

European Programmes for Belarus

EXPANDING EUROPEAN NEIGHBOURHOOD MENUS FOR BELARUS: IN SEARCH OF A GOURMET.

SOME OBSERVATIONS ON THE STATE OF PLAY AND OUTSTANDING ISSUES.

Vyachaslau Pazdnyak

1. New design and instrument of external cooperation and the European Neighbourhood Policy

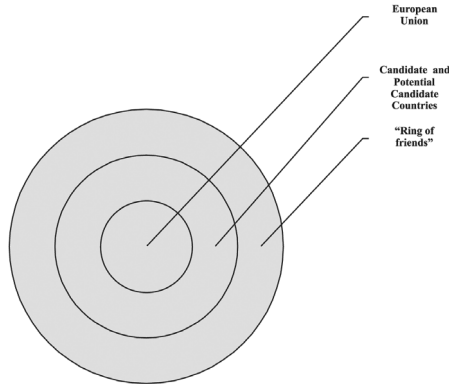
The European Neighbourhood Policy (ENP) was first outlined in a Commission Communication by “Wider Europe” in March 2003. The EU offers its neighbours a privileged relationship, building upon a mutual commitment to common values (democracy and human rights, rule of law, good governance, market economy principles and sustainable development). The ENP goes beyond existing relationships to offer a deeper political relationship and economic integration. ENP is not about enlargement and does not offer an accession perspective.

Launched by the EC in 1991, the TACIS Programme provides grant-financed technical assistance to 12 countries of Eastern Europe and Central Asia (Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan), and is aimed principally at enhancing the process of economic and political transition in these countries. The European Neighbourhood and Partnership Instrument (ENPI) substitutes the TACIS programme from 2007 onwards. However, TACIS will continue to fund projects until the ENPI is well in place and the TACIS 2006 budget is depleted.

Since 2007, the European Union’s external cooperation and neighbourhood policy has been restructured and is now represented by three concentric circles, with the EU in the innermost circle, the Candidate Countries and Po-

tential Candidate Countries in the second, and the “Ring of friends” (Ukraine, Belarus, Mediterranean Countries etc.) in the outermost circle.

Figure 1.



Different instruments are applied within each of these circles:

- The Objective 3 – “European Territorial Cooperation” financed by the European Regional Development Fund (ERDF) for cooperation within the EU Member States;

- The Instrument for Pre-accession Assistance (IPA) for cooperation between candidate and potential candidate countries and between them and the EU Member States;

- The Neighbourhood and Partnership Instrument (ENPI) for cooperation between the EU Member States and the “Ring of friends” states.

Key to the reform of EC aid is the change from centralised to decentralised management of development assistance. Mainly, this entails that the management of aid is decentralised towards the delegations of the Commission. The basic principle is that “everything that can better be managed and decided on at a local level should not be managed or be decided on in Brussels”. Now, this devolution exercise has been completed with 77 delegations in the field responsible for the implementation of assistance. In practice this means that delegations now have increased influence over project identification and appraisal, contracting and disbursement of Community funds and project monitoring and evaluation¹.

¹<http://www.interact-eu.net>

The Neighbourhood and Partnership Instrument (ENPI) finances the ENP action plans in the Mediterranean Countries, Moldova, Ukraine, Belarus, the Southern Caucasus (Armenia, Azerbaijan and Georgia) and the Strategic Partnership with Russia.

Most assistance managed by EuropeAid is channelled through national and regional programmes covered by the EU's European Neighbourhood Partnership Instrument (ENPI). However, an Inter-regional Programme (IRP) has also been established to support the ENPI southern and eastern regions. Such a programme is required because some aid activities can be managed more efficiently and flexibly at inter-regional level².

The European Commission's Inter-regional Programme (IRP) aims to support the reform and transition processes currently underway in the EU's neighbouring partner countries. It promotes the approximation of EU law, while enhancing cooperation, economic integration and democratic governance.

To achieve these goals, the IRP deploys two key instruments: TAIEX and SIGMA. TAIEX (Technical Assistance and Information Exchanges) was set up in 1996 to provide short-term, targeted technical assistance to the Central and Eastern European candidate countries. TAIEX helped the candidates to understand, draft and implement EU legislation. It produced information on EU laws, arranged study visits to the European Commission and Members States, and provided a team of experts to offer advice on accession-related issues.

TAIEX was introduced to the ENPI regions in 2006 to offer advice to partner countries as they implement their European Neighbourhood Policy action plans.

SIGMA (Support for Improvement in Governance and Management) is a joint European Commission and OECD initiative. Principally financed by the EU, it focuses on strengthening public management in areas such as administrative reform, public procurement, public sector ethics, anti-corruption, and external and internal financial control³.

The European Union wishes to reinforce existing forms of regional and sub-regional co-operation with countries that lie to the east of its borders. The goal is to build on regional activities that were financed under the EU's TACIS programme during the past decade.

²http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/irc/index_en.htm

³http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/irc/reform_en.htm

TACIS proved to be a valuable tool for tackling challenges with a regional dimension and for promoting inter-state cooperation on regional issues. Assistance for regional cooperation focused on transport, energy, border issues and the sustainable management of natural resources. Between 2000 and 2006, more than €950 million was allocated to regional programmes and projects.

Cross-Border Cooperation (CBC) was launched under the TACIS technical assistance programme in 1996. It aimed to support the development of cross-border cooperation between the then candidate countries of Central and Eastern Europe and also Ukraine, Belarus, Russia and Moldova. The total funding for TACIS CBC during the period 1996-2003 amounted to €257 million. TACIS CBC complemented PHARE CBC which aimed to increase cooperation between neighbouring countries and provide support to the cross-border regions among accession countries (2004 accession) and between these countries and existing Member States.

Drawing on earlier CBC experience under TACIS, PHARE and INTERREG, a new policy and implementation framework for CBC has been incorporated in the new European Neighbourhood and Partnership Instrument (ENPI). The core objectives of Cross-Border Cooperation remain: to support sustainable development along both sides of the EU's external borders; to help decrease differences in living standards across these borders; and to address the challenges and opportunities following from EU enlargement or otherwise arising from the proximity between regions across land and sea borders. In particular, CBC is intended to aid with:

- promoting economic and social development in regions lying on both sides of common borders;
- addressing common challenges in fields such as environment, public health and the prevention of and fight against organised crime;
- ensuring efficient and secure borders;
- promoting local cross-border “people-to-people” actions.

From 2007-2013 the EU will provide around €1.1 billion to reinforce cross-border co-operation. Local authorities as well as NGOs and other institutions will have access to funds under three Land and Sea Border Crossing Programmes: (1) Poland, Belarus, Ukraine (€186 million), (2) Hungary, Slovakia, Romania and Ukraine (€68 million) and (3) Romania, Ukraine and Moldova (€126 million)⁴.

⁴EU Cooperation News. Bi-weekly newsletter of the Delegation of the European Commission to Ukraine. Project on information and PR activities for the EU and its Programmes in Ukraine. #14, 8 October 2008.

Priority areas for regional cooperation are now defined in the ENPI Eastern Regional Strategy Paper for 2007 to 2013, which was adopted by the European Commission in March 2007. Funding of €223 million has been earmarked for the period 2007 to 2010⁵.

Regional programmes and projects for the Eastern region are grouped in the following six priority areas:

- Transport;
- Energy;
- Sustainable management of natural resources;
- Border and migration management, the fight against transnational organised crime and customs;
- People-to-people activities;
- Landmines, explosive remnants of war, small arms and light weapons.

There has been a modification of priorities for Cross-Border Cooperation programmes for the period 2007-2013 as compared to 2000-2006 — See Table 1.

Table 1.

Cross-Border Cooperation: Main topics

2000-2006:

Urban, rural and coastal development
 Entrepreneurship, SMEs and employment
 Labour market integration and social inclusion
 Research, technology, education, culture...
 Environment and energy
 Transport, information and communication
 Legal and administrative cooperation

2007-2013:

5 Priorities:

Encouraging entrepreneurship
 Natural & cultural resources/risk prevention
 Urban and rural areas
 Reduction of isolation
 Infrastructures

⁵http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/enpi-east/index_en.htm

Additional instruments of EU assistance include:

Instrument for Stability

The objectives of the Instrument for Stability are twofold:

- (1) in a situation of crisis or emerging crisis, to contribute to stability;
- (2) in the context of stable conditions, to help build capacity both to address specific global and trans-regional threats having a destabilising effect and to ensure preparedness to address pre- and post-crisis situations.

€ 2.062 billion have been allocated to the Instrument for Stability for the period from 2007 to 2013.

European Instrument for Democracy and Human Rights (EIDHR)

EIDHR is a financing instrument for the promotion of democracy and human rights worldwide, allowing for assistance independent of the consent of third country governments and other public authorities. €1.104 billion have been allocated to the EIDHR for the period from 2007 to 2013.

Humanitarian Aid Instrument

The humanitarian aid instrument comprises assistance, relief and protection operations to help people in developing countries and as a priority those in developing countries, victims of natural disasters, man-made crises, such as wars and outbreaks of fighting, or exceptional situations and circumstances comparable to natural or man-made disasters.

Support for SRHR and HIV/AIDS activities

The EC's objectives described in the European Consensus on Development refer to the Millennium Development Goals (MDGs), recognising the multi-dimensional problem of poverty including the role of health aspects. In addition, HIV/AIDS and SRH, together with the ICPD agenda, receive high attention and are explicitly addressed. However, there is no direct link between policy texts and funding.

Cooperation with NGOs

The European Commission acknowledges that NGOs are gradually becoming one of the key partners in development policy, being involved in the development process either as partners in dialogue or consultation

with relevant authorities, or as “full” actors (proposing and implementing projects)⁶.

Belarus can participate in the following ENPI programmes:

- National (€5 million annually in 2007-2010 for energy, environment, democratic development and effective governance);

- Regional Eastern Programme (along with Armenia, Azerbaijan, Georgia, Moldova, Russia and Ukraine) – transport and energy networks, environment and forestry, border management, customs, migration and international crime, people-to-people cooperation, liquidation of anti-personnel mines and small and light weapons;

- Inter-regional – TAIEX, agriculture, infrastructural programmes, market development, Justice and Home Affairs, education, TEMPUS, ERASMUS-MUNDUS);

- Cross-Border Cooperation (CBC) – “Baltic Sea Region”, “Latvia-Lithuania-Belarus,” “Poland-Belarus-Ukraine”);

- Thematic programmes (“Investing in People,” “Migration and Asylum,” “Environment and Sustainable Management of Natural Resources including energy,” “Non-State Actors and Local Authorities,” “Food Security,” “Public Associations and Local Self-Government,” and some others⁷.

2. Lessons learnt or unlearnt?⁸

As experts from the Coordinating Unit of Belarus for the European Union’s TACIS Programme admit, so far Belarus has not used the opportunities

⁶<http://www.interact-eu.net/>

⁷For more details see Information Bulletin No.4 of the Coordinating Unit of Belarus for the European Union’s TACIS Programme (TACIS CU).

⁸For a review of results of the implementation of ENP programmes with Belarus’ participation before 2007, see Belitskii V., Odinets Je., Orlov L. “Opyt uchastija Belarusi v programmakh dobrosoosedstva Evropeiskogo sojuza” [Belarus’ experience of participating in the EU’s neighborhood programmes], in *Zhurnal mezhdunarodnogo prava i mezhdunarodnykh otnoshenii*. 2008, No. 3. <http://evolutio.info/images/journal/2008_3/2008_3_tacis.pdf>; Pazdnyak V. “Europe of the Regions, European Neighbourhood Policy and Belarus: In Search of a Roadmap“ (in Russian). In: **Wider Europe Review (in Russian)**. Vol. 3, Issue 3 (9), Summer 2006. <<http://review.w-europe.org/9/1.html>>.

offered by the neighbourhood programmes to meet its economic challenges at the local level. This can be explained by a number of factors:

- low activity of local authorities regarding the neighbourhood programmes;
- lack of sufficient information and communication technology resources at the local level;
- lack of sufficient organisational and administrative capacity at the oblast and district levels in terms of necessary structures and experts involved on a daily basis in the preparation of project proposals;
- language barriers, due to the fact that the bulk of information on programmes is available only in English⁹.

Basically, Belarus' needs and requirements (priorities, aims and objectives) of foreign "technical" aid have been identified in the National Programme of International Technical Cooperation for 2006-2010¹⁰. According to official Belarusian estimates, the sum total of Belarus' current and prospective needs in foreign technical assistance is over 202 million USD. The Programme envisages strengthening the national economy, raising living standards, improving ecological security, overcoming the consequences of the Chernobyl disaster, "democratisation of society" and others. Its stated priorities are as follows:

- facilitating human development, raising living standards, supporting social programmes and mechanisms of social assistance;
- contribution to sustainable economic development through developing innovative foreign economic and investment activities and international cooperation;
- promoting energy and resource saving;
- environmental protection, ecological sustainability, rehabilitation and sustainable development of territories affected by the Chernobyl disaster.

However, the cumbersome bureaucratic machinery, restrictive legislation that often requires obtaining permission even for the organisation of technical seminars, as well as a tradition of caution, suspicion and fear of responsibility on the part of bureaucrats, especially on the local level, make this "depoliticised" programme, if not completely starved of public initiative, rather difficult to run.

⁹ Information Bulletin No.2 of the Coordinating Unit of Belarus for the European Union's TACIS Program (TACIS CU).

¹⁰ Official website of the Ministry of Economy of the Republic of Belarus. <http://w3.economy.gov.by>

In order to develop cooperation with the EU in good faith, a renewed legal basis is required to include the functioning Partnership and Cooperation Agreement or its equivalent, to be followed by an Action Plan within the ENPI framework and also new sets of bilateral and domestic regulations on foreign aid. The latter should be “democratised” along with the whole of society. Most importantly, local self-government units, civil society and NGOs should be radically strengthened and granted enough autonomy from the State through legal, political and economic mechanisms.

3. Sectoral Developments in 2007-2008 involving Belarus

The year 2007 (the first year of the ENPI operation) has been rather modest for Belarus in all aspects of the ENPI, particularly in sectoral cooperation. The latter includes: transport, energy, environment, research and innovation, and information society. In many of these more technical sectors, progress is being achieved by incremental steps that are part of the countries’ sectoral reform policies.

Regarding **transport**, exploratory talks were launched with Belarus to assess how to integrate the country in the technical work to be carried out on the Northern Axis.

Energy security remained at the top of the EU’s political agenda. The European Commission’s Communication “An Energy Policy for Europe”, as endorsed by the March 2007 European Council, reinforces the development of an external energy policy. On this basis, the EU and the ENP partners further enhanced bilateral and regional energy cooperation. Belarus’ authorities made some progress on the bilateral level.

On 13 November 2008 the European Commission adopted the Second Strategic Energy Review entitled “An EU Energy Security and Solidarity Action Plan.” It points out that energy interdependence is influencing development, trade and competitiveness, international relations and global cooperation on climate issues. Energy, therefore, must be given the political priority it merits in the EU’s international relations outlook, including its trade policy and agreements, its bilateral partnerships, cooperation and association agreements and political dialogues. “The widely-varying interests of countries in

the energy field, in a context of increasing energy interdependence, point to the need for more robust international legal frameworks based on a balance of commitments and benefits, within energy and across economic sectors.”¹¹

It further says that “as much as the European Union seeks security of supply through greater predictability and diversity, including from different companies within upstream markets, foreign governments and external suppliers seek security of demand, particularly where large investments in new upstream gas supplies for delivery by pipeline are concerned. They require clear and stable rules for the functioning of the internal market and arrangements on access to investment in the European market. In many cases, there is a need to develop trust alongside deeper and legally binding ties between the EU and producer and transit countries, which could deliver significant mutual benefits in the long-term perspective that is needed to finance the more capital-intensive projects of the future. The EU should therefore use all the tools at its disposal, internal as well as external, to strengthen its collective weight with energy supply countries and to offer new kinds of broad-based partnerships. At the multilateral level, the EU should continue to press for further liberalisation of trade and investment in the energy sector.”¹²

Reacting to several partners’ announced plans or expressed interest in developing nuclear power production, and those of Belarus in particular, the European Commission emphasised that ENP partners should ensure a high level of safety and security of nuclear installations and ensure that the research, development and use of nuclear energy for peaceful purposes are carried out in compliance with the Treaty on the Non-Proliferation of Nuclear Weapons.

Following the completion of the TACIS Programme in 2006, a new Instrument for Nuclear Safety Cooperation (INSC) was adopted to continue the activities of the Commission in this field, with financial resources of some €524 million for the period 2007-13. On November 13 the Commission issued a Memo “Towards secure, sustainable and competitive European energy networks,” in which it addressed the spread of nuclear power and nuclear safety. It notes that nuclear power is an established part of the energy mix in a number of developed countries, and that some of these — for example, Rus-

¹¹Second Strategic Energy Review. An EU Energy Security and Solidarity Action Plan. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. Brussels. Commission of the European Communities. Unofficial Version. [13 November 2008].

¹²Ibid.

sia and China — are looking to expand its use. A number of countries (including some in “geopolitically challenging” areas), which do not currently generate nuclear energy, have expressed an interest in doing so. The Community itself has a mature nuclear industry, and possesses the capacity to help others to embark on nuclear activity in compliance with the highest standards of safety and security, with safety and non-proliferation issues being two inter-linked pillars of Community policy in this area¹³.

As regards nuclear security and non-proliferation, the Commission says that, given the possible dual use (peaceful and military) of some materials, equipment and nuclear installations, the growth of nuclear power could increase proliferation risks, and that there are growing concerns that peaceful nuclear technologies could be misused by terrorists. It also observes that tackling nuclear smuggling requires new capability-building at national, regional and international levels¹⁴.

The May 2008 Communication from the Commission to the Council and the European Parliament identified the following objectives of future assistance/cooperation to/with third countries in the nuclear field:

- improving the culture of nuclear safety (including at the levels of design and operation);
- improving protection against ionising radiations;
- addressing problems related to radioactive waste and spent fuel;
- assisting in implementing nuclear safeguards¹⁵.

The Commission held **technical environment meetings** with Belarus.

The Erasmus Mundus (EM) programme, as compared to 2006: **mobility of students and scholars**, as well as academic co-operation, received a significant boost from the new Erasmus Mundus External Cooperation Window (EMECW). The Jean Monnet programme funded in 2007 one new **Jean Monnet Chair in Belarus**.

ENP partners continued with **health** sector reform as a multi-annual task to be pursued in the coming years. HIV/AIDS, and increasingly also tubercu-

¹³Towards secure, sustainable and competitive European energy networks. MEMO/08/694. Brussels, 13 November 2008.

¹⁴Ibid.

¹⁵Addressing the international challenge of nuclear safety and security. Communication from the Commission to the Council and the European Parliament. COM (2008) 312 final. Brussels, 22.5.2008.

lois, pose a serious challenge in the Eastern neighbourhood. In 2007, the EU and its neighbours considerably increased health cooperation and dialogue. The Commission invited Belarus, amongst other countries, to the Commission HIV/AIDS Think Tank¹⁶.

4. Cross-Border Cooperation (CBC) programmes under the ENPI 2007-2013 with Belarus' designated participation

The Cross-Border Cooperation component of the ENPI finances programmes, projects and other measures contributing to the objectives of the ENPI. It aims at reinforcing cooperation with territories bordering the European Union. The European Neighbourhood and Partnership Instrument (ENPI) has been in place since 1 January 2007. It replaces the MEDA and TACIS programmes. The overall goal of the instrument is to promote enhanced cooperation and progressive economic integration between the European Union (EU) and its neighbouring partner countries. This is particularly an instrument for providing assistance to those countries which will not accede to the European Union in the near future. It also encourages partner countries' efforts aimed at promoting good governance and equitable social and economic development.

The overall ENPI budget for the period of 2007 to 2013 is € 11.181 billion. Amongst others, the ENPI finances "joint programmes," bringing together regions in Member States and partner countries sharing a common border. This is the Cross-Border Cooperation component of the instrument to which € 1.118 billion is allocated (50 % from the ENPI budget and 50 % from the Budget of General Directorate for Regional Policy). The core policy objectives of Cross-Border Cooperation (CBC) are to support sustainable development along both sides of the EU's external borders, to help eradicate differences in living standards across these borders, and to address the challenges and opportunities following from EU enlargement or otherwise arising from the proximity between regions across our land and sea borders.

¹⁶Implementation of the European Neighbourhood Policy in 2007. Sectoral progress report. Commission Staff Working Document accompanying the Communication from the Commission to the Council and the European Parliament. Commission of the European Communities. Brussels, 3 April 2008. SEC(2008) 403.

The CBC funding priorities are defined in the Cross-Border Cooperation Strategy Paper. Four key objectives are addressed under the ENPI CBC programmes:

- Promoting economic and social development in regions lying on both sides of common borders.

- Working together to address common challenges in fields such as the environment, public health and the prevention of and the fight against organised crime.

- Ensuring efficient and secure borders.

- Promoting local cross-border “people-to-people” action: Actions in the social, educational, cultural and media fields, as well as enhanced cross-border contacts between civil society groups and NGOs.

Two main categories of programme are established under ENPI-CBC:

- programmes covering a common land border or short sea crossing

- programmes covering a sea basin.

ENPI CBC Baltic Sea Region Programme

TOTAL EU ALLOCATION (2007-2013): 22.608 million EUR.

ELIGIBLE REGIONS: The entirety of Belarus, Denmark, Estonia, Finland, Latvia, Lithuania, Norway, Poland and Sweden.

Germany: the States (Länder) of Berlin, Brandenburg, Bremen, Hamburg, Mecklenburg-Vorpommern, Schleswig-Holstein and Niedersachsen (only NUTS II area Regierungsbezirk Lüneburg).

Russia: St Petersburg and the surrounding Leningrad Oblast, the Republic of Karelia, the Oblasts of Kaliningrad, Murmansk, Novgorod and Pskov; for projects addressing the Barents Region, cooperation with Archangelsk Oblast, Komi Republic and Nenetsky Autonomous Okrug is also envisaged.

The strategic objective of the programme is to strengthen the development towards a sustainable, competitive and territorially integrated Baltic Sea region by connecting potentials across borders. As part of Europe, the Baltic Sea region is also expected to become a better place for its citizens to invest, work and live. The programme will thus address the European Union’s Lisbon and Gothenburg strategies in order to boost the knowledge-based socio-economic competitiveness of the Baltic Sea region and its further territorial cohesion.

PRIORITIES:

1. The first priority is focused on facilitating the generation and dissemination of innovations across the BSR.

It is dedicated to core innovations in the field of natural and technical science, but also to selected non-technical innovations such as business services, design and other market-related skills. Actions will be targeted at the performance of innovation sources and their links to SMEs, the facilitation of trans-national transfer of technology and knowledge, as well as making special social groups of citizens fitter for generating and absorbing knowledge.

2. The second priority is dedicated to improving the external and internal accessibility of the Baltic Sea region.

Priority topics highlight the promotion and preparation of joint trans-national solutions in the fields of transport and information and communication technology (ICT), in particular those overcoming functional barriers to both the diffusion of innovation and to traffic flows. Also, the further integration of already existing strategic development zones spread along trans-national transport corridors in the BSR will be promoted, as well as the creation of new trans-national links.

3. The third priority concentrates on environmental pollution in the Baltic Sea within a broader framework of sustainable management of sea resources.

It supports operations aimed at limiting pollution inputs into the marine environment and pollution impacts on it.

Special emphasis is put on enhanced maritime safety.

This priority also promotes the economic management of open sea areas by means of the best available technologies and practices. Attention is given to the integrated development of offshore and coastal areas in the BSR in the context of climate change tendencies.

4. The fourth priority promotes cooperation of metropolitan regions, cities and rural areas, enhancing their attractiveness for citizens and investors.

It features action programmes and policies at BSR level to make cities and regions more competitive engines for economic development. At the same time, ideas will be to promoted strengthen urban-rural partnerships and support a viable economic transformation of BSR areas with smaller and less dense settlements.

This priority is also open to the preparation of pan-Baltic strategies, action programmes, policies and subsequent investments. Joint actions dedi-

cated to the social spheres of regional and city development are a special feature under this priority.

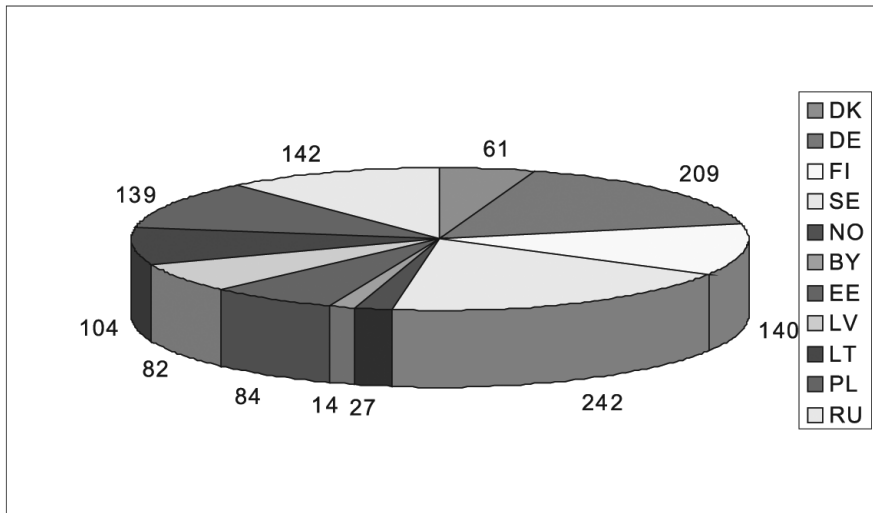
These will be particularly promoted in cooperation projects with Russia and Belarus.

STATE OF PLAY:

The Commission adopted the programme as the first ENBI CBC programme in December 2007. The first call for proposals has already been launched in spring 2008 with a suspensive clause for the partner countries Russia and Belarus. A second call will be launched in the first quarter of 2009. The CBC projects are likely to start at the beginning of 2009, provided that Russia or Belarus has signed the Financing Agreement with the Commission (the deadline is at the end of 2008)¹⁷.

Figure 2. Baltic Sea Region INTERREG IIIB project applications within the framework of the European Neighbourhood Instrument

8th Application Round (ENPI): Number of applications by country (14 from Belarus)

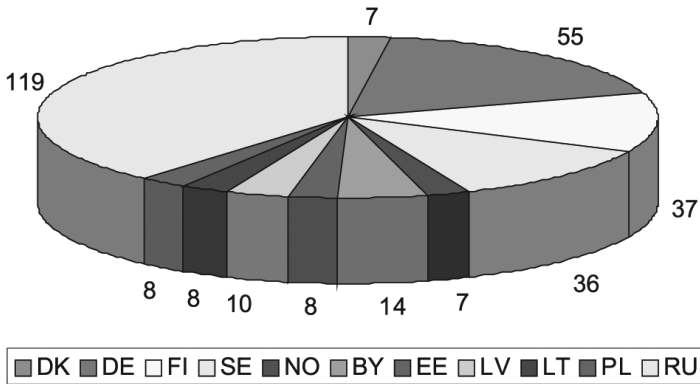


Source: www.eu.baltic.net

¹⁷ www.interact-eu.net

Figure 3. 9th Application Round (ENPI): Number of applications by country (14 from Belarus)

33 project proposals have been prepared jointly by Russian and Belarusian partners



Source: www.eu.baltic.net

ENPI CBC Latvia/Lithuania/Belarus Programme

TOTAL EU ALLOCATION (2007-2013): 41.737 million EUR.

ELIGIBLE REGIONS:

Latvia: Latgale Region.

Lithuania: Utenos, Vilnius and Altyaus Apskritis (adjoining regions: Kaunas and Panevezys Counties – NUTS III).

Belarus: Hrodna and Vitebsk Oblasts (adjoining regions: Minsk and Mogilev Oblasts, Minsk City).

The strategic objective of the programme is to enhance the cohesion of the cross-border area through reducing regional disparities and securing the economic and social welfare and cultural identity of its inhabitants.

PRIORITIES:

1. Promoting sustainable cross-border development and social development.

The sustainable economic and social development of the border region is a key objective of this Programme.

Therefore, this priority shall try to turn these disparities into opportunities and use the potential of each country for the benefit of the whole region. The main areas to be addressed under economic development are: the promotion of business development and cooperation in order to increase the region's competitiveness; and common regional and local development/territorial planning. These areas will be facilitated by improvements to accessibility/connectivity and the physical infrastructure (including tourism and cultural infrastructure) of the border regions.

2. Addressing common challenges.

The cross-border region as a whole faces a number of serious challenges, mainly in the environmental, health and social spheres, which could be best addressed through jointly coordinated and well-planned actions. The rich natural resources of the region sometimes lack proper and equally balanced management by all countries. Of special concern are insufficient and/or substandard environmental monitoring and economic activities in the protected territories, which do not always comply with EU/international conventions and programmes. Another environmental/health problem to be solved by joint efforts is related to the abundance of biting flies which harm cattle and other animals and therefore create a problem for people in Belarus and the southern part of Lithuania. Under this priority, the focus should be placed on environmental monitoring, the preservation of biodiversity and natural resources, and the limitation of the potentially negative impacts of the increased intensity of economic activity in the region. This particularly concerns the balanced development of protected territories, NATURA 2000 sites and forested/water areas, and calls for a further decrease of pollution emissions by different measures, including the development of bio-energy.

STATE OF PLAY:

The Programme has been submitted to the European Commission for approval. The adoption of the programme is expected at the end of 2008. The first call for proposals will be launched soon after the programme is

approved. The first round of projects will probably be approved by autumn 2009¹⁸.

ENPI CBC Poland-Belarus-Ukraine Programme

It continues and broadens cooperation in the border zone areas of the three countries, which has been developed within the framework of the Poland-Belarus-Ukraine INTERREG IIIA / TACIS CBC 2004–2006 Neighbourhood Programme.

Despite substantial progress in cross-border cooperation, the level of integration in the programme area needs further improvement in order to realise and utilise the full social and economic potential of the region. The area's economic development is still insufficient, with a comparatively low GDP per capita, a very high unemployment rate on the Polish side of the border, a high proportion of agriculture in the employment structure and a relatively low innovativeness in SMEs, R&D spending and technical environmental standards.

The programme will enable cross-border cooperation by bringing the different actors — people, institutions and organisations, enterprises and communities — closer to each other, in order to better exploit the opportunities offered by joint development of the cross-border area¹⁹.

TOTAL ALLOCATION (2007-2013): 186.201 million EUR.

ELIGIBLE REGIONS:

Poland: Bialostocko-Suwalski, Ostrolecko-Siedlecki, Bialskopodlaski, Chelmsko-Zamojski, Rosnienskoprzemyski (adjoining regions: Lubelski, Rzeszowsko-Tarnobrzesci, Lomzynski). **Belarus:** Hrodna and Brest Oblasts, western part of Minsk oblast [Miadel, Vileika, Molodechno, Volozhin, Stoltbtsy, Niesvizh and Kletsk districts] (adjoining regions: eastern part of Minsk Oblast, Gomel Oblast) **Ukraine:** Volynska, Lvivska and Zakarpatska Oblasts, adjoining regions: Rivnenska, Ternopil'ska Oblasts and Ivano-Frankiv'ska Oblasts.

The core objective of the programme is providing support for cross-border development processes. The programme objectives will be realised through non-commercial projects implemented within the following priorities and measures.

¹⁸ www.interact-eu.net

¹⁹ Cross-Border Cooperation Programme Poland — Belarus — Ukraine 2007-2013. Final version. 6 November 2008.

PRIORITIES:*1. Increasing competitiveness of the border area including:*

- Better conditions for entrepreneurship (Measure 1.1);
- Tourism development (Measure 1.2);
- Improving access to the region (Measure 1.3).

2. Improving the quality of life including:

- Natural environment protection in the borderland (Measure 2.1);
- Effective and secure borders (Measure 2.2).

3. Networking and people-to-people cooperation including:

- Capacity building in regional and local cross-border cooperation (Measure 3.1);
- Local community initiatives (Measure 3.2).

STATE OF PLAY:

The programme was submitted to the European Commission in June 2008; a revised version of the Programme, taking into account the EC's comments, was sent to the EC on 10 October 2008. The programme was adopted on 6 November 2008. It is expected that the first Joint Monitoring Committee will be organised in the first quarter of 2009. Thereafter, the first call for proposals will be launched and it is expected that the first round of projects will be approved in the 3rd-4th quarter of 2009²⁰.

5. What's new and what's true?

The year of 2008 has become a watershed in EU-Belarus relations for numerous reasons. To list only some of the significant developments: it has been marked by Minsk's official declarations of intent to "normalise" bilateral relations; expectations of a "new beginning" coupled with disappointment at obviously insufficient moves from the Belarusian side; the launching of the EU's second-generation European Neighbourhood Programmes and initiation of the East-European Partnership (in a sense balancing the creation of the Mediterranean Union). Indeed, there have already been other moments and even periods in history (albeit short-lived) when rhetoric from Minsk was losing belligerent overtones and became conciliatory to the point of showing readiness. These days, however, for better or worse, some real change has come, even if a smaller one than desired, or hoped for.

²⁰www.interact-eu.net

An uncertain dialogue between official Minsk and the European Union culminated in November 2008 in yet another trade-off. This time, allegedly in response to the promised reduction of the 12 EU preconditions and pledges addressed to the Belarusian government and people to five,²¹ Minsk praised the six-month suspension of visa sanctions against Belarusian officials (Council decision of October 13) in a two-page document sent to Brussels and expressed readiness to normalise political relations and develop cooperation on issues of mutual interest²². In return, the Belarusian authorities pledged to do three things: to discuss with the OSCE ways of improving the country's election code; permit the publication and legal circulation in Belarus of two (out of about 20) opposition newspapers; and organise a "round-table" discussion on Internet regulation between the Ministry of Information and the OSCE, with the results to be "taken into account" for the "further improvement of the relevant legislation and its implementation."

On November 20, President Lukashenka signed two edicts which envisage the signing of a framework agreement between the government of Belarus and the European Commission, define the status and conditions for the provision of technical assistance under the ENPI and facilitate the functioning of the future EU representative office in Belarus. The President's Press Service listed energy, transport, customs infrastructure, combating illegal migration and international crime, as well as protection of the environment, as priority cooperation areas for both sides²³.

The European Union's Commissioner for External Relations and the European neighbourhood policy, Benita Ferrero-Waldner, welcomed the Belarusian government's "important and encouraging steps." "For its part, the Commission is intensifying technical dialogue with Belarus in the fields of mutual interest and I anticipate concrete results to help foster Belarus' economic development," she said²⁴.

²¹ See "What the European Union could bring to Belarus." <http://www.delbl.ec.europa.eu/page3242.html>. Reportedly, the five remaining preconditions include: changes in electoral legislation, greater freedom of the mass media, abrogation of criminal persecution for political and public activities and a moratorium on imprisonment on political grounds.

²² Rakhlei, Marina. "Belorusskije vlasti gotovy sdelat' tri shaga v storonu Brusselja" [The Belarusian authorities are ready to make three steps closer to Brussels' expectations]. *BelaPan*. 21.11.2008.

²³ *BelaPan*. 21.11.2008.

²⁴ EU commissioner welcomes Belarusian government's promise to level playing field for two private newspapers. 24.11.2008. http://naviny.by/rubrics/inter/2008/11/24/ic_news_259_301975/

The Belarusian president drew his own conclusions from the changing situation. He concurred that the EU is concerned that Belarus may lose independence and has realised the country's role²⁵.

Another major development in 2008 has been the elaboration of the European Union's new "Eastern Partnership" originally proposed by Sweden and Poland. It is ironic that Belarusian officials have perceived it as a more flexible framework (in the sense of less demanding, with no conditionality attached) that would allow Minsk to pragmatically solve its economic and other problems and forget about reforms, democracy and human rights. The real meaning of the Eastern Partnership is **"more Europe," still more intensified relations with the EU** based on the "choice for Europe." Association agreements for partner states, being one of the five key elements of the Eastern Partnership, constitute a strong political bond with the Union. Belarus is far behind its neighbours in developing mutually beneficial cooperation with the EU and it is difficult to conceive how it can "jump" into the Eastern Partnership without completing the preceding stages. The European Union's message to Belarus is clear: the EU is ready to engage with it, but Belarus must do its part too — by continuing positive trends²⁶.

What is diplomatically being labelled as a "thaw" in EU-Belarus relations otherwise looks like a sort of "meltdown" of the previously principled stance of Brussels with regard to the situation in Belarus. But it may come as no surprise if the "new beginning" turns out to be only the beginning of yet another circle.

²⁵Lukashenka explains why EU seeks closer ties with Belarus. 28.11.2008. http://naviny.by/rubrics/inter/2008/11/28/ic_news_259_302264/

²⁶Ferrero-Waldner, Benita. "An Ambitious New Partnership for the East." Polish Parliament, Poland, 27 November 2008. http://ec.europa.eu/polska/documents/news/081123_poland_speech.doc

EVALUATION OF THE PREVIOUS PROGRAMMES OF THE EUROPEAN UNION (TACIS, NGOS, CROSS-BORDER COOPERATION, ETC.)

Elena Rakova

1. Introduction

Today it is quite clear that CEE countries have achieved greater successes than CIS countries in creating of a market economy and are better able to increase living standards for their citizens. Still, this success would be much smaller without the help of international organisations, NGOs and different programmes of technical assistance (TA).

The American “Marshall Plan” set the stage and provided the modern concept by which developed countries provide help to transitioning and developing countries. However, the success of the Marshall Plan is explained by the principal difference between American help directed at *market economy recovery* in a war-torn Europe and the modern form of assistance for *creating democratic institutes and a market economy* in the countries of Africa, Latin America and the CIS. It is precisely the lack of demand for market-orientated and democratic institutions on the side of recipients which has caused the low efficiency of many programmes of technical assistance. A limited understanding of what is going on in the recipient countries, an idealised wish for change, and an approach to local elites based on Western standards has led to corruption, misuse of funds, and, most importantly — an absence of progress in reform. Moreover, the failure to connect further assistance with positive changes has led to a situation whereby many poor countries do not seek change but rely on “aid-seeking” instead.

Despite the widening criticism of technical assistance programmes, stopping them altogether seems harmful and counterproductive. The process of bringing about changes in transition countries gives developed countries a unique opportunity to elaborate effective programmes of technical assistance. Naturally, the most effective technical assistance occurs at the initial stage of change, when living standards are low and demand for change is high. As market reforms are postponed until the 'realisation of necessary preconditions' and are implemented under the 'stop and go' principle, the efficiency of technical assistance decreases as donors are simply unable to follow developments in the country and leapfrog from one politician or official to another. In this situation it is unclear whom to help, from whom to demand action and how to measure the results.

Technical assistance to CIS countries is a unique case study, when compared with CEE countries. In CEE countries, the elites knew what they wanted; within individual states there was a consensus on the direction and degree of change. The demand for new 'rules of the game' was met accordingly by the donor side. The donor community, with its wide set of technical assistance programmes — from training to credits — was a useful 'shoulder' for softening structural and price shocks and adapting to them. The intention of the CEE countries to join the European Union opened access to EU structural funds; this stimulated other foundations and international organisations to provide other forms of assistance, which allowed CEE countries to implement or finish further reforms. In CIS countries the situation was completely different. This paper does not intend to analyse the efficiency and relevance of the TA programmes for the CIS. Suffice it to say that donor societies are currently changing their attitude and approach towards CIS countries.

This paper focuses on Belarus. Belarus is a unique country in its region, which from the start has officially refused most TA programmes. Also, the termination of initial democratic and market reforms closed its possibilities to cooperate with many foundations and international organisations. The government's subsequent actions on legislation for technical assistance considerably limited the possibilities for future cooperation. This paper is organised as follows. In the second section, general information on the conditions of TA to Belarus is provided. In the third section, some flows of TA received by Belarus and their comparisons with other CIS countries are analysed. Special focus is given to the analysis of European TA to Belarus. The fourth section provides the reader with some empirical facts on problems within technical cooperation from the recipient side (Belarusian state and non-state organi-

sations). The fifth section gives conclusions, presenting the ways forward to improve the efficiency of TA to Belarus.

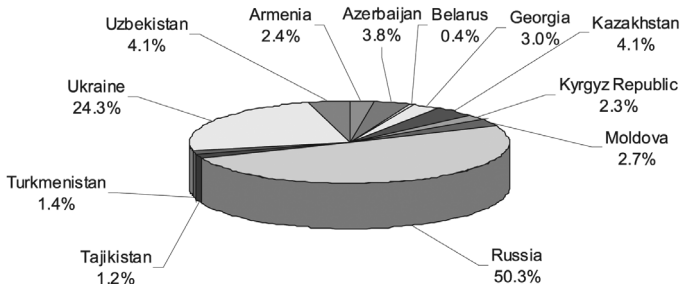
2. Belarus and international technical assistance

Different CIS countries have received very different amounts of TA. Factors such as the size of the recipient country in terms of their population and GDP, its demand and willingness to implement market and democratic reforms, as well as political considerations of donor countries/organisations and their understanding of the relative importance of some countries and sectors usually determine the flows of TA to CIS countries.

As a result, the amount of received TA considerably varies in terms of time, GDP per capita and is distributed highly unevenly. For example, in 2006, in per capita terms, Armenia received 11 times more TA than Uzbekistan¹.

A distribution of total TA amounts by country can be obtained from TACIS data for 1991-2006. TACIS is the only – although a major – channel of TA to CIS countries and to some extent could represent the TA pattern typical for the majority of donor organisations. In 1991-2006 the major recipient of TA was Russia, which received half of all funds (Figure 1). Ukraine was the second largest recipient of the EC's TA, with almost a quarter of all TACIS resources.

Figure 1. Distribution of TACIS funds by recipient country, 1991-2006



Source: Mogilevsky R. and Atamanov A. (2008), Technical assistance to CIS countries, CASE Network Studies and Analysis, #369.

¹Mogilevsky R. and Atamanov A. (2008), Technical assistance to CIS countries, CASE Network Studies and Analysis, #369.

In this regard, Belarus — a European country positioned between two huge markets — Russia and the EU — received the smallest share of TA. This ‘success’ seems to have been earned. Since the first electoral victory of A. Lukashenka, the official position of the government is one of minimal foreign presence and interference with internal affairs. The programmes for civil society and development of democratic institutes, as well as economic projects are often treated by official Minsk as interference in internal affairs.

In 2003 Belarus adopted new legislation which would affect TA prospects. According to edict #460, most international assistance ought to be taxed. Also, international assistance projects must undergo a registration process and be scrutinised for tax exemption by the Department of Humanitarian Activities of the Presidential Administration and receive formal approval before they can start.² Many representative offices of donor organisations were closed (IREX, Counterpart, Eurasia, Open Society Institute, etc.) or did not receive governmental approval for opening or prolonging their activities (most of the German foundations, such as Friedrich *Ebert* Stiftung, Conrad *Adenauer* Foundation, etc.). They are regarded as ‘too political’ or prejudiced against official Minsk. European (EC) aid also faced many difficulties (see next chapter).

The government of Belarus is not keen on co-financing. For example, the World Bank project on AIDS and tuberculosis has been considered for a few years and is now being implemented in a strongly diminished form. The only examples of co-financing are humanitarian and social projects of UNDP or the World Bank. Until recently, Belarus avoided IMF loans and financing.

Programmes for increasing the competences of governmental officials are also scarcely welcomed. Every official must apply for a permit from the Presidential Administration to go abroad and participate, for example, in a conference or seminar. However, IMF training projects do meet with governmental approval and many middle level employees of the National Bank, for example, have been trained in IMF programmes in Vienna or Washington.

Therefore, there is a demand-supply model for two different kinds of technical assistance. On the one hand there are the economic and social programmes and cross-border cooperation initiatives which meet governmental support (social projects, energy sector, infrastructure, strengthening borders, technical trainings of officials). For this kind of cooperation, the ‘market’ in the current

² Decree #460 of the President of the Republic of Belarus On Receiving and Use of Foreign Grants, as of 22 November, 2003, http://www.belarusembassy.org/economic/Tech_assistance.htm.

institutional environment is more or less balanced, with modest supply and demand. On the other hand, there is civil society (political parties, NGOs, analytical organisations), which needs financial resources for its support and development. 30-40% of the population supports market and political reforms³, so the programmes for supporting alternative information sources are highly appreciated (radio, internet, TV, educational programmes for students, exchanges, capacity building, etc.). Indeed, for such projects donors need special schemes for working in Belarus (for financing, audit etc.) and the mandates of many of them do not allow them to do so. To some extent, this 'market' is imbalanced, since demand exceeds supply; thus, supply should be increased, albeit by changing its principles and ways of providing support.

3. TA flows to the country

3.1. General information on approximate TA flows in Belarus

Many global foundations are unable to function under the current institutional conditions created for international organisations and foreign governments by the Belarusian authorities. Some programmes and foundations operate from their representative offices in Kiev, Vilnius or Warsaw; some Belarusian NGOs work in collaboration with Polish, Slovak or Lithuanian structures and organisations. All that, to some extent, hampers the transparency and efficiency of TA, making it difficult to analyse and control financial flows and measure real inputs of implemented projects.

The lack of market and democratic reforms has made it very difficult for some international organisations to provide any substantial amount of TA. Organisations and institutions such as the World Bank (WB), the International Monetary Fund (IMF), the European Bank for Reconstruction and Development (EBRD) and others, link their TA for transition countries to the extent to which reforms are being implemented. The limited mandate for these organisations means limited amounts of help provided. On the other hand, the necessity to meet legal requirements determines the character of the projects implemented by the World Bank, UN or the EU (TACIS), which

³Rakova E., Chubrik A., Shymanovich G. (2006) *Attitudes of Belarusian population towards market reforms*, IPM Research Center, WP, <http://www.research.by/pdf/wp2006e06.pdf>.

become limited to the domains of medicine, strengthening borders and social projects⁴.

Belarus has received one of the smallest amounts of TA out of all the CIS countries. The country is an outsider for both US and EU TA. For example, in the years 1991-1999 Belarus received only 2% of all TACIS funds (Ukraine — 20%, Russia — 51%, Uzbekistan — 4%, Moldova — 2%). Later, as is shown in Figure 1, this share even fell. The same applies to American TA — Belarus receives many times less than Ukraine, Russia or even Moldova. Most of the larger donors to transition countries, such as the WB, IMF, IFC, UNDP and TACIS, claim that their programmes of technical cooperation with Belarus are one of the smallest among all CIS countries due to the reluctance of the Belarusian government to implement any reforms.

Due to a lack of information, it is generally very difficult to estimate real amounts of provided assistance⁵. No databases are available; numbers are fragmentary, incoherent, or cover only a limited number of years. Donor sites do not provide proper information, while the OECD database with this kind of information is available for two years only: 2005 and 2006. According to this database, in 2005 Belarus received USD55.7 million of TA (USD33.3 million from bilateral donors and USD22.4 million from multilateral agreements); in 2006 the annual amount was USD62.6 million (USD44.9 million from bilateral donors and USD17.4 million from multilateral agreements)⁶.

Compounding the major donors (EU, US) together with bilateral donors such as the EBRD, UN and the WB, and assuming that 1) the annual amount of officially registered TA is around USD50 million per year and 2) that other donors do not exceed 20%, we can put the amount of total TA received by

⁴Ongoing projects within the TACIS programme: Rehabilitation of Patients with Radiation Induced Thyroid Cancer and other Thyroid Pathologies in the Stolin Region; Enhancing Border Management in the Republic of Belarus⁷ (BOMBEL 1); Programme of Assistance for the Prevention of Drug Abuse and Drug Trafficking in Belarus, Ukraine, Moldova (BUMAD II Programme); Technical Assistance to Support Climate Change, Energy Supply, and Environmental Issues; Establishment of System of Mobile Palliative Care for terminally ill adults in the Republic of Belarus, <http://www.delblr.ec.europa.eu/page2066.html>.

⁵The official data of registered TA are very limited and sometimes miss an essential number of projects and organisations. The main reason for this is Belarusian legislation, which allows registration of very few TA projects for political reasons. The second reason is taxation and long and bureaucratic procedures of registration, which also prevents some donors from official registration. Due to these reasons neither the Belarusian authorities nor foreign organisations have a proper and adequate understanding of projects, their sums and direction.

⁶<http://stats.oecd.org/WBOS/Default.aspx>

Belarus during 1991-2006 at approximately USD900 million. In terms of TA per capita this is much less than in its neighbours (Table 1).

Table 1. Approximate flows of technical assistance to Belarus, Russia and Ukraine

	Approximate accumulated TA for the period from 1992-2006, million USD	Approximate annual TA in the period 1992-2006 to annual GDP ⁷ , %	Total accumulated TA per capita, USD
Belarus	900	0.40	90
Russia	20897	0.36	143
Ukraine	7200	1.00	145

Source: author's estimations and calculation. Rakova E. (2008), Technical Assistance to CIS countries. The Case of Belarus. Working paper D27 in EU Eastern Neighbourhood: Economic Potential and Future Development (ENEPO project, funded by the 6th Framework Programme of the European Union).

The US government is one of the largest donors to Belarus, providing TA mainly in spheres such as support for civil society organisations and political processes (50% of total support); support for private sector development; support for independent media and support for vulnerable groups. For example, according to this author's calculations, in 1991-2006 Belarus received approximately USD900 million of TA grants, of which more than 50% was from American grants and another 20% from different bilateral donors. Compared with that of the US, *EU TA for Belarus* is very limited, as cooperation between Belarus and the EU hardly exists⁸.

3.2. EU TA to Belarus

According to official data, the total amount of EU TA received by the country in 1991-2006 is 232 million Euro, which is much less than, for example, that received by Ukraine or Moldova (2.5 billion and 1 billion respectively).

⁷Annual GDP was calculated based on EBRD data.

⁸The author is focused on the events that took place before the Parliamentary elections of 2008. Since October 2008 there have been some signs and clear intentions of both sides (EU and Belarus) to improve and create a more sustainable relationship. However, it is difficult to foresee future changes in the institutional environment for TA or the amounts and content of new projects.

Table 2. EC assistance to Belarus, 1991-2005 (in millions of euro)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004-2005	Total
TACIS National Programme	8.92	14.6	9	7	12	0	0	5	0	5	0	0	5	10	76.55
TACIS Nuclear Safety	0.3	0	1.5	0	0.6	0	1.1	0	0	0	0	1	2	0	6.5
TACIS CBC	-	-	-	-	-	1.34	2.8	4.7	2.31	8.15	0	11.2	N/A	6	36.5
CBC SPF	-	-	-	-	-	-	0.6	0.2	0.4	0	0.9	0.2	0.44	0	2.74
TACIS Regional Programme	5.4	4.6	5.1	2.6	3.3	6.5	6.3	4.6	1.7	2	3.9	2.2	7.4	N/A	55.6
ECHO	0	0	0	0.56	2.73	1.73	0.95	0.34	1.99	0.69	0.2	0	0	0	9.19
INTAS	0	0.02	0.9	0.5	0.1	0.6	1.2	0	0.4	0.8	0.5	0	N/A	N/A	5.02
Macro-financial assistance	0	0	0		0	30	0	0	0	0	0	0	0	0	30
Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	222.1

Source: <http://www.delbl.ec.europa.eu/page84.html>

The Partnership Cooperation Agreement (PCA), which is one of the main documents describing the direction, fields and intensity of cooperation with the EU, was not ratified after it was drafted in 1995. Due to political disagreements on the official position of Belarus, EU technical assistance is limited to “humanitarian or regional projects or those which directly support the democratisation process”. The relationship between the EU and Belarus considerably worsened at the beginning of 2000, when Minsk refused to implement any democratic and economic reforms on the one hand, and on the other hand considerably toughed the legislation concerning technical assistance. In 2001-2004 most of the EU projects in Belarus (realised through TACIS) were frozen or cancelled.

After Parliamentary elections and a national referendum in 2004, which were neither free nor fair, the EU committed itself to further supporting civil society and the democratisation process in Belarus. There were a few meetings in 2005 with different relevant groups and stakeholders, in order to clarify the needs and possibilities of supporting civil society and independent mass-media⁹.

⁹<http://www.delbl.ec.europa.eu/page84.html>

As the result of this policy discussion process, the EC increased its assistance to Belarus from around 10 million Euro annually to around 12 million Euro each year in 2005 and 2006. According to an EC press release, “Over 5 million Euro will be available in 2005 alone to support civil society in areas such as strengthening NGO capacity, promoting awareness of and respect for human rights and democracy, promoting cultural diversity, and the fight against poverty and intolerance¹⁰. However, only 2 million Euro out of the annual 12 million was available through grant mechanisms, independent of the Belarusian authorities. This was aimed at direct democratisation and civil society programmes: the European Initiative for Democracy and Human Rights (EIDHR) and Decentralised Cooperation Budget Line (DC). The majority of the European TA goes through the TACIS programmes. TACIS projects face numerous difficulties with the authorities, such as that of holding back on signing financial agreements¹¹.

Box 1. EU projects in Belarus

Since 1997, two TACIS National Programmes for Belarus were launched for 2000-2001 and 2002-2003, both worth €5 m and focusing on the development of civil society. Under the programme endorsed by Belarus in 1999, there was a further €5 m allocation in 2003 targeting civil society and activities related to the effects of Chernobyl. At the same time, Belarus received €16 m in 2001-2003 from the CBC (cross-border cooperation), Interstate/regional and the Nuclear Safety Programmes. In addition to TACIS resources, Belarus was provided with €3.2 m in food aid during 1998-2001. ECHO provided €6.7 m to Belarus for humanitarian assistance linked to the effects of the Chernobyl accident.

Technical assistance to Belarus was hampered in 2002-2003 by the fact that Belarus stopped granting tax exemption to TACIS projects. A new coordination model was set up in the autumn of 2003 for activities related to the alleviation of Chernobyl consequences. The CORE programme (Cooperation for Rehabilitation), in which the EU is participating, was established with the objective to improve the living conditions of the inhabitants of selected districts by reaching out to the people themselves, helping them to get involved in the development and execution of specific projects. The model emphasizes a participatory approach and active involvement of those affected by the Chernobyl accident. National and international partners as well as governmental and non-governmental actors operate under the CORE programme.

Through the European Initiative for Democracy and Human Rights (EIDHR) the EU has provided assistance to the European Humanities University, in cooperation with the OSCE, and finances some other projects. The EIDHR and Decentralised Cooperation provided approximately €3 m per annum in 2005-2007 for the projects supporting civil society in Belarus (human rights, media projects, etc.).

Source: http://www.delukr.ec.europa.eu/internship_opportunities.html, http://ec.europa.eu/external_relations/belarus/intro/index.htm, <http://www.delblr.ec.europa.eu/page84.html>

¹⁰ http://europa.eu.int/comm/external_relations/belarus/intro/ip05_326.html

¹¹ EU Democracy Assistance to Belarus: How to make small improvements larger and more systematic? (2005), Policy brief by Pontis foundation/Institute for Civic Diplomacy.

So, after something of a break, the EU continued to provide technical assistance to Belarus in 2005-2007, with more of a focus on programmes that support civil society development, international student exchange, cross-border cooperation and so on. Most of the EU projects supporting independent mass media and civil society development now go through the programmes of EIDHR and Decentralised Cooperation. Nevertheless, demand for support is much higher than European supply. The EU programmes and mechanisms are not eligible to support non-registered, non-governmental organisations, while in Belarus the legalisation of civil society organisations is often difficult (many organisations have been closed or are not registered).

As for ENP, the Minsk authorities initially welcomed the European Neighbourhood Policy (ENP) concept. But later on, disagreement on the particular programmes and specific areas for cooperation, and further anti-democratic developments and human rights violations, made it impossible for both sides to develop and widen the policy framework.

Box 2. ENP and Belarus

According to the official definition, within ENP the EU offers its neighbours an intensified political dialogue and a deeper economic relationship, based on shared values and common interests in tackling common problems¹². In this regard, in the case of Belarus, ENP has failed not only in promoting the same reforms implemented by CEE countries but has even failed in slightly improving the situation with regard to democracy or human rights. Stimuli and incentives have hardly had any influence on implementing economic (market) or political reform, necessary from an EU point of view. Rather, on the contrary, scepticism about the place of Belarus in a united Europe has increased. Instead of an action plan and ENP instruments, the EU suggested the reduction in General System of Preferences (GSP), an increase in visa prices, minimal cooperation in humanitarian and cultural spheres and, as a result, a further distancing from European life in all spheres.

Indeed, this is neither in the interest of Europe, nor in that of Belarus. The isolation of Belarus (step by step approach) is non-productive. Negotiating from a position of strength, according to which first Belarus should change some things, only after which the EU will start closer cooperation, does not seem to work.

Therefore, currently with regard to Belarus, EU policy lacks the proper incentives (of both 'carrot and stick' instruments). With such preconditions and in such an institutional environment, all EU policy instruments are anything but effective and influential. There should be a shift from a policy of limitations and sanctions to a constructive, positive and profitable cooperation in a process connected to European integration.

Besides official assistance from the EC, there are many other European donors and programmes for Belarus. For example, the German federal govern-

¹² http://ec.europa.eu/world/enp/faq_en.htm

ment has been one of the largest bilateral donors in the country in the economic sphere through its TRANSFORM programme (supporting civil society, SME development, independent mass media, local self-governance, and land reform), active in 1993-2003. By 2004 it had brought around 40 million Euro to the country. But since 2004, this programme for Belarus has been cancelled (it has, however, continued its project in Ukraine, funding for which was even increased recently). The German government provides assistance to Belarusian civil society within a “Programme of support of Belarus” (1 million Euro per year) and some other projects. Other foreign governments such as those of the UK, Sweden or Canada, have rather limited programmes of TA in Belarus. Their focus is mainly on the fields of democratisation, human rights, SME development and the environment.

Recently, European support for Belarus was increased through the programmes of the Polish (Polish Aid), Dutch (Matra/KAP programme) Slovakian and Lithuanian governments, but these programmes have a limited character and minor financing (compared, for example, with their support for Ukraine). Many German, Swedish, Swiss and other foundations are not represented in Belarus.

4. Problems in technical cooperation

Technical cooperation (TC) and programmes of technical assistance (especially European) meet numerous difficulties in their implementation in Belarus. Information from private conversations and minor research in this field¹³ allow for the identification of the following problems:

1) Management and flexibility of European projects

- All respondents point out the complex character of the application process. For example, the EU programmes of Decentralised Cooperation are made by and for Belarusian civil society (as the TACIS programme meets organisational difficulties from the governmental side). However, the requirements for participation in these programmes have a complex and bureaucratic nature (and many NGOs are unable to fulfil them).

- European TC lacks adequate adaptation mechanisms to the conditions of an authoritarian state.

¹³ During this research, the respondents were mainly from civil society; however, there were a few representatives from the government. The total number of interviews was 12 persons.

- Most stakeholders mention that European assistance is usually less flexible than American; that European projects are the most bureaucratic. It is almost impossible to correct the design of projects once they are approved, even if this would improve their quality and efficiency. However, some donors (Slovakia, Poland) and German political foundations are flexible (i.e. organisations which do not work formally in Belarus).

- The duration of the preparation process for projects (TACIS, EC projects) is long: if a grant application is prepared and sent in 2008, project realisation would start in 2010, i.e. the process of negotiation and approbation takes 3 years.

2) Eligibility criteria

The criteria for the relevant projects are questionable and doubtful. Often criteria do not suit the real situation, especially when it concerns sound economic or political expertise. Assistance often has political directivity; it is very difficult to get approval for a project aimed at research and analysis.

Many respondents complain that the real needs of Belarus often are not taken into consideration. For example, projects aimed at tolerance, gender equality or cooperation of NGOs with the authorities are popular objects of European assistance, i.e. these are non-topical, unrealistic or inadequate criteria. Sometimes the topic and subject of a project can be imposed by a donor.

For example, in 2006 the guidelines for grant applicants responding to the call for proposals had the following priorities¹⁴:

- development of social dialogue between local governments and civil society organisations promoting social and cultural rights (which is rather difficult in current Belarusian conditions);

- empowerment of grass-roots organisations and vulnerable groups, by promoting partnerships between these groups and other decentralised cooperation actors;

- encouraging effective operation of the local democratic process (it is not clear what exactly the local democratic process is in the context of Belarus);

- actions in support of poverty reduction (although Belarus has the lowest poverty rates of CIS countries);

- promotion of cultural diversity and the fight against intolerance (according to many social scientists, Belarus is one of the most tolerant countries in the region due to an absence of religious, nationalistic and ethnic conflicts).

¹⁴http://ec.europa.eu/europeaid/tender/gestion/index_en.htm

It is difficult for any NGO to come up with a project that will fit all of these priorities. As a result, organisations such as UNICEF, the Red Cross, etc. receive a considerable proportion of these funds. Certainly, activities of these organisations are highly important; but they do not help realise the goals set forward by EU policy makers with regard to a stronger civil society or democratic reforms.

3) Lack of information and ability to compete

Beside the complex and bureaucratic character of choosing eligible projects, irrelevant to the current situation in the country, the information on possibilities of participation in European projects is rather limited. For example, recently, the EU has increased its appearance in Belarus, providing more TA and support through programmes of the Polish or Lithuanian governments and other decentralised programmes. Yet information about EU support to Belarus is limited, if available at all.

And even when Belarusian agents come up with ideas and projects, they are often unable to compete, as the procedures of tenders are complicated. All applications and relevant documents must be sent via regular mail (160-200 pages), which is neither cheap nor easy for many NGOs.

4) Suitability to needs of recipients

Besides the sometimes arguable eligibility criteria for Belarusian projects, one can mention the following problems regarding the suitability of the assistance to the needs of Belarusian recipients:

- very few donors have a goal of institutionally strengthening the non-government sector (lack of assistance to the development of organisations themselves, for example through institutional grants);

- European projects often orientate on formal criteria and short-term results. Lack of projects which work toward the formation of an social elite in Belarus in the long-term;

- wage rates are often set on a low level, therefore low compensation and the temporary nature of work is not attractive to professional experts (many of them leave civil society organisations for business or government);

- a few respondents mentioned a refusal on the part of donors to finance the purchase of real estate, which is very important for the stable and sustainable work of non-commercial organisations in Belarus.

Another typical problem is the introduction of the experiences of developed countries as a model to be copied by recipient countries, without consider-

ing the differences in the levels of economic development, political economy, culture, etc. Solutions which may fit very well to the conditions of developed countries may not be satisfactory for countries with immature markets, undeveloped administrative systems or different kinds of accountability mechanisms. In this regard, many recipients mention that it is easier and more efficient for them to work with experts from the new EU Member States from CEE countries, as they have a better understanding of the conditions of ex-Soviet countries.

5) Sufficiently and sustainability of TA

All experts agreed that technical cooperation with Belarus is either insufficient or entirely lacking in some fields. Also, some experts mention that the goals which donors want to achieve (creation of a market economy, democratisation) are sometimes not matched by the resources provided (i.e. one cannot improve the situation for small businesses with USD 25,000).

Many experts claim that one of the sustainable ways to build local capacity is through the development of the local consulting industry. In this regard, many donors prefer to use international, rather than local experts; or use individual projects (contracts) rather than institutional means.

Capacity building in the NGO sector also suffers from insufficient sustainability. In many cases, after one relatively major project requiring an NGO to expand its capacity, there is no follow-up, causing stress and even institutional 'death' among NGOs. A majority of experts believe that the current practice of having many relatively small projects is counterproductive.

6) Efficiency and impact for the country (for public discussion in the country)

While many projects and organisations which work in the field of economic expertise and policy advice are mentioned as successful and useful in both state and non-state circles, one might add that the efficiency of many programmes (such as sponsoring new TV channels and radio stations) is rather low. Many experts complain that the quality of mass-media programming and the expertise of their journalists are not sufficient. The TV channel Belsat is often mentioned with regard to the issue of 'cost — benefits'. The project is very expensive, however the quality of its programming is arguable; it is not clear who decides on journalists and content (there were no public tenders or discussions on the content of these programmes).

Besides, for most people these channels are not available or even known (according to some opinion polls, less than 5% of the population consume these

programmes) while these projects consume large resources. Also arguable is the decision to make a new TV channel in the Belarusian language.

Another problem of TA programmes is a lack of transparency. Lack of transparency and the closed nature of many projects is an obstacle for the effectiveness of TA projects. Some donors and Belarusian organisations post all of their projects on their websites, but in many cases the outcomes of the implemented projects are not accessible outside beneficiary organisations. Sometimes, the outcomes of projects devoted to the development of Belarusian civil society are not available for other organisations. This reduces the impact on relevant audiences and the content of discussion inside the country.

7) Structure of expenditures

Many organisations who work with European projects complain about the following problems:

- often donors themselves consume up to 50-75% of all sums of assistance (especially if there is a foreign consultant);
- sometimes a large proportion of resources goes to different events (conferences, expensive polygraphs, air tickets, hotels) and too little contributes towards the wages of local experts. Very often the wages of local independent experts are lower than existing Belarusian wages in business or in official structures.
- many donors demand tenders for small expenditures (USD200-300) which is not always easy or wise as tender procedures are complicated and time consuming.

5. Ways to Increase TA Effectiveness

The economic situation changed to a large extent in 2007. Today, Belarus has reached a crossroads of new trends and challenges, which require changes in economic policy and which would lead to changes from previous patterns between society and the state. *Firstly*, Russia intends to reduce its subsidisation of the Belarusian economy through a gradual but substantial increase in gas and oil prices. A significant reduction in rent incomes forces the Belarusian government to look for new sources to finance social programmes and to support loss-making state enterprises. There are two main options for doing so — privatisation revenues and international credits and loans — but both

are rather limited in the context of the current global financial crisis. *Secondly*, the government is slowly adapting its economic policy towards fewer subsidies for special groups, such as benefits to agricultural enterprises, social benefits to pensioners, students and other social groups. There are also plans to increase tariffs for utility services. *Thirdly*, an increase in living standards caused a consumption boom, an increase in travelling, and the appearance of a middle class. Sociologists are discussing the so-called ‘phenomenon of Lukashenka’s rating motivation trap’¹⁵. What is meant by this is that, in order to support his current high level of popularity, he needs to maintain and increase households’ welfare. But increased welfare changes human motivation (Maslow’s hierarchical effect). So at some point Belarusians will demand more economic, political, informational etc. freedom and space for self-realisation. All of this would contradict the intrinsic nature of the current political regime. Therefore, maintaining current economic growth rates is, to some extent, a question of the ‘political survival, and, simultaneously, death’ of A. Lukashenka. *Fourthly*, there is increasing electoral support for national independence among the elites, as well as the population at large (and negative support for any Union State with Russia), accompanied by a European vision of the country’s future.

All of these trends and challenges necessitate a revision of the directions and methods of technical assistance and donor support. This assistance should be put into perspective. Economic changes would inevitably cause changes in the political situation.

Among the main policy recommendations in the field of European TA are the following:

- 1) Management of technical cooperation is one of the key areas for improving TA effectiveness. Complicated, inflexible and burdensome procedures for preparing EC projects were mentioned by all recipients. Reporting and implementation procedures for many projects can and should be simplified. Mechanical comparison of planned and produced outputs does not necessarily guarantee the realisation of intended outcomes. Fewer larger projects, with clearly defined outcomes and sufficient flexibility, seem to be a more promising option for TC organisations.

- 2) In order to increase the impact of allocated funding through alternative mechanisms, direct funds for democratisation should identify clear priorities for selecting projects to support civil society and democratisation. Among them,

¹⁵<http://www.nmnby.org/pub/0709/27d.html>

one should mention increased access to free and truthful information (support for independent print media and internet-based projects), as well as research and analytical projects. Currently, with new political conditions arising between the EU and Belarus, Europe should press the authorities more to create the necessary conditions for setting up new printed media (i.e. not just returning a few existing outlets to the channels of state distribution and selling), and for setting up new think tanks and NGOs. Up to now, the situation has been such, that there were a few times more independent mass-media outlets (primarily radio stations) than independent think tanks, analytical centres and experts, which can provide journalists with relevant expertise and sound analysis.

3) One simple way to increase the transparency of TA and provide necessary feedback is to make public all TA products, including consultant's reports, legislation drafts, training materials, etc. This could be easily done by posting all materials on the websites of donor and TA organisations. This would provide access to TA products and support capacity-building for a broader audience not limited to the narrow circle of beneficiary organisation representatives. The ability of third parties to see, judge and provide feedback on the quality and utilisation of provided expertise would become an effective tool in increasing the its impact effectiveness of TA.

4) The US experience in providing grants to support civil society, as well as the experiences of selected EU members (The Netherlands, Poland, Lithuania, Sweden) should be more widely taken into account;

6) Excessively rigid donor rules prevent TC providers from attempting any optimisation in the use of available resources. In this regard, the use of lump-sum contracts with well-defined and verifiable outputs and outcomes, of the type already used by some donors, seems to be a promising approach with an appropriate level of perspective.

7) A steady and smooth flow of donor resources to support NGO capacity and an emphasis on long-term cooperation, coupled with careful monitoring of NGO activities, might be a more sustainable option for supporting Belarusian civil society, where domestic resources for NGOs are absent.

8) All of the following are needed: more intensive involvement of local experts and the creation of a sustainable local experts' network; work on the formation of future elites, support groups and experts who can hold a dialogue with the government; and elaborate proposals for sound economic, legal and political reforms.