

Logistics lead to Antwerp

Belgian businesses interested in Belarus' transport and logistics sector

By Ignaty Yelfimovsky

“Located at the crossroads of logistic networks and having the world's second largest commercial port of Antwerp, Belgium is greatly interested in Belarus as the nearest point to continental China, with whom western businesses are vigorously developing relations,” stresses the Ambassador Extraordinary and Plenipotentiary of Belarus to Belgium and Belarus' permanent representative to the European Union, Andrei Yevdochenko.

From January-May 2011, Belarusian exports to Belgium more than doubled, making 212 percent against the same period of 2010. Belarus' overall exports to the EU made 208 percent. “We aren't just focusing on trade, which would be the easiest path for us at present. Rather, we see the development of industrial co-operation and the attraction of foreign direct investments as priorities,” the Ambassador notes, adding that the latter can come to Belarus from any sphere. Belgium is already investing in Belarus' machine building and agricultural processing — primarily, flax processing.

European businesses are now attentively eyeing Belarusian assets, considering participation in their privatisation. The EU is currently facing an economic depression, with



Modern information technologies vividly illustrate Belarus' advantageous transport-logistical possibilities

many European businesses relocating to China, India and Brazil; the CIS, including Belarus, also offers potential in this respect. Analysts stress that, in the coming decade, countries outside the EU will ac-

count for about 70-85 percent of global GDP growth. Some blame for the EU's economic depression lies with the excessive development of the service sector, leaving tough times in the wake of the bursting of

the financial bubble, as Mr. Yevdochenko tells us.

Economists are discussing how best to ensure industrial revival within the EU. At the recent International Economic Forum in Brus-

sels, most European businesses noted that closer economic ties with foreign states would aid economic revival across the EU. “With this in mind, Belarus has good prospects,” asserts Mr. Yevdochenko.

Oil and gas to the fore

In the coming five years, Belarus plans to start exporting oil products to Nigeria, China, Canada and Scandinavia

By Anna Kotova

The plans are envisaged by the 2011-2015 State Social and Economic Development Programme, approved by the Council of Ministers. The document reads that increasing export potential and raising the effectiveness of oil product sales are priorities for Belarus' fuel and energy industry for the coming five years. Consolidated export flow through the Belarusian Oil Company is planned, in addition to raised wholesales to neighbouring countries. The transition from spot sales to long-term contracts based on pricing formulas, as well as co-operation with major transnational oil companies and the joining of new markets (bringing higher profits) are expected.

In the coming five years, extraction rates from existing oil fields are to be raised, with new oil fields at home and abroad developed. There are plans to increase oil output with the help



Reserving energy resources is a strategic business

of advanced technologies, while promoting co-operation with foreign countries in the area of oil extraction.

Measures will also focus on

raising strategic energy stocks. With this in mind, Pribugskoye underground gas storage facility is to be expanded, while a new facility is to be built at Mozyrskoye.

Smart traffic control system handles easily

Intellectual transport system to be launched in Minsk in 2014

The system is to include six subsystems, united by a single control and monitor centre. In particular, there will be an automated traffic control system directing traffic flow by controlling

traffic lights. Another automated system will record violations of speed, manoeuvring and parking, sending an inhibiting signal to forward traffic lights and recording number plates. About 500 cameras are to be set up at known hazard points.

Demand ensures good production stimulus

By Yekaterina Bakova

Mogilev's Metallurgical Works doubles its exports

In the first half of 2011, the company exported \$28m of goods, with export supplies accounting for 85 percent of its total output.

Russia is the plant's major sales market, accounting for about a half of all exports. The remaining goes to Western Europe, particularly to Germany, the Czech Republic and Poland. This year, Mogilev's Metallurgical Works has signed long-term supply contracts with Italy, France and the UK, while also negotiating a possible export supply of technical grit to Canada, South Africa, Turkey and New Zealand.

Increased sales of technical grit have contributed greatly to the company's export growth; the demand for these products is steadily growing. A new grit grinding shop floor was set up at



Metal supplied under contract

the factory, enabling it to double its grit manufacture.

Mogilev's Metallurgical Works plans to start producing steel technical grit — used in construction, metalworking and machine building.

Negotiation process not easy

State Property Committee Chairman, Georgy Kuznetsov, announces possible sale of Beltransgas JSC to Gazprom this autumn

“This year, 50 percent of Beltransgas shares are to be sold; talks

are underway, while documents are almost ready,” Mr. Kuznetsov notes, adding that the negotiation process is vital and it is not easy. There would be no problem if this were a straightforward purchase, with sale contracts to be signed. “However, the agree-

ment is accompanied by other issues — such as tariffs and volumes,” he stresses. Settlement of these issues is essential. According to Mr. Kuznetsov, the sale should go smoothly after these issues are solved at a high level by Belarus and Russia.