

Busy season for Chinese fields

Harvesters assembled at joint Belarusian-Chinese enterprise Harbin Dong Jin Gomel operate in China

By Inessa Pleskachevskaya

Combine operator Lu Sinwei hardly has time for chatting; it's harvest time after all. While Belarus enjoys its harvest in summer, the north-east of China reaps its produce in autumn: corn and wheat are harvested from late August to October. The north-eastern provinces of Heilongjiang and Jilin are major agricultural areas. This season, harvesters assembled at the Belarusian-Chinese Harbin Dong Jin Gomel JV are operating on Heilongjiang fields. Combine operator Lu is pleased with his new KSK-600 fodder harvester, saying, "It's a good harvester, as it's so efficient; it harvests well and quickly." He once again vanishes into the cabin, to make another round before stopping to eat: a simple dinner of steamed buns, rice and vegetables brought to the field.

A harvester cropping corn is operating on the next field, developed by Gomselmash especially for the local landscape. Its designers, manufacturers and combine operators are all pleased with the result. Alexander Savkov, Deputy Director General of Harbin Dong Jin Gomel JV, worked for 17 years as a chief technologist at Gomselmash, so he knows almost everything about harvesters. He tells us about the new vehicle with pride, explaining, "We've achieved stable output of up to one hectare per hour across various types of fields: small, sloping and large flat. The harvester has demonstrated high productivity and reliability everywhere; it hasn't failed any of our tests."

Harbin Dong Jin Gomel JV was set up in 2009; over a period of six weeks, a former warehouse located in Songbei (a rapidly developing district of

Harbin) became a fully-fledged workshop with a powered conveyor. Belarusians were both surprised and pleased at how quickly the transformation occurred. It certainly showed that our Chinese partner is keen to co-operate, with serious intentions. Twenty years ago, such rates would have been called 'accelerated tempos'.

Last year, another joint

enterprise was established, manufacturing tractors: Dong Jin Minsk. The Dong Jin Group is the partner on the Chinese side, while the Minsk Tractor Works and Gomselmash act for Belarus. Mechanisation of agriculture has reached 52 percent in China, so there is further scope for growth. However, everything has its limit. The fields are modest in size in the south of the country, being 'sandwiched'

by mountains on each side. Also, most are privately owned by smallholders who plant and harvest by hand, as they have done for centuries; mechanisation is almost impossible, as there's no room for tractors or harvesters to turn round. Nevertheless, demand for agricultural machinery is rising in the spacious north, where our Belarusian-Chinese joint ventures

it manufactures vital goods, it receives some state support. Of course, customers are only forthcoming where there is quality, reliability and service maintenance. "The Chinese are quite particular regarding quality," notes Mr. Savkov. The manufacturers are confident of the quality of their goods, giving a 12 month guarantee on tractors and a 24

month guarantee on harvesters. The Chinese specialists servicing the tractors are being trained at Minsk's Tractor Works. In turn, Belarusians are working in Chinese fields, maintaining machinery while simultaneously teaching their Chinese colleagues. The situation with harvesters is almost the same, except that operators need to learn certain specific aspects. At present, eight specialists from Gomselmash

are working at local farms, maintaining machinery and teaching Chinese operators. Language does present a problem, so the Dong Jin Group has hired a whole team of translators. "We're starting to really understand each other," asserts Mr. Savkov. "We, technicians, look at drawings to understand, so we don't rely totally on language." ing some local components. They've gained a good reputation. Setting up local assembly is a key stage for any joint enterprise. Sergey Astapenko, Deputy Director General of Dong Jin Minsk, notes that the first stage of localisation has been completed at his enterprise. "We've proposed the Chinese to localise production of metal goods — such as washers, bolts, screw nuts and collars, as we believe that this will be cheaper in China. It's quite probably that, from next year, tractor sets will be delivered to China without metal produce, which will be directly bought on the Chinese market." Mr. Savkov notes that local spare parts already account for 37 percent at Dong Jin Gomel, 'which is very good for the first stage.' He also stresses that the quality of machinery has been virtually undeniable; moreover, the Chinese are able to understand and manage their own employees far more effectively.

Pleasingly, most of the harvesters and tractors being manufactured this year already have definite customers, so there will be no question of stocks mounting up in warehouses. As soon as the harvesting season is over, the results will be announced, with plans for next year outlined. By late November, Dong Jin Minsk will have signed a new contract with MTZ for the supply of tractor sets.

The organisation of assembly factories in China is economically profitable for both sides, as it's cheaper to deliver vehicle sets, rather than ready-made tractors or harvesters, which are subject to customs duties. The benefits of 'Made in China' are obvious already, while our producers are able to reinforce their presence abroad.



Belarusian-Chinese Dong Jin Minsk JV workshops assemble Gomselmash machinery

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The President of the Dong Jin Group, Zhang Dajun, notes in his business plan, "We're confident of further prospects. The demand for agricultural technology throughout China is estimated at around \$47bn. Our enterprises aim to see sales of up to \$1bn within five years. I believe that this is quite achievable."

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Fifteen companies producing agricultural machinery are currently working throughout Heilongjiang province. In fact, the Dong Jin Group's only major rival is American John Deere. Other brands lag behind significantly in quality and reliability.

Harvesters and tractors manufactured by Dong Jin Gomel and Dong Jin Minsk are already considered to be 'domestically produced' — being assembled locally and us-

Investments arriving from 'green continent'

By Olga Biryukova

Australia keen to import potash fertilisers from Belarus

Warren Reynolds is both the Executive Chairman at Muzz Buzz Franchising Ltd. (Australia) and a public representative of the Belarusian Chamber of Commerce and Industry in Australia. He tells us that Australia is enjoying rapidly developing agriculture and that demand for potash fertilisers there is high; the country is ready to consider purchasing potash fertilisers from Belarus and is keen to promote exports from Belarus to other international markets.

Speaking of our co-operation prospects, he em-

phasises that many Belarusian products should prove popular on the Australian market — especially, Belarusian tractors and dump trucks. "In general, you produce a lot of things we need. We should set up a company to assist imports of Belarusian goods to Australia," Mr. Reynolds adds.

He admires Belarus' economic potential and is confident of its future growth. Among the advantages of co-operation with Belarus is its favourable geographical location. Opportunities are being explored to bring Australian investments to Belarus, creating joint ventures and industries, and promoting Belarusian exports to foreign markets.

Powerful impulse to production development

By Nikolay Zhukovsky

November to see construction of new rod and jobbing mill at Belarusian Steel Works, producing over 800,000 tonnes of popular high-carbon rolled wire and automobile discs annually

A contract for the investment of around 100m Euros has been signed between BMZ and a 30 year partner

of Zhlobin steelworks — famous Italian company Danieli (a world leader in metal processing equipment). According to Anatoly Savenok, BMZ Director General, the new line will be export-oriented, with locally produced cast bars and blooms used as raw materials. Added value will be over 80m Euros annually, while around 800 new jobs are to be launched at the factory. Staff training has begun at Zhlobin Metallurgical



New projects at BMZ

College; the jobbing mill is scheduled to begin operations in 2013, by which time training will be complete.

Specialists from the steel branch note that the promising project should pay for itself within four years, while giving a powerful impetus to the development of domestic metal production. It will also be a model for the mastery of the most advanced technologies.

Italian funding is to be

used for ultra-modern and efficient equipment which, according to Danieli's Vice President Key Account Management, Renato Pezzano, will raise sales of BMZ goods domestically and abroad. Already, over the first six months of this year, the Belarusian Steel Works' exports have increased by 34 percent (on the same period of the previous year) — comprising 78 percent of the enterprise's total sales.