

Creation of production of wide range of machining centers

A. Project Opportunity Description:

A1. Project Name:

Creation of production of wide range of machining centers

A1c. Summary description:

According to the minutes of meeting at First Deputy Prime Minister of the Republic of Belarus from 06.11.2010 № 39/57pr the investment project «Creation of production of wide range of machining centers» was planed for OJSC "StankoGomel".

Main target is increasing of output volume and widening of sale markets because of production of wide range of (vertical and horizontal) machining centers. In order to realize this target it's planed to purchase and set into operation in 2011-2015:

- new progressive metalworking equipment in the main halls of the enterprise instead of physically and morally obsolete equipment;
- equipment of thermic, galvanic, foundry and forge-and-press productions as well as welding and cutting equipment.

Formation of credit resources of the People's Republic of China for financing of this project is considered.

A2. Progress Status:

At the status on the 16.02.2011 OJSC "StankoGomel" has completed purchase order and agreed it with the Ministry of Industry of the Republic of Belarus; open competition was announced (original registration number of invitation is 07382-2011 from 03.02.2011).

Business plan of the project will be developed after finishing of the open competition, definition of the partner, effecting of the talks and signing of the contract for project realization.

A3. Organizations involved and their roles (contact person, telephone and fax numbers, E-mail, Web page):

1. Open Joint Stock Company «StankoGomel», The Republic of Belarus, 246050, Gomel, 10 Internatsionalnaya str.;

Deputy Chief Engineer for Production Preparing & New Technics Nikolay Nikolayevich Petskovich, phone: (+375 232) 74-57-06; fax: (+375 232) 74-17-96; e-mail: stankogomel@tut.by

2. Ministry of Industry of the Republic of Belarus: The Republic of Belarus, 220033, Minsk, 2 Partizansky av., block 4, phone: (+375-17) 224-95-95, fax: (+375-17) 224-87-84.

A4. Project Description (approach, tasks, components, results, stages, terms, general financing, advantages, influence on the economy transient processes etc.):

Total amount of financing is US \$21,729,3 including (yearly): 2012 – US \$4,067,000; 2013 – US \$10,051,800; 2014 – US \$3,914,500; 2015 – US \$3,696,000.

A4a. Project cost (mln \$):

21,729

A5. Background / history / overall program / related or similar projects:**A6. Environmental impact summary:**

Monitoring of pollutant emissions into environment is arranged and effected in the enterprise. Realization of the project will allow to reduce carbon monoxide emissions into environment.

A7. Possible obstacles / problems / risk degree:**A8. Term of realization / term of recoupment (years):**

5/ 8,4

A9. Projects branch:

Machine tool industry

B. Capital Cost Items (total investments, necessary for the execution of the project):**B1. Project physical:****B2. Capital cost (mln \$):**

Purchase of equipment	19,122
Erection and design work (12%)	2,607
Total	21,729

B3. Sub-project by location**B4. Project cost (mln \$):**

21,729

C. Capital by Origin, Available at Sponsors of the Project (Owners, Associates, Sponsors):**C1. Type of sources (grants, investments, equity / ownership etc.):****C2. Amount (mln \$):**

Own funds	21,729
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D. Required Investments, Deficient Funds:**D1. Necessary Financing, Required Type of Financial Participation:**

Credit funds

D2. Sources of Finance:**D3. Type of Investment:****D4. Amount (mln \$):****E. Demand (Users) and Revenues:****E1. Type of Users, Volumes, Pricing, Revenues, Estimated Profit / Savings:**

E2. Financing Sources:	E3. Revenues (Sales) (mln \$):

F. Transaction and Operating Costs:	
F1. Cost Components, Capital Allowances Policy, Industrial Engineering etc.:	
F2. Cost Item:	F3. Amount (mln \$):

G. Net Income Value:	
G1. Net Income Value:	G2. Amount (mln \$):
	0,964

H. Project Information Source:	
H1. This form was completed by (name, appointment): Z. A. Shirukova – head of plan department, A. A. Sotsky – head production engineer	
H2. Organization (name and address): Open Joint-stock company «StankoGomel», Republic of Belarus, 246050, Gomel, Internatsionalnaya str., 10	
H3. Tel / Fax / E-mail: (+375 232) 74 41 16, 74 24 19, fax: (+375 232) 74 17 96 ; e-mail: stankogomel@tut.by	
H4. Date: September 2010	
H5. Supreme organization: Ministry of Industry of the Republic of Belarus	