

# FREE ECONOMIC ZONE IN THE CITY OF TARACLIA

33 hectares - free buildable area

## TARACLIA CITY

The City of Taraclia is the administrative center of the Taraclia District. The city has a population of circa 15 thousand inhabitants. Taraclia district consists of 26 localities, including 2 cities, with the total population of circa 43 thousand inhabitants. The district is located in the south-eastern part of the Republic of Moldova, close to Autonomous Territorial Unit of Gagauzia, Cahul district and Odessa region of Ukraine. The total population in the radius of 40 km is circa 350 thousand inhabitants.

The industrial sector of the district is represented by the food processing, alcohol, construction materials and apparel production. The processing industry accounts for 53% of total sales and forms the basis of the district's industry. The cities of Taraclia and Tvardita, where Free Economic Zones are located, are the most important industrial centers of Taraclia district.

## EDUCATION

- Taraclia State University Tsamblak
- Vocational school in Ciumai
- Musical College of Stefan Neaga in Tvardita

## FREE ECONOMIC ZONE "TARACLIA"

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

The Free Economic Zone «Taraclia» was established in 1998 on the territory of 36 hectares for a period of 37 years. At the moment the most important resident of the free zone is a porcelain tiles producer.

## GREENFIELD

FEZ "Taraclia" is located in immediate proximity to the City of Taraclia along the national road R38 connecting Vulcanesti – Cahul – Taraclia cities and railway connection Chisinau-Reni (UKR). The nearest border checkpoints with Ukraine is Mirnoe (MDA) – Tabachi (UKR) and Ciadir-Lunga (MDA) – Novie Troianai (UKR). Both border checkpoints are located at circa 30 km distance from Taraclia. Out of the total area of FEZ, the free buildable area is circa 25 hectares.

## GENERAL INFORMATION

Location	Taraclia
Overall Population of District	43,000 inhabitants
Total Area of the City	34 km <sup>2</sup>
Organizational Form	FEZ administration
Land Ownership	Public
Free Buildable Area	33 hectares



## INFRASTRUCTURE

### TRANSPORT



- Immediate access to national road R38 (Vulcanesti – Cahul – Taraclia)
- 11 km to national road M3 (Chisinau – Cimislia – Vulcanesti – Giurgiulesti)
- Distances:**
  - 155 km to Chisinau
  - 50 km to the nearest border checkpoint with Romania
  - 27 km to the nearest border checkpoint with Ukraine



- The FEZ has immediate access to railway operated by Moldovan Railways. It provides connections to Chisinau and to the City of Reni in neighboring Ukraine.



- Distance to the Chisinau International Airport is 170 km.



- Giurgiulesti International Free Port is located at circa 100 km distance from Taraclia. It is the only Danube River and Black Sea port in Moldova with direct access to international waterways.

## UTILITIES



**Water supply:** in 100 m proximity – Ø 110 mm



**Electric power:** substation in 150 m proximity – **10 MW**. Electricity is reliably provided by three substations of 10/0.4 kV with total capacity of 2350 kVA



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



**Sewerage:** in 300 m proximity – 13700 m³/24 hours



## UTILITY COSTS

Water	<b>0.8 EUR/m³</b>
Electric power	<b>0.08 EUR/kWh</b>
Natural gas	<b>0.274 EUR/m³</b>
Sewerage	<b>0.8 EUR/m³</b>

## FEZ RESIDENT FEES\*

Tender fees	<b>400 EUR</b>
Registration fee	<b>600 EUR</b>
Fee for business activity permit	<b>1000 EUR</b>

\* a single payment for the entire period of activity in the free economic zone

## INVESTMENT PROPOSALS

The FEZ 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 to due to favorable geographic location of Moldova which provides 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, ca 25 hectares of buildable area are available to implement the industrial and logistic real estate development projects.

## LAND LEASE & PURCHASE

Land plot can be leased with extension option. FEZ "Taraclia" offers a long-term land lease contracts limited to lifetime of FEZ.

### • Land lease fee

	<b>per 1 m²/year</b>
FEZ land plot	<b>0.5 EUR</b>
Land plot (general regime)	<b>1.0 EUR</b>

### • Adjacent land purchasing

Land plot under constructions within FEZ "Taraclia" can be purchased on state norm price.

Land purchase price	<b>1.0 EUR/m²</b>
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## 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 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.

## CONTACTS



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