

NATIONAL INDICATIVE PROGRAMME 2012-2013 FOR BELARUS

CONCEPT NOTE

Context

The **Country Strategy Paper (CSP)**¹ drafted under the European Neighbourhood Partnership Instrument (ENPI) sets up a strategic framework for the European Union's (EU) financial co-operation with Belarus for 2007-2013. This document presents EU's co-operation objectives and its strategic response and is accompanied by a **National Indicative Programme (NIP)** for 2007-2010 detailing the specific operations for the respective years.

As stipulated by the ENPI Regulation,² the CSP should be reviewed at mid-term to assess its relevance. The start of a fully fledged **mid-term review (MTR)** for the Belarus CSP was postponed until the beginning of 2010 in order to take into account the Council Conclusions of March³ and November⁴ 2009 and the most recent developments in Belarus. **The current NIP 2007-2010 was extended with one year until 2011**, with light updates but without changing its priorities. A new NIP for Belarus, covering the period 2012 - 2013, will be drafted during 2010.

The **review of the Belarus CSP 2007-2013 concluded** that the limited positive developments that occurred in Belarus during 2008–2009 do not change the EU's strategic CSP objectives towards the country: **democratic development and good governance, and socio-economic reform**. However, significant changes in EU-Belarus relations since 2006 call for a substantial update of the factual and analytical parts of the strategy. This update would allow the new NIP 2012-2013 to be better focused and also linked with the Eastern Partnership and with the future joint interim plan referred to in the Council Conclusions of November 2009, which will be negotiated with Belarusian authorities.

This **concept note** is designed as part of the consultation process for the NIP 2012-2013 to serve as basis for discussion with **stakeholders** including the Belarus authorities, EU Member States, International Financial Institutions, other donors and Civil Society Organisations (CSOs). Its purpose is to stimulate the discussion on the EU's co-operation priorities. It does not prejudice the operations that will be finally included in the new NIP 2012-2013.

Strategic objectives for EU-Belarus cooperation during 2012-2013

The CSP for Belarus, approved by the European Commission (EC) on **7 March 2007**, was designed in the context of **no contractual basis in place** between the two parties and with EU restrictions on political contacts with Belarus. Although **EU-Belarus relationship has developed** since then, it is still guided, in absence of a legal basis, by successive GAERC conclusions. These conclusions have repeatedly demanded further progress from Belarus in key areas, and have encouraged intensified EC assistance to support the needs of population and the democratisation process in Belarus. Belarus is included in and participates actively in the multilateral track of the Eastern Partnership, launched in 2007.

The current CSP identifies the **objectives for Belarus for the period 2007-2013 as being to strengthen democracy, respect for human rights and the development of civil society**. Additional objective is to support **social and economic development, sectoral development** (customs, energy, environment, transport, statistics, financial matters, migration) and **people-to-people contacts**.

EC assistance in the period 2012-2013 will largely remain based on the above mentioned strategic objectives. Following Council Conclusions from 17 November 2009, the EU is currently preparing a **joint interim plan for reforms**, inspired by the Action Plans developed in the framework of the ENP, to be negotiated with Belarusian authorities. This plan will set priorities for reform that the EC assistance will take into account.

¹ http://ec.europa.eu/world/enp/pdf/country/enpi_csp_nip_belarus_en.pdf

² http://ec.europa.eu/world/enp/pdf/oj_1310_en.pdf

³ http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/en/gena/106680.pdf

⁴ http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/gena/111243.pdf

Priorities to be addressed under the NIP 2012-2013

Pending the final decision on the financial allocations, the preparation of 2012- 2013 NIP will be made on the assumption that the **annual EC allocation for Belarus will be equal or higher to the allocation for 2011**. The NIP and its implementation should take into account **the priorities for reform of the Eastern Partnership, and will take into account and support implementation of a possible future joint interim plan**, that once agreed can further open ways for expanding EU-Belarus cooperation.

As basis for discussions to be held with the authorities, the donor community, civil society, EU Members States and IFIs, the proposed priority areas of intervention for 2012-2013 are the following:

1 Good governance and people-to-people contacts

1.1 Strengthen the capacity and effectiveness of public authorities and CSOs to improve **good governance**. The efforts can focus on the priorities of a future joint interim plan to be negotiated with Belarus and consist of (i) capacity building promoting good governance standards (including rule of law), (ii) increasing administrative capacity for design and implementation of policy reforms (in particular sector reforms in the energy sector, transport and environment) and (iii) a participatory approach with dialogue between authorities and civil society actors;

1.2 Expand **people-to-people** contacts through (i) increased university cooperation, youth exchange and cultural cooperation, and (ii) support to implementation of possible visa facilitation/readmission agreements.

2 Economic modernisation, including regional development

2.1 Support the development of a **functioning market economy**, through (i) facilitating effective privatisation and reform of the financial sector, complementing IFI interventions, and (ii) regulatory convergence and legislative approximation;

2.2 Support the **local and regional development** strategies in addressing needs of local communities, by sharing EU expertise in regional development policy reform and within the framework of the Eastern Partnership.

EU aid is a **policy driven instrument** that specifically supports the outcome of the ongoing policy dialogue between the EU and Belarus. Therefore, **flexibility** of the aid instrument will be ensured to accommodate future unforeseen priorities that may occur as result of the policy dialogue between end of the programming period and start of subsequent implementation of financial assistance.

Support for each priority/subpriority will be channelled through the most appropriate financial instrument, including via specific mechanisms like **TAIEX**.

Funds earmarked for **preparatory Comprehensive Institution Building activities** can be used in particular to support the implementation of a possible future joint interim plan.

The interventions may also include **capacity building training for Belarusian CSOs** to develop their knowledge about EU assistance programmes and their skills in terms of writing proposals for and managing EU assistance programs.

The European Commission will continue **stimulating interaction with Member States and international donors** active in Belarus to enhance the effectiveness of the interventions.