

Budget formation needs firm guidance

“Each of us contributes to the GDP,” believes the Head of the Belarusian State University’s Management Department, Boris Panshin

By Roman Overyanovsky

According to the specialist, we manufacture products and go shopping and, for the system to operate smoothly, stimulation is needed — via raised incomes, modernisation of production facilities and the construction of accommodation. Building accommodation helps drive forward the economy, having a ripple effect over various spheres, affecting numerous companies and their employees. With this in mind, the Government has announced that loans for housing construction will continue. Naturally, accommodation is also essential socially, as many await homes of their own. Mr. Panshin believes it to be vital to continue the modernisation of domestic enterprises, to allow us to successfully compete on domestic and foreign markets.

Belarus aims at high level of GDP growth

However, budgetary funding must be allocated carefully, with only innovative projects able to generate revenue chosen. Accordingly, modern technologies, equipment and machinery remain a priority for investment, with much hope pinned on agriculture, wood processing, and the use of local resources.

Of course, steps must be taken to avoid emissions bringing devaluation and price growth, as seen earlier this year. Analyst Alexander

Mukha believes we should be attracting more foreign investments (rather than relying on budgetary financing), alongside Belarusian business resources. Accordingly, business conditions and the business climate need continued attention. This year, many investors are being cautious, concerned by the situation on the foreign currency market. The Government hopes that, next year, the flow of foreign capital will strengthen, if inflation remains within 19-22 percent

and the Rouble remains steady on the Foreign Currency Exchange.

Quality and quantity

Leading EU countries are aiming for GDP growth of 2-3 percent, so why has Belarus chosen a higher target? Mr. Mukha explains that our country significantly lags behind Germany and other global economic grands in terms of GDP per capita. Accordingly, we need to develop at a higher pace. “With this in mind, we need not merely to augment GDP but to change its structure,” he is convinced. He advocates not

only stimulating the development of domestic exporters but creating new directions of production. We enjoy a profitable economic location and highly qualified staff (who are not too expensive). Mr. Mukha views the steady flow of state-employed workers into the private sector as an important factor. To encourage this, additional stimuli are needed: from 2012, profit tax is to be reduced from 24 to 18 percent. This should lead to increased labour efficiency, the state can cut its budget financing, and private businessmen will earn more and pay more taxes. This should improve Belarusians’ standard of living overall.

Yota constructs LTE-network

By Andrey Asfurov

Yota Bel launches construction of LTE-network in Mogilev, Brest and Gomel

The company is piloting its LTE-network in the three new cities, having already launched in Minsk and Grodno (with coverage of central parts only). It has invested several million Dollars in realising the project so far but hopes to break even within a year.

In launching the LTE-network, Belarus joins 21 other countries offering the technology to ordinary users. “This may significantly raise Belarus’ international rating, as information and communication technologies are developmental criteria. It also improves perceptions of Belarus as a state with an innovative economy,” Yota Bel’s Director General, Sergey Bespalov, notes.

Yota Bel is part of WiMAX Holding Ltd., offering through its subsidiaries, primarily in Russia and Nicaragua, data transfer services using WiMAX and LTE-technologies under the Yota brand. It also operates two duplex frequency bands (each 30 MHz) in Belarus.

Interest in domestic companies escalates with good reason

Investors interested in buying Belarusian enterprises



Investors show interest in Promsvyaz JSC

By Lilia Krapivina

At present, 35 open joint stock companies have been sold as a result of Belarus’ 2011 privatisation plan, with a total of 50 expected to be sold by the year’s end. “If this amount is sold, it’ll be great,” asserts Anna Kornievich, Chief of the Department for Accounting and Disposition of Shares of the State Property Fund at

the State Property Committee of Belarus. She notes that the 2011 privatisation process shows great success — as only seven enterprises were sold from 2008 to 2010.

This year has seen rising interest from investors towards privatisation. “It’s vital that investors see how easy it is to buy in our country, with sales being totally transparent. Everything is thoroughly

explained and detailed information is provided; enterprises are open to visits and there are no back-door games,” notes Ms. Kornievich. Next year, investors are expected to become more active and interest should grow further. “We expect that, next year, the Government will allow us to sell shares in enterprises not sold this year — so more companies will be offered for

bidding,” she tells us.

In line with the privatisation plan, it was planned that 180 open joint stock companies would be sold in 2011. After some reorganisation, just 168 remained for sale — all offered for bidding. “We’ve currently offered everything available,” stresses the State Property Committee’s representatives.

By the end of this year, several more auctions and contests will have been organised, selling shares in enterprises registered on the 2011 privatisation plan. A large company — Promsvyaz JSC — is offered for bidding for the second time. Ms. Kornievich notes that the price hasn’t been reduced, as interest is evident. Often, potential investors run out of time to prepare their submissions but are ready to take part in repeat bidding.

Enterprises not yet registered on the 2011 privatisation plan are to be sold in line with the President’s instructions later this year, with Gomelcable JSC and Zapadelektrosetstroy JSC shares on offer.



New teaching technologies economically feasible

Video lectures to become more common

By Anna Yanusheva

Belarusian State University of Informatics and Radioelectronics (BSUIR) is first in Belarus to develop distance learning via video-conferencing

The system is unique in the CIS, with the BSUIR being the first university to use it in the educational process. Until recently, it only offered distance learning via e-mail, Skype and telephone; however, the new system allows students to benefit from seminars, lectures, trips, consultations and exams in real time. In addition, the BSUIR will be able to invite foreign lecturers to participate, with students able to question teachers via tele-conferencing.

E-universities will be possible, based at the BSUIR and at other higher educational establishments, allowing students to take part via

video-lectures and seminars. In addition, the University administration’s work will be simplified, being more mobile. Even video-meetings will be possible using the new technology.

The Chief of the Continuous and Distance Learning Department, Vasily Bondarik, tells us that about 850 students are currently enrolled for distance learning at the BSUIR, while three hundred more annually use the system to ‘catch up’ when shifting to another speciality. He notes that the number of distance learning students should double in the coming two years as a result of video-conferencing.

The system has already been presented at the BSUIR — as part of the *Distant Training: 21st Century Educational Environment* international conference, which gathered over 200 specialists from Belarus, Russia, Ukraine, Poland and Slovakia.