

Belarus

The Development Challenge: Belarus is one of the most backward and repressive countries of the former Soviet Union and Freedom House classifies it as “a consolidated autocracy.” After a hopeful start at the beginning of its first decade of independence, Belarus has, for the past eight years, moved in the opposite direction and become significantly less free than neighboring countries. The 2000 Parliamentary and 2001 Presidential elections were so egregiously flawed that the international community did not recognize the results. The state resorts to an authoritarian government and isolationism, threatening and eroding democratic institutions by suppressing dissent and controlling access to information. According to the 2002 United Nations Development Program (UNDP) Human Development Index Report, most indicators of progress towards democracy for Belarus are lower than for the majority of the Eurasia states (especially the indicator of civil liberties). A European Parliamentary delegation visiting Belarus in November 2002, noted the lack of progress towards democracy since the 2001 presidential elections. The Belarusian government’s decision to discontinue the work of the Organization for Security and Cooperation in Europe (OSCE) Advisory Monitoring Group has strained the country’s relations with European and American powers, and prompted the European Union (EU) and United States Government (USG) decision to impose a visa ban on the Belarusian leader and seven top government officials in December 2002.

After the Presidential election of 2001, the government increased its interference in the activities of trade unions, pro-democracy political parties, NGOs, and independent media, harassing and intimidating their leaders. Polish, Lithuanian, Latvian, and even Russian national legislators formed official Belarus Working Groups or held hearings on Belarusian issues to highlight their concern over increasing restrictions on freedom (e.g., religion and speech) and other human rights. This indicates the new political reality for Belarus; its current policies are leading to further isolation from the neighboring countries that are consolidating democratic pluralism and forming regional alliances.

On the economic front, the state continues to resist reforms. The Heritage Foundation ranks Belarus 151 out of 156 countries in economic freedom. Economic mismanagement has caused a dramatic increase in stocks of unsold goods, which currently stand at 60% of the average monthly output. The industrial base has become obsolete, and more than 40% of the industrial enterprises work at a loss. The ability of firms to remain liquid is further constrained by mandated wage increases and the inability to release surplus personnel. Arrears are rising for both wage and tax payments. Payments to the state social security fund are declining, resulting in arrears in pension payments. In some cases, banks have been “directed” to lend to illiquid enterprises to permit them to pay wages and social security taxes.

The U.S. national interests: Belarus remains the last “authoritarian regime” in Europe, but has the potential to become a democratic and economically developed country and join its neighbors in transition to democratic pluralism. The U.S. has a vital national interest in a prosperous, free, and peaceful Europe which must include a stable, democratic, and market-oriented Belarus. After the first round of integration, the EU will become contiguous with Belarus, leaving it potentially vulnerable to political and economic instability across the border. The U.S. foreign policy priorities in Belarus are to help foster a political and economic environment which is more democratic and in harmony with the region, through its work to strengthen civil society, political process, and the independent media.

The USAID Program: Given the existing environment in Belarus, USAID’s FY2003-2005 Assistance Strategy takes a long-term perspective and continues to prepare the soil for democracy so that when real reform comes, it might take root. This strategic plan aims to engage diverse and as yet under-empowered elements of Belarusian society, including independent media, non-governmental organizations (NGOs) and pro-democracy groups, under a common overall goal reflected in the single Strategic Objective: “Increased citizen participation in democratic practices.” This goal coincides with the Agency’s objective for “better informed citizen participation in political and economic decision-making” within the Democracy, Conflict and Humanitarian Assistance Pillar.

The Program Data Sheets cover the single strategic objective for which USAID is requesting FY 2003 and FY 2004 funds. This objective concentrates on activities that foster citizens' participation in democratic practices.

Other Program Elements: In addition to the resources requested in the Program Data Sheets, CNFA, centrally funded, implements the West NIS Agribusiness Volunteer Program in Belarus. The objectives are to strengthen the ability of private farmer associations to improve the incomes and businesses of their members, to develop private agribusinesses, and to stimulate the development of entrepreneurial initiatives within former collective farms.

Other Donors: The USG is the largest donor in Belarus, working almost exclusively with the structures of civil society through the Small Grants Program of the Democracy Commission, the National Endowment for Democracy, and other agencies. USAID has taken the lead in donor coordination and its technical assistance was increasingly matched by other donors' financial support, or by implementing joint projects in the areas of independent media development, political process strengthening, civil society development, and civil society legal defense capacity building.

The German federal government had been one of the largest bilateral donors in the country in the economic sphere through its Transform Program, active since 1993. However, it recently curtailed its technical assistance program that supported civil society and the development of bilateral micro-level contacts. The Swedish International Development Agency provides support to civil society, small and medium business and business associations, independent media, local self-governance, and land reform. The British Department for International Development provides limited funding to projects in the fields of democratization, good governance, human rights, and the environment. The Canadian International Development Agency has supported efforts to promote economic reform in Belarus by working with independent think tanks, business associations, and the private sector.

Multilateral donors include the World Bank, whose 2002-2004 Country Assistance Strategy for Belarus envisions a loan to the GOB for tackling relevant economic and social issues (e.g., TB/AIDS, the Chernobyl disaster, the environment, a Social Investment Fund). The International Monetary Fund completed its monitoring program in 2002 and is negotiating further involvement with the country. The European Bank for Reconstruction and Development (EBRD) has a limited portfolio of successful investment in the private sector. The EU TACIS Program was established to contribute to structural reform and modernization in areas key to transition and currently focuses on civil society strengthening initiatives. Its 2003 budget is higher than in previous years and targeted to projects that combat human trafficking, illegal drugs, and money laundering. The United Nations (UNDP) has a small grants program that offers support to CSOs in various spheres, though mainly in social services, health, and the environment. Various private organizations provide small grants for the development of civil society organizations, independent media, and pro-democracy political parties.

Belarus
PROGRAM SUMMARY

(in thousands of dollars)

Accounts	FY 2001 Actual	FY 2002 Actual	FY 2003 Prior Request	FY 2004 Request
FREEDOM Support Act	11,879	10,572	9,500	8,000
Total Program Funds	11,879	10,572	9,500	8,000

STRATEGIC OBJECTIVE SUMMARY

113-0210 Citizen Participation in Democratic Practices				
FSA	4,856	4,998	3,900	5,080

TRANSFER				
FSA	7,023	5,574	5,600	2,920

Mission Director,
Christopher Crowley

Data Sheet

USAID Mission:	Belarus
Program Title:	Citizen Participation in Democratic Practices
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	113-0210
Status:	Continuing
Proposed FY 2003 Obligation:	\$3,900,000 FSA
Prior Year Unobligated:	\$2,527,000 FSA
Proposed FY 2004 Obligation:	\$5,080,000 FSA
Year of Initial Obligation:	FY 1999
Estimated Completion Date:	FY 2005

Summary: The USAID program in Belarus promotes civil society participation, a strengthened democratic political process, and development of independent media through technical assistance, training, and small grants to local non-governmental organizations (NGOs) and the independent media, and technical assistance and training to pro-democracy political parties.

Inputs, Outputs, Activities:

FY 2003 Program:

Increased effectiveness of democratically-oriented Civil Society Organizations (CSOs) (\$1,800,000 FSA). USAID will advance its community initiative program, aimed at involving citizens in democratic decision making. Two approaches will be used for implementation of the program: support to "capacity-related" community initiatives and capacity building for NGOs in those communities. Ten sites will be selected for training in democratic governance, community appraisal, and support in the formation of representative community project boards. USAID technical assistance and grants will provide these communities with the resources to promote a greater flow of information on issues which are important to and identified by the citizens. A grant competition will also support NGO projects that mobilize targeted communities for participation in community initiatives. The NGO training in these communities will cover areas of governance, membership and volunteer recruitment, fundraising, strategic planning, and public advocacy. Principal contractor/grantees are Counterpart International, Inc. and the Eurasia Foundation (prime).

Elevated responsiveness of political parties to public needs (\$1,050,000 FSA). USAID will focus on the following areas for the pro-democracy party training, technical assistance, and cross-border exchanges: internal governance practices, effectiveness of strategic planning and operations, membership recruitment and retention, and message formulation. The latter involves building party public relations and media communications skills, and improving the capacity for productive use of public opinion research. These activities will assist the national and regional political party network to identify issues resonating with the people and build their platforms around them. A civic organization will be established that conducts public awareness campaigns to educate Belarusians about their constitutional rights and democratic electoral processes. Principal contractors/grantees are the International Republican Institute (IRI) and the National Democratic Institute for International Affairs (NDI). (prime).

Support to independent media (\$700,000 FSA). USAID's assistance will improve the professional skills of non-state media owners and professionals, including publishers, accountants and journalists; strengthen the legal and financial status of independent media; and increase the journalists' capacity to provide the public with objective, fact-based, and useful information. USAID will work with independent print and electronic media, the latter including private regional TV and radio stations. The technical assistance will include a wide range of expert services: journalism and management training, legal defense, on-site business consultations, and free-of-charge service provision (e.g., photo archive, Internet access, specialized software development and transfer, etc.). The principal contractor/grantee is the International Research and Exchanges Board (IREX).

Increased legal defense capacity (\$350,000 FSA). USAID plans to extend the current program promoting human rights and the rule of law by continuing to train local lawyers, activists, the free trade unions, NGOs and the citizenry to advocate for greater respect by Belarusian authorities. Continued support will be provided to the network of Legal Advice Centers. The principal contractor/grantee is the American Bar Association Central European and Eurasian Law Institute (ABA/CEELI).

FY 2004 Program:

Increased effectiveness of democratically-oriented CSOs (\$2,780,000 FSA). USAID expects to expand the community improvement initiative program to ten new, competitively-selected locations and to provide follow-on awards to communities who previously successfully implemented prior initiatives. The CSO training and grant program will match the activities in targeted communities. The principal contractor/grantees are Counterpart International and the Eurasia Foundation (prime).

Elevated responsiveness of political parties to public needs (\$1,250,000 FSA). USAID technical assistance priorities may be related to the Parliamentary election: campaign planning and management; public and media relations, door-to-door activities, etc. The civic election observation network is expected to be operational and able to conduct public awareness campaigns on electoral rights and democratic electoral practices and watchdog and observation functions during elections. The principal contractor grantees are IRI and NDI.

Support to independent media (\$700,000 FSA). USAID will continue focusing on the financial viability of the independent media, introducing alternative distribution systems to counter the government's discriminatory distribution price structure. Media professionalism and legal expertise will remain a high priority as the government continues to suppress the media with libel suites and other forms of harassment. The FY 2003 activities will be continued in FY 2004. The principal contractor grantee is IREX.

Increased legal defense capacity (\$350,000 FSA). The program will continue to focus on enhancing the ability of lawyer and non-legal Belarusians to demand that the government respect the rights of individual citizens. FY 2003 activities will continue in FY 2004. Their principal contractor grantee is ABA/CEELI.

Performance and Results: Civil society organizations were provided with training to improve their expertise in protecting their constituency's rights. As a result, about 40% of the training recipients employed these techniques in their work. Based on the successes of USAID's 2002 NGO Sustainability Development Project, eight rural clubs throughout all the regions of Belarus were established. These clubs provided community members with access to information, technical instruction, and a forum to discuss issues of local importance.

USAID political process strengthening program in Belarus has developed into an intensive, in-country, broad-coverage program with the main focus on the organizational capacity of pro-democracy forces. Some positive trends in party development can be attributed to USAID assistance: at least one party used the new skills to develop its national platform and several parties, including their regional branches, developed campaign plans for the local 2003 elections.

The USAID media development program increased business viability of the media and the quantity and quality of objective information. Under the distance learning initiative that began in 2002, approximately 30 well-researched articles are generated per month. Technical assistance provided to the regional independent TV stations resulted in the production of more than a hundred documentaries that were presented at the First National Regional TV Festival Focus 2002. These documentaries also were presented numerous times on all of the independent stations. As a result of business planning seminars and on-site consultations, six newspapers drew up business plans. These plans represent a first and important step toward their business viability. Market research gave the major newspapers tools to approach advertisers, and several local newspapers raised their advertising revenues. By the end of the program, a nightly news bulletin will be established using the network of regional TV stations, to provide a balanced alternative to the state-controlled media.

US Financing in Thousands of Dollars

Belarus

113-0210 Citizen Participation in Democratic Practices	ESF	FSA
Through September 30, 2001		
Obligations	165	22,558
Expenditures	65	14,589
Unliquidated	100	7,969
Fiscal Year 2002		
Obligations	0	3,422
Expenditures	78	9,694
Through September 30, 2002		
Obligations	165	25,980
Expenditures	143	24,283
Unliquidated	22	1,697
Prior Year Unobligated Funds		
Obligations	0	2,527
Planned Fiscal Year 2003 NOA		
Obligations	0	3,900
Total Planned Fiscal Year 2003		
Obligations	0	6,427
Proposed Fiscal Year 2004 NOA		
Obligations	0	5,080
Future Obligations	0	0
Est. Total Cost	165	37,487