

High time to reach top achievements

On his working trip to the Minsk Region, President Alexander Lukashenko noted that the target of reconstructing or building one dairy in each farm countrywide by the end of 2012 remains unchanged



Belarus' first modern automated Astronavt-AZ at Sokolovshchina JSC in Verkhnedvinsk District

By Vladimir Kharitonov

This will mean reconstruction of 1,200 dairy farms, bringing them into line with the latest developments and raising efficiency.

Dairy farming is a priority, with herds to be increased to raise milk production. By 2015, there should be 1.6 million dairy cows, leading to a yield of 10 million tonnes of milk. Manufacturers expect the growth in volume and economies of scale (primarily due to raised efficiency) to lead to reduced costs, allowing them to compete abroad against suppliers from Europe and New Zealand.

Already, rising yields are allowing for more exports, with entry into the new markets of China, Japan and Vietnam. Belarus is gradually becoming a rival to New Zealand on definite markets, and is also focusing on selling processed dairy products. Sales to trading companies, without intermediaries, are also being promoted. As Deputy Prime Minister Mikhail Rusy reported to the President, Belarus will achieve \$5bn of agricultural exports by the end of 2012.

Tomkovichi dairy complex at Dzerzhinsky agricultural company is the first to have been intensively modernised, raising efficiency in milking and caring for its 1,300 cows. Inspecting the premises, Mr. Lukashenko concluded that it provides a model for other farms. He noted, "I want to see every farm converted into a dairy complex." Officials believe it's impossible to achieve this by the end of the year,

requesting that just 720-750 farms receive reconstruction, but Mr. Lukashenko is adamant, asserting, "I've warned you that it will be extremely difficult so you should seek other solutions."

The Governor of the Minsk Region, Boris Batura believes that the Minsk Region will fulfil its task, modernising 324 old dairy farms this year — in accordance with the requirements of the President. Gomel and Vitebsk are not on course to meet their target, so the President has instructed the Prime Minister and Mr. Rusy with creat-



Automated milking room at agricultural co-operative in Malorita District

ing an action plan to allow the task to be met.

According to Mr. Lukashenko, the achievement of the goal is a matter of principle, since our country's food security is at stake. "I recall, in the mid-1990s, there was nothing on the shelves of shops countrywide; everything was empty. However, we began working on the agro-industry and saw results. Just 8-10 years

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ago, we took up farming to avoid it disappearing altogether — as would have happened in time. We began creating 'lighthouses' within the rural economy," he notes.

The Head of State also visited the dairy farms of Povelkovo (Dzerzhinsky agricultural company) and Frunze and Plashevo (Zhdanovichi agricultural company) which use various milking technologies.

Their different approaches were discussed, debating the advantages and disadvantages of each, and questions were answered, to allow all to learn from their experience.

Summarising the detailed discussion, the President said, "My requirements remain. Talking to managers and professionals from the best farms, I again realise that we are on the right path. We have not made any technical mistakes."

Mr. Lukashenko mentioned the Head of Zhdanovichi agricultural company, Grigory Chuiko, as a positive example of how to modernise and operate a dairy farm, using automatic machinery where appropriate. "The person places high demands on working conditions and this also makes us create the most modern complexes," commented the President. He stressed that the main objective of his meeting with leading farm managers had been reached. "We have come to a consensus: everyone knows what to do," he concluded. He believes that work is too important to be postponed. "The early bird catches the worm, as time waits for no one. Once Russia has joined the WTO, we'll be competing with the world's leading companies. To survive the struggle and be competitive, we need good quality milk," he added.

The President has appointed the Director General of Dzerzhinsky agricultural company, Leonid Zayats, as Minister for Agriculture and Food, as he has proven himself in practice as a strong leader, able to tackle major challenges in a new way.

Rates may accelerate

Nadezhda Yermakova, the Chair of the National Bank's Board, notes at the opening of the central office of BelVEB Bank JSC that the refinancing rate should fall to 20-23 percent by the end of the year

According to Ms. Yermakova, despite the slowing graduation of reducing the refinancing rate (from steps of 2 percent to 0.5 percent), the aim is to have the rate hit 20-23 percent by the end of this year. "We'll achieve our forecast if nothing untoward happens. The question is in which month."

In reducing the refinancing rate, the National Bank is following inflation rates, so the reduction could accelerate if circumstances allow; alternatively, the rate could rise for a while — being used to stabilise the currency exchange rate and public demand for loans and savings. "At present, there's no need to raise the refinancing rate," stresses Ms. Yermakova.

Investors get down to detailed calculations

By Vladimir Kharlamov

Belarusian Minister for Natural Resources and Environmental Protection Vladimir Tsalko explains that international tenders will be held to select firms to extract Belarusian natural resources

Mr. Tsalko has announced that tenders will be offered for the rights to various mining sites: the clay deposit of Golbitsa (Vitebsk Region's Postavy District); the sand and gravel deposit of Ulesie (Vitebsk Region's Dokshitsy District); the chalk deposit of Dobrushskoe (Gomel Region's Dobrush District); the clay deposit of Kuropolie (Vitebsk Region's Postavy District); and the sand and gravel deposit of Perenosinskoe (Brest Region's Baranovichi District). A concession will be offered to mine the Turovskoe oil shale deposit (eastern Brest Region's Stoln District and southern Gomel Region's Zhitkovichi District).



Initially, tenders were to have been held by late June or mid-July 2012; however, they have been shelved for now, despite strong interest from foreign investors. "Investors' interest is very high — particularly from China and India. They are focusing on certain deposits of potash fertilisers, ferrous ore and gypsum and proposals to mine ballast quarries have been received. Many delegations have visited Belarus to collect information," underlines Mr. Tsalko. He adds that no final responses have yet been received, explaining, "Investors may need some time to calculate their figures and find financing, as the funds involved are huge."