

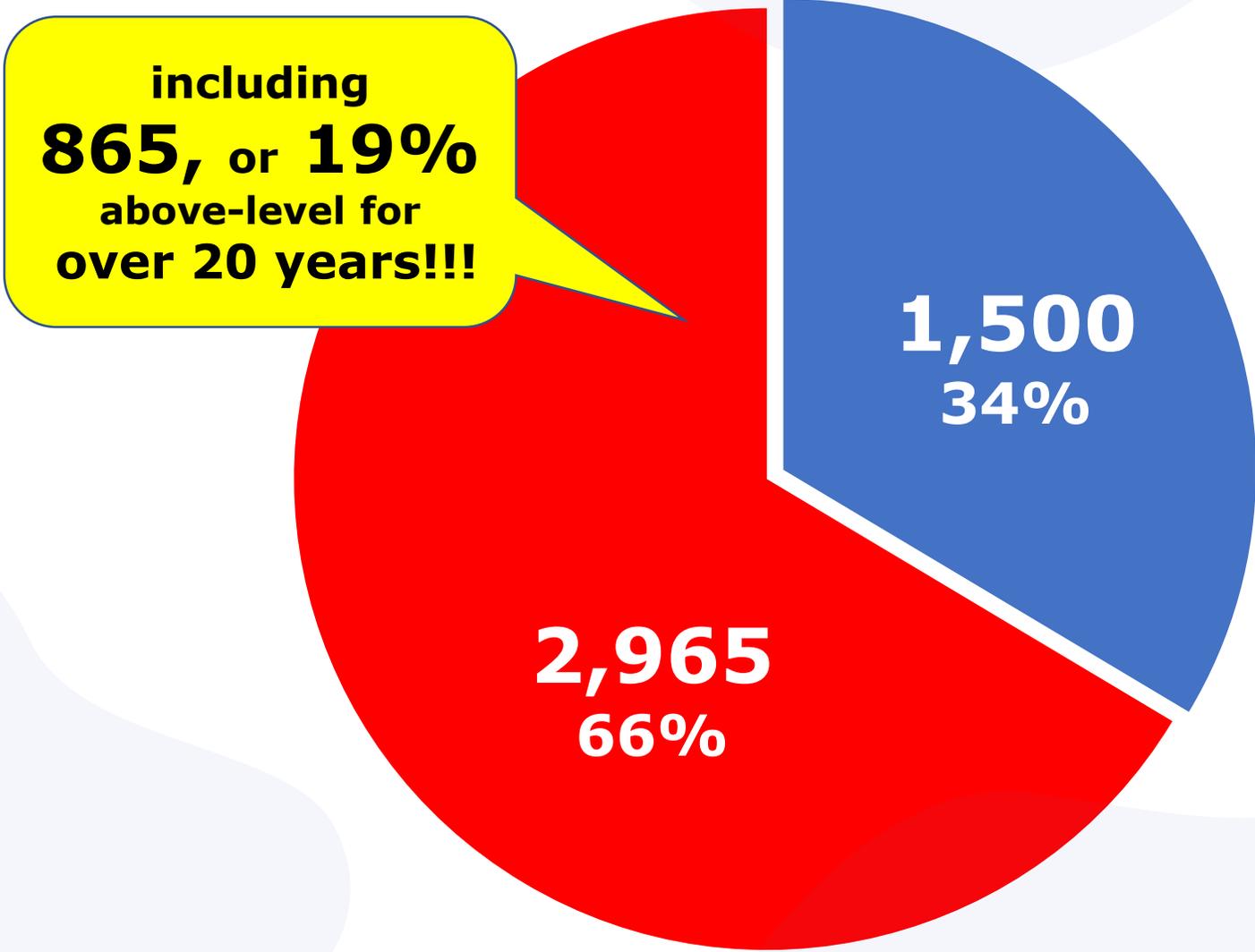
Evaluation of Effort Taken by Belarusian Authorities to Minimize Above Level Construction in Progress (ALCP) Assets

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State Control Committee
Republic of Belarus

State Control Committee of the Republic of Belarus
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Minsk

ALCP Assets in the Republic of Belarus as of January 1, 2021



Total: 4,465

- ALCP for the past 5 years
- Long-term construction projects

Long-term construction – projects that have been above-level for > 5 years

including 865, or 19% above-level for over 20 years!!!

STRATEGY

for Minimizing ALCP Assets in the Republic of Belarus for 2021-2025
(proposed by the State Control Committee and endorsed by the President)

2

Determine an authority authorized to arrange and coordinate ALCP reduction process

Build industry-specific processes based on regional and industry-wide actions to minimize ALCP assets

Thoroughly review each asset, including whether there is a need for it, respective amounts and sources of funding, to be confirmed

Determine an ALCP accounting procedure

Develop a simplified ALCP launch/abandonment procedure

Take an ALCP physical inventory

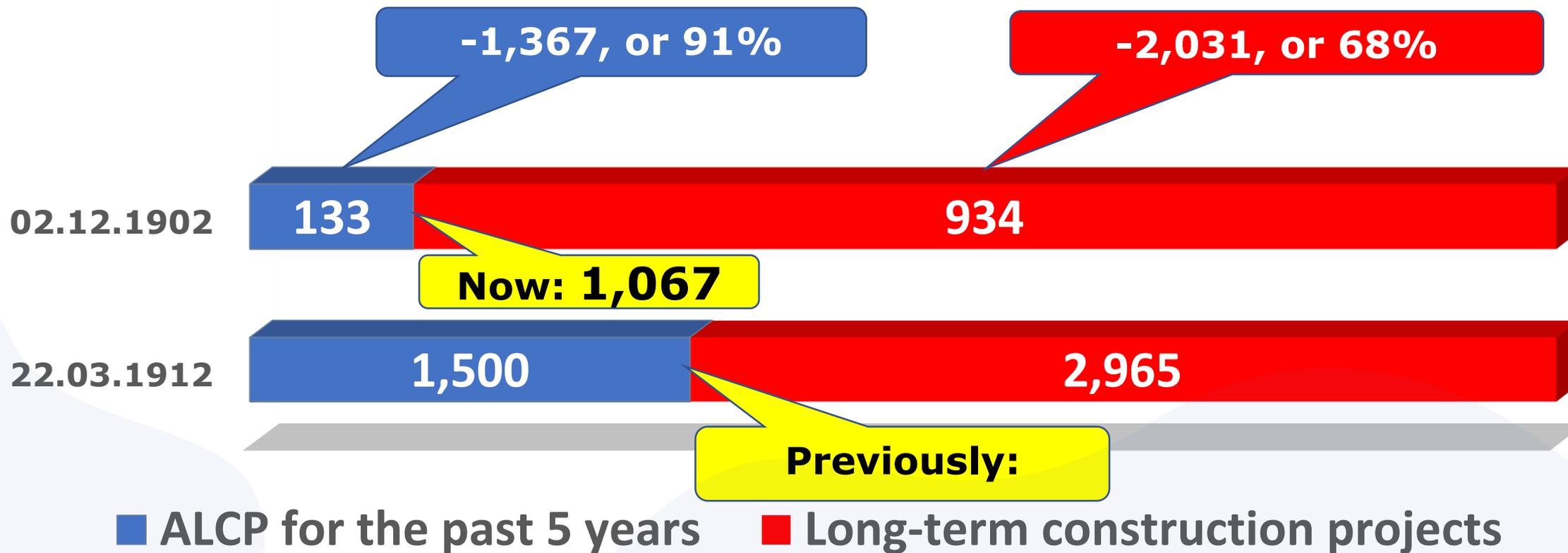
Determine an action-related procedure and a procedure/criteria for making a decision about further ALCP management

Elaborate and implement actions to prevent new ALCP assets

Create an integrated IT system with data about all construction projects at all stages of their life cycle

Provide detailed quarterly analyses to evaluate actions taken to minimize ALCP assets

ALCP Decrease in the Republic of Belarus since 2021 (total: -3,398, or 76%)

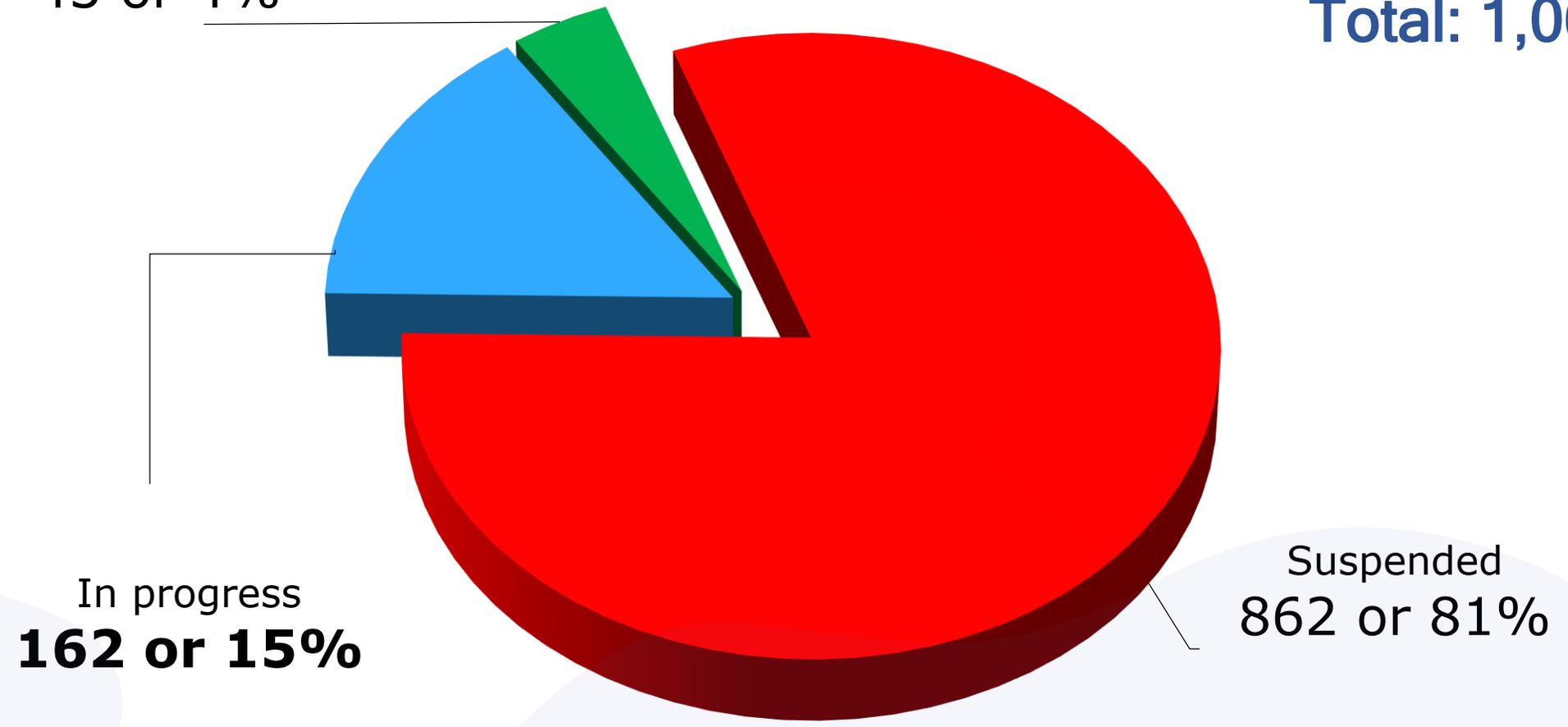


PROGRESS TO DATE

ALCP in the Republic of Belarus as of April 1, 2023

Stopped
43 or 4%

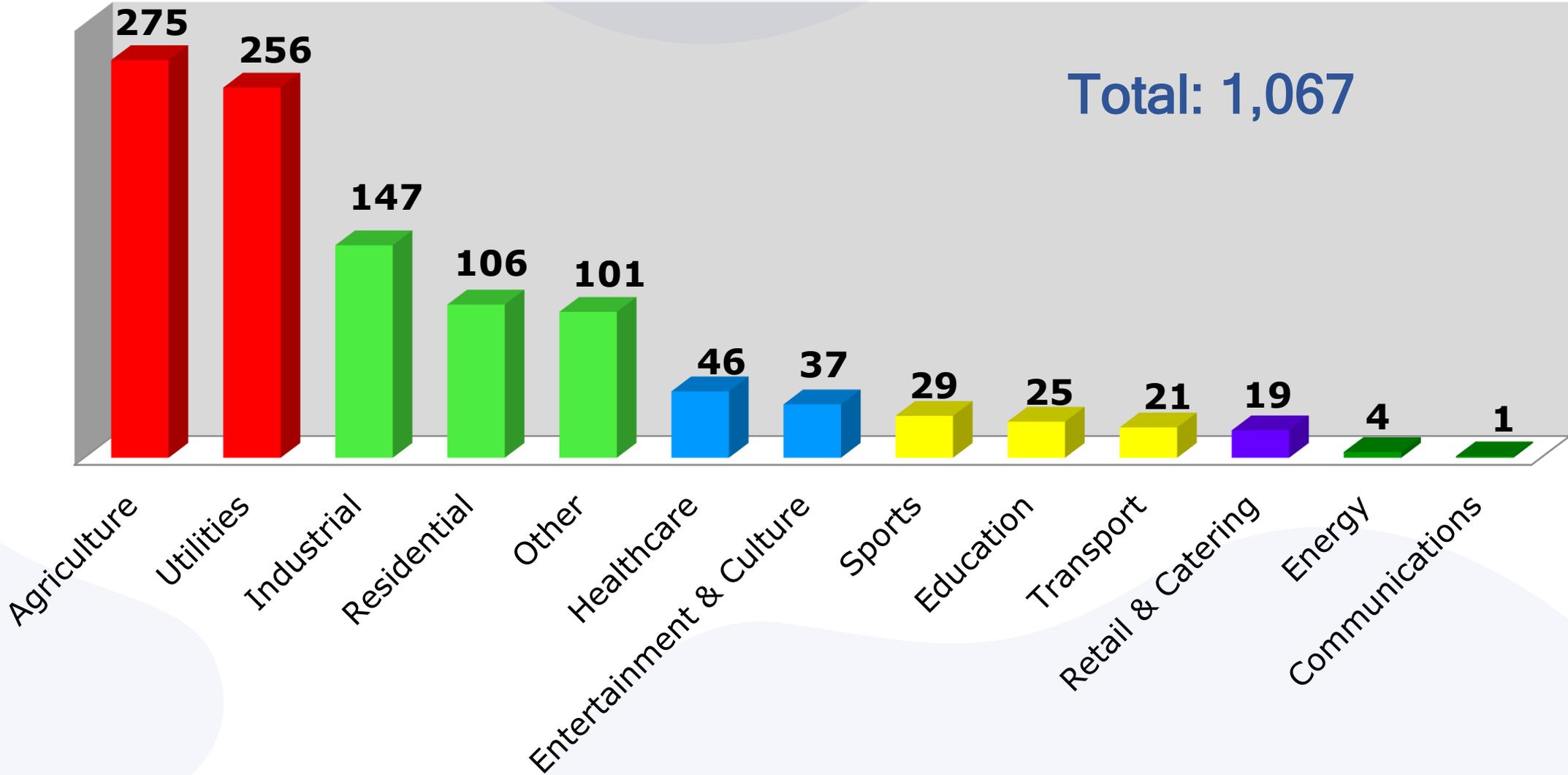
Total: 1,067



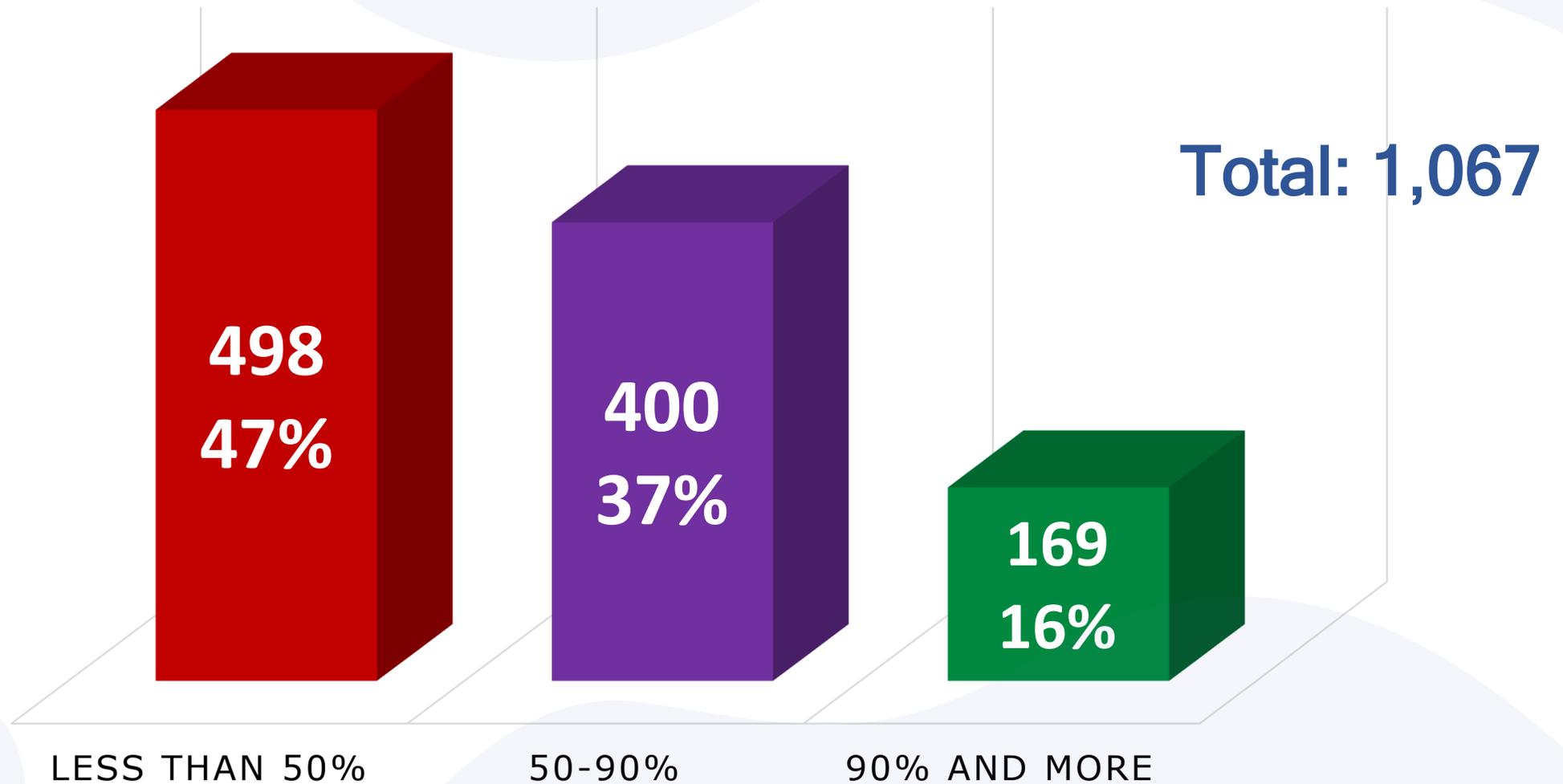
In progress
162 or 15%

Suspended
862 or 81%

ALCP Types by Purpose as of April 1, 2023

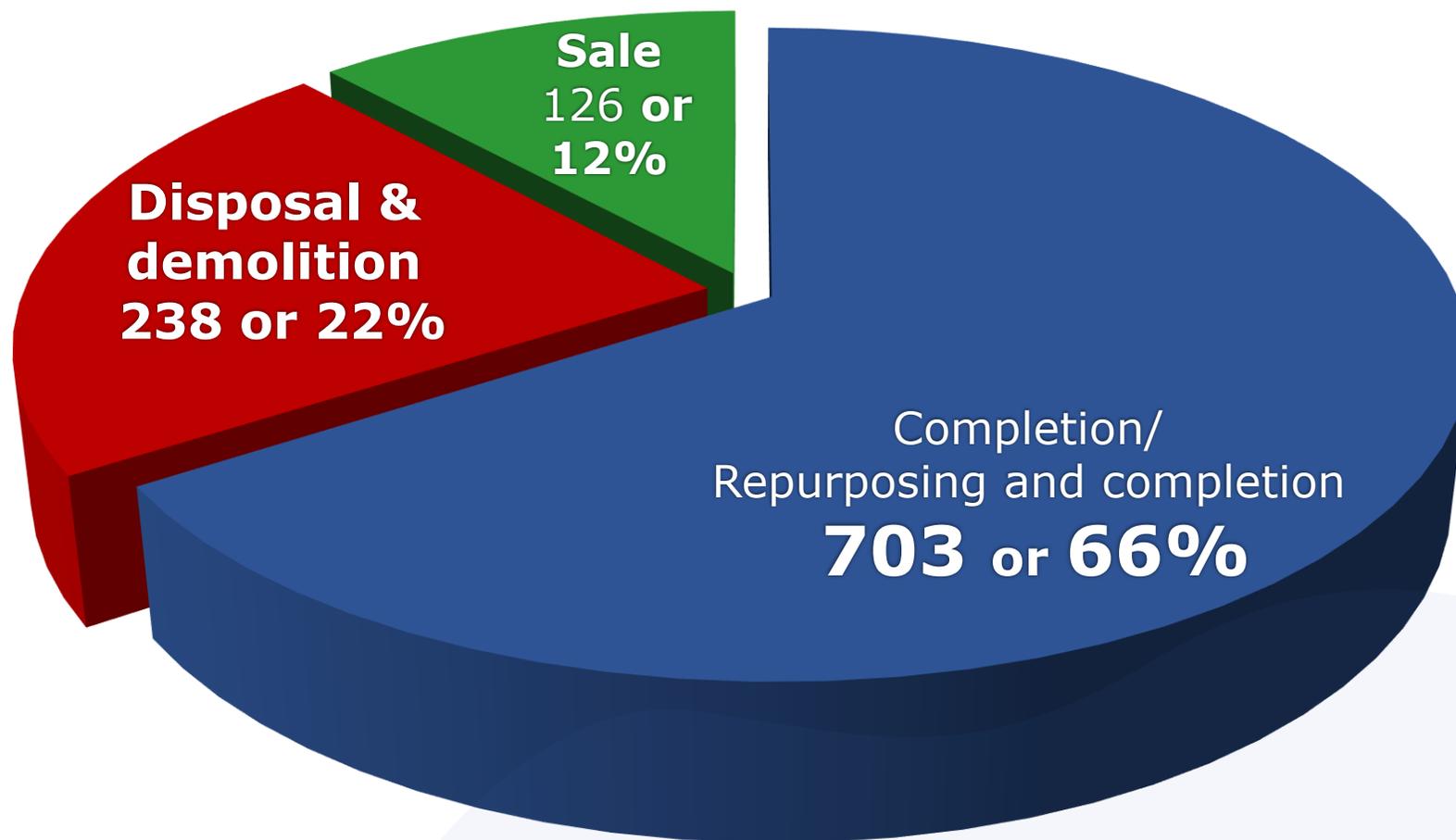


ALCP Completion as of April 1, 2023



Expected Actions for ALCP Assets Available as of April 1, 2023

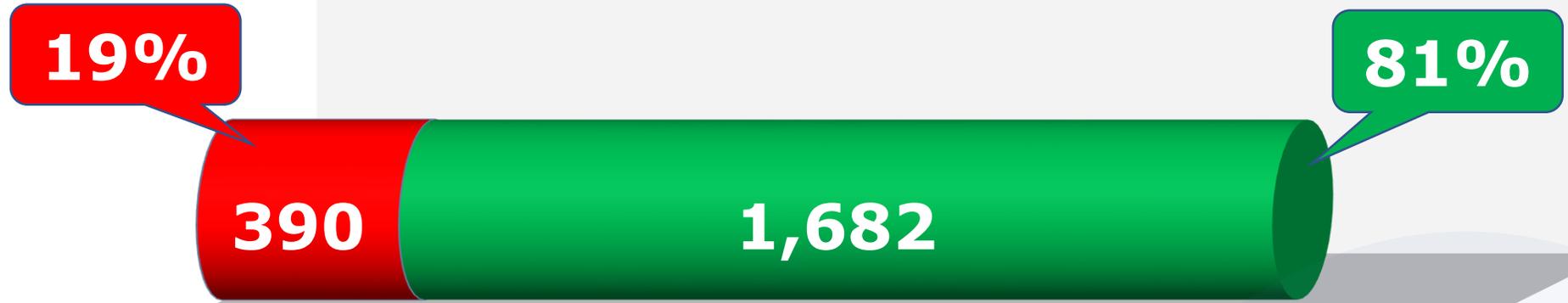
Total: 1,067



New ALCP Assets Created since 2021, as of April 1, 2023

Before 2021, avg. 500 new ALCP assets were created in the country once every 3 months. Since 2021 this figure decreased by 2 times

Total: 2,027



- Unlaunched ALCP assets
- Launched ALCP assets

PROPOSALS

of the State Control Committee to Minimize ALCP Assets, submitted to the Government of the Republic of Belarus in early 2023

1

Provide a high-quality detailed review and a more balanced perspective for each remaining ALCP asset

2

Make a decision about all actually operated ALCP assets without their appropriate acceptance for operation, depending on compliance with safety requirements

3

Write off all ALCP assets subject to this type of action, which do not require material demolition costs

4

Arrange for ALCP disposal by budget organizations and customers that build ALCP assets for respective asset holders

5

Create a list of troublesome ALCP assets (*primarily large*) to be demolished and elaborate a legal instrument regulating ALCP asset disposal/demolition, including sources of funding

6

Determine further actions if an ALCP asset is sold to another owner

7

Determine the procedure for creation, maintenance and use of an integrated accounting system for each and all construction projects at all stages of their life cycle

8

Develop measures aimed at preventing new ALCP assets

THANK YOU!

BY ALEXEY ZENCHIK