

Sky opens up to new pilotless aircraft

Minsk Aircraft Repair Plant to establish mass production of pilotless aircraft

By Vladimir Kharlamov

The enterprise has already finished the first stage of test flights for its 'Philin' unmanned aircraft system which included automatic take-off, en-route flight and landing. Belarusian KVAND IS enterprise is responsible for the automatic control system of the pilotless aircraft, after almost a decade of development and almost \$500,000 spent. The unmanned aircraft system consists of the control point, technical maintenance point and the 'Sterkh-BM' pilotless aircraft device. It is designed to monitor remote areas of the Earth, including the water, and can tow aviation targets. The apparatus can be controlled manually via radio communication, as well as by software for autopilot.

The pilotless aircraft weighs 65kg and is able to gain up to 120km/h at cruise speed, to a maximum of 200km/h. It can cover 240km and operates best

at a height of 3km. Its wingspan is 3.8m. Its initial cost stands at about \$250,000 but can be upgraded to a cost of \$500,000. A complete complex, with several aircraft devices can be bought for \$1.5m.

Yevgeny Vaitsekhovich, the Director General of Minsk's Aircraft Repair Plant, notes that mass production of the 'Sterkh-BM' is set for 2013, with volumes dependent on orders. Annually, up to ten devices could be manufactured. Its developers note that the Belarusian pilotless aircraft boasts a range of advantages. In particular, it can override an operator's error, via self-checking. It is simple to manage, and can fly and land under difficult weather conditions and at night. Moreover, it boasts high accuracy and can even land on ordinary roads (where at least 5m is available) as well as at small aerodromes and other sites with a suitably flat surface.



Production of unmanned aircraft at Minsk Aircraft Repair Plant

Reduced inflation is becoming country's truly modern trend

Country's refinancing rate falls for eighth time this year

By Alexander Belkovsky

The step taken by the National Bank may be modest (just half a percent) but it continues a journey in the right direction, being the main indicator through which the credit and deposit rates are calculated. Previous reductions have been by as much as 2 percent per month on average, making deposits in Belarusian Roubles less profitable; no doubt, those with savings will be pleased to see the trend slowing. However, those keen to borrow can only hope for further reductions, to make loans more accessible.

The current cautious reduction of the refinancing rate is perfectly justified and reasonable, since rates must be lowered gradually and carefully, in order to maintain savings at an adequate level. A significant fall would lead to mass withdrawals of funds, creating a huge draw on the banking system. At present, the National Bank reports a constant flow of funds into the banking system of

the country.

For some years, savers have been disappointed to see their interest rates lag behind those charged on loans. The Chairman of the Board of BelVEB bank, Pavel Kallaur, explains, "We have gone through stages of macroeconomic stabilisation more than once. Public panic has been regulated by the size of the refinancing rate. We can only maintain high savings rates when the economy is stable; realistic interest rates must be set. The question is not how far the refinancing rate can be reduced, but how it relates to the real level of inflation in the country."

Along with the gradual reduc-

tion of the refinancing rate, the National Bank is also busy removing excess Rouble liquidity from the banking system (a significant amount of 'unused' money). This will aid long-term goals for the banking system and the economy in general, maintaining the stability of the exchange rate and interest rates while providing stability and predictability on the financial market.

"If the country has a positive balance of payments, currency settles in gold and foreign currency reserves, while Belarusian Roubles appear on banks' correspondent accounts," explains Mr. Kallaur. "We are now seeing a high influx of revenue, so banks will have more liquidity than

they require — taking into account the level of inflation."

This is a normal macroeconomic process, which can be regulated via 'sterilisation'. The balance of payments is healthy, with foreign trade reaching \$41,633m in the first half of 2012: imports stood at \$18,926.9m while exports reached \$22,706.1m.

The foreign trade balance almost reached \$3.8bn, proving forecasts by individual banks to be premature; excess liquidity in Belarusian banks could have driven rates upwards, but this has been avoided.

Representatives of the banking sector are ready to note any trend in borrowers' interest rates but the fall remains modest. "We can hardly say that Rouble lending volumes are rapidly growing; further reductions are needed before the process stabilises and becomes a trend," says Mr. Kallaur. He notes that economic activity and demand for Rouble loans will rise when rates fall to 25 percent.

American Express sees great prospects

By Alexey Orekhovskiy

American Express hopes to develop on Belarusian market

At a Minsk press conference, Irina Belova, Director of GNS Business Development and Director General of the American Express Travel Service East, noted, "We view the market of Belarus as very promising; it boasts great opportunities for us."

According to Ms. Belova, American Express is especially interested in the trend of rising non-cash transactions countrywide. "This is the area in which we aim to make our own contribution," explains Ms. Belova. She is confident that Belarusian trade and service companies will be interested in accepting American Express payment cards, since such collaboration testifies to the high status and quality of service offered by such enterprises.

Since 2010, BPS-Sberbank has been the exclusive acquirer of trade and service enterprises and has processed transactions using American Express cards in Belarus. On August 21st, 2012, BPS-Sberbank and Belarusbank signed an agreement to allow Belarusbank to insure the use of American Express cards in trade and service organisations (including online). This should significantly expand the network of acceptance of American Express cards in Belarus.

American Express is a global financial service company, headquartered in New York, famously offering credit cards, payment cards and travel cheques. Since 1996, it has provided its payment network to trade and service enterprises and a portfolio of card products to third parties all over the world.

Consumer producing own parts

BelAZ heavy duty dump truck manufacturer sets up in Russian Prokopyevsk, in the Kemerovo Region

To support mutually beneficial partnership, Belarus signed a protocol in April 2012 with Russia's Kemerovo Region, following visits by Russian delegations to Belarus. Joint manufactures and the development of industrial co-operation in the transport sphere have been recognised as priorities for our collaboration, with definite results already achieved.

In June, a MAZ maintenance service centre opened in Prokopyevsk while an enterprise has been set up in the south of Kuzbass, repairing trams using Belkommunmash chassis. BelAZ is now launching a factory in Prokopyevsk to produce its heavy duty dump trucks.

The Kemerovo Region is a major consumer of Belarusian heavy duty dump trucks, which it uses for open-cut mining of coal.

