

# Profit to be not long in coming

## Injecting into food industry to improve quality and increase range of products

By Galina Kononova

Owing to the investments into the food industry, the volume and range of products shall grow, while their quality is to improve. In the coming five years, injections into the Belgospishcheprom Concern's companies are likely to reach \$1bn. If a positive decision on the construction of the fifth sugar plant in the country is made, then this sum shall rise by another \$500m. The Concern says that, among the priorities of its investment programme for the coming five years, are the further modernisation of

the existing facilities and the establishment of new plants, in addition to the increase of the processing depth of fresh raw materials, optimisation of logistics and creation of its commodity distribution network (primarily abroad). The Concern's specialists view the attraction of

direct foreign investments and the inclusion of the Belarusian food industry into the global food market's system as the methods for achieving these goals.

Apart from such promising and profitable branches as sugar, beer-brewing and distillery production, can-

ner production also receives high attention. According to the Head of Belgospishcheprom's Scientific-Technical Development, Capital Construction and Investments Department, Igor Shustov, since the programme of cannery branch development began its operation, over \$100m has been in-

jected; about ten new facilities have been built (all equipped with modern foreign lines). Apart from this, in recent two years, about 250 new products have been offered for sale. Specialists say that there are no problems with cannery facilities but the issues of raw materials are still acute.

In the coming years, much money is to be spent on the setting up of raw material zones for horticultural plants. "At present, we face a situation when a company has enough high-tech equipment but lacks raw materials which are competitive in price and quality. These are brought from other regions, making products more expensive as a result. For example, the Vitebsk Fruit and Vegetable Combine faces such a situation. We plan to add one of the region's farms to it. Of course, we also need money to develop orchards and purchase the equipment. The similar work shall also be conducted at the Kletsk Cannery, which lacks raw materials to produce competitive products. All programmes dealing with the establishment of raw material

zones are being elaborated by the Concern," says the Belgospishcheprom Concern's First Deputy Chairman, Genrikh Chernyak.

### Figures and facts

From 2005-2010, \$600m has been invested into the basic capital of Belgospishcheprom's enterprises, with most money going into the sugar, beer-brewing, distillery and tobacco branches. This year, the Concern's investment programme includes 32 projects. Most important of them are the reconstruction and technical modernisation of sugar plants and the completion of reconstruction of breweries.

At the Belarusian Investment Forum in Frankfurt-am-Main, the Belgospishcheprom Concern shall present a range of projects: the construction of a new sugar plant, a yeast plant, a new production of food acids on the basis of the Skidel Sugar Refinery Combine, and the project dealing with the setting up of bio-gas facilities on the basis of sugar plants.



Specialists of Kombinat Vostok company (Gomel district) showcase their new canned products

## Shifting direction of oil supplies

### Belarus and Ukraine sign agreements on Venezuelan oil transportation

Economic agents from Belarus and Ukraine signed the documents in Minsk. In mid-October, the Ukrainian Government made a protocol decision to pump a pilot consignment of Venezuelan oil for Mozyr Oil Refinery via the Odessa-Brody and Druzhba oil pipelines. The Ukrainian Fuel and Energy

Ministry estimates that the pilot pumping of nearly 80,000 tonnes of oil for Belarus in the direct mode will take place this November.

Previously, the Ukrainian Transport Minister noted that the Odessa-Brody oil pipeline could be used in the direct mode, provided that Belarus pumped at least 9m tonnes of oil annually. At the moment, Venezuelan oil is transported to Belarus by Ukrainian Railways.

## Transparency for casino gambling

By Andrey Asfurov

### US company GTECH to set up gambling industry monitoring centre in Belarus



A tender to select the best proposal for establishing a gambling industry monitoring centre, organised in line with a governmental order, has been won by GTECH. The American company is to ensure 24/7 collection of information on the operation of gambling establishments, for provision to interested state agencies. Information on cash turnover and prize payouts

must be transparent.

GTECH is to supply software and hardware and compatible gambling equipment if needed, while setting up a monitoring centre (without using state money). The ten year contract allows for all data to be kept confidential; the centre's database will comply with Belarusian cryptographic standards.

Belarus' gambling industry development concept provides for every Belarusian casino and arcade machine to be connected to a single computer network, with a monitoring centre. A computerised network of cash registers will be set up to systematise the financial flow of each establishment.

## Investors arrive with advance

By Nadezhda Radionova

### Chinese companies will build up a high-speed tramline and a waste processing plant in the Minsk region

These and other investment projects were discussed at the Minsk Regional Executive Committee, during a meeting with representatives of the China National Technical Import and Export Corporation (CNTIC). According to the Chairman of the Minsk Regional Executive Committee, Boris Batura, these projects are very important for the region. The high-speed tramline will connect

Minsk with the ski resorts of Logoisk and Silichi, helping to increase the number of tourists and improving transport between the capital and nearby areas (Minsk's future satellite towns). As for waste processing, this area is underdeveloped in the Minsk region now, with waste being transported to disposal fields. Such plants are thus badly needed in Zhodino, Borisov, Molo-dechno and Soligorsk, with Chinese partners offered sites for construction in these districts.

The Deputy General Director of the China National Technical Import and Export Corporation, Cheng

Yong, invited Belarusian specialists to visit China to familiarise themselves with its waste processing facilities and see the technology in action. "Belarus is situated in the heart of Europe and has a strategic importance for China. Our trade and economic co-operation has been developing successfully, and is facilitated by meetings at the highest level. We believe that we have great prospects," Mr. Yong noted.

Apart from the construction of a tramline and a waste plant, the Chinese partners will assist in projects to electrify the railways in Belarus (in par-

ticular, the Minsk-Zhlobin route), in addition to some projects in the energy sector (construction and upgrade of electric power stations and substations).

At present, the Minsk region is implementing 11 investment projects with the help of Chinese companies. Recently, the Minsk region authorities met the officials from the China CAMC Engineering Company to discuss the construction of a Chinese-Belarusian industrial park. Belarus offers three sites (ranging from 50 to 80 square kilometres) for this project in the Smolevichi, Pukhovichi and Dzerzhinsk districts.

## One project after another

### Iran's Kayson to invest 250m euros in Magnit multifunctional hotel and business centre, in Minsk

By Oksana Shikunova

The investment agreement has been signed by Minsk City Executive Committee Chairman Nikolai Ladutko, and Kayson's Chairman of the Board and Director General, Mohammad Reza Ansari. Mr. Ladutko describes the signing of the document as evidence of Belarus' great interest in establishing serious

business contacts between our two countries. The Mayor is also confident that the move will encourage other Iranian companies to work in Belarus. "Negotiations with other Iranian companies (regarding the construction of hotel and trade complexes in Minsk) will progress faster now," he adds.

Mr. Reza Ansari says that Kayson plans to employ as many Belarusian builders and



**Magnit complex is a significant investment project** manufacturers of industrial products as possible in constructing the Magnit complex. He promises that the site will become a major tourist attraction in Minsk.

Kayson has registered Belpars joint venture to implement projects in Belarus and, at present, the Prileysy

transport and logistics centre is being built in the Minsk free economic zone. The Magnit multifunctional hotel and business centre, at the intersection of Minsk's Nezavisimosti Avenue and Kalinovsky Street, will become another significant investment project implemented by Kayson in Belarus.