The Republic of Belarus has a number of competitive advantages in attracting investments.

Ten Reasons to Invest in Belarus

1. **Beneficial Geographic Location**
The Republic of Belarus is a vital multimodal Eurasian continental bridge. Two Pan-European transport corridors (“North-South” and “West-East”) pass through the territory of Belarus.

2. **Direct Access to the Market of EAEU, Proximity to the EU Market**
The unmatched advantage of investing in Belarus is direct access to the Eurasian Economic Union market.

3. **Highly Skilled Workforce**
Belarus is among the countries with high level of education, 90% of Belarusians have higher, secondary or basic education. Annually the education system prepares about 140,000 skilled workers and specialists for the labour market. The vocational training system produces skilled workers who are capable of working in different sectors of the economy.

4. **State Protected Rights of Investors**
The Republic of Belarus has created necessary legal environment for foreign investors to operate. Belarus ensures equal and non-discriminatory protection of investors’ rights and legitimate interests regardless of the form of ownership or national status.

5. **Attractive Investment Climate and Preferential Tax Regimes**
The investors are offered special customs, registration and tax regimes applicable to free economic zones, medium and small-sized towns, rural areas, Hi-Tech Park, “Great Stone” Industrial Park. A special legal regime provides enterprises with an opportunity to work in a particularly favorable environment.

6. **Assistance available to Businesses and Investors**
The Republic of Belarus carries out ongoing reforms aimed at economic liberalization and improvement of the investment attractiveness. The laws and regulations of the country cover all modern investment schemes from establishment of enterprises with foreign capital or joint ventures to concession agreements.

For investor servicing or facilitation, the National Agency of Investment and Privatization was established and Investment Agents operate in the country.

7. **Developed Logistics Infrastructure**
Belarus has a wide network of motor roads, railways and airways. The motor roads network is comprised of over 87,000 km. The road freight transport accounts for 25 billion tonne-kilometers. The length of railway network is 5490 km.

The program for improving logistics and transit capacity is being implemented.

8. **Unique Privatization Opportunities**
More than 50% of enterprises remain state owned. This has enabled to ensure their timely support, increase their manufacturing potential and international competitiveness.

Today Belarus is interested in boosting the process of privatization. Currently the National Agency of Investment and Privatization with the help of the World Bank implements modern approaches and tools that are in line with the best international practices. This enables to establish open privatization conditions understandable to foreign investors.

9. **Stability and Safety**
Belarus is one of the few states in Eastern Europe that doesn’t have either active or frozen conflicts. Belarus has neither territorial nor any other sort of disputes with its’ neighbours, as well. Intercultural and interfaith peace and harmony remain real achievements of the country.

10. **Good Quality of Life**
Being of high quality, the living costs, housing costs, educational expenses and prices for cultural events in Belarus are lower than in most countries of Western or Eastern Europe. Developing industrial and social infrastructure, Belarus has managed to preserve a unique eco-environment. Belarus ranks 35th of 180 countries in the 2016 Environmental Performance Index, which is based on the effectiveness of measures taken to protect human health and country’s ecosystems.
Since 2010, Doing Business Ranking recognizes the improvements in business environment of Belarus. Currently, Belarus ranks high not only among the countries of the region, but also among the EAEU countries and global leaders.

Belarus gradually reforms its national legislation in order to improve conditions for doing business.

<table>
<thead>
<tr>
<th>Indicator</th>
<th>The Republic of Belarus</th>
<th>The Republic of Poland</th>
<th>The Russian Federation</th>
<th>The Republic of Kazakhstan</th>
<th>The United States of America</th>
</tr>
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<tbody>
<tr>
<td>Country’s position in general ranking</td>
<td>38</td>
<td>27</td>
<td>35</td>
<td>36</td>
<td>6</td>
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<tr>
<td>Starting a business</td>
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<td>Dealing with construction permits</td>
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<td>41</td>
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<td>52</td>
<td>36</td>
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<tr>
<td>Getting electricity</td>
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<td>12</td>
<td>17</td>
<td>37</td>
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<tr>
<td>Protecting minority investors</td>
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<td>51</td>
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<td>1</td>
<td>42</td>
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<tr>
<td>Trading across borders</td>
<td>30</td>
<td>1</td>
<td>100</td>
<td>123</td>
<td>36</td>
</tr>
</tbody>
</table>

In 2015—2016, foreign investment inflow in the real sector of the Belarusian economy was $15 billion.

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To enhance business activity and attract investments, the following acts and regulations have been adopted:

- Law of the Republic of Belarus as of July 12, 2013 No 63-Z "On Concessions";
- 2016—2030 National Infrastructure Plan addressing the country’s long-term infrastructure needs.

According to UNITER, the investment company, it is expected that in Belarus the number of investment transactions in the banking sector, IT sphere, commercial property, transport, logistics, food industry will increase in the near future.
Guarantees for Investors

Among key priorities of the national investment policy of Belarus is the attraction and effective realization of investments.

Foreign investors are provided with guarantees at national level and under bilateral agreements concluded between Belarus and other countries.

Currently, there is a well-established practice of the application of 62 agreements for the Avoidance of Double Taxation and 58 Investment Promotion and Protection Agreements, including those concluded between Belarus and Austria, China, Czechia, Finland, Germany, Great Britain, Italy, the Republic of Korea, Latvia, Lithuania, Poland, Sweden, Switzerland, Turkey, etc.

The Law of the Republic of Belarus as of July 12, 2013, “On Investments” ensures:

- Unconditional transfer of the legally derived profit and income from Belarus provided that all taxes and levies applied under the Belarusian law have been paid;
- Exclusive rights to intellectual property assets;
- The right to be allotted land plots for use, lease, private ownership in compliance with the Land Use and Protection Act of the Republic of Belarus;
- The right to incorporate in the territory of the Republic of Belarus companies of any organizational and legal forms in compliance with the Belarusian legislation, regardless of the investment amount;
- Benefits and preferences for those investing into priority activities;
- The right to attract and employ skilled workers from abroad;
- The right to conclude investment agreements with the Republic of Belarus;
- Protection of property against nationalization and requisition;
- The right to the pre-trial dispute settlement procedure.

Support for Investors


Main Services

- Organization of visits to Belarus, including assistance in obtaining visas;
- Provision of information on investment opportunities, preferential regimes and benefits, state programmes for sectoral support and development, investment decision making procedure;
- Selection of investment objects and providing assistance in choosing the best option;
- Gathering and analyzing information on investment objects that the investors are interested in;
- Organization of meetings essential for investment decision making, including those with market regulators, representatives of relevant ministries, local authorities, key market players and potential partners;
- Addressing the problems investors face during the implementation of investment projects.

Main Functions

- To draft proposed policy changes to improve investment related legislation;
- To carry out an evaluation of legislation applicable to the activities of commercial organizations with foreign investments;
- Making proposals to the governmental bodies to repeal or modify regulatory and legal acts restricting investors’ rights, as well as adopt new acts to attract foreign investments in the Republic of Belarus.
Great Stone Industrial Park

China Belarus Industrial Park Great Stone is a special economic zone created by the Republic of Belarus and the People's Republic of China.

The China-Belarus Industrial Park is a territorial entity with the area of approximately 80 sq. km with a special legal status and favorable conditions for doing business and investments.

On the territory of the Park the following objects are under construction:
- production area,
- logistics zone,
- residential area,
- offices,
- financial center,
- research center.

Priority development areas are as follows:
- mechanical engineering,
- electronics,
- fine chemistry,
- biotechnology,
- new materials,
- logistics.

Prerequisites for the industrial park creation:
2. Direct Chinese investments into the real sector of the Belarusian economy in 2012—2016 was $497.3 mln, which is seven times higher than in 2007—2011.
3. In 2011 there were 27 Chinese enterprises in Belarus, and by January 1, 2017 their number has reached 72.*

Benefits for Investors
- A special legal regime with a system of preferences, including taxation, is established for the park residents for 50 years.
- The residents of the park are exempt from all corporate taxes during the first 10 years following their registration and are guaranteed reduction of current tax rates by 50% during the subsequent 10 years.

For the sake of investors, it is planned to form a separate and independent state administration body which will carry out administrative end-to-end servicing and will act as a one-stop-shop.

To be eligible for the preferences one must be a park resident with a relevant investment project focused on core activities of the park. The hi-tech project must have an investment of at least $5 mln. Any company regardless of the country of capital origin may act as a resident of the industrial park, provided that the company meets the above requirements.

Hi-Tech Park

Hi-Tech Park (HTP) is one of the most successful projects of economic stimulation implemented in Belarus.

Legal regime of HTP is based on the principle of extraterritoriality, i.e. eligible companies can be located anywhere in Belarus and enjoy the same rights and benefits as physical residents of the HTP.

Currently a new concept of HTP development is being formulated to ensure the best competitive conditions in the country.

In 2016, the software production totaled $899 mln, achieving an annual growth rate of 119%.

In 2016, HTP exports increased by 16%. The export share in total production volume exceeds 91%.

* According to Belstat

HTP Customers*

49.1% Western European Countries
44.0% U. S. and Canada
2.8% Other countries
4.1% CIS countries

* According to HTP (as of 01.01.2017)
There are 6 free economic zones in Belarus (FEZs) with special customs and tax regimes.

**Brest FEZ**
- Established in 1996
- Number of Residents: 78
- Number of Employees: 21,000
- Export Volume in January—June, 2017: $319.6 mln*

Brest FEZ plays an important role in increasing export potential of the region. In 2016, export volume was over $500 mln. The export geography covers 65 countries.

The key objectives of Brest FEZ are to set up high-tech enterprises engaged in pharmaceutical, automotive, radio-electronics, mechanical engineering and other industries.

**Gomel-Raton FEZ**
- Established in 1999
- Number of Residents: 81
- Number of Employees: 26,000
- Export Volume in January—June, 2017: $394.0 mln*

Gomel-Raton FEZ provides all-round support to investors and has all facilities necessary for foreign investors to start an effective business.

The residents of FEZ are high-tech enterprises engaged in radio electronics, instrument making, machine-building, electrical engineering and cable industry. The enterprises enjoy free production areas, warehouses, developed infrastructure, engineering services and utilities.

**Vitebsk FEZ**
- Established in 1996
- Number of Residents: 37
- Number of Employees: 10,000
- Export Volume in January—June, 2017: $178.2 mln*

The key branches of industrial complex are light industry and wood processing, machine building, electronics and electrical engineering, furniture manufacturing and food processing.

The well-developed transport network makes Vitebsk FEZ attractive to manufacturers focusing their export efforts on the markets of Russia, the Baltic States, Scandinavia and Central Europe.

**Grodnoinvest FEZ**
- Established in 1998
- Number of Residents: 69
- Number of Employees: 16,000
- Export Volume in January—June, 2017: $254.8 mln*

During the period of its’ functioning, Grodnoinvest FEZ has welcomed investors from 35 countries who have set up enterprises manufacturing high-quality products that are in demand in Belarus, Russia and other countries.

Among Grodnoinvest priorities are the production of chemical and petrochemical products, machinery, construction materials, power generating units, the construction of transport and logistics center.

* According to Belstat
Investment Opportunities

Minsk FEZ

www.fezminsk.by

Established in 1998

Number of Residents 113

Number of Employees 22 000

Export Volume in January—June, 2017

$ 465.5 mln*

Today, Minsk FEZ is an industrial park with modern enterprises, developed transport and business infrastructure and utilities. Minsk FEZ is located not far from Minsk Beltway and "Berlin — Warsaw — Minsk — Moscow" transport corridor.

Main priorities of Minsk FEZ is the establishment of new enterprises, service development and creation of logistics centers.

Mogilev FEZ

www.fezmogilev.by

Established in 2002

Number of Residents 40

Number of Employees 23 000

Export Volume in January—June, 2017

$ 454.8 mln*

Today, Mogilev FEZ is a large industrial center with well-developed engineering and transport infrastructure, which includes a network of roads, railway lines, utilities.

Mogilev FEZ has already implemented a number of projects financed by investors from 12 countries including Russia, Germany, Austria, Great Britain, Lithuania and Turkey.

Promising spheres are machine-building, wood processing, chemical industry, power engineering, sewing and textile production.

* According to Belstat

Key Preferences for FEZ Residents

- Tax-exempt income within a period of five years following the income declaration date, since then a 50% reduction in income tax rate;
- The residents are entitled to an exemption of real estate taxes on the property located on the territory of FEZs;
- Work permits for foreign citizens and stateless persons are exempted from stamp duty;
- Exemption from land rent applicable within a design-and-construction period, but no longer than five years from the date of registration as a FEZ-resident;
- Financing of engineering and transport infrastructure required to implement a FEZ resident’s investment project with the declared amount of more than EUR 10 mln is prioritized and funded through the State Investment Program and by local budgets of the corresponding FEZ within the next financial year.