Investment offer

on the creation of a new production "Hazelnut Garden"



GARDEN AS REAL ESTATE

Industrial "Hazelnut Garden" is an agricultural land plot in permanent perpetual use, with a built base for storing and servicing equipment, an electric substation, a water intake station, and a irrigation system.





SCOPE OF ITS APPLICATION

From an economic point of view, hazelnuts are an import–substituting product for the Republic of Belarus.

In addition, it is a very tasty and extremely healthy nut with large, sweet kernels, which contain truly unique substances and trace elements necessary for the human body.

SCOPE OF APPLICATION

- hazelnuts are widely used in the bakery and confectionery industry (nuts are used as a whole, crushed or ground);
- for sale in the wholesale and retail network;
- walnut shells can be used in furniture production (for the manufacture of durable panels for cabinets, tables and other pieces of furniture);
- fallen walnut leaves can be used as composting and mulch.

HAZELNUT MARKET OVERVIEW



The main countries producing hazelnuts are Azerbaijan, Georgia, Turkey.

At the same time, hazelnuts are a very promising crop for growing in the conditions of the Belarusian climate.

The first industrial hazelnut plantation in Belarus was established in the Molodechno district on an area of 75 hectares.

A kilogram of hazelnuts costs about 35 rubles in kernels and an average of 16 rubles in the shell. The cost of a kilogram of unpeeled nuts is comparable to the price of a seedling. But from the bush, if the variety is hardy and adapted to our weather conditions, even with the most ordinary care, you can get 5-10 kg of nuts (when entering industrial fruiting).

The growth of hazelnut consumption in the world annually – 1-1,5 %

The growth of hazelnut consumption in the countries of the Customs Union – 5-10 %

Hazelnut production in the countries of the Customs Union depends on the need –10-15 %

HAZELNUT MARKET OVERVIEW



Belarus annually imports about 600 tons of nut kernels for industrial production

Therefore, the nut industry in Belarus has very good prospects for development and the potential for import substitution in the industry is huge, especially in its southern regions (Lelchitsky district is one of the southernmost regions of the Republic of Belarus).

The implementation of this project will not only improve the indicators of domestic production of hazelnuts, but will also be able to provide local confectionery factories and shops with a high-quality product, and in the future, export supplies.

ADVANTAGES OF THE PROJECT



- Hazelnuts are an unpretentious plant, but they develop best on well–fertilized loamy or sandy loam soils. Hazelnuts like moisture, but they can't stand getting wet. It is desirable that the groundwater on the site should not be higher than 1-1.5 m.

The advantage of the Lelchitsky district is 50% of sandy loam lands and 20% of loamy soils, 50% of reclamation lands, the arable land score is 25.1 (if necessary for cultivation from 14).

- High yield. The ability to get more than 1 ton of high-quality nuts from 1 hectare for 6-7 years;
- Endurance. The plant can withstand from minus 25 C0 to plus 45 C0. Resistant to pests.
- The long-term nature of the project. After 6 years, the exit to industrial fruiting, and at least for 50 cycles. In optimal conditions, hazelnuts for 6-7 years are able to fully recoup all investments (the cost of 1 ton of hazelnuts in the shell is 16 thousand rubles, peeled – 35 thousand rubles).
- No need for specialized equipment for processing and storing crops. Shelf life without loss of quality is up to 3 years.
- Waste-free production. Almost all components of hazelnut production are used in industry (kernel, shell, leaves).
- Environmental friendliness of production. The oxygen produced by a garden of 75 hectares is sufficient for breathing 50 thousand people.

PROJECT ECONOMICS



Product	walnut (hazelnut)
The planned volume of investments for 5 years before the industrial fruiting	32,8 thousands of Belarusian rubles / hectare
including: planned volume (*one-time expenses*)	• purchase of equipment– 3,5 thousands of Belarusian rubles / hectare; • planting material – 9,3 thousands of Belarusian rubles / hectare; • field preparation and planting – 2,5 thousands of Belarusian rubles / hectare;
planned investment volume (annual expenses)	Gardening – 3,5 thousands of Belarusian rubles / hectare per year medicines for diseases and pests; seasonal work, salaries of key employees; operation of equipment
Project implementation period before the start of industrial fruiting	5 years: 2 years – 100 kilograms of hazelnuts per hectare; 3 years – 150 kilograms of hazelnuts per hectare; 4 years – 233 kilograms of hazelnuts per hectare; 5 years – 535 kilograms of hazelnuts per hectare
Payback	2-3 years since the beginning of industrial fruiting
Income	since the 6th year is 16,0 – 35,0 thousands of Belarusian rubles per 1 hectare
The period of industrial operation of the garden	50-80 years old

GARDEN PLANTING TECHNOLOGY



Plot area (acres)	Landing scheme	Main variety (Barcelona, Catalan)	Pollinator (Cosford, Halle)	Total number
5	5x3	26	7	33
10	5x3	53	13	66
15	5x3	80	20	100
20	5x3	106	27	133
30	5x3	160	40	200
50	5x3	266	67	333
100	5x3	532	133	665

PREFERENTIAL TREATMENT



Benefits in the implementation of the project provided in connection with the location of the land plot

(activities on the territory of medium-sized, small urban settlements, rural areas)

Tax benefits	
0% for 7 years	Income tax
0% for 7 years	Income tax
0% for 7 years	Property tax
Customs privileges	
0%	Customs duties and VAT
Other benefits and preferences	
The right to independently determine the conditions, volumes, types of purchased raw materials, components and materials, etc.	
Exemption from the mandatory conclusion of transactions on the stock exchange	
The right to independently determine suppliers (contractors, performers) or buyers of products, goods (works, services)	

CONTACT DETAILS

247841, Republic of Belarus,
Gomel region,
urban settlement of Lelchitsy,
Sovetskaya street, house 42
E-mail: lel-econom@lelchitsy.gov.by



Deputy Chairman of the Lelchitsy District Executive Committee on economic issues +375 2356 2 28 96