

World standards presuppose the very highest requirements

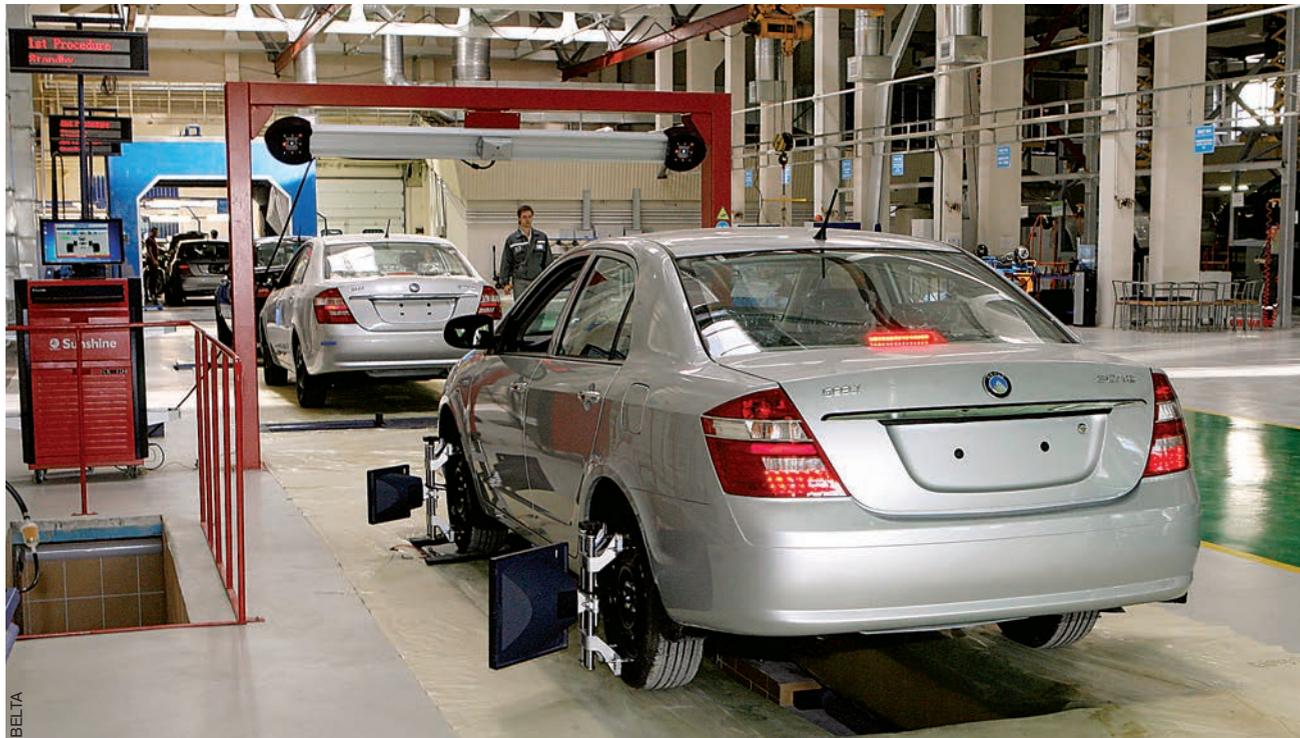
Implementation of investment project to produce passenger cars in the Borisov District was discussed during working meeting between President of Belarus Alexander Lukashenko, Prime Minister of Belarus Mikhail Myasnikovich and Chairman of the Minsk Regional Executive Committee Semen Shapiro

By Vasily Kharitonov

“Before we start, I can say that, what many Belarusians and, above all I, have been dreaming about has come true,” said the Head of State. “We’ve produced Belarusian cars together with our Chinese friends. According to my data, we sold around 2,500 cars last year. There is demand for this type of cars, not only in Belarus but abroad, too”.

The President was interested in learning about the potential problems regarding the production and sale of cars. “You understand perfectly well that, by making these cars in Belarus together with our Chinese friends, we encroach upon the sanctum sanctorum of Russia, first of all. We are going to sell these cars all over the world, including in Russia and Kazakhstan,” noted the Belarusian leader. “I’m interested in today’s reaction of the Russian automobile industry lobby. Nevertheless, the car has been granted all the permits and certificates in Russia, and we can indeed sell these automobiles in Russia. Therefore, I’d like to know what is being done about the car recycling tax. I think it’s necessary to involve our Chinese partners and to resolve this problem if there is one”.

“It is our honour to make these cars in such amounts and on the schedule we’ve



Belarusian-Chinese Geely cars — made in Borisov — are planned to be sold in the countries of the Customs Union

planned,” stressed Mr. Lukashenko.

“The car is a good one and sells well, so it should be manufactured and promoted. Moreover, a number of our large enterprises receive orders for component production. Therefore, it’s a very important science-intensive project and we should definitely implement it,” said the Head of State.

According to the President, the production of Belarus-made cars on a par with global standards is as important as space exploration projects and the construction of

the nuclear power plant.

According to Mikhail Myasnikovich, the first stage of the project to set up an enterprise to assemble 10,000 cars per annum has been already implemented in Borisov. Plans have been made for an export-oriented enterprise with an output capacity of 120,000 cars per annum in future. The project is supposed to be implemented together with the Chinese Geely company. “We use their experience. It’s a large company, one of the leading in this field. It produces several hundred thousand automobiles per an-

num and enjoys a good reputation on the market. On the whole, the project is estimated at about \$650m, including about \$450m in fixed-capital investments,” he said.

The Government has elaborated a draft Presidential Decree ‘On Some Issues of Organisation of Car Manufacturing’. “We didn’t rush the decree because it was necessary to create the capacity for semi-knock-down assembling and see the market’s response to the emergence of yet another car maker,” added the Prime Minister.

Mr. Myasnikovich admit-

ted that sale terms are not simple, because at present about 30 car assembly enterprises operate in Russia alone. It’s necessary to reduce prime costs and maximise the added value in Belarus, which will result in salaries of the workers and tax revenues. At the same time, the Chinese side should be interested in working in Belarus and producing automobiles together. “One-sided benefits are not an option. The project should be mutually beneficial and we are working towards it. It is part of the draft Decree,” underlined the Prime Minister.

Speaking about certain difficulties, including the introduction of the car recycling tax in Russia, Mr. Myasnikovich stated that “in order to secure the proper level of profitability and competitiveness, these issues will be handled using economic and political methods”.

The Government has also instructed the Ministry Industry and the joint venture to enable a proper after-sales service for the Belarus-made cars. “We don’t expect major issues regarding quality. At least, we haven’t heard any big complaints from those who have bought these cars for personal or business needs,” noted the Prime Minister.

Taking into account the vigorous development of the automobile market, plans have been made to design and make new models, with better quality parameters, at affordable prices.

The Head of State also gave instructions to gradually increase car manufacturing localisation. “In line with the legislation we should have 30 percent and more as far as industrial assembly is concerned. We believe that we can get close to 30 percent with car bodies (assembly, painting, and welding), and we can secure at least 20 percent of localisation by relying on automobile components and rubber goods,” explained Mr. Myasnikovich.

Good opinion relying on facts

On receiving Interior Minister, Igor Shunevich, the President of Belarus noted that he is satisfied with the performance of the Interior Ministry in 2013

By Veniamin Mikheev

Alexander Lukashenko commented on the awards that had recently been presented to senior officials of Belarusian law enforcement. The President emphasised that the awards were bestowed upon them for their work in the past year. “The Defence Ministry conducted a large-scale exercise, and, of course, this is of great merit to Defence Minister, Yuri Zhadobin. Dozens of garrisons have risen from the ashes and ruins, and have undergone reconstruction. Our army is solid and has determined its prospects, this is also to his credit,” noted the Head of State.

The Chairman of the State Security Committee, Valery Vakulchik was

awarded for his considerable personal contribution to the establishment of the Investigation Committee.

Commenting on the award for the Interior Minister, the Head of State noted that he got a good impression of the work of the police in 2013. “The police worked well. This is not merely praise. You know, I do not really like to praise people. However, I need to do them justice,” said the President.

Interior Minister, Igor Shunevich, reported to the President about the development prospects of the Interior Ministry, and suggested ways for further improvement and reform.

Speaking about the Interior Ministry’s achievements in 2013, the Minister noted that the general crime rate

had dropped. Last year, the number of reported crimes was down by nearly 12,000. The number of repeat crimes and crimes committed by juveniles has also been reduced. According to Mr. Shunevich, preventive work has brought these positive results.

Moreover, the measures passed by the government helped reduce deaths and injuries sustained during road accidents. The number of speed infringement cases dropped by 26 percent, leading to the drop in deaths and injuries.

After hearing the report by the Interior Minister, the Head of State set several short term tasks, and gave instructions to further improve the performance of the Interior Ministry.

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