## FREE ECONOMIC ZONE IN THE CITY OF CĂUȘENI







CHISINAL

Căuseni

## 5.5 hectares - free buildable area

## THE CITY OF CĂUȘENI

The City of Căuşeni is the administrative center of Căuşeni District in the in the southeast of the Republic for Moldova. Causeni District comprises 46 rural localities and two cities with the total population of 90.5 thousainhabitants.

The District's capital city Căuşeni alone has a population of 20 thousand inhabitants. The population in the radiulation of 50 km is circa 340 thousand inhabitants.

The main economic activities of the District are manufacturing and agriculture. The different types of manufacturing that predominate are: cable assemblies and injection moulded components for automotive industry and light industry. The agri-food sector is represented by areas such as wine-making, dairy, bakery products, and other industries based on local raw materials.

# EDUCATION2 vocational schools

#### LANGUAGES

widely spoken and understood









## English

## FREE ECONOMIC ZONE "BĂLŢI" – SUBZONE CĂUȘENI

The Free Economic Zone (FEZ) is an excellent platform for the companies producing exportoriented 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 Pănășești (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 Ștefan-Vodă (8.9 ha), the City of Cimişlia (20.0 ha), the Village of Albinețul Vechi (1.5 ha), the City of Rezina (8.7 ha), and Chișinău 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.

## GREENFIELD, SUBZONE CĂUȘENI

The Subzone Căuşeni is located in 1.5 km proximity to the city center. The Subzone's land plot of 8.5 hectares has good access to two National Roads R26 and R30 connecting the District with capital city Chişinău (up north) and the border checkpoint with Ukraine (down south). The most important resident of the Subzone is a cable assemblies and injection moulded components producer – Coroplast Fritz Mueller, who is currently constructing a new plant on the area of 3 hectares of the Subzone.



## **GENERAL INFORMATION**

| Location                           | Căușeni            |
|------------------------------------|--------------------|
| Overall Population of the District | 90,500 inhabitants |
| Total Area of the City             | 10 km²             |
| Organizational Form                | FEZ administration |
| Land Ownership                     | Private            |
| Free Buildable Area                | 5.5 hectares       |



## **INFRASTRUCTURE**

#### **TRANSPORT**



- In close proximity to National Roads R26 (Cimişlia Căuşeni
  Tiraspol), R30 (Anenii-Noi Căuşeni Ştefan-Vodă – border checkpoint with Ukraine), and R31
- (Căușeni border checkpoint with Ukraine).Distances:
  - 73 km to Chişinău; 145 km to the nearest border checkpoint with Romania;
- 65 km to the nearest border checkpoint with Ukraine.



 The railway station serves the city and is operated by Moldovan Railways. It provides rail connections to Basarabeasca (railway customs crossing point with Ukraine).



• 60 km to the Chişinău International Airport.



 Giurgiuleşti International Free Port is located at circa 230 km distance from Căuşeni. It is the only Danube River and Black Sea port in Moldova with direct access to international waterways.

### **UTILITIES**



Water supply: Ø 110 mm

4

Electric power: substation –

2.5 MW



Natural gas: 0.125-0.25 MPa

(Ø 426 mm)



Sewerage: 5000 m<sup>3</sup>/24 hours

#### **UTILITY COSTS**

| Water          | 1.9 EUR/m <sup>3</sup>  |
|----------------|-------------------------|
| Electric power | 0.1 EUR/kWh             |
| Natural gas    | 0.34 EUR/m <sup>3</sup> |
| Sewerage       | 1.43 EUR/m <sup>3</sup> |

#### INVESTMENT PROPOSALS

The FEZ is designed as an economic area by the law of the Republic of Moldova to facilitate the economic development by attracting investment capital. For this purpose, special favourable terms, similar to tax and customs facilities have been created. Due to these incentives, as well as due to the favourable 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.

Out of the total area of the Subzone, 5.5 hectares of buildable area are free to implement the industrial and logistic real estate development projects. The land plot is privately owned.

# INCENTIVES OFFERED IN FREE ECONOMIC ZONES

- EZs are connected to all important transport routes and have access to all regions through the national and international roads;
- All utilities 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 |

<sup>\*</sup> 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 Căuşeni 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 |



#### **CONTACTS**

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