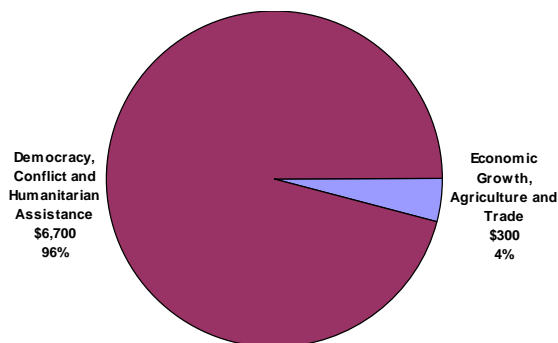
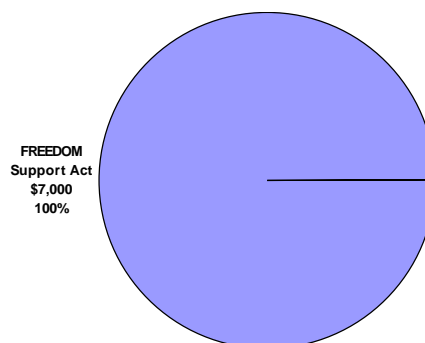


# Belarus

**FY 2006 Assistance by Sector**



**FY 2006 Assistance by Account**



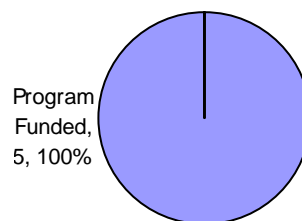
## Objectives and Budget

Objective	SO Number	FY 2004	FY 2005	FY 2006
Citizen Participation in Democratic Practices	113-0210	5,588	3,960	3,960
Transfers		2,467	2,540	3,040
<b>Total (in thousands of dollars)</b>		<b>8,055</b>	<b>6,500</b>	<b>7,000</b>

## Administrative Expenses and Workforce

Administrative Expenses	FY 2004	FY 2005	FY 2006
Mission Allocation			
USDH Salaries & Benefits			
Program Funds	251	251	251
<b>Total (in thousands of dollars)</b>	<b>251</b>	<b>251</b>	<b>251</b>

**FY 2006 Workforce**



**Mission Director:** Chris Crowley

**The Development Challenge:** Fourteen years after independence, Belarus continues to regress steadily from aspirations for pursuing democratically-oriented governance and transitioning into a competitive, market-based economy proclaimed in the early 1990s. Ostensibly a presidential republic, President Lukashenko continues to dominate political, social and economic aspects of government decision making. In 2004 Belarus' fourth round of elections since 2000 was described by the Organization for Security and Cooperation in Europe, as "fundamentally flawed." Ten years into his rule, the referendum associated with the National Assembly election allowed President Lukashenko unlimited terms as President. Further, not a single opposition candidate has won a seat to the 110-member National Assembly this year. As a result, the handful of moderate reformers will be replaced by Lukashenko's loyalists.

The current Government of Belarus (GOB) lacks an effectively organized opposition as emerging political parties still do not have wide electoral support and are not allowed to pass parliamentary reform measures. The independent media continues to face escalating pressures, and civil society organizations, while still emerging, remain marginalized from national development dialogues or initiatives. This year, members of the parliamentary Respublika group staged a hunger strike because election reform was not put on the parliamentary agenda. Those initiatives were voted down and resulted in harassment of their proponents through criminal investigation, violation of immunity, and physical abuse. The Constitutional Court also remains ineffective, never challenging presidential initiatives, and consistently endorsing the constitutional nature of presidential referendums. The licensing of lawyers and the bar association remains under the Ministry of Justice's control, seriously compromising the independence of lawyers, several of whom reported they would be denied licenses due to their activities in non-governmental organizations (NGOs) or political parties. Numerous human rights abuses also were reported throughout Belarus, with authorities disregarding credible disappearance cases, harassing independent labor unions, and beating or arresting pro-democracy leaders or activists. The Belarusian Orthodox Church is the only church officially recognized in Belarus and enjoys preferential government treatment. Authorities deploy a range of measures which continue to deny citizens the right to learn about, influence, or change government policies or representatives.

Belarus continues to rank extremely poorly in both investment climate and economic freedom, with the authorities remaining committed to only "socially-oriented" market reform. The GOB's industrial sector policy intends to favor employment but remains uncompetitive given the government's practice of increasing wages more quickly than productivity growth. In the agricultural sector, the rural population remains dependent upon budget subsidies designed to keep afloat unviable collective and state farms. Private ownership of agricultural lands also remains prohibited.

In 2004, the government continued to campaign against NGOs and political parties, and to restrict media, assembly, and association freedoms. State-owned printing houses have refused to publish many independent newspapers, while state-run distribution agencies have either refused to distribute independent newspapers or severed distribution agreements with such newspapers. Other economic and social constraints include: difficulty in obtaining SME licensing; inconsistency in honoring private ownership and contract rights; and difficulty in establishing working relationships between domestic and foreign businesses, and central and local governments.

Despite having presided over an authoritarian regime, Mr. Lukashenko still enjoys the support of an estimated one-third of the electorate. This is explained by the fact that Belarus, unlike other former Soviet states, has avoided dislocations caused by more substantive economic restructuring and market reforms. Unemployment and inflation remain low, while real annual gross domestic product (GDP) growth in 2004 is about 9%. Budget deficits are low, and social benefits and wages have been maintained better than in other former Soviet republics. Whereas political and economic relations with Russia have improved since 2003, the government continues to be isolated internationally. Despite extensive international criticism, Lukashenko is unlikely to introduce more liberal and democratic practices.

Poverty has reportedly decreased since the mid-1990s. However, its reduction has been uneven throughout the country. Significant inequalities are seen in the uneven ability of different households to access education, child care, and health services. Many Belarusians experience decreasing affordability

of health and social services as well as pronounced gender poverty traps among female-headed households, and even a broader, increasing reliance on cheap dietary coping strategies. Trafficking in women and children also remains a problem, as does environmental management and HIV/AIDS, but the government appears to be collaborating more willingly with donors to address these particular issues.

U.S. strategic interests in Belarus are significant. Belarus requires assistance to advance to a more democratic and accountable political and economic environment, which would in turn potentially lead to increased integration with neighboring EU members and Western security and economic institutions. Belarus also faces social development concerns, i.e. developing strategies to combat HIV/AIDS and trafficking, two key U.S. foreign policy priorities. Belarus is a signatory of international agreements, including those on anti-terrorism, which could contribute to important advancements with continued U.S. development and diplomacy assistance.

**The USAID Program:** The focus of USAID's assistance in Belarus is to increase citizen participation in democratic practices through engagement with diverse and still-undeveloped elements of Belarusian society, including the independent media, civil society organizations and NGOs, and other democratically-oriented actors. Activities include support for: a particularly vulnerable independent media; basic social, economic, and political participation and pluralism; rural entrepreneurial initiatives; and protection of the health and welfare of women and children. USAID plans to use \$4 million of FY 2006 funds to modify and expand opportunities for Belarusian citizens and NGOs to participate in civil society and to address key development priorities such as anti-trafficking, economic policy, and HIV/AIDS prevention and treatment.

**Other Program Elements:** The Farmer-to Farmer Agribusiness Volunteer Program (Citizens Network for Foreign Affairs) is managed by the USAID Bureau for Europe and Eurasia. The program objective is to provide technical and consulting services to private farmers and agricultural organizations to stimulate rural entrepreneurial initiatives, and is in harmony with the Presidential Volunteers for Prosperity Initiative. It is also expected that USAID's Disadvantaged Children and Orphans Fund could provide \$2 million in FY06 and FY07 to provide capacity development activities and needed social development assistance to vulnerable Belarusian children. Such humanitarian assistance programs currently operate without governmental interference.

**Other Donors:** The United Nations Global Fund to Fight AIDS, Tuberculosis and Malaria approved Belarus for HIV/AIDS prevention projects in 2004 and 2005. The United Nations Children's Fund (UNICEF) signed a joint \$3 million plan with the GOB for the period until 2006 to promote children's and youth's health, and protect their rights. The United Nations Development Program has an active Global Environmental Facility (GEF) project, which assists the GOB in meeting environmental management objectives.

## Belarus PROGRAM SUMMARY

(in thousands of dollars)

Accounts	FY 2003 Actual	FY 2004 Actual	FY 2005 Current	FY 2006 Request
FREEDOM Support Act	9,115	8,055	6,500	7,000
<b>Total Program Funds</b>	<b>9,115</b>	<b>8,055</b>	<b>6,500</b>	<b>7,000</b>

### STRATEGIC OBJECTIVE SUMMARY

113-0210 Citizen Participation in Democratic Practices				
FSA	4,171	5,588	3,960	3,960
TRANSFER				
FSA	4,944	2,467	2,540	3,040

Mission Director,  
Chris Crowley

## Belarus

**The Development Challenge:** Fourteen years after independence, Belarus continues to regress steadily from aspirations for pursuing democratically-oriented governance and transitioning into a competitive, market-based economy proclaimed in the early 1990s. Ostensibly a presidential republic, President Lukashenko continues to dominate political, social and economic aspects of government decision making. In 2004 Belarus' fourth round of elections since 2000 was described by the Organization for Security and Cooperation in Europe, as "fundamentally flawed." Ten years into his rule, the referendum associated with the National Assembly election allowed President Lukashenko unlimited terms as President. Further, not a single opposition candidate has won a seat to the 110-member National Assembly this year. As a result, the handful of moderate reformers will be replaced by Lukashenko's loyalists.

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## Data Sheet

<b>USAID Mission:</b>	Belarus
<b>Program Title:</b>	Citizen Participation in Democratic Practices
<b>Pillar:</b>	Democracy, Conflict and Humanitarian Assistance
<b>Strategic Objective:</b>	113-0210
<b>Status:</b>	Continuing
<b>Planned FY 2005 Obligation:</b>	\$3,960,000 FSA
<b>Prior Year Unobligated:</b>	\$3,696,000 FSA
<b>Proposed FY 2006 Obligation:</b>	\$3,960,000 FSA
<b>Year of Initial Obligation:</b>	1999
<b>Estimated Year of Final Obligation:</b>	2005

**Summary:** The USAID program in Belarus aims to increase citizen participation in civil society, strengthen democratic political processes, and develop independent media.

### Inputs, Outputs, Activities:

**FY 2005 Program:** Strengthen Civil Society (\$3,410,000 FSA, \$1,073,000 FSA carryover, \$73,000 FSA prior year recoveries). USAID will advance civil society development by supporting community initiatives and building capacity of non-governmental organizations (NGOs). More than 10 NGOs will receive training in governance, volunteer recruitment, fundraising, and public advocacy. Principal contractor: to be determined (TBD).

The Community Connections program will enhance Belarusians' leadership role, contribute to economic and democratic reform, and promote mutual understanding through exposure to U.S. society. Approximately 40 entrepreneurs, local government officials, legal professionals, and NGO leaders will attend U.S. training programs tailored to their professional or business interests. Principal contractor: TBD.

Necessarily adopting a long-term view and working within a challenging environment, USAID will continue to provide assistance in political party-building, campaign planning and management, media relations, and coalition building skills. Activities will include legal education seminars, professional advancement, and legal community action teams. Assistance will focus on legal services, support independent media's coverage, and provide independent outlets with pro bono electronic services and journalists' professional training. The program will also enhance Belarusians' ability to advocate for the respect of individual citizens' rights.

USAID will continue to promote human rights and justice by training local lawyers, activists, NGOs, and citizens. Legal Advice Centers (LACs) will improve legal accountability through improved case preparation and lobbying techniques. USAID will fund program administration and development costs, including conducting assessment of the current democracy and governance portfolio. Principal contractors/grantees: Counterpart Alliance for Partnership, National Democratic Institute, International Republican Institute, International Research and Exchanges Board, American Bar Association/Central East European Law Initiative(all prime).

Reduce Transmission and Impact of HIV/AIDS (\$800,000 FSA carryover). Funds will establish an HIV/AIDS monitoring and evaluation system, ensure civil society organizations' participation in the program's implementation, and provide anti-retroviral (ARV) drug treatment. Principal grantees: World Health Organization (prime), United Nations AIDS program (prime).

Reduce Trafficking in Persons (\$300,000 FSA, \$700,000 FSA carryover). This new project will reduce trafficking of women under the age of 25 and prevent re-trafficking of returnees. It reflects the National Security Presidential Directive on Trafficking-in-Persons (TIP). USAID provides capacity development services to local NGOs to support TIP activities. Principal grantee: International Organization for Migration (prime).

Improve Private Sector Growth (\$250,000 FSA, \$1,050,000 FSA carryover). The new Economic Education project will provide unbiased economic information through economic education and accounting training. The project will bring financial reporting in compliance with international standards. USAID will expand micro and small enterprise (MSE) lending operations, providing support for developing MSE loan procedures and practices for two private partner banks. The Eurasia Foundation small grants program will promote private enterprise and civil society development. Principal contractors/grantees: Development Alternatives Inc., the European Bank for Reconstruction and Development, Eurasia Foundation (all prime).

**FY 2006 Program:** Strengthen Civil Society (\$2,710,000 FSA). USAID will expand the community improvement program through NGO development and grant management. The Community Connections program will contribute to Belarusian economic and democratic reform and to promote mutual understanding through exposure to U.S. society and contacts with Americans. Approximately 20 entrepreneurs, local government officials, legal professionals, NGO leaders, and other professionals from Belarus will attend training program in the U.S. tailored to their professional or business interests.

USAID will also continue a long-term capacity building program for pro-democracy parties with the focus on internal governance, party building, and membership recruitment and retention.

USAID will provide basic support to offer Belarusians a progressive, public voice and maintain the skills of non-state media owners, publishers, managers, and journalists.

The program will enhance the Belarusians' ability to have the government respect individual citizens' rights. Activities will include legal education seminars, professional advancement, and legal community action teams. Same implementers as above.

Reduce Transmission and Impact of HIV/AIDS (\$500,000 FSA). Funds will ensure CSOs' participation in the country program's implementation and provide anti-retro viral drug treatment. Same implementer as above.

Reduce Trafficking in Persons (\$500,000 FSA). Preventing trafficking will meet U.S. foreign policy priorities and contribute to strengthening citizens' democratic decision-making practices as well as NGOs' capacity for working on TIP prevention. Principal contractor/grantee: TBD.

Improve Private Sector Growth (\$250,000 FSA). USAID will support economic policy dialogues for providing unbiased economic information through economic education and accounting training. The Eurasia Foundation small-grants program will promote private enterprise and civil society development. Same implementers as above.

**Performance and Results:** In FY 2004, USAID supported grassroots development initiatives through working with 24 communities, involving 1.5 million people and 59 CSOs. Half of the more than 100 initiatives have accomplished their tasks successfully, which has led to long-term improvements in the communities. USAID supported an extensive training program, cross-border study tours, exchanges for community leaders, a women's and youth empowerment program, as well as regular information exchange through websites and publications. School for managers helped business, local government, and CSO leaders to maintain a dialogue and develop cooperation. This year, the LACs provided more than 3,000 consultations on legal matters. LAC lawyers filed 157 cases on behalf of their clients. They conducted 46 legal education seminars for about 1,500 people. Several LAC clients have been reinstated in their jobs, and a number of appeals related to community problems have been resolved. Positive trends in political party development can be directly attributed to USAID. With USAID support, independent newspapers continued publication of quality articles on major socio-political topics, thus providing an alternative voice.