

The Dialogue between the West and the East - the China-Belarus Great Stone Industrial Park

The motto of the Great Stone is: “We Wish Excellence, We Strive for Perfection!”.

In 2010 the cooperation agreement on the establishment of the China-Belarus Industrial Park in the territory of the Republic of Belarus was signed between the Ministry of Economy of Belarus and the Chinese Engineering Corporation CAMC (CAMCE). The China-Singapore Suzhou Industrial Park has become the prototype of the China-Belarus Industrial Park.

The China-Belarus Industrial Park is an international territory with the area of 91,5 sq.km. The Park is located 25 km from Minsk in a unique natural complex and in close proximity to the international airport, railway lines, and the Berlin-Moscow transnational highway. In such a way, there is a possibility of duty-free entry into the market of countries of the Customs Union and the Common Free Market Zone (Russia + Belarus + Kazakhstan).

The Great Stone will be a modern international eco-city with an emphasis on high-tech and competitive innovation productions with high export potential. The project is being developed within the scope of the China-Belarus intergovernmental cooperation according to intergovernmental agreements.

Today, there are 56 residents in the park, 11 of which were able to start their own production by 2019.

Chinese, Belarusian, Russian, European and American investments successfully develop projects in the fields of electronics and mechanical engineering, biotechnology and fine chemistry, new materials, pharmaceuticals and logistics, storage and processing of large amounts of data, socio-cultural activities, and implementation of research, development and technological works.

The Regional Cooperation and Development Forum under the Belt and Path Initiative, active research in the field of artificial intelligence contribute to the involvement of resident companies, which are leading manufacturers in the field of financial technology and smart manufacturing.

Wiseasy International (Bel) is one of the residents of “Great Stone”. The company is specialized in the production of POS terminals (electronic software and hardware for accepting payment cards for payment). The company plans to create production and research centers with technical support service.

The young and promising Belarusian company **Belalek** is registered as a resident of the Great Stone with a project in the field of pharmaceuticals. **Algimed Techno** is a supplier of laboratory equipment, consumables and reagents in

Belarus, Russia, Kazakhstan and Uzbekistan. The resident company is implementing a project in the field of biotechnology and pharmaceuticals in the territory of the Park.

The **WayRay Eastern Europe** resident company is a subsidiary of the Russian-Swiss startup WayRay, which is engaged in manufacturing of navigation systems, which are based on the principle of holographic augmented reality.

The special legal regime of this economic territory was determined by Decree of the President of Belarus No. 253 “On the China-Belarus Industrial Park” in 2012.

Main Benefits and Preferences of Residents of the Great Stone Industrial Park

Tax preferences:

- Income tax: 0% for 10 years, 50% until 2062;
- Dividend tax: 0% for 5 years after the income is declared;
- Real estate tax: 0% until 2062;
- Payments to Social Security Fund: 35% of the national average wages;
- Income tax: 9%.

Preferences in land regulations. Construction preferences

- To have a land plot in the territory of the Industrial Park allocated, its residents apply to the joint company that provides (alienates) the land plots in its lease (private ownership) for *sublease, lease or private ownership* without any auction. The land plots in private ownership are exempt from the land tax until 2062 ;
- Residents of the Industrial Park are entitled to proceed with occupation of the land plot provided for construction of an Industrial Park facility within 2 years after the date of resolution of the Park’s Administration to permit design and survey works;
- Goods (technological equipment and its components and spare parts, raw materials and other materials) imported into the territory of the Republic of Belarus for exclusive use in the territory of the Republic of Belarus in order to implement the investment projects related to construction and equipping of the Industrial Park facilities are exempted from import customs duties (in accordance with international obligations of the Republic of Belarus) and the value-added tax, charged by the customs authorities.

Migration preferences

- Visa-free travel for 180 days upon a petition of the Park's Administration
- Residents of the Industrial Park residents are exempt from the state fee for issuing and extension of permits for recruitment of foreign work force and special permits for employment of foreign nationals and stateless persons in the Republic of Belarus, if the latter are hired by residents of the Industrial Park residents for the purposes of construction of the Industrial Park's facilities, as well as for the implementation of investment projects within the Park (hereinafter referred to as the "foreign citizens and stateless persons").

Customs law

- Customs VAT and taxes: 0% for the goods imported to start the project
- Customs VAT and taxes: 0% if exported outside the Eurasian Economic Union (EEU)

Foreign currency regulations

Residents of the Industrial Park are entitled to perform transactions with currency without regard to the foreign currency law of the Republic of Belarus, including the following:

- buy foreign currency in the domestic foreign exchange market without restrictions on the purposes of its use;
- open accounts in foreign banks without a permit from the National Bank;
- perform foreign currency exchange transactions in the domestic foreign exchange market of the Republic of Belarus through banks without restrictions.

Other preferences and benefits of the residents of the Industrial Park

Residents will be exempted of the following:

- from reimbursement of losses to the agricultural and (or) forestry production, caused by the withdrawal or temporary occupation of agricultural lands and forest fund lands;
- From compensatory tree-planting, reimbursement of removed or transferred plants costs and compensatory payments for harmful impact on the wildlife and (or) their environment.

The following guarantees for consistent business regulations are provided for in the Great Stone:

1. Stabilization clause on non-deterioration of business conditions for 10 years.
2. No reference checks (only with the consent of the Industrial Park's Administration).
3. Simplified procedure of commissioning of finished facilities (as compared to the regulations of the Republic of Belarus).

The algorithm of actions required to obtain the resident's status consists of the following steps:

1. Registration of the location in the territory of the Industrial Park, for which a potential resident must apply for the Industrial Park's Administration.
2. Investment project development.

With that, the investment project must satisfy all the following conditions:

- project compliance with the main areas of the Park activities: creation and development of industries in the areas of electronics, fine chemistry, biotechnology, mechanical engineering and new materials, complex logistics, e-commerce, activities associated with storage and processing of big data, social and cultural activities, as well as research, design, experimental and technological works (hereinafter referred to as the R&D);

- the declared amount of investments for the project implementation must at least USD 5 million or not less than USD 500,000 in case of implementation of an R&D project.

3. In order to be registered as residents of the Industrial Park, legal entities must submit all the required documents to the Park's Administration. See the complete list of documents at the Great Stone website at <http://industrialpark.by/ru/resident-registration>. - Access date: 15.07.2019.

The term of review of the documents and taking the decision of registration of legal entity as a resident of the Industrial Park by the Park's Administration is not more than 5 business days following the day of acceptance of the documents.

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