

A. Project Opportunity Description:
A1. Project Name:
Disposable plastic tableware production organization on FEZ Gomel-Raton territory
a. Short name:
Disposable plastic tableware production organization on FEZ Gomel-Raton territory
b. Full name:
Disposable plastic tableware production organization on FEZ Gomel-Raton territory
c. Summary description:
The purpose of this project is to organize and develop the production of disposable tableware on FEZ Gomel-Raton territory
A2. Progress Status:
The project is on pre-investment stage. Feasibility study of the project is done, the business plan is developed, the production technology and the 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 is in process. 2. The initiator - State Establishment "Free Economic Zone Gomel-Raton Administration", 17, Fedyuninskogo Str., 246061, Gomel, Republic of Belarus. Ludmila P. Bubeshko, senior specialist of Investment Development Dpt. Tel. (+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 through establishment of a new modern enterprise with its further registration as FEZ Gomel-Raton resident. There is available production premise (900 square meters) with all necessary infrastructure and engineer communications. The range of disposable plastic tableware meant for production (plastic cups of 200 and 500 ml in volume, coffee pots of 200ml, one-, two-, three-section plastic dishes of 170, 205, 220 mm in diameter, soup dishes of 0,6 l in volume, table set-up: forks, tea spoons, mixes) will fully be demanded on the local market. The disposable tableware is supposed to be produced colourless as well as in white with colour polygraphy applications.</p> <p>At the end of the fourth year of the project realization when the enterprise reaches its full capacity, the annual production volume will exceed 460 millions of items.</p>
A4a. Project cost (mln. USD):
4,284
A5. Background / history / overall program / related or similar projects:
The Belarusian market of disposable plastic tableware is prevailed by the product of Russian and Ukrainian producers. At present there are no large producers of disposable plastic tableware able to manufacture a wide range of the product.
A6. Environmental impact summary:
The project does not have negative impact upon ecology. During design works the ecology passport of the enterprise will be developed. The acquired equipment includes wastes disposal system that lets organize waste-free production.
A7. Possible obstacles / problems / risk assessment:
The mostly considered risk is connected with rises of the costs for the raw materials used for

production.
A8. Term of realization / term of recoupment (years):
5 years / 3 years 11 months
A9. Project's branch:
Chemical industry

B. Capital Cost Items (additional requirements for project):	
B1. Project physical components:	B2. Capital cost (mln. USD):
Equipment purchase and assembling (Austria)	3,169
Working capital formation costs	0,695
Other costs	0,42
Total:	4,284
B3. Sub-projects on allocation:	B4. Project cost (mln. USD):

C. Capital Resources Available from Owners, Co-participants, Sponsors:	
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:		
Establishment of commercial enterprise with foreign investments		
D2. Sources of finance:	D3. Type of investment:	D4. Amount (mln. USD):
Investor's funds	Direct investments, credit	4,284
D5. Finance institutions-participators on the project realization:		

E. Demand (users) and revenues:	
E1. Type of users / markets, volumes, pricing, revenues, quantifiable benefits / savings:	
<p>The disposable plastic tableware is planned to be sold at the local market. Due to expert valuation the annual volume of disposable plastic tableware sales increases by 10-15%. Trade and public catering organizations, food industry enterprises, transport organizations, population will be the major consumers of the product. When the enterprise reaches its full capacity, the annual production volume of the product (plastic cups of 200 and 500 ml in volume, coffee pots of 200ml, one-, two-, three-section plastic dishes of 170, 205, 220 mm in diameter, soup dishes of 0,6 l in volume, table set-up: forks, tea spoons, mixes) will exceed 460 millions of items. The price policy of the company will be developed upon the existing market prices for the product. Initially, to stimulate the demand it is planned to set the prices 10% lower of the existing price as</p>	

follows: 0,14 USD per cup of 200 ml and 0,16 USD with polygraphy; cup of 500 ml – 0,31 USD and 0,35 USD with polygraphy; coffee pot of 200 ml – 0,24 USD; dish of 170 mm in diameter – 0,28 USD and 0,31 USD with polygraphy (independent of the number of sections); dishes of 205 mm in diameter – 0,32 USD and 0,36 USD with poligrphy (independent of the number of sections); dish of 220 mm in diameter – 0,35 USD and 0,39 USD with polygraphy (independent of the number of sections); soup dish – 0,35 USD and 0,39 USD with polygraphy; 1000 items of table set-up – 10,1 USD in medium.

Net sales profit will reach USD 8,7 millions.

E2. Sources of investment:	E3. Revenues (Sales) (mln. USD):
Profit earned from product sales	41,578

F. Operating and Maintenance Costs:

F1. Cost components, strategies for cost recovery, operating organizations, subsidies, etc.:

For the project realization on the territory of free economic zone there are available production premise, engineer communications, power source.

F2. Cost Item:	F3. Amount (mln. USD):
Raw materials, materials, fuel, energy for technological purposes	28,217
Staff expenses	1,696
Amortization	1,251
Others	1,714
Total:	32,878

G. Net Income Value:

G1. Net Income Value:	G2. Amount (mln. USD):
Net profit	8,7

H. Project information source:

H1. This form was completed by:

Ludmila P. Bubeshko, senior specialist of Investment Development Dpt. of FEZ Gomel-Raton Administration.

H2. Organization (address):

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H3. Tel / Fax / E-mail:

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H4. Date:

October 2009

H5. Supreme organization:

State Establishment “Free Economic Zone Gomel-Raton Administration”