

A. Project Opportunity Description:
A1. Project Name:
Field mushrooms production organization on FEZ Gomel-Raton territory.
a. Short name:
Field mushrooms production organization on FEZ Gomel-Raton territory.
b. Full name:
Field mushrooms production organization on FEZ Gomel-Raton territory.
c. Summary description:
The purpose of the project is creation of modern production of field mushrooms on FEZ Gomel-Raton territory.
A2. Progress Status:
In realization stage. Business plan of the project is developed, joint limited liability company «Shamp-Bel» is created, the work on allocation of the land is in progress (total area of 1,091 hectare for 18 tunnels building).
A3. Organizations involved and their roles: (contacts, telephones, faxes, e-mail, web-site):
1). The search of foreign investor to proceed the project realization is continued. 2). State Establishment Free Economic Zone Gomel-Raton Administration 17, Fedyuninskogo str., 246061, Gomel, Republic of Belarus. Ludmila P. Bubeshko, Investment and Economic Activity 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:
For the project realization joint enterprise was created. It was registered as a FEZ resident. The work on allocation of the land is in progress. It is planned to build 18 tunnels with total area of 9,4 thousands square km. The documents for the designing permit achievement were forwarded. The building of the tunnels is planned in three stages, 6 tunnels each. Field mushrooms production is planned using Dutch technology, which allows getting not less than 8 harvests a year. Roughly the harvest will be not less than 28 kg from 1 square meter. The enterprise plans to produce 2,1 ton a year by the end of the settlement period. The production of the enterprise is planned both to export it and to sell it on domestic market.
A4a. Project cost (mln USD):
2.45
A5. Background / history / overall programme / related or similar projects:
The Republic of Belarus doesn't have all-the-year-round field mushrooms production. Field mushrooms have high biological value as a foodstuff. That fact will make it popular on domestic market - both fresh and preserved. Also it will be popular abroad.
A6. Environmental impact summary:
Modern equipment and up-to-date technology doesn't affect the environment considerably.
A7. Possible obstacles / problems / risk assessment:
There are no problems in realization of the project. The enterprise is a FEZ resident; said status minimizes the risks.
A8. Term of realization / term of recoupment (years):
5/3

A9. Project's branch:		
Agriculture		
B. Capital Cost Items (additional requirements for project):		
B1. Project physical components:	B2. Capital cost (mln USD):	
Equipment purchase and assembling (Poland)	1.57	
Circulating capital forming	0.83	
Other costs	0.05	
Total	2.45	
B3. Sub-projects by location:	B4. Project cost (mln USD):	
C C. Capital Resources Available from Sponsors / Proposers:		
C1. Resources "in kind", grants, investments, equity / ownership, etc.:	C2. Amount (mln USD):	
Own funds	-	
D. Required Financial Assistance:		
D1. Financing gaps, type of financial assistance required:		
Participation as a founder of a joint enterprise.		
D2. Sources of finance:	D3. Type of investment:	D4. Amount (mln USD):
Investor's funds	Direct investments, credit	2.45
D5. Financial organizations, involved in project realization:		
E. Demand (users) and revenues:		
E1. Type of users / markets, volumes, pricing, revenues, quantifiable benefits / savings:		
<p>Major consumers of the product are trading enterprises, catering firms, tinned food factories. Field mushrooms market in Belarus is forming at the moment. It is evaluated in 1,5 thousand ton and now is mostly covered by imported mushrooms. The market is not satisfied yet. The annual increase is planned not less than 10-15%. At the moment the cost of a kilogram of field mushrooms is USD2,5-3,5 . Approximately the cost of field mushrooms produced by a FEZ resident will be USD1,8. Export cost will be the same, but it will be 15 % lower than the costs of rivals of the enterprise. When the enterprise reaches planned production capacity it will produce 630 ton of field mushrooms for domestic market and 1500 ton for export. Net profit will be 8,92 mln USD.</p>		
E2. Revenues (Sales)	E3. Amount (mln USD):	
Profit earned from product sales	21.034	

F. Operating and Maintenance Costs:	
F1. Cost components, strategies for cost recovery, operating organizations, subsidies, etc.:	
For the project realization the land (1,091 hectare) is available. It has necessary pipelines, networks and energy sources.	
F2. Cost Item:	F3. Amount (mln USD):
Raw materials, materials, fuel, energy for technological purposes	7.632
Staff expenses	2. 498
Amortization	0.4
Others	1.584
Total	12.114

G. Net Income Value:	
G1. Net Income Value:	G2. Amount (mln USD):
Net profit	8,92

H. Project information source:
H1. This form was completed by:
Ludmila P. Bubeshko, Investment and Economic Activity Dpt. of FEZ Gomel-Raton Administration.
H2. Organization (address):
State Establishment Free Economic Zone Gomel-Raton Administration 17, Fedyuninskogo str., 246061, Gomel, Republic of Belarus www.gomelraton.com
H3. Tel / Fax / E-mail:
Tel. + 375 (232) 68-24-61, Fax. + 375 (232) 68-27-21, e-mail: invest@gomelraton.com
H4. Date:
September /2007
H5. Supreme organization:
FEZ Gomel-Raton Administration