DISCOVER BELARUS
THE LAND FOR LONG-TERM PARTNERSHIP

Why Belarus?

- Recovering economy — increasingly stable and opening up
  Competitive taxation conditions

- Transport infrastructure push
  Industrially developed economy
  Strategic hub location on the New Silk Road

- Commitment to new generation of Free Trade Zones
  Wants to consolidate impressive recent performance in global capital markets

- Strategically well positioned as a major trading route between Europe and the CIS
  Fiscal and monetary discipline
  Great Stone Industrial Park
  Competitive investment conditions

- Highly skilled workforce Coincides with big FDI push
Belarus is on the Path to Economic Growth

- **Real GDP Growth % Y-o-Y**
  - 2012: 1.7%
  - 2013: 1.0%
  - 2014: 1.7%
  - 2015: -5.8%
  - 2016: -2.5%
  - 2017: 2.4%
  - 2018: 5.7%

- **Low Inflation CPI, % Dec / Dec**
  - 2012: 21.8%
  - 2013: 16.5%
  - 2014: 16.2%
  - 2015: 13.0%
  - 2016: 12.0%
  - 2017: 10.0%
  - 2018: 3.2%

- **54.3 bn USD Foreign trade turnover (2018)**
- **10 % Refinancing rate (October 2018)**
- **147 % FDI growth (2015)**

**GDP Composition by Sectors**
- Construction 5%
- Agriculture 8%
- Services 31%
- Transport 6%
- Trade 10%
- Industry 27%
- Net taxes on production 18.4%

Developed Investment Legislation

- **Doing Business Index**
  - 2006: 106
  - 2006: 50
  - 2018: 50

  **66 AGREEMENTS on assistance in the mutual protection of investments**

  **69 AGREEMENTS on avoidance of double taxation**

Belarus is placed the 6th among the most reformative countries according to **Doing Business Report 2018**
Mechanical engineering industry

Industrial Output Index 2017

machines and equipment 126.5%  computers, electronics, optical instruments 106.7%  electric equipment 105.5%

In 2017, the export of mechanical engineering products rose by around 22% to 5.3 bn USD.

Belarusian mechanical engineering products were sold to 90 countries.

The world's largest dump truck BELAZ has hit the Guiness Book with world records twice.

Each 10th tractor in the world is "BELARUS"
**Mechanical engineering industry**

- Optoelectronics and optical systems
- Production of cars and agricultural machinery
- Robotics, intelligent control systems
- Production of auto components
- Technologies of electronic instrument making, microelectronics, radio electronics, microwave electronics, electrical engineering
- Perspective building technologies and metal structures
- Precision machines and tools

**Agriculture**

Investors see the **undoubted advantages** of investing in the agriculture of Belarus due to in-country agribusiness development.

- 41.1% agricultural land
- 3rd world exporter of butter
- 5th world exporter of milk
- 10th world exporter of cheese

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<tr>
<th>Preferential credit resources attracted for the implementation of agricultural projects (from 3% per annum)</th>
<th>Single tax for producers of agricultural products (1% of revenue)</th>
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<td>State support for the construction of infrastructure (roads, communications)</td>
<td>VAT of 10% on agricultural products, lack of income tax and property tax</td>
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Agriculture

Construction of an energy-saving greenhouse at Combine "Vostok" OJSC

Organization of a new semi-finished meat products processing at Bobruisk Meat Processing Plant OJSC

Production of dried potato flakes at Combine "Vostok" OJSC

Woodworking

Forests cover almost 40% of the country's territory

Belarus ranks among top 10 forest states of Europe

Dynamics of indicators of the forest fund of the Republic of Belarus
Chemical technologies, petrochemistry, textile

Petrochemical and chemical industry makes up around 23% of industrial production of Belarus.

Growth rate of export amounted to 113% to the level of 2016.

Textile production in Belarus is the largest in Eastern Europe and among the largest in Europe.

Belarus is the 4th country worldwide in the production of linen, exporting more than 50% of its total production.

Chemical factories for investment cooperations

Textile factories for investment cooperation

Transport and logistics infrastructure

87,634 km hard-surface road

86.3% coverage level of high-quality roads

2,983 km crude oil line

7,920 km gas pipe line

5,491 km railway lines

754 km oil-products pipeline

11,657 km transfer pipeline
Infrastructure

FEZ GRODNOINVEST
- 4 seaports within 400 km
- 6 border crossings with a total capacity of more than 3,600 vehicles per day
- 3 international airports within 300 km

BREMINO-ORSHA
- 4 international airports within 500 km
- 4 seaports within 800 km
- 16 international container rail routes

FEZ BREST
- 4 seaports within 400 km
- 6 border crossings with a total capacity of more than 3,600 vehicles per day
- 3 international airports within 300 km

Eurasian Economic Union

634.3 bn $ turnover of EEU with third countries

183 mln customers of EAEU

24.5% growth of export in 2017

49.8% export to the EU countries

40.6% import from the EU countries

520 mln customers
**Great Stone Industrial Park**

- **Income Tax**
  - (for 10 years, 50% until 2062)
- **Land Tax** (until 2062)
- **Immovable property tax** (until 2062)
- **Customs VAT and taxes**
- **Dividend tax** (until 2062)

**Number of registered residents**

- 2016: 2
- 2017: 5
- 2018: 8

**International Park**

Investors from:
- Belarus
- The USA
- Lithuania
- China

- **Electronics, life sciences, biotechnologies, mechanical engineering, new materials, logistics, e-commerce, data storage, R&D**
- **Minimum investments of 0.5 mln USD**
- **Other benefits**
  - Ownership of land, personal income tax 9%

**Great Economic Zones**

**Investment agreement with Belarus**

**Small towns and rural areas**

**Hi Tech Park**
Free Economic Zones

Exemption from income tax payment during 10 years. After 10 years, the tax is paid at a rate reduced by 50%.
Exemption from real estate tax in relation to buildings and constructions located on the territory of the Free Economic Zone.
Exemption from payment when making a lease agreement for the plots of land that are given without holding auctions.
Exemption from rent payment for 5 years for the plots of land provided for the construction of facilities.

Share of FEZ residents in key macroeconomic indicators of Belarus for January-June 2018

Investment agreement

The investors are allowed to carry out construction work stipulated by the investment project and simultaneously develop design estimates and have them evaluated and adopted at each stage of construction.

- Exemption from customs duties and VAT payments when importing technological equipment;
- Deduction of paid VAT;
- Provision of a land plot without holding an auction, which exempts the investor from payment for the right to conclude a lease agreement and from payments for the construction of facilities.

Dynamics of investment agreements

Structure of investment agreements
**Small towns and rural areas**

- Corporate Income Tax (for the period of 7 years)
- Real Estate Tax (for the period of 7 years)

**Hi Tech Park**

- Real Estate Tax
- Corporate Income Tax
- Land Tax (3 years)
- VAT
- VAT, arising when foreign organizations provide HTP residents with marketing, advertising, consulting and some other services
- Offshore Tax on Dividends
- Foreign entities’ income tax rate, with respect to the income from carve-out of stocks, shares in authorised capital, participatory interest in HTP residents’ property, as well as royalties, earnings from advertising services and other kinds of income, paid by HTP residents.
- Providing services globally to 60+ of Fortune’s 200 Largest companies
- 91% of the software products of HTP are exported
Highly skilled workforce

Global Talent Index
Belarus 8th
Lithuania 12th
Russia 15th
Ukraine 24th

European Innovation Scoreboard
Belarus 28.5%
Ireland 20.1%
Switzerland 17.7%
Germany 14.4%
Poland 9.6%

Human Development Index
Belarus 53rd
Kazakhstan 58th
Georgia 70th
Ukraine 88th

98% of population has higher, professional and secondary education

“Why Belarus? Two words – SMART PEOPLE. Belarus has a reputation of a country with a high scientific potential”
Eliff Reeves, General Manager of Microsoft New Business - Models Development

Visa-free travel to Belarus

from JULY 27

30 days
80 states

EU countries
Australia
Argentina
Brazil
Canada
Japan
Korea
New Zealand
Peru
Singapore
UK
USA
One of your team

Tailored in-depth country, market and industry insights, legal framework, intros with key market players and governmental institutions.

- Site and investment project selection
- Site visits, introduction to peer companies, government authorities, preparation of detailed site visit agendas for location assessment process
- Lobbying for greater governmental support, promotion, assistance with PR and marketing strategies before, during and after the project announcement
- Providing guidance on the establishing a business in Belarus, solution providing
- Personal supporting throughout the investment process

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FREE ON CHARGE

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SUCCESS STORIES

What attracts us in Belarus is raw materials, high educated staff, and those doing business conditions set up by the government. And from logistic point of view Belarus enjoy a perfect location. Stability is a factor that cannot be underestimated too.

- Peter Kaindl, Kronospan
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