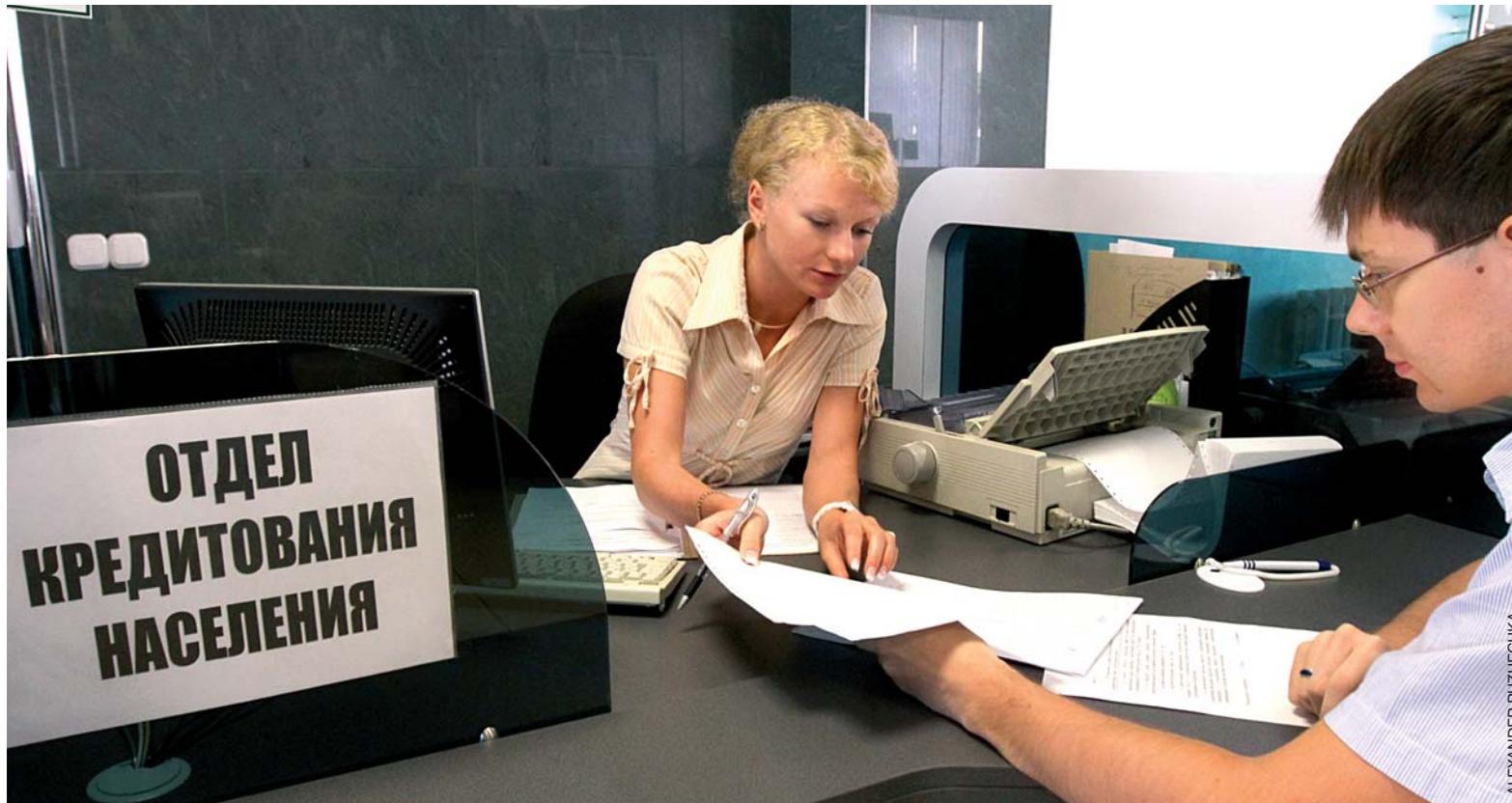


Customers with unblemished reputation are always welcome

Belarusians now starting to appreciate creating own positive credit history



At present, the Credit Register of National Bank of Belarus contains around four million credit histories of Belarusians

By Alexander Bronevitsky

The Credit History Bureau or, as it is properly called, the Credit Register, is a cause for envy among most CIS colleagues, notes the Deputy Chairman of the Board of BPS-Sberbank, Oleg Barodko. He explains, "It provides a civilised way of gaining information, helping develop banking business while guarding the interests

of borrowers. Most of our neighbours really envy us. Of course, our parent structure — Sberbank of Russia — is luckier in this sense than other banks. Its scale has encouraged many Russians to take out loans but no complete picture yet exists in assessing borrowers."

He stresses that the value of a positive credit history is now starting to be appreciated — although it appears more like maintenance

of reputation than a search for additional benefits. Prior to 2009, a credit bureau was viewed as manna from heaven on the local market since it had been near impossible for banks to assess customers credit-worthiness early in the credit boom. They gave out loans freely, only seeking to raise loan portfolios and gain a slice of the 'pie'. The results were soon evident, with the quality of borrowers

falling and some explicit fraud occurring. A citizen could apply for a loan from several banks and then disappear abroad, leaving a bad debt behind them. Although most Belarusians are honest, with no more than 5 percent of bank loans going unrepaid, even at the height of the crisis, a more thorough system was clearly needed. Of course, every bank has its own black list of persons to whom credit will

never be issued but the Credit History Bureau is a far more effective mechanism of risk-assessment, allowing objective decisions to be made. The Credit Register is a breakthrough, modelled on similar structures in Western Europe. In particular, the National Bank has drawn on French experience.

By early July this year, about four million credit histories had been created for Belarusians in the Credit Register of the National Bank of Belarus (up from around 3.8 million in January). However, the Head of the Credit Histories Department of the National Bank's Specialised Division, Sergey Dubovik, notes that only 37,000 of these apply to business entities; the rest apply to individual citizens. Have so many people gained loans for housing or a car over the last two and a half years? Mr. Dubovik explains not, telling us that credit histories have been created from those holding cards with overdraft facilities, since many exist. Those signing contracts of guarantee are also included.

The law 'On Credit Histories' gives every Belarusian the right to apply for a free credit report once a year and for an unlimited number of times for a fee each calendar year. Credit reports can be issued within six working days, on application to the Specialised Division of the National Bank. In the regional centres, applications can be made to regional offices.

City of miners to appear

Belaruskali JSC is considering building a mining complex at Petrikov potash deposit in the Gomel Region at its own expense, explains Director General Valery Kiriyyenko

By Anna Kotova

As to whether third party funding is being used, Mr. Kiriyyenko notes, "I believe that we can build the first company at Petrikov ourselves but, if needed, we can borrow money." As for final figures of investment, he explains, "Pre-investment work requires modest amounts; the main expenditure relates to the buying of equipment and so on for actual mining."

The site for the construction of the Mining and Processing Complex has already been chosen, with prospecting work complete at the former Keramzit Plant (which had become unprofitable). Two blocks of flats are being built to accommodate builders — later to become residential apartments.

"The mining and processing complex will be part of our joint-stock company," Mr. Kiriyyenko tells us, noting that the mine will be accompanied by a factory to ensure processing and the receive-



Belaruskali expanding extraction by 25 percent within four years

ing and shipping of products.

A second city of miners and related enterprises will soon appear at Petrikov potash salt deposit. The Director General

of Belaruskali notes, "The geographical location is very good, with excellent logistics, as the railway and road are nearby and there is a city within 6km."

Viking gains speed

World Intellectual Property Organisation registers trademark of Viking combined transport train

The World Intellectual Property Organisation (which unites 185 countries, including Belarus) has given confirmation and a certificate of registration for the VIKING TRAIN trademark. It is a good example of liaison between the railways of Belarus, Lithuania and Ukraine, carrying cargo to the Baltic States, Scandinavia and Transcaucasus, as well as Central Asia and the Middle East.

The official freight forwarder



in Belarus is state-owned Belintertrans-Transport-Logistics centre of Belarusian Railways. The confirmation of the trademark allows the Viking train to be advertised effectively; it already has its own website and a promo-clip. It began regular operation in 2003 and, in 2009, the European Commission acknowledged it as the best European cargo transportation project.

One of the oldest enterprises is subject to reconstruction

By Oleg Semenov

The oldest brewery in Belarus has found an investor. Opened in 1877 by merchant Kunts, in the centre of Grodno, on the Neman, the company is receiving interest from Ekopromenergo, which has negotiated purchase from the Grodno Regional Executive Committee.

The old brewery does not fit

into the infrastructure of modern Grodno, so has been empty for the past five years while investors were sought. Seven of its buildings have been auctioned as a single lot (under condition of preserving their historical and cultural essence). Ekopromenergo hopes to restore the Grodno Brewery for tourist purposes — including a museum of beer, a hotel, a mini-brewery and a restaurant.