

# Currency and credit markets reflect situation

Issues of financial stability discussed at working meeting between President Alexander Lukashenko and Nadezhda Yermakova, Chair of the National Bank's Board of Directors

The Head of the State is interested in strategic issues of development in the banking sphere — relating to commercial banks. He was keen to know Ms. Yermakova's views on how to curb inflation on the consumer market and possible repercussions from the shift to a single exchange rate. She admitted that the new exchange rate has influenced inflation, as has our lack of gold-and-currency reserves and feverish demand for currency and goods. Price regulation within our single

customs space and growing prices for energy resources also have a role to play.

The exchange rate of the national currency has plateaued and, according to the Head of the National Bank, no immediate sharp fluctuations are expected in the nearest future. Accordingly, inflation growth should be steady. However, Ms. Yermakova believes that utility prices should be adjusted to reflect their real cost. Next year, inflation looks set to reach 19 percent. "This is achievable if we work ef-

ficiently and don't overextend the volume of money circulating in the country. Moreover, we mustn't place additional pressure on the stock exchange," she asserts. As far as loans are concerned, they are necessary but should be used within strict limits.

Ms. Yermakova assesses the situation on the currency market as positive, as currency is now available at exchange offices. From mid-September, the public sold \$460m to the banks, while banks sold over \$350m on

the stock exchange. A range of other positive factors are being observed on the currency market, with the introduction of the additional session raising the volume of obligatory currency sales by exporters by 25 percent. Meanwhile, the debt is gradually falling.

The situation on the credit market is also normal, with a rise in the refinancing rate leading to higher loan interest payments for enterprises. This aims to reduce the volume of money circulating, persuading en-

terprises to more efficiently use their own funds. Interest rates on savings have risen for individual accounts, to benefit the public, resulting in a

gradual increase in foreign currency savings. The President has approved the policy being pursued by the National Bank.



Nadezhda Yermakova assesses the situation

# High-tech goods always ensure sharp competition

Belarusian Innovation Week kicks off with major exhibition at National Library

By Denis Patomichev

Belarus' Prime Minister Mikhail Myasnikovich who recently headed the National Academy of Sciences, knows well the importance of innovation and was already familiar with many of the novelties on show at the exhibition. Nevertheless, he chatted animatedly with those demonstrating their projects, giving them the chance to share their plans for promoting their new designs, to discuss their problems and, as ever, ask for assistance.

Over 100 enterprises, including 28 private, took part in the exhibition at the National Library of Belarus, demonstrating over 800 innovations. The latest medical breakthroughs perhaps claimed the greatest attention: 'Nitargal' — used to cure cardiovascular illnesses; equipment to protect from mobile phone radiation; and nutritional foods for children. Meanwhile, people crowded to see the pilotless aircraft. Light-emitting diode lamps and a modular road-train were also intriguing.

Some stands were really only of interest to specialists: Belarusian 'Avtokroi' fashion design system caused a stir among clothing manufacturers, while public services and



Much displayed at exhibition of innovative developments and projects

drinking water producers were keen to learn about new water purification methods. New DNA-diagnostic tests aroused interest among investors from several countries.

To be innovative, a design should be original, although it may improve on an exist-

ing invention. Of course, to be useful, an innovation must also have a practical application. A square wheel would certainly be novel, but not very marketable! Application on commercial markets is of the greatest importance.

The universities produced

the greatest impression, as the shining eyes of teachers evinced. Brest Technical University has joined its German colleagues in launching a project in the sphere of robotics and now seeks an investor to bring the design to life. It's not enough to think of

a new idea, make it and test it. Scientists now also need investors, business plans and marketing experts.

Prime Minister Mikhail Myasnikovich noted that he was most impressed by pharmaceutical projects — particularly a drug for treating cancer, called 'Cisplatin' (whose analogue exists only in the USA). Clinical investigations have shown that 51 percent of patients in the 1st and 2nd stages of cancer recover fully and a further 40 percent gain longer life expectancy after surgery. During the 3rd and 4th stages, their life expectancy doubles and there are also cases of full recovery. No chemotherapy is needed and the cost is just \$300 — against \$15,000 for the American analogue. Mr. Myasnikovich was also pleased with the diagnostic equipment on show, saying, "Biotechnologies, nanotechnologies and molecular technologies can help us put ourselves on the map. We should also be working more actively in the field of power engineering, introducing technologies and developing our own. This is our future."

The exhibition proved that innovations exist not only in words but deeds, which can be useful and competitive. All else will follow.

## Assisting interaction

By Yekaterina Markovich

**Belarus' State Science and Technology Committee signs programme for sci-tech co-operation with Czech Ministry of Education, Youth and Sports during Belarus-EU innovative forum**

According to SSTC Chairman Igor Voitov, Belarus is interested in developing partnership with the Czech Republic in nano-technologies, fibre optics and joint innovative projects. "Our countries have been successfully co-operating in personnel training for innovative activities. Post-graduates and under-graduate students study at our states' universities," he notes.

Mr. Voitov emphasises the importance of Belarusian-Czech joint projects in the sci-tech sector. "Both countries have great prospects and good opportunities in this area. The Czech Republic has been showing rapid development in recent times, with emphasis on new approaches and advanced technologies. Belarus also boasts good sci-tech developments, so we have to make the maximum effort to develop interaction," Mr. Voitov asserts.

The Belarusian Science and Technology Committee is also keen to develop joint projects in industry: in machine building, automobile construction, electronics and light industry. "We aim to commercialise developments and research, so your experience and financial opportunities are interesting to us," stresses the Chairman.

The Ambassador Extraordinary and Plenipotentiary of the Czech Republic to Belarus, H.E. Mr. Jiri Karas notes that the signing of the sci-tech co-operation programme will undoubtedly benefit Belarusian-Czech relations, helping to find points of coincidence in promising areas.

# Geography of manufacturing greatly expands

By Olga Belyavskaya

**Assembly of Minsk Automobile Works being launched in Venezuela in the near future**

"The construction of the plant is being finished and a contract for the supply of vehicles has been signed," notes MAZ's Deputy Tech-

nical Director, Victor Lakotko. "The conveyor line and equipment for vehicle assembly are being currently installed so that, by late 2011 or early 2012, the assembly workshop for MAZ machinery in Venezuela will be operational."

Oleg Yushko, MAZ's Deputy Financial Director, notes that the

creation and development of assembly lines abroad is one of MAZ's major tasks.

European countries and the Baltic States are a priority, alongside Iran, Venezuela, Vietnam and Egypt. These are our key locations, on which we're relying," asserts Mr. Yushko.

The enterprise supplies over 50 countries worldwide, with Russia, Ukraine, Azerbaijan and Kazakhstan among the major markets. MAZ has seven assembly plants successfully operating — in Latvia, Lithuania, Serbia, Azerbaijan, Egypt, Vietnam and Iran (the latter opened earlier this year).