

Some facts from life of local millionaires

According to the data, nearly 20,000 people in Belarus have more than \$1 million. Experts consider that there should be more rich people.

By Yelena Spasyuk

Dollar millionaires in Belarus make 0.2 percent of the population. "It practically coincides with worldwide average indicator. Thus Belarus does not have a problem of social inequality, and it is impossible to call the fortune of rich people of the country astronomical," considers Alexey Matsukin, the Head of Minsk A-Club of Alfa-Bank JSC. The number of millionaires in Belarus has grown by 50 percent in the past two years, "It was a period of confident

growth of capital, where even conservative tools of investment had high profitability according to world measures."

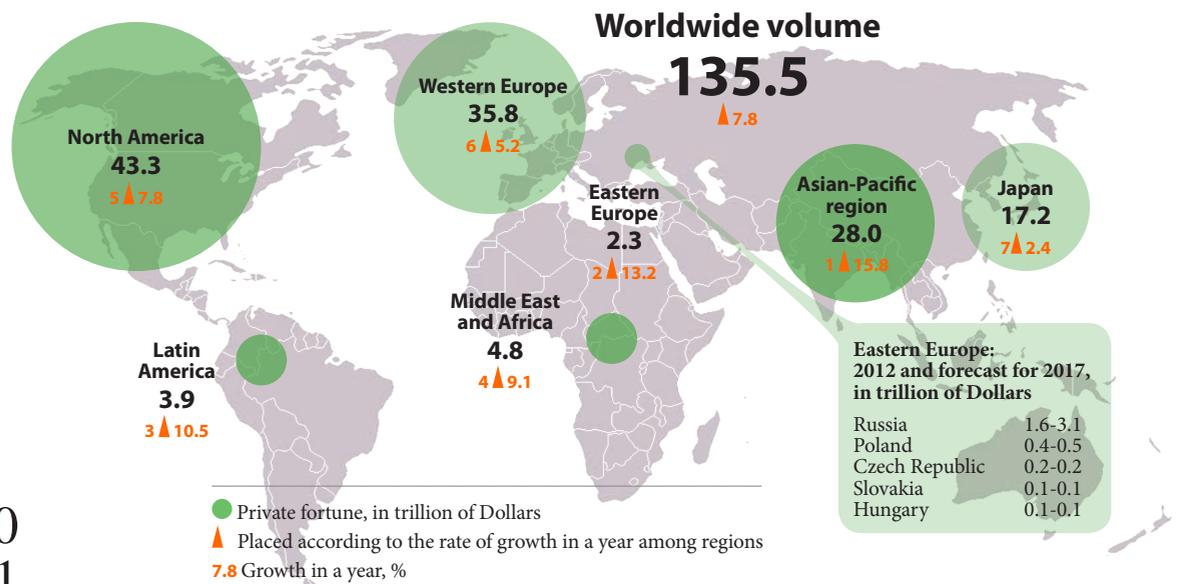
The majority of millionaires live in Minsk. As a rule, they are owners of businesses, beneficiaries and partners-managers. Wage workers are seldom found among the wealthy millionaires. Well-to-do men actively use bank tools, first of all depositary tools. According to the expert, the overwhelming majority of millionaires are ethnic Belarusians. But there are also a

lot of private investors from Russia, Great Britain, Spain and France. There are also millionaires from Egypt, India and other countries. In Belarus, one in 473 people is a millionaire, in Russia one in 798, one in 221 in Germany and in Switzerland one in 45. According to Forbes, the majority of millionaires live in the USA and Japan.

In general, we don't have so many millionaires, and \$1 million today is not as huge a sum as it was 10 years ago. Some experts note, "There should be more Dollar millionaires in Belarus in order that the domestic market was capable to develop at the expense of their capital". Thus they note, "The use of stimulation methods of the domestic market and the increase of money supply and rates of crediting increases well-being firstly to those who already possess capital and know the mechanisms of the banking and financial systems. Generally speaking, money makes money."

At the same time, the difference between the income of the poorest and richest residents of Belarus is insignificant. In 2013, the average per capita dispos-

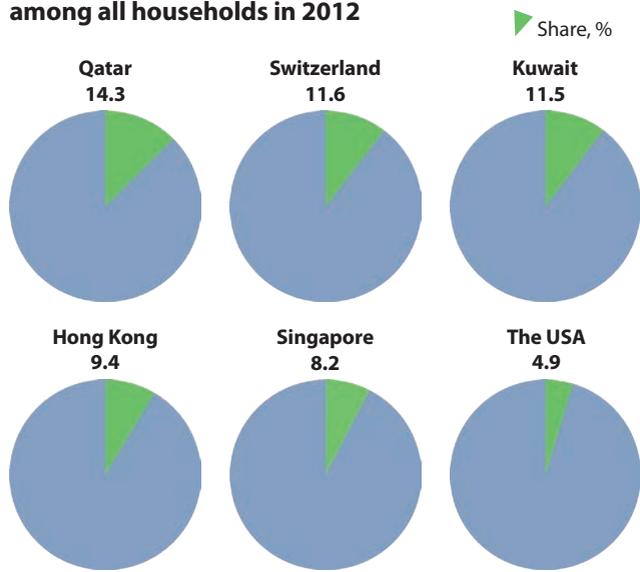
Wealth in the world in 2012



Countries with the largest number of millionaires in 2012

Country	Number of millionaires	Number of ultra-millionaires with a fortune of more than \$100m	Share of ultra-millionaires among millionaires, %
1 USA	5,876,000	3,016	0.05
2 Japan	1,460,000		
3 China	1,304,000	851	0.07
4 UK	509,000	1,001	0.20
5 Switzerland	395,000	339	0.09
6 Canada	373,000	476	0.13
7 Germany	362,000	680	0.19
8 Taiwan	312,000		
9 Italy	274,000	381	0.14
10 France	256,000	371	0.14
11 Hong Kong	231,000	323	0.14
12 The Netherlands	191,000		
13 Russia	180,000	328	0.18
14 Australia	178,000	231	0.13
15 India	164,000		

Countries with the biggest share of millionaires among all households in 2012



able income of the top 10 percent of the most of well off people and 10 percent of the most poor, differed by 5.9 times. In Russia this indicator was 16.4 times, in Armenia — 15.9 and Moldova — 15.2, with the world average at around — 10-12 times.

According to the National Statistical Committee of the Republic of Belarus, the growth of monetary income in Belarus during 2013 was accompanied by a low degree of differentiation. The amount of monetary income of the population was derived from salaries, which occupied 64 percent (63.9 percent in 2012), income from en-

trepreneurial activity and other activity was about 10.6 percent (10.5 percent), transfers of population occupied 20.5 percent (20.7 percent), incomes from property was about 4 percent and other incomes — 1 percent.

The state should value citizens possessing capital, and should create an investment climate which allows money to be put into circulation. But experts believe that currently, there are no such conditions in Belarus. Therefore, the millionaires stay in the background. Mr. Matsukin, the Head of Minsk A-Club, characterises the way of life of the average Belarusian mil-

lionaire: "The majority of them are calm and modest people. They are well-read, are interested in history and culture and collect objects of art."

Experts consider that it is bad for society, when people with money are treated with suspicion. "On the contrary, it is necessary to aspire to become a millionaire and to follow their cue. Then there will be progress. In other words, it is good, when there are more rich people and less poor people," considers Georgy Badey, the honourable Chairman of the Business Union of Entrepreneurs and Employers (named after Kunyavsky).

Single transport company will be established in EurAsEC soon

By Vladimir Velikhov

At the same time, Belarus GDP could grow by \$1bn

The idea of the creation of an integrated transport & logistics company of the Eurasian Economic Community was approved at the session of Heads of Governments of Belarus, Kazakhstan and Russia in the summer of 2012 in St. Petersburg. Recently it has become known that the integrated transport company in EurAsEC may be formed in the first half of 2014. Such terms were preliminary determined at the meeting of Prime Minister Mikhail Myasnikov and the President of Russian

Railways JSC, Vladimir Yakunin, which was held in the Belarusian government.

The idea of the creation of an integrated transport & logistics company of the Eurasian Economic Community is not just a railway project, Mr. Yakunin considers. We do not have such a scale projects neither in the CIS, nor in EurAsEC. The largest logistician of the world — DHL Company is already showing an interest in it. It is expected that the product created by national railway carriers of Belarus, Kazakhstan and Russia, will be not only competitive, but also rather profitable for the infrastructure of railways of three states, and

also their logistical companies.

"Participants of the project approved projects of the charter and internal documents of integrated transport & logistics company of the Eurasian Economic Community, the draft business plan was also co-ordinated," Mikhail Myasnikov noted. "Time has come to enter the phase of decision-making."

The Belarusian government noted that, thanks to the realisation of this project, it is planned to increase transit of container cargoes by 2021, first of all across the China-EU corridor, to the level of 1.1m containers. As for our country, at the expense of this project

Belarus plans to increase transit container traffic by 4.5 times and the volume of turnover of containers at the Brest-Severnoy station almost sevenfold. Thus the volume of investment in the development of terminal-warehouse infrastructure will make about \$25m. The government counted up that cumulative effect from the given project in Belarus will allow for a GDP increase of about \$1bn.

Nuances of other strategic projects were also discussed in Minsk. In particular, the large cargo-transport EU route — Belarus-Russia-Kazakhstan-Turkmenistan-Persian Gulf suggested previously by Mr. Myasnikov.

Draft contract is ready

In Moscow, at the session of Council of the Eurasian Economic Commission, representatives of Belarus, Russia and Kazakhstan co-ordinated the draft treaty on the Eurasian Economic Union

"We have discussed all sections of the draft treaty in order that all participants are satisfied with all wordings," said the representative of the Belarusian side, Sergei Rumas.

It is planned to send the document for fulfilment of procedures of interstate co-ordination, so that by May 29th it will be ready for signing by the presidents of the three countries. Mr. Rumas specified that a number of important questions for Belarus, including those concerning oil refineries and industrial assemblage of transport, are brought to a bilateral level between Belarus and Russia.