

# INVESTMENT PROJECT SUMMARY/PROFILE

## Construction of a shoe factory



### Information about project initiator

<i>Project initiator</i>	Ministry of Industry and New Technologies of the Republic of Tajikistan	
<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, <a href="http://www.investcom.tj">www.investcom.tj</a> e-mail: <a href="mailto:ipd@investcom.tj">ipd@investcom.tj</a>	
<i>Type of ownership</i>	Private property	
<i>Sector</i>	Industry	
<i>Main idea of the project</i>	Creation of a joint venture for the production of shoes, taking into account the use of local raw materials and the organization of quality assortment and service, individual approach to each customer. The project implementation will provide an opportunity to increase the importance of locally produced products on the market and actively participate in the development of the country.	
<i>Aim/result of project</i>	Providing domestic goods in domestic markets, creating new jobs, increasing production and improving the quality of products	
<i>Production capacity</i>	7-8 thousand pairs of ready-made shoes per month or 100 thousand pairs per year	
<i>Planned export volume, regions (if any)</i>	- 60% of production will be realized in within Tajikistan; - 40% of the production is exported to such countries as Uzbekistan, Kyrgyzstan and Afghanistan.	
<i>Planned realization period (years)</i>	2 years	
<i>Stage of the project (business plan, project documentation, other)</i>	A business plan needs to be developed	
<i>Project overall cost</i>	2,35 mln. US\$	
<i>Including</i>	<i>Internal funds</i>	<i>mln US\$</i>
	<i>Required investments</i>	2,35 mln US\$

<i>Profitability</i>	35%
<i>Period for payback</i>	2 years
<i>Type of investment</i>	Direct investment
<i>Investor participation form</i>	100% investor ownership of the newly created company and / or the possibility of creating a joint venture, the allocation of the necessary land, the provision of tax and customs benefits.
<i>Tax and custom benefits/privileges</i>	<ul style="list-style-type: none"> <li>- Reduced (50%) VAT rate is valid for the importation and subsequent delivery of new cars (cars, motor vehicles, mainly intended for the transport of people, motor vehicles, intended for the carriage of goods, etc.);</li> <li>- Moratorium on inspections of activities of business entities in the areas of production for two years (2018-2020);</li> <li>- New enterprises for the production of goods are exempt from paying income tax for 5 years, provided that they are made by the founders within 12 months from the date of state registration if the amount in the statutory fund of investments exceeds \$ 5 million;</li> <li>- Importation of production and process equipment and components to it, forming a single technological kit is exempt from customs duties and VAT;</li> <li>- A special tax and customs regime may be granted in accordance with the investment agreement (including exemption from all taxes, other tax benefits, as well as from all customs payments, simplified customs procedure, provision of other customs privileges not provided for by the legislation).</li> </ul>
<i>Technical indicators</i>	
<i>Location of project (or realization)</i>	Dushanbe city or suburb
<i>Size of overall necessary production site (land)</i>	More than 1 ha
<i>Production area, ha</i>	Planned for 2 ha
<i>Planned number of jobs</i>	More than 400 jobs
<i>Infrastructure/Communication</i>	
<i>Power supply</i>	There exists a separate transformer
<i>Water supply</i>	Yes
<i>Gas supply</i>	No
<i>Transport connection</i>	
<i>Road</i>	Well-developed infrastructure
<i>Airport</i>	9 km from the International airport of Dushanbe