



NATIONAL AGENCY  
OF INVESTMENT  
AND PRIVATIZATION  
REPUBLIC OF BELARUS

# INDUSTRIAL DEVELOPMENT OF QUARTZ SAND DEPOSITS «GORODNOE»

# REPUBLIC OF BELARUS

## Business Environment

### EURASIAN ECONOMIC UNIT



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

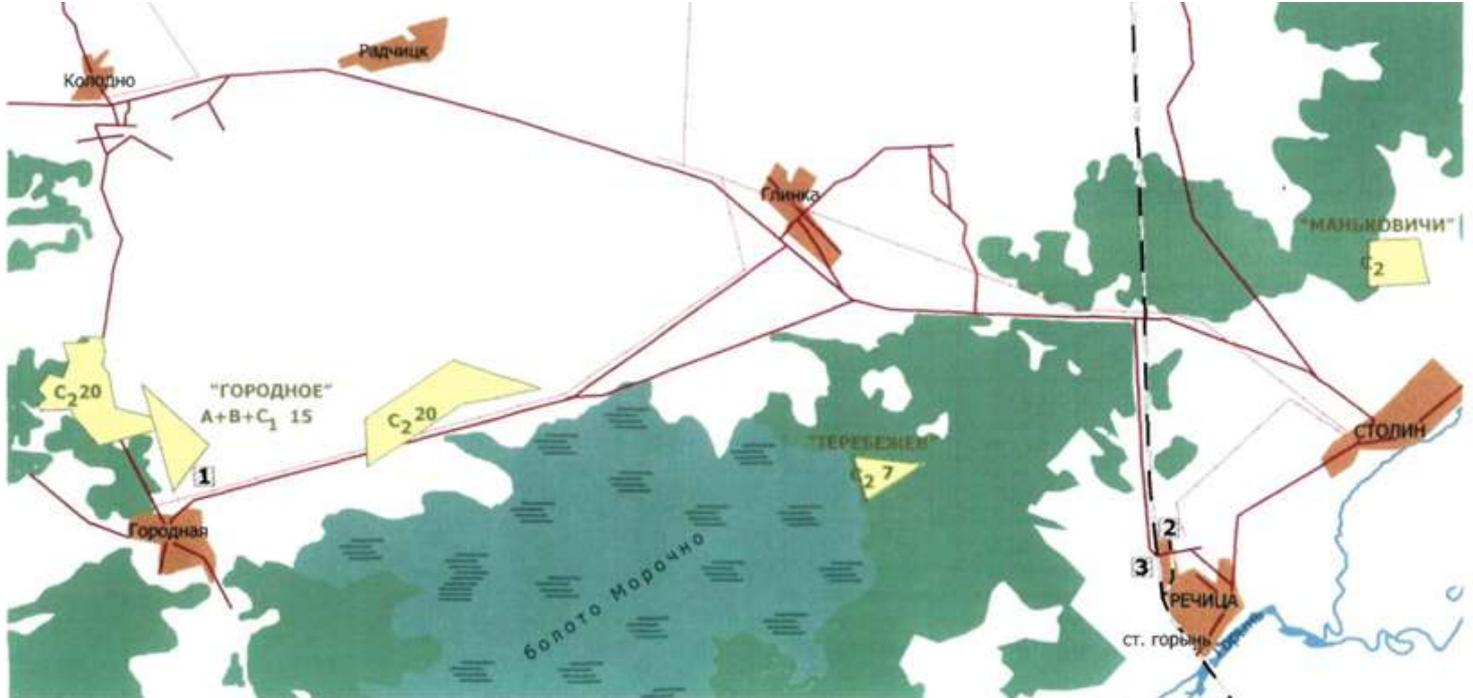
**66** agreements on assistance in the mutual protection of investments

#### 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.



# «Gorodnoe» quartz sand deposit

<b>Location</b>	Brest region, Stoln district (3 km to the north from Gorodnaya village, Stoln district, and 25 km from Goryn railway station of the Baranovichi railway section)
<b>Chemical composition of sands</b>	$\text{SiO}_2$ – 98,98-99,26 % $\text{Al}_2\text{O}_3$ – 0,07-0,80 % $\text{Fe}_2\text{O}_3$ – 0,04-0,22 % $\text{TiO}_2$ – 0,04-0,33 %.
<b>Total area of the deposit</b>	On the area of <b>482</b> hectares the volume of quartz sands included in the calculation of reserves is <b>77.5</b> million tons (45.54 million tons – Western Deposit), <b>15</b> million tons are suitable for the glass industry.
<b>Description of the deposit</b>	<p>The Western lense extends from the northern outskirts of the village of Gorodnoe in a northwest direction at a distance of about 3 km. Width of the lense is 0.2-1.8 km. The Eastern lense is traced as a narrow band (0.2 – 0.5 km) in the North-East direction for about 3 km.</p> <p>The thickness of the mineral resources varies from 5.0 to 24.7 m, the average is 9.94 – 19.33 m. Most of the useful thickness is watered. Hydrogeological field structure is simple, unconfined groundwater. The capacity of the aquifer reaches 21.2 m, the average capacity is 10.5 m. The area of the deposit is mostly covered with forest, except for small areas occupied by arable land.</p>

# ABOUT THE PROJECT

## INDUSTRIAL DEVELOPMENT OF QUARTZ SAND DEPOSIT

### «GORODNOE»

#### AIM OF THE PROJECT

The project involves the construction of a mining plant for the production of glass concentrates

#### ADVANTAGES OF THE PROJECT

- According to the conducted analyses, quartz sand in natural form meets the requirements of standard GOST 22551-77 «Quartz sand, ground sandstone, quartzite and vein quartz for glass industry» for brands VS-050-1 (0,22%), S-070-1 (22,12%), S-070-2 (0,12%), B-100-1 (50,75%), B-100-2 (9,25%), PB-150-1 (17,54%) and is suitable for the production of bottles, structural glass, glass blocks, glass fibre for electrical engineering, household dishes, semi-white glass containers, window-glass, facing and facade tiles.
- It is advisable to consider the option of production of enriched sand, since the possibility of obtaining grades OVS-020-V and OVS-025-1 after the enrichment of concentrates. These sand grades are suitable for the production of lighting and signal glass and glass products for electronic equipment.
- Part of quartz sands in its natural form meets the requirements of GOST 2138-84 "Molding sands". The brands of KRK (3.34%), K016 (74.17%), TO 16 (4.49%), KRO (8,605), KO1(9.40%) are suitable for lining casting ladles, as well as for the production of molding and core mixtures for large, medium and small steel and iron castings.
- The deposit is located in the FEZ Brest

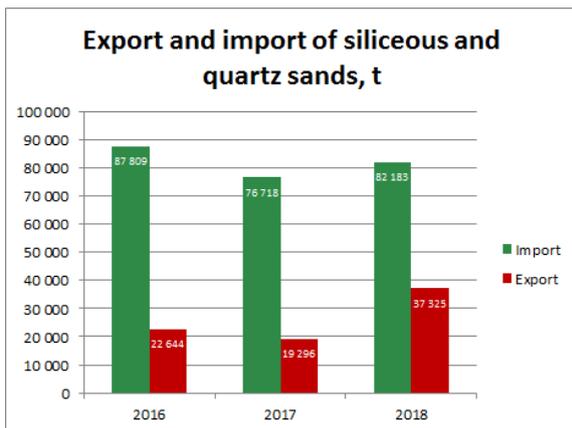


# INVESTMENT PROPOSAL

<b>Productivity, tons per year</b>	270 thousand tons per year of sand grades VS-025; VS-030; VS-040
<b>Concept</b>	mining and processing plant of glass concentrates
<b>Product</b>	quartz sands
<b>Possible forms of investor participation in the project</b>	Design and construction works, purchase and installation of equipment, formation of working capital
<b>Total investment costs</b>	10 million USD

## Market review

The average monthly nominal wage of employees by type of economic activity "Mining industry" (2018) – 1 598.0 bel. ruble.



**Export directions of siliceous and quartz sands**  
January-December 2018

country	quantity, t	price, thousand USD
Russia	28081	347,2
Kazakhstan	2,8	0,8
Lithuania	9241	143,2
<b>total</b>	<b>37325</b>	<b>491,2</b>

**Production of siliceous and quartz sands in the Republic of Belarus**

year	2011	2013	2014	2015	2016	2017
thousand tons	2 358	1 743	1 678	1 181	1 010	1 000



According to the Decree of the President of the Republic of Belarus № 44, Jan. 28 2008. quartz sand deposit "Gorodnoe" is offered for transfer to concession through an open tender in order to attract investment in geological exploration, development of mineral deposits.

The subject of the concession is a subsoil plot located in the southern part of the Republic of Belarus, in the Stolín district of the Brest region. The minerals in the deposit are fine-grained and coarse quartz sands, repeatedly alternating with each other, with a silicon dioxide content of at least 95%. The field is considered to be large in terms of reserves, and by type of occurrence – sheetlike.



The subject of the tender is the right to conclude a concession contract for the provision of services (performance of works). The concessionaire is given priority to conclude a full concession agreement with the Republic of Belarus in case of discovery of mineral deposits.



The starting amount of a one-time payment for the right to use a subsoil area is  
**15 440 USD**



Brest region

# ABOUT THE CONCESSION OFFER

**The type of contract** is a concession contract for the provision of services (performance of work). The concessionaire is given priority to conclude a full concession agreement with the Republic of Belarus in case of discovery of mineral deposits.

**The validity of the concession contract** is sixty months from the date of conclusion of the concession contract, on the condition that the concessionaire complies with the terms of the concession contract and the legislation of the Republic of Belarus.



# RIGHTS OF THE CONCESSIONAIRE

To take any actions that are not contrary to the legislation of the Republic of Belarus and the terms of the concession contract;

To import assets, including equipment and materials necessary for the implementation of the concession contract;

To organize and conduct tenders for design works, use of technologies, construction of facilities and other services in order to use modern environmentally friendly and efficient technologies for the implementation of the concession contract;

To attract external loan funds, including loans from banks and non-bank credit and financial institutions, in order to implement the concession contract, as well as to determine the sources of financing and mechanisms of borrowing for the implementation of the concession contract;

To use the benefits and preferences provided by the legislation.

# NATIONAL AGENCY OF INVESTMENT AND PRIVATIZATION

**The Agency is ready to help foreign investors interested in doing business in Belarus:**

- Presentation of information on investment opportunities, preferential regimes and benefits, industries, legislation
- Provision of current information on investment projects
- Selection and provision of information on options for land and premises
- Search for potential partners for the implementation of the investment project; organization of meetings, negotiations with potential partners to establish cooperation
- Providing a platform for negotiations and support for the investor during the negotiations — Organization of visits to the Republic of Belarus (development of a program of stay, assistance in obtaining a visa)
- Representing the interests of the investor in negotiations with government officials on the implementation of investment projects, as well as on improving business practices in the Republic of Belarus
- Post investment support



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REPUBLIC OF BELARUS

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