

Intermediary mission suitable for the diplomat

By Olga Belyavskaya

Belarusian Ministry of Transport and Communications invites Italian companies and banks to take part in projects to develop and maintain motorways



Mr. Arnaldo Abeti

Terms for Belarusian-Italian collaboration in the transport sphere have been discussed in Minsk by Belarus' Transport and Communications Minister, Ivan Shcherbo, and the Ambassador Extraordinary and Plenipotentiary of Italy to Belarus, H.E. Mr. Arnaldo Abeti.

In particular, Mr. Shcherbo is keen to see liaison in developing Belarusian road facilities. Four-lane motorways connecting Minsk with regional centres are among the plans, alongside other major road projects. The Minister underlines that Belarus is ready to liaise in attracting loans from Italian banks and in the construction, exploitation and maintenance of roads under concessionary conditions.

The Italian diplomat has promised to bring Belarusian proposals to the heads of Italian banks and stresses that Belarus has huge economic potential. He believes there are plenty of opportunities for co-operation and adds that many Italian companies are keen to find out more about the Republic. The Ambassador also hopes that ever more favourable conditions for foreign businesses in Belarus will promote the attraction of investments into the transport sphere, as well into the economy as a whole.

Prospects for collaboration between Italy and Belarus include international road transportation and aviation. The two sides also discussed how the railway administrations of Belarus and Italy may work together and how Belarusian Railways might liaise with Finmeccanica Concern.

A dump truck delivered to Cape Town? No problem

Export leasing is sure fire bet for encouraging new custom and expansion of foreign trade

By Alexander Bestemyanov

Worldwide, export leasing is an efficient means of promoting sales of machinery abroad, allowing states to expand their influence over a new customer base. Buyers are able to buy goods under deferred payment terms, via a long-term financial lease. Belarus was the first within the post-Soviet space to launch export leasing and, judging by the results, the experiment is a success.

"Domestic export leasing is at the start of a long and difficult path, but our first results indicate that it is an efficient means of promoting domestic machine building," notes Irina Nasonova, who heads Financial Market Development at the Finance Ministry. She believes that granting leases to foreign companies has greatly contributed to the promotion of domestic machine building.

Last year, giants such as MTZ (Minsk Tractor Works), Gomselmash, MAZ (Minsk Automobile Works), BelAZ (Belarusian Automobile Works), Belkommunmash, Bobruisk Plant of Tractor Parts and Units and Bobruiskagromash delivered goods to foreign countries under leasing terms. "Last year, we transferred 5,316 units



Heavy-duty dump trucks, made in Belarus' Zhodino, boast wide export geography

of machinery and equipment — worth over \$290m — under lease agreements," reports Pavel Krupnov, who heads Promagroleasing. "Compared to 2009, volumes quadrupled."

Since February 2010, Promagroleasing — a leasing operator — has been supplying Belarus-made machinery to the CIS, EU and Africa, under international lease agreements. In total,

25 international lease agreements for Belarusian machinery — worth over \$30m — were concluded in 2010. Most goods were delivered to our closest neighbours: Russia and Ukraine. However,

alternative markets are being sought, with five BelAZ heavy duty dump trucks soon to begin operations in South-African Republic quarries.

The Czech Republic is another promising new market for domestic trade expansion. In September 2009, Promagroleasing JSC set up a joint Belarusian-Czech firm, named the Bel-Czech Trade Company. A permanent exhibition of domestic machinery is on show in Czech Třebíč, while a central European warehouse of spare parts is opening, to be used by all Belarusian goods dealers in the EU.

According to Mr. Krupnov, the markets of Austria, France, Slovakia, Bulgaria and the Netherlands are under focus by the joint Belarusian-Czech venture. "We have the opportunity to reach Romania and Moldova via Ukraine, where we already supply goods, and a joint enterprise in Georgia is also being considered. This would allow us to sell Belarusian machinery under lease conditions to Armenia, Azerbaijan, Iran and Turkey," he explains.

The expansion of Belarusian export leasing schemes is being discussed at state level, with around 30 percent of Industry Ministry manufactures to be exported under financial lease conditions by 2015.

Mission comes to positive conclusions



Meeting with IMF Mission at the Government

International Monetary Fund satisfied with pace of Development Bank's establishment in Belarus

"We're pleased with the progress achieved by the authorities in establishing the Development Bank, which is to take on some of the responsibilities of commercial banks regarding financing of state programmes. We hope the Development Bank will

decide carefully which programmes to select, while allocating resources to realise the most efficient, contributing to the growth of exports, employment and the economy," reads the Fund's announcement, referring to Chris Jarvis, the IMF Head of Mission.

The IMF Mission in Belarus held consultations with the country's authorities, meeting PM Mikhail Myas-

nikovich, Deputy PM Sergei Rumas, Finance Minister Andrei Kharkovets, Economy Minister Nikolai Snopkov and National Bank Chairman Piotr Prokopovich, alongside representatives of banks and members of the diplomatic corps. The Mission is grateful for the sincere discussion of issues.

Mr. Jarvis notes, "We welcome the signing of Directive #4 by the Belarusian President, which is to create favourable business conditions over a short period of time. It will support the development of the private sector, enhancing Belarus' attractiveness to investors. To strengthen transparency and the efficiency of the privatisation process, we're also recommending that the Government take immediate action to launch the National Investment and Privatisation Agency."

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