

THE DEVELOPMENT OF IT-BUSINESS IN BELARUS

Chernukho P.A., student

Skovoroda D.A., student

Scientific supervisor – Slesaryonok E.V., senior lecturer

English language department №1

Belarusian National University of Technology

Minsk, Republic of Belarus

IT-business is one of the sectors of the Belarusian economy that is steadily growing. The country has a high level of education and literacy of the population, which is why Belarus is rich in skilled labor. A favorable investment environment, tax, customs and other preferences provided by the Hi-Tech Park, proper legislative regulation – all this contributed to the emergence of successful IT-companies that have gained worldwide fame. So Decree №12 “On the Hi-Tech Park” in 2005 and Decree №8 “On the development of the digital economy” in 2017 were passed [1, 2]. These documents established the legal basis for creating conditions in Belarus that would attract foreign IT-companies and foreign investments in the Belarusian IT-sector.

At the moment, there is the following pattern in the segmentation of the IT-market. 66% of companies name outsourcing as their main activity. IT-outsourcing is the process of transferring the maintenance of computer and office equipment into the hands of a company specializing in this field. Most often outsourced are: software development, call centers, protection against viruses, spam and other online threats, website hosting, servers and applications, disaster recovery. This can be either a partial or full transfer of functions, depending on the current situation in the organization. 16% of the organizations are mixed-model companies, 13% are the development center of foreign companies, 3% are other services and 2% are Hardware. The financial situation of Belarusian companies has deteriorated in the context of six months, but it is better than a year ago. So, if in the spring of 2022 63% of companies spoke about the deterioration of the situation, then in the spring of 2023 46% of companies feel a negative trend. For comparison, in 2021, 11% of respondents noted a drawdown in finances.

The last year has further stimulated companies to open foreign representative offices: if in the spring of 2022 59% of companies had a legal entity outside Belarus, then by the spring of 2023 81% of foreign companies had opened legal entity in Belarus. Another 10% are planning to open it. The share of exports in companies' revenue remains relatively stable: more than 70% of 82% of companies, which correlates with the figures of the last year and a half.

A smaller percentage of companies than six months ago faced the loss of customers amid sanctions. If in 2022 there were more problems with customers from Western Europe, now the USA market is becoming the most problematic. Despite the circumstances, the companies manage to maintain positions in global markets: in the traditional top of the USA, Western Europe, the CIS and Northern Europe. Geopolitical processes stimulate the development of new markets: in six months, the Middle East has displaced Canada in the ranking, and Australia – Southern Europe. 41% of companies already have sales offices in locations closer to the client by the spring of 2023, compared to 31% six months ago. Circumstances also stimulated a larger percentage of respondents to pay attention to the CIS market (14.8% now versus 11% in autumn 2022).

Thus, in conclusion it should be thoroughly stressed the fact that despite all possible attempts to slow down the development of IT-technologies and business in the Republic of Belarus, this sphere continues to develop and occupy a niche in the global IT-services market. The development of this area significantly increases the level of technological progress in Belarus.

In addition to all mentioned above, the ongoing modernization will help to create a positive reputation image of the republic abroad, which contributes to international cooperation and undoubtedly help to support the image on the highest possible level.

References

1. Pravo.by: Decree №12 “On the Hi-Tech Park” [Electronic resource] – Mode of access: <https://pravo.by/>. – Date of access: 28.03.2024.
2. Pravo.by: Decree №8 “On the development of the digital economy” [Electronic resource] – Mode of access: <https://president.gov.by/ru/documents/dekret-8-ot-21-dekabrja-2017-g-17716>. – Date of access: 28.03.2024.