

Technical re-equipment and modernization of production of the Slutsk Brewery Open Joint-Stock Company

A. Project Opportunity Description:	
A1. Project Name:	
Technical re-equipment and modernization of production of the Slutsk Brewery Open Joint-Stock Company	
a. Short name:	
Technical re-equipment and modernization of production of the Slutsk Brewery Open Joint-Stock Company	
b. Full name:	
Technical re-equipment and modernization of production of the Slutsk Brewery Open Joint-Stock Company	
c. Summary description:	
<p>The Project initiator is the Slutsk Brewery Open Joint-Stock Company; the objective of the economic activities consists in production of beer, soft drinks, mineral water and alcoholic beverages from natural high-quality and ecologically-pure raw materials according to the original receipts. The investment is aimed at the technical re-equipment of the beer-bottling area, filtering department and auxiliary production (ammonia compressor shop). As a result, the quality of beer and its stability will be improved as well as bottling design will be enhanced due to using the three-position label with preserving the Brewery's capacity at the former level (1.97 million USD per year) that will make it possible to make the competitive products.</p>	
A2. Progress Status:	
The business-plan of the Investment Project has been elaborated.	
A3. Organizations involved and their roles:	
<p>1) Slutsk Brewery Open Joint-Stock Company – is a borrower: 1, Tutarinov Str., Slutsk, Minsk Region, Republic of Belarus. Lutsevich Vladimir Nikolayevich, Director, tel.: (+375-1795) 5-34-25, fax: (+375-1795) 4-51-40; e-mail: SLbeer@narod.ru; www.SLbeer.narod.ru; 2) Agency of Economic Investigations Ltd., tel.: (+375-1795) 217-46-34; 3) Minsk Region Executive Committee: 4, Engels Str., Minsk, 220030, Republic of Belarus. Golovach T.N., tel.: (+375-17) 227-29-18.</p>	
A4. Project Description:	
<p>Project aim: 1) improving the quality and stability of beer; 2) modification of the beer bottling design; 3) expansion of the markets; 4) retaining the production capacity of the Brewery (1.97 million USD per year). Tasks: 1) replacement of the existing plants with new, more efficient and high-quality equipment; 2) development and promotion of new sorts of improved-quality beer to the market; 3) change to the use of new kinds of labels; 4) taking a complex of marketing measures for investigating the market and promotion of the products.</p>	
A4a. Project cost (mln USD):	
2.92	
A5. Background / history / overall programme / related or similar projects:	
Program of Development of the Brewing Branch of the Republic of Belarus for the years 2003-2005.	
A6. Environmental impact summary:	
The implementation of the Project will cause no adverse impact on the environment.	
A7. Possible obstacles/ problems/ risk assessment:	
The risk of provision with resources is minimum. The real risk for the Project is reduction of the sales volumes.	
A8. Term of realization / term of recoupment (years):	
6 / 4,5	
A9. Project's branch:	
Food industry	
B. Capital Cost Items (additional requirements for project):	
B1. Project physical components	B2. Capital cost (mln USD)
Line for dispensing beer to 0.3-0.5 l bottles with the capacity of 12,000 bottles per hour:	1.00

Line for dispensing beer to KEGs with the capacity of 60 KEGs per hour; process pipelines and fittings:	0.13
Water-preparing station with the capacity of 70 m3 per hour; SIP station device:	0.12
Combined filter with the capacity of 200 hl/hours; aftercooler with the capacity of 200 hl/hours:	0.37
For-fast vessels of stainless steel with the pipelines and fittings system, V=15 m3; Air oil-free compressors with the air cleaning and drying system, 15 m3/min:	0.23
Paying the customs duties and charges, building and assembling jobs, VAT:	0.85
Investments for increase of net circulating capital; possible country-supplier - Russia:	0.22
Total:	2.92
C. Capital Resources Available from Sponsors/ Proposers:	
C1. Resources 'in kind', grants, investments, equity / ownership, etc.	C2. Amount (mln USD)
D. Required Financial Assistance:	
D1. Financing gaps, type of financial assistance required:	
Crediting.	
D2. Sources of finance	D3. Type of investment
Foreign investment funds:	Credit:
	2.92
D5. Financial/ International Institution Name:	
E. Demand (users) and revenues:	
E1. Type of users/ markets, volumes, pricing, revenues, quantifiable benefits/ savings:	
Internal and external market.	
E2. Revenues (Sales)	E3. Amount (mln USD)
Proceed from implementation:	49.81
F. Operating and Maintenance Costs:	
F1. Cost components, strategies for cost recovery, operating organisations, subsidies, etc.:	
F2. Cost Item	F3. Amount (mln USD)
Total cost related to the products sold:	37.65
Tax on the proceeds:	8.28
Deductions:	1.12
Total:	47.05
G. Net Income Value:	
G1. Net Income Value	G2. Amount (mln USD)
Net income and value:	2.76
H. Project information source:	
H1. This form was completed by:	
Zadera Liudmila Pavlovna, Chief Economist.	
H2. Organisation (address):	
Slutsk Brewery Open Joint-Stock Company: 1, Tutarinov Str., Slutsk, Minsk Region, Republic of Belarus.	
H3. Tel/Fax/E-mail:	
Tel.: (+375-1795) 5-34-25, fax: (+375-1795) 4-51-40; e-mail: SLbeer@narod.ru ; www.SLbeer.narod.ru	
H4. Date:	
March, 2007	

H5. Supreme Organization:

Minsk Region Executive Committee