



Produce manufactured and planned for production at Altimed JSC is import-substituted and enjoys great demand

No obstacles to business initiative developing

“We are producing human body components,” Altimed JSC’s Director, Anatoly Dosta, says casually, explaining, “The 20th century was a period of drugs; the 21st century will be the age of implants.”

By Kirill Dmitriev

In the mid-90s, Altimed was founded by academician Alexander Rutsky and Anatoly Dosta, launching the production of hip implants. The technology was a true miracle for patients; Alexander and Anatoly seemed Heaven-sent. “This is the production of the fifth-sixth technological mode: currently the highest in the world,” stresses the Deputy Head of the Presidential Administration, Andrei Tur. Unsurprisingly, Altimed’s products enjoy great demand in Europe, Canada and Asia. Truly, only a few such facilities operate globally.

The company now plans to produce implants for knee joints and intervertebral discs, in addition to dental implants. Moreover, it is aiming for a third of the global market in the latter. As their goods are two-three times cheaper than those of their rivals, while boasting better quality, their target is not unreasonable.

Actually, Alexander Lukashenko’s trip to Osipovichi focused on a simple formula of sales depending on manufacturing. In this respect, the enterprises visited by the Head of State can act as an example. Mr. Lukashenko spoke to its staff, noting that only a few such manufacturers operate worldwide. It’s quite possible that mutual agreements exist to keep prices high for their products (since demand outstrips supply), which leaves Belarusian goods the chance to claim a good slice of the market. The President noted, “With our prime cost, we can rival any enterprise — especial-

ly taking into account energy prices and the cost of labour. We have advantages which we should make use of.” Of course, the same is true of many Belarusian producers. Speaking of Altimed, Mr. Lukashenko addressed Health Minister Vasily Zharko and the Chairman of the Mogilev Regional Executive Committee, Piotr Rudnik, saying, “You should offer support in this matter, cutting red-tape. Where a market exists, we should master it and keep a tight hold.”



Sontsa Factory manufactures household chemicals

During his trip to Osipovichi, Mr. Lukashenko was eager to learn how his orders from last July’s visit relating to new manufactures have been fulfilled at the local wagon building plant. With GrandExpress JSC, the plant is aiming to produce 2,500 cargo railway carriages and 2,000 tank-containers by late 2012 (its annual target).

On studying the information stands prepared for the visit, I

could see that everything was on schedule. The first stage (construction of a production building) is finished, although problems have occurred regarding its equipment, as dialogue with investors has experienced difficulties. The President commented, “Investors need to be given help but all adopted decisions should be realised perfectly. The investor should also be told what happens if they fail to keep their promises on time. In all other respects, they should be supported.”

Businesses have received a clear signal: their words and actions must coincide. Of course, the state is ready to support all serious initiatives and, naturally, mutually beneficial partnership. Another Osipovichi-based enterprise, Sontsa, is a good example. Without here ‘advertising’ its specific brands, we can say that it held just 1 percent of the domestic washing powder market last May, when it

began sales; this has now risen to 25 percent, inspiring the development of the whole branch. Local manufacturers now satisfy 50 percent of domestic needs for this produce. As Sontsa’s market researchers shows, the company could conquer 60 percent of the market by late 2012.

Sontsa has also noticed a rise in its market share of dish washing liquids and shampoos, and other daily use products, encouraging it in ever greater plans. Its products are already enjoying demand in Ukraine, Russia and the Baltic States. Businessman Sergey Levin is overseeing the promotion of Sontsa goods, personally guiding the image of ‘Syabar’ and ‘Sochny’ brands, which are now well-known. Any project is based on huge investments which make \$100m by now. Mr. Levin also plans to set up mass milk production, with around \$65m injected. He even hopes to set up a multi-functional company (on the principles of state-private partnership) to produce a wide range of consumer goods: confectionery, beverages and household cleaners. As all those with business sense know, it’s easier for a cluster to gain a share of global sales.

The President listened to all proposals attentively and praised Mr. Levin’s business style. Mr. Lukashenko stated that it’s not only vital to establish new facilities but also to encourage businessmen like Mr. Levin, as the country needs such people. Of course, new projects will be studied by regional authorities and the Government, with no obstacles to the development of wise business initiatives.

Rate without sharp fluctuations

The National Bank does not consider that the exchange rate of the Belarusian Rouble shall fall below Br8,000 per US Dollar, although it has approached this psychological benchmark several times

Judging by early Q1 results, it seems that the local economy is emerging from the crisis — observed on the financial market last year. “The economy is already used to such figures and would find it uncomfortable to work under anything different,” notes the Chair of the National Bank, Nadezhda Yermakova. “We are seeing a stable situation at present, with sales of foreign currency prevailing over purchases. Over the past month, the National Bank has conducted mostly Rouble interventions on the Belarusian Currency and Stock Exchange. Since early 2012, we’ve bought around \$1bn — all used for national gold and currency reserves,” Ms. Yermakova adds.

The active buying of foreign currency has led to a Rouble excess on Belarus’ monetary market, as the country’s major bank admits. However, the ‘excess’ Br10 trillion currently circulating will be gradually removed. “Sadly, crediting of the economy does not meet the pace we’d love to see,” states Ms. Yermakova. “We need to strive for banks being able to place more of their money via individual and business loans.”

According to Ms. Yermakova, existing rates are still inadequate to protect private savings from inflation and reduced rates have discouraged savers. Accessible loans for accommodation construction remain vital so Ms. Yermakova assures us that change is around the corner. In particular, credits for the military are to be re-considered.

Reserves of precious metal grow

By Anna Kotova

Belarus’ gold and currency reserves reached \$8bn on April 1st, by IMF definition

The National Bank’s Information Department has informed BelTA that, in March, Belarus’ gold and foreign currency reserves rose by \$69m — to reach \$8,085.2m in equivalent (preliminary data), by IMF definition. By national definition, the gold and foreign currency reserves reached \$9,600.7m — up \$35m.

“The increase in gold and currency reserves in March was facilitated by the positive balance of the National Bank’s foreign currency transactions on the Belarusian Currency and Stock Exchange. Importantly, the National Bank and the Government fully met external and domestic obligations in foreign currency,” the National Bank notes.

