



DOING BUSINESS in Belarus 2025

13th Edition

REVERA



Introductory remarks

Good afternoon, dear investor!

We are pleased to present the latest edition of Doing Business in Belarus, which will become your reliable guide in the world of investment opportunities in Belarus.

This annual project has been helping foreign investors to better understand the business environment of our country and successfully implement their projects for several years. In 2025, the REVERA Belarus team has again collected the most up-to-date information for you so that you can get a clear picture of the legal and economic aspects of doing business in Belarus.

In the review, you will find a detailed analysis of key issues, from business registration and regulation of labor relations, to preferential regimes, intellectual property protection, and the specifics of doing business in certain industries (pharmaceuticals, construction and e-commerce). Only verified facts, figures, and analysis—concise and to the point.

We hope that Doing Business 2025 will be a useful tool for you to answer your questions and inspire new business initiatives.

Sincerely,
Artem Khandriko
Executive Director of REVERA Belarus

Contents

General information about the Republic of Belarus.....4

Main economic indicators of the economy and foreign trade..... 5

Membership in international associations..... 9

Business environment10

Options for doing business by foreign investors in the country..... 11

Preferential Regimes 18

Banks and Finance..... 30

Licensing 35

Labor relations36

General information 37

Labor migration..... 40

Taxation43

General taxation system: basic payments..... 44

Special Taxation Regimes 51

Agreements in the field of taxation and exchange of information..... 52

General Regulatory Issues58

Real estate..... 59

Antitrust Regulation 62

Protection of personal data..... 64

Intellectual Property..... 70

Advertising 72

Court and Arbitration 74

Selected Industries.....77

M&A 78

Pharmaceuticals and Healthcare..... 81

Construction..... 87

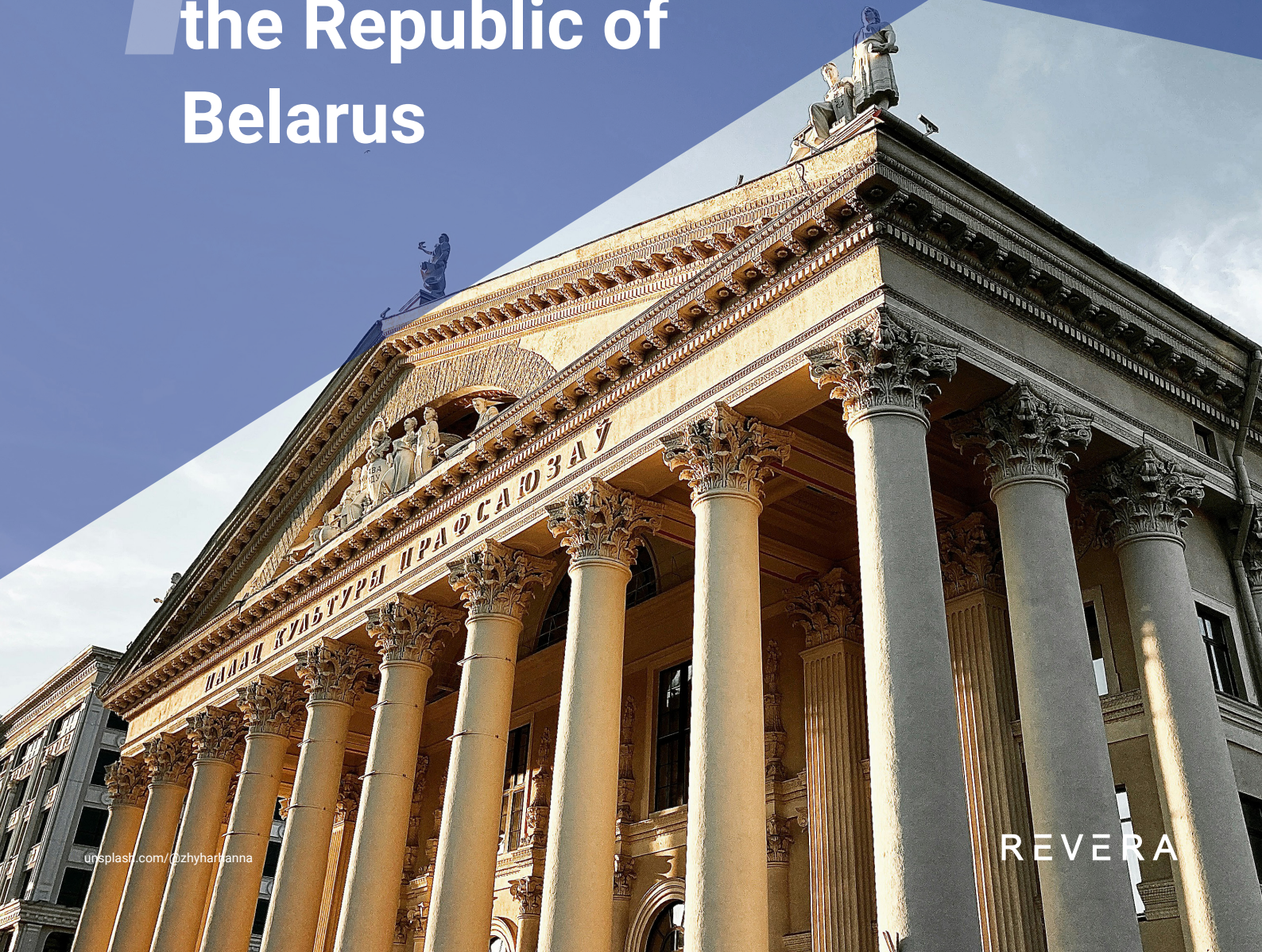
Retail and E-commerce..... 91

Gambling Business 95

Crypto / Regulation 98

Conclusion101

1 General information about the Republic of Belarus



Main economic indicators of the economy and foreign trade

Total

Official name	Republic of Belarus
Abbreviated name	Belarus
Territory	207.6 thousand sq. km
Geographical location	located in Eastern Europe It borders on the Russian Federation, Ukraine, the Republic of Poland, the Republic of Lithuania and the Republic of Latvia
Official languages	Belarusian, Russian
National currency	Belarusian ruble (BYN)
Population at the beginning of 2024	9.16 million people
Population of the capital (Minsk)	1.99 million people
Number of people employed in the economy on average for 2023	4.15 million people (45% of the total population of the country)
Unemployment rate	3,5%
Nominal accrued average monthly salary of employees of legal entities on average in the country in 2023	2043,1 BYN
The highest salary is typical for the field of «Information and Communication»	5273,9 BYN

Natural resources

The area of agricultural land in 2024 amounted¹ to 38.7% of the total area of the country, forests - 43.5%. Renewable freshwater resources increased² in 2023 compared to 2022 by 37% both in million cubic meters per year and per person.

In November 2024,³ the program of Russian-Belarusian cooperation in the field of environmental protection and rational nature management for 2024-2026 was signed. According to this document, the priority areas of cooperation between Russia and Belarus will be: the protection and rational use of transboundary water bodies, biodiversity and the development of a transboundary network of specially protected natural areas, geology and subsoil use, and industrial waste management and consumption, conducting state environmental expertise.

Transport corridors

The geographical location of Belarus has determined its status as a transit road power: the country is located at the intersection of key transport routes connecting the states of Western Europe with the East, as well as the regions of the Black Sea coast with the Baltic Sea countries. Two trans-European transport corridors pass through the territory of Belarus: West – East and North – South (according to the international classification as II and IX with a branch of the IX century, respectively).⁴

On November 1, 2024, at a meeting of the Advisory Committee on Transport and Infrastructure of the EAEU, the “Seamless Transit”⁵ project was presented to simplify cargo transportation in the region of Central Asia, the Trans-Caspian route and the countries of Transcaucasia, which was originally launched along the China-Kazakhstan-Uzbekistan route. From the 1st quarter of 2025, Belarus will be included in the “Seamless Transit” project.

The Ministry of Transport and Communications is responsible for the implementation of the provisions of the Protocol on International Roads of the CIS, developed by the Intergovernmental Council of Road Builders. This document enshrines the basic principles and approaches to the formation and development of the network of international roads of the Commonwealth, as well as defines measures for the integration of the CIS road system into the European and Asian transport networks. The Protocol provides for the creation of a modern road service infrastructure, the provision of services to international road carriers and the establishment of cooperation between road administrations.

Economics

The gross domestic product for 2023 amounted to 72.659 million US dollars.

The structure of the gross domestic product by the production method at current prices in the territory of the Republic of Belarus is presented in Table 1.

¹ <https://www.belstat.gov.by/ofitsialnaya-statistika/makroekonomika-i-okruzhayushchaya-sreda/okruzhayushchaya-sreda/pokazateli-zelenogo-rosta/prirodnye-aktivy/>

² <https://www.belstat.gov.by/ofitsialnaya-statistika/makroekonomika-i-okruzhayushchaya-sreda/okruzhayushchaya-sreda/pokazateli-zelenogo-rosta/prirodnye-aktivy/>

³ https://www.mnr.gov.ru/press/news/utverzhdena_programma_rossiysko_belorusskogo_sotrudnichestva_v_oblasti_okhrany_okruzhayushchey_sredy/

⁴ <https://mintrans.gov.by/ru/dorozhnoe-khozyajstvo/struktura/mezhdunarodnye-transportnye-koridory>

⁵ <https://eec.eaeunion.org/news/konsultativnyy-komitet-po-transportu-obsudil-initsiativu-razvitiya-besshovnogo-tranzita/>

Table 1.

Gross domestic product by production method	Types of economic activity (NCEA-2011)	Share, %
Gross domestic product	Total by type of economic activity	100
Gross Value Added (GVA)	Total by type of economic activity	87,8
	Agriculture, forestry and fisheries	7,3
	Mining	0,6
	Manufacturing	22,2
	Supply of electricity, gas, steam, hot water and air conditioning	3
	Water supply; collection, treatment and disposal of waste, pollution elimination activities	0,7
	Construction	5,2
	Wholesale and retail trade; repair of cars and motorcycles	9,8
	Transport, warehousing, postal and courier activities	5,2
	Temporary accommodation and catering services	1,1
	Information and communication	5
	Financial and insurance activities	3,8
	Real estate transactions	5,9
	Professional, scientific and technical activities	2,5
	Administrative and support services activities	1,5
	Public administration	4
	Education	4,2
	Health and social services	4,1
	Creativity, sports, entertainment and recreation	1
	Provision of other types of services	0,7
Net taxes on products	Total by type of economic activity	12,2

Foreign trade

In 2024, the foreign trade turnover of the Republic of Belarus amounted to 86 billion US dollars, which is 3.7% higher than in 2023. Russia, the EAEU, the CIS and the EU remain the country's main trading partners, while the presence of Belarusian exporters in the markets of Asia, Africa, the Middle East and Latin America is actively expanding.

Exports of goods reached \$40.3 billion, an increase of 1.2% compared to the previous year. In the commodity structure of exports, there are more than 1,100 items at the level of four digits of the Commodity Nomenclature of Foreign Economic Activity of the EAEU, including products of mechanical engineering, food, petrochemical industry and metallurgy. Belarusian goods in 2024 were supplied to 161 countries of the world.

Belarus' imports are formed at the expense of products of mechanical engineering, petrochemical, food industry and metallurgy. At the same time, together with partners in the EAEU, work is underway to conclude free trade agreements to enter the markets of the countries of the "far arc". Separately, it is worth noting the growth in exports of services, which in 2024 amounted to \$9.9 billion, which is 14% higher than the level of 2023.

Exports, imports of goods, as well as the balance of foreign trade in goods for 2023 are presented in Table 2.

Thus, the city of Minsk and the Minsk region are key regions in the export of goods. However, Minsk has a negative balance on goods, which may indicate a

high dependence on imports. The Vitebsk and Grodno regions face difficulties in trade in services, but successfully export goods.

Exports, imports of services, as well as the balance of foreign trade in services for 2023 are presented in Table 3.

The largest volume of exports of services falls on the city of Minsk, which is several times higher than in other regions. At the

same time, Minsk is the leader in the import of services, which generally creates a positive balance and indicates a strong position in the service sector.

The least services are exported by the Mogilev region (139.3 million US dollars). The Vitebsk and Grodno regions have a negative balance (-20.0 and -59.3 million US dollars, respectively), which indicates the excess of imports of services over exports.

Table 2.

Territory of the Republic of Belarus	Export of goods in value terms, USD million	Import of goods in value terms, USD million	WTT balance, USD million
Brest region	3 554,6	2 093,6	1 461,0
Vitebsk region	6 946,9	4 124,3	2 822,6
Gomel region	3 618,1	4 983,1	-1 365,0
Grodno region	2 806,1	1 441,7	1 364,4
Minsk	9 472,1	17 143,9	-7 671,9
Minsk region	9 883,9	6 398,6	3 485,4
Mogilev region	2 342,9	1 464,6	878,3

Table 3.

Territory of the Republic of Belarus	Export of services, USD million	Import of services, USD million	WTU balance, USD million
Brest region	346,8	215,5	131,2
Vitebsk region	229,9	249,9	-20,0
Gomel region	351,9	169,6	182,4
Grodno region	275,9	335,2	-59,3
Minsk	4 484,2	2 219,2	2 264,9
Minsk region	1 503,6	1 216,2	287,4
Mogilev region	139,3	97,9	41,4

Membership in international associations

Belarus, as a full member or observer, participates in the activities of more than 55 international organizations on various issues, including economic cooperation, political interaction and security. The following are the key organizations.

Commonwealth of Independent States (CIS)

Date of accession: December 8, 1991 (founding state).

Goals and their achievement:

- Creation of a free trade zone between the CIS countries, which made it possible to increase the export of Belarusian products (especially machinery, equipment and food). According to the statistical authorities, in Belarus in 2023, the foreign trade turnover in goods amounted to \$83.4 billion, while the CIS countries account for 61.71% of the volume of trade in goods.
- Simplification of trade procedures and customs clearance, which stimulated the growth of export-oriented small and medium-sized businesses.

Eurasian Economic Union (EAEU)

Date of accession: January 1, 2015 (founding state).

Goals and their achievement:

- On January 1, 2018, the EAEU Customs Code came into force, which simplified and accelerated the process of passing customs procedures. It provides for the maximum transfer of customs operations to electronic form, the use of a one-stop-shop mechanism when working with documents, a reduction in the time for the release of goods, and more.
- Free movement of goods, services, capital and labor within the union, which contributed to the growth of exports and an increase in the number of people employed in industry and agriculture.
- Development and implementation of uniform product standards, which simplified the access of Belarusian goods to the markets of Russia, Kazakhstan, Armenia and Kyrgyzstan.

International Monetary Fund (IMF)

Date of accession: July 10, 1992

Goals and their achievement:

- Improving the efficiency and sustainability of the Belarusian economy.
- Advice and recommendations on economic reforms aimed at increasing the competitiveness of the economy;
- Provision of credit resources, technical expert assistance, if necessary.

Shanghai Cooperation Organization (SCO)

Entry Date: July 4, 2024

Goals and their achievement:

- Developing economic ties with China and other Asian countries, including projects under the Belt and Road Initiative.
- Attracting investment in major infrastructure projects, including road construction and modernization of the railway network.
- Stimulating trade and economic cooperation through industrial and technological cooperation, digital transformation, artificial intelligence; green economy and others.

2 Business environment



REVERA

Options for doing business by foreign investors in the country

Forms of doing business by foreign investors

Foreign investors can choose one of the following options for doing business in the Republic of Belarus:

- a) foreign individuals and legal entities - the creation of a legal entity.
- b) foreign legal entities or foreign organizations:

- opening of a representative office;
- opening of a branch.

Creation of a legal entity

The current legislation does not impose any specific requirements on foreigners wishing to do business in the Republic of Belarus. Investors, regardless of whether they are residents of the Republic of Belarus or another state, are subject to the same legal regime and enjoy equal rights to do business. An exception may be made for certain areas of business in which the state limits the size of participation (number of shares, size of the share in the authorized capital, etc.) of foreign capital. For example, the size (quota) of foreign capital participation in the banking system of the Republic of Belarus as of 01.01.2025 is no more than 50%.

Legal entities must have:

- name;
- legal address;
- authorized capital:
 - is formed within 1 year from the date of state registration, unless otherwise provided by the constituent documents;
 - the minimum amount of the charter may be determined by law for some organizational and legal forms (for example, for CJSC and OJSC);
 - must be declared in Belarusian rubles. Foreign investors can make their contribution in foreign currency, but if it is determined in the constituent documents, the contribution is subject to conversion into Belarusian rubles at the official exchange rate of the National Bank of the Republic of Belarus on the date of their actual payment.

- Controls;
- bank accounts.

Legal entities engaged in entrepreneurial activities (commercial legal entities) may be established in the following organizational and legal forms:

- peasant (farm) enterprise;

- unitary enterprise;
- production cooperative;
- general partnership;
- limited partnership;
- a company with additional liability;
- limited liability company;
- open joint-stock company;
- closed joint-stock company.

The most common organizational and legal forms of doing business in the Republic of Belarus are: a limited liability company (LLC), a unitary enterprise (UE) and a closed joint-stock company (CJSC).

It should be noted that in the Republic of Belarus, individuals can carry out entrepreneurial activities as an individual entrepreneur. However, only a citizen of the Republic of Belarus or a foreigner who has a permanent residence permit in the Republic of Belarus can be registered as an individual entrepreneur.

Limited Liability Company

Number of founders (participants): no more than 50. Both individuals and legal entities can act as participants. A company can also consist of one participant, including a legal entity participant, which,

in turn, also consists of one participant.

Authorized capital: divided into shares. Both monetary funds and other things, including securities, other property, including property rights, or other alienable rights with an assessment of their value, can be contributed to the authorized capital.

The authorized capital cannot be formed entirely at the expense of a non-monetary contribution in the form of property rights. The amount of such rights made as a contribution to the authorized capital may not exceed 50% of the authorized capital.

Size of the authorized capital: the minimum amount of the authorized capital is not defined by law.

Constituent document: the charter, which is approved by the founders (participants).

Liability of the company and participants: the property belongs to the company on the basis of the right of ownership. The company is liable for its obligations with the property belonging to it.

The company is not liable for the obligations of the participants, except as provided for by legislative acts or the charter. The company's participants are not liable for its obligations and bear the risk of losses associated with the company's activities within the value of their contributions to the authorized capital.

Participants of the company who have not made contributions to the authorized

capital in full are jointly and severally liable for its obligations within the value of the unpaid part of the contribution.

The legislation provides for a number of cases when the participants bear subsidiary liability for the obligations of the company (for example, in the event of the bankruptcy of the company if certain criteria are met).

Structure of the company's management bodies:

1. General meeting of participants (mandatory body). The general meeting of participants is the supreme management body of the company, which makes decisions on the most significant issues of its activities. In a limited liability company consisting of one participant, the powers of the general meeting of participants are exercised by a single participant.

2. Board of Directors (Supervisory Board) (as a rule, an optional body). The board of directors (supervisory board) is formed if its formation is provided for by the charter. A number of issues related to the competence of the general meeting of participants may be transferred to the competence of the board of directors.

3. Executive body (mandatory body). As a rule, the executive body is the head (director). A collegial executive body (directorate/management board) may be established in the company, and the powers of the executive body may be transferred to another commercial organization (management company) under a contract by decision of the general meeting of the company's participants.

4. Auditor / Audit Commission (mandatory body). Performs a control function in the company.

The board of directors (supervisory board), executive and control bodies of the company are accountable to the general meeting of participants, and in a company consisting of one participant, to this participant.

Unitary Enterprise

Distinctive features: a unitary enterprise is not endowed with the right of ownership of the property assigned to it. It belongs to it either on the basis of the right of economic management or on the basis of the right of operational management.

Number of owners: one. Both an individual and a legal entity can act as the owner of the property of a unitary enterprise.

Authorized capital: indivisible, that is, it cannot be distributed among contributions (shares, shares).

Size of the authorized capital: the minimum amount of the authorized capital is not determined by law. The size of the authorized capital is determined by the owner independently.

Constituent document: the charter, which is approved by the owner of the property.

Liability of the company and the owner of the property: a unitary enterprise is liable for its obligations with all the property belonging to it and is not liable for the obligations of the owner of its property, except in cases provided for by law (for example, in the event of bankruptcy in

the presence of certain criteria).

Management structure of a unitary enterprise:

1. Owner of the property. The owner of the property directly makes key decisions regarding the activities of the enterprise.

2. Leader (director). The owner is an individual and the director of a unitary enterprise may coincide in one person. The powers of the head of a unitary enterprise may be transferred under a contract to another commercial organization (management organization) by the decision of the owner.

Closed Joint-Stock Company

Distinctive features: features in the activities of joint-stock companies are associated with a special procedure for the circulation of shares (they are securities), which imposes on the company's activities the need to comply with additional requirements (for example, registration of transactions with shares, disclosure of information on the securities market, etc.).

Shares of a closed joint-stock company are placed only among the shareholders of this company and (or) a limited number of persons determined in accordance with the legislation on joint-stock companies.

Number of shareholders: the legislation does not limit the number of shareholders. However, the number of shareholders of a closed joint-stock company may be limited by the constituent documents (charter) of such a company.

Authorized capital: divided into shares having the same nominal value.

Size of the authorized capital: the minimum amount of the authorized capital is 100 basic units.

Constituent document: the charter, which is approved by the founders (shareholders).

Liability of the company and shareholders: shareholders are not liable for the company's obligations and bear the risk of losses associated with the company's activities within the value of their shares.

Subsidiary liability of shareholders occurs in cases provided for by law (for example, in the case of bankruptcy if certain criteria are met).

Structure of the company's management bodies: the organizational structure of the management bodies of a closed joint-stock company includes all the same elements as the structure of the management bodies of a limited liability company. However, if the number of shareholders is more than 50, then it is mandatory to create a board of directors (supervisory board).

Selection of the executive body of a legal entity: director, management organization, manager

The executive body of a legal entity can be a director - an individual working on the basis of an employment contract. The powers of the executive body may also be transferred under a civil law contract to another commercial organization (management organization) or

to an individual entrepreneur (manager). In such an agreement, it is possible to determine the scope of the transferred powers and the procedure for interaction with the management organization (manager).

In practice, the scope of powers transferred to the management company may include, among other things:

- Current management of the company
- representation of the company's interests in relations with counterparties and government agencies
- Carrying out transactions on behalf of the company
- Disposal of funds and other property of the company
- hiring and dismissing employees of the company
- performance of other functions provided for by the contract and the constituent documents of the company

Unlike a hired director, payments to the management company are not subject to income tax and deductions to the social protection fund. The services of a management company in Belarus are traditionally in demand among companies that are part of international groups, residents of the Hi-Tech Park, as well as companies in which it is advisable to divide management into operational (remaining under the jurisdiction of the owners) and administrative (transferred to the management organization).

Algorithm of actions for registration of a commercial organization in the Republic of Belarus

Registration of commercial organizations in the Republic of Belarus includes the following main stages:

1	Adoption by the founders (founder) of a decision on the establishment of a commercial organization
2	Approval of the name with the registration authority
3	Determination of the proposed location of a commercial organization
4	Preparation of the constituent document of a commercial organization
5	Holding a constituent meeting
6	Submission of documents to the registration authority and state registration
7	Formalization of labor relations with the head and chief accountant
8	Production of a seal (in cases provided for by international treaties of the Republic of Belarus)
9	Opening a current account with a bank
10	Performance of the necessary post-registration actions: execution of an electronic digital signature for reporting, purchase of the audit record book and the book of comments and suggestions (if necessary)
11	Additional stage: when carrying out certain types of activities, it may be required to send a notification of the start of certain types of activities, to obtain licenses
For CJSC / OJSC, as well as for commercial organizations with one founder / owner, the procedure may differ. For example, when creating a CJSC / OJSC, it is additionally necessary to conclude an agreement for depository and consulting services, registration of shares with an authorized state body.	

Costs of state registration of commercial organizations

Action	Cost
Legalization, translation of an extract from the trade register of a foreign state into Russian and notarization of the translator's signature (if the founder is a non-resident)	<p>Translation of 1 page into Russian – 28-89 BYN, depending on the language of translation (approximately 8-25 EUR at the exchange rate of the National Bank of the Republic of Belarus as of 16.12.2024).</p> <p>Notarization of the translator's signature on one document – approximately 22 BYN if the document with the translation is less than 10 pages (approximately 6 EUR at the exchange rate of the National Bank of the Republic of Belarus as of 16.12.2024),</p> <p>about 25 BYN if the document with a translation is more than 10 pages (about 7 EUR at the exchange rate of the National Bank of the Republic of Belarus as of 16.12.2024).</p>
Translation of an identity document into Russian and notarization of the translator's signature	<p>Translation of 1 page into Russian – 28-89 BYN, depending on the language of translation (approximately 8-25 EUR at the exchange rate of the National Bank of the Republic of Belarus as of 16.12.2024).</p> <p>Notarization of the translator's signature on one document is approximately 22 BYN (approximately 6 EUR at the exchange rate of the National Bank of the Republic of Belarus as of 16.12.2024).</p>
Legalization, translation of the power of attorney into Russian and notarization of the translator's signature (in case of delegation of authority under a power of attorney)	<p>Translation of 1 page into Russian – 28-89 BYN, depending on the language of translation (approximately 8-25 EUR at the exchange rate of the National Bank of the Republic of Belarus as of 16.12.2024).</p> <p>Notarization of the translator's signature on one document is approximately 22 BYN, if the document with the translation is less than 10 pages (approximately 6 EUR at the exchange rate of the National Bank of the Republic of Belarus as of 16.12.2024),</p> <p>about 25 BYN if the document with a translation is more than 10 pages (approximately 7 EUR at the exchange rate of the National Bank of the Republic of Belarus as of 16.12.2024).</p>
Formation of the authorized capital of the commercial organization being created	<p>The minimum amount of the authorized capital is not established.</p> <p>Exceptions:</p> <p>CJSC – 4,200 BYN from 01.01.2025 (approximately 1,153 EUR at the exchange rate of the National Bank of the Republic of Belarus as of 16.12.2024)</p> <p>OJSC – 16,800 BYN from 01.01.2025 (approximately 4,610 EUR at the exchange rate of the National Bank of the Republic of Belarus as of 16.12.2024)</p>
State fee for registration of an organization	42 BYN from 01.01.2025 (approximately 12 EUR at the exchange rate of the National Bank of the Republic of Belarus as of 08.02.2024)
Making a seal	45-100 BYN (approximately 12-28 EUR at the exchange rate of the National Bank of the Republic of Belarus as of 16.12.2024)

Representative offices and branches of legal entities

From 19.11.2024, foreign organizations / legal entities can carry out activities in the Republic of Belarus by establishing:

- Representation;
- Branch.

A representative office of a foreign organization is a separate subdivision of a foreign organization, open and located in the territory of the Republic of Belarus, carrying out on behalf of this organization the protection and representation of its interests and other activities that do not contradict the law.

A representative office **may not** carry out entrepreneurial activities on the territory of the Republic of Belarus.

A branch of a foreign legal entity is a separate subdivision of a legal entity, open and located in the territory of the Republic of Belarus, performing all or part of its functions, including the functions of a representative office.

A foreign legal entity **may** carry out entrepreneurial activities in the territory of the Republic of Belarus by opening a branch.

A representative office of a foreign organization or a branch of a foreign legal entity is considered to be opened in the territory of the Republic of Belarus from the date of making an entry on their opening in the register of representative offices of foreign organizations and

branches of foreign legal entities.

Representative offices and branches are not legal entities. They have a name containing an indication of the foreign organization (foreign legal entity) that opened them.

The parent foreign organization is responsible for the actions of branches or representative offices.

The head of a representative office or branch acts on the basis of a power of attorney issued by a foreign organization/legal entity. The property of representative offices and branches is recorded separately on the balance sheet of the foreign organization/legal entity that created them.

Liquidation of a legal entity

Liquidation of a legal entity may be carried out voluntarily by decision of the owner of the property or participants (sole participant), as well as on other grounds determined by the legislation of the Republic of Belarus (by decision of the economic court or registration body).

The owner of the property (participants) or the body of the legal entity authorized by the charter, which made the decision on the liquidation of the legal entity, appoints a liquidation commission (liquidator) authorized to perform all the necessary formalities related to the liquidation process, and establishes the procedure and terms of liquidation.

At the same time, it should be noted that

the liquidation period is 9 months from the date of the decision on liquidation with the right to extend it to 12 months.

Bankruptcy

The procedure for economic insolvency (bankruptcy) in the Republic of Belarus is regulated by the Law of the Republic of Belarus dated 13.12.2022 No. 227-Z “On the Settlement of Insolvency” (the Law on Insolvency).

This law regulates the grounds for declaring the debtor insolvent or bankrupt by the court, the procedure and conditions for conducting insolvency or bankruptcy proceedings, taking measures to resolve insolvency, including the prevention of insolvency or bankruptcy, and other related relations.

Legal entities and individual entrepreneurs can be declared bankrupt in the Republic of Belarus. The institution of bankruptcy of individuals is not provided for in the legislation of the Republic of Belarus.

In the Law on Insolvency, bankruptcy applications are divided into two branches:

- a bankruptcy application (i.e. a procedure ending in the liquidation of the debtor's company), which can be filed by the debtor, its creditors and state authorities;
- An application for insolvency (i.e. the procedure ends with the restoration of the debtor's solvency), which the debtor himself will be entitled to file.

In the course of insolvency or bankruptcy proceedings of a debtor that is a legal

entity, the following shall apply: 1. a protective period; 2. bankruptcy proceedings; 3. rehabilitation; 4. Liquidation proceedings.

The debtor's controlling persons (the owner of the debtor's property, its participants, the director, other persons who have the ability to determine the actions of the debtor) are jointly and severally liable in the event of insufficiency of the property of the legal entity only if the economic insolvency (bankruptcy) of the legal entity was caused by the guilty

(intentional) actions of such persons.

A claim for subsidiary liability may be filed by a manager, creditor, prosecutor, or state authorities if it is revealed that the debtor's property is insufficient to satisfy the creditors' claims. Claims for bringing to subsidiary liability may be filed and considered by the court only before the ruling on the completion of liquidation proceedings.

The Criminal Code of the Republic of Belarus provides for liability for:

- concealment of bankruptcy;
- deliberate bankruptcy;
- obstruction of settlements with creditors.

In addition, the Code of the Republic of Belarus on Administrative Offenses provides for liability for failure to comply with the obligation provided for by the legislation on insolvency (bankruptcy) to file a debtor's application with the court on its economic insolvency (bankruptcy).

Preferential Regimes

Free Economic Zones

Free economic zones (FEZs) are territories with a special legal regime aimed at stimulating economic activity, attracting investment, developing export-oriented and high-tech industries, as well as creating new jobs.

List and status of FEZ

As of 01.01.2025, there are six FEZs in Belarus:

- **FEZ „Brest”**
www.fez.brest.by
- **FEZ „Minsk”**
www.fezminsk.by
- **FEZ “Gomel-Raton”**
www.gomelraton.com

- **FEZ “Vitebsk”**
www.fez-vitebsk.com

- **FEZ “Mogilev”**
www.fezmogilev.by

- **FEZ Grodnoinvest**
www.grodnoinvest.com

The FEZ is valid until December 31, 2049.

A FEZ resident is a legal entity or an individual entrepreneur of Belarus, registered by the FEZ administration in accordance with the procedure established by law. To become a resident, you must:

- be located on the territory of the FEZ;
- to conclude an agreement with the FEZ administration on the conduct of activities;
- invest at least 1,000,000 euros, or

500,000 euros, provided that this amount is invested within three years after registration as a FEZ resident;

- create or develop production aimed at export or import substitution.

FEZ residents receive tax benefits, including exemption from some duties and reduced tax rates. However, these benefits do not apply to:

- banks and insurance organizations;
- public catering enterprises;
- gambling, lotteries, electronic games;
- securities transactions;
- activities outside the FEZ, if fixed assets or employees of the resident are involved.

Features of taxation of FEZ residents in Belarus

Tax/Payment	Description	Total Rate	Rate for FEZ residents	Benefits for FEZ residents
Income tax	Income tax from the sale of goods, works, services, property rights	20 %	0 %	Profit from the sale of goods (works, services) of own production, produced on the territory of the FEZ and sold outside the Republic of Belarus or to other FEZ residents, shall be exempt from income tax.
VAT	Value Added Tax on Sales of Goods (Works, Services) and Import of Goods	0 %, 10 %, 20%, 25 %	0% on import VAT for goods produced in the FEZ	Exemption from VAT applies to goods produced by FEZ residents using imported foreign goods, provided that such goods are placed under the customs procedure of release for domestic consumption. The benefit does not apply to goods sold outside the FEZ without changing the status.
Payments for land	Land tax or rent for land plots	Individually	0% (if conditions are met)	<ul style="list-style-type: none"> ■ Rent is not charged for plots provided after registration in the FEZ (up to 5 years). ■ Exemption from land tax on plots in the FEZ before the commissioning of facilities, but not more than 5 years. ■ To receive the benefit, it is necessary to sell goods (works, services) of own production for export or to other residents of the FEZ.
Real estate tax	Tax on buildings, structures, their parts	1 % в год	0% (for 3 years for new properties)	<ul style="list-style-type: none"> ■ Exemption from real estate tax for 3 years for objects acquired (arisen) after the registration of a resident in the FEZ. ■ Benefits do not apply to objects rented, leased or used free of charge. ■ To receive the benefit, it is necessary to sell goods (works, services) of own production.

Goods imported into the territory of the FEZ may be placed under the customs procedure of the Free Customs Zone (FCZ). This procedure applies to foreign goods and goods of the customs union that are used within the FEZ.

When placing goods under the FCZ:

- Customs duties, taxes and other fees (safeguard, anti-dumping, countervailing) shall not be paid.

- A guarantee for the payment of customs duties is not required.

With goods under the FCZ, you can perform any operations, including storage, loading and unloading, separation of batches, formation of shipments, sorting, packaging, repackaging, marking, processing, manufacturing, repair and maintenance, improving the quality of goods, using goods and other actions.

The declarant is obliged to keep records of goods under the FCZ procedure, as well as products manufactured in the FEZ using such goods.

Making investments in the form of public-private partnership

Public-private partnership (PPP) is a legally formalized cooperation between public and private partners. It is carried out on the basis of an agreement under which the public partner provides resources or rights, and the private partner undertakes to create, modernize, operate

or maintain infrastructure facilities.

PPP is applied to infrastructure facilities in such areas as transport (road infrastructure), utilities, healthcare, education, culture, sports, tourism, telecommunications, IT, energy, gas and oil industries; defense, law enforcement; agro-industrial production and others.

Partners in the implementation of PPP are divided into:

- **Public partner:** government bodies (e.g., republican, local executive committees) or organizations authorized by the President or the Council of Ministers.

- **Private partner:** commercial organizations and individual entrepreneurs registered in Belarus. Exceptions: state-owned enterprises and organizations where the state owns more than 50% of the shares.

The selection of a private partner for the conclusion of PPP is carried out based on the results of a tender. Competitions are divided into:

- **Two-stage:** preliminary selection of participants → determination of the winner.

- **Three-stage:** preliminary selection → consultations with participants → determination of the winner.

The process includes prequalification, provision of documentation, and selection of the proposal that best meets the project objectives.

China-Belarus Industrial Park “Great Stone”

The China-Belarus Industrial Park “Great Stone” is the largest special economic zone in Belarus with a unique legal regime, created on the basis of the Decree of the President of the Republic of Belarus of June 5, 2012 No 253 and the international agreement between Belarus and China. It is located near Minsk, in close proximity to the main transportation hubs, including the airport, railway, and highways.

The Great Stone Industrial Park is focused on the implementation of investment projects in priority high-tech and innovative sectors of the economy. The main focus is to support activities that contribute to scientific and technological progress, improve the quality of life, increase export potential and attract advanced technologies.

Main areas for project implementation

1. Manufacturing: Electronics & Communications, Biotechnology & Pharmaceuticals, Machinery
2. Research and innovation activities: innovative startups, research developments
3. Information Technology: Software Development for Various Industries
4. Logistics and e-commerce
5. Social infrastructure.

Type of benefit	Description	Validity
Income tax	Exemption from income tax.	10 years from the date of obtaining resident status.
	A 50% reduction in the income tax rate.	For the entire period of the special legal regime after the end of release.
Real estate tax	Tax exemption.	For the entire duration of the special legal regime.
Land tax		For the entire duration of the special legal regime.
Value Added Tax (VAT)	VAT exemption on sales.	For the entire duration of the special legal regime.
Local taxes	Full exemption from local taxes and fees.	Until January 1, 2032.
	A 50% reduction in local tax rates.	The next 10 years after the end of liberation.
Customs	Exemption from payment of import customs duties, taxes (on raw materials placed under the FCZ customs procedure) when exporting finished products outside the EAEU	For the entire duration of the special legal regime.
Dividend tax	Tax exemption.	For 5 years from the date of announcement of profit.
		For large investment projects for 10 years from the date of declaration of profit.
Administrative Fees	Simplified procedures at no additional cost through the “one-stop-shop” principle.	For the entire duration of the special legal regime.

The special legal regime is valid until 14.06.2062.

The legislation provides for a wide range of guarantees to protect the rights of residents and investors. These measures are aimed at creating a stable and predictable business environment, reducing risks and protecting capital.

1. Protection against arbitrary interference

- The activities of park residents are protected from arbitrary interference by state bodies or other organizations.

- Control and supervisory inspections of residents and investors are possible only with the consent of the park administration.

2. Tax and economic stability

- The main conditions of the tax regime

for the period of validity of the resident status are guaranteed.

- Any changes in legislation that worsen the conditions for residents of the park do not have retroactive effect.

3. Protection from subsidiary liability

- In the event of bankruptcy of a park resident, the founders, shareholders and other persons do not bear subsidiary lia-

bility for its obligations.

- The exception is cases when bankruptcy is caused by deliberate actions that entailed criminal liability.

4. Return on Investment Guarantees

- Free transfer of profits, dividends and other income of investors abroad in accordance with currency legislation.

- Unhindered withdrawal of capital from the country is guaranteed.

5. Simplification of bankruptcy procedures

- In the event of economic insolvency of a park resident, bankruptcy procedures are simplified, eliminating additional obligations for investors and founders.

Benefits and preferences are provided not only to residents of the Industrial Park, but also to other persons operating on the territory of the Industrial Park.

Implementation of Activities by Investors: Benefits and Preferences

Investors are persons who do not have the status of a resident, but finance the construction or equipping of the Industrial Park facilities, the construction of which is carried out in accordance with urban planning documentation.

The investor status is intended for persons planning to carry out activities in the Industrial Park that do not fall within the main activities of the Industrial Park. For example, if a person plans to build residential buildings or an amusement

park on the territory of the Industrial Park.

The status of the investor is confirmed by the Administration of the Industrial Park.

Investors of the Industrial Park have the opportunity to enjoy in the aggregate the benefits provided for under the special legal regime established by Regulation No 166 in relation to investors of the Industrial Park, as well as the benefits applicable to organizations located in rural areas (Decree of the President of the Republic of Belarus of 07.05.2012 No 6 "On Stimulating Entrepreneurial Activity in the Territory of Medium, Small Urban Settlements, Rural Areas").

1. Benefits in the field of land relations and construction.

Investors of the Industrial Park:

- has the right to carry out the construction of the Industrial Park facilities in parallel with the development of the necessary design documentation in accordance with the established procedure.

- has the right to import goods (technological equipment, components and spare parts for it, raw materials and materials) for exclusive use for the purpose of implementing investment projects providing for the construction and equipping of the Industrial Park facilities, without paying import customs duties (taking into account the international obligations of the Republic of Belarus) and VAT;

- have the opportunity to lease a land plot or acquire it into private ownership without an auction.

2. Benefits in the field of labor relations

and migration.

Investors of the Industrial Park have the following benefits and preferences:

- has the right to attract foreign citizens and stateless persons who do not have permits for permanent residence in the Republic of Belarus to carry out labor activities in the Republic of Belarus under labor contracts, on the basis of permits to attract foreign labor force to the Republic of Belarus and special permits for the right to engage in labor activity in the Republic of Belarus;

- in relation to foreign employees of the investor, as well as founders, participants, shareholders, owners of the investor's property, a visa-free procedure for entry and exit from the territory of the Republic of Belarus has been established, on the basis of lists of persons submitted to the State Border Committee, with the right of stay of such persons in the territory of the Republic of Belarus for 180 days in a calendar year.

Obtaining the status of a resident of the Industrial Park

A separate administrative procedure for which two conditions must be met:

1. Location

Legal entities registered in Belarus and located on the territory of the Industrial Park can become residents. A new company can be created right on the territory of the park, and then there is no need to change the legal address. An existing organization registered by other authorities can also become a resident, but before submitting documents, it needs

to change its location in accordance with the established procedure.

2. Implementation of the investment project

The second condition is that a legal entity must implement or plan an investment project of a certain direction on the territory of the Industrial Park.

Financial criterion	Focus criterion
The declared investment amount is at least 500,000 US dollars (if investments are made for a period of no more than 3 years) / at least 5,000,000 US dollars (if investments are made for a period of more than 3 years)	Electronics and telecommunications, pharmaceuticals, fine chemicals, biotechnology, mechanical engineering, new materials, integrated logistics, e-commerce, activities related to the processing and storage of large amounts of data
For a project for research and development (R&D) – at least 500,000 US dollars	R&D performance

If the company wishes to carry out another type of activity or determine a different amount of investment, it must apply to the Administration of the Industrial Park with a corresponding proposal.

To obtain the status of a resident of the Industrial Park, the following documents are required:

- 1. Application
- 2. Justification of the investment project

This is a document that describes the main aspects of the project. It is drawn up in accordance with the approved form and must be signed by the head of the legal entity or an authorized person. The justification should include:

- description of the project and products;

- market analysis and marketing strategy;
- production plan;
- investment plan;
- effectiveness evaluation;
- Implementation schedule.

3. Draft agreement on the terms of activities in the Industrial Park

Investment Law

The most important regulatory legal act in the field of investment is the Law of the Republic of Belarus 12.07.2013 No 53-3 “On Investments”.

Parameter	Content
Definition	Property and other objects of civil rights invested in the territory of Belarus for the purpose of profit or socio-economic result
Exceptions	Personal, family, household goals
Forms of investment	<ul style="list-style-type: none">■ Cash (credits, loans)■ Movable and immovable property■ Rights of claim with monetary value■ Shares in the authorized capital, shares■ Other permitted objects of civil rights
Ways to make investments	<ul style="list-style-type: none">■ Acquisition or construction of real estate■ Acquisition of intellectual property rights■ Participation in the authorized capital of commercial organizations■ Implementation of projects on the basis of concession■ Public-Private Partnership■ Other methods not prohibited by law

The law provides the following guarantees and protection mechanisms:

1. From nationalization and requisition:

- Nationalization is possible only out of public necessity with full compensation

- Requisition is possible in emergency situations with the right to compensation and return of property

2. Judicial and arbitration protection:

- Investor-State disputes are resolved through negotiations, courts or international arbitration

3. The possibility of obtaining guarantees against adverse changes in tax legislation.

4. Seamless transfer of funds

The law provides for the possibility of investing within the framework of:

- **investment agreement** (a written agreement concluded between the investor and the Republic of Belarus (represented by the authorized body), aimed at the implementation of the investment project, with the provision of benefits and preferences);

- **a special investment agreement** (involves the organization of production of improved products with the possibility of selling them through public procurement);

- **preferential investment project** (investment project corresponding to the priority type of activity (sector of the economy) for investment, implemented in the territory of the Republic of Belarus (except

for the city of Minsk) by an investor who is a legal entity of the Republic of Belarus or an individual entrepreneur registered in the Republic of Belarus, without concluding an investment agreement with the provision of benefits and (or) preferences).

Hi-Tech Park (HTP)

The Hi-Tech Park (HTP) is a preferential regime provided by the state for IT companies. The HTP was established in 2005, its main goal is to increase the competitiveness of the economy through the development of the IT sector.

Joining the HTP

Companies and individual entrepreneurs registered in the Republic of Belarus can become HTP residents. The founders of the company can be both Belarusian and foreign citizens (organizations).

To join the HTP, you need to submit the following documents to the Secretariat of the HTP Supervisory Board:

1. application;
2. copies of the constituent document and certificate of state registration;
3. a business project planned for implementation as a resident of the HTP, which contains:

- (a) information about the legal entity itself, its history and achievements, development strategy within the HTP; description of the main products planned for release; analysis of sales markets;

- (b) calculation of planned economic

indicators for the next 4 years, including revenue, profitability;

- (c) sources, amount of financing; directions of profit investment, etc.

The Secretariat of the HTP Supervisory Board considers the package of documents, sends them with its conclusion on the expediency or in expediency of registering the applicant as an HTP resident for consideration by the HTP Supervisory Board. The final decision on registration (refusal to register) as a HTP resident is made by the HTP Supervisory Board, as a rule, within two months from the date of application.

Activities carried out by HTP residents

A HTP resident has the right to carry out only those activities that are specified in the HTP Regulations and **were declared in the business project when registering as an HTP resident**. To carry out an undeclared type of activity, it is necessary to submit a new (additional) business project for approval by the HTP Supervisory Board.

It is not allowed to receive revenue from activities that are not declared in the business project of the HTP resident and/or are not provided for by the HTP Regulations. For violation of this condition, a HTP resident may be deprived of the status of a resident or lose the right to benefits, as well as pay taxes (fees) and other payments to the budget without using benefits with the accrual of penalties, prosecution for non-payment of taxes and violation of the deadline for submitting a tax return for the period from January 1 to December 31 of the year in which the

violation was committed.

Below are the **most frequently declared activities in the HTP**:

- analysis, design and software of information systems (*the so-called “full cycle of development” of software*);
- software publishing activities (the so-called “publishing”);
- promotion of software, including computer games, for any platforms, including the provision of marketing, advertising, consulting services using the Internet;
- creation of audiovisual and musical works using software developed with the participation of the HTP resident, creation of static materials and video materials using computer graphics;
- activities for the provision of services to non-residents of the Republic of Belarus using software (software and hardware) developed with the participation of the HTP resident to manage (implement) auxiliary production, administrative and business processes of organizations (*outsourcing of business processes*);
- provision of services for the provision of software and hardware capabilities via the Internet for establishing contacts and making transactions between sellers and buyers (including the provision of a trading platform operating on the Internet in real time) using the software developed with the participation of the HTP resident (*activities of the trading platform, “market-place”*);
- activities related to the provision of advertising and intermediary services,

except for banking operations carried out on the Internet using software developed with the participation of the HTP resident.

A complete list of activities and powers permitted under the HTP regime is presented in clauses 3 and 19 of the Regulation on the HTP, approved by the Presidential Decree of 22.09.2005 No 12 “On the Hi-Tech Park”. At the same time, this list is open: by decision of the HTP Supervisory Board, the company may obtain the right to carry out other types of activities within the HTP regime.

Taxation of HTP residents

HTP residents are provided with a number of tax and other benefits, in return they transfer 1% of revenue to the HTP Supervisory Board Secretariat on a quarterly **basis**.

The main tax benefits of HTP residents:

1. Exemption from:

- income tax, except:
 - (a) income tax paid by the HTP resident as a tax agent;
 - (b) income tax from alienation by a HTP resident of property (including real estate) used by him/her;
 - (c) tax on profits received from transactions with tokens (except for placements of own digital signs);
- VAT on the sale of goods (works, services, property rights) in the territory of the Republic of Belarus (the benefit does not apply to turnover from the lease of real estate, from the sale of used property);

■ offshore tax when paying for advertising, marketing, intermediary services, as well as when paying (transferring) dividends to the founders (participants) of the HTP resident, part of the profit accrued to the owner of its property;

■ VAT on sales in the territory of the Republic of Belarus to HTP residents by foreign organizations that do not carry out activities in the Republic of Belarus through a permanent establishment and are therefore not registered with the tax authorities of the Republic of Belarus:

- (i) property rights in intellectual property;
- (ii) advertising, marketing, consulting services;
- (iii) information processing services;
- (iv) services (works) for the development, modification, testing and provision of technical support of software;
- (v) hosting services (placing information resources on the server and providing access to these resources), including web hosting services (including comprehensive services for hosting and managing websites);
- (vi) services that search and/or provide the customer with information about potential buyers;
- (vii) services for the creation of databases, providing access to them.

In addition, there is a benefit for individuals who own the property of HTP residents in the form of exemption from income tax on income received from the sale of shares in the authorized capital

(shares) of HTP residents, owned by an individual continuously for at least 365 calendar days from the date of their acquisition;

2. Income of individuals received from HTP residents under employment contracts, as a general rule, at the rate of 9% (instead of 13%). At the same time, until 01.01.2028 (temporarily), such income is subject to income tax at the rate of 13%. In addition, the provisions on the increased rate of personal income tax (25%) introduced in Belarus in 2024 and applied as a general rule to the amount of income are not applied **to employees of HTP residents** which exceeded 200,000 BYN per year.

3. A reduced rate of 0% shall be applied to the income tax of foreign organizations that do not carry out activities in the Republic of Belarus through a permanent establishment, in respect of income from:

- alienation of shares in the authorized capital (shares, shares) of an HTP resident or parts thereof, provided that the source of payment of this income is the HTP resident and the foreign organization continuously owns such shares (shares, shares) for at least 365 calendar days;
- data processing and information placement activities, web hosting;
- comprehensive services for data processing and compilation of specialized reports based on this data;
- provision of data entry and processing services (including services for database management, data storage, provision of access to databases);

■ providing space and time for advertising on the Internet;

■ Web portals operating web sites that use search engines to create and maintain extensive databases of Internet addresses and content in a format that allows for easy retrieval of information;

■ provision of disk space and (or) communication channel for placing information on the server and services for its maintenance;

■ debt obligations of any type, regardless of the method of their execution;

■ royalty;

■ intermediary services;

■ advertising services.

4. A reduced rate of 5% is applied to the income tax of foreign organizations that do not carry out activities in Belarus through a permanent establishment, on dividends, if the source of their payment to a foreign organization is a resident of the HTP and a more preferential regime is not established by international treaties of the Republic of Belarus.

5. A reduced income tax rate of 9% shall be applied to:

- profit from the alienation by the HTP resident of a share (part of a share) in the authorized capital, share (part of a share) of the organization;
- profit from the sale of the enterprise as a property complex;
- profit received from the sale (redemption)

tion) of securities;

■ income in the form of interest for the provision of funds for use;

■ dividends from sources outside Belarus;

■ income of a participant (shareholder) in case of liquidation of the organization, withdrawal (exclusion) of a participant from the membership of the organization in an amount exceeding the amount of his contribution (contribution) to the authorized capital or actually incurred (paid) by the participant (shareholder) expenses for the acquisition of a share in the authorized capital (shares, shares) of the organization;

■ income of a participant (shareholder) of the organization in the form of the value of a share in the authorized capital (value of a share, nominal value of shares) of the same organization, as well as in the form of an increase in the nominal value of shares made at the expense of the organization's equity capital, in the event of a change in the percentage of participation in the authorized capital of the organization of at least one of the participants (shareholders) by more than 0.01%;

■ a positive difference arising between the value of the property received (transferred) on loan and the value of the property transferred (received) upon repayment of this loan, except for the repayment of housing bonds.

6. From 2025, a reduced rate of 9% applies to the income tax of HTP residents received from transactions with tokens (except for placements of own digital signs).

7. Customs preferences: exemption from customs duties and VAT when importing goods into the territory of the Republic of Belarus for the implementation of activities within the framework of investment projects, subject to prior receipt of the conclusion of the HTP Supervisory Board Secretariat on the purpose of these goods.

Other Preferences for HTP Residents

Other benefits provided to HTP residents:

1. Mandatory insurance contributions are not accrued on the part of the income of an employee of an HTP resident, exceeding the one-time amount of **the average salary of** employees in the Republic of Belarus for the month preceding the month for which mandatory insurance contributions must be paid. That is, mandatory insurance contributions are accrued and paid to the budget of the social protection fund based on the amount of the average salary in the Republic of Belarus. regardless of the actual salary of the employee.

2. Use electronic money issued by foreign companies.

3. In the field of migration legislation:

- you do not need to obtain special permits when registering foreigners as part of the company;

- visa-free entry for the founders (participants) of the HTP resident, foreign employees of the HTP resident and employees of the founders (participants) of the HTP residents, if they are legal entities.

4. In the field of accounting in relations

with non-residents, the following persons shall have the right:

- to formalize several homogeneous business transactions performed in one calendar month with one primary accounting document (including one drawn up by a single person);

- use a primary accounting document issued by a non-resident in a foreign language, including in electronic form;

- when drawing up primary accounting documents, use a facsimile reproduction of the signature by means of mechanical or other copying, an electronic digital signature or another analogue of a handwritten signature.

Instruments of English law

Within the framework of the HTP regime, comfortable conditions have been created for foreign investors to work with Belarusian companies. The HTP regime allows you to use the usual instruments of English law, including for structuring investment transactions: convertible loan, option and option agreement, representations of circumstances, compensation for property losses, non-solicitation and non-competition agreements.

In addition, the Belarusian legislation is moving towards the implementation of some institutions of English law. The latest amendments to the Civil Code, which came into force on November 19, 2024, also allow the use of these structuring tools for companies that do not use special regimes.

Convertible loan agreement

A convertible loan agreement is an in-

vestment instrument that combines the advantages of a loan and an investment in the company's capital. The investor provides financing in the form of a loan, which can be converted into a share of the company under pre-agreed conditions.

A convertible loan offers investors a double benefit: capital protection and growth potential. As a lender, the investor has a priority right to recover funds in the event of project failure (if there are relevant conditions in the contract). If the company is successful, the investor can convert the loan into a share in the company and benefit from the growth in the value of the business.

Option to enter into a contract

An option to conclude a contract is an agreement under which one party, by means of an irrevocable offer, grants the other party the right to conclude one or more contracts on the terms provided for by the option to conclude a contract.

While the option agreement is valid, the company:

1. can keep on its balance sheet the shares or shares repurchased from the participants without reducing the authorized capital;

2. has no right to sell or transfer these shares/shares to anyone else.

Option agreement

An option agreement is an agreement by virtue of which one party, on the terms and conditions provided for in this agreement, has the right to demand from the other party to perform the actions specified in the option agreement within

the period established by the agreement (including payment of funds, transfer, provide or accept property, exclusive rights to the results of intellectual activity). If the entitled party does not file a claim within the specified period, the option agreement is terminated.

Assurances in circumstances

The institution of representations of circumstances, enshrined in clause 5.4 of Decree No 8 and Article 401-2 of the Civil Code, is a legal instrument introduced by Article 431-1 of the Civil Code of the Republic of Belarus. These are statements by a party to the contract about the facts and circumstances that are important for the conclusion or performance of the transaction. For investors, this tool serves as an important protection mechanism, allowing them to reduce risks when entering Belarusian projects by obtaining guarantees on key aspects of business.

The list of representations that a party to the contract can give is open. Representations of circumstances can cover a wide range of aspects, for example, relating to the subject matter of the contract, the authority to conclude it, the compliance of the contract with the law applicable to it, the availability of the necessary licenses, its financial condition, the existence of rights to tangible or intangible assets or related to a third party, etc.

If an HTP resident, the owner of its property or a participant gives inaccurate representations, then he is obliged to reimburse the other party at its request for property losses caused by the unreliability of such representations, and pay a penalty, if such is provided for by the

agreement.

For all other participants in civil circulation (except for business entities, the shares (shares in the authorized capital) of which belong to the state, state legal entities), liability for providing false representations about the circumstances arises in the form of compensation to the injured party for real damage caused by the unreliability of such representations, and the payment of a penalty, if it is provided for by the contract.

Compensation for property losses

An agreement on compensation for property losses is an agreement between the parties, where one party promises to compensate the other party for certain losses. Its main feature is that losses are compensated if the party that compensates them is not at fault and did not violate any obligations.

Property losses can be understood as: expenses of the party due to the inability to fulfill obligations, expenses for the settlement of claims from third parties, costs due to the requirements of state authorities, other losses agreed by the parties.

Reimbursement is possible only upon the occurrence of specific circumstances that the parties have prescribed in advance in the agreement.

In an agreement on compensation for property losses, it is possible to agree in advance on the amount of compensation (or its limits), and the party only has to prove that there was a fact with which the parties associated the occurrence of losses. The amount of compensation can be paid both in favor of the party to

the agreement and in favor of the third party specified in it.

Non-poaching agreement

A non-solicitation agreement (NSA) is an agreement that provides for the obligation of one party to reimburse the other party for losses at its request and (or) pay a penalty provided for by such an agreement in the event that one party or its affiliated person commits actions that resulted in the termination of the employment relationship between the other party and its employee(s) and the establishment of an employment relationship between such employee(s) and the first party or its affiliate.

The NSA is used to prohibit companies that have entered into such an agreement from poaching employees from each other. The parties to this agreement are a HTP resident and any company, including a non-resident of the Republic of Belarus.

The agreement is concluded in the form of a separate document or as a norm in a valid contract between the parties (for example, as part of a contract for the provision of consulting or other services).

At the same time, as liability under the NSA, losses and penalties can occur both separately and together. Moreover, the responsibility for poaching employees may extend not only to the side of the NSA, but also to its affiliates.

Non-Competition Agreement

A non-compete agreement (NCA) is an agreement under which an employee voluntarily (for compensation established by the agreement) undertakes not to enter into employment and (or) civil law contracts with third parties that

are competitors of this HTP resident, and also undertakes not to carry out independently competing business activities without forming a legal entity, without forming a legal entity, to act as a founder (participant) of an organization that is a competitor of this HTP resident, not to perform the functions of its head, not to act as a member of its collegial management body.

A non-competition agreement is used as a tool to limit unfair competition on the part of employees of an HTP resident. The parties to the NCA are the HTP resident and its employee, and this agreement is concluded in the form of a separate document or provision in the employment agreement (contract).

The essential terms of this agreement are:

1. A non-competition agreement between an HTP resident and its employee is allowed if the HTP resident provides the employee with a fee for compliance with the said obligation in the amount of at least one third of the average monthly earnings of this employee for the last year of work, paid for each month of compliance with such obligation after the termination of the employment relationship.
2. NCA term, which can cover the entire duration of the employment relationship, but cannot be more than one year after the termination of the employment relationship.
3. The specific type of activity covered by the NCA.
4. The territory to which the NCA applies.



Banks and Finance

Banks and non-bank financial institutions

A two-tier banking system is used in Belarus:

- at its first stage there is a regulator – the National Bank of the Republic of Belarus, which is the central bank and state body of the Republic of Belarus, acting exclusively in the interests of the Republic of Belarus;

- the second is occupied by commercial banks. As of December 2024, 21 commercial banks and 2 non-bank credit and financial institutions (Belinkasgroup and ERIP) are registered in the Republic of Belarus.

Calculations

Settlements between legal entities, as well as settlements with the participation of citizens related to the implementation of their entrepreneurial activities, are carried out in a non-cash manner.

Cash payments

Settlements between these persons can be carried out in cash in cases determined by the Belarusian legislator (if a number of conditions are met):

- the order of payments is observed;

- there is no arrest and no execution on funds;

- there is no suspension or blocking of transactions on the organization's bank accounts.

At the same time, such transactions are strictly prohibited if we are talking about wholesale trade in alcohol, tobacco or the company is in the process of liquidation/bankruptcy proceedings. Under such conditions, only non-cash payments are allowed.

Cash payments can be made between companies for a total amount of no more than 100 basic units (from January 1, 2025 - 4,200 rubles) within one day (applies not only to transfers, but also to the receipt of finances). **Exception:** settlements in cash in Belarusian rubles for payments to the budget, state extra-budgetary funds are carried out without limiting the amount for both the payer and the recipient.

Cash acceptance within 100 base units for each payment is allowed for:

1. business entities engaged in exhibition activities, for the services provided by them, lease of space;
2. business entities engaged in retail and wholesale trade for goods purchased from them;
3. to the administration of markets for

the services provided by them in accordance with paragraph 28 of the Rules for the Functioning of Markets, approved by the Resolution of the Council of Ministers of the Republic of Belarus of July 16, 2014 No. 686, for the lease of a trading pitch and premises;

4. business entities selling fuel and providing services directly related to international road transportation for fuel and services included in the list of services directly related to international road transportation;

5. business entities that provide services for tracking (monitoring) of vehicles, on the cargo spaces (compartments) of which and (or) on which navigation devices (seals) are applied, and services for the implementation of cargo operations and (or) recoupling in specially established places for the performance of cargo operations and (or) recoupling for these services.

In the case of cash settlements between companies in the amount exceeding 100 basic units during one day, a fine of up to 50% of the amount of such excess may be imposed on the organization (IE).

Belarusian legislation establishes restrictions on cash settlements with individuals: when selling goods (performing work, providing services), an organization has the right to accept a cash payment from an individual buyer in the amount of no more than 500 basic units (from

January 1, 2025 - 21,000 rubles). This limit is limited to cash settlements within the framework of one transaction. When making several payments for one transaction, the maximum amount of cash payments in the aggregate is limited.

For a transaction concluded with a maturity of up to a year, it is possible to accept cash in the amount of 500 basic units from an individual during the term of fulfillment of these obligations. And if the transaction provides for a period of fulfillment of obligations of more than a year or such a period is not established, the buyer can pay in cash no more than 500 basic units during a calendar year.

Organizations are obliged to hand over cash to a servicing or other bank, to employees of the collection service, to the cash desks of postal facilities of the national postal operator (RUE Belpochta). They independently determine (in writing) the amount of the need for cash, as well as the procedure and terms for handing over cash to authorized entities.

Settlements in foreign currency

In general, settlements in foreign currency between Belarusian organizations are prohibited, with the exception of certain cases permitted by law established by the Law of the Republic of Belarus "On Currency Regulation and Currency Control".

Belarusian organizations have the right to carry out settlements with foreign organizations both in Belarusian rubles and in foreign currency.

Non-cash settlements in foreign currency between Belarusian organizations and

foreign organizations are carried out without restrictions.

Cash settlements in foreign currency between Belarusian organizations and foreign organizations are prohibited, except for the list of transactions set forth in paragraph 2 of Article 13 of the Law of the Republic of Belarus "On Currency Regulation and Currency Control".

Until December 31, 2025, the right to receive foreign currency in cash (US dollars, euros, Chinese yuan) from foreign companies has been extended for Belarusian exporting organizations when selling goods (works, services). Belarusian organizations can receive cash currency from foreign organizations in the territory of the Republic of Belarus and abroad.

Settlements in Belarusian rubles between Belarusian organizations and foreign organizations can be carried out both in non-cash form and in cash.

There are no restrictions for settlements in Belarusian rubles in non-cash form.

Cash payments in Belarusian rubles between a Belarusian organization and a foreign organization can be made:

- in the territory of the Republic of Belarus in the total amount of not more than 100 basic units, the currency transaction under the contract provides: within one day;
- outside the territory of the Republic of Belarus in the total amount of no more than 100 basic units under one contract.

Foreign Economic Activity and Currency Contracts

Foreign economic activity is the activity of business entities that mediate the conclusion and performance of foreign trade agreements **with non-residents**, providing for:

- 1) paid transfer of goods;
- 2) property for lease;
- 3) undisclosed information;
- 4) exclusive rights to intellectual property;
- 5) property rights;
- 6) paid performance of work;
- 7) provision of services.

It follows from this that **a foreign trade contract** is a compensatory transaction with one of the seven listed items, in which there is a foreign element in the subject.

At the same time, a foreign trade transaction must be made in the process of carrying out foreign trade activities, that is, foreign trade: goods (import or export of goods), services (for example, the provision of services from the territory of Belarus to the territory of a foreign state and vice versa); intellectual property objects (full/partial transfer of exclusive rights to intellectual property by a resident to a non-resident and vice versa on the basis of compensatory transactions).

In turn, a **currency contract** includes not only agreements between a resident and a non-resident, but also agreements between two residents or two non-residents. The main thing is that such agreements should be the basis for currency transactions.

Currency transactions include, among other things:

- transactions of non-residents with currency valuables on accounts opened with banks of Belarus, which do not entail the transfer of ownership of these currency valuables;
- transfer by a person of currency values from an account opened with a foreign bank to his account opened with a bank of Belarus, as well as from an account opened with a bank of Belarus to his account opened with a foreign bank;
- transfer of currency values to trust management and their return.

Important: in accordance with the requirements of national legislation, a currency contract must be concluded only in writing.

For Belarusian companies and individual entrepreneurs, criteria have been established that determine the need to register a currency agreement if:

- 1) it is concluded with a non-resident;
- 2) the amount of monetary obligations under the contract is not determined or is equal to or greater than 4000 base units (from January 1, 2025 – 168,000 rubles);

3) a currency transaction under a contract provides, for example: settlements during export/import for goods, property leased (received), including leasing, for undisclosed information, exclusive rights to IP objects, property rights, as well as for work performed, services rendered; purchase by a resident from a non-resident of real estate located outside Belarus and other currency transactions.

Term of registration of the agreement: 1) before the performance of actions aimed at fulfilling obligations under the contract, 2) no later than 7 working days from the date following the date of receipt of money under the contract.

Registration is made in your personal account on a special web portal on the website of the National Bank.

After registration of the agreement, the resident must provide the following information on its execution on the web portal:

■ no **later than the 18th day** of the month following the reporting month, it is necessary to submit information on the fulfillment of obligations under the contract for the calendar month (in the absence of the necessary documents, the information is posted no later than 10 days from the date of receipt of documents);

■ no **later than 15 calendar days** from the date of fulfillment of obligations under the contract in full – information about this.

In addition to the registration of currency contracts, the currency legislation obliges resident legal entities and resident

individual entrepreneurs to repatriate funds received under currency export and import agreements (hereinafter referred to as **repatriation**). It is understood as the obligation to ensure the crediting of resident legal entities and resident individual entrepreneurs to their accounts opened with the banks of Belarus:

■ Belarusian rubles and (or) foreign currency – when exporting;

■ Belarusian rubles and (or) foreign currency in case of return of funds in case of non-fulfillment or partial fulfillment by a non-resident of its obligations – in case of import.

In certain cases, resident legal entities and resident individual entrepreneurs have the right not to repatriate the funds received, these cases are enshrined in Article 19 of the Law of the Republic of Belarus “On Currency Regulation and Currency Control”.

Payment Services

The payment market of each country is a set of relations related to making payments, providing and using payment services, as well as issuing and using payment instruments and means of payment.

Significant components of the payment market of Belarus are:

■ the payment system of the National Bank and its key component – the BISS system (Real-Time Gross Settlement System) – is a systemically important and main settlement component of the payment system of Belarus;

- payment systems of banks and non-financial institutions (for example, the payment system of Belarusbank, which serves the accounts of the republican and local budgets, state extra-budgetary funds, which is systemically important and can cause systemic risk in the national payment system under certain circumstances);

- settlement and clearing system for securities;

- a system of non-cash payments for retail payments (which includes, among other things, such payment systems as BELKART, VISA, MasterCard, UnionPay);

- automated information system “Raschet” of the unified settlement and information space (ERIP);

- money transfer systems without opening an account;

- electronic money payment systems;

- processing centers (for example, OJSC “Bank Processing Center” is a socially significant provider of such payment services as processing and clearing of transactions when using bank payment cards), etc.

All these payment systems have their own operators. At the same time, operators, in addition to financial institutions, may be other subjects of payment legal relations that provide payment services.

In turn, **payment services** include the services of the payment system operator provided by payment service providers (hereinafter referred to as the PSP) for the organization of the payment system,

settlement services, payment initiation, acquiring of payment transactions, emission (creation) or distribution of payment instruments, payment services for electronic money transactions, clearing services, processing services, information payment services.

Payment **service providers** include participants in payment relations who:

1) provide payment services;

2) are included in the register of PSPs and the types of payment services provided by them.

Without inclusion in the register, payment services can be provided by: government agencies (on the basis of legislative acts) and organizations that provide payment services for the issuance and (or) distribution of a prepaid financial payment product.

To be included in the register of SFI, the applicant submits an application to the National Bank for inclusion in the register. Upon inclusion in the register of SFI, the supplier is issued a notification and assigned a registration number.

Let’s reflect some of the requirements for polyurethane foam:

1. Size of the authorized capital:

- for a bank – 45 million rubles;

- for LLC (ALC) – min. amount not determined;

- for a closed joint-stock company – min. amount 100 base units;

- for OJSC – min. amount 400 base units.

2. Minimum net assets:

Type of payment services	Min. Net assets indicator (RUB)
Initiating a payment	5000
Distribution of payment instruments	
Information payment services	
Payment system operator services for the organization of a payment system	10 000
Issuance (creation) of payment instruments	
Acquiring Payment Transactions	
Processing Services	
Clearing Services Provided by the Clearing Centre Not as a Payer or Recipient of Funds for Participants’ Cash Transfers	500 000
Issue of electronic money	
Clearing Services Provided by the Clearing Centre as a Payer and Recipient of Funds for Money Transfers of Participants	

3. A payment aggregator organization that provides services for acquiring payment transactions may accept from users daily an amount not exceeding

one sixth of the annual turnover of the payment aggregator for the previous calendar year.

4) Minimum standards for the availability of own funds with the right to dispose of them for IEs providing payment services as a payment courier, agent for the distribution, exchange or redemption of electronic money:

■ at the time of the start of payment activities – at least 1% of the amount of funds planned to be accepted per month to third parties (from electronic money

holders), but not less than 1000 rubles as of the date of settlement;

■ when carrying out payment activities for more than 6 months – not less than 0.5% of the amount of funds planned to be accepted per month to third parties (from electronic money holders), but not less than 1000 rubles as of the date of settlement.

5) Creation of a guarantee fund (the amount of funds in the guarantee fund is determined in clause 18 of the Instruction on the procedure for the provision of

payment services in the territory of the Republic of Belarus, approved by the Resolution of the Board of the National Bank of the Republic of Belarus dated 05.12.2022 No 453).

A payment **agreement is concluded between the payment service provider and the user of payment services**. Unlike an offer, any changes to the payment agreement must be agreed by the UPP with the user of payment services, which protects the interests of the specified user and, in some cases, the provider himself.



Licensing

To carry out certain types of activities in the Republic of Belarus, it is necessary to obtain a license. The basic legal regulation of licensing in the Republic of Belarus is carried out by the Law of the Republic of Belarus dated 14.10.2022 No. 213-Z “On Licensing”. Within the framework of this law, 38 types of activities are licensed, which are important for the Belarusian market, involve specific features or are related to the protection of consumer rights. In particular, such types of detail as advocacy, real estate and legal services, forensic examinations, banking, insurance, professional activities with securities, medical, pharmaceutical and veterinary activities, trade in alcohol, tobacco products, oil products, security services, etc. are subject to licensing.

Licenses are granted to legal entities and individual entrepreneurs of the Republic of Belarus, and in some cases to foreign legal entities. In some cases, a license can also be issued to individuals, in par-

ticular, to engage in advocacy, collecting, and exhibiting weapons and ammunition. Some licensed activities can be carried out only by Belarusian legal entities or only Belarusian legal entities and foreign organizations, but not by individual entrepreneurs.

To obtain a license, it is necessary to apply to the state licensing authority with the appropriate application and related documents, pay the state fee, which, as a general rule, ranges from 10 to 2,200 basic units (the amount of the base unit from 01.01.2025 is 42 Belarusian rubles), and, if necessary, pay under the agreement on the examination of the compliance of the license applicant’s capabilities with pre-licensing requirements. The application is considered by the licensing body within 15 working days from the date of receipt of documents, and in the case of assessment and (or) examination of the compliance of the license applicant’s capabilities with the

licensing requirements and conditions and will be 25 working days. In case of a positive decision on the application, an appropriate license is issued.

Licenses are valid from the date of the licensing body’s decision to grant them and are not limited in duration. A license is valid on the entire territory of the Republic of Belarus or its part defined in the license (for example, activities in the field of communications can be issued in relation to a part of the territory of the Republic of Belarus). The type of activity for which a license is granted can only be performed by the licensee (as well as its branches), and the transfer of the right to carry out it to another legal entity or individual is not allowed.

Information on all licenses issued in the Republic of Belarus is entered into the [Unified Register of Licenses](#) (hereinafter referred to as the Register), through which it is possible to check whether the counterparty has a license.

3

Labor relations



REVERA

General information

The main legislative act that regulates labor relations is the Labor Code of the Republic of Belarus. In the development of its provisions, a fairly large number of other legislative acts have been adopted that regulate narrower aspects of labor relations.

Employment relations with a particular employer are regulated, first of all, by the employment contract, as well as other local legal acts, including collective agreements and agreements, if they are developed in the company.

An employment contract can be concluded for:

- a fixed term, but not more than 5 years (fixed-term employment contract, including a contract);
- indefinitely.

An employment contract may include a condition on a preliminary test, the term of which may not exceed 3 months. The categories of employees who cannot be established a preliminary test are determined by law.

An employment contract can be concluded to perform work both at the location of the employer and to perform remote work.

Remote work is work that an employee performs outside the location of the employer using information and communication technologies to perform this

work and interact with the employer.

Remote work can be performed:

- permanently
- temporarily (continuously for a certain period, not exceeding 6 months during a calendar year).

Remote work can also be combined, i.e. performed permanently or temporarily with alternating during working hours of remote work and work at the location of the employer.

The conditions for performing remote work are determined in the employment contract or local legal act.

Work and rest regime

The working week in Belarus can be 5 or 6 days with a general day off on Sunday, and the full standard of working time per week cannot exceed 40 hours. At the same time, for some categories of employees, a reduced duration of working hours may be established.

The employee is provided with a break for rest and meals lasting from 20 minutes to 2 hours. However, if the duration of the employee's working day does not exceed 4 hours, the employee may refuse such a break.

Employees are guaranteed labor and social leave, including with the preser-

vation of average earnings (the so-called "vacation pay"). The minimum duration of annual leave is 24 calendar days. Additional days of labor leave may be granted at the conclusion of a contract, for irregular working hours, long work experience and on other grounds.

At the request of the employee and if there are valid reasons, he may be granted unpaid leave, but its maximum duration is limited to 3 months during a calendar year.

Remuneration

Remuneration systems are established by a particular employer and may vary depending on the company's field of activity / the number of employees / the nature of the labor function, etc.

Wages must be paid to employees at least 2 times a month. Its minimum amount in 2025 is 726 Belarusian rubles (or about 200 euros), while the maximum amount has not been established.

Wages must be paid in Belarusian rubles, but it is allowed to be pegged to the equivalent in any foreign currency. Wages are included in the costs of production and sale of goods (works, services), and are also taken into account in pricing and taxation.

The nominal accrued average monthly salary of employees of the Republic of Belarus for the 3rd quarter of 2024

(July-September 2024) amounted to 2,339.1 Belarusian rubles.

TOP-3 areas in which nominal wages were higher than other sectors of the economy:

- Information and communication – 5,425.0;
- Financial and insurance activities – 3,440.6;
- Construction – 2,868.3.

Dismissal

The list of grounds on which an employment contract can be terminated is provided for by law. All grounds can be combined into several groups:

- agreement of the parties;
- the employee's initiative (for example, in the event of an employee's illness, disability, with a written notice to the employer, etc.);
- the employer's initiative (liquidation of the company, commission of a disciplinary offense by the employee, etc.);
- regardless of the will of the parties (violation of the rules of employment, death of the employee, etc.).

The most common ground for dismissal is an agreement between the parties, in which the employee and the employer need to reach an agreement on the very fact of dismissal and the date of termination of the employment contract.

An employee has the right to resign unilaterally with a written notice to the employer 1 month in advance, but only if an indefinite employment contract has been concluded with him. In turn, the employer does not have the opportunity to dismiss the employee at any time at will (except for the termination of the employment contract with the director), since this requires objective reasons and their documentary evidence.

At the same time, special rules have been established for the director of the company. In particular, the owner of the company can dismiss the director at any time, but taking into account the following:

- a fixed-term employment contract, including a contract, must be concluded with the director;
- the director did not commit any guilty actions in connection with which the dismissal occurs;
- The employment contract must contain compensation for early dismissal.

In turn, the director can resign on his own initiative by notifying the owner in writing no later than 1 month. If it is provided for by the contract, the owner may demand that the director pay compensation for early dismissal, provided that the reasons for dismissal are not valid.

Local legal acts in the field of labor relations

Local legal acts are one of the sources of regulation of employer labor relations.

Separate local legal acts defining the labor regulations must be developed by each employer, in particular:

1. Internal labor regulations;
2. Regulations and instructions on labor protection;
3. Vacation schedules.

Other local legal acts may be adopted in the company at the discretion of the employer (for example, regulations on remuneration, on the procedure for granting vacations, on remote work). At the same time, in order to comply with the requirements of the law and prevent negative situations with employees, in practice it is recommended to regulate labor and related relations in detail through the development and approval of relevant local legal acts.

Labor legislation establishes that local legal acts cannot worsen the position of employees in comparison with labor and other legislation of the Republic of Belarus regulating the relevant relations in the social and labor sphere.

Insurance of employees

State Social Insurance

In Belarus, all employees, including foreign citizens, are subject to compulsory social insurance. Contributions are paid in respect of all types of payments in cash and (or) in kind, with the exception of payments, the list of which is approved by the Council of Ministers of the Republic of Belarus.

Employers pay mandatory insurance contributions in a single payment in the amount of 35% of the salary, which includes:

- pension insurance) – 29%, including:
 - contributions paid at the expense of the employer – 28%;
 - contributions paid at the expense of the employee and transferred directly by the employer – 1%;
- social insurance – 6%.

Insurance contributions are not charged on an amount that exceeds 5 times the

average salary of employees in the republic for the month preceding the month for which contributions are paid. For employers who are residents of the Hi-Tech Park, the threshold is 1 times the average salary of employees in the republic for the previous month.

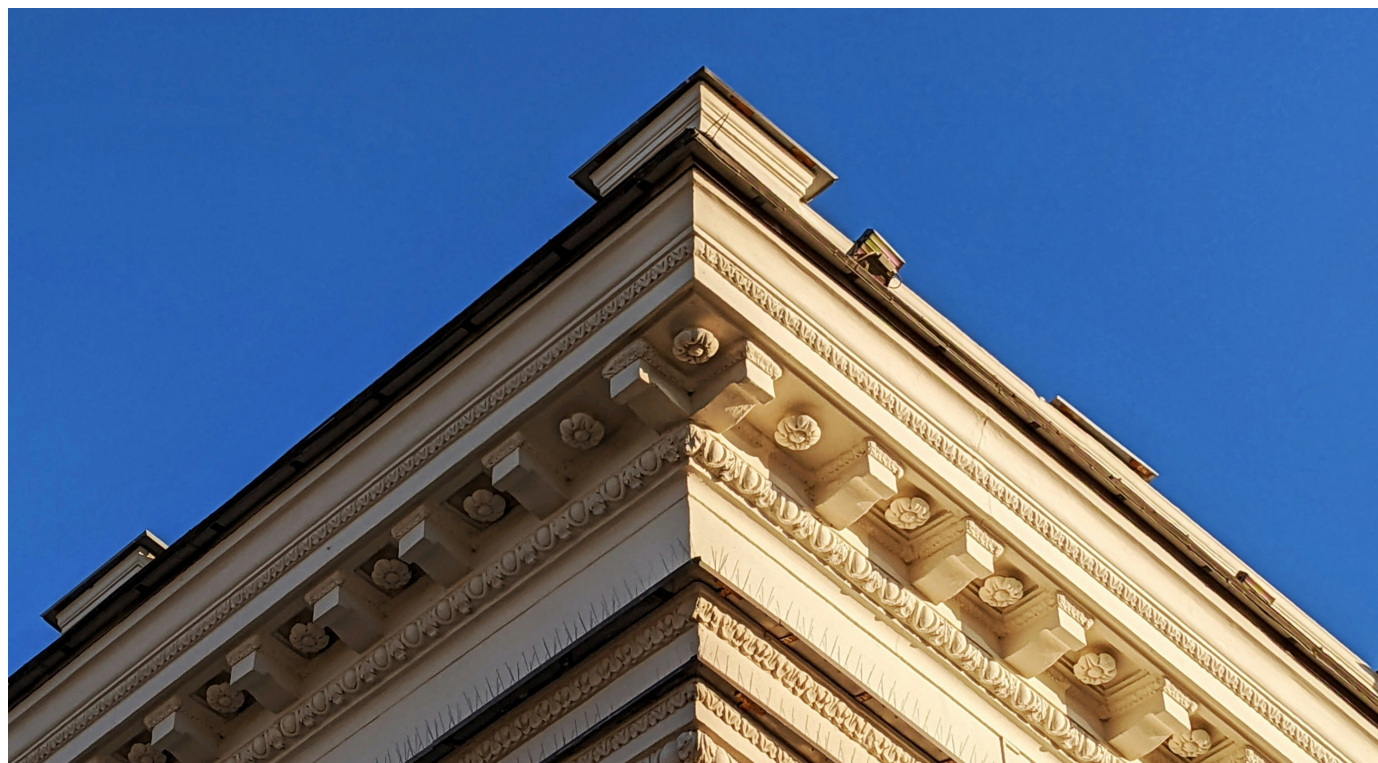
Mandatory insurance contributions are paid to the budget of the state extra-budgetary fund for social protection of the population of the Republic of Belarus.

Compulsory Insurance against Accidents at Work and Occupational Diseases

In addition to compulsory social insurance,

employees are also subject to compulsory insurance against accidents at work. As in the case of social insurance, contributions are paid by the employer in respect of all types of payments in cash and (or) in kind on all grounds, with the exception of payments established by the list of the Council of Ministers of the Republic of Belarus.

The insurance rate for compulsory insurance against industrial accidents and occupational diseases is 0.6%, but it may vary depending on the allowances or discounts annually established by the Belarusian Republican Unitary Insurance Enterprise “Belgosstrakh” for each payer depending on the class of professional risk.



Labor migration

Entry into the territory of the Republic of Belarus

As a general rule, in order to enter the Republic of Belarus, a temporarily staying foreigner is required to obtain a visa, as well as to register with the migration authorities for the period specified in their application or the petition of the host organization, but not longer than the validity period of the visa.

The Republic of Belarus is also a party to international agreements with a number of states, which exclude the need for their citizens to obtain a visa to enter the territory of Belarus. In this case, the registration of such foreign citizens is carried out for a period that does not exceed the period established in the relevant international treaty. These measures are designed to intensify the travel of businessmen, investors, tourists, and individuals.

For example, citizens of a number of post-Soviet states (Azerbaijan, Armenia, Moldova, the Russian Federation, etc.) are not required to obtain work visas. Visa-free entry is also established for citizens of Argentina, Brazil, Serbia, Israel, Qatar, Macedonia, the United Arab Emirates, Turkey, Montenegro and some other states.

Citizens of a number of European countries have the right to enter Belarus without a visa, provided that the period of temporary stay does not exceed 90 days

(for Lithuania, Latvia and Poland) or 30 days (for citizens of other states) from the date of entry and the total period of stay in Belarus does not exceed 90 days in a calendar year.

Also, citizens of 76 states according to the list to the Decree of the President of the Republic of Belarus of January 9, 2017 No 8 have the right to visa-free entry (exit) to (from) Belarus(s) at the checkpoint of the National Airport Minsk, as well as through the airports of regional centers for a period of no more than 30 days.

From March 28, 2018, founders, participants, employees of Hi-Tech Park resident companies, as well as some other categories of foreigners, have the right to enter Belarus without a visa.

To carry out labor activities with an employer of the Republic of Belarus or in the Republic of Belarus, a foreigner can obtain the following types of entry visas:

1. Short-term visa type C: work.

This visa can be single-entry, double-entry, multiple-entry. The total duration of the visa cannot exceed 90 days.

2. Long-term visa type D: work.

Type D entry visa is multiple-entry. Type D entry visa is issued for a period of more than 90 days, but not more than 5 years. As a rule, a type D entry visa is issued for one year.

However, a foreigner has the right to enter Belarus with any other visa, but in the future to apply for a multiple-entry and exit visa in the citizenship and migration department (if there is a temporary residence permit).

Visas are issued by diplomatic missions and consular offices of the Republic of Belarus abroad. A multiple-entry exit and entry visa is issued by the citizenship and migration department at the place of residence of a foreigner in Belarus.

Stay in the territory of the Republic of Belarus

All foreigners who have arrived in the Republic of Belarus are required to register within 10 days with the registration authority at the place of actual temporary stay or on the website of the unified portal of electronic services portal.gov.by.

Registration is not required if a foreigner will live in hotels, sanatorium-resort and health organizations, with individuals and agricultural organizations providing services in the field of agro-ecotourism, since these entities provide the authorized bodies with information about the residence of a foreigner on their own.

International treaties of the Republic of Belarus may establish longer periods of stay in the territory of the Republic of Belarus for certain categories of foreigners without registration at the

place of residence.

For example, citizens of the Republic of Armenia, the Republic of Lithuania, the Republic of Latvia, the United Arab Emirates, Ukraine, the Republic of Kazakhstan and the Republic of Estonia, upon arrival in the Republic of Belarus, have the right to stay in its territory without registration for 30 days from the date of entry, and citizens of the Russian Federation - within 90 days from the date of entry. Citizens of the EAEU member states who arrived to work, their family members can also stay in the Republic of Belarus without registration for 30 days from the date of entry, and if this period is exceeded, they are required to register at the place of stay in accordance with the general procedure.

Foreigners can temporarily stay, temporarily reside or permanently reside in the territory of the Republic of Belarus.

Temporary residents are all foreigners who do not have a temporary or permanent residence permit. The total period of temporary stay of a foreigner in the Republic of Belarus may not exceed 90 days in a calendar year on the basis of a visa or in a manner that does not require a visa. However, international treaties may establish longer periods of stay.

If a foreigner intends to stay in Belarus for more than 90 days a year (or more than the period established by an international treaty), he must obtain a temporary residence permit or a permanent residence permit.

A temporary residence permit is issued to foreigners who have arrived in the Republic of Belarus for certain purposes,

including for labor, entrepreneurial and other activities. The decision to issue a temporary residence permit is made by the internal affairs body at the place of residence of the foreigner.

A permanent residence permit grants foreigners the right to permanent residence in the Republic of Belarus. It is issued by the citizenship and migration units of the internal affairs bodies only to certain categories of foreigners established by the legislation of the Republic of Belarus.

Work permit

Foreigners who do not have a permanent residence permit can engage in labor activities subject to obtaining a special permit and concluding an employment contract.

In this case, the employment contract must contain additional conditions:

- conditions for moving to the Republic of Belarus, food, accommodation, medical care for an immigrant worker;
- the amount of remuneration is not lower than the minimum wage in force in the Republic of Belarus on the date of its conclusion.

An employment contract shall be concluded in writing in Russian and (or) Belarusian, and if they are not native or understandable to the employee, also in a language understandable to him/her.

As a general rule, a special permit is issued to an employer for 1 year, with the exception of highly qualified employees, in respect of whom it is issued

for 2 years. Such employees include foreigners who simultaneously meet the following conditions:

- have a high level of professional knowledge, skills and abilities, confirmed by documents on education and work experience in the relevant type of professional activity for at least 5 years;
- the value of their monthly salary exceeds five times the value of the monthly minimum wage established in the Republic of Belarus.

The current version of the Law of the Republic of Belarus "On External Labor Migration" defines the categories of foreign citizens and stateless persons who do not need to obtain permits to work in Belarus. In particular, they include the following categories of foreigners:

1. who have been granted refugee status or subsidiary protection or asylum in the Republic of Belarus;
2. applying for refugee status or subsidiary protection or asylum in the Republic of Belarus;
3. invited to the Republic of Belarus for a period of not more than 90 days to read a course of lectures, conduct other training sessions, optional classes and consultations in higher education institutions or to carry out installation (installation supervision) of equipment, service and (or) warranty service, provide services for training workers to operate this equipment;
4. working in diplomatic missions, consular offices of foreign states, representative offices and (or) bodies of



international organizations or interstate formations accredited in the Republic of Belarus;

5. accredited in the Republic of Belarus as journalists of foreign mass media;

6. Who are heads of representative offices of foreign organizations, as well as employees seconded to work in such representative offices for a period not exceeding 2 months, etc.

Also, in accordance with other regulatory legal acts of the Republic of Belarus, employers are exempt from obtaining a special permit when hiring:

1. foreign specialists - residents of the Hi-Tech Park (Decree of the President of the Republic of Belarus of December 21, 2017 No 8 "On the Development of the Digital Economy");

2. foreigners who are winners (laureates) of national (international) competitions awarded in the field of their professional activities (Decree of the President of the Republic of Belarus of November 23, 2017 No 7 "On the Development of Entrepreneurship");

3. citizens of the member states of the Eurasian Economic Union (Treaty on the Eurasian Economic Union).

Foreigners who do not have permanent residence permits can be employed in the territory of the Republic of Belarus either independently or with the assistance of legal entities, individual entrepreneurs or foreign organizations providing recruitment services. However, citizens of Belarus and foreigners permanently residing in the Republic of Belarus have the priority right to employment.

Taxation

REVERA

General taxation system: basic payments

The main regulatory legal act regulating the tax sphere is the Tax Code of the Republic of Belarus (hereinafter referred to as the TC).

The general part of the Tax Code defines key tax terms, establishes the procedure for tax accounting and control, including transfer pricing control (hereinafter referred to as transfer pricing), appealing against decisions of tax authorities.

The special part of the Tax Code regulates the procedure for calculating and paying specific taxes (fees).

Transfer pricing

Prices in transactions are checked for compliance with market prices, which means:

- the transaction price must be within the market range;
- profitability indicators should be at the market level.

Consequences of non-compliance: adjustment of the tax base and the amount of income tax carried out by the taxpayer independently or by the tax authority during the audit.

The following groups of transactions are monitored:

Group	Type of transaction	Cost threshold (excluding VAT, excise taxes), bel. rubles.
1	Foreign trade transaction with a related party	<div>≥ 400,000</div> <div>(except for large payers)</div> <div>≥ 2,000,000</div> <div>(large payers)</div>
2	Transaction with a related legal entity resident of Belarus, exempt from income tax (payer with a special tax regime, resident of FEZ, HTP, etc.)	
3	Transaction with a related party, with a payer with a special tax regime for the sale/acquisition:	
	3.1. real estate, housing bonds in circulation;	No threshold
	3.2. shares, shares in the authorized capital of the organization, for the provision / receipt of a loan.	≥ 400 000
4	Foreign trade transaction with strategic goods on the list of the Council of Ministers (oil, oil products, liquefied petroleum gases, timber, etc.)	≥ 2 000 000
5	Transaction with a resident of an offshore zone	≥ 400 000

Related parties are individuals or legal entities whose relations can directly affect the conditions or results of their economic activities.

Such relations include: participation in organizations with a share of 20% or more, common owners or governing bodies, close family ties (marriage, kinship, guardianship), control through the performance of managerial functions, etc.

Transactions with related parties are equated to transactions through a third party if it does not perform significant functions, does not use assets and does not assume risks, except for the organization of the sale/acquisition between related parties.

The following methods are used to determine market prices:

- the method of comparable market prices;
- the method of the resale price;
- cost method;
- comparable profitability method;
- method of profit distribution.

Taxpayers are required to inform the tax authorities about controlled transactions through marks in electronic invoices (regardless of the amount).

For foreign trade transactions, large taxpayers must prepare transfer pricing documentation and submit it to the tax authority upon request.

The tax authority may require other categories of taxpayers to provide an economic justification for the price applied. Legal entities have no obligation to prepare this justification in advance, but it is advisable to prepare the document in advance, since usually a short period is allocated for its submission.

Certain categories of taxpayers may enter into a pricing agreement with the Ministry of Taxes and Duties that determines prices or methods for determining market prices. Such an agreement exempts from transfer pricing reporting, allows you to agree on a pricing approach in advance, and reduces tax risks if its terms are met.

VAT

As a general rule, organizations, including foreign ones, are recognized as VAT payers. Separate tax registration for VAT payment is not required, except for foreign organizations when providing services in electronic form to Belarusian individuals, when electronic distance selling of goods in Belarus.

VAT is levied on sales of goods (works, services) and property rights (hereinafter referred to as objects) in the territory of Belarus, as well as the import of goods into Belarus.

The sale of objects is their transfer to another person on a paid or gratuitous basis, regardless of the method of acquiring rights or the form of the transaction.

The Tax Code provides for a number of VAT preferences. Thus, some transac-

tions are not recognized as an object of VAT taxation (for example, the sale of securities, the alienation of tokens), and certain types of activities are exempt from VAT (insurance services, banking operations, medical services, the sale of property rights to inventions, production secrets).

VAT exemption also applies to the import of certain categories of goods into Belarus: within the framework of foreign gratuitous assistance, international technical assistance; for the implementation of an investment project, etc.

The basic VAT rate is 20%.

Other VAT rates:

Object of taxation	VAT rate
<ul style="list-style-type: none">■ export of goods;■ implementation of exported works for the production of goods from tolling raw materials;■ Sale of exported transport services	0%
<ul style="list-style-type: none">■ sale of agricultural products produced in Belarus;■ import/sale of agricultural products produced in the EAEU countries;■ import/sale of food products and goods for children according to the approved list;■ import/sale of medicines and medical devices	10%
<ul style="list-style-type: none">■ Implementation of Telecommunication Services	25%

VAT is charged on all sales turnover that are recognized as taxable in the relevant reporting period. The tax is calculated

as the product of the tax base and the rate. The amount of VAT payable to the budget is reduced by tax deductions. As a rule, VAT is deducted within the calculated tax amounts, but in some cases – in full, that is, in excess of the calculated VAT.

An electronic VAT invoice (ESCF) is a mandatory document for all VAT payers, which serves as the basis for tax deductions. Transactions with the Electronic Cash Register are carried out through the Portal of the Electronic Cash Register of the Ministry of Taxes and Duties using the electronic signature of the payer. This document contains information on the calculated and deductible amounts of VAT that are submitted to the tax authorities. The payer is obliged to issue the Invoice to the buyer or send it to the portal for each sales turnover.

The VAT tax period is a calendar year. Taxpayers submit declarations on a monthly or quarterly basis by the 20th day of the month following the reporting period, the tax is paid no later than the 22nd day.

When selling objects on the territory of Belarus by foreign organizations without a permanent establishment in the country, the obligation to calculate and pay VAT is imposed on Belarusian buyers of objects - organizations and individual entrepreneurs.

Foreign organizations that provide electronic services to Belarusian individuals or act as intermediaries are required to register with the Belarusian tax authorities, submit VAT returns on a quarterly basis and pay tax at the rate of 20%. Electronic services – services

provided automatically via the Internet: for example, granting rights to use software, access to search engines, online gambling.

A similar procedure applies to the electronic distance sale of goods to Belarusian individuals. Foreign sellers (intermediaries in transactions) must also register with the tax authorities of Belarus, submit tax returns quarterly and pay VAT at the rate of 20% or 10% depending on the category of goods.

Excise tax

Organizations may be recognized as payers of excise taxes when carrying out transactions with excisable goods (alcoholic beverages, tobacco products, gasoline, oil, etc.). Excise taxes are levied on:

- excisable goods produced by taxpayers and sold by them in Belarus;
- excisable goods imported into Belarus;
- excisable goods imported into Belarus during their sale, etc.

Excise rates are actually set in absolute amounts per unit of value in which the results of measurements of goods are expressed (fixed rates), but can be set as a percentage of the value of excisable goods (interest rates). The tax period for excise taxes is a calendar month.

Income tax

Income tax payers are:

- Belarusian organizations;
- foreign organizations operating in Belarus through a permanent establishment or branch.

A permanent establishment of a foreign organization is recognized as:

1. Branch or permanent place of business – entrepreneurial and other activities (except for preparatory and auxiliary).
2. Dependent agent is an organization or an individual acting on behalf of a foreign organization or having the authority to conclude contracts or agree on their essential terms.

Belarusian organizations charge tax on:

- gross profit: “revenue from sales” - “taxes from revenue” - “costs taken into account for taxation” + “non-operating income” - “non-operating expenses”;
- accrued dividends.

Foreign organizations calculate tax on gross profit received in Belarus.

Costs taken into account for taxation include production and sales costs, as well as standardized costs.

There are some exceptions to costs, but in general, the list of costs taken into account is open: the costs must be economically justified, related to production and sales, and documented.

The Tax Code defines the criteria under which costs cannot be recognized as economically justified. These include

cases when the goods were not actually received, services were not provided; when the work or services provided by the founder duplicate the labor duties of employees, etc.

Standardized costs are divided into:

- costs according to the list, for each type of which separate norms are established (travel expenses, shortages/damages, costs of controlled debt, etc.);
- other expenses, the total amount of which should not exceed 1% of sales revenue, including VAT: payments for the health of employees, remuneration to members of the board of directors, entertainment expenses, expenses for prizes during advertising games, etc.

In addition, thin capitalization rules apply to a number of expenses: if as of December 31, the controlled debt of the organization to its founder is 3 or more times higher than the amount of its equity, then the expenses are not taken into account for taxation in full. If equity is zero or negative, then the entire amount of expenses should not be taken into account. Thus, interest on loans, fines, expenses for a number of services (marketing, consulting, management, intermediary, etc.) are limited.

There is an income tax benefit in the form of an investment deduction. Organizations that invest in fixed assets (acquire, build, reconstruct fixed assets) have the right to increase the costs taken into account for taxation within certain limits. At the same time, depreciation deductions are taken into account as part of tax expenses in the general manner, regardless of whether

the organization uses the right to an investment deduction or not.

Maximum values of the investment deduction: for buildings and structures – 20%; for machinery, equipment, vehicles – 40%.

There are also income tax benefits. Thus, the following are exempt from tax:

- profit (not more than 10% of gross profit) transferred to budgetary and religious organizations, social service institutions, individual public associations;
- profit from the sale of prosthetic and orthopedic products, rehabilitation means for the disabled, as well as the profit of organizations using the labor of the disabled;
- profit from transactions with certain securities and bonds;
- profit of Belarusian investment funds and dividends received by legal entities-investors from participation in these funds (benefit until 01.01.2030).

Income tax rates:

Rate	Payers
20%	All organizations (standard rate)
25%	all organizations, if the tax base exceeds 25,000,000 bel. rubles.
	microfinance organizations, mobile operators
30%	science and technology parks, their residents, manufacturers of high-tech goods
10%	science and technology parks, their residents, manufacturers of high-tech goods

Rate	Payers
9%	HTP residents for token transactions
5%	Manufacturers of baby food products

Belarusian organizations that accrue dividends act as tax agents and withhold income tax on dividends at the standard rate of 12%. Reduced rates may also apply:

- 6% – if the profit has not been distributed for 3 years in a row (benefit until 01.01.2026);
- 0% – if the profit has not been distributed for 5 years in a row (benefit until 01.01.2028).

Belarusian organizations have the right to carry forward losses:

Timeframe: losses incurred before 2022 can be carried forward for 10 years, and losses from 2022 can be carried forward for 5 years.

Exceptions: losses from activities outside Belarus, as well as losses for periods with the right to benefits, are not subject to carry-forward.

Grouping of losses: the transfer is carried out by groups of transactions (transactions with securities, transactions on the disposal of fixed assets), the remaining losses are carried forward regardless of their source.

Requirements: the organization must keep separate records and keep documents confirming losses.

The tax period for income tax is a calendar year, declarations are submitted quarterly.

Foreign Corporate Income Tax

Foreign organizations that do not carry out activities in Belarus through a permanent establishment, but receive income from Belarusian sources, are payers of foreign corporate income tax (hereinafter referred to as income tax).

Organizations and individual entrepreneurs accruing or paying such income act as tax agents. They are obliged to calculate and transfer income tax to the budget.

Income tax is levied on an exhaustive list of types of income, here are the main categories:

- royalties, dividends and equivalent income;
- income from debt obligations of any kind, regardless of the method of their registration;
- income from the alienation of real estate located on the territory of Belarus, an enterprise as a property complex, securities, shares in the authorized capital (shares) of Belarusian organizations;
- income from the provision of consulting, marketing, intermediary, management, advertising services;
- income from the performance of work, the provision of services to a related party.

Income tax rates:

Rate	Type of income
0%	income from debt obligations on credits and loans granted to the Republic of Belarus or the Government, Belarusian residents under state guarantees
	income from debt obligations on credits and loans issued to Belarusian organizations at the expense of funds from the placement of bonds of foreign organizations
6%	Payment for transportation, freight forwarding services
	certain types of income from participation in Belarusian investment funds for 3 years, starting from the first year of profit (benefit until 01.01.2030)
10%	income from debt obligations
15%	royalties, as well as all other income
25%	Dividends

Double taxation treaties (hereinafter referred to as the Agreement) may provide for more preferential conditions. If one of the conditions for the application of benefits in accordance with the Agreement is the receipt of income by its actual owner, in addition to confirmation of permanent residence in a foreign state (certificate/certificate of tax residency), the foreign organization may be requested to provide documents confirming the status of the beneficial owner of the income.

A foreign organization is recognized as having the status of the actual owner of income if it:

- carries out entrepreneurial activity in the country of state registration;
- is a direct beneficiary of such income;

■ has the right to independently use or dispose of this income at his own discretion;

■ is not an organization that conducts mainly financial or investment activities that are carried out directly by members of management bodies.

The main thing about confirming the actual owner:

- confirmation is submitted in the form established by the Ministry of Taxes and Taxes;
- can be filed both before and after the due date of the tax return;
- is valid during the calendar year in which it was issued;

■ In the event of a change in address, bank details, legal form or other important conditions, the confirmation shall cease to be valid from the moment of such change.

The tax period is the quarter in which the date of occurrence of tax payment obligations falls.

Personal Income Tax

Personal income tax (hereinafter referred to as income tax) is levied on income received by an individual:

- from sources in Belarus, as well as from sources outside Belarus – for individuals recognized as tax residents of Belarus;
- from sources in Belarus – for individuals who are not recognized as tax resi-

dents of Belarus.

Tax residents of Belarus are individuals who stay on its territory for more than 183 days in a calendar year.

Belarusian organizations that pay remuneration to individuals for the performance of labor and other duties, work performed, services rendered under labor or civil law contracts are recognized as tax agents and are obliged to calculate, withhold and transfer to the budget income tax on such income.

As a general rule, tax agents transfer income tax to the budget no later than the day of payment of income.

The legislation provides for tax deductions that reduce the amount of income subject to taxation (standard, social, property, professional deductions).

Income tax rates:

Rate	Objects
13%	all objects that are not taxed at other rates (standard rate)
4%	income in the form of winnings from the organizer of gambling - a legal entity of Belarus
0%	dividends if the profit has not been distributed among the participants who are residents of Belarus for 5 consecutive years (benefit until 01.01.2028)
6%	dividends if the profit has not been distributed among the participants who are residents of Belarus for 3 years in a row (benefit until 01.01.2026)
9%	income of an individual entrepreneur resident of the HTP on transactions with tokens

Rate	Objects
20%	income of an individual entrepreneur
30%	income of an individual entrepreneur, if for the year exceeded 500,000 bel. rubles.
25%	total income from sources in Belarus (on dividends + within the framework of labor relations + under civil law contracts), if for the year exceeded 220,000 bel. rubles.
26%	unlawful non-withholding and non-transfer of income tax to the budget by a tax agent

The tax period of income tax is a calendar year.

Tax agents are obliged to submit the tax agent's income tax return on a quarterly basis.

Real estate tax

Organizations are recognized as payers of real estate tax, while the tax is levied:

- buildings and structures in the ownership, economic management, operational management of the organization;
- buildings and structures leased or leased from Belarusian organizations, if they are not on the balance sheet of the lessor;
- buildings and structures on the territory of Belarus leased by individuals or from foreign organizations that do not carry out activities in Belarus through a permanent establishment.

The tax base is determined as of January 1 of each year, based on the availability of real estate at that time.

Some objects are exempt from tax: for example, objects used for the production of agricultural products; objects intended for environmental protection.

The basic tax rate for organizations is 1%.

Preferential rates are provided for new facilities put into operation: tax exemption - the first year, 0.2% - the second year, 0.4% - the third year, 0.6% - the fourth year, 0.8% - the fifth year.

Local authorities can regulate tax rates, increasing or decreasing them for certain categories of taxpayers.

The tax period is a calendar year.

Land tax

Organizations are payers of land tax.

The following land plots located on the territory of Belarus are taxed:

- belonging to organizations on the right of private property, permanent or temporary use;
- other land plots in respect of which, in accordance with the legislation, taxpayers have the right to use;
- unauthorized occupied.

Usually, the tax base is determined by the cadastral value of the land plot, in some cases by the area of the plot.

Tax rates depend on the purpose of the plot, its functional use and cadastral value. Local authorities can increase or decrease rates for certain categories of

payers.

For plots with new capital structures, decreasing coefficients to the tax rates are provided for in the first 5 years from the date of commissioning (similar to real estate tax): 0.2 – the second year, 0.4 – the third year, 0.6 – the fourth year, 0.8 – the fifth year.

For land plots on which there are no capital structures, the tax rate is increased by 3 times.

The tax period of land tax is a calendar year.

Other taxes

Environmental tax

Organizations are recognized as payers of environmental tax. The objects of taxation are emissions of pollutants into the atmosphere, discharge of wastewater into the environment, storage and disposal of industrial waste.

The tax base is determined depending on the actual volume or mass of each type of pollution. Tax rates are set by the Tax Code for each object of taxation, while in some cases the use of decreasing

coefficients is provided.

The tax period is a calendar quarter.

Offshore Fee

Belarusian organizations are recognized as payers of offshore tax.

Subject to offshore tax:

- transfer of funds to a person from an offshore zone, to another person under an obligation to a resident of an offshore zone, to an account in an offshore zone;
- performance of an obligation in non-monetary form to a person from an offshore zone;
- transfer of property rights or obligations in connection with the change of persons in the obligation, the parties to which are the payer and a person from an offshore zone.

The list of offshore zones is approved by the Presidential Decree of 25.05.2006 No353.

The offshore tax rate is 15%. Except in certain cases, the payment of the offshore fee is made before the transfer of funds.

The tax period is a calendar month.

Advertising Placement (Distribution) Fee

The payers of the advertising fee (hereinafter referred to as the advertising fee) are Belarusian legal entities-advertisers, as well as advertising agencies when providing advertising services to a foreign advertiser.

The object of taxation of the advertising fee is the provision of services for the placement of advertising on the territory of Belarus, including the placement of advertising on the Internet. There are exceptions, for example, the placement of advertising in capital buildings is not considered an object.

The tax base is the cost of actually provided advertising services without VAT.

Advertising fee rates:

- 10% – when placing outdoor advertising, advertising on vehicles;
- 20% – in other cases.

The reporting period is a calendar quarter.

Special Taxation Regimes

Tax under the simplified taxation system

The simplified taxation system (hereinafter referred to as the STS) can be applied by organizations that comply with certain criteria. In particular, restrictions are established on the number of employees (50 people), the amount of revenue, the activities carried out, in connection with the acquisition of a certain status, etc.

As a general rule, the payment of tax under the simplified tax system replaces the payment of income tax, VAT, real estate tax, and environmental tax.

Gross revenue (sales revenue + non-operating income) is taxed under the simplified tax system. The tax rate is 6%.

Gambling Tax

Only Belarusian organizations can be payers of gambling tax. Income from the gambling business is not recognized as an object of taxation by income tax and VAT.

Objects	Tax rates
Gaming Table	8899 BYN (1 table)
Slot machines	299 BYN (1 assault rifle)

Objects	Tax rates
Totalizator cash desks	2805 BYN (1 cash desk)
Bookmakers' cash desks	1870 BYN (1 cash desk)
Game income	4% (casino, slot machine hall, bookmaker's office, sweepstakes)
	10% (virtual gambling establishment)

Tax on income from lottery activities

Payers are organizations that are organizers of lotteries. The tax is levied on the difference between the amount of income received from the organization and conduct of the lottery and the amount of the accrued lottery prize fund. Such income is not recognized as taxable by income tax and VAT. Payers are required to keep records of income and expenses for each lottery. The tax rate is 8%.

Tax on Income from Electronic Interactive Games

Payers are organizations that are organizers of electronic interactive games. The tax is levied on the difference between the amount of income received

from electronic interactive games and the amount of the formed winning fund. At the same time, the payers' own funds directed by them to increase the winning fund are not taken into account. Such income is not recognized as an object of income tax and VAT. Payers are required to keep records of income and expenses for each electronic interactive game. The tax rate is 8%.

Other special tax regimes

Regime	Features
Single tax on individual entrepreneurs and other individuals	Applied by individual entrepreneurs, individuals for a limited list of activities, a fixed amount of tax
Single tax for agricultural producers	It is applied only by agricultural producers, the tax rate is 1% of revenue
Handicraft fee	Applied by individual artisans, fixed fee amount
Fee for the provision of services in the field of agro-ecotourism	It is used by individuals when providing services in the field of agro-ecotourism, a fixed amount of fee for each agro-ecofarmstead
Professional income tax	It is used by individuals for a limited list of activities. Tax rate – 10% or 20%

Agreements in the field of taxation and exchange of information

Double Taxation Treaties

In order to eliminate double taxation, Belarus has concluded bilateral international treaties (agreements, conventions) with many states. The Resolution of the Council of Ministers of the Republic of Belarus dated 07.03.2024 No 164 “On Taxation Issues” approved the list of states with which Belarus has suspended the provisions of the agreement governing the receipt of income in the form of dividends, interest, as well as income from the alienation of

property. The provisions are suspended from 01.06.2024 to 31.12.2026.

The list includes the following countries: the USA, France, Denmark, Poland, Sweden, Belgium, Lithuania, Latvia, the Netherlands, the Czech Republic, Bulgaria, Estonia, Romania, Cyprus, Switzerland, Slovakia, Austria, Hungary, Croatia, Macedonia, Italy, Germany, Finland, Ireland, Slovenia, Spain, Great Britain.

Suspension means that in case of receiv-

ing income from sources in Belarus in the form of dividends, interest, as well as income from the alienation of property, tax residents of the above countries are not entitled to apply the provisions of the Agreement and will be obliged to pay tax in accordance with the national legislation of Belarus.

Below are the tax rates under the provisions of the treaties in case of income received from a source in Belarus by a tax resident of a foreign state.

Name of the state	Tax rate and application conditions		
	Dividends	Interest	Royalty
Austria Belgium Hungary United Kingdom Ireland Spain Cyprus Slovenia Finland Czechia	Provisions suspended	Provisions suspended	no more than 5%
United States France Denmark Poland	Provisions suspended	Provisions suspended	Not subject to withholding tax
Sweden Switzerland Netherlands	Provisions suspended	Provisions suspended	no more than 3% no more than 5% no more than 10% depending on the type of royalties

Name of the state	Tax rate and application conditions		
	Dividends	Interest	Royalty
Bulgaria Lithuania Latvia Croatia Estonia Macedonia	Provisions suspended	Provisions suspended	no more than 10%
Romania	Provisions suspended	Provisions suspended	no more than 15%
Germany	Provisions suspended	Provisions suspended	no more than 3% no more than 5% depending on the type of royalties
Italy	Provisions suspended	Provisions suspended	no more than 6%
Slovakia	Provisions suspended	Provisions suspended	no more than 5% no more than 10% depending on the type of royalties
Venezuela	no more than 5% (with a share in the authorized capital of at least 25%) no more than 15% (in other cases)	no more than 5% is not subject to withholding tax on certain types of income	no more than 5% no more than 10% in other cases
Korea	no more than 5% (with a share in the authorized capital of at least 25%) no more than 15% (in other cases)	no more than 10% is not subject to withholding tax on certain types of income	no more than 5%
Serbia	no more than 5% (with a share in the authorized capital of at least 25%) no more than 15% (in other cases)	no more than 8%	no more than 10%
South Africa	no more than 5% (with a share in the authorized capital of at least 25%) no more than 15% (in other cases)	no more than 5% for certain types of income no more than 10% in other cases is not subject to withholding tax on certain types of income	no more than 5% no more than 10% depending on the type of royalties

Name of the state	Tax rate and application conditions		
	Dividends	Interest	Royalty
Bangladesh	no more than 10% (with a share in the authorized capital of at least 10%) no more than 12% (in other cases)	no more than 7.5% is not subject to withholding tax on certain types of income	no more than 10%
Armenia	no more than 10% (with a share in the authorized capital of at least 30%) no more than 15% (in other cases)	no more than 10% is not subject to withholding tax on certain types of income	no more than 10%
India	no more than 10% (with a share in the authorized capital of at least 25%) no more than 15% (in other cases)	no more than 10% is not subject to withholding tax on certain types of income	no more than 15%
Iran	no more than 10% (with a share in the authorized capital of at least 25%) no more than 15% (in other cases)	no more than 5% is not subject to withholding tax on certain types of income	no more than 5%
Turkey	no more than 10% (with a share in the authorized capital of at least 25%) no more than 15% (in other cases)	no more than 10% is not subject to withholding tax on certain types of income	no more than 10%
Pakistan	no more than 11% (with a share in the authorized capital of at least 25%) no more than 15% (in other cases)	no more than 10% is not subject to withholding tax on certain types of income	no more than 15%
Bahrain Qatar	no more than 5%	no more than 5% is not subject to withholding tax on individual income	no more than 5%
Oman Saudi Arabia	no more than 5%	no more than 5% not subject to withholding tax on certain types of income (additional for Oman)	no more than 10%

Name of the state	Tax rate and application conditions		
	Dividends	Interest	Royalty
Hong Kong SAR	is not subject to withholding tax on certain types of income no more than 5% (in other cases)	no more than 5% is not subject to withholding tax on certain types of income	no more than 3% no more than 5% depending on the type of royalties
Kuwait	is not subject to withholding tax on certain types of income no more than 5% (in other cases)	no more than 5% is not subject to withholding tax on certain types of income	no more than 10%
Singapore	is not subject to withholding tax on certain types of income no more than 5% (in other cases)	no more than 5% is not subject to withholding tax on certain types of income	no more than 5%
Lebanon	no more than 7.5%	no more than 5% is not subject to withholding tax on certain types of income	no more than 5%
Israel	no more than 10%	no more than 5% for certain types of income no more than 10% in other cases is not subject to withholding tax on certain types of income	no more than 5% no more than 10% depending on the type of royalties
Indonesia Mongolia China North Korea	no more than 10%	no more than 10% is not subject to withholding tax on certain types of income	no more than 10%
Thailand	no more than 10%	no more than 10% is not subject to withholding tax on certain types of income	no more than 15%
Georgia	no more than 5% (with a share in the authorized capital of at least 25%) no more than 10% (in other cases)	no more than 5% is not subject to withholding tax on certain types of income	no more than 5%
Ecuador	no more than 5% (with a share in the authorized capital of at least 25%) no more than 10% (in other cases)	no more than 10% is not subject to withholding tax on certain types of income	no more than 10%

Name of the state	Tax rate and application conditions		
	Dividends	Interest	Royalty
Laos	no more than 5% (with a share in the authorized capital of at least 20%) no more than 10% (in other cases)	no more than 8% is not subject to withholding tax on certain types of income	no more than 5%
UAE	no more than 5% (with a share in the authorized capital of at least \$100,000) no more than 10% (in other cases)	no more than 5% is not subject to withholding tax on certain types of income	no more than 5% no more than 10% depending on the type of royalties
Sri Lanka	no more than 7.5% (with a share in the authorized capital of at least 25%) no more than 10% (in other cases)	no more than 10% is not subject to withholding tax on certain types of income	no more than 10%
Azerbaijan	no more than 15%	no more than 10% is not subject to withholding tax on certain types of income	no more than 10%
Vietnam Kazakhstan Kyrgyzstan Moldova Tajikistan Turkmenistan Uzbekistan	no more than 15%	no more than 10% is not subject to withholding tax on certain types of income	no more than 15%
Egypt	no more than 15%	no more than 10%	no more than 15%
Russia	no more than 15%	no more than 10% is not subject to withholding tax on certain types of income	no more than 10%
Syria	no more than 15%	no more than 10%	no more than 18%
Japan	no more than 15%	no more than 10% is not subject to withholding tax on certain types of income	no more than 10% is not subject to withholding tax on certain types of income

Procedure for application of agreements

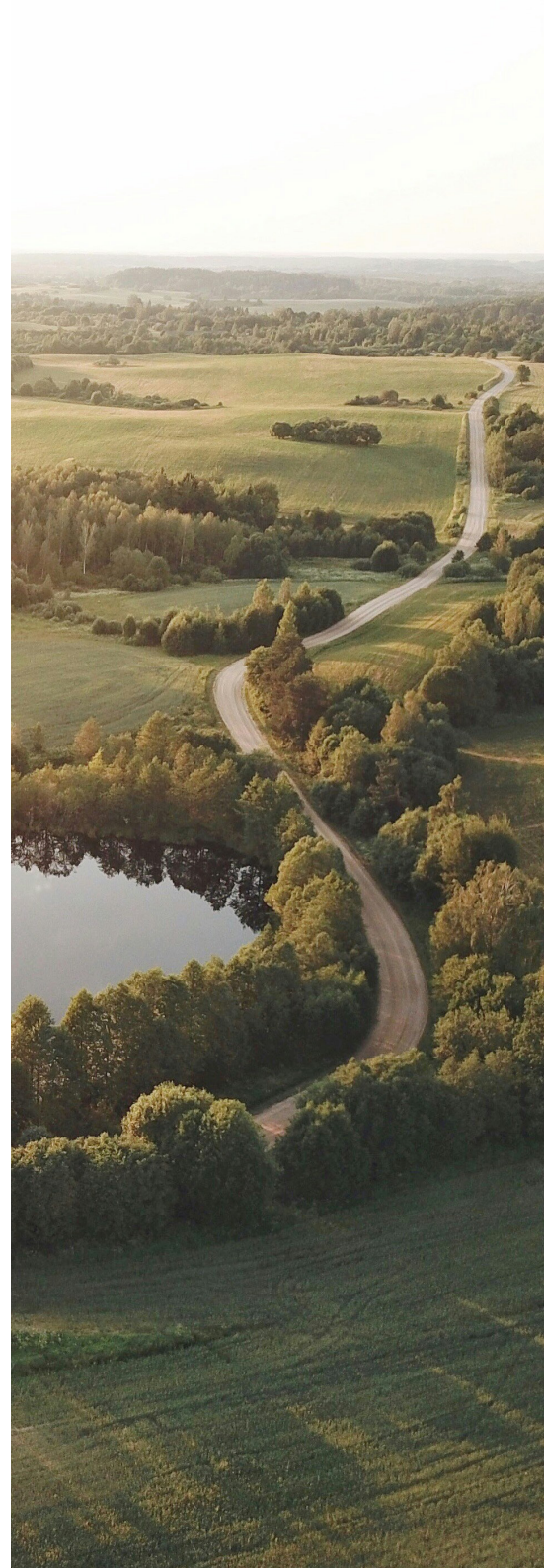
To apply the agreements, a foreign organization must confirm the presence of a permanent location in the country with which Belarus has such an agreement. Usually, a foreign organization submits to a tax agent a document confirming its permanent location in a foreign state, and the tax agent submits it to the tax authority at the place of registration. The tax agent's confirmation shall be submitted to the tax authority without a power of attorney. If the document is in a foreign language, a translation into Belarusian or Russian is required (notarization is not required). Confirmation can be submitted to the tax authority both before and after payment of income tax.

If there is no confirmation, income tax is withheld by the tax agent without exemption. If proof is provided after tax has been paid, the excess tax withheld will be refunded.

Procedure for the exchange of tax information at the international level

The Republic of Belarus has joined the Protocol on the exchange of information in electronic form between the CIS countries for tax administration. The exchange of information covers data on the income of legal entities and individuals, as well as information on property registered in the territory of the participating countries. Information about the property is provided only if the property is registered in one CIS country, and the owner is a citizen or legal entity of another country.

International double taxation treaties with a number of countries also include provisions on the exchange of tax information.



5 General Regulatory Issues



REVERA

Real estate

Real Estate and State Registration

Real estate (immovable objects, immovable property) means land plots, subsoil plots, surface water bodies and everything that is firmly connected with the land, that is, objects that cannot be moved without disproportionate damage to their purpose, including capital structures (buildings, structures), isolated premises, parking spaces.

An enterprise as a whole as a property complex is also equated to immovable things. Other property may also be classified as real estate by legislative acts.

As a rule, real estate, rights to it and transactions with it are subject to state registration. State registration is required in the following cases:

- creation, modification, termination of real estate;
- the emergence, transfer, termination of rights to real estate, including shares in rights;
- making transactions with real estate subject to state registration in accordance with legislative acts.

Only from the moment of state registration, real estate is considered to be created (changed, ceased to exist), rights and restrictions on real estate arise (transfer, terminate), and the transaction is consid-

ered concluded. In this case, the time and date of receipt of documents submitted for state registration shall be considered the moment of state registration.

In accordance with the law, the parties are obliged to ensure state registration of a transaction with real estate. Otherwise, such a transaction is invalid, that is, it does not entail the emergence of rights and obligations, and the parties must return to each other everything received under the transaction.

However, in certain cases, real estate transactions may not be registered. In particular, contracts for gratuitous use and lease (sublease) of capital structures, isolated premises, parking spaces, agreements on amendment or termination of such agreements, as well as rights to such real estate arising in connection with the conclusion of these agreements are not subject to state registration. These contracts are considered to be concluded from the date of their signing by the parties.

State registration of immovable property is carried out by registrars of republican and territorial organizations for state registration of immovable property, rights thereto and transactions therewith, the list of which can be found on the website of the State Property Committee of the Republic of Belarus: gki.gov.by.

Transactions in respect of real estate with the participation of an individual are subject to certification, which is

carried out by a notary or a registrar of an organization for the state registration of real estate, rights to it and transactions with it.

Land plots

A land plot is one of the types of real estate, which is understood as a part of the earth's surface that has a border and a designated purpose and is considered in an inextricable connection with the capital structures (buildings, structures) located on it.

The principle of using land plots for their intended purpose is one of the basic principles of legislation on the protection and use of land. The consequences of non-compliance with it may be the forced termination of the right to the land plot, including the right of ownership.

The use of land plots in the Republic of Belarus is paid. The forms of payment for the use of land plots are land tax or rent. In addition, for the very fact of leasing a land plot, as a general rule, a one-time payment is charged - a fee for the right to lease a land plot.

Land tax is paid for the use of land plots that are on the right of permanent or temporary use, lifetime inheritable possession or private property, rent is paid for the use of land plots that are leased.

Land plots may be provided to land users on the basis of the following rights:

1. private property

Land plots may be privately owned by legal entities of the Republic of Belarus and citizens, including foreign ones. Land plots that are not privately owned are owned by the state.

Land plots in state ownership may be provided to legal entities in private ownership based on the results of an auction or without an auction in cases provided for by law.

It should be noted that the practice of providing land plots to legal entities in private ownership is not widespread;

2. lifetime inheritable possession (only for individuals)

3. permanent use (use without a predetermined period)

Legal entities of the Republic of Belarus may have land plots provided for the following purposes on the right of permanent use:

- construction and maintenance of state-owned real estate;
- farming;
- construction and maintenance of apartment buildings (except for luxury residential buildings), construction and maintenance of dormitories, garages and parking lots;
- reconstruction of existing capital structures (buildings, structures), isolated premises in capital structures (buildings, structures), if it is necessary to increase the size of the land plot provided to a legal

entity on the right of permanent use;

- construction and maintenance of transport and engineering infrastructure facilities and roadside service facilities;

4. Temporary use

Legal entities of the Republic of Belarus may have the right of temporary use of land plots, the right of temporary use of which has been transferred to them from other legal entities of the Republic of Belarus in accordance with the established procedure, as well as land plots provided to:

- concessionaires on the basis of concession agreements – for a period of up to 99 years (including foreign legal entities);
- private partners on the basis of a public-private partnership agreement – for the period provided for by the public-private partnership agreement (including foreign legal entities).

In addition, land plots may be provided for temporary use to legal entities for a period of up to 10 years for the purposes established for the provision of land plots for permanent use;

5. Leases (subleases)

Land plots may be leased to citizens, including foreigners, individual entrepreneurs, legal entities of the Republic of Belarus, foreign legal entities and their representative offices.

Lease of a privately owned land plot is carried out on the basis of a civil law transaction, provided that the intended

purpose of this plot is preserved. If capital structures are located on the land plot, they may be leased only together with these capital structures.

Land plots that are in state ownership are leased based on the results of auctions. However, the legislation defines a number of cases when such land plots can be leased without an auction, in particular:

- investors and (or) organizations implementing investment projects – for the construction of facilities provided for by investment agreements concluded with the Republic of Belarus, during the validity period of such agreements, unless otherwise established by legislative acts;
- legal entities and individual entrepreneurs – for the construction and maintenance of transport and engineering infrastructure facilities and roadside service facilities;
- residents of free economic zones, special tourist and recreational parks – for the construction and maintenance of real estate in these zones, parks;
- organizations and individual entrepreneurs engaged in the management of consumption waste - for the placement of reception points for secondary raw materials, facilities for sorting, neutralization, processing of municipal waste and facilities for the disposal of solid municipal waste.

As a general rule, a fee is charged for the right to lease land plots, which is determined on the basis of the cadastral value of the land plot. In some cases, payment for the right to lease land plots that are in state ownership and provided

to an interested person is not charged, including if the land plot is provided:

- individual entrepreneurs, legal entities – if it is required to provide them with another land plot for the same purposes instead of the withdrawn one;
- the winners of the auction with conditions for the right to design and construct capital structures (buildings, structures);
- legal entities – for the construction and maintenance of apartment buildings (except for luxury residential buildings), construction and maintenance of dormitories, garages and parking lots;
- in other cases established by the Land Code.

The terms and other terms of the lease of a land plot are determined by the lease agreement. However, the lease term of a land plot that is in state ownership and provided for purposes related to the construction and (or) maintenance of capital structures must be not less than the standard period of construction and (or) operation of these structures. At the same time, the maximum lease term of a land plot is 99 years.



Antitrust Regulation

Monopolistic activity. General information

The implementation of the antimonopoly policy in the Republic of Belarus is carried out by the antimonopoly authority – the Ministry of Antimonopoly Regulation and Trade of the Republic of Belarus and its territorial bodies: the main departments of the Ministry of Antimonopoly Regulation and Trade in the regions and the city of Minsk. Antitrust control includes, among other things, control over the creation of holdings and associations of companies, control over M&A transactions, control over companies occupying a dominant position, prevention of unfair competition, etc.

The main regulatory legal acts regulating monopolistic activities in the Republic of Belarus are Law No. 94-Z of the Republic of Belarus of December 12, 2013 “On Counteracting Monopolistic Activities and Development of Competition” (hereinafter referred to as Law No. 94-Z) and Law of the Republic of Belarus No. 162-Z of December 16, 2002 “On Natural Monopolies” (hereinafter referred to as Law No. 162-Z).

At the same time, it is permissible to occupy a dominant position in the market in Belarus. In particular, the existence of a state monopoly is allowed, that is, a system of social relations in which the exclusive right to carry out certain types of activity, including entrepreneurial activity, is held by the state represented

by individual state bodies or other specially authorized economic entities. The existence of natural monopolies is also allowed, i.e. situations when the creation of competitive conditions to meet the demand for a certain type of service is impossible or economically inexpedient due to the technological features of the production and provision of this type of service.

In accordance with Law No. 162-3, natural monopolies in the Republic of Belarus are certain types of activities, competition in the field of which can harm citizens and companies. In particular, natural monopolies include air navigation services, airport services, rail transportation, gas and oil transportation, electricity and heat transmission services, centralized water supply and wastewater disposal.

At the same time, it is inadmissible to carry out monopolistic activities, i.e. to abuse one's dominant position, to conclude agreements, to perform concerted and other actions aimed at preventing, restricting or eliminating competition and prohibited by acts of antimonopoly legislation.

In particular, the antitrust legislation establishes a number of actions that can be considered as actions aimed at preventing, restricting or eliminating competition:

1. Anticompetitive agreements. All anticompetitive agreements can be divided

into two main groups: per se agreements and other agreements:

■ **Per se agreements** are agreements that are prohibited by law regardless of the occurrence of negative consequences (that is, even if the agreement does not prevent, restrict or eliminate competition). Per se agreements can be divided into:

□ **cartel (horizontal) agreements**, which are concluded between competing economic entities, which lead or may lead to the establishment, maintenance, increase or decrease of prices, division of the product market according to the territorial principle, by types, volumes of transactions, types, volumes, range of goods and their prices (tariffs), reduction or termination of production of goods, refusal to conclude contracts with certain sellers or consumers, if such refusal is not provided for by legislative acts.

□ **vertical agreements** – agreements between economic entities, one of which acquires the product or intends to purchase it, and the other provides the product or is a potential seller of it. Vertical agreements are prohibited by antitrust legislation only if:

— such agreements lead or may lead to the establishment of a price (tariff) for the resale of goods, except for the case when the seller sets a maximum price (tariff) for the consumer for the resale of goods;

— Such agreements establish the

consumer's obligation not to sell the goods of an economic entity that is a competitor of the seller.

At the same time, in some cases, prohibited vertical agreements may be allowed in Belarus, namely, if they are formalized in the form of franchise agreements or the market share of each party to the vertical agreement does not exceed 20%.

■ **Other prohibited agreements** may be prohibited only if they lead or may lead to the prevention, restriction or elimination of competition (for example, the imposition by the seller or buyer of the terms of the contract that are unfavorable to the other party or not related to the subject of the contract), for example, a reduction in the number of economic entities in the product market, an increase or decrease in the price (tariff), not related to the corresponding changes in other general conditions of circulation goods on the product market, refusal of economic entities to act independently in the product market, etc.

2. Concerted actions of business entities. Concerted actions of economic

entities are the actions of economic entities in the product market, if the following conditions are met in the aggregate:

■ the result of such actions corresponds to the interests of each of these economic entities;

■ actions are known in advance to each of the economic entities participating in them, including in connection with a public statement by one of them about the commission of such actions;

■ The actions of each of these economic entities are caused by the actions of other economic entities and are not the result of circumstances that equally affect all economic entities in the relevant product market.

■ Concerted actions of economic entities are prohibited if such actions lead or may lead to the prevention, restriction or elimination of competition, including the establishment, maintenance, increase or decrease of prices (tariffs), the division of the product market according to the territorial principle, types, volumes of transac-

tions, types, volumes, range of goods and their prices (tariffs), the circle of sellers or consumers, etc.

3. Prohibited economic coordination of the actions of economic entities;

Coordination of economic activity is the coordination of actions of economic entities by a third party that is not part of the same group of persons with any of such economic entities and does not carry out activities in the product market where the coordination of the actions of economic entities is carried out. As such, the coordination of economic activities of economic entities is not prohibited. Nevertheless, it can be considered as violating the antimonopoly legislation if it leads, for example, to a reduction in the number of economic entities in the product market, an increase or decrease in the price (tariff) not related to the corresponding changes in other general conditions for the circulation of goods in the product market, the refusal of economic entities to act independently in the product market, etc.

Protection of personal data

Regulation of personal data protection

The legislation on personal data of the Republic of Belarus is primarily represented by the Law of the Republic of Belarus of May 7, 2021 No 99-Z “On the Protection of Personal Data” (hereinafter referred to as the Law on the Protection of Personal Data).

In addition to the Law on the Protection of Personal Data, the Decree of the President of the Republic of Belarus No 422 of October 28, 2021 “On Measures to Improve the Protection of Personal Data” (hereinafter referred to as Decree No422), acts of the Operational and Analytical Center under the President of the Republic of Belarus and orders of the Director of the National Center for Personal Data Protection of the Republic of Belarus (hereinafter referred to as the Center) were adopted.

Certain provisions of the legislation on personal data are explained by the Center. A full list of methodological documents, including clarifications of the Center, can be found here .

Definition of personal data

In the Republic of Belarus, personal data is understood as any information relating to an identified natural person or an

individual who can be identified. Based on a comprehensive analysis of the legislation on personal data, personal data are data that directly (without additional data) identify an individual (for example, an identification number) and data that allow to identify a person when comparing this data with others (for example, when comparing the surname, name, patronymic and address of registration, it is possible to identify a person).

Certain information related to personal data is subject to higher protection due to its sensitivity, therefore the Law on the Protection of Personal Data distinguishes a category of special personal data, the processing of which companies must comply with additional requirements.

Special personal data include personal data related to race or nationality, political views, membership in trade unions, religious or other beliefs, health or sexual life, administrative or criminal liability, as well as biometric and genetic personal data. Examples of special personal data are data on the presence/absence of a disease (e.g. extract from a sick leave), fingerprint, membership in a political party and/or trade union.

Status of companies in the processing of personal data

The correct determination of the company's status in the processing of personal

data is fundamentally important: the legal status, the nature of the obligations and the degree of responsibility during the processing depend on it.

The legislation on personal data distinguishes four subjects in the field of personal data processing, depending on who organizes and carries out the processing:

- **Operator** is an entity that, independently or jointly with other persons, organizes and (or) carries out the processing of personal data,

- **An authorized person** is a subject who processes personal data on behalf of the operator or in its interests,

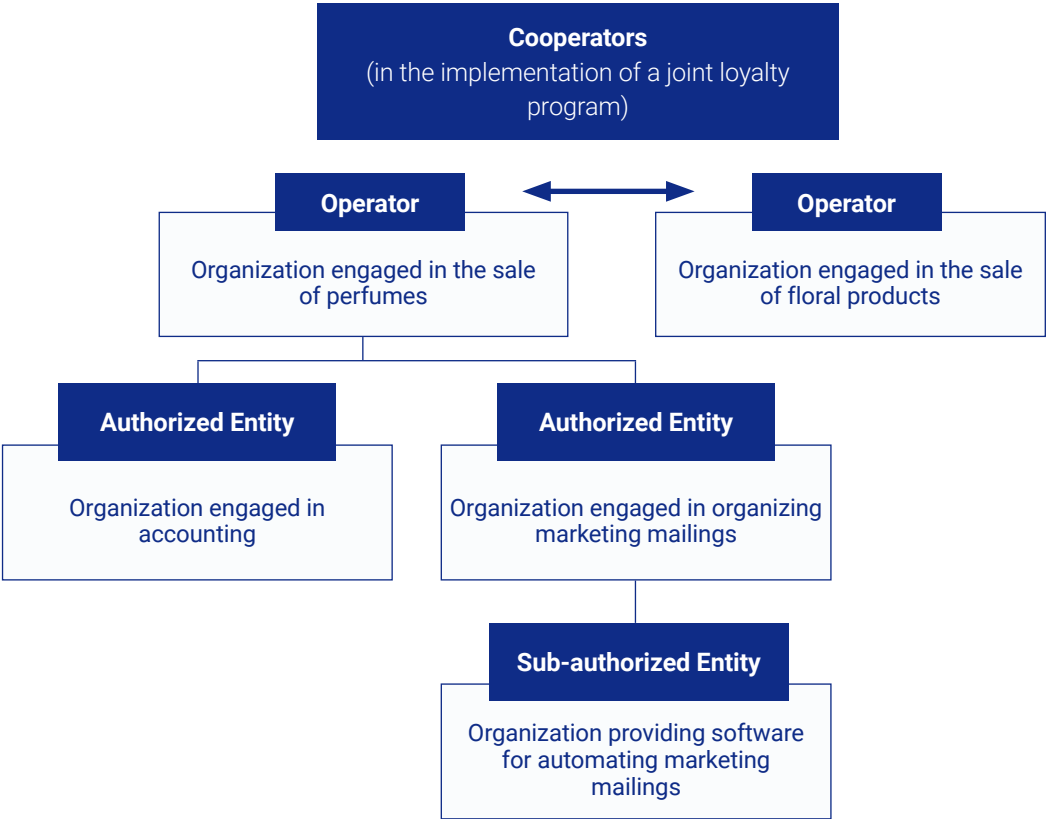
- **A sub-authorized person** is an entity that is engaged by an authorized person to process personal data on behalf of the operator or in its interests,

- **Joint operators (co-operators)** are operators who jointly organize and (or) carry out the processing of personal data.

At the same time, any company is a personal data operator: at least in relation to personal data about (about) participants (if they are individuals), their representatives (if the participant is a legal entity), employees, candidates. If the company entrusts the processing of personal data to another company, for example, for accounting or marketing purposes, the latter will be an authorized person. However, if, for example, in order

to carry out mailing, an authorized person engages another entity in processing to perform part of the functions, such an entity will be recognized as a subauthorized person.

Schematically described relations can look like this:



Legal basis for processing personal data

One of the requirements for the processing of personal data is the requirement that there is a legal basis. The legislation on personal data differentiates the grounds for the processing of personal data depending on whether the specified personal data is classified as special or not.

Thus, the Law on the Protection of Personal Data defines the following legal grounds for the processing of personal data:

- 1. consent of the personal data subject (Article 5 of the Law on the Protection of Personal Data);
- 2. other grounds for the processing of personal data (Article 6 (in relation to “ordinary” personal data) and Article 8 (for special personal data) of the Law on the Protection of Personal Data).

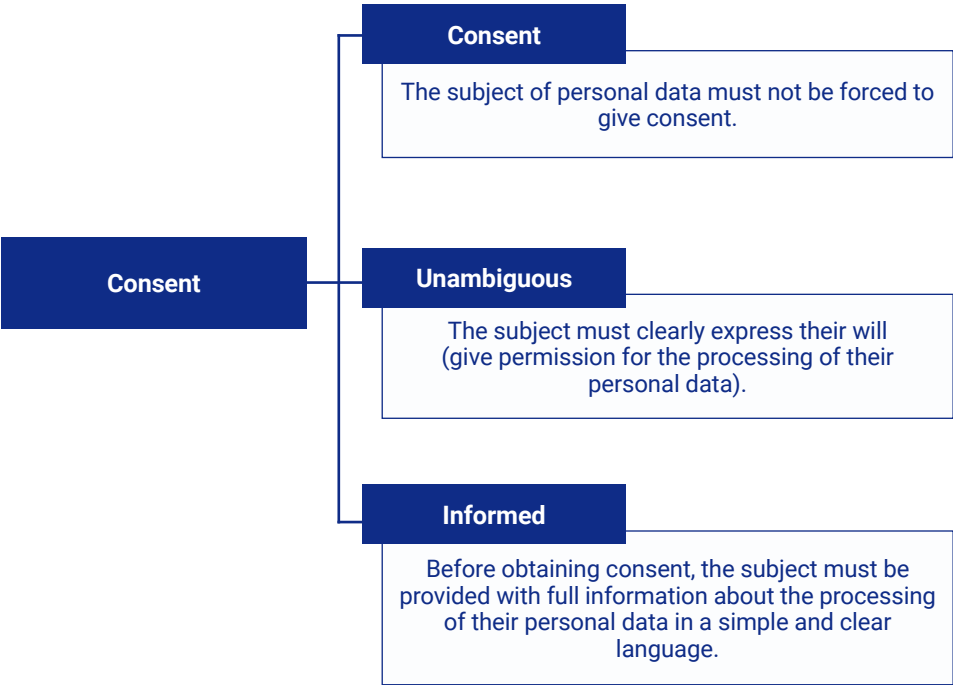
If the processing of personal data can be carried out on one of the other grounds, the consent of the subject is **not required**.

Consent to the processing of personal data

The Personal Data Protection Act provides for a number of consent requirements. These requirements with their meaning are depicted in the diagram:

In addition, the Law on the Protection of Personal Data provides for a form of obtaining consent. In particular, consent can be obtained:

- 1. in writing,
 - 2. in the form of an electronic document,
- or



3. in another electronic form, namely using:

- indication (selection) by the subject of personal data of certain information (code) after receiving a CMC message, a message to the e-mail address;
- putting the appropriate mark (tick) by the subject on the Internet resource;
- other methods that make it possible to establish the fact of obtaining consent.

Processing of personal data on behalf of the operator

The processing of personal data on behalf of the operator is regulated by Article 7 of the Law on the Protection of Personal Data, and certain provisions are also specified in the Recommendations on the Relationship between Operators and Authorized Persons in the Processing of Personal Data. In the event that the operator entrusts the processing of personal data to an authorized person, the operator will also be liable to the personal data subject for the actions of this person.

One of the requirements for the processing of personal data on behalf of the operator is the existence of a contract (agreement). The said contract (agreement) shall include:

- purposes of personal data processing;
- a list of actions that will be performed with personal data by an authorized person;

- obligations to maintain the confidentiality of personal data;

- measures to ensure the protection of personal data.

If it is necessary to obtain the consent of the personal data subject for processing, the consent must be requested by the operator. The operator can also entrust the performance of this obligation to an authorized person.

Cross-border transfer of personal data

Depending on whether an adequate level of protection of the rights of personal data subjects is provided in the territory of a foreign state, the conditions for such transfer may differ.

1) Transfer of personal data to the territory of a foreign state that provides an appropriate level of protection of the rights of personal data subjects.

The list of such states includes:

foreign states that are parties to the Council of Europe Convention for the Protection of Individuals with regard to Automatic Processing of Personal Data, adopted in Strasbourg on January 28, 1981.

states that are members of the Eurasian Economic Union.

2) Transfer of personal data to the territory of a foreign state that provides an appropriate level of protection of the rights of personal data subjects.

If an adequate level of protection is not provided in the territory of a foreign state, cross-border transfer is allowed in cases where (Article 9 of the Law on the Protection of Personal Data, paragraphs 1-1 of the Order of the Center dated 15.11.2021 No 14 "On Cross-Border Transfer of Personal Data"):

- the consent of the personal data subject is given (provided that the personal data subject is informed about the risks arising from the lack of an adequate level of their protection);

- personal data are obtained on the basis of an agreement concluded (concluded) with the personal data subject for the purpose of performing actions established by this agreement;

- permission from the authorized body for the protection of the rights of personal data subjects has been obtained;

- such transfer is necessary to protect the life, health or other vital interests of the personal data subject or other persons, if it is impossible to obtain the consent of the personal data subject;

- the processing of personal data is carried out within the framework of the implementation of international treaties of the Republic of Belarus;

- such transfer shall be carried out by the financial monitoring body in order to take measures to prevent the legalization of proceeds from crime, the financing of terrorist activities and the financing of the proliferation of weapons of mass destruction in accordance with the legislation;

- Personal data can be obtained by any

person by sending a request in the cases and in the manner provided for by law;

- if it is necessary for the performance of duties (powers) provided for by legislative acts;

- if information on the activities of a state body, state organization or economic company is posted on the Internet, in respect of which the Republic of Belarus or an administrative-territorial unit, possessing shares (shares in the authorized funds), can determine the decisions taken by this economic company.

Rights of personal data subjects

The Law on the Protection of Personal Data provides personal data subjects with the rights regarding the processing of personal data specified below (Articles 10 – 13, 15 of the Law on the Protection of Personal Data).

1. The right to receive information regarding the processing of personal data.

The subject has the right to receive information regarding the processing of their personal data, containing:

- name and location of the operator;
- confirmation of the fact of processing of personal data by the operator (authorized person);
- his/her personal data and the source of their receipt;
- legal grounds and purposes of person-

al data processing;

- the period for which the consent of the subject is given;

- name and location of the authorized person, if the processing of personal data is entrusted to such a person;

- other information provided for by law.

2. Right to be informed about the provision of personal data to third parties.

The personal data subject has the right to receive information from the operator about the provision of his personal data to third parties once a calendar year, unless otherwise provided by the Law on the Protection of Personal Data and other legislative acts. Information should be provided free of charge.

3. Right to rectification of personal data.

The personal data subject has the right to demand that the operator make changes to his personal data if it is incomplete, outdated or inaccurate.

4. The right to request the termination of the processing of personal data and/or their deletion.

The personal data subject has the right to demand that the operator terminate the processing of his personal data free of charge, including their deletion, in the absence of grounds for the processing of personal data.

5. Right to withdraw consent.

The personal data subject has the right to withdraw his consent to the process-

ing of personal data at any time without giving reasons.

6. The right to appeal against the actions (inaction) and decisions of the operator related to the processing of personal data.

The subject has the right to appeal against the actions (inaction) and decisions of the operator that violate his rights in the processing of personal data to the Center.

Obligations of the operator (authorized person) to ensure the protection of personal data

The operator (authorized person) is obliged to take legal, organizational and technical measures to ensure the protection of personal data from unauthorized or accidental access to them, modification, blocking, copying, distribution, provision, deletion of personal data, as well as from other illegal actions in relation to personal data. The legislation on personal data provides for a risk-based approach to determining measures to ensure the protection of personal data. This means that the operator (authorized person) independently determines the composition and list of measures that are necessary and sufficient to fulfill the obligations to ensure the protection of personal data, taking into account all business processes, the requirements of the Law on the Protection of Personal Data and other legislative acts.

At the same time, the legislation on personal data (Article 17 of the Law on the Protection of Personal Data, Decree No 422) defines a list of mandatory measures to ensure the protection of personal data:

1. appoint a structural unit or a person responsible for internal control over the processing of personal data;
2. to issue a policy regarding the processing of personal data and make it available to third parties;
3. familiarize employees and other persons directly involved in the processing of personal data with the provisions of the legislation on personal data, including the requirements for the protection of personal data, documents defining the operator's policy regarding the processing of personal data, as well as conduct training for these employees and other persons;
4. establish the procedure for access to personal data, including those processed in the information resource (system);
5. carry out technical and cryptographic protection of personal data in the manner established by the Operational and Analytical Center under the President of the Republic of Belarus, in accordance with the classification of information resources (systems) containing personal data;
6. organize at least once every 5 years training on personal data protection by persons responsible for internal control over the processing of personal data, as well as persons directly involved in the

processing of personal data;

7. ensure the provision of information to the Center on the number of persons responsible for internal control over the processing of personal data, as well as persons directly involved in the processing of personal data, who need to be trained at the National Center for Personal Data Protection. The deadline for submitting information is November 15 of each year;

8. install and keep up to date:

- a list of information resources (systems) containing personal data, the owners (owners) of which they are;
- categories of personal data to be included in such resources (systems): publicly available, special (except for biometric and genetic), biometric and genetic, personal data that are not publicly available or special;
- a list of authorized persons, if the processing of personal data is carried out by such persons;
- the period of storage of the processed personal data;

enter information on information resources (systems) containing personal data into the state information resource "Register of Personal Data Operators" (available at the [link](#)) created by the Center, as well as ensure the updating of the relevant information (for more information on the functioning of the information resource "Register of Personal Data Operators", see the [link](#)).

Activities of the authorized body for the protection of the rights of personal data subjects

The authorized body for the protection of the rights of personal data subjects in the Republic of Belarus is the National Center for Personal Data Protection. The activities and legal status of the Center are regulated by Decree No 422, which approved the Regulation on the National Center for Personal Data Protection.

Control over the processing of personal data by the Center may take place in the form of scheduled, unscheduled and desk inspections of:

1. scheduled inspections are carried out in accordance with the plan of inspections of compliance with the legislation on personal data, approved annually by the Director of the Center, which can be found on the website;
2. unscheduled inspections may be appointed by the Director of the Center if there is information, including those received from companies or individuals, complaints from personal data subjects, indicating a violation of the requirements of the legislation on personal data being committed (committed);
3. desk audits are carried out through the study, analysis and evaluation of information posted in the media and the Internet, documents and other information, including information received from the operator (authorized person) at the request of the National Center for Personal Data Protection.

Intellectual Property

In the Republic of Belarus, legal protection is granted to the following intellectual property objects:

1. results of intellectual activity: works of science, literature and art, computer programs, performances, phonograms, broadcasts of broadcasting organizations and other objects of related rights provided for by legislative acts; inventions, utility models, industrial designs; plant varieties and animal breeds; topographies of integrated circuits, production secrets (know-how).

2. means of individualization: trade names, trademarks and service marks, geographical indications.

3. other results of intellectual activity and means of individualization in cases provided for by legislative acts.

Objects of Copyright and Related Rights

These objects include works of science, literature and art that are the result of creative work, regardless of the purpose and dignity of the works, as well as the method of their expression (objects of copyright), as well as performances, phonograms and transmissions of broadcasting organizations (objects of related rights).

The term of validity of copyright and related rights differs in a number of

cases. For example:

■ The personal non-property rights of the author (the right of authorship, the right to a name, the right to the inviolability of the work, the right to publicity, the right to recall) are protected indefinitely.

■ The exclusive rights of the author are protected during the life of the author and 50 years after his death, for an anonymous work - for 50 years from the date of the first lawful publication or 50 years from the date of creation, if the work has not been made public.

■ The exclusive right to a performance is valid for 50 years from the date of performance, or its first recording, or the first broadcast of the performance on the air, by cable, or communication to the public in any other way, to a phonogram – 50 years from the date of first publication or its first recording, if the phonogram was not published within this period. The exclusive right to transmit an on-air or cable broadcasting organization shall be valid for 50 years from the date of transmission on air or by cable.

Industrial Property Objects

Legal protection of objects of industrial property rights, with the exception of production secrets (know-how), arises on the basis of their state registration with the patent authority or on other grounds

provided for by the Civil Code and other legislative acts.

Legal protection of a trade secret (know-how) arises on the basis of the establishment of a trade secret regime in relation to the information constituting a trade secret (know-how).

Belarusian legislation grants legal protection to an invention that is a technical solution in any field if it relates to a product or process, as well as to the use of the product or method for a specific purpose, is new, has an inventive step and is industrially applicable.

A utility model that is granted legal protection is a technical solution related to devices that is new and industrially applicable.

An industrial design is understood in the legislation as an artistic or artistic-design solution of a product that determines its appearance and is new and original.

Authorship, priority and exclusive right to them are certified by a patent. The patent is valid from the date of filing the application with the National Center of Intellectual Property (hereinafter referred to as the NCIP):

■ in respect of an invention – for 20 years with the possibility of extension for no more than 5 years.

■ in respect of a utility model – within 5 years with the possibility of extension for

no more than 5 years;

- in relation to an industrial design – for 10 years with the possibility of extension for no more than 5 years.

Means of individualization

The means of individualization that can be granted legal protection in the Republic of Belarus include:

- **Brand names.** A legal entity has the exclusive right to use the Firm Name on goods, their packaging, in advertising, signboards, prospectuses, invoices, printed publications, official letterheads and other documentation related to its activities, as well as when demonstrating goods at exhibitions and fairs held on the territory of the Republic of Belarus.

- **Geographical indications** (a designation that identifies a product as originating from the territory of a certain geographical object, if the quality, reputation or other characteristics of the product are largely due to its geographical origin).

- **Trademarks and (service marks)** (a designation that helps to distinguish goods, works, or services of one person from similar goods, works, or services of other persons).

In order to obtain legal protection, a trademark, a service mark and a geographical indication must be registered with the NCIP. The term of legal protection of a trademark and (service mark) and the term of the right to use a geographical indication is 10 years with

the possibility of extension for another 10 years an unlimited number of times.

The Republic of Belarus is a party to the Madrid Agreement Concerning the Registration of Marks of April 14, 1891 and the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks of June 28, 1989; therefore, it is possible to obtain legal protection of a trademark in the territory of the Republic of Belarus under the Madrid System with the expansion of rights to the territory of Belarus.

Within the framework of the Eurasian Economic Union (hereinafter referred to as the EAEU), a unified system for registration of EAEU trademarks and appellations of origin of goods of the EAEU has been created. After the launch of this unified system, an application for registration can be submitted to the national patent office of the EAEU member state, while the EAEU trademark certificate and the certificate of the right to use the EAEU appellation of origin will be valid on the territory of all EAEU member states.

Protection of rights

The legislation of the Republic of Belarus provides for various methods of civil protection of intellectual property rights in case of their violation. In addition, the legislation provides for administrative or criminal liability for certain types of violations of intellectual property rights.

Consideration of civil disputes related to the protection of intellectual property rights falls within the competence of the Judicial Chamber for Intellectual Property Cases of the Supreme Court

of the Republic of Belarus.

One of the effective ways to protect intellectual property rights is also to apply to the customs authorities of the Republic of Belarus for the application of measures to protect intellectual property rights.

The National Customs Register of Intellectual Property Objects of Belarus (hereinafter referred to as the Customs Register) is maintained by the State Customs Committee of the Republic of Belarus (hereinafter referred to as the SCC). In order to include a trademark in the customs register, the right holder must submit an application to the State Customs Committee for the adoption of measures by the customs authorities to protect the rights to the intellectual property object. The requirements for the application, the documents attached to it and the procedure for its consideration are defined in the Law “On Customs Regulation in the Republic of Belarus”.

In January 2023, the Law of the Republic of Belarus “On the Restriction of Exclusive Rights to Intellectual Property Objects” was adopted, according to which the so-called “parallel import” is allowed in Belarus, when goods can be imported from third countries without the permission of the right holder in cases where the trademark owner has stopped supplying them to Belarus. At the same time, according to the law, the mechanism of “parallel import” applies to goods included in the list approved by MART (Decree of the Ministry of Antimonopoly Regulation and Trade No 43 of 18.06.2024 “On the List of Goods (Groups of Goods)”).

The Resolution includes a list of 34 groups of goods and the corresponding HS codes (oil and petroleum products; surfactants; detergents and cleaning agents; brake and hydraulic fluids; plastic products; wooden products; clothing; glass and glass products; ferrous metal products; copper products; electrical machines and a number of other goods).

Residents of “unfriendly states” can protect their rights in Belarus using customs measures, in particular, by entering a trademark in the customs register for those groups of goods that are not included in the specified list.

Advertising

General information

To attract attention to their goods (works, services), legal entities and individual entrepreneurs can order advertising services from 3 parties or place advertising themselves.

Advertising activities in Belarus are subject to regulation. The legislation of Belarus establishes mandatory requirements and restrictions, which can be conditionally divided into 3 blocks:

1	General Requirements (Must be met when advertising any goods, works, or services)
2	Special Requirements (Established for the advertising of specific goods, works, services, and/or certain advertising methods)
3	Prohibition of Inappropriate Advertising

Special requirements of the legislation on advertising apply to:

- advertising of certain types of goods, works or services (medicines, medical products, alcoholic beverages, beer and

low-alcohol beverages, tobacco products, etc.);

- places of advertising (restriction on advertising in the premises of state bodies, etc.);

- methods of advertising (advertising in the media, advertising using telecommunications, etc.);

- the content of advertising (the requirement for the availability of the necessary information, prohibitions on the indication of certain information, etc.).

Improper advertising, including unfair, unreliable, unethical, hidden advertising, is prohibited in Belarus.

In case of placement of improper advertising, the Ministry of Antimonopoly Regulation and Trade of the Republic of Belarus or the local executive committee has the right to issue an order to eliminate the revealed violation and consider the issue of bringing the violator to administrative responsibility. Such an order may contain a requirement to carry out counter-advertising (refutation of improper advertising). In this case, counter-advertising is carried out by the violator at his own expense in the same way as improper advertising.

Certain types of advertising require approval from government agencies:

Type of advertising	Coordination Body
Advertising of medicines, methods of providing medical care, works and (or) services constituting medical activities, medical devices and medical equipment	Ministry of Health of the Republic of Belarus
Advertising of dietary supplements	
Advertising about studying outside the Republic of Belarus	Ministry of Education and Ministry of Internal Affairs of the Republic of Belarus

Placement of advertising without approval, if such approval is mandatory, is prohibited.

Advertising through an advertising agency

Foreign advertisers can place advertising in Belarus only if an advertising agency is involved (i.e. an intermediary who, on behalf of a foreign advertiser, concludes an agreement for advertising with an advertising distributor).

A direct contract for advertising in Belarus between a foreign advertiser and an advertising distributor cannot be concluded.

The requirement to engage an advertising agency does not apply to cases

where a foreign advertising distributor places its own advertising, i.e. does not involve 3 persons for this.

Advertising fee

An advertising fee is paid on the cost of advertising services. In fact, the fee is paid by the advertising agency engaged by the foreign advertiser.

The fee is calculated by multiplying the cost of the services provided for the placement of advertising w

10%	When placing outdoor advertising, advertising on vehicles, including inside public transport salons
20%	In other cases

There are exceptions when the fee **is not paid** (for example, when placing advertising in buildings, advertising on bulletin boards, etc.).

Register of Advertising Distributors

Advertising services may be provided only by advertising distributors included in the register of advertising distributors. The provision of advertising services by an advertising distributor not included in the register is illegal and prohibited.

Exceptions are the following accommodation services:

■ Outdoor advertising	■ Advertising on vehicles and inside their cabins
■ Advertising by telephone, telex, facsimile, cellular mobile telecommunications, e-mail	■ Advertising in capital structures (buildings, structures), as well as in places of cultural, educational, sports, sports, tourist events, competitions, competitions, exhibitions, seminars, conferences and other similar events
■ Advertising on paper that is not related to print media	■ Other advertising determined by the Council of Ministers of the Republic of Belarus

Inclusion in the register of advertising distributors is carried out on the basis of a submitted notification.

Court and Arbitration

Judicial system

The judicial system of the Republic of Belarus consists of the Constitutional Court and courts of general jurisdiction (including economic courts). In addition, 2 international arbitration courts, 31 arbitration commissions of the Belarusian Universal Commodity Exchange have been created and are operating.

The system of courts of general jurisdiction consists of:

- district (city) courts;
- regional (Minsk City) courts, economic courts of the regions and the city of Minsk;
- The Supreme Court of the Republic of Belarus.

The system of courts of general jurisdiction consists of:

- district (city) courts;
- regional (Minsk City) courts, economic courts of the regions and the city of Minsk;
- The Supreme Court of the Republic of Belarus.

Jurisdiction of cases by economic courts

In the first instance, cases are considered by the economic courts of the regions and the city of Minsk.

Certain categories of cases are considered in the first instance in the judicial chamber for economic cases of the Supreme Court of the Republic of Belarus (cases related to state secrets; appeals against non-normative acts of the republican bodies of state administration, etc.). At the same time, the Supreme Court of the Republic of Belarus has the right to accept for its consideration and consider any case as a court of first instance.

Terms of Consideration of Cases by Economic Courts of First Instance

The general period for conducting a trial and making a decision on the case is 2 months from the date of the court's ruling on the appointment of the case for trial. Usually, a dispute between residents of the Republic of Belarus is considered by the court of first instance within a period of up to three months, taking into account the period for the preparation of the case.

A case with the participation of foreign persons who are outside the Republic of Belarus must be considered by the economic court of the first instance within a period of no more than 7 months from the date of the ruling on the appointment of the case for trial, unless otherwise established by an international treaty of the Republic of Belarus.

However, if the management bodies of

foreign persons, their branches, representative offices or representatives authorized to conduct the case are located or reside in the territory of the Republic of Belarus, cases with the participation of foreign persons are considered within the general time limits.

In exceptional cases, taking into account the particular complexity of the case, the chairman of the economic court or his deputy may extend the period for consideration of the case to 4 months, and cases involving foreign persons who are outside the Republic of Belarus – up to 1 year.

Appeal against court rulings of economic courts

Judicial rulings of economic courts may be appealed, cassation or supervisory.

Appellate instance

Court decisions that have not yet entered into legal force may be appealed. Appeals are considered by the appellate instances of the economic courts of the regions and the city of Minsk, which made the appealed decision.

The deadline for filing an appeal is 15 working days from the date of the decision.

The term for consideration of an appeal

is 15 working days from the date of receipt of the appeal by the court.

In exceptional cases, taking into account the particular complexity of the case, the period for consideration of an appeal (protest) may be extended by the chairman of the court or his deputy, but not more than for 15 working days.

The decision of the appellate instance of the economic court enters into force from the moment of its adoption.

Cassation instance

Decisions of the court of first instance and decisions of the appellate instance of the economic court that have entered into force may be appealed in cassation.

Cassation appeals are considered by the Judicial Chamber for Economic Cases of the Supreme Court of the Republic of Belarus, however, they are filed through the court of first instance.

The deadline for filing a cassation appeal is 1 month from the date of entry into force of the appealed court decision.

The term for consideration of a cassation appeal is 1 month from the date of receipt of the case by the court of cassation.

Supervisory instance

Judicial rulings of economic courts that have entered into legal force may be reviewed by way of supervisory review only on the basis of a protest by officials who have the right to lodge a protest. The number of economic cases considered in the supervisory instance is extremely

small and amounts to several cases per year.

Protests under the supervisory procedure may be lodged by:

- the Chairman of the Supreme Court of the Republic of Belarus and his deputies;
- The Prosecutor General of the Republic of Belarus and his deputies.

A protest can be lodged both on the initiative of these persons and based on the results of consideration of the complaint by way of supervision of the interested person.

The deadline for filing a complaint under the supervisory review procedure is 1 year from the date of entry into force of the appealed court decision. The term for consideration of a complaint under the supervisory procedure is 2 months from the date of receipt of the complaint by the relevant official.

The court of supervisory instance is:

- The Presidium of the Supreme Court of the Republic of Belarus – in relation to court rulings of the courts of first instance, appeal and cassation;
- The Plenum of the Supreme Court of the Republic of Belarus – in relation to the resolutions of the Presidium of the Supreme Court of the Republic of Belarus.

Deadline for consideration of the protest:

- no more than 2 months – by the Presidium of the Supreme Court of the Republic of Belarus;
- no more than 3 months – by the Plenum of the Supreme Court of the Republic of Belarus.

Arbitration

In addition to the system of state courts, disputes can be considered by arbitration courts.

Relations related to the formation and activities of international arbitration courts in the Republic of Belarus are regulated by the Law of the Republic of Belarus of July 9, 1999 No. 279-Z “On the International Arbitration Court”.

A dispute can be considered in a permanent international arbitration court, or in an international arbitration court created to consider a specific dispute (ad hoc arbitration).

Two permanent international arbitration courts have been established in the Republic of Belarus:

- the International Arbitration Court at the BelCCI (hereinafter referred to as the IAC at the BelCCI);
- International Arbitration Court “Chamber of Arbitrators at the Union of Lawyers” (hereinafter referred to as the Chamber of Arbitrators).

[The IAC at the BelCCI](#) is the oldest and most active arbitration institution in the Republic of Belarus, on average about 80-100 cases are considered per year.

Disputes arising from exchange transactions can be considered by the Arbitration Commission of JSC “Belarusian Universal Commodity Exchange”, which has a special status and is regulated by the Law of the Republic of Belarus of January 05, 2009 No 10-Z “On Commod-

ity Exchanges”.

For the purposes of recognition and enforcement of arbitral awards outside the Republic of Belarus, all of the above courts are considered as arbitration courts.

Competence of the IAC at the BelCCI

The IAC at the BelCCI considers disputes of an economic nature, including: internal disputes between residents; disputes exclusively between non-residents; disputes in the field of intellectual property, from SaaS agreements, purchase and sale of goods, transportation, construction, insurance, on the recovery of damages; disputes arising out of an investment agreement between an investor and the Republic of Belarus.

The IAC at the BelCCI, as well as the Chamber of Arbitrators, cannot consider non-economic disputes (for example, labor, inheritance, family), administrative and public cases, corporate disputes between residents and a number of other categories of disputes.

Consideration of a dispute in the IAC at the BelCCI is possible if there is a written agreement of the parties to this effect, which can be in the form of an independent arbitration agreement or in the form of an arbitration clause in the contract. The recommended text of the arbitration clause is contained in the Rules of the IAC at the BelCCI. In addition, if a claim is filed with the IAC at the BelCCI and there are no objections of the defendant to the competence of the court before the first objection to the merits of the dispute (for example, a response to the claim,

the first court session), it is considered that the competence of the IAC at the BelCCI is agreed, despite the absence of an arbitration clause in the contract.

Term of consideration of the case in the IAC at the BelCCI

The composition of the court is obliged to consider the case and make a decision no later than 6 months from the date of its formation (that is, when the arbitrators are elected by the parties or appointed by the chairman of the IAC at the BelCCI). The Chairman of the IAC at the BelCCI may, at the substantiated request of the sole arbitrator or the presiding arbitrator, extend the said period.

In practice, the period from the date of filing a claim with the IAC at the BelCCI to the moment the parties receive the arbitral award takes about 1 year, but it can be much longer.

Between residents of the Republic of Belarus, under certain conditions, it is possible to apply a simplified procedure for considering a dispute - in this case, the period for consideration of the case is 3 months from the date of formation of the composition of the court. There is no simplified procedure for considering a dispute with the participation of a foreign person, but the parties have the right to agree on the consideration of a dispute only on the basis of written documents, which speeds up the consideration of the case.

Appeal against the decision of the arbitration court

An appeal against the decision of the

arbitration court is possible by filing a petition with the economic court of the region (the city of Minsk) at the location of the international arbitration court.

The term for filing a petition for the cancellation of the decision of the arbitration court is 3 months from the date when the party filing such a request received the said decision.

The Supreme Court does not review the merits of the case and has the right to set aside the arbitral award only on certain grounds, which are mainly procedural in nature (failure to notify the defendant of the hearing; defects in the arbitration agreement, etc.) or in connection with a contradiction to public policy, which is usually understood as the provisions of the Constitution of the Republic of Belarus and the fundamental principles of branches of law.

Procedure for Enforcement of the Arbitration Court Decision

Arbitral awards shall be enforced on the territory of the Republic of Belarus by applying to the economic court at the location of the debtor or his property with an application for the issuance of an enforcement document for the enforcement of the arbitral award.

If a Belarusian arbitral award needs to be enforced on the territory of another state, then this will require going through the procedure of recognition and enforcement on the basis of the UN Convention on the Recognition and Enforcement of Foreign Arbitral Awards (concluded in New York on June 10, 1958). There are 172 States parties to the Convention.

An aerial photograph of a rural landscape, split vertically into two color-coded sections. The left half is tinted blue, showing a dense forest and a body of water. The right half is tinted green, showing a winding road through fields and trees. The road curves from the top right towards the bottom center, where it meets the lake. The lake's surface reflects the surrounding greenery and the sky. The overall scene is peaceful and scenic.

6 Selected Industries

REVERA

Consent of the antimonopoly authority

M&A transactions in Belarus, as in other countries, require the approval of a number of authorities in order to prevent the elimination of competition through the purchase by one competitor of others. The market is protected through the approval of the antimonopoly authority (the Ministry of Antimonopoly Regulation and Trade, hereinafter referred to as the MART).

In particular, the acquisition of shares in Belarusian companies requires the consent of MART, if as a result of the transaction the acquirer receives more than 25% or more than 50% of the shares. Consent is not always required, but only if at least one of the conditions below is met:

- the book value of the target's assets in the transaction exceeds BYN 16,000,000 (approximately EUR 5,000,000); or
- the book value of the acquirer's assets exceeds BYN 16,000,000 (approximately EUR 5,000,000); or
- the target's revenue in the transaction exceeds BYN 32,000,000 (approximately EUR 10,000,000);
- the acquirer's revenue exceeds BYN 32,000,000 (approximately EUR 10,000,000);

■ the target in the transaction or the acquirer includes the State Register of Economic Entities Occupying a Dominant Position in Commodity Markets, or the State Register of Natural Monopolies.

An exception to the above rule is targets that are residents of the Hi-Tech Park. The consent of MART is not required for the acquisition of shares/shares in such companies.

MART may decide to approve the transaction within 30 calendar days from the date of receipt of the application and inform the applicant thereof. However, MART has the right to refuse consent if the transaction may lead to monopolization of the market or restriction of competition.

Failure to obtain the appropriate approval of the transaction by MART may lead to the fact that the transaction itself, or the state registration of amendments to the charter of the target for the transaction after its closure, will be declared invalid by the court at the suit of the interested state authorities.

Preemptive right to purchase a share by executive committees

The Decree of the President of the Republic of Belarus of 16.11.2006 No. 677 "On Certain Issues of Disposal of Communal Property and Acquisition of

Property in the Ownership of Administrative-Territorial Units" established the preemptive right of executive committees to acquire shares or shares:

- Companies that are included in the list approved by the executive committees, if the shares (shares) of such companies were acquired from the state on preferential terms (for example, shares acquired on preferential terms during the privatization of OJSC Komintern)
- Companies created as a result of the transformation of state enterprises, collective farms processing agricultural products.

The seller is obliged to notify the executive committee of the intention to sell a share or share. After that, the executive committee has the right to decide within 90 days from the date of receipt of the notification to acquire or refuse to use its preemptive right. In case of refusal to exercise the preemptive right, the shares or shares may be sold.

Permission of the Council of Ministers for the sale of shares/shares

Starting from October 2023, the alienation of shares in Belarusian legal entities by a foreigner (both individuals and legal entities) requires permission from the Council of Ministers (regardless of the size of the transaction, even the sale

of 0.1% of shares requires approval). It is also necessary to pay a fee, the amount of which is determined at the time of issuance of the permit, and which must be at least 25% of the market value of the company. This rule applies if the person is a resident of the Commonwealth of Australia, Member States of the European Union, Canada, the Principality of Liechtenstein, the Kingdom of Norway, New Zealand, the Republic of Albania, the Republic of Iceland, the Republic of North Macedonia, the United Kingdom of Great Britain and Northern Ireland, the United States of America, Montenegro, the Swiss Confederation.

In order to obtain permission from the Council of Ministers for the sale of shares (shares) by foreign residents, it is necessary to first assess the value of the shares being sold by state appraisal organizations, such as the Institute of Real Estate and Appraisal and the National Agency for State Registration and Land Cadastre. Based on the results of the assessment, the market value is determined, from which the contribution to the budget is calculated.

Then the seller submits a package of documents to the executive committee, including an appraisal report. If all formal requirements for the documents are met, the executive committee considers them on the merits and within 30 working days either approves the transaction or refuses to approve it. During the consideration, the said state body may request additional documents at its discretion. At the same time, the appropriate approval or refusal to approve depends solely on the discretion of the executive committee. When issuing approval for a transaction, the specified state body also determines

the amount of the contribution and the terms of its payment.

After the decision to approve the transaction is made, the relevant documents are sent to the State Property Committee of the Republic of Belarus, which prepares a draft resolution of the Council of Ministers and coordinates it with the Ministry of Justice or the Ministry of Finance. The Council of Ministers approves resolutions on the issuance of permits, which are then sent to the executive committees, on a monthly basis. Within 5 working days, the executive committee sends the applicant a copy of the permit, which is valid for 1 year.

After obtaining permission, the parties can conclude a transaction, while the seller or the buyer (or they jointly) must pay a contribution to the budget within the time limits determined by the decision to approve the transaction.

Execution of M&A transactions

1. Limited liability company

Transactions with shares in the authorized funds of LLC and ALC are usually formalized by contracts for the sale of the corresponding share, which are concluded in a simple written form. At the same time, the charter of an LLC or ALC may provide that the transaction must be notarized. However, if such a condition is not contained in the charter, then the transaction is formalized in a simple written form, as mentioned above.

Ownership of such transactions is trans-

ferred from the seller to the buyer at the time agreed upon by the parties to the transaction (e.g., the signing of the sale and purchase agreement, the moment of payment of the price for the share, or another condition or event). At the same time, among other things, the buyer and the director of the LLC (ALC) are also obliged to amend the charter to reflect the fact that the buyer has become a member of this LLC (ALC). The relevant amendments to the charter are subject to state registration, and only after that the buyer can be considered by third parties as a new member of the LLC (ALC).

2. CJSC

Transactions with shares in a CJSC take place on the unorganized securities market and are formalized by an appropriate purchase and sale agreement. A sale and purchase agreement is subject to mandatory registration with a professional securities market participant. Without such registration, the contract will be considered not concluded. At the same time, the ownership is transferred from the seller to the buyer not at the time of signing such an agreement, but only when the seller transfers the shares from his depo account to the buyer's depo account. In this regard, when conducting an M&A transaction for the purchase of shares in a CJSC, the buyer should immediately take care of opening a "depo" account in a Belarusian bank to record the acquired shares.

3. OJSC

In accordance with Article 25 of the Law "On Business Companies", transactions with shares in an OJSC can be made only on the organized securities market,

in other words, in the system of the Belarusian Currency and Stock Exchange by submitting an application for the sale or purchase of shares in a particular JSC. After trading on the Belarusian Currency and Stock Exchange, the purchased shares are transferred to the buyer's "depo" account.

It should be noted that a person intending to purchase more than 50% of the shares is obliged to disclose information about such an acquisition, as well as to express an intention to purchase all remaining shares in the OJSC either at the highest of the following prices: (i) the maximum weighted average price of shares for each of the six months preceding the disclosure of information on the intention to purchase all shares, calculated based on the results of trading on the stock exchange, or (ii) the maxi-

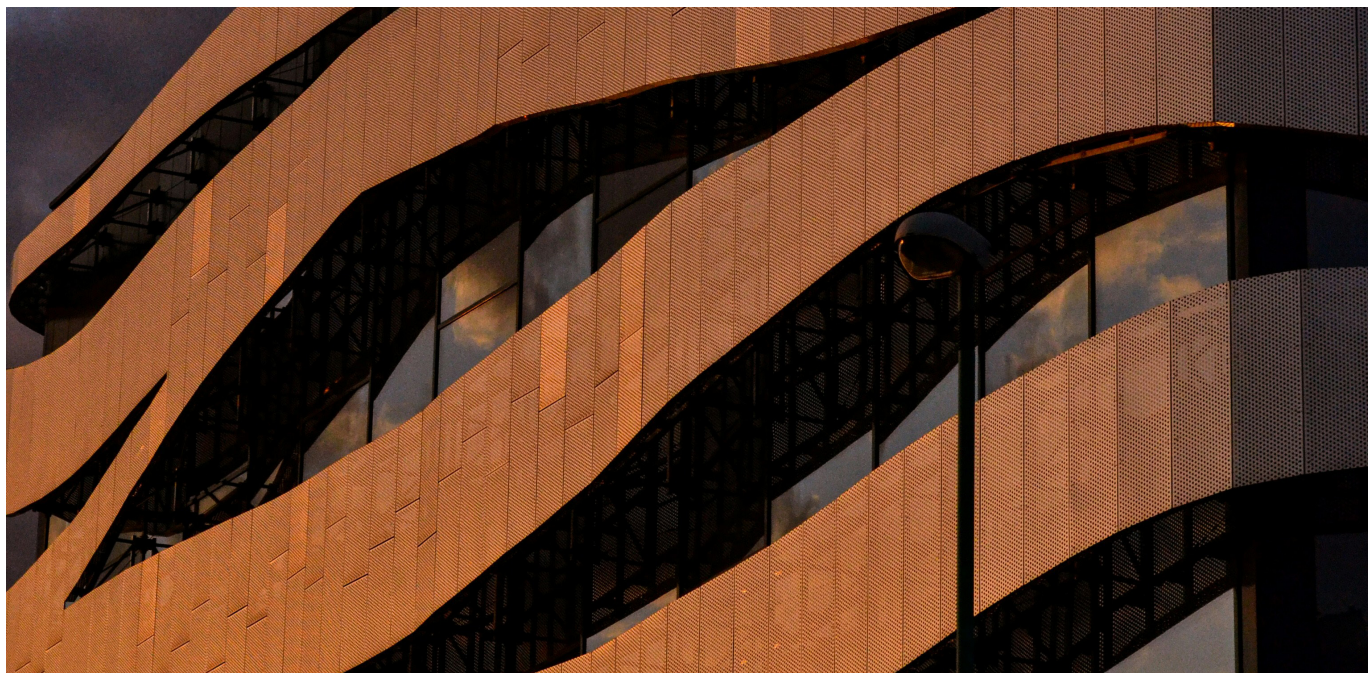
mum price paid by the acquirer of more than 50% of the shares for the shares of that public company during the six months preceding the disclosure of the intention to acquire.

Finally, it is worth noting that when buying certain blocks of shares, information about this must be publicly disclosed. In particular, any person who has acquired or who has ceased to have the right to dispose directly or indirectly of the votes attributable to the voting shares of an open joint-stock company shall be obliged to disclose information on the receipt or termination of the right to directly or indirectly dispose of a certain number of votes attributable to the voting shares of an open joint-stock company, if the specified number of votes is 5% or has become more or less than 5%, 10%, 15%, 20%, 25%, 30%,

50% or 75% of the total number of votes attributable to the voting shares of this company.

4. Other methods

In addition to the direct purchase and sale of shares/interests, in some cases, transactions may be structured in a different way. For example, if these are cash-in transactions, then such transactions can be structured through an additional issue of shares in a CJSC/OJSC or through an investor's additional contribution to the authorized capital in an LLC/ALC. Also, in some cases, transactions can be carried out through a convertible loan, when the investor provides a loan to the company, which will subsequently be converted into a loan of shares or shares in this company.



Pharmaceuticals and Healthcare

Licensing of pharmaceutical activities

For works and services in the field of pharmaceutical activities related to the industrial production of medicines and their wholesale sale, as well as with the sale of medicines, their pharmacy manufacture and dispensing, it is necessary to have a license issued by the Ministry of Health.

A license can be obtained by both Belarusian organizations and individual entrepreneurs, as well as foreign companies. The requirements for obtaining a license vary depending on the specific type of activity.

Licensed activities are carried out only in the place specified in the license and in compliance with licensing and special legislation applicable to specific types of work and services: the requirements of Good Manufacturing, Good Distribution and Good Pharmacy Practice, special sanitary rules, requirements established by the EAEU acts, etc.

State Registration of Medicinal Products under National Rules

Period	Procedure for registration of medicines
c 01.07.2021 (in Russia – from 01.01.2021)	Registration of medicines is carried out only in accordance with the rules of the EAEU
no later than 31.12.2025	all medicines that were registered under the national rules before 01.07.2021 (in Russia – before 31.12.2020) must be brought into compliance with the EAEU rules
c 01.01.2026	Medicines registered in the Member States and not brought into compliance with the requirements of the EAEU are sold on the territory of this Member State until the end of their shelf life. Further registration will take place according to the unified rules of the EAEU

The procedure for registration of medicines under the EAEU rules is described in the subsection “Registration and Examination of Medicines under the EAEU Rules”.

Belarus has also established a registration procedure **for strategically important drugs**.

Drugs that collectively meet the following criteria are considered strategically important:

- must be intended for medical use in conditions of military operations, emergencies and for the organization of medical care to persons affected by emergencies, for the prevention of emergencies, prevention and treatment of diseases

that pose a danger to others, as well as diseases and injuries resulting from the impact of adverse chemical, biological, radiation factors;

- no more than 3 generics and (or) bio-similar drugs with the same INN, dosage form and dosage produced in the Republic of Belarus with the implementation of all stages of the technological process, including the packaging process, quality control, and issuance of a permit for release into sale, should be registered.

The list of strategic drugs is approved by the Ministry of Health. State registration of strategic drugs is carried out according to the standard procedure, conditionally, conditionally for emergency use, in a simplified manner.

Pricing of medicines

Drug pricing in Belarus is regulated in the following ways:

- establishment of maximum selling prices for some Belarusian drugs;
- registration of maximum selling prices of some drugs;
- establishment of the size of the maximum wholesale markups;
- establishment of the size of marginal trade markups.

Establishment of maximum selling prices for some Belarusian medicines

Producer prices for the majority of medicines in Belarus are free, i.e. they are formed under the influence of supply and demand, taking into account the marginal wholesale and trade markups.

At the same time, there are exceptions to the general rule for certain drugs. Thus, the list of such drugs is exhaustive and includes certain international nonproprietary names produced by a number of Belarusian enterprises (Pharmatechnology LLC, Belaseptica CJSC, etc.).

Registration of Maximum Selling Prices of Certain Medicines (Reference Pricing)

Reference pricing assumes that the cost of a particular drug is subjected to an economic analysis for comparability with selling prices in the country of origin and in the reference countries.

The reference countries include: Belgium, Bulgaria, Hungary, Greece, Kazakhstan, Latvia, Lithuania, Poland, Russia, Romania, Slovakia, France, the Czech Republic, the countries participating in the production - the manufacturer of bulk products.

The list of medicines for which the maximum selling prices must be registered includes 54 items, including ibuprofen, lactulose, trimetazidine, etc.

Marginal wholesale markups

Maximum wholesale markups are established for medicines of both Belarusian and foreign production. Thus, wholesale prices for Belarusian-made medicines are formed according to the formula:

$$\text{Wholesale price} = \text{selling price of the Belarusian manufacturer} + \text{wholesale markup} + \text{VAT}$$

At the same time, the size of the wholesale markup is limited as a percentage of the manufacturer's selling price per unit of medicine, converted into basic values. The maximum amount of the wholesale markup differs depending on the size of the manufacturer's selling price and includes the markups of all distributors in the drug sales chain.

Wholesale prices for foreign medicines are calculated according to the formula:

$$\text{Wholesale price} = \text{estimated selling price} + \text{wholesale surcharge} + \text{VAT}$$

In this case, the estimated selling price is determined as follows:

$$\text{Estimated selling price} = \text{contract price} + \text{customs payments} + \text{transportation costs}$$

Marginal trade markups

Retail prices for medicines of Belarusian and foreign production are calculated according to the formula:

$$\text{Retail price} = \text{wholesale price} + \text{trade markup} + \text{VAT}$$

The amount of the trade markup is also calculated as a percentage of the selling price of the Belarusian manufacturer or of the estimated selling price (for foreign-made medicines).

The maximum size of trade markups differs from wholesale ones. A retailer can also sell medicines below the wholesale price and the manufacturer's selling price.

Centralized procurement of medicines

A significant share of drug consumption falls on meeting the needs of state health care institutions, that is, clinics, hospitals and other elements of the public health care system. Procurement of medicines for such organizations is carried out, as a rule, at the expense of budgetary funds, within the framework of public procurement procedures.

In Belarus, the procurement of medicines for the public sector is centralized.

Centralization of procurement is understood as the organization of purchases of goods by the organizer for the needs of one or more customers.

Centralization of drug procurement in Belarus is as follows.

1. Lists and annual plan of purchased medicines are determined, as well as the minimum value of the estimated cost of the annual demand for such medicines, above which public procurement is carried out by customers with the involvement of the organizer.
2. The organizers (RUE “Belpharmacia” and regional unitary enterprises “Pharmacy”) purchase goods in accordance with the legislation on public procurement.
3. Based on the results of public procurement, customers purchase medicines from the organizers without the need for additional public procurement procedures.

Advertising and information about medicines

Features of advertising of medicines

Special rules	Description
Approval of advertising in the Ministry of Health	<p>As a general rule, advertising of medicines must be agreed with the Ministry of Health.</p> <p>Exceptions when approval is not required:</p> <ul style="list-style-type: none">■ advertising in the places of medical, pharmaceutical exhibitions, seminars, conferences and (or) which is brought to the attention of only medical and pharmaceutical workers;■ in specialized printed publications according to the established list;■ in places where medical activities are carried out;■ on the websites of organizations or individual entrepreneurs engaged in medical activities, websites of manufacturers of medicines, medical devices and medical equipment;■ advertising of medicines on television;■ if the advertisement contains only mandatory information (for example, trade names and (or) INN of medicines, their price, names, contact details of their manufacturers).
Реклама ЛС в ряде случаев запрещена	<p>Advertising is prohibited:</p> <ul style="list-style-type: none">■ unregistered medicines. The exception is during their clinical trials and only for the purpose of attracting volunteers (patients) to participate in them;■ prescription drugs. The exception is that they can be advertised only in specialized print media, places where medical and pharmaceutical exhibitions are held, seminars, conferences and other similar events.
Требования к содержанию рекламы	<p>There is a wide list of requirements for the content of drug advertising. For example, there should be indications of the advertising nature of the information, that the object of advertising is a drug, recommendations on the need to read the instructions, etc.</p>

Drug information

In Belarus, the rules for informing medical and pharmaceutical workers about registered medicines by representatives of manufacturers have been determined.

Informing employees is understood as the process of providing representatives of drug manufacturers with information about medicines on their medical use, including information on indications, contraindications, interaction with other drugs, possible adverse reactions, peculiarities of use in various categories of patients, storage conditions of medicines, prescription procedures, and other information in order to generate knowledge among employees about the correct prescription, discharge, storage, sale and medical use of drugs.

Informing employees is allowed only in the following forms:

1. Speaking at meetings, conferences, seminars, symposia and other events determined by the Ministry of Health;
2. placement (distribution) of information materials within the framework of such events;
3. Provision of information materials in the organization in electronic form or on paper (without interaction with employees).

Informing employees in other forms is prohibited.

Procedure for import (export) of medicines

Import into the Republic of Belarus is allowed only for the following drugs:

- registered in the Republic of Belarus;
- with a valid shelf life;
- high-quality and unfalsified.

Without state registration, only medicines intended for:

- state registration;
- provision of medical care for vital indications of a particular patient;
- ensuring early patient access to new treatments;
- conducting preclinical (non-clinical) and clinical trials, confirming state registration without the right to their further implementation;
- foreign gratuitous aid;
- in other cases established by law.

To import unregistered medicines on these grounds, you need to obtain a conclusion from the Ministry of Health.

Rules for the circulation of medicines at the EAEU level

The EAEU Single Market of Medicines is regulated by the Agreement on Common Principles and Rules for the Circulation of Medicines within the EAEU dated 23.12.2014.

The single drug market means that medicines that meet the standards of good pharmaceutical practices (laboratory, production, clinical, pharmacovigilance, etc.) and are registered in accordance with the uniform rules for registration and examination are freely circulated within the EAEU.

Preclinical and clinical studies

Good Laboratory Practice (GLP), Good Clinical Practice (GCP) rules, and requirements for drug testing apply to such tests. The rules for conducting studies of biological drugs of the EAEU and the rules for conducting bioequivalence studies of drugs within the EAEU have also been approved.

Registration and examination of medicines under the EAEU rules

The procedure is regulated by the Rules for Registration and Examination of Medicines, approved by the Decision of the Council of the Eurasian Economic Commission dated 03.11.2016 No 78.

As a general rule, domestic and foreign medicines must be registered for production, sale, and medical use.

The following are not subject to registration within the EAEU:

- medicines manufactured in pharmacies;
- pharmaceutical substances;
- medicines intended for preclinical and clinical trials;
- medicines imported by individuals for

personal use;

- radiopharmaceutical medicines manufactured directly in medical organizations in the manner prescribed by the authorized bodies of the EAEU member states;

- medicines not intended for sale in the customs territory of the EAEU;

- samples of medicines intended for registration and reference samples;

- Medicines intended for use as exhibition samples.

During state registration, the compliance of the drug with the requirements of safety, efficiency and quality is checked.

To register within the EAEU, the applicant has the right to choose between **the mutual recognition procedure** and **the decentralized procedure**.

As part of the **mutual recognition procedure**, a drug is first registered in one of the EAEU member states (the so-called reference state) and receives a registration certificate in this state. After that, the drug is registered in other EAEU member states (the so-called recognition states), but according to an abbreviated procedure, also with the receipt of a registration certificate in the recognition state.

In the decentralized **procedure**, the applicant first submits a set of documents to the competent authority of the reference state, and then within 14 working days to the authority of the recognition state. Thus, the procedure takes place simultaneously, and its total term should not exceed 140 working days from the date

of filing the application for registration of medicines to the date of issuance of the registration certificate in the reference state. participating in the decentralized procedure, the period should not exceed 50 working days.

The validity period of the registration certificate for the first registered drug is 5 years.

For a drug registered in accordance with the legislation of a Member State for 5 years or more, an indefinite registration certificate is issued if the drug is intended to be placed on the market of only this Member State.

In addition, medicines can be registered provided that certain post-registration actions are performed after registration. In particular, the types of registration on the terms are:

1. registration with the establishment of additional requirements;
2. registration in exceptional cases;
3. conditional registration of medicines;
4. accelerated examination of medicines.

Production of medicines

Regulation: Rules of Good Manufacturing Practice (GMP), approved by the Decision of the EEC Council dated 03.11.2016 No 77.

Features: the requirements are mandatory for all manufacturers in the EAEU and are taken into account when issuing production licenses, as well as when

inspecting manufacturers.

To establish guarantees of compliance with these rules, the status of a Qualified Person of the manufacturer is determined. The authorized person is appointed by the drug manufacturer and certified in accordance with the procedure and requirements established by the Decision of the EEC Council dated 03.11.2016 No 73. Certified authorized persons are included in the relevant register available on the EAEU information portal.

Pharmaceutical inspections

When conducting inspections, the Rules for Pharmaceutical Inspections for compliance with the requirements of the Rules of Good Manufacturing Practice of the EAEU, approved by the Decision of the Council of the Eurasian Economic Commission dated 03.11.2016 No 77, are applied.

During such inspections, it is established whether the production of drugs meets the requirements of the EAEU rules on Good Manufacturing Practice.

Pharmaceutical inspections are carried out by pharmaceutical inspectors of the EAEU member states and, as a rule, involve a visit to the production site.

At the same time, pharmaceutical inspections can be carried out using remote interaction tools if there are restrictions on the movement of pharmaceutical inspectors caused by an unfavorable epidemiological situation or other external reasons.

It is allowed to conduct inspections in parallel with the submission of a



registration dossier for the issuance of a marketing authorization, as well as the recognition of national GMP certificates for national production sites and the recognition of inspection documents for foreign production sites without repeating their inspections.

The results of inspections conducted by the pharmaceutical inspectorate are recognized in all EAEU member states.

Wholesale, transportation and storage of medicines

The Rules of Good Distribution Practice (GDP), approved by the Decision of the EEC Council dated 03.11.2016 No 80, apply to this type of activity.

These rules establish uniform requirements for the processes of procurement, storage, import (import), export (export), sale (except for retail sale to the public) without limiting volumes, transportation of medicines within the framework of distribution in the EAEU.

At the level of national legislation of the EAEU member states, there is regulation of certain stages of drug distribution in the part that does not contradict the EAEU GDP. For example, this is

applicable to the stages of distribution of narcotic, psychotropic drugs or their precursors, drugs belonging to the group of especially poisonous (highly toxic) compounds, drugs that are sources of ionizing radiation.

Establishment of general requirements for pharmacovigilance

Pharmacovigilance is carried out in accordance with the Rules of Good Pharmacovigilance Practice (GVP) of the EAEU, approved by the Decision of the EEC Council dated 03.11.2016 No 87.

Organizations should develop and implement their own pharmacovigilance system in order to control the safety of drugs. All specialists of the organization's pharmacovigilance system are responsible for the functioning of the quality system of medicines determined by the results of pharmacovigilance.

An authorized person is appointed to carry out pharmacovigilance activities in the organization. Information about the authorized person for pharmacovigilance is included in the master file of the pharmacovigilance system of the marketing authorization holder.

Construction

Procedure for carrying out activities in the field of construction

In Belarus, **construction** is understood as the activity of carrying out survey work, preparing permits for construction, providing engineering services, performing commissioning, construction and installation and other works on the construction site (facility) during the construction, reconstruction, modernization, technical modernization, repair, demolition of the facility, repair and restoration work and installation of all types of equipment, conservation of an unfinished object Construction.

There is a classification of construction projects by **classes of complexity** (a total of 5 classes of complexity depending on the technical characteristics and functional purpose of buildings and structures), on the basis of which the procedure for carrying out construction activities, conducting administrative procedures in the field of construction, including state examination of design documentation, certification of compliance, obtaining permits for construction is determined.

Confirmation of the right to carry out construction activities

To carry out certain types of construction activities at construction sites of 1-4 classes of complexity, certificates of conformity are required.

A certificate of conformity is required to perform:

- Survey work;
- Performing the functions of a general designer;
- Development of certain sections of project documentation;
- Provision of certain types of engineering services and services for integrated management of construction activities;
- Implementation of technical supervision of construction;
- Urban planning activities for the development of individual urban development projects;
- Performing the functions of a general contractor for facilities of classes 1-4 with a construction cost of more than 5 thousand basic units;
- Construction of facilities of 1-4 classes (performance of certain types of work);
- Performing the functions of the customer;
- Inspection of buildings and structures (building structures of buildings and structures, roads, bridge structures, airfield pavements).

Prior to obtaining a certificate of conformity for the performance of the functions

of a general contractor and construction of facilities, it is necessary to obtain a certificate of technical competence of the production control system for the declared types of work, in relation to a number of works, it is necessary to obtain certificates of conformity.

The qualification requirements for obtaining a certificate of conformity include, among other things:

- the presence of a certain size of the staff;
- availability of certified specialists in the staff;
- construction workers
- the company's work experience in the declared type of activity (depending on the type of certificate);
- Additional.

RUE "BELSTROYCENTER" is an authorized organization to conduct certification of compliance of companies and specialists.

Construction permits

Construction activities in Belarus are carried out on the basis of permits received by the customer.

The documents that will be included in the permitting documentation depend on many factors, ranging from the subject

(individual or legal entity) to the need to provide a land plot. Permits include, among other things:

- architectural and planning assignment;
- urban planning passport of the land plot (if the provision of a land plot is required);
- technical requirements;
- Specifications;
- and others.

The availability of permits is a necessary condition, under which the customer has the right to conclude a contract for the development of design documentation and a contract for construction work.

At the same time, the decision to start construction activities during modernization, technical modernization, repair of the facility is made by issuing a local legal act of the business entity and, as a general rule, does not require obtaining permits.

Design documentation for construction

As a general rule, project documentation is subject to mandatory state expertise, which is carried out on a paid basis by specially created state enterprises – RUE “Glavgosstroyexpertiza” or subsidiaries of this organization (in the regions and the city of Minsk).

The state expert review of the project also includes, in certain cases, environmental expertise and energy efficiency expertise for certain types of construc-

tion projects.

After receiving a positive conclusion of the state examination of the design documentation and its approval by the customer, the design documentation can be transferred for construction work.

The conclusion of the state expert examination on the design documentation loses its force if the work is not started within two years after its receipt.

Execution of construction works.

Construction and installation works at construction sites can be started after the customer notifies the state construction supervision authorities about the start of construction and installation works, with the exception of facilities where state construction supervision is not carried out. For example, without such notification, work is carried out at facilities of the 5th class of complexity, as well as work on technical modernization and current repairs.

After the completion of construction, the objects are subject **to acceptance for operation** by the acceptance commission. The organization of the acceptance of the facility for operation is entrusted to the customer and is carried out at his expense.

Acceptance of the facility for operation, as a rule, requires obtaining conclusions from supervisory authorities and organizations according to the established list: on the compliance of the facility with permits and design documentation, safety and operational reliability requirements.

After receiving positive conclusions,

the commissioning of the facilities is documented by the act of acceptance of the facility for operation.

For facilities of the 5th class of complexity, work on current repairs, technical modernization, a simplified procedure for accepting such facilities and the results of work into operation is provided.

Public procurement of goods (works, services) during construction

In Belarus, there are two procedures for the procurement of goods (works, services):

- public procurement;
- non-state procurement.

1. Public procurement.

The customer, as a recipient of budget funds and (or) state extra-budgetary funds, conducts the public procurement procedure and selects a general contractor (contractor) organization.

Types of public procurement procedures are:

- open tender (including in the form of a two-stage tender and a tender with limited participation);
- closed tender;
- electronic auction;
- the procedure for requesting quotations;

- single-source procurement procedure;
- exchange trading.

The type of public procurement procedure is determined based on the estimated cost of the annual demand for homogeneous goods (works, services) specified in the annual public procurement plan, taking into account the requirements of the law on public procurement.

A preferential amendment may be applied when holding open and closed tenders, electronic auctions, and the procedure for requesting price proposals.

A preferential adjustment is the provision of preference to goods (works, services) offered by participants. The preferential adjustment is set at 15% (for example, for goods produced by the procurement participant originating from Belarus and the EAEU countries) or 25% (for example, for companies with a certain number of employees with disabilities).

2. Non-state procurement.

A. Procurement of goods by organizations with state capital

Purchases at their own expense carried out by such organizations are regulated by a supply decree.

B. Purchases of goods by private business entities

Procurement of goods (works, services)

during the construction of facilities financed from the own funds of legal entities and individual entrepreneurs is carried out on the basis of internal rules approved by the heads of these business entities.

Forms of presence of foreign construction companies in Belarus

A foreign company can choose one of two options for doing business in Belarus:

- carrying out activities through the creation of a Belarusian legal entity;
- carrying out activities without creating a legal entity.

Since each of the above options has its advantages and disadvantages, the choice of the form of presence in the Belarusian construction market in each case must be carried out individually.

For example, the disadvantage of creating a subsidiary for construction is the impossibility of obtaining a certificate of conformity of a high class of complexity for the construction of large facilities as a general contractor, since the newly created company does not have the necessary construction experience.

If a foreign company operates in Belarus for no more than 180 days (or the period may be provided for by an international

treaty), then it is not subject to tax registration in Belarus, it does not pay taxes (fees) in Belarus on its own.

However, tax is paid on the income that such a foreign company receives from sources in Belarus (if there is an object of taxation and otherwise is not established by the legislation and international treaties of Belarus). The tax is calculated, withheld and transferred to the budget by Belarusian counterparties who accrue and (or) pay income to the specified foreign organization.

If a foreign organization carries out business activities in Belarus for 180 days (unless otherwise established by international treaties) or more continuously or in aggregate within one calendar year, then it is obliged to **open a branch** in Belarus. From this moment, a foreign organization must apply the tax regime in Belarus in the same way as Belarusian companies.

Disadvantages	Advantages
<ul style="list-style-type: none"> ■ inability to act as a declarant when importing foreign equipment and materials, ■ difficulties in attracting foreign employees to work in Belarus. 	<ul style="list-style-type: none"> ■ the possibility of taking into account the experience of work in foreign countries to obtain the required certificates of conformity in Belarus, ■ making settlements with counterparties in foreign currency.

Possibilities of using FIDIC pro formas

Belarusian legislation allows the use of FIDIC standard forms of contracts to regulate contractual relations between the customer and the contractor to the extent that they do not contradict the imperative requirements of the legislation of the Republic of Belarus. It is not possible to apply the FIDIC form in its pure form, some sections need to be adapted to the mandatory norms of Belarusian legislation, for example, pricing, acceptance of work and the object into operation, responsibility, etc.

Thus, the application of FIDIC proformas in Belarus is possible by:

- inclusion of certain clauses from FIDIC standard contracts in the draft agreement;
- use of FIDIC forms as a basis for drafting a contract.

At the same time, the MAiS has prepared Guidelines that can help in choosing a pro forma and determine the feasibility of using FIDIC standard contracts.



Retail and E-commerce

Regulation of commodity prices

In the Republic of Belarus, free prices (tariffs) are applied for goods (works, services), except for cases provided for by law.

Price regulation is carried out by establishing:

- fixed prices (price in a fixed monetary value);
- marginal prices (the value is limited by the upper and (or) lower limits);
- marginal markups (discounts, mark-ups);
- marginal profitability ratios used to determine the amount of profit to be included in the regulated price;
- the procedure for setting and applying prices;
- price indexation;
- declaring prices (registration).

From October 19, 2022, prices for goods that simultaneously meet two conditions (hereinafter referred to as consumer goods) are subject to regulation:

1. are produced (imported) and/or sold in the domestic market of the Republic of Belarus,

2. are listed in Appendix 1 to Resolution No 713.

It is important to note that when exporting consumer goods, pricing is free.

When selling goods in the territory of the Republic of Belarus, Resolution No 713 provides for separate regulation of pricing for three categories of persons:

- Manufacturers;
- Importers;
- entities engaged in wholesale and retail trade (hereinafter referred to as trade entities).

As a general rule, manufacturers independently set selling prices for new consumer goods, taking into account market conditions.

In relation to the establishment of selling prices for manufacturers, there is a notification procedure, however, in the case of applying the profitability standard in the amount of no more than 20%, sending a notification on the establishment of a selling price for consumer goods is not required.

When forming selling prices for consumer goods, manufacturers make economic calculations confirming the level of selling prices, with a breakdown of cost items in accordance with the established procedure for planning and calculating the cost of production.

In case of an increase in selling prices for previously produced consumer goods, manufacturers are obliged to coordinate such an increase with the relevant state bodies (organizations), however, in a number of cases, such coordination is not required.

For importers and traders, regulation is carried out by establishing maximum maximum markups to the price of goods.

The size of markups varies from 5% to 65%, while trade entities are forced to share one markup among themselves, regardless of the number of links in the wholesale/retail chain.

Importers, as well as manufacturers, when forming selling prices for consumer goods, make economic calculations confirming the level of selling prices, with a breakdown of cost items.

In addition, Resolution No 713 provides for a ban on the payment of remuneration for the promotion of these goods in retail trade (the so-called bonuses) in respect of domestically produced consumer goods and imported non-food consumer goods, with the exception of:

- commission fee for the sale of consumer goods;
- incentive payments, the cases and procedure for the provision of which are established by the MART;
- payment for the provision of services

for the placement (distribution) of advertising of the goods supplied inside the trading facility and some other cases.

Also in Belarus, from January 1, 2023, there is a ban on commodity exchange transactions without the receipt of funds by a legal entity, an individual entrepreneur. Resolution No 713 includes exchange, barter, set-off, novation and compensation to such transactions.

This prohibition does not apply to:

- foreign trade operations;
- transactions between organizations that are part of the holding;
- commodity exchange operations agreed with the relevant state bodies (organizations);
- transactions in which none of the parties to the transaction is a supplier (seller) of goods, and some other cases.

Retail trade in the Republic of Belarus

In Belarus, the following trade formats are distinguished:

- commission trade;
- trade in/out/without stationary retail facilities;
- trade by samples,
- delivery and peddling trade;
- trade at fairs, auctions and markets.

To carry out retail trade in a retail facility, it is necessary:

1. Create (register) a company.
2. Choose a settlement and a place for the location of the retail facility.
3. If necessary, carry out the reconstruction (redevelopment, etc.) of the premises to organize the work of the retail facility. At the same time, it is allowed to use real estate objects:

- that do not meet the requirements for their design and construction provided for by the technical regulatory legal acts, if as of the date of commissioning such real estate objects met the stated requirements;
- for a purpose other than the purpose specified in the documents of the Unified State Register of Real Estate, Rights to it and Transactions with it, if the rights and legitimate interests of citizens and other business entities are not violated.

4. Equip the facility with video surveillance systems.
5. If necessary, obtain a license (for example, when selling alcoholic beverages, tobacco products).

6. Purchase measuring instruments, trade inventory and equipment, including cash registers, payment terminals.
7. Comply with general fire safety requirements, sanitary and epidemiological requirements, requirements in the field of environmental protection, requirements in the field of veterinary medicine for the maintenance and operation of cap-

ital structures (buildings, structures), isolated premises and other facilities. If necessary, develop local legal acts.

8. Develop, approve and agree on the List of Mandatory Goods. Failure to comply with this requirement is subject to administrative liability in the form of a fine of up to 10 base units.

For reference: from 11.07.2024, it is not required to develop and approve an assortment list of goods.

9. Draw up information for the buyer (for example, the stand "Buyer's (Consumer's Corner)"). In addition, the trading facility must contain: a book of comments and suggestions, a book of inspections, documents confirming the purchase (receipt) of goods, documents on the quality and safety of goods in cases established by the legislation of the Republic of Belarus, and other documents.

10. Establish the mode of operation of the retail facility. From 11.07.2024, only retail facilities, catering facilities in which retail sale of alcoholic, low-alcohol beverages and (or) beer is carried out after 23:00 and until 7:00 are required to agree on the mode of operation after 23:00 and until 7:00.

11. Send an application for the start of retail trade to the local executive committee at the location of the legal entity or the place of residence of the individual entrepreneur by 1) submitting a written application through the "single window" service, or 2) sending it by registered mail with a notification of receipt, or 3) using the unified portal of electronic services.

12. Trade may be carried out **from the date of inclusion** of information about a trading facility, a catering facility, a shopping center, a market, an online store, a form of trade **in the Trade Register**.

Important: licensed goods can be sold only after obtaining a license for the relevant type of activity.

13. Send a notification to the city, district executive committee, local administration of the district in Minsk, the administration of the industrial park “Great Stone” at the location of the trading facility for the inclusion of information in the Trade Register no later than 5 calendar days from the date of the start of trade in the trading facility.

14. In case of changes in the information about the trading facility previously included in the Trade Register, termination of the activities of the trading facility, the relevant notification shall be submitted free of charge to the “single window” service.

Electronic commerce market

Retail trade using the Internet is carried out not only through an online store, but also using other information networks, systems and resources that have a connection to the Internet, providing an opportunity to select goods and conclude a retail purchase and sale agreement with this trade entity in these networks, systems and on these resources. For example, through **marketplaces**, appli-

cations for mobile devices, and more.

Selling companies should keep in mind that when trading using the Internet, information networks, systems and resources must be used in accordance with the procedure established by the **legislation on information, informatization and information protection**, that is, the key regulatory legal acts that must be observed – the Law on Information, Informatization and Information Protection.

Not only owners (owners) of information resources, but also owners (owners) of information networks, systems, rendering services to trade entities related to the implementation of retail trade by these trade entities using the Internet, are obliged to take measures to ensure that sellers comply with the requirements of legislation in the field of consumer rights protection.

From 11.07.2024, the definition of the concept of **“Online Store”** has been introduced - the website of a trading entity on the Internet, which provides an opportunity to select goods and conclude a retail purchase and sale agreement with this trading entity on this website.

The main page of the site should contain the following information:

- full name and location of the legal entity, as well as information on its state registration;
- contact phone numbers, e-mail address of the seller, as well as the person authorized by the seller to consider buyers’ appeals about the violation of their rights provided for by the legislation on

the protection of consumer rights;

- contact phone numbers of employees of local executive committees at the place of state registration of the seller, authorized to consider buyers’ appeals in accordance with the legislation on appeals of citizens and legal entities;

- working hours;

- methods of payment and delivery of goods;

- date of inclusion of information about the online store in the Trade Register of the Republic of Belarus.

Any page of the site should contain information about:

- documents confirming the purchase of goods, the procedure for their registration, as well as samples of such documents (for example, a photo of a cash receipt);

- product (name, price, terms of payment and delivery, warranty period, if any).

It is also necessary to register a **domain name** and **hosting of the** website of the online store.

The procedure for registration of domain names in the national domain zone is determined by the Instruction on the registration of domain names in the national domain zone, approved by the order of the Operational and Analytical Center under the President of the Republic of Belarus, according to which the national domain zone includes the area of the hierarchical space of domain names on the Internet, consisting of the domain

zones “.by” and “.bel”. The procedure for registration of domain names located in other domain zones is not defined by law. Taking into account the above, an online store may have a domain name that does not belong to the national domain zone (for example, “.com”, “.ru”, etc.), provided that such an information resource is located on the territory of the Republic of Belarus and registered in accordance with the established procedure.

The site is placed on the global computer network Internet on a server that has a permanent connection to the Internet. Hosting of the online store website is carried out on the basis of a service agreement with a hosting provider. At the same time, the server on which the site is hosted must be located on the territory of the Republic of Belarus.

Consumer protection

The main regulatory legal act in the field of consumer protection is the Law of the Republic of Belarus of 09.01.2002 No. 90-Z “On the Protection of Consumer Rights” (hereinafter referred to as the Law on the Protection of Consumer Rights).

One of the most important rights of consumers is the right to information about goods, as well as about their sellers (manufacturers). This right corresponds to the obligation of the seller (manufacturer) to provide the consumer with complete and reliable information about himself and the goods.

As a general rule, such information must be brought to the attention of consumers in Belarusian or Russian in a clear

and legible font in the documentation attached to the goods, on consumer containers (packaging), labels, in catalogs, prospectuses, advertisements, booklets or other information sources, including in the global computer network Internet.

For certain categories of goods, additional information has been established to be indicated.

If the consumer is not given the opportunity to obtain the necessary and reliable information about the product before the purchase of the product, then he has the right to demand from the seller compensation for losses for unjustified evasion of the sale of the product. If the consumer fails to provide information after the purchase of the product, the consumer has the right to demand from the seller within a reasonable time the return of the money paid, as well as compensation for other losses. incompleteness or unreliability of information caused harm to life, health, heredity or property, - to demand compensation for such damage in full.

In addition to the obligation to provide the consumer with certain information, sellers (manufacturers) have a number of other obligations, in particular:

- establish the service life and warranty period for the product (when applicable);
- ensure the safety of the product throughout the entire service life;
- inform the consumer about the possible risk and the conditions for the safe use of the product;
- to ensure the possibility of using the

goods for their intended purpose during their service life;

- to ensure the possibility of repair and maintenance of goods, the production and supply of spare parts to trade and repair organizations.

A consumer to whom a product of inadequate quality was sold, if its defects were not specified by the seller, may at his choice demand:

- replacement of defective goods with goods of proper quality;
- proportionate reduction of the purchase price;
- immediate free elimination of defects of the product;
- reimbursement of expenses for the elimination of defects of the goods;
- termination of the retail purchase and sale agreement and return of the amount paid for the goods.

The consumer has the right to present these claims to the seller (manufacturer) in relation to the defects of the goods during the warranty period or the shelf life of the goods.

In addition, the consumer has the right, within 14 days from the date of transfer of a non-food product (with the exception of goods sold by an individual as part of a craft or independent professional activity), to return the goods of proper quality or exchange them for a similar product of a different size, shape, dimension, style, color or configuration, making the necessary recalculation with the seller in

case of a difference in price.

Certain non-food products, even if the above conditions are met, are not subject to exchange and return. The list of such goods is established by the Resolution of the Council of Ministers of the Republic of Belarus of 14.06.2002 No 778 “On Measures to Implement the Law of the Republic of Belarus “On Protection of Consumer Rights”. In particular, these include cars, medicines, veterinary drugs, printed publications, underwear, hosiery, and a number of household electrical goods.

Settlements with the consumer when returning the amount paid for the goods are carried out in the same form in which the payment for the goods was made, unless otherwise provided by the agreement of the parties.

Gambling Business

General Rules for the Organization of Gambling

Permitted types of gambling. The following types of gambling are allowed in Belarus:

- a betting game;
- online betting game;
- bingo game;
- playing cards;
- dice game;
- playing slot machines;
- the game of the sweepstakes;
- online card game;
- online betting game;
- slot game;
- cylindrical game (roulette).

The organization and conduct of other gambling in Belarus is prohibited.

Licenses. In Belarus, there are no special zones for the placement of gambling establishments, but at the same time, requirements are established for the premises of gambling establishments, their location is agreed with local executive and administrative bodies.

Only Belarusian legal entities can organize gambling in Belarus. Depending on what types of gambling are planned to be conducted, a Belarusian company needs to obtain a license to carry out the following activities:

- the maintenance of the bookmaker's office;

- the maintenance of a virtual gambling establishment;
- maintenance of the slot machine hall;
- casino maintenance;
- content of the sweepstakes.

A license for the operation of a virtual gambling establishment provides for the possibility of organizing online gambling on the Internet.

A license for the maintenance of a casino, a sweepstakes, a slot machine hall and a bookmaker's office allows you to organize gambling only offline.

Live gambling is also allowed. In this mode, gambling is carried out online through a virtual gambling establishment, while real gaming tables or slot machines located in Belarus and (or) abroad are also used (broadcast). If such gaming tables and machines are located on the territory of Belarus, then the Belarusian company needs to obtain a license for both a virtual gambling establishment and an offline casino or offline slot machines. If tables or machines are located outside Belarus, then only a license for a virtual gambling establishment is required.

Taxation. Organizers of gambling in Belarus pay:

- i. tax in a fixed amount on each gaming table (BYN 8443), slot machine (BYN

284), totalizator cash desk (BYN 2,661) and bookmaker's cash desk (BYN 1,774);

ii. 4% of the positive difference between the funds received from players for participation in gambling, and the winnings paid out – in relation to activities in the field of gambling business for the maintenance of casinos, slot machine halls, bookmaker's offices and sweepstakes;

iii. 8% of the positive difference between the funds received from players for participation in gambling, as well as for providing other persons with the opportunity to organize and (or) conduct gambling through the use of technical solutions of a virtual gambling establishment, and the winnings paid out – in relation to activities in the field of gambling business for the maintenance of a virtual gambling establishment;

iv. 4% income tax on payments to each player (as a tax agent).

Advertising. Gambling advertising is allowed in Belarus. At the same time, there are restrictions on the content of gambling advertising, the time and places of its placement. It is also forbidden to conduct promotional activities in order to encourage participation in gambling.

SCCS. Slot machines, other gaming equipment, bookmaker cash desks, totalizator cash desks, as well as virtual gambling establishments are connected to a special computer cash register system (SCCS), which is available around the clock for regulatory authorities. The SCCS system contains, in particular, a single list of persons on the territory of Belarus who are restricted from visiting gambling establishments, virtual gam-

bling establishments and participating in gambling.

Prohibitions related to gambling winnings. Entering into a risk-based agreement to win and/or receiving gambling winnings must not be related to the holding of a referendum, elections or their results; purchase of alcoholic beverages, tobacco products; the commission of illegal acts or acts aimed at carrying out extremist activities or posing a threat to life and health, national security, the exercise of rights and freedoms, the performance of duties.

The minimum legal age for players is 21 years old.

Features of the organization of online gambling

As a general rule, in order to organize online gambling in Belarus, a Belarusian company must obtain a license to operate a virtual gambling establishment.

Permitted types of online gambling. On the basis of such a license, the following online gambling can be carried out:

- online betting game;
- online betting game;
- online card game;
- slot game;
- Bingo game.

Live gambling is also allowed, when real gaming tables, slot machines located in Belarus and abroad are broadcast online, and participants play remotely. In live mode, cards, dice, roulette and slot

machines can be played.

Requirements (conditions) for the organization of an online gambling business.

To start an online gambling business in Belarus, you need to have:

1. A company registered in Belarus with a valid gambling license and **two years of experience.**

It does not matter what type of gambling experience such a company had in conducting. For example, the experience of organizing an offline casino or a slot machine hall is suitable. After obtaining a license to run a virtual gambling establishment, the offline business can be closed. An offline business license will be required if it is planned to accept bets through the cash desk of a land-based gambling establishment.

2. Participants (shareholders) of the company can be Belarusian and foreign organizations, Belarusian and foreign citizens. Individuals who:

- Over the past two years, have been held administratively liable for violations of the legislation on the prevention of money laundering, the financing of terrorist activities and the financing of the proliferation of weapons of mass destruction;
- have an unexpunged or outstanding conviction for committing economic crimes.

3. It is necessary to develop a document, the rules for visiting a virtual gambling establishment, the rules for organizing and (or) conducting gambling (for online betting games, online betting games and

live gambling (with the exception of live gambling on slot machines).

4. At least 2 accounts must be opened in a Belarusian bank:

i. current (settlement) account – all settlements with players must be carried out only through accounts in a Belarusian bank;

ii. A special account for payments to the budget and payment of winnings in the event of insufficient funds in the current account. A special account must have a mandatory amount of 90,000 basic units (BYN 3,780,000) when organizing all gambling games through a virtual gambling establishment, or 20,000 basic units (BYN 840,000) when organizing only an online betting game or an online betting game in terms of accepting bets on real events through a virtual gambling establishment.

5. It is necessary to pass the certification of the information security system in the information system of a virtual gambling establishment, which can be carried out directly by the organizer of gambling (if there are employees on the staff performing the functions of technical and cryptographic protection of information), or by a specialized organization on the basis of a contract (including the specialized laboratory of the Gambling Monitoring Center LLC).

6. It is necessary to pass the examination of the virtual gambling establishment, which is carried out by a commission formed from among the

representatives of the Operational and Analytical Center under the President of the Republic of Belarus, the Ministry of Taxes and Duties and the Gambling Monitoring Center LLC.

7. Include a new type of activity in the license – the maintenance of a virtual gambling establishment. To make changes to the license, you need to submit an application and a document confirming the payment of the state fee to the Ministry of Taxes and Duties (MST). The amount of the state fee for making changes to the license is 250 basic units (BYN 10,500).

Online gambling using sites whose domain names are not specified in the Unified Register of Licenses is prohibited.

Requirements for the head or deputy head:

i. at least 3 years of experience in the gambling business as a manager or deputy (not including the period of part-time work);

ii. work in the company as at the main place of work;

iii. absence of facts of bringing to administrative responsibility for violations related to the legalization of proceeds from crime, financing of terrorism and proliferation of weapons of mass destruction over the past two years;

iv. the absence of an unexpunged or outstanding conviction for committing economic crimes.



Crypto / Regulation

The main regulatory act in this area is the Decree of 21.12.2017 No 8 “On the Development of the Digital Economy”.

At the moment, 7 operators of the crypto platform (Free2Ex.com, Bynex.io, Currency.com, IMEX, Secure8, TRADEX, Whitebird), the organizer of the ICO (Finstore.by) and 3 crypto brokers (New Digital Investments, Broker Finance, Zyfra Broker) operate in the Republic of Belarus. In addition, there are about 15 mining companies. Taking into account the requirements of Decree No 8, all of them are residents of the Hi-Tech Park (HTP) - a special legal regime provided by the Republic of Belarus to companies operating in the IT sector.

Token transactions available to individuals

Individuals have the right to own tokens and, taking into account the features established by law, perform the following operations:

- storage of tokens in virtual wallets;
- exchange of tokens for other tokens;
- purchase, sale of tokens for Belarusian rubles, foreign currency, electronic money;
- donation and bequest of tokens.

The possibility of mining by individuals

at the moment remains questionable, since in the new version of the Civil Code, “mining” is not indicated as a type of activity that is not entrepreneurial (the general rule is that individuals do not have the right to carry out entrepreneurial activities without obtaining the status of an individual entrepreneur or registering a legal entity).

From September 2024, individuals (including individual entrepreneurs who are residents of the HTP) **for the purpose of purchasing tokens can transfer funds exclusively to the accounts of crypto platform operators and cryptocurrency exchange operators who are residents of the HTP**, as well as other HTP residents engaged in the relevant activities. At the same time, the possibility of using tokens purchased from an HTP resident for transfer to a foreign virtual wallet and making transactions for the exchange of one token for another within a foreign crypto platform.

The alienation of tokens for money on foreign crypto platforms and their withdrawal from such platforms can also be carried out exclusively through HTP crypto residents. That is, tokens located on foreign crypto platforms must initially be transferred to a virtual wallet opened in the information system of the HTP resident.

The specified procedure for the transfer (receipt) of funds from transactions with tokens applies to individuals actually located in the territory of the Republic

of Belarus, as well as cases when individuals use funds on bank accounts opened with Belarusian banks for the purchase of tokens.

Since often public offers of foreign crypto platforms (as a rule, “Terms of Use of the Platform”, etc.) do not contain a predetermined amount of settlements, therefore, in accordance with the requirements of currency legislation, such offers are subject to **registration** by individuals - residents of Belarus on the **web portal of the National Bank**.

Activities for the acquisition, alienation of tokens must be carried out by individuals **independently** - without the involvement of other individuals under labor and (or) civil law contracts (contract, provision of services, etc.) and cannot have the nature of entrepreneurial activity. Individuals have the right to perform transactions in relation to tokens exclusively for personal needs (i.e. not in the interests / on behalf of third parties, as it does, for example, the operator of a crypto platform).

Acquisition, alienation and exchange of tokens, in the course of which assistance is provided to other persons in the execution and (or) execution of transactions (operations) with tokens (i.e. “substitution” of operators of crypto platforms or cryptocurrency exchange operators) may be qualified as illegal entrepreneurial activity.

Operations with tokens

available to individual entrepreneurs and legal entities

Individuals registered as **individual entrepreneurs** have the right to carry out transactions with tokens only **after registering as a resident of the HTP**.

In addition to the transactions that are available to individuals, individual entrepreneurs who are residents of the HTP have the right to:

1. to create and place its own tokens through the HTP resident - the organizer of the ICO;
2. carry out other activities related to tokens, which are provided for in clause 3 of the HTP Regulations and stated in the business project of this HTP resident.

Legal entities that are not residents of the HTP have the right to:

1. create and place their own tokens in Belarus and abroad through an HTP resident engaged in the relevant type of activity (ICO organizer);
2. store tokens in virtual wallets;
3. buy, sell, perform other operations with tokens through operators of crypto platforms, other HTP residents engaged in the relevant type of activity.

Legal entities that are residents of the HTP are additionally entitled to carry out other activities related to tokens, if such activities are stated in the business

project of such a HTP resident approved by the HTP Supervisory Board.

Using tokens as a means of payment (“settlements in crypto”)

Despite a fairly wide list of possible transactions with tokens, the use of tokens as a means of payment on the territory of Belarus **is not allowed either for individuals or for legal entities**.

The only legal tender on the territory of Belarus is the Belarusian ruble, in certain cases the use of foreign currency is allowed (for example, in settlements with non-residents).

Regulated types of crypto business in Belarus

Only HTP residents **have the right to carry out entrepreneurial activities in the field of token circulation in Belarus**, subject to the application of the relevant types of activities in the business project and its approval by the HTP Supervisory Board. Types of such “crypto activities” are provided for in paragraph 3 of the HTP Regulation:

1. Cryptoplatform Operator (crypto exchange) - a resident of the HTP that provides, using the information system, individuals and (or) legal entities, including non-residents of Belarus, with the opportunity to make transactions (operations) between themselves and (or) with the operator of the cryptoplatform itself: **(a)** for the alienation, acquisition of

tokens for Belarusian rubles, foreign currency, electronic money; **(b)** exchange of tokens of one type for tokens of another type; **(c)** other transactions (operations) in accordance with the requirements of the law (organization of token trading, placement of tokens at auctions, implementation of transactions for the purchase and sale and exchange of tokens outside its trading system, etc.).

2) A cryptocurrency exchange operator (crypto exchanger) is an HTP resident operating with the use of information systems and (or) software and hardware complexes operating in the self-service mode (crypto ATMs), on its own behalf and in its own interest, has the right to perform: **(a)** exchange tokens of one type for tokens of another type; **(b)** purchase and sale of tokens for Belarusian rubles, foreign currency, electronic money. A cryptocurrency exchange operator may also, by agreement with the client, transfer money (electronic money) to bank accounts (wallets) of forex companies and gambling organizers.

3) The ICO organizer is a resident of the HTP, which provides its clients - legal entities and individual entrepreneurs with services related to the creation and placement of tokens using the Internet, including services for the promotion of tokens, consulting and other related services.

4) Crypto broker is a resident of the HTP who provides services for the implementation of transactions (operations) with tokens in the interests of other persons through the operators of crypto-plat-forms - residents of the HTP on the basis of a fee-based commission agreement, as well as consulting services on the

implementation of transactions (operations) with tokens.

5. Miner is a resident of the HTP who carries out activities other than the creation of its own tokens aimed at ensuring the functioning of the register of transaction blocks (blockchain) by creating new blocks in such a register with information about the transactions performed. At the same time, a miner who is a resident of the HTP becomes the owner of tokens that arose (mined) as a result of his mining activities, and can receive tokens as a reward for verifying transactions in the register blocks of transactions (blockchain).

6) Other activities using tokens. The legislation does not restrict companies in the possibility of conducting other types of crypto business. The HTP Regulation expressly provides for such activities as *“other activities using tokens, including those containing signs of professional and exchange activities in securities, the activities of an investment fund, securitization, as well as the implementation of operations to create and place their own tokens”*. In addition, the company has the right to declare in the business project another type of activity in the field of new and high technologies, although not directly provided for by the HTP Regulation, but approved by the decision of the HTP Supervisory Board.

In order to make a positive decision on registration (refusal to register) as a resident of the HTP, **legal entities planning to carry out the activities of a crypto platform operator, cryptocurrency exchange operator, ICO organizer, crypto broker, other activities using tokens**, in

addition to submitting a planned business project to the HTP, are required to demonstrate compliance with a number of mandatory requirements that differ depending on the specific type Activities:

1. financial (requirements for the size of the authorized capital, the value of net assets, compliance with financial standards);
2. qualification (requirements for the staff, professional experience and education of personnel);
3. reputational (no criminal record and labor offenses among the personnel, no arrears in budget payments and non-involvement in the implementation, financing or complicity of criminal activities of the beneficial owners of the company, etc.);
4. technical (requirements for the software used, the company's online platform, the presence of a number of operational functions);
5. regulatory (development of mandatory local legal acts in the company).

The listed companies are also required to **undergo an audit for compliance with all requirements** and receive a final positive conclusion.

For miners who are residents of the HTP, the acts of the Supervisory Board do not provide for special requirements, however, the business projects of such persons require in-depth study in terms of the specifics of the business model. In particular, we recommend reflecting the tokens targeted for mining, the equip-

ment planned for use, the procedure for the formation of technical infrastructure, electricity sources and a number of other factors that are important for the implementation of mining activities.

Main Taxation Issues

Until 2025, the income of individuals and legal entities from transactions with tokens was maximally preferential (exemptions from personal income tax, income tax, VAT were applied). From 01.01.2025, the tax legislation of the Republic of Belarus introduces the following taxation regime:

1. individuals - residents of the Republic of Belarus are obliged to annually declare and pay tax on income from transactions with foreign trading platforms and organizations (rate - 13%);
2. profit of legal entities - residents of the Republic of Belarus from transactions with tokens (except for the issue of own tokens) is subject to income tax at the rates of **(a)** 9% - for HTP residents; **(b)** 20% (or 25% if the tax base is more than BYN 25 million) - for other companies;
3. income of individual entrepreneurs - HTP residents (since individual entrepreneurs can work with tokens only as HTP residents) from transactions with tokens is subject to income tax at the rate of 9%.

At the same time, the income of individuals from transactions with tokens made through crypto companies - HTP residents remains exempt from taxation.

7 Conclusion

An aerial photograph of a large lake, likely Lake Łeśna in Revera, Poland. The image is split diagonally from the bottom-left to the top-right. The upper-left portion is overlaid with a semi-transparent dark blue filter, while the lower-right portion shows the natural colors of the landscape. Two small sailboats are visible on the water in the lower-right section. The shoreline is lined with dense green trees and vegetation. In the far distance, a small town or village is visible on the horizon under a cloudy sky.

REVERA



in Belarus 2025 review, we have tried to collect for you the most complete and up-to-date information that will help you get a clear picture of the opportunities and features of doing business in the country.

We covered key aspects, from general economic indicators and international obligations of Belarus, to details of business registration, tax and labor legislation, as well as regulation in such promising industries as pharmaceuticals, construction, e-commerce and gambling. Particular attention is paid to preferential regimes, including Free Economic Zones, the China-Belarus Industrial Park “Great Stone” and the Hi-Tech Park, which open up additional opportunities for investors.

We hope that this review will be a useful tool for you that will not only answer your questions, but also inspire new business initiatives in Belarus. If you have any further questions or require professional support, our team of experts is always ready to help.

