

INVESTMENT PROJECT SUMMARY/PROFILE

Construction of an enterprise for leather processing and production of leather shoes in Dushanbe



Information about project initiator

<i>Project initiator</i>	Local executive body of the city of Dushanbe			
<i>Contact details</i>	State Committee on Investment and State Property Management of the Republic of Tajikistan 734000 Tajikistan Dushanbe, St. Shotemur 27, Tel: (+992) 37 221-48-60, 221-73-37, www.investcom.tj e-mail: ipd@investcom.tj			
<i>Type of ownership</i>	Private property			
<i>Sector</i>	Light industry			
<i>Main idea of the project</i>	Organization of a high-tech complex for leather processing and production of leather shoes based on local raw materials.			
<i>Aim/result of project</i>	Production of a highly competitive export-oriented product will be launched.			
<i>Planned production capacity</i>	Production in the amount of 2000 tons per year.			
<i>Import in 2017-2018</i>	<table border="1"> <tr> <td>From Pakistan, Russia, Turkey, Uzbekistan</td> </tr> <tr> <td>5700 tons</td> </tr> <tr> <td>\$ 19.1 million</td> </tr> </table>	From Pakistan, Russia, Turkey, Uzbekistan	5700 tons	\$ 19.1 million
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<i>Planned export volume, regions (if any)</i>	Produced products will provide the domestic market and be exported to neighboring countries, such as Afghanistan and Kyrgyzstan.			
<i>Planned realization period (years)</i>	1 year			
<i>Stage of the project (business plan, project documentation, other)</i>	A preliminary Business Plan has been developed. The project needs a feasibility study.			
<i>Project overall cost</i>	10 mln. US\$			
<i>Including</i>	<i>Internal funds</i> <i>mln. US\$</i>			
	<i>Required investments</i> <i>10 mln. US\$</i>			

<i>Profitability</i>	45%
<i>Period for payback</i>	8 years
<i>Type of investment</i>	Direct investment
<i>Investor participation form</i>	Creation of a joint venture, the implementation of the project on the basis of an investment agreement.
<i>Tax and custom benefits/privileges</i>	<ul style="list-style-type: none"> - The importation of goods directly for their own needs by newly created and operating enterprises engaged in industrial processing of leather, wool, raw silk and other agricultural raw materials into final products is exempted from customs duties, VAT, income tax, real estate tax for a period of up to 5 years, since January 1, the year of state registration of newly created enterprises, and for existing enterprises - from January 1, 2018 - Moratorium on inspections of businesses in the areas of production for two years (2018-2020). - New enterprises for the production of goods are exempt from paying income tax, subject to the introduction of their founders within 12 months from the date of state registration of the following investments in the authorized capital: <ul style="list-style-type: none"> a) for 2 years, if the volume of investments is in excess of \$ 200 thousand to \$ 500 thousand; b) for 3 years, if the volume of investments is in excess of \$ 500,000 to \$ 2 million; c) for 4 years, if the volume of investments is in excess of 2 million to 5 million dollars; d) for 5 years, if the volume of investments exceeds 5 million US dollars - A special licensing regime under the investment agreement (including a simplified regime for issuing, re-issuing, renewing licenses provided for by the investment agreement, issuing licenses for a period exceeding the maximum term of the license, full or partial exemption from paying licensing fees and duties). - A special tax regime may be granted in accordance with the investment agreement (including exemption from all taxes, other tax benefits not provided for by law). - Other preferences may be negotiated.
<i>Technical indicators</i>	
<i>Location of project (or realization)</i>	Construction of the enterprise is planned in the industrial zone of the city of Dushanbe.
<i>Size of overall necessary production site (land)</i>	1 ha
<i>Production area, ha</i>	1 ha
<i>Planned number of jobs</i>	250
<i>Infrastructure/Communication</i>	
<i>Power supply</i>	There are plans to install its own substation.
<i>Water supply</i>	There is a planned water line.
<i>Gas supply</i>	There is none

<i>Other</i>	Availability of own experimental sites
<i>Transport connection</i>	
<i>Road</i>	There is, in the city of Dushanbe, a developed infrastructure, especially roads.
<i>Airport</i>	9 km to Dushanbe International Airport
<i>Railway</i>	7 km from the railway station of Dushanbe