

**USAID/Belarus**  
**ANNUAL REPORT FY 2003**

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## **A. Program Level Narrative**

### **Program Performance Summary:**

Background: Belarus is one of the most repressive countries of the former Soviet Union. Freedom House classifies Belarus 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 less free than neighboring countries. While the Presidential election of 1994 was generally deemed to be free and fair by international monitors, since 1996, President Lukashenko has continued to consolidate his rule by dissolving the elected parliament, governing by decree, and undermining pro-reform forces. The 2000 Parliamentary and 2001 Presidential elections were so egregiously flawed that the international community did not recognize the results. After a short post-election period of hope for democratization by the pro-democracy constituency, the government increased interference with the activities of trade unions, the pro-democracy political parties and independent media, harassing and intimidating pro-democracy leaders. Polish, Lithuanian, Latvian, and even Russian national legislators have formed official Belarus Working Groups, or have held hearings to address the Belarusian issues, highlighting their concern about the increasing restrictions on human rights. This is a new political reality for Belarus: its policies are leading to isolation from the rest of the neighboring countries.

According to the 2002 UNDP Human Development Index Report, most indicators of progress towards democracy for Belarus are lower than for the majority of the CIS states. For the indicator of civil liberties (the freedom of expression and belief, freedom of association and organizational rights, rule of law and human rights, and personal autonomy and economic rights), Belarus is in parity with Uzbekistan, Iran, China, Vietnam, Cambodia and Cameroon. A European Parliamentary delegation visiting Belarus in November 2002, noted the continuing lack of progress towards democracy since the 2000 Parliamentary and 2001 Presidential elections. It pointed out that the Belarusian government's efforts to discontinue the work of the OSCE Advisory Monitoring Group, had strained the country's relations with democratic European institutions, and was matched by the EU decision to impose a visa ban on the Belarusian leader and top officials.

The state is resisting political and economic reforms. According to the Heritage Foundation, Belarus ranks 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 percent of the average monthly output. The industrial base has become obsolete, and more than 40 percent 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. According to the recently published report of the World Bank, Belarus occupies the 25th position among 26 countries in transition in terms of the economic progress. Out of all countries of East Europe and NIS, only Belarus and Turkmenistan did not complete the initial phase of the economic reforms. Despite the fact that the new investment code of 2001 guarantees property rights, the investment environment remains extremely poor for the following reasons: a concerted resistance by the GOB to private sector development, a lack of transparency and rule of law, failure to adopt economic reform, inefficient bureaucracy, corruption, and the lack of privatization.

U.S. Interests and Goals: Belarus remains the last “authoritarian regime” in Europe, but has the potential to be a democratic and economically developed country. 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. 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.

Donor Relations: The environment for development assistance in Belarus is unstable and, therefore, difficult to predict. Most donor support is provided in the areas of civil society development, institutional, legal, and administrative reform (TACIS, UNDP, CIDA, DFID), combating human trafficking, illegal drugs

and money laundering (TACIS), social service provision (WB), health and education (UNDP). Several donors (WB, SIDA, CIDA, German government) promote democratic and economic reform in Belarus by working with independent think tanks, business associations, and the private sector. The USG is the largest bilateral donor in Belarus, working almost exclusively with the structures of the civil society through the Democracy Small Grants Commission, National Endowment for Democracy (NED) Foundation, and other agencies. USAID has been instrumental in coordinating donor activities resulting in joint projects in the areas of independent media development, political process strengthening, civil society development, and civil society legal defense capacity building.

**Challenges:** One of the greatest challenges for the USAID assistance program this year was the lack of respect by the GOB for human rights and freedoms, or commitment to the country's democratization and economic development. In fact, 2002 demonstrated steadily increasing pressure and physical harassment by the GOB on civil society leaders and activists, political opposition leaders, and independent journalists. The GOB also manipulated and controlled the trade union structures, closed down independent newspapers, and perpetrated criminal charges against independent journalists. The challenge in the coming year will be to continue to implement development activities under increasing GOB scrutiny and harassment.

#### Key Achievements:

**Civil Society:** As a result of USAID's 2002 NGO Sustainability Development Project, a Rural Club model was established in eight sites in all the regions of Belarus. These clubs, initiated by local NGOs, provide rural community members with access to information, technical instruction and a forum to discuss issues of local importance. Three clubs in initially selected sites have been functioning for about a year, and five new communities were selected on a competitive basis in August 2002. Three hundred seventy seven consultations were provided on topics such as: rural club creation, program development, cooperation and coordination, planning, management. The club leaders developed their knowledge and skills and serve as experts for the community. A series of trainings for rural club members in advocacy, legal forms of civic activism, and legal clinic development, resulted in the creation of a legal clinic on "Public Representation of Citizens' Rights," in one rural club. The clinic assisted several community members in successfully defending their rights in court. Another rural club conducted a food drive for the disabled. The rural club in Vileika trained students in HIV awareness, and held an HIV awareness concert that attracted 300 youth. A Youth Leadership School was launched to educate an important constituency of young community members from rural clubs. Two groups of 25 people each were formed on a competitive basis, and are actively involved in community work with their peers. A subcomponent of the Rural Club model, the Rural Talk Show Project also started at three local TV stations with a format completely new for the participating stations. The project helped create 38 TV talk show programs on different social and economic issues. The topics of the shows were initiated by local NGOs and reflect local priorities. The programs give a chance for officials, NGO representatives, entrepreneurs and other community members to participate and freely exchange their opinions on existing problems and discuss possible solutions. In addition, local journalists and cameramen received on-site training in talk show production. Positive feedback from the audience convinced the stations to re-broadcast the programs two-three times.

**Political Process:** As a result of USAID's 2002 technical assistance, political party branches made a number of important strides. Belarusian party activists began to communicate with their voters more effectively. The heads of several regional chapters of pro-democracy parties increased their respective party's local chapter profile and encouraged membership growth by solving community issues through public opinion surveys, signature collection campaigns and bringing the demands of the public to the local government's attention.

**Independent Media Development:** USAID worked intensively with print and electronic media to increase their sustainability and thus augment their editorial independence. Market research was conducted for the major Minsk newspapers, giving them the tools to approach advertisers. Consequently, several local newspapers raised their advertising revenues (e.g., newspaper Intex-press raised its revenues by 25% and increased its circulation by 2000 copies). The newspaper company Intex-press also launched three newspapers. The series of business plan seminars and on-site consultations resulted in providing six

newspapers with the ability to develop their own business plans. USAID also addressed the problem of discriminatory rates for independent media distribution through the state system. To expand rudimentary distribution systems at several major newspapers, customized software was developed. The software was tested at a major Minsk newspaper, enabling it to control its distribution and track sales, and was further implemented at several additional media outlets. Under the new distance learning initiative, focusing on improving the quality of news stories, approximately 30 well researched and professionally edited articles per month were generated. The "First National Festival of Regional Television Focus 2002," organized in September 2002, helped raise the professional skills and profile of regional television in Belarus. More than 100 works were entered by 25 stations. The winners went on to the "International Regional Television Festival" in Slovakia, where two Belarusian films became prize-winners.

**Rule of Law:** The objective of the project is to increase access to justice for Belarusian citizens. Over 20 Legal Advice Centers (LACs) are operated by three Belarusian partners. The Free Trade Union (FTU), Independent Trade Union (ITU) and the Belarusian Organization of Working Women (BOWW) provide citizens with qualified legal advice and representation. LACs render competent legal advice and representation. Thirty eight legal education seminars were conducted and attended by almost 900 trainees. In 2002, the institution building project aimed at strengthening NGOs' effectiveness and financial viability, brought impressive results. Eighteen LACs operated by BOWW managed to attract external funding after the series of capacity building training. The Legal Information Clearinghouse ("Clearinghouse") established in 2001 by ABA/CEELI and a local NGO became fully operational, provided 20 consultations per month to LAC lawyers on substantive and procedural legal matters and responded to 30 requests per month. The Clearinghouse also provided a monthly analytical update of changes in Belarusian legislation.

**SME Development:** USAID worked to increase the constituency for the free market economy in Belarus by providing assistance to business associations. As a result, 18 partner organizations expanded their client base by 100% and their membership by 60%. The information/education campaign conducted by the project reached every fifth entrepreneur. Efforts to improve cooperation among Belarusian business associations in their joint advocacy led to the creation of a Council of Regional Business Associations, uniting 11 organizations. The Council is a forum for the business associations' leaders to coordinate their efforts in improving the business environment at the local level and lobbying at the national level.

**Gender:** The five USAID activities in Belarus provided equal assistance to both men and women during FY 2002. A women's leadership training component has been specifically developed and implemented for both CSO and political process activities.

**Public-Private alliances:** Public-private partnerships have leveraged important in-kind contributions for USAID programs in Belarus. Under USAID's Counterpart Alliance for Partnership (CAP) program, NGOs in Belarus have been awarded grants for activities designed to promote democratization and provide needed social services. Some of these grant competitions have required NGO cost-sharing. This activity has been supported with \$2.9 million in USAID funds since 1997. In 2002, eight Rural Clubs were established throughout the country with the technical assistance and modest financial support of CAP. An initial obligation of \$1.0 million FY02 C/O funds will be made and additional obligations of \$1.6 million in FY03 and \$1.7 million in FY04 and FY05 are anticipated, for sustaining and expanding the civil society development activities at the community level.

The American Bar Association/Central and Eastern European Law Initiative (ABA/CEELI) Rule of Law program was first launched in Belarus in 1992. ABA/CEELI's current program promotes human rights and the rule of law by training local lawyers, activists, the free trade unions, NGOs and the citizenry to advocate for greater respect of citizens rights by Belarusian authorities. The program included US lawyers providing their services pro bono. The program established a network of Legal Advice Centers (LACs). From June 1998 until May 2002, the number of LACs increased from five to over twenty centers. They are operated by NGOs and the independent trade unions and provide free legal services to hundreds of citizens. The total USAID funds are \$1.3 million. The 2002 extension of ABA/CEELI, with \$296K Performance Funds allowed them to continue supporting LACs in developing their organizational capacity, their advocacy campaigns and implementing strategies to address local issues of community

concern. \$700K FY 2002 C/O is requested to extend this activity, which will allow for the critical sustaining of the indigenous legal defense capacity in Belarus through 2005.

Eurasia Foundation grants to Central Connecticut State University and the State University of New York have supported two MBA programs, an Executive MBS at the Institute for Privatization and Management and the European Humanities University in Minsk (amount \$319,781) and an MBA program at Yanka Kupala State University of Grodno (\$175,421). The first grant supports continuation of the partnership between Central Connecticut State University, and the private establishments - the Institute of Privatization and Management (Minsk) and the European Humanities University and the Warsaw-based Leon Kozminski Academy of Entrepreneurship and Management (LKAEM). Phase III of this project strengthened faculty qualifications, introduced new teaching methodologies, developed region-specific case studies and implemented a sustainable visiting lecturers program that will result in the issuance of European-accredited LKAEM diplomas to graduates of the program. The second grant completes the implementation phase of the creation of a self-financing western-style MBA program at the Yanka Kupala State University in Grodno (YKSUG), in cooperation with the Riga Business School (RBS) of the Riga Technical University and University of Buffalo (UB). Grant funds supported continued faculty training, design of a more cost-efficient core management curriculum, and the implementation of a marketing and recruiting strategy.

The Citizens Network for Foreign Affairs Inc. (CNFA) is administering a regional Farmer-to-Farmer activity in Belarus, Ukraine, and Moldova with no USAID/Belarus funding. 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. In 2002, it ensured the assistance of 12 volunteers in Belarus, with the target of 15 assignments. The 2003 target is 18 assignments. The volunteers provide on average three weeks of their time, and bring invaluable experience and skills developed in the competitive American agricultural market to private farmers, agricultural cooperatives and agricultural associations.

**Environmental Compliance:** The Environmental Assessment was carried out in the strategy design stage and a Categorical Exclusion was granted during the Belarus 2003-2005 Strategy review. All required mitigations and conditions are being followed.

#### **Country Closeout & Graduation:**

#### **D. Results Framework**

##### **113-0210 Better Informed Citizen Participation in Political and Economic Decision-Making**

SO Level Indicator: Citizens (male-female) participating in CSOs and civic initiatives

- IR 2.1.1 Increased effectiveness of democratically oriented NGOs
- IR 2.1.2 Increased responsiveness of political parties to public needs
- IR 2.1.3 Enhanced public access to objective and substantive information

#### **Discussion:**

## Selected Performance Measures - Belarus

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Indicator (all data should pertain to FY or CY 02)	OU Response	Significant Result: Description of the significant result for a strategic objective	Data Quality Factors: Information relevant to the collection of this indicator data, e.g. "this data was not collected last year because it is only collected every five years."
<b>Pillar I: Global Development Alliance</b>			
Did your operating unit achieve a significant result working in alliance with the private sector or NGOs?			
a. How many alliances did you implement in 2002? (list partners)	4		
b. How many alliances do you plan to implement in FY 2003?	4		
What amount of funds has been leveraged by the alliances in relationship to USAID's contribution?			
<b>Pillar II: Economic Growth, Agriculture and Trade</b>			
<b>USAID Objective 1: Critical, private markets expanded and strengthened</b>			
Did your program achieve a significant result in the past year that is likely to contribute to this objective?			
<b>USAID Objective 2: More rapid and enhanced agricultural development and food security encouraged</b>			
Did your program achieve a significant result in the past year that is likely to contribute to this objective?			
<b>USAID Objective 3: Access to economic opportunity for the rural and urban poor expanded and made more equitable</b>			
Did your program achieve a significant result in the past year that is likely to contribute to this objective?			
<b>USAID Objective 4: Access to quality basic education for under-served populations, especially for girls and women, expanded</b>			
Did your program achieve a significant result in the past year that is likely to contribute to this objective?			
a. Number of children enrolled in primary schools affected by USAID basic education programs (2002 actual)	Male	Female	Total
b. Number of children enrolled in primary schools affected by USAID basic education programs (2003 target)	Male	Female	Total
<b>USAID Objective 5: World's environment protected by emphasizing policies and practices ensuring environmentally sound and efficient energy use, sustainable urbanization,</b>			
Did your program achieve a significant result in the past year that is likely to contribute to this objective?			
a. Hectares under Approved Management Plans (2002 actual)			
b. Hectares under Approved Management Plans (2003 target)			
<b>Pillar III: Global Health</b>			
<b>USAID Objective 1: Reducing the number of unintended pregnancies</b>			
Did your program achieve a significant result in the past year that is likely to contribute to this objective?			
Percentage of in-union women age 15-49 using, or whose partner is using, a modern method of contraception at the time of the survey. (DHS/RHS)	%		
<b>USAID Objective 2: Reducing infant and child mortality</b>			

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

Percentage of children age 12 months or less who have received their third dose of DPT (DHS/RHS)	Male	Female	Total	
Percentage of children age 6-59 months who had a case of diarrhea in the last two weeks and received ORT (DHS/RHS)	Male	Female	Total	
Percentage of children age 6-59 months receiving a vitamin A supplement during the last six months (DHS/RHS)	Male	Female	Total	
Were there any confirmed cases of wild-strain polio transmission in your country?				

**USAID Objective 3: Reducing deaths and adverse health outcomes to women as a result of pregnancy and childbirth**

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

Percentage of births attended by medically-trained personnel (DHS/RHS)	%			
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**USAID Objective 4: Reducing the HIV transmission rate and the impact of HIV/AIDS pandemic in developing countries**

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

a. Total condom sales (2002 actual)				
b. Total condom sales (2003 target)				
National HIV Seroprevalence Rates reported annually (Source: National Sentinel Surveillance System)	%			
Number of sex partners in past year (Source: national survey/conducted every 3-5 years)per DHS or other survey)				
Median age at first sex among young men and women (age of sexual debut) ages 15-24 (Source: national survey/conducted every 3-5 years) per DHS or other survey)	Male	Female	Total	
Condom use with last non-regular partner (Source: national survey/conducted every 3-5 years)per DHS or other survey)	%			
Number of Clients provided services at STI clinics				
Number of STI clinics with USAID assistance				
Number of orphans and other vulnerable children receiving care/support				
Number of Orphans and Vulnerable Children programs with USAID assistance				

Number of community initiatives or community organizations receiving support to care for orphans and other vulnerable children				
Number of USAID-supported health facilities offering PMTCT services				
Number of women who attended PMTCT sites for a new pregnancy in the past 12 months				
Number of women with known HIV infection among those seen at PMTCT sites within the past year.				
Number of HIV-positive women attending antenatal clinics receiving a complete course of ARV therapy to prevent MTCT (UNGASS National Programme & Behavior Indicator #4)				
Number of individuals reached by community and home-based care programs in the past 12 months				
Number of USAID-assisted community and home-based care programs				
Number of clients seen at Voluntary Counseling and Testing (VCT) centers				
Number of VCT centers with USAID assistance				
Number of HIV-infected persons receiving Anti-Retroviral (ARV) treatment				
Number of USAID-assisted ARV treatment program				
a. Number of individuals treated in STI programs (2002 actual)	Male	Female	Total	
b. Number of individuals treated in STI programs (2003 target)	Male	Female	Total	
a. Is your operating unit supporting an MTCT program?				
b. Will your operating unit start an MTCT program in 2003?				
a. Number of individuals reached by community and home based care programs (2002 actual)	Male	Female	Total	
b. Number of individuals reached by community and home based care programs (2003 target)	Male	Female	Total	
a. Number of orphans and vulnerable children reached (2002 actual)	Male	Female	Total	
b. Number of orphans and vulnerable children reached (2003 target)	Male	Female	Total	

a. Number of individuals reached by antiretroviral (ARV) treatment programs (2002 actual)	Male	Female	Total	
b. Number of individuals reached by antiretroviral (ARV) treatment programs (2003 target)	Male	Female	Total	

**USAID Objective 5: Reducing the threat of infectious diseases of major public health importance**

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

a. Number of insecticide impregnated bed-nets sold (Malaria) (2002 actual)				
b. Number of insecticide impregnated bed-nets sold (Malaria) (2003 target)				
a. Proportion of districts implementing the DOTS Tuberculosis strategy (2002 actual)	%			
b. Proportion of districts implementing the DOTS Tuberculosis strategy (2003 target)	%			

**Pillar III: Democracy, Conflict and Humanitarian Assistance**

**USAID Objective 1: Strengthen the rule of law and respect for human rights**

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

**USAID Objective 2: Encourage credible and competitive political processes**

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

**USAID Objective 3: Promote the development of politically active civil society**

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

113-0210 Better Informed Citizen Participation in Political and Economic Decision-Making	No			
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**USAID Objective 4: Encourage more transparent and accountable government institutions**

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

**USAID Objective 5: Mitigate conflict**

Did your program in a pre-conflict situation achieve a significant result in the past year that is likely to contribute to this objective?

Did your program in a post-conflict situation achieve a significant result in the past year that is likely to contribute to this objective?

Number of refugees and internally displaced persons assisted by USAID	Male	Female	Total	
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**USAID Objective 6: Provide humanitarian relief**

Did your program achieve a significant result in the past year that is likely to contribute to this objective?

Number of beneficiaries				
Crude mortality rates	%			
Child malnutrition rates	%			
Did you provide support to torture survivors this year, even as part of a larger effort?				
Number of beneficiaries (adults age 15 and over)	Male	Female	Total	
Number of beneficiaries (children under age 15)	Male	Female	Total	