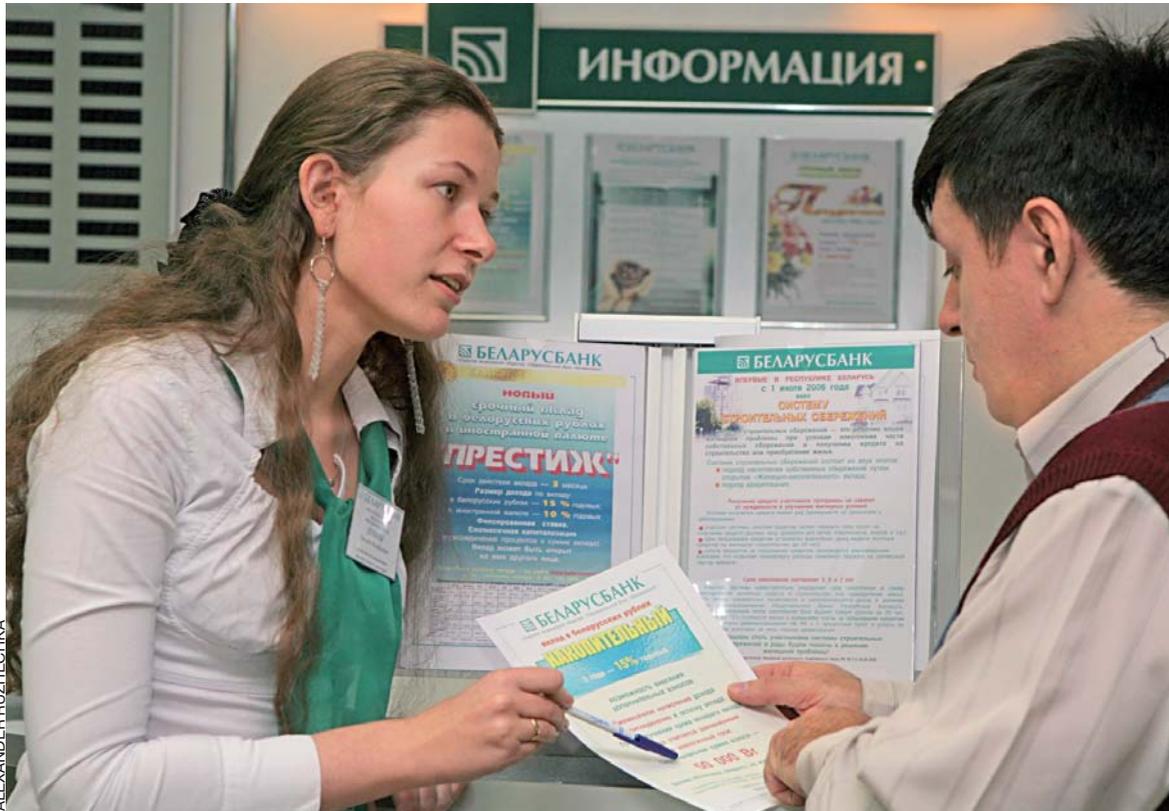


# Financial education for Belarusian citizens

National Bank of Belarus presents 2013-2018 state programme to enhance financial understanding of the public

The absence of personal or family budget planning is a burning problem for Belarusian residents. The concept notes: 'The insufficient financial literacy of the population has revealed itself under today's global financial and economic crisis conditions, as evinced by a racking debt burden, an absence of savings and an inability to take rational action to protect savings. The topicality of this issue has sharpened and intensified. Most citizens aren't saving for unforeseen reductions in their level of income despite such situations being possible even during favourable periods of economic development. As a result, a considerable number of citizens can face financial difficulties, even when minor problems occur.'

The draft continues: 'Every citizen will benefit from financial education. Even children should have an idea about money, laying the foundations of understanding budgets for spending and saving. This could help youngsters cope with financing their education or solving housing problems — through financial planning and the attraction and efficient management of credit resources. Adults need to be able to manage their personal finances: optimising their savings and monitoring spending, while assessing risks and



According to the developers of the conception, financial education is essential to every citizen

adopting sensible decisions when making investments or using various financial products or planning their pension provision.

The concept has been developed at the recommendation of the World Bank and is based on experience in Russia, Kazakhstan, Poland, the UK, Brazil and Malaysia. An Inter-department Co-ordi-

nation Council to Enhance Public Financial Literacy is being headed by the National Bank of Belarus. An Internet portal is also planned to promote financial literacy, acting as the major information source of the state programme.

Steady growth in the following areas will indicate the success of the programme and the growth of

financial literacy: volumes of savings, retail banking services and insurance services provided to individuals, as well as investments by individuals on the securities market and the share of non-cash money turnover in the total volume of payments. The programme is available for viewing on the National Bank's official website.

## Good prospects from enhanced savings

**The Belarusian Government and Gazprom have signed an agreement to expand co-operation in the use of natural gas as motor fuel**

The document of intentions was agreed at a meeting between the first Deputy Prime Minister of Belarus, Vladimir Semashko, and the Chairman of Gazprom, Alexey Miller. The parties discussed issues of gas co-operation between Belarus and Russia, prospects for developing the gas transportation system and underground gas storage facilities in Belarus, as well as the process of integrating Beltransgas with Gazprom. Various schemes of Russian gas transit through Belarus are being considered.

Gazprom aims to significantly raise its use of gas for transport fuel, with Mr. Semashko and Mr. Miller agreeing that good prospects for this lie in Belarus. The use of gas would bring considerable savings, since gas fuel for vehicles is far cheaper than petrol or diesel. Already, there are about 5,000 vehicles in Belarus which can run on gas and Beltransgas operates a network of 26 fixed stations supplying the fuel. In 2011, more than 16 million cubic metres of compressed gas were sold through gas stations.

## Maximum attractiveness to sector's major players

Belarus to enhance appeal of information and communication technologies for investors

By Anna Kotova

In an effort to improve the competitiveness and the investment attractiveness of ICT in Belarus, the International Finance Corporation is helping set up an initiative group of representatives of the industry. The group comprises heads of top Belarusian IT companies and those from interested ministries and government agencies, as well as experts from business associations. The group currently features about 30 structures, with their number set to rise in future.

Max Yacoub, the Head of the IFC Office in Belarus, notes that Belarus' ICT industry shows a great deal of promise but is poorly developed. He underlines that conditions could be made more attractive, to inspire more major investors. The Government is keen to improve regulations in the IT sphere, to improve the industry's attractiveness in the eyes of investors, with plans to be forwarded for official consideration this autumn.



The path forward should then become clear. Minsk will be hosting an international conference dedi-

cated to the attraction of foreign investments into the Belarusian information and communication industry as part of Global Entrepreneurship Week, in November. "IFC is a partner for the event. Participants of the conference will discuss ways of raising competitiveness and the investment attractiveness of the ICT industry. Moreover, Belarusian companies will be able to present their investment projects to foreign investors," underlines Mr. Yacoub.

Efforts to improve FDI terms in Belarus are the major focus of the IFC's consultative work here: streamlining investment laws (primarily the Law 'On Investments'); developing the potential of the National Agency of Investment and Privatisation — to attract foreign direct investments; and promoting mechanisms of public-private partnership to enhance the investment attractiveness of various branches of the Belarusian economy. At present, work is concentrated around the information and communication technologies industry.

## Collaboration targets future

By Tatiana Grigorieva

**Belarusian forestry industry keen to construct wood processing enterprises involving foreign investors**

At present, six such companies operate in Belarus, with five specialising in logging and the other in sawn timber. Another three companies are to launch soon, with negotiations underway.

"Foreign investors are seriously interested, with most eager to produce fuel briquettes, wood chips and other flammable materials. Investors have come forward from Poland, Slovenia, the Czech Republic and elsewhere, while joint ventures are being suggested by Scandinavia, where such technologies generate a good profit," notes Belarus' Forestry Minister, Mikhail Ameyanovich. He underlines that the forestry industry of Belarus is open to all investors.

## Franchising becoming ever more popular

**Brest Branch of Minsk Grape Wine Plant produces Scottish Raeburn whisky via franchising agreement**

The Scottish distiller chose the Belarusian enterprise as a partner to bottle its produce perhaps because it is among the top three largest manufacturers of distilled beverages in the Republic. Over the first six months of this year, the Brest Branch of Minsk's Grape Wine Plant bottled over 1.1m decilitres of alcoholic beverages — up 88 percent on last year. It accounts for 11.6 percent of the Belarusian market for alcoholic beverages.

The new project will allow the Brest distiller to expand its range of alcoholic beverages. Brest-bottled Raeburn whisky is already on sale in Belarusian stores, matching the quality of Scottish whisky while being much cheaper. This will aid import-substitution, assisting in saving currency resources.

Besides being sold locally, the whisky is to be exported to other countries within the Customs Union — Russia and Kazakhstan. Director Ivan Trotsky notes, "Contracts have already been signed to supply Raeburn whisky to Russia, while negotiations with our Kazakh partners are currently underway. In other words, the project also has an export-oriented character, allowing us to attract additional foreign currency into the country."

It's becoming a trend for Minsk Grape Wine Plant to bottle alcoholic beverages via franchise, enabling it to reduce costs. The Scotch whisky project has been preceded by the bottling of French, Italian, Georgian and Moldovan wines, as well as famous Lithuanian vodkas and ratafias.

Minsk Grape Wine Plant was founded in 2000 and, in 2008, bought a factory in Brest. It now specialises in the manufacture of vodka, ratafia and whisky, employing 600 people.