



BELARUSIAN UNIVERSAL COMMODITY EXCHANGE

OPEN JOINT STOCK COMPANY



BY INSTILLING CIVILIZED PRACTICES OF TRADE, WE REVIVE OLD TRADITIONS





Arkady SALIKOV,
Chairman of the Board
of the Belarusian Universal
Commodity Exchange, OJSC

Dear ladies and gentlemen!

Belarusian Universal Commodity Exchange stands as the core of the organized commodity market in the Republic of Belarus. In today's market conditions, the exchange mechanism has an advantage over other forms of trade and is the most efficient one due to the high concentration of supply, equal access to goods for all market participants, openness and transparency of trade operations. A fair price for goods is reached under free competition at exchange auctions on the basis of the actual supply and demand.

BUCE carried out the first auctions on June 2, 2005. By then only 15 companies were accredited at the Exchange. At the moment our client base comprises more than

13000 participants, out of which more than 2800 are represented by companies from 56 countries.

The Exchange has been a member of the International Association of Exchanges of the CIS (IAE CIS) since 2008. At our initiative in October 2010 the Committee on commodity markets was formed at IAE CIS, whose work is directed at creation of favorable conditions for international trade with the use of up-to-date exchange technologies, including on the terms of high degree of assuring the execution of concluded foreign trade contracts.

In 2011 BUCE became a full member of the world's leading Association of Futures Markets (AFM), participation in which contributes to the spread of business information about the Exchange in the international exchange community, and also opens up new horizons for the intensification of exchange trade, helps to strengthen international cooperation ties, empowerment of Belarusian companies to find potential trading partners abroad and enter new export markets, promoting the image of not only the Exchange, but Belarus in general among the foreign companies involved in the exchange trade.

Branches of Belarusian Universal Commodity Exchange operate in all regional centers of the Republic, and in 2010 the Representation office of the Exchange opened in Moscow in the Russian Federation on the premises of the All-Russian Exhibition Centre, whose main task is to expand business ties, search for partners for the development of various activities of the Exchange in Russia and regions that collaborate with it. On the basis of the positive experience of this Representation office, we are working to create similar structures in other countries. For example, our representatives already work in Lithuania, Latvia, Bulgaria, and South Africa. German companies also express willingness to perform such a function.

Thus, Belarusian Universal Commodity Exchange in a relatively short time has become not just a well-known but reputable company, sought to have ties with by representatives of the business, because objectively it is one of the leading electronic trading platforms in Europe. Contributors to the achievement of this status are the continuous improvement of legal and software/hardware exchange trading, a wide range of services offered by the Exchange, in particular, exchange logistics, electronic trading platform for procurement through electronic auctions, information services, continuous expansion of the list of commodities, introduction of new instruments, including trading futures contracts on the futures commodity market.

In the short term on the basis of Belarusian Universal Commodity Exchange we plan to create a company of the holding type that will include the Exchange itself, a clearing house, branches, representation offices, the centre of information technologies and the exchange infrastructure as a whole. Creating such a holding will further cement the status of the Exchange as one of the most important economic institutions in the Republic of Belarus, and will contribute to improving the competitiveness of the exchange trade participants in the global commodity market.



MISSION

- Expansion of the organized wholesale commodity market in the Republic of Belarus
- Improving turnover efficiency
- Perfecting government regulation of domestic and foreign wholesale trade
- Participation in the development of the financial market in the country
- Strengthening economic stability and security of the Republic, growth of its economic potential
- Implementation of integration processes in the exchange markets of partner countries





PRIMARY OBJECTIVES AND FUNCTIONS

- Working out a trading mechanism that puts into practice the most transparent system of transactions' conclusion on the basis of free price formation and free auctions by the rules in place
- Building a favorable competitive environment for buyers and sellers
- Enhancing the efficiency of Belarusian manufacturers' export and stability of their supply of raw materials
- Setting up public procurement
- Formation of realistic prices for material resources strategically important for the state and other types of exchange commodities, conducting monitoring of pricing factors.
- Preparing price quotations for exchange commodities and creating reliable sources of information on the situation in the wholesale market
- Increasing the degree of predictability and manageability of exchange commodity markets
- Simplifying the search for prospective suppliers and consumers, cutting down the time required to register contractual relationships, related documents and mutual settlements
- Arranging trading activity, increasing business activity of economic entities, developing market infrastructure
- Providing participants of the exchange trade with security against nonfulfillment of exchange transactions
- Participation in organization and development of electronic wholesale trade in the Republic of Belarus
- Expanding the list of exchange commodities and introduction of new exchange instruments
- Setting up mutually beneficial ties with the international exchange community

DEVELOPMENT PRIORITIES

- Expansion of trade and integration of commodity markets of post-Soviet countries
- Constant direct networking with embassies of the Republic of Belarus and through them with large foreign manufacturers and consumers of exchange commodities
- Participation in the work of intergovernmental bodies and international organizations on issues falling within the competence of the Exchange
- Opening up representation offices of the Exchange in the CIS and non-CIS countries
- Developing co-operation between exchanges
- Developing co-operation with exchange structures within the framework of international associations, alliances and unions.

COORDINATION COUNCIL ON THE EXCHANGE TRADE



- SEMASHKO Vladimir** First Deputy Prime Minister of the Republic of Belarus
(Chairman of the Coordination Council)
- PROKOPOVICH Piotr** Deputy Prime Minister of the Republic of Belarus
(Deputy Chairman of the Coordination Council)
- SALIKOV Arkady** Chairman of the Board of Belarusian Universal Commodity
Exchange, OJSC (The Secretary of the Coordination Council)
- AMELYANOVICH Mikhail** Minister of Forestry of the Republic of Belarus
- CHEKANOV Valentin** Minister of Trade of the Republic of Belarus
- KAZAKEVICH Vasily** Deputy Minister of Agriculture and Foods
of the Republic of Belarus
- KHARKOVETS Andrey** Finance Minister of the Republic of Belarus
- LIZURA Dmitry** Deputy Chairman of the Belarus Production and Trade Concern
of Forestry, Wood-Processing and Pulp-and-Paper Industry
- NAZAROV Yury** Deputy Head of the Department of Presidential Affairs
- OGORODNIKOV Alexander** Deputy Minister of the Industry of the Republic of Belarus
- SNOPKOV Nikolay** Minister of Economics of the Republic of Belarus
- VOLKOV Vladimir** Deputy Chairman of the Belarusian State Concern
for Oil and Chemistry

SUPERVISORY COUNCIL OF THE EXCHANGE

- CHEKANOV Valentin** Minister of Trade of the Republic of Belarus
(The Chairman of the Supervisory Council)
- GOSPODARICK Gennady** First Deputy Chairman of the Board of the BelarusBank, OJSC
(Deputy Chairman of the Supervisory Council)
- MATULIS Edward** Deputy Minister of the Trade of the Republic of Belarus
- MITSKEVICH Gennady** General Director of «Eximgarant of Belarus», Belarusian
Republican Unitary Enterprise for Export-Import Insurance
- VLADYKO Victor** Director of the Trade Department of the Belarusian Universal
Commodity Exchange, OJSC

BOARD OF DIRECTORS



**SALIKOV
Arkady**
Chairman
of the Board



**YAKUBOVICH
Oleg**
First Deputy
Chairman



**ZARETSKY
Anatoly**
Deputy
Chairman



**POPUDRENKO
Sergey**
Deputy
Chairman



EXCHANGE TRADE GEOGRAPHY

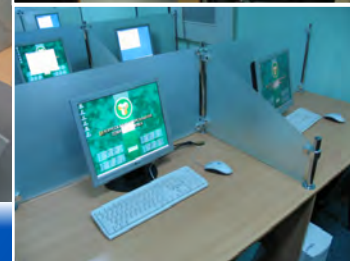
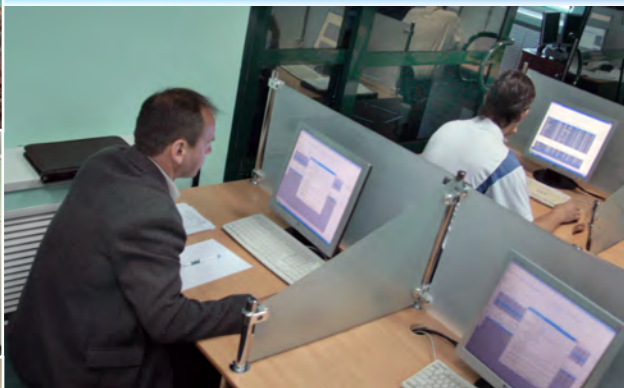


3028 foreign companies from 56 countries



1		AFGHANISTAN	84		ESTONIA	273		LIETUVA	8		SLOVAKIA
9		ARMENIA	5		FINLAND	31		MOLDOVA	1		SLOVENIA
9		AUSTRIA	2		FRANCE	16		NETHERLANDS	4		SPAIN
17		AZERBAIJAN	17		GEORGIA	4		NEW ZEALAND	2		SWEDEN
8		BELGIUM	70		GERMANY	1		NORWAY	4		SWITZERLAND
3		BELIZE	43		GREAT BRITAIN	3		PANAMA	4		SYRIA
10		BULGARIA	1		GREECE	209		POLAND	9		TAJIKISTAN
3		CANADA	10		HUNGARY	1		PORTUGAL	10		TURKEY
9		CHINA	1		IRAN	2		REPUBLIC OF SOUTH AFRICA	10		TURKMENISTAN
41		CZECH REPUBLIC	1		IRELAND	8		ROMANIA	151		UKRAINE
7		CYPRUS	13		ITALY	1583		RUSSIA	3		UNITED ARAB EMIRATES
5		DENMARK	42		KAZAKHSTAN	1		SERBIA	19		U.S.A.
2		DOMINICA	7		KYRGYZSTAN	1		SEYCHELLES	21		UZBEKISTAN
1		EGYPT	224		LATVIA	2		SINGAPORE	2		VIRGIN ISLANDS

TECHNOLOGICAL INFRASTRUCTURE



The main objective of the Exchange, which is rendering services to its clients on organizing and holding exchange auctions, could not have been achieved without the proper technological infrastructure.

The Exchange's premises open for individuals (trading floors, halls, vestibules) are contemporary styled, roomy, bright, properly air conditioned. The four trading floors host

126 TRADER AUTOMATED WORKSTATIONS

And to think that just a short time ago the very first trading floor with 30 workstations was a particular highlight of the Exchange!

Data Processing Centre represents ultramodern computer assembly, whose computer and software features are ever growing. Not only basic but auxiliary operations of the exchange trade are automated to the maximum. Stock of computers is constantly updated.





ELECTRONIC TRADING SYSTEM

The unique **Automated System of Auctions Support (ASAS)** is the technical foundation for conducting electronic exchange auctions at Belarusian Universal Commodity Exchange.

ASAS is designed for complex automation of all necessary operations on the trading platforms of the commodity exchange powered by contemporary information technologies.

ASAS is a hardware and software complex, providing all basic procedures of the exchange technology: input, storage, trading data processing, conclusion of exchange transactions, exchange quotations calculation, etc.

ASAS facilitates special-purpose exchange auctions with agriculture, timber, metal, as well as conducting electronic auctions with industrial and consumer goods of any kind.

The main task of ASAS as the exchange instrument is to increase the intensity (performance) of exchange auctions, i.e. to supply exchange auctions participants with a chance to conclude more exchange transactions in a shorter period of time. This task is solved in ASAS with the help of a mechanism of there being many auctions of the same type, conducted in parallel, where auctions participants can take part in any single one simultaneously.

Data Processing Centre (DPC) is the electronic heart of ASAS, it's designed to secure stable operation of software applications that automate basic technological processes of the Exchange and possesses performance data, sufficient for effective fulfillment of these processes.

The **aims** behind the setting-up of DPC are as follows:

- holding exchange auctions at a high level,
- increasing coordination and efficiency of the exchange trade processes,
- prompt provision to all auctions participants with all the necessary information,
- providing exchange of information among auctions participants,
- securing preparation and realization of exchange auctions,
- providing interaction with external networks of data transfer,
- information security of the exchange trade.

DPC operation is secured by Information and Engineering Systems.

Information System is structurally divided into the following subsystems:

- **Server Hardware Subsystem** including:
 - Database Servers (storing and processing databases, data transfer to application servers or work stations),
 - Application Servers (application processes, interaction with clients),
 - Directory Service Servers (hold key information about network users, provide establishment/maintenance of Name Zone),
 - File Servers (grant the multiple access to a disk space and File Service System),
 - Servers for subsystem monitoring & hardware control).

- **Data Storage Subsystem** (built with the Storage Area Network architecture and Fibre Channel technology).
- **Data Reserve Copying Subsystem** responsible for creation and storage of copies of all data to be reserved.
- **Communication Hub** responsible for linking DPC hard-

ware with information networks of Exchange).

- **Monitoring & Steering Subsystem** (for control of computing platforms and applications).

● **Engineering System** is structurally divided into the following subsystems:

- **Power Distribution Subsystem** (provides power consumption to DPC equipment).

- **Uninterruptable Power Supply Subsystem** composed of uninterruptable power supply units (for short-time outages of no longer than 30 minutes) and a diesel-generator set (for several days' power outages).

- **Precision Air-Conditioning and Ventilation Subsystem** (provides execution of climatic conditions for DPC).

- **Fire Alarm and Suppression Subsystem** (early fire warning detectors and halon fire suppression units).

- **Structured Cabling Subsystem** (energy cables and low-tension cables).
- **Access Control Subsystem.**



MAIN SPECIFICATIONS OF DATA PROCESSING CENTER

Contains **16 processors**,

each **delivery capacity – 1,8 GHz**

Random access memory (RAM) has size **64 GB**

Operating System – **HP-UX (Unix)**

Database Management System –

Oracle Server Enterprise (Edition 10g)

Enables simultaneous work of up to **3500** traders

Complies with strict database response time requirements

Application Servers (29 pcs) implement all applied problems of the trading system. High-scale fault tolerance. High availability for service.

DATA PROCESSING CENTER



EXCHANGE HEADQUARTERS

DATA PROCESSING CENTER

SOFTWARE-HARDWARE COMPLEX FOR LOCAL AND GLOBAL NETWORKS

SECURITY

MAIN TRADING PLATFORM OF THE EXCHANGE

ANY TRADER'S AUTOMATED WORKSTATION IN ANY COUNTRY OF THE WORLD

INTERNET

TRADER'S WORKSTATIONS ON TRADING PLATFORMS OF THE EXCHANGE BRANCHES AND REPRESENTATION OFFICES ABROAD

ANY COMPUTER OF ANY TRADER IN ANY COUNTRY OF THE WORLD

Data Storage System is **15TB**, which is enough for the trading system and the whole infrastructure of the Exchange.

Data Backup System is **40TB**. It provides data archiving of all the past auctions and is highly failsafe.

Active Networking Equipment from Hewlett-Packard (HP ProCurve 8212 zl) provides aggregate throughput of the computer network of **10 GB/sec.**



EXCHANGE BULLETIN & MONTHLY REVIEW

Since May 2007 Belarusian Universal Commodity Exchange has been published its own periodical, **the magazine «Exchange Bulletin»**. It is the exclusive information source which includes exchange quotations data and information on market-determined prices for all commodities traded at the exchange.

Exchange Bulletin introduces readers to the activities of the exchange, informs about new services and technologies of exchange trade and publishes ratings of exchange participants and brokers. The exchange prepares professional analysis and forecasts of exchange and interfacing sectors of commodity market of Belarus providing answers to major questions.

Some issues of Exchange Bulletin are published in the form of special editions

and devoted to the most urgent questions of exchange trade and business (logistics of exchange commodities, financial instruments, etc.)

The Bulletin is the authoritative edition that not only provides actual information to the exchange's clients but also enables them to express own opinions on issues in different aspects of exchange trade. This is a free forum for us and our clients for exchange of views.

The Bulletin is published quarterly in print in Russian (annual issues occur also in English).



In February 2011 Belarusian Universal Commodity Exchange launched a periodical called **Monthly Review of the Exchange Commodity Market**. So far the review has been issued in the electronic form only and distributed just by subscription being emailed to the customer.

The Exchange Review contains analyses of the Belarusian exchange market for a preceding month, exchange quotations and auctions results on all the traded commodities, up-to-date information about the Exchange as a whole and its trading sections, the Exchange experts' comments on statutory and legal acts that regulate exchange activities. The information is offered as text and tables and furnished with graphs and figures. The language is Russian. You can subscribe for both periodicals. E-mail us on:

o.voytehovich@butb.by,

phone +375 (17) 309 32 90 (English-speaking), fax +375 (17) 309 37 92



REPRESENTATION OFFICES ABROAD



On account of expansion of international co-operation and its presence in different regions of the world, Belarusian Universal Commodity Exchange pursues a deliberate policy of creating representation offices outside Belarus. The first one became the **Representation office in the Russian Federation** that opened on April 7, 2010 on the premises of the All-Russian Exhibition Centre in Moscow.

Major objectives behind the creation of the Representation office:

- enhancing merchandising possibilities of Belarusian enterprises in the Russian market,
- extension of the Exchange's business contacts in the Russian Federation and other countries,
- representation and protection of the Exchange's interests in Russia and other regions,
- rendering full service on accreditation of nonresident companies and enabling their participation in the exchange auctions,
- acquisition, consolidation and analysis of information about the Russian commodity market, market research,
- search for partners to develop the exchange trade and other areas of the Exchange's operation,
- carrying out promotional and PR activities,
- search for investors and attraction of foreign investment.

There are representatives of the Exchange who perform similar functions in Lithuania (Vilnius) and Latvia (Riga)

BRANCH NETWORK



A network of the Exchange's branches in the regional centers of the country has been created for broader presentation of exchange services in the regions and development of the exchange market in the Republic as a whole.

The chief goal of the branches' activity is to bring the exchange's trading platform closer to auctions participants. It will allow the clients of the Exchange to cut down expenses, and the Exchange to improve quality of service.

The branches ensure at the local level:

- Holding auctions at the same time as the main electronic trading platform of the Exchange in Minsk and other branches.
- Communication with local public authorities on aspects of development of the organized commodity market, including in the area of organizing local exchange auctions for enterprises and organizations of the region.
- Promotion of the exchange trade among the enterprises of the region, direct interaction with their heads.
- Participation in exchange auctions both in the local network and via the Internet.
- Accreditation of regional participants of the exchange trade.
- Free education of traders.
- Transaction registration.



EXCHANGE AUCTIONS: METAL PRODUCTS

The share of industry in the economy of the Republic of Belarus makes up around one third of the national product volume. Car manufacturing, farm machine, tractor, construction engineering, road, and municipal machine building, machine tool industry, tool engineering, radio engineering and electronics industry and many other modern industries are well-developed in the country.

The country's machine-building complex comprises more than 100 modern enterprises. Among the main consumers of metal are the industrial giants Minsk Automobile Plant, Minsk tractor Works, Belarusian Autoworks, Gomel and Lida agricultural machinery plant, major enterprises of ministries and departments Minskenergo and Belenergostroy, Belaruskaliy and Promtechtomtazh, Mozyr Oil Refinery and NAFTA, which are top performers at participating in exchange auctions.

As a whole machine-building complex of the country annually consumes more than **2.5 mln t** of various metal products, out of which more than 0.5 mln tons are sold at exchange auctions. Economic efficiency of purchases is facilitated by the organized wholesale market of the exchange trade.

In 2014 the bulk of the exchange turnover was accounted for by the section of metal products and reached **577.53 mln EUR**.





THE LIST OF GOODS SOLD AT THE EXCHANGE AUCTIONS OF BELARUSIAN UNIVERSAL COMMODITY EXCHANGE IN THE SECTION OF METAL PRODUCTS

COMMODITY NAME	COMMODITY HS CODES	AUCTIONS SCHEDULE
DOMESTIC MARKET		
Ferrous metals and products thereof	3925...3926, 6815, 7019, 7201...7203, 7205...7229, 7301...7326, 8307, 8481, 8482	daily (except weekends and holidays)
Non-ferrous metals and products thereof, scrap and wastes of non-ferrous metals	2026, 7402...7413, 7415, 7419, 7502...7508, 7601, 7603...7608, 7610, 7616, 7801, 7802, 7804, 7806, 7901, 7904, 7905, 8001, 8003, 8007, 81, 8311, 8548	twice a week
Coal	2701	once a month
Coke	2704	once a month
Electrical products	8544	twice a week
FOR EXPORT		
Scrap and waste of ferrous metals	7204	once a week (or on a rolling basis)
Scrap and waste of non-ferrous metals, non-ferrous metals	7402...7413, 7415, 7419, 7502...7508, 7601, 7603-7608, 7610, 7616, 7801, 7802, 7804, 7806, 7901, 7904, 7905, 8001, 8003, 8007, 81, 8311, 8548	once a week (or on a rolling basis)

Some commodities in this table are in the binding list of metal products types approved by a Resolution of the Council of Ministers of the Republic of Belarus, which **are sold exclusively** at auctions of Belarusian Universal Commodity Exchange.

Get more on this and about the exchange trade rules, purchases and sales of metal products, electrical products, coke, coal at Belarusian Universal Commodity Exchange auctions from the official web site of the exchange www.butb.by.



EXCHANGE AUCTIONS: TIMBER PRODUCTS

The key place among natural resources of the Republic of Belarus is taken by forests that are a unique renewable resource. They cover 39.3% of all the country's area. **Forest reserves** of the Republic reach more than 9.5 mln ha. Standing crop is measured at 1.7 bln m³, among which ripe wood is 227 mln m³.

Annually forests of the republic increase by more than 31.9 mln m³ of wood. By a number of forest raw material factors Belarus is in the top ten forest nations in Europe.

All forests in Belarus are owned exclusively by the state. That is why the forest sector of the country is a fast growing industry in the real sector of the economy. In 2014 **18.5 mln m³ of merchantable wood** was harvested in the country's forests. This places Belarus in line with major European forest products exporters.

The system of forest products sales in the country is governed by a number of legal acts. The list of forest products to be traded at the Exchange is given in the table.

Total volume of timber sold at exchange auctions in 2014 was **12.68 mln m³ (5.64 trillion BYR or 416.66 mln EUR, in monetary terms)**.





LIST OF TIMBER PRODUCTS SOLD AT EXCHANGE AUCTIONS OF BELARUSIAN UNIVERSAL COMMODITY EXCHANGE

COMMODITY HS CODES	COMMODITY NAME
DOMESTIC MARKET	
4401 10 000 0	Fuel wood , in logs, in billets, in twigs, in faggots or in similar forms
4403 20	Wood in the rough , whether or not stripped of bark or sapwood, or roughly squared
4406	Railway or tramway sleepers (cross-ties) of wood
4407	Wood sawn or chipped lengthwise, sliced or peeled, whether or not planed, sanded or end-jointed, of a thickness exceeding 6 mm
4410	Particle board , oriented strand board (OSB) and similar board
4412	Plywood , veneered panels and similar laminated wood
4801, 4802, 4804... ...4811, 4816, 4817, 4819, 4821, 4823	Paper and paperboard
43 3916 20 0000	Components for PVC windows and doors production
	Standing wood
FOREIGN MARKET	
4401 10 000 0	Fuel wood , in logs, in billets, in twigs, in faggots or in similar forms
4403 20	Wood in the rough , whether or not stripped of bark or sapwood, or roughly squared
4403 99	Wood in the rough , whether or not stripped of bark or sapwood, or roughly squared, other
4406	Railway or tramway sleepers (cross-ties) of wood
4407	Wood sawn or chipped lengthwise, sliced or peeled, whether or not planed, sanded or end-jointed, of a thickness exceeding 6 mm
4410	Particle board , oriented strand board (OSB) and similar board (for example, waferboard) of wood or other ligneous materials, whether or not agglomerated with resins or other organic binding substances
4412	Plywood , veneered panels and similar laminated wood
4801, 4808, 4819, 4821	Paper and paperboard

Apart from auctions with timber, in line with a Decree of the President of the Republic of Belarus, the Exchange holds auctions on conclusion of contracts for rendering services for wood procurement in the domestic market of the Republic of Belarus.

Belarusian Universal Commodity Exchange is the main market where Belarusian timber and its derivatives products are sold domestically and for export.

There are as many as **200 foreign buyers** from **24 countries** of the world. The largest consumers of the Belarusian timber produce are Poland, Germany, Latvia, Lithuania, Estonia, Russia, Azerbaijan, Great Britain, China and Belgium.



EXCHANGE AUCTIONS: AGRICULTURE PRODUCTS

Agriculture is the most important industry of the Belarusian economy because of its geographic location, weather conditions and historical traditions. Before everything else the agricultural sector encompasses beef, dairy and crop.

Its technological infrastructure allows the Republic to show high economic indicators. For example, Belarus ranks No.1 among the CIS countries and No.4 in Europe by **milk** production per capita. Around 16% of the world's **flax** crops are focused in the country, and Belarus is in the top five out of 26 flax-producing countries in the world. The Republic is also in the top seven world leading **potato** producers and ranks No.1 by its per capita production. By cultivating **sugar** beet and possessing four big sugar factories, Belarus is able to meet its own demand in sugar by 100%.

Besides, Belarus has a developed agro-industrial complex. All this allows Belarus to be a major exporter of agricultural produce.

A large part of agricultural produce is sold at exchange auctions, which are held regularly. More than **500 organizations** participate in exchange auctions. It's not only representatives of meat and dairy and oil and fat industry, manufacturers of bread products of the Republic of Belarus, but also companies from Russia, Germany, the Netherlands, the US, Great Britain, Italy, Singapore, the Czech Republic, Switzerland, Poland, Latvia, Lithuania, Moldova, Ukraine, Kazakhstan and other countries.

In 2014 the turnover in the section of agriculture reached **337.16 mln EUR** (**394.47 thousand tons** in kind).





LIST OF AGRICULTURE PRODUCTS REALIZED AT THE EXCHANGE AUCTIONS

HS CODES	PRODUCT NAME
0201	Meat of bovine animals , fresh or chilled (or frozen)
0203	Meat of swine , fresh, chilled or frozen
0402 10	Milk and cream , concentrated or containing added sugar or other sweetening matter in powder, granules or other solid forms, of a fat content, by weight, not exceeding 1,5%
0402 21	Milk and cream , concentrated or containing added sugar or other sweetening matter in powder, granules or other solid forms, of a fat content, by weight, exceeding 1,5% , not containing added sugar or other sweetening matter of a fat content, by weight, not exceeding 27%
0404 10	Whey and modified whey , whether or not concentrated or containing added sugar or other sweetening matter
0405 10	Butter
0406 10	Fresh cheese (unripened or uncured) , including whey cheese, and curd
0406 90	Cheese and curd , other cheese
0510, 0206	Ambergris, castoreum, civet and musk; cantharides; bile , whether or not dried; glands and other animal products used in the preparation of pharmaceutical products , fresh, chilled, frozen or otherwise provisionally preserved. Edible offal of bovine animals, swine, sheep, goats, horses, asses, mules or hinnies , fresh, chilled or frozen
1001...1003, 1005, 1008	Cereals
1205, 1206	Oil seeds
1507, 1512, 1514	Vegetable oils (soya-bean, sunflower-seed, rape)
2102, 2309, 2922, 2930, 2933	Feed additives
2304	Oilcake and other solid residues , whether or not ground or in the form of pellets, resulting from the extraction of soya-bean oil
2306 30	Oilcake and other solid residues , whether or not ground or in the form of pellets, resulting from the extraction of vegetable fats or oils, of sunflower seeds
2517	Pebbles, gravel, broken or crushed stone , of a kind commonly used for concrete aggregates, for road metalling or for railway or other ballast, shingle and flint, whether or not heat-treated; macadam of slag, dross or similar industrial waste , whether or not incorporating the materials cited in the first part of the heading; tarred macadam; granules, chippings and powder , of stones of heading 2515 or 2516, whether or not heat-treated
2523	Portland cement, aluminous cement, slag cement, supersulphate cement and similar hydraulic cements , whether or not coloured or in the form of clinkers
2835	Phosphinates (hypophosphites), phosphonates (phosphites) and phosphates; polyphosphates , whether or not chemically defined
3101...3105	Fertilizers
3501	Casein, caseinates and other casein derivatives; casein glues
3808	Insecticides, rodenticides, fungicides, herbicides, anti-sprouting products and plant-growth regulators, disinfectants and similar products , put up in forms or packings for retail sale or as preparations or articles (for example, sulphur-treated bands, wicks and candles, and fly-papers)
4101	Raw hides and skins of bovine (including buffalo) or equine animals (fresh, or salted, dried, limed, pickled or otherwise preserved, but not tanned, parchment-dressed or further prepared), whether or not dehaired or split





ELECTRONIC EXCHANGE AUCTIONS



Electronic trading platform of industrial and consumer goods has been functioning at Belarusian Universal Commodity Exchange since May 2009.

In fact it is an innovation in the area of the exchange trade. Nobody before has held exchange auctions in such a vast diversified sector of the commodity market. And to think that it gives the participants a whole range of advantages:

- **buyers** are able to promptly pick the best product at a price, formed under conditions of objective correlation of supply and demand,
- **sellers** are able to acquire another channel to buy and sell their goods, to normalize and optimize the trading process,
- **sellers and buyers** will get access to unique information resources of the Exchange and gain maximum profit from each transaction, will speed up the trading process and cut down accompanying costs.

The trading system of industrial and consumer goods enables placement of bids for buying and selling in Russian and English. The software allows to trade daily around the clock, while the use of the Internet provides for buying and selling of a wide range of goods from anywhere in the world.

Given the international operation of the exchange platform, auctions participants advertise their goods for free (images + text) among more than **14 000** companies, accredited at the Exchange.



LOGISTICS OF EXCHANGE COMMODITIES

In 2011 Belarusian Universal Commodity Exchange launched the exchange logistics, a new service for auctions participants and prospective clients. It was created by the Exchange in partnership with legal entities, which acquired a status of an Exchange carrier, Exchange warehouse or Exchange expert.

At the first stage of its development the exchange logistics rendered services to buyers on transfer of already purchased goods from the seller's warehouse to the buyer. However, after exchange warehouses were registered abroad, its capabilities significantly increased. First of all, a seller got an opportunity to shape offers while on the trading platform with a price for the goods delivered to exchange warehouses outside of the Republic of Belarus. It significantly expanded the geography of export goods supply. At the same time a buyer as early as during the auctions can see the cost of goods in the country of destination and is free from worries about transportation of goods and associated risks.

The Exchange offers Belarusian manufacturers to sell their goods with no extra costs for advertising in Russia (Moscow, Smolensk), Kazakhstan (Almaty), Estonia (Muuga Harbour), Latvia (ports of Riga and Liepaja), Lithuania (port of Klaipeda), Germany (Frankfurt-am-Oder), Poland (Lososno), Bulgaria (Plovdiv). At that, exchange warehouses, being organizations that have an interest in acquiring a client for rendering additional services on warehousing, cargo execution, packaging, labeling and other operations, are prepared to advertise offered goods, set up after-sales and provide inbound logistics. Actually, today there are 14 representatives of the exchange commodity and technologies abroad.

The Exchange continues to expand the geography of exchange warehouses in CIS and non-CIS states.



VIT-Logistic JVC

Simultaneously it intensifies co-operation with them by transfer of rights for accreditation of new auctions participants abroad, with subsequent training given to traders and helping to generate trading and purchasing bids with the best logistics of goods delivered to the consumer. It allows not only increasing export volumes of Belarusian goods, but also carrying out trading of goods among other countries on trading platforms of Belarusian Universal Commodity Exchange.



LOGISTICS OF EXCHANGE COMMODITIES



EXCHANGE WAREHOUSES



- «Belimpottorg» RUTP
- Trade and Logistics Centre «Ozertso Logistic»
- «Komerк» Ltd. (port of Tallinn, Estonia)
- «Mabre» LPC (port of Klaipeda, Lietuva)
- «WT Terminal» (port of Riga, Latvia)
- «Market-TORP» LLC (Reutovo, Russia)
- «Rigas universalais terminals» LLC (port of Riga)
- «Centrum Logistyczne w Lososnej» (Poland)
- «L-BIT Group» Ltd.
- «Moscow Cold Storage Facility No. 9» (Russia)
- «Transnet Logistik» (Frankfurt (Oder), Germany)
- «Mihanovichi Logistical Centre» OJSC
- «Evrosklad Service» LLC
- «MAN-TESS Tranzits» LLC (Riga, Latvia)
- «KazBIT Logistik» LLP (Almaty, Kazakhstan)
- «Technomat Mercury» LLC (Gabrovo, Bulgaria)
- «IT International» SIA (Kraslava, Latvia)
- **Brest Branch of the Belarusian Railways**
(Brest Central, export, Belarus)
- **Baranovichi Branch of the Belarusian Railways** (Bruzgi-export, Belarus)
- West Siberian OJSC «Oboronpromcomplex»
(Novosibirsk, Russia)
- «Rodanar n.v.» OJSC (Gistel, Belgium)

The status of Exchange Carriers is possessed by the largest Belarusian freight forwarding companies, which own an extensive fleet of modern heavy trucks, profes-

sional drivers and many years of forwarding experience in the countries of Eastern, Central and Western Europe, the Baltic countries Scandinavia, as well as Central Russia and Ukraine.

EXCHANGE CARRIERS • «Belintertrans» LLC • «Transconsult Brest» Ltd. • «Transocean Bel» FE • «Beltransexpedition» CJSC • «Broker of Exchange Logistics» LLC • «Greatlogistic» PUE

On the agenda there is an issue of attracting and registering (s Exchange Carriers foreign freight forwarding companies, which carry out maritime, air, and multimodal transportation.

By way of controlling quality of exchange goods and minimizing possible losses of the exchange trade participants, Belarusian Universal Commodity Exchange engages expert service providers and insurance companies. There have been signed and are being realized Co-operation Agreements with:

- Unitary Enterprises of **Minsk, Grodno, Brest, Mogilev and Vitebsk Branches of the BelCCI** • Foreign Company «SGS Minsk» LLC • «J.S. HAMILTON Poland» Sp. z o.o. (Poland) • «SGS Polska» Sp. z o.o. (Poland).

For now the exchange logistics structure of Belarusian Universal Commodity Exchange has been created, is up and running and time-tested in the commodity market. It will enable foreign partners to sell their produce at exchange auctions inclusive of its delivery in Belarus, Russia, Ukraine and EU countries by registered exchange carriers via exchange warehouses.





FOREIGN ECONOMIC PRIORITIES

- **Agreements with foreign exchanges** on the following areas of co-operation:
 - Rendering reciprocal services on organization of an access for accredited participants to the parties' exchange platforms,
 - Exchange of information and analytical data on exchange commodity mar-

- Participation in and positioning of the Exchange at international and republican specific forums, exhibitions, etc.,
- Preparing and distributing educational materials.
- **Information co-operation with the leading national and foreign analytic agencies**, allowing to exchange current information for impartial analyses of the exchange commodities



kets and technologies, used during exchange auctions and information processing,

- Exchange of experience on various aspects of the exchange trade development.

- **Co-operation with international organizations** with the purpose of creating and developing the futures commodity market in the Republic of Belarus.
- **Co-operation with the world's leading information agencies and exhibition centres** with the purpose of forming an image of Belarusian Universal Commodity Exchange among perspective clients abroad:
 - Organizing and conducting educational seminars, held to show advantages of concluding transactions at exchange auctions,

market conditions, implementation of new instruments for distribution of the exchange information, promotion of information sale services.

- **Improvement of commercial and logistic infrastructure** to provide better access to the Exchange's trading platform and possibilities to use a wide range of services, rendered by logistics centres.
- **Dynamic advertising and PR policies** in foreign process-specialized periodicals, in the Internet (also with the help of electronic resources of the Exchange's partners).
- Implementation of projects on **regional electronic trading platforms creation** in cooperation with foreign partner organizations in order to develop trade and economic relations and increase foreign trade volumes of the Republic of Belarus.



INTERNATIONAL COOPERATION



AREAS OF INTERNATIONAL CO-OPERATION

EXCHANGES

Reciprocal accreditation of exchange auctions participants, exchange of information and technology of the exchange trade

CHAMBERS OF COMMERCE AND INDUSTRY

Information exchange, holding joint events on trade and economic co-operation, extending the geography of the exchange trade participants, entering new markets

TRADE ASSOCIATIONS

Russian Union of Metal and Steel Suppliers (attracting major metal traders for the purpose of increasing the exchange trade metal volumes)

LOGISTICS AND EXPERT SERVICE COMPANIES

Transportation, storage (warehousing, labeling, packaging, etc.), and inspection of exchange commodities

COMMODITY MARKET OPERATORS

Attracting manufacturers and major suppliers, as well as consumers of exchange commodities to exchange auctions

RESEARCH INSTITUTIONS

Exchange of analytic and marketing information, conducting joint marketing researches

MEMBERSHIP IN INTERNATIONAL INTEREXCHANGE ORGANIZATIONS

INTERNATIONAL ASSOCIATION OF THE CIS COUNTRIES EXCHANGES

Established for the purpose of coordinating efforts on development of organized financial markets consistent with international standards

ASSOCIATION OF FUTURES MARKETS (AFM)

International non-profit institution, consolidating more than 30 world's leading exchanges, clearing, bank and other organizations, involved in the exchange trade

INTEREXCHANGE ELECTRONIC UNION

Created by commodity exchanges from Armenia, Belarus, Kazakhstan and Ukraine with a view to promoting export-oriented commodities with the use of the exchange infrastructure of member exchanges



INVESTMENT PROJECT OF THE EXCHANGE



Considering serious shortage of business and office premises for average and small business in Grodno, thinking of development of business centers building as favorable and perspective, Belarusian Universal Commodity Exchange plans to realize the new investment project –

BUILDING OF A 3-FLOORED EUROPEAN STANDARD BUSINESS CENTER,

where may be allocated:

- hall of electronic exchange auctions of the Grodno Branch of the Exchange
- hotel ● conference hall ● restaurant ● fitness center
- an exhibition and game halls ● a lunch hall
- parking areas (opened area for 15 car–places and closed one for 65)
- recreation area with swimming–pool ● halls, balconies and lifts
- security service premises and ● other objects of infrastructure



«BUSINESS CENTER IN GRODNO»



TECHNICAL-AND-ECONOMICAL INDEXES

Building area	3716,01 sq. m
Total area	7830,16 sq. m
Total structural volume of superstructure	14092,85 cub. m
Total structural volume of substructure	11824,17 cub. m

ESTIMATED COST OF THE PROJECT **5.700.000 USD**

During the construction and installation works utility facilities were moved beyond the construction site, the ground floor of the building was arranged, waterproofed and backfilled, and a solid-cast framework of two out of three units of the superstructure were constructed.

A degree of the site's construction-preparedness is around 25 %.

The source of finance is proprietary funds. A total of more than **1,895,000 USD** had been used by January 1, 2013.

The plan of the investment project contains not only construction but further use of the Business Center.



**WE EXPRESS AN INTEREST
IN MUTUALLY BENEFICIAL CO-OPERATION
WITH EXPERIENCED AND RELIABLE PARTNERS
ON BUILDING AND OPERATION
OF THE BUSINESS CENTER
(& RESTAURANT & HOTEL) IN GRODNO.**

WE OFFER FAVOURABLE, LONG-TERM AND SAFE BUSINESS



PROJECT CHIEF

DEPUTY CHAIRMAN
Sergey POPUDRENKO

Office Phone +375 17 224 48 10
Mobile Phone +375 29 350 90 78
E-mail: s.popudrenko@butb.by
Postal Address: #2 Kazintsa Str., Minsk
220099 The Republic of Belarus



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THE REPUBLIC OF BELARUS

NATIONAL EMBLEM



STATE SYSTEM Unitary democratic state with the republican form of government. Presidential republic. Head of the state is the President. The President is a Supreme Commander-In-Chief of Armed forces. He also advances strategy of development of the country, its main aspects of domestic and foreign policy. The supreme legislative authority is the National Assembly consisting of the House of Representatives (110 members) and the Council of the Republic (64 members). The supreme executive power is the Council of Ministers headed by the Prime Minister.

STATE LANGUAGES Belarusian and Russian.

MONETARY UNIT Belarusian Rouble (BYR, code 974).

GEOGRAPHICAL POSITION Belarus is the Eastern European country. Geographic co-ordinates: between 23° and 33° Eastern longitude both 51° and 56° Northern latitude. Expedient geographical position for confer-rings West-East, North-South.

STATE BORDER The extention of the territory from North to South is 560 km (348 miles), from East to West is 650 km (404 miles). The total extention of the border is more than 3500 km. The country borders: in the North and the East — with Russia (959 km), in the South — with Ukraine (891 km), in the West — with Poland (605 km), in the Northwest — with Lithuania (502 km) and Latvia (141 km).

DISTANCES FROM MINSK: to Moscow – 715 km (444 miles), to Warsaw – 565 km (351 miles), to Berlin – 1120 km (696 miles), to Vienna – 1255 km (780 miles), to Paris – 2195 km (1364 miles), to London – 2200 km (1367 miles), to Madrid – 3300 km (2051 miles).

TOTAL AREA is 207,600 square km. It is the 13th place among European countries. Belarus is bigger than Austria, Switzerland, Portugal, Greece, Hungary, Ireland, Czech Republic and some other European states.

TIME ZONE Belarus is in the Central European Time Zone: UTC + 3 hours. Belarus 12:00 = Moscow 13:00 = London 10:00 = Paris 11:00 = New York 05:00 = Los Angeles 02:00.

STATE POPULATION 9,468 Mln inhabitants (January of 2014). Urban population share is 76,3%.

NATIONALITIES There are 125 nationalities in Belarus. The main ethnic groups are: Belarusian (83.73% of the population), Russian (8.26%), Polish (3.10%), Ukrainian (1,67%), Jewish (0,14%).

GENERAL FACTS

The Republic of **BELARUS**

ADMINISTRATIVE DIVISION Belarus is divided into 6 regions named after the central cities: the Brest region (1,388,600 inhabitants), the Vitebsk region (1,202,200), the Gomel region (1,425,400), the Grodno region (1,054,900), the Mogilev region (1,072,500), and the Minsk region (1,402,600 plus the city of Minsk – 1,921,900). Each region is divided into districts (totally 118).

CAPITAL The capital of the Republic of Belarus is the city of Minsk located in the centre of the country, on the intersection of the main routes. It is the largest Belarusian transport hub, the cultural centre of the country. It is here that all state bodies, industrial enterprises, and social and cultural objects are located.

NATURAL RESOURCES Belarus is poor in natural resources: peat deposits, oil (in small volumes), natural gas (too little), granite, dolomite (limestone), marl, chalk, sand, gravel, and clay.

MAIN TRADING PARTNERS are Russia, Ukraine, China, India, The Netherlands, Poland, Germany, Great Britain, Italy and Latvia.

ECONOMY The Republic of Belarus inherited its economy from the Soviet Union, but has upgraded it considerably and developed according to modern demands. The basic branches of the Belarusian economy are engineering industry and metal working, potassium salt extraction, chemical and petrochemical industry, electric power industry, light and woodworking industry, and also agriculture and food processing.

METALLURGY Main goods are: steel electrowelded circular and shaped tubes, steel casting, various sorts of strands, metal cord, nails, screw bolts, moulding materials, heating equipment.

AUTOMOTIVE INDUSTRY Belarus specializes in manufacturing of trucks, autobuses and special vehicles. It makes trucks of hoisting capacity of up to 300 tons. The Minsk Motor Plant produces more than 300 models of trucks.

TRACTOR INDUSTRY The leader in this branch is The Minsk Tractor Works, which produces tractors with power output of up to 280 h.p., with synchronized gear box, hydrovolume steering, modern hydraulic system. The Works is one of the seven main tractors exporters in the world.

Other developed branches of the national economy are engineering industry and metal working, machine tool and agriculture engineering industry, radio engineering, electronic and optical–mechanical industry.

**BELARUSIAN UNIVERSAL
COMMODITY EXCHANGE**
OPEN JOINT STOCK COMPANY

Legal Address

2 Kazintsa Str., office 200,
220099, Minsk,
The Republic of Belarus

Headquarters

phone/fax (+375 17) 224 48 25
phone/fax (+375 17) 309 37 01

E-mail Address:

info@butb.by

Official Website

<http://www.butb.by/>

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