

A. Project Opportunity Description:
A1. Project Name:
Sanitary pads for women production organization on FEZ Gomel-Raton territory
a. Short name:
Sanitary pads for women production organization on FEZ Gomel-Raton territory
b. Full name:
Sanitary pads for women production organization on FEZ Gomel-Raton territory
c. Summary description:
The purpose of this project is to attract the investor to start import substituting sanitary pads production on FEZ Gomel-Raton territory
A2. Progress Status:
The project is on pre-investment stage: feasibility study of the project is done, a business plan is developed, and a production technology and a list of necessary equipment are defined. The investor is needed.
A3. Organizations involved and their roles: (contacts, telephones, faxes, e-mail, web-site):
<ol style="list-style-type: none"> 1. The search of foreign investor to proceed the project realization is continued. 2. The initiator - State Establishment Free Economic Zone Gomel-Raton Administration 17, Fedyuninskogo str., 246061, Gomel, Republic of Belarus. Ludmila P. Bubeshko, Investment Development Dpt. of FEZ Gomel-Raton Administration. (+375-232) 68-24-61, fax. (+375-232) 68-27-21; e-mail: invest@gomelraton.com
A4. Project Description :
<p>Project realization will be carried out as a creation of a foreign enterprise which later will be registered as a FEZ resident. Project financing is planned through foreign investments.</p> <p>On FEZ Gomel-Raton territory there are vacant production premises (1760 square meters) with all necessary infrastructure and pipelines.</p> <p>New technologies of production and packing of sanitary pads will be carried out through the purchase of new equipment.</p> <p>During project realization a wide variety of sanitary pads will be produced starting with the simplest pads (with cellulose as a sorbent) and to extra-class pads (filled with gelling agent and natural cotton) of different shapes (simple and winged), sizes (ultra-thin and usual), and of different purpose (everyday use and for critical days).</p> <p>When the enterprise reaches its full capacity (third year of project realisation) annual production volume will be 101.76 millions of pads. To provide highest quality of pads raw materials will be bought in EU countries. Quality control will be assured through automatic quality control system.</p>
A4a. Project cost (mln EUR):
2.424
A5. Background / history / overall program / related or similar projects:
<p>In the Republic of Belarus there is a Program of measures of sanitary-hygienic and other single use items. There is no production of such items in Belarus now.</p> <p>This product is an import substituting and will be sold exclusively in Belarus.</p>
A6. Environmental impact summary:
The project does not have negative impact upon ecology.

A7. Possible obstacles / problems / risk assessment:	
The risk is minimal. Mostly it is connected with rises of the costs of raw materials used for production. Project realization as a FEZ Gomel-Raton resident minimizes the risks.	
A8. Term of realization / term of recoupment (years):	
5 years / 2 years 9 months	
A9. Project's branch:	
Pulp-and-paper industry	

B. Capital Cost Items (additional requirements for project):	
B1. Project physical components:	B2. Capital cost (mln EUR):
Equipment purchase and assembling (Germany)	1,67
Working capital formation costs	0,384
Other costs	0,37
Total:	2,424
B3. Sub-projects on allocation:	B4. Project cost (mln EUR):

C. Capital Resources Available from Sponsors / Proposers:	
C1. Resources "in kind", grants, investments, equity / ownership, etc.:	C2. Amount (mln EUR):
Own funds	-

D. Required Financial Assistance:		
D1. Financing gaps, type of financial assistance required:		
The creation of foreign interprise and financing of the costs of its creation		
D2. Sources of finance:	D3. Type of investment:	D4. Amount (mln EUR):
Investor's funds	Direct investments, credit	2.424
D5. Finance institutions-participators on the project realization:		

E. Demand (users) and revenues:	
E1. Type of users / markets, volumes, pricing, revenues, quantifiable benefits / savings:	
Sanitary pads for women will be sold in Belarus market. This market is growing steadily lately. 100 millions of pads are imported every year in Belarus. Annual growth of the market is 20% in terms of money, and 15% in pieces. At present, a rapid growth of every day use pads market was detected (to 30%); the same tendency is relevant for ultra-thin pads.	

Both physical and legal entities will act as buyers. Pricing policy of the enterprise will depend on current market prices. In the beginning the price will be 35% lower than the average. Marketing research shows that such strategy will allow the enterprise to enter the market, find its niche, and take over it.

Net sales profit will reach EUR 8.62 millions.

E2. Sources of investment:	E3. Revenues (Sales)
Profit earned from product sales	20.027

F. Operating and Maintenance Costs:	
F1. Cost components, strategies for cost recovery, operating organizations, subsidies, etc.:	
F2. Cost Item:	F3. Amount (mln EUR):
Raw materials, materials, fuel, energy for technological purposes	6.54
Staff expenses	0.739
Amortization	0.663
Others	3.465
Total:	11.407

G. Net Income Value:	
G1. Net Income Value:	G2. Amount (mln EUR):
Net profit	8.62

H. Project information source:
H1. This form was completed by:
Ludmila P. Bubeshko, Investment Development Dpt. of FEZ Gomel-Raton Administration.
H2. Organization (address):
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H4. Date:
April, 2009
H5. Supreme organization:
FEZ Gomel-Raton Administration