

TOURISM

REPUBLIC OF BELARUS



NATIONAL AGENCY
OF INVESTMENT
AND PRIVATIZATION

REPUBLIC OF BELARUS

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Country for long-term partnership

Belarus is located in the center of Europe and has a favorable transit, climatic and geographical location.

Belarus is a country with a rich cultural and historical heritage located at the crossroads of transit routes (Western Europe – Russia, Baltic states – Black Sea region).



KEY INDICATORS, 2018



USD/BYN = 2,09
exchange rate
may 2019

B/B/B3
credit rating
(S&P/F/M)

131%
FDI growth



9.5 MLN
population

1.99 MLN
capital – Minsk

207.6 thous. km²
territory

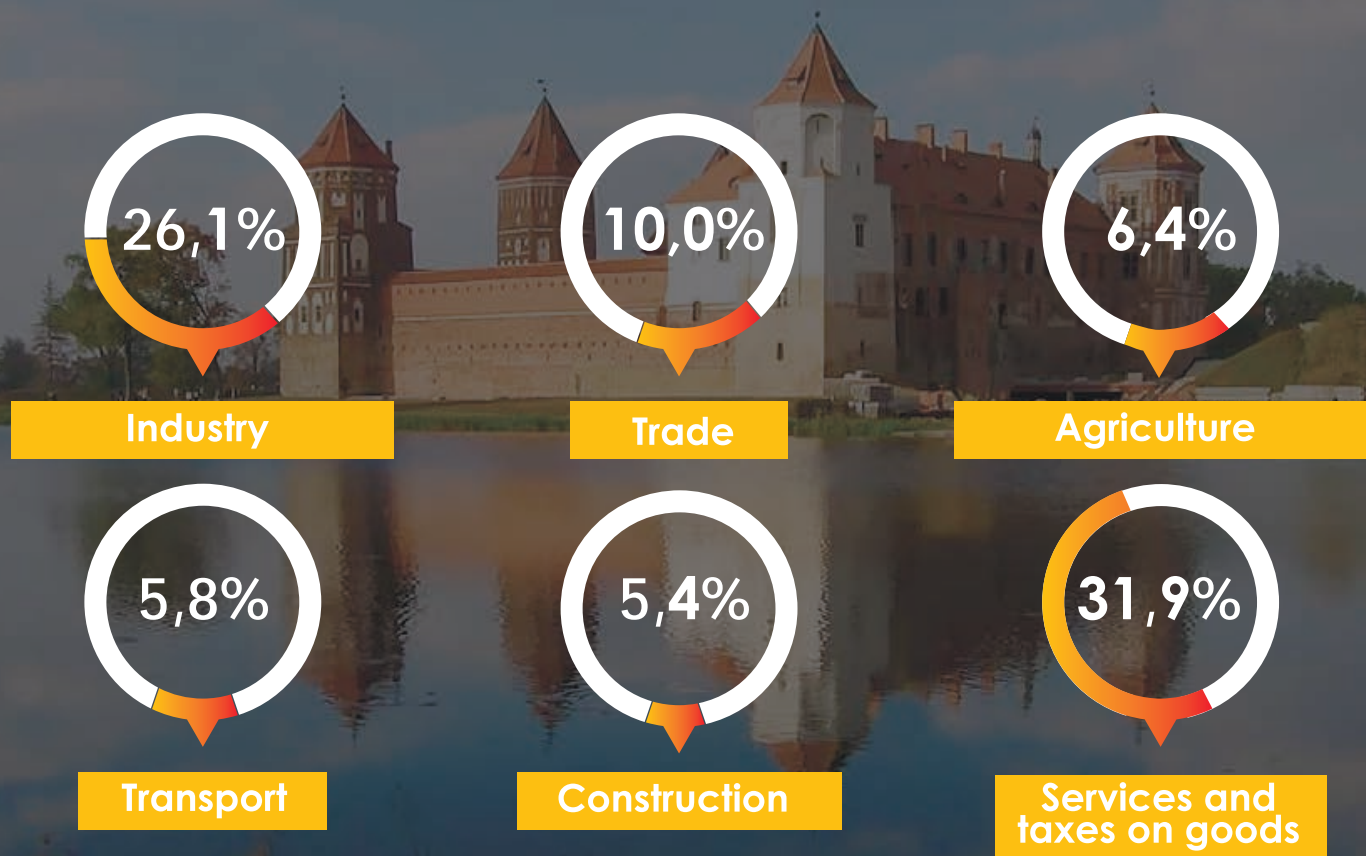


59.7 BLN USD
GDP

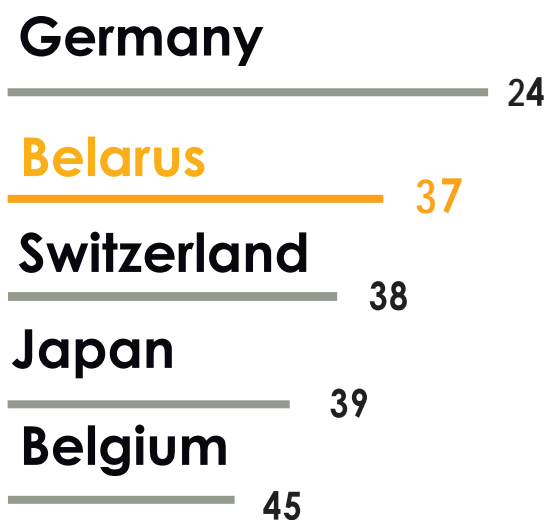
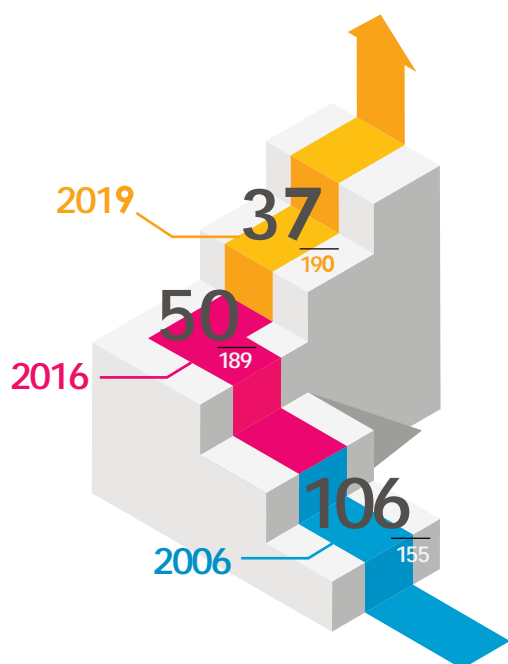
19.9 thous. USD
GDP, PPP

3.0%
GDP growth

GDP STRUCTURE BY SECTORS



DOING BUSINESS RANKING-2019



THE REPUBLIC OF BELARUS

GENERAL INFORMATION

The Republic of Belarus is located in Central and Eastern Europe. The average annual population on January 1, 2019 is 9,475,000 people.

The capital of Belarus is Minsk. The area of the territory is 207.6 thousand km² (42% of wooded land, 41% of agricultural land, 6% of surface water, including swamps, 11% of other land).

Belarus is divided into 6 regions (Brest, Vitebsk, Gomel, Grodno, Minsk, Mogilyov). Each region is divided into districts, cities and other territorial, administrative and economic units.

GEOGRAPHICAL POSITION

The length from north to south is 560 km, from west to east - 650 km.

Belarus borders five countries: in the West - Poland; in the North-West - Lithuania; in the north - Latvia; in the North, Northeast and East - Russia, in the South - Ukraine.

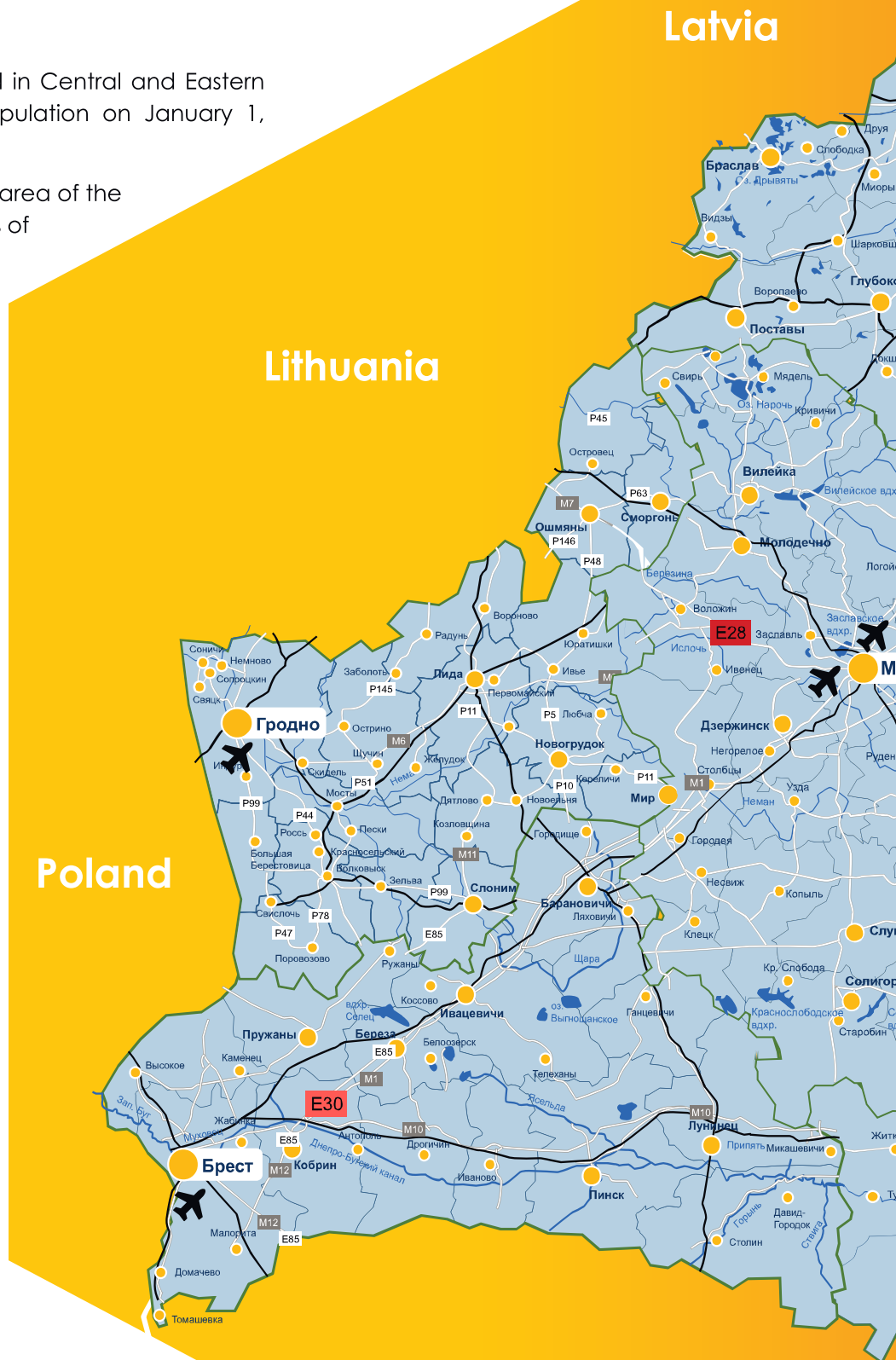
The minimum altitude above the sea level is 80-90 meters (valley of the Neman river, Grodno region). The maximum altitude above the sea level is 345 meters (Dzerzhinsk mountain, Dzerzhinsky district, Minsk region).

CLIMATE

Belarus has a temperate climate, mild and wet winters, warm and humid summers.

SIGHTSEEING ATTRACTIONS

Belarus has a significant number of historical cities in which temples, monasteries, palaces, castles, historical and cultural monuments are preserved.



The geographical position has historically obliged Belarus to be an international transit corridor connecting countries of the West and East, the regions of the Baltic and Black Sea coasts.

E30 (M1) highway is a section of the Cretan Corridor II, connecting France, Germany, Poland, Belarus and Russia.

E95 (M8) highway is a section of the Cretan Transport Corridor IX, connecting Finland, Lithuania, Russia, Belarus, Ukraine, Moldova, Romania, Bulgaria and Greece. The total length of the highway is 456 km.

E28 (M7) highway is a branch of the 9th Cretan Transport Corridor Kiev - Gomel - Minsk - Vilnius - Klaipeda - Kaliningrad, which provides access from the regions of Eastern Ukraine and Central Russia to the specialized seaports of Klaipeda, Ventspils and Kaliningrad. The length of the highway is 468 km. A significant potential demand for tourism services is associated with these transit flows.



Russia

LEGISLATIVE FRAMEWORK 

Nowadays Belarus implements a number of state programs in order to provide measures and means for the creation of modern tourism infrastructure in various regions of the country aiming at the formation and development of a modern competitive tourist complex, increasing the contribution of tourism to the development of the national economy.

-  settlements
-  administrative centers
-  international airports
-  area boundaries
-  railways
-  highways

TOURISM SECTOR

Currently, tourism is one of the fastest growing sectors of the economy worldwide. Over the last years in the Republic of Belarus there has been a trend towards the growth in the tourism sector.

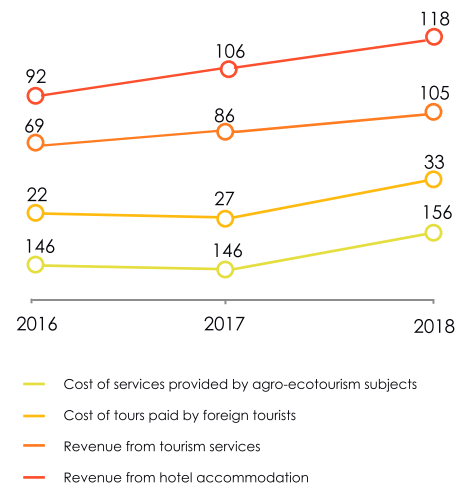
According to experts at the World Travel and Tourism Council (WTTTC), the share of the tourism sector in the country's GDP in 2018 was 6.4%. (+ 6.1% compared to the previous period).

IN 2017 CAPITAL
INVESTMENT IN TOURISM
SECTOR AMOUNTED TO
\$312.8 MLN



365.5
THOUSAND FOREIGN
TOURISTS VISITED
BELARUS IN 2018

PERFORMANCE INDICATORS OF TOURISM
DEVELOPMENT IN BELARUS, MLN \$



According to the World Travel and Tourism Council, in 2018 the employment rate of Belarusians in the tourism sector amounted to 263,900 people. According to forecasts, by 2029 the number of Belarusians employed in the tourism sector will reach 318,000 people.

According to WTTTC estimates, the average annual growth of investments for the period 2018–2028 is expected to be at the level of 1.3%, and the forecasted amount of investment (at current prices) will reach \$ 383.7 million by 2028.

INBOUND TOURISM

The main sources that shape the demand in the tourist market are business contacts, active and informative tourism. The main center of attraction of the tourist flow is the city of Minsk.

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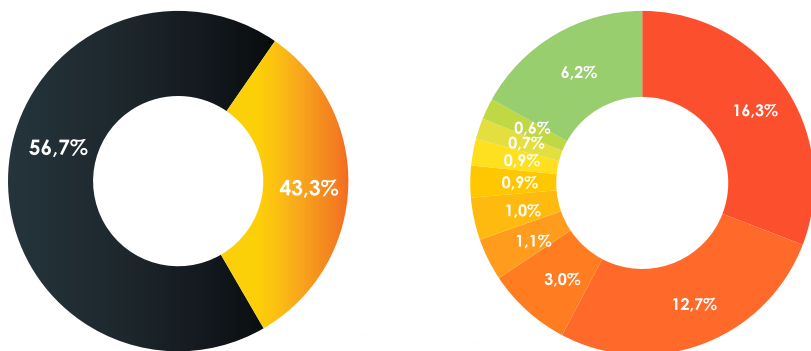
213,400 people arrived from the CIS countries in 2018 (+ 8% to the level of 2017).

The leading positions among the countries of the Commonwealth for organized tourists are still maintained by Russia – 207,400 people (57% of the total number of organized tourists). The share of tourist flow from Lithuania is 16.3% (59,564 tourists) which is 2.3 times more than in 2017, from Poland - 12.7% (46,305 tourists), i.e. 2 times more than in 2017, from Latvia - 3.0% (11,026 tourists) which is 1.7 times more than in 2017.



213.4 thousand
tourists from CIS
countries visited
Belarus in 2018

STRUCTURE OF TOURISTS VISITED
BELARUS IN 2018



■ Russia ■ Lithuania ■ Poland ■ Latvia ■ Ukraine ■ Germany
■ China ■ Spain ■ Estonia ■ the UK ■ others

FLOW OF ORGANIZED TOURISTS TO BELARUS BY REGION,
THOUSAND PEOPLE



■ Minsk ■ Brest region ■ Grodno region ■ Vitebsk region ■ others

2.0 MLN
people used
hotel services
in 2018

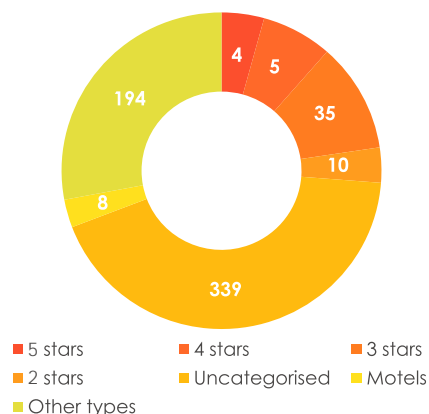


PLACE OF ACCOMMODATION

Currently in Belarus, the need for hotel accommodation significantly exceeds the existing offer (in particular, for 4-5* hotels and business class hotels). In 2018, the total number of hotels and similar accommodation facilities in Belarus amounted to 587 objects including: 54 hotels of 1-5 stars, 339 uncategorized hotels, 8 motels and 194 other accommodation facilities.

In regional centers (with the exception of Minsk), the largest number of officially registered hotels is located in Vitebsk (105) and Minsk regions (126). (+ 12% compared to 2017). At the same time, 785,700 people used the services of hotels and similar accommodation facilities in Minsk. (+ 13% to the numbers of 2017).

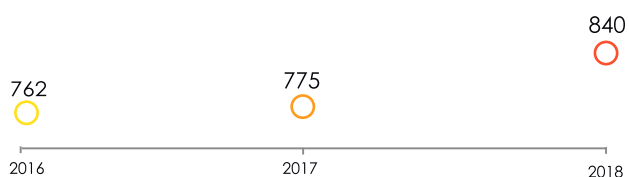
HOTELS DISTRIBUTION BY TYPES, UNITS



STRUCTURE AND DYNAMICS OF HEALTH ORGANIZATIONS, UNITS



NUMBER OF CLIENTS WHO VISITED HEALTH RESORTS, THOUSAND PEOPLE



AGRO-ECO TOURISM

One of the modern and rapidly developing types of tourism in Belarus is agro-ecotourism. Since 2010, the number of farmsteads offering agro-ecotourism services has almost doubled. The tourist flow in this sector is also growing.

Thus, since 2010, there has been an annual increase in the number of agro-ecotourists by an average of 28% per year.

In 2018, Belarusian agro-tourist sites were visited by 422,300 tourists which is 71,200 people more than in 2017 (+ 20.3%).

Citizens of the Republic of Belarus accounted for 90.5% of the total number of agro-ecotourists. This type of recreation is especially popular among citizens of Russia, Poland, Ukraine, Lithuania, Germany and China. As of the end of 2018, 2,054 agro-ecotourism entities were registered with the tax authorities of Belarus (233 entities more than in 2017).

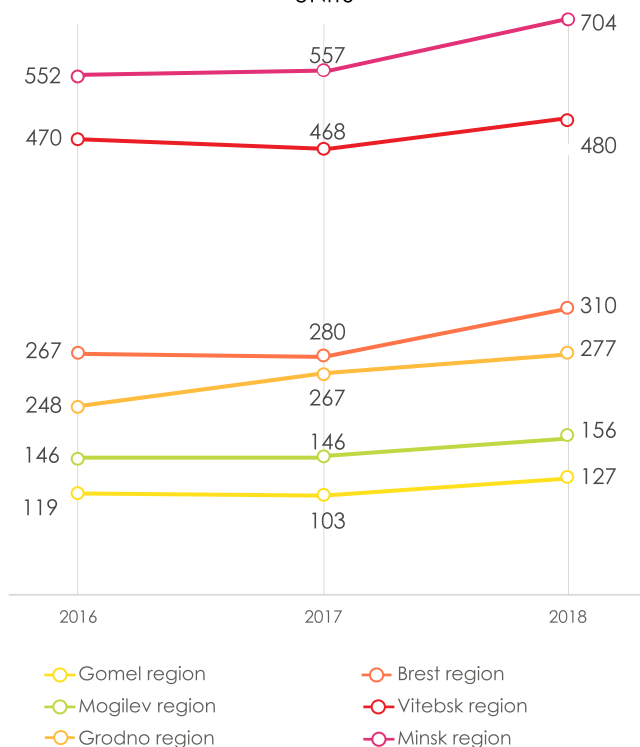


THE NUMBER OF TOURISTS WHO USED THE SERVICES OF THE AGRO-ECOTOURISM SUBJECTS IN 2018 AMOUNTED TO 422.3 THOUSAND PEOPLE

TOTAL NUMBER OF FARMSTEADS IN BELARUS, UNITS



NUMBER OF FARMSTEADS BY REGION, UNITS



"HORKI" MULTIFUNCTIONAL COMPLEX

"Horki" multifunctional complex is a system of administrative buildings which potential investors may use for any business activity: hotel business, organization of recreational, medical or educational centres, a children's camp, sports club, bar, restaurant or casino.

5,5
ha

total land plot
area



high infrastructure
and services level



proximity to the capital
of Belarus (Minsk)



utility lines (electricity,
water, gas)



unlimited project
development
potential

PROJECT GOAL

The complex has great potential, which can be realized by raising the level of infrastructure and services, ensuring high quality of medical services, the appearance of new SPA and Wellness programs in the supply structure, diversification of activities, development of new segments of the world market of health tourism and others.

INVESTMENT VOLUME

6 500 000 USD

INVESTOR'S FORM OF PARTICIPATION

A real estate unit acquisition through the sale and purchase agreement

MAIN VISITORS

Tourists from Europe and CIS countries

PROJECT BENEFITS

Convenient location close to Minsk-Molodechno route (12 km from Minsk ring road);

Cultural and leisure facilities proximity ("Stalin line" war-historical complex, Zaslavl reservoir, water-race canal);

Modern site development with the use of latest technologies and sound materials;

Unlimited potential in implementing ideas for further project development.

PROJECT PROMOTER

"Prometej" private unitary production enterprise

COMPETITIVE ENVIRONMENT

The market volume of sanatorium-resort services in Belarus was 256 million USD in 2015 with +13% average growth rate during last 5 years

Most of Belarusian health centers are medical organizations (not resorts), which influences their activity and infrastructure

8-10 sanatorium-resort organizations throughout the country specialize in the provision of SPA services, while the level of service is significantly lower than the European one

GEOGRAPHIC LOCATION



"Horki" multifunctional complex is located just 9 km from Minsk, in the city of Zaslavl. It is also close to other destinations:

Minsk-Molodechno-Litva route (12 km from MRHW)

Minsk Sea (less than 10 km)

Water-race canal (1 km)

"Stalin line" war-historical complex (less than 10 km).

The complex is situated 150 km from the border with Lithuania (about 2 hours by car), and less than 300 km from the border with Poland (about 4 hours by car)

"DUBROV PARK" ECO-TOURISTIC COMPLEX

"Dubrov Park" multifunctional eco-touristic complex is located in Minsk region on the shore of the Dubrovsky reservoir, in the recreational area of the Republican Center for Olympic training in winter sports "Raubichi".

80,6
ha

total land plot
area



active
recreation zone
for residents of
Minsk



high site
construction
preparedness



utility lines (electricity,
water, gas)



lack of industrial
facilities

PROJECT GOAL

To create and upgrade "Dubrov Park" eco-touristic complex infrastructure

INVESTOR'S FORM OF PARTICIPATION

A real estate unit acquisition through the sale and purchase agreement

MAIN VISITORS

Tourists from Europe and CIS countries

PROJECT PROMOTER

'Belagroprombank' JSC, one of the leaders in the banking sector of Belarus. It has the second largest owner's equity and capital, amount of assets and deposits. It ranks 18th in Top 25: Central and Eastern Europe 2014 – «The Banker» and has a representative bank in Milan (Italy).

PROJECT BENEFITS

Countryside works have been performed, necessary utility lines have been created and connected

Strandline, fishing and guest areas have been arranged

Transport accessibility (Minsk, the capital of Belarus, is in 26 km)

Forest area, lack of pollution

Construction of residential, public and municipal units is allowed

Lack of similar conditions for creating a competing facility

COMPETITIVE ENVIRONMENT

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GEOGRAPHIC LOCATION



"Dubrovsky Park" is located on the shores of the Dubrovsky reservoir, 26 km north-east of Minsk, not far from the Raubichi sports complex.

The facility is located 31 km from the National Airport Minsk-2. 20 km from the M1 motorway (Minsk - the border of Russia), and 5 km from the M3 motorway (Minsk-Vitebsk). It is less than 20 km to the nearest border with Lithuania, and 250 km with the Russian Federation.

"PRIMORSKY" HEALTH RESORT

"Primorsky" health resort is a multi-purpose organization with developed infrastructure providing conditions for memorable rest.

19,3_{ha}

total land plot area



construction of new facilities is not required



opportunities for expansion of production



utility lines (electricity, water, gas)



competitive environment and geographic location

PROJECT GOAL

To create and upgrade "Primorsky" health resort infrastructure

INVESTMENT VOLUME

3 500 000 USD

INVESTOR'S FORM OF PARTICIPATION

Acquisition of shares

MAIN VISITORS

Tourists from Europe and CIS countries

PROJECT PROMOTER

"Primorsky" health resort unitary enterprise of "Belarusian Deaf Society" public association

PROJECT BENEFITS

Licenses for the right to perform secondary activities

Regular customers

Surrounding territory with forests

High quality of service

Private beach, parking place and forest area

Restaurant and bar with Jacuzzi in the open air

COMPETITIVE ENVIRONMENT

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GEOGRAPHIC LOCATION



"Primorsky" health resort is located in a picturesque place in a forest on the bank of the Zaslavsky reservoir in an environmentally friendly area 12 km from Minsk.

The object is located in the central part of Belarus to the north-west of Minsk. The distance to the border with Lithuania is about 160 km (about 2 hours by car), with Lithuania - 270 km (about 3.5 hours by car), with Russia - 270 km (about 3 hours by car).

RESTRUCTURING AND CONSTRUCTION OF “SOLNECHNAYA POLYANA” RECREATION CAMP

“Solnechnaya polyana” recreation camp is located in the picturesque place in Minsk region. The camp will include 106 hotel rooms, a modern aquatics centre, sauna, fitness studio, thalassotherapy, medical centre, boardroom, cinema, bars and restaurants.

10,7

total land plot area

6 000
m²

total area of buildings

14 400
m²

restructuring and construction of new complex



utility lines (electricity, water, gas)



project architecture

PROJECT GOAL

To construct a high-grade rehabilitational health-improving centre on the bank of the Berezina River, 105 km from Minsk

INVESTMENT VOLUME

17 000 000 USD

INVESTOR'S FORM OF PARTICIPATION

Acquisition of shares

MAIN VISITORS

Tourists from Europe and CIS countries

PROJECT PROMOTER

'Berezina-tour' Ltd.

PROJECT BENEFITS

Large market potential of rehabilitation and health services

Developed infrastructure and services

Medical services of high quality

Prototypes of SPA & Wellness programs

Modern energy-saving ecologic technologies meeting international European requirements

Diversification of activity

COMPETITIVE ENVIRONMENT

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GEOGRAPHIC LOCATION



“Solnechnaya polyana” recreation camp is located in the Berezinsky district of the Minsk region. The recreation camp is located in the coniferous forest near the Berezina River and the amazingly beautiful Yedlinsky whirlpool.

The facility is located 96 km to the east of Minsk. The distance to the border with the Russian Federation is 230 km (about 3 hours by car), 300 km to the Latvian border (about 4 hours by car) and 270 km to Lithuania (about 3 hours by car).

REPUBLIC OF BELARUS

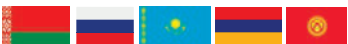
Business Environment

EURASIAN ECONOMIC UNIT

 European Union

512 mln consumers

EAEU



183 mln consumers in the EEU

10 mln consumers in Belarus

INVESTMENT LEGISLATION

73

agreements on avoidance of double taxation

The Republic of Belarus is a member of the Multilateral Agency for Guarantees and Investments

66

agreements on assistance in the mutual protection of investments

Law on investment

1. Protection against nationalization
2. Unhindered transfer of profit (income) abroad
3. Equality and non-discrimination of investors

VISA REGIME

In 2018, Belarus extended the visa-free stay for foreigners to 30 days. Visa-free visits are provided on condition of the entrance through the National Airport Minsk for citizens of 74 countries, including European countries, as well as Brazil, Indonesia, the United States, Japan and other countries.

RENTIAL TREATMENTS OF INVESTMENTS

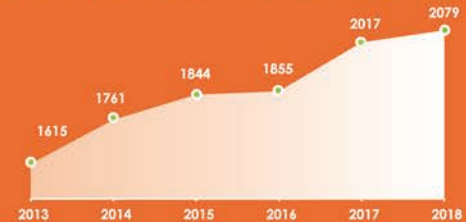
FREE ECONOMIC ZONES

1. Exemption from income tax
2. Exemption from real estate tax in relation to the buildings on the FEZ territory
3. Exemption from payments for the right to conclude a lease agreement for up to five years from the date of registration
4. Exemption from payment for 5 years for the lease of land allocated for construction

* Minimum investment amount 0.5 mln. EUR

INVESTMENT CONTRACT

1. Exemption from import and customs duties and VAT when importing technological equipment
2. VAT deduction in full
3. Granting a lease of a land plot without an auction



SMALL AND MEDIUM TOWNS

1. Exemption from income tax for 7 years from the date of registration
2. Exemption from real estate tax for 7 years from the date of registration
3. Exemption from income tax in terms of profits derived from the sale of own-produced goods
4. Exemption from payment of a state duty for issuing a license
5. Exemption from personal income tax for 7 years

The South-Eastern district of Mogilev region (SED)

1. Personal income tax - 10% for 7 years from the date of commencement of business
2. Pension insurance for subjects - 24% for 7 years from the date of commencement of business
3. Preferential loans for natural persons for the construction of residential premises for 20 years at 1 percent per annum
4. Financing of expenses for the creation of engineering and transport infrastructure for the implementation of agricultural and industry projects

Great Stone Industrial Park

Great Stone Industrial Park has a status of an international special zone. In the park there can be implemented the projects in the fields of electronics and telecommunications, pharmaceuticals, fine chemistry, biotechnology, engineering manufacture, new materials, comprehensive logistics, e-commerce, storage and processing of large volumes of data, telecommunications, scientific research and development engineering activity.

An unprecedented regime has been established for the investor in the Park:

1. Exemption from income tax for 10 years, and subsequently at a rate of 50% from the current rate valid in the Republic
2. Exemption from real estate tax
3. Exemption from land tax
4. Exemption from rent
5. Personal income tax - 9% until January 01, 2027
6. Exemption from compensation for losses of forestry and agricultural production
7. Tax on income of foreign organizations - 0% for 5 years from the first year of gross profit



НАЦИОНАЛЬНОЕ
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