FREE ECONOMIC **ZONE IN CAHUL** MUNICIPALITY







SUBZONE

CAHUL

23 hectares - free buildable area

CAHUL MUNICIPALITY

Cahul Municipality is the administrative center of Cahul District and is the third largest city in terms of economic and social importance in the Republic of Moldova. Cahul Municipality has a population of 40 thousand inhabitants. Cahul District comprises 55 rural localities with the total population of 125 thousand inhabitants. The population in the radius of 50 km is circa 390 thousand inhabitants. In terms of economic development Cahul District is characterized by the agriculture, light industry and development of industries based primarily on various raw materials. Cahul lies in close proximity to the border with Romania being at 7km distance from the nearest border checkpoint Cahul (MDA) - Oncea (ROU). The Giurgiulesti International Free Port is situated at 50 km distance from Cahul Municipality.

EDUCATION

- State University of Cahul
- Cahul branch of the "Dunarea de Jos" University of Galati (Romania)
- Industrial-pedagogical college of Cahul
- Medical college of Cahul
- 2 vocational schools

LANGUAGES

widely spoken and understood









FREE ECONOMIC ZONE "BĂLŢI" - SUBZONE CAHUL

The Free Economic Zone (FEZ) is an excellent platform for the companies producing export-oriented commodities and benefiting from customs and tax advantages.

The FEZ «Bălţi» was established in 2010 for a period of 25 years. It administrates 11 subzones with a total area of circa 278 hectares, namely in Balti Municipality (3 subzones - 104.9 ha), Strășeni Municipality (4 subzones - 43.4 ha), the Village of Pănăşeşti (16.3 ha), the City of Căușeni (8.5 ha), Orhei Municipality (8.0 ha), Cahul Municipality (2 subzones - 40.4 ha), the City of Stefan-Vodă (8.9 ha), the City of Cimislia (20.0 ha), the Village of Albinetul Vechi (1.5 ha), the City of Rezina (8.7 ha), and Chisinău Municipality (2 subzones - 18.0 ha). The FEZ «Bălţi» hosts in its subzones throughout the country several international automotive suppliers such as Dräxlmaier Automotive, Gebauer & Griller, SEBN Sumitomo Electric Bordnetze, Sammy Cablaggi / Kablem, and Coroplast Fritz Mueller.

Subzone Cahul consists of two delimited areas of a Brownfield of 17.4 hectares and a Greenfield of 23 hectares. The Brownfield is being reconstructed by Dräxlmaier Automotive to open a production line in Cahul.

GREENFIELD, SUBZONE CAHUL

Subzone Cahul is located on the eastern outskirts of Cahul in circa 3 km proximity to the city center. The land plot of 23 hectares lies along the National Road R38 (Vulcănesti - Cahul - Taraclia). The Greenfield layout (23 hectares) enables a possible extension over additional 20 hectares.

GENERAL INFORMATION Cahul Location **Overall Population of the District** 125,000 inhabitants 34 km² **Total Area of the City Organizational Form** FEZ administration **Land Ownership Public** Free Buildable Area 23 hectares

International Free Port.

INFRASTRUCTURE

TRANSPORT



- Immediate access to National road R38 (Vulcănești Cahul - Taraclia)
- 3.5 km to National road R34 (Hîncesti Leova - Cahul - Slobozia Mare - border checkpoint with
- Romania).

Distances:

- 165 km to Chişinău;
- 7 km to the nearest border checkpoint with Romania;
- 40 km to the nearest border checkpoint with Ukraine.



- The railway station in Cahul · Cahul International Airport is serves the Municipality and is located at 8 km distance from operated by Moldovan Railways. Cahul Municipality. Currently the It provides direct rail connections airport is not operational. to Chişinău and to Giurgiulești
 - 170 km to Chişinău International Airport.



 Glurgiuleşti International Free Port is located at circa 50 km distance from Cahul Municipality. It is the only Danube River and Black Sea port in Moldova with direct access to international waterways.

UTILITIES



Water supply: in 200 m proximity – Ø 110 mm



Electric power: substation in 1.5 km proximity – 10 MW



Natural gas: in 360 m proximity – 0.125-0.25 MPa (Ø 426 mm)



Sewerage: in 300 m proximity – 13,700 m³/24 hours



Available: Topography and Geology surveys; Master plan.

UTILITY COSTS

Water	1.0 EUR/m ³
Electric power	0.1 EUR/kWh
Natural gas	0.34 EUR/m ³
Sewerage	0.681 EUR/m ³

INVESTMENT PROPOSALS

The FEZ "Bălţi" is designed as an economic area under the law of the Republic of Moldova to facilitate the economic development by attracting investment capital. For this purpose, special favorable terms similar to tax and customs facilities have been created. Due to these incentives, as well as due to the favorable geographic location of Moldova providing an exceptional investment platform with opportunities to export to EU and CIS countries, many foreign manufacturing companies are interested in extending their production capacities in Moldova. It increases the demand for ready-to-use production halls for quick production start, but also demand for development of build-to-suit (BTS) projects.

The Greenfield in Cahul Municipality is located on 23 hectares of free buildable area, which allows implementing the industrial and logistic real estate development projects.

INCENTIVES OFFERED IN FREE ECONOMIC ZONES

- FEZs are connected to all important transport routes and have access to all regions through the national and international roads;
- All utilities available on site;
- Corporate income tax (CIT) rate: 6%;
- Exemption from CIT for a period of 3 years, when investing 1 million USD in fix assets of the company and/ or in FEZ infrastructure development (for 5 years, when investing 5 million USD);
- VAT for equipment and machinery: 0%;
- Customs procedures tax: 0.1% from customs value of goods;
- EUR/USD payment among FEZs residents;
- 10 years of state guarantee for protection against adverse changes in legislation;
- State investment protection.



FEZ RESIDENT FEES*

Tender fees	400 EUR
Registration fee	600 EUR
Fee for business activity permit	1000 EUR

^{*} fees to be paid at the beginning of activity

LAND LEASE & PURCHASE

A land plot can be leased with an option for extension. The FEZ "Bălţi", Subzone Cahul offers long-term land lease contracts limited to the lifetime of the FEZ.

Land lease fee

	per 1 m²/year
FEZ land plot	0.5 – 1.5 EUR
Land plot (general regime)	0.75 – 2.0 EUR

Land purchasing

A land plot adjacent to and under constructions within Subzone Cahul can be purchased on the state norm price.

Land purchase price

0.15 EUR/m2



CONTACTS

FREE ECONOMIC ZONE "BĂLŢI"

- 4 Industriala str., Bălți Municipality, MD-3100
- +373 231 8-88-81, +373 231 8-88-81
- office@zelb.md, administration@zelb.md
- www.zelb.md





- 134 Ştefan cel Mare bd., Chişinău, Republic of Moldova, MD 2012
- **+373 22 27-36-54, +373 22 22-43-10**
- invest@gov.md, office@invest.gov.md
- www.invest.gov.md