ALA TAU special economic zone

ENGLISH

Requirements for the Feasibility Study of the Project

1. The structure of the feasibility study of the project submitted by the applicant to carry out activities as an SEZ participant contains the following sections:

1. project introduction;
2. project summary;
3. general description of the project;
4. marketing and sale of products (services);
5. production plan;
6. financial and economic section;
7. appendices.

2. "Project Introduction" Section

The "Project Introduction" section describes the existing socio-economic, natural-climatic, geographic, and engineering-geological conditions under which the SEZ project is expected to be implemented. This section also indicates the problems that may be partially or fully solved through the creation of the project within the SEZ territory.

3. "Project Summary" Section

The "Project Summary" section contains a brief description, the project's efficiency, main areas of activity, scale (including capacity), project components, action plan, expected sources and schemes of financing, as well as the implementation period of the SEZ project.

4. "General Description of the Project" Section

The "General Description of the Project" section must characterize the project and its market position, organizational and legal form, main activities, achievements, and key financial indicators of the project.

The general description of the project contains the following information:

1. name of the product, goods, or service;
2. general information about the applicant (when, where, and by whom it was established, number of employees, charter capital, fixed and current assets);
3. financial and economic indicators (scope of the project);
4. management structure;
5. personnel composition (qualifications and work experience of the management team and leading specialists, personnel requirements and education);
6. labor protection and safety standards;
7. areas of activity;
8. sector of the economy and its prospects;
9. contribution to regional development, public and social activity (role in the region's economy, participation in solving regional problems, sponsorship and charity, participation in public associations);
10. potential for export or import substitution;
11. competitiveness of the products (services);
12. degree of readiness (scientific and technical documentation, prototype);
13. patentability and copyright;
14. availability and necessity of a license and quality certificate;
15. safety and environmental friendliness.

5. "Marketing and Sale of Products (Services)" Section

The "Marketing and Sale of Products (Services)" section reflects an assessment of existing and prospective demand (for the period of development and operation of the project within the SEZ territory) for the types of products (services) to be produced (provided) as a result of the project's implementation within the special economic zone. This section must include a marketing analysis (market and consumer characteristics), a marketing plan (product promotion strategy — pricing policy, advertising, sales system, after-sales service, sales volumes), a description of the goods and services offered by the production, their possible uses, compliance with standards, their attractive features, and product analysis.

6. “Production Plan” Section

The “Production Plan” section contains a description of the technological process and reflects the general approach to organizing the project; it indicates sources of raw materials and supplies, technological equipment (name and main characteristics), the project's needs for premises, utilities, and energy sources, and requirements regarding labor resources (personnel, pay and incentive conditions, working conditions, structure and composition of units, staff training, and anticipated changes in personnel structure as the project develops).

7. “Financial and Economic Section”

The “Financial and Economic Section” contains an assessment of financial costs and revenues, together with an assessment of alternative financing schemes and sources, an analysis of project creation, a cash flow statement, a profit and loss statement, and indicators of the project's efficiency within the SEZ territory from the standpoint of the economy of the republic (region) as a whole.

This section includes:

1. an assessment of the estimated costs of creating the project, including the costs of constructing infrastructure facilities;
2. calculation of total investment costs and the distribution of financing needs;
3. calculation of production costs (operating costs);
4. financial analysis of the project, including:
   - analysis of the project using simple methods of financial evaluation, including calculation of the payback period, simple rate of return, and debt coverage ratio; analysis of the financing scheme, sources, conditions, and their alternatives;
   - assessment of financial risks, identifying the main risk factors, the expected nature and range of changes, and proposed risk-mitigation measures;
5. analysis of project risks;
6. analysis of the economic situation of the project within and outside the SEZ territory;
7. assessment of economic benefits and costs, including analysis of outcomes, consequences and impact, cost-effectiveness analysis and intangible benefits, incremental benefits and costs, additional consumer benefits, sunk costs, externalities, international effects, and indirect benefits.

8. “Appendices” Section

The “Appendices” section of the project within the SEZ territory may include additional data in the form of detailed expense tables, results of marketing research, auditors' reports, photographs of product samples, payback schedules, and other materials and documents confirming and elaborating on the information presented in the feasibility study of the project.