

INVESTMENT PROPOSAL

“Production of reclaimed rubber in “Mogilev” FEZ”



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BUSINESS

- Reclaimed rubber is a pliant product of rubber processing (used tires and rubber technical products, vulcanized waste), which can be used for revulcanization. It is one of the components of rubber compounds and is used as a substitute for natural rubber.
- The use of reclaimed rubber allows to reduce the consumption of natural rubber and bring down the cost of products.
- In the Republic of Belarus reclaimed rubber is not currently produced.
- The distinguishing characteristic of the project lies in the use of high-performance, innovative technical solutions and equipment, which are based on the use of patented technologies.
- Rubber-containing waste and rubber crumbs produced by Belarusian enterprises will be used as the main raw material.
- The end user of the product is in close proximity.



Output of product	2.4 - 3.6 thousand tonnes per year
Price	\$400 - 450 per 1 tonne of reclaimed rubber
Sales revenue	\$1,600 thousand per year
Sales	local market – 48%, export - 52%
Net profit	from \$150 thousand during the first year to \$430 thousand at full capacity
Product profitability	30%
Total amount of investments	\$940 thousand

Product	Reclaimed rubber
Fulfilled steps	<ul style="list-style-type: none"> - A detailed business plan has been developed; - An industrial building has been purchased within the boundaries of the “Mogilev” FEZ, a water supply system has been installed, a boiler house has been built. There is a railway line in the immediate vicinity; - Pre-project work with the engineering organization has been conducted; - Contracts for equipment supply have been concluded (innovative production technology from the inventor has been acquired); - An agreement of intent has been signed with Belshina, JSC for the purchase of reclaimed rubber; - Samples of reclaimed rubber have been obtained using the inventor's equipment; - The results of experimental studies of the reclaimed rubber for compliance with the required criteria have been obtained; - Supply of raw materials has been negotiated.
Required investments	\$650 thousand (for the purchase of equipment and reconstruction of the building to fit the technological process)
Investors	Investment funds or manufacturers from China, South Korea, Germany, Austria, Poland, etc.

Tax preferences

Profit tax
Not paid

Real estate tax
Not paid on the objects
within the territory of
“Mogilev” FEZ

**Rent payment for
land plots
(land tax)**
Not paid on the land
plots within the territory
of “Mogilev” FEZ

Customs preferences

Exemption from customs duties
on raw materials and equipment
imported to the territory of Free
Custom Zone (FCZ defined for
each resident individually)

Exemption from customs duties
on manufactured products being
exported outside the Eurasian
Economic Union

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