2007	2008	2009
Cheese semi-hard	2 257	5 616	6 072
Whole milk products	87 465	85 883	82 231
Dry fat-free milk, dry whey, WMS	10 747	12 940	14 708
Butter	5 471	6 123	7 753

Project description

As a result of the project implementation the assortment will be expanded; the production of new types of products being in high demand (curd grain) will be mastered, output and quality of whole milk products will be increased, also it will be possible to increase the production of dry milk products, including cheese whey.

Products to be produced in terms of the project implementation: UHT-milk, grain cheese (grain + cream), dry cheese whey. Production of these types of products is designed to saturate the market of the city and region with new kinds of products as well as to increase export volumes.

Production volume as a result of the project:

UHT-milk	Grain cheese
5 500 tons	1 440 tons
BYR 9 567 mln.	BYR 11 865 mln.

Projected sales markets: the Republic of Belarus and Russian Federation

Key features

Phase of project implementation	Pre-investment phase
Initiator of the project	OJSC "Babushkina Krynka"
Total cost of the project	USD 2,8 mln.
Project implementation/ payback period (years)	2/5
Net present value (NPV)	USD 4 mln.
Internal rate of return (IRR)	39%



Investment projects to be implemented: meat industry

Construction of an abattoir department at OJSC "Bobruisk meat processing plant"

About the Company

Bobruisk meat processing plant was founded in 1931. In 2002 the enterprise was transformed into OJSC "Bobruisk meat processing plant". The founders are the Mogilev Regional Executive Committee, and individuals.

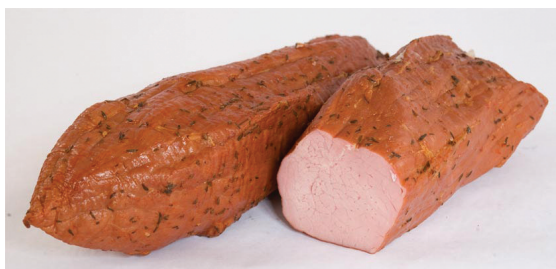
It's assortment list includes more than 400 items of meat: sausage, smoked meat, meat semi-finished products as well as food and technical fats.

Production volume in 2009 amounted to 13.7 thou. tons (an increase compared with 2008 by 8,7%).

The company has implemented a quality management system certified in accordance with the requirements of ISO 9001-2008 (ISO 9001:2008), as well as the quality management system of foods based on the principles of HACCP.

Output product is being sold both at the domestic market (55%) and at the foreign market (45%). The main trade partners are: Russia (98%), Moldova, Lithuania, Czech Republic, Estonia, Poland. In the first half of 2010, exports totaled USD 9.5 mln.

The company has its own sales network. In October and December 2009 two brand shops were opened in the city of Kaluga, Russia.



Project description

During the reconstruction of the company the construction of an abattoir department with the installation of the line of porker slaughter with a throughput 100 porkers per hour and the line of cattle slaughter with a throughput 40 cattle per hour, casing processing lines, equipment for fat processing and other servicing equipment is being planned.

The reconstruction includes the lair, diseased animal slaughter house, treatment plants.

Products produced in the abattoir department will be used for further industrial processing and sale on the domestic and foreign markets.

Output to be produced in terms of the project: pork, beef, processed by-products, edible fats, wet-salty skins.

The production volume will increase to 28 thou. tons due to the implementation of the project.

Projected sales markets: the Republic of Belarus, Russian Federation, Ukraine, Kazakhstan, Moldova, Lithuania, Czech Republic, Estonia, Poland, Italy.

Key features

Phase of project implementation	Pre-investment phase
Initiator of the project	OJSC "Bobruisk meat processing plant"
Total cost of the project	USD 4,5 mln.
Project implementation/ payback period (years)	-/4
Internal rate of return (IRR)	24%
Profitability index (PI)	1,38

Sources

1. *The Belarusian national statistics committee (reports and publications);*
2. *The Ukrainian state statistics committee;*
3. *Federal state statistics service (the Russian Federation);*
4. *EUROSTAT;*
5. *National statistics committee of Latvia (Centrālās statistikas);*
6. *National statistics committee of Poland (Główny Urząd Statystyczny);*
7. *Statistics department of Lithuania (Statistikos departamento);*
8. *Executive Committee of Mogilev region;*
9. *National Bank of the republic of Belarus;*
10. *IMF official site (<http://www.imf.org/external/russian/index.htm>);*
11. *EBRD official site (<http://www.ebrd.com/russian/pages/homepage.shtml>);*
12. *World Bank's official site (<http://www.worldbank.org/eca/russian/>);*
13. *Official site of «Index of Economic Freedom» organization (<http://www.heritage.org/index/>);*
14. *Official site of «Doing Business» project (<http://www.doingbusiness.org/>);*
15. *Official site of «The World Economic Forum» organization (<http://www.weforum.org/en/index.htm>);*
16. *Official site of Standard & Poor's agency (<http://www.standardandpoors.ru/>);*
17. *Official site of Moody's agency (<http://v3.moodys.com/Pages/default.aspx>);*
18. *Free Economic Zone «Mogilev» (<http://fezmogilev.by/>);*
19. *Property Fund of Mogilev region (<http://www.region.mogilev.by/ru/node/8400>);*
20. *Ministry of Taxation of the Republic of Belarus (<http://www.nalog.by/>).*

The investment guide of Mogilev region is developed by UNITER Investment Company.

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