

BELARUS

ETF COUNTRY PLAN 2007

1. Socioeconomic background

Belarus is a lower middle-income country with a per capita GDP of 2,760 USD in 2005 (Atlas method GNI). The economy is highly industrialized, and largely dependent on imported energy and raw materials. Trade, services and the industrial sector are the main sources of economic development.

The country retains many features of a planned economy, with the government wielding significant control over the factors of production and the decisions of economic agents, a high tax burden, and major budget redistributions of funds aimed at supporting traditional companies and employment. The agricultural sector remains largely unreformed, small and medium-sized enterprises have undergone a minimal level of development, and a considerable share of GDP is allocated to social expenditure.

The EU recognised Belarus independence in 1991. A Partnership and Cooperation Agreement (PCA) was negotiated in 1995 but never came into force. From 1996/97 relations worsened due to the political situation in the country. In 1996, the 1994 constitution was reformed, concentrating powers heavily in the president, whose term was also extended via a referendum held in November 1996. The EU, the Council of Europe, and the Organisation for Security and Cooperation in Europe have consistently voiced their concerns about the political situation in Belarus and have repeatedly taken joint action.

Belarus has been heavily criticised for the harassment and disappearance of opposition politicians and journalists and the lack of free and independent media. Moreover, the recent elections have all failed to meet international standards for democratic elections. Political parties, independent media, NGOs and academic institutions continue to be harassed, and peaceful demonstrators have been attacked and/or jailed. This has led to political and economic isolation by the EU and the international community.

Nevertheless, economic growth in Belarus has been genuine and robust, especially in recent years. An analysis based on a comparison of business condition survey results with official growth data has revealed a high correlation in the identified growth trends, supporting the argument that economic growth in Belarus is real and not just a statistical phenomenon.

GDP growth in Belarus, which in recent years has been as high as 9%, has been broad-based, driven primarily by improvements in labour productivity, improved energy efficiency and capacity utilisation. In contrast to other countries in the Commonwealth of Independent State (CIS), where growth and exports remain concentrated in the extraction sectors, with limited employment opportunities, the growth structure in Belarus has been much more beneficial for labour. Growth in labour-intensive sectors coupled with wage and income policies have helped to ensure that the benefits of recent growth have been broadly shared by population. Although certain problems persist, the recent growth episode has been based upon sound macroeconomic policies and improved incentives for investment and restructuring at the enterprise level.

The role of external markets (such as access to the Russian market) has been critical in supporting the initial growth episode by allowing Belarusian producers to capture a certain niche at the Russian market and thus lay down a base for growth in the future. Exports play a crucial role in Belarus growth, although they remain highly concentrated both in terms of geographical and commodity patterns. The competitiveness of Belarusian products in both CIS and non-CIS markets has been deteriorating.

International analyses suggest that the lack of foreign direct investment—primarily due to the political isolation of Belarus and the unfavourable business climate—is likely to affect and slow down growth. Belarus, consequently, underutilises strategic advantages, such as geographical location, human capital capacity, and privileged access to the Russian market.

Belarus, like most CIS countries, has suffered from a demographic decline. Certain issues, including education and employment, are thus faced with the constraints imposed by an ageing population and a shortage of skilled and competitive workers.

2. Key policy issues and strategies in human resource development

Ongoing developments in the vocational and educational training (VET) sector are undertaken within the framework of the Programme for the Development of Vocational and Technical education to 2005 and the newly developed and adopted Programme for VET Development 2006-2010. According to the latter, seven regional programmes for VET development until 2010 must be elaborated and adopted by next year, containing special modernising measures specific for each of the seven regions of Belarus.

A state programme is being implemented to reconstruct 1,500 villages (agro-towns) of 2,000 to 5,000 inhabitants each. The programme has just commenced with a number of experiments, and represents a challenge to the education and training system in terms of being able to respond to the needs of the new towns.

Belarus does not yet officially participate in the Bologna process but some curricula reforms have been carried out to bring the higher education system in line with a two-level bachelor/master system.

The Ministry of Education, in cooperation with the Ministry of Labour and Social Protection, has initiated the design of new VET standards. The development of new curricula and occupational profiles (integrated profiles) is currently underway and a ten-point grading system to evaluate the knowledge and skills of students and trainees has been developed. Other plans are underway to modernise the infrastructure of the VET system by 2010 and to improve in-service teacher training.

A local decentralised approach has been taken in terms of the implementation of employment policies. The development and implementation of national employment plans paid special attention to the problems of unemployment among young people and women, enhancing the mobility of young specialists in the labour market, assisting unemployed people in developing entrepreneurial skills, and launching more active labour market measures and special programmes (including continuing training) for disabled people. The main challenges facing the Ministry of Labour and Social Protection are labour market analysis and forecasting, a system of labour statistics in line with the International Labour Organisation methodology, vocational guidance, the problems linked to population ageing, the need to develop specific measures for employment of the disabled, and the development of standards that make Belarus qualifications comparable at the European level.

	1985	1990	1995	2000	2004	ECA*	Lower middle income
Socioeconomic context							
Per capita GNI (USD)	..	1670	1370	1380	2140	3296	1686
Adult literacy rate (%) (age 15+)	..	99.5	..	..	99.6	97.4	89.4
Education system structure/coverage							
Duration of education (years)							
Primary level	5	4	4	4	4	4.0	5.5
Secondary level	5	7	7	7	7	..	..
Compulsory schooling	..	..	9	9	10	..	..
Gross enrolment ratio (%)							
Primary level	108.3	96.0	96.0	111.3	101.2	103.6	113.6
Secondary level	99.0	95.3	93.4	84.7	93.5	90.5	73.8
Tertiary level	44.8	51.3	42.3	54.4	60.5	49.8	22.8
Net enrolment ratio (%)							
Primary level	..	86.2	85.3	93.1	89.9	88.7	..
Secondary level	..	..	..	79.1	87.3	..	..
Grade 1 intake rate (%)							
Gross intake rate	150.1	98.5	98.2	101.6	102.2	98.4	103.2
Net intake rate	..	..	..	81.7	85.4	..	..
Student flow-primary level							
Primary completion rate (%)	..	81.7	92.9	99.4	100.7	94.4	96.9
Pupils reaching Grade 5 (% of cohort)	..	..	..	..	..	..	..
Repetition rate (%)	0.5	1.2	1.1	0.6	0.1	1.5	2.2
School life expectancy (years)	..	..	..	13.8	14.4	13.2	11.7
Student flow-secondary level							
Progression to secondary level (%)	..	100.0	99.0	99.9	98.8	..	..
Repetition rate (%)	0.4	0.9	0.8	0.4	0.1	0.9	1.5
Public expenditure on education							
Total spending as a % of GDP	..	4.8	5.5	6.0	5.8	4.4	3.5
Current spending per student (% of p.c. GDP)							

Primary level	..	25.9	45.8	..	13.7	..	..
Secondary level	..	8.8	8.7	..	22.9	..	..
Tertiary level	..	20.5	18.7	..	27.6	..	..
Pupils/teacher ratio							
Primary level	..	20.5	19.8	18.2	15.4	16.6	21.7
Secondary level	..	..	..	9.5	9.2	11.6	18.7
Gender parity index (GPI)							
Gross enrolment ratio (primary and secondary)	..	1.0	1.0	1.0	1.0	1.0	1.0
Private sector enrolment share							
Primary level (%)	..	..	..	0.1	0.1	1.1	..
Secondary level (%)	..	..	..	0.2	0.1	1.4	..

*ECA=Eastern Europe and Central Asian Region

Source: World Bank

3. EU and other donor policies and interventions

Belarus is now the only European state of the former Soviet Union without a ratified Partnership and Cooperation Agreement with the EU. Pending any substantial positive change in the internal situation in Belarus, the 1997 EU General Affairs and External Relations Council conclusions, which restrict EU-Belarus relations, remain valid. Within the scope of these conclusions, the EU will continue to make efforts to help Belarusembark on the transition towards a stable democracy that respects the rule of law, human rights and fundamental freedoms, in line with its UN and OSCE commitments.

Belarus has been included in the European Neighbourhood Policy (ENP) and is considered eligible under the related European Neighbourhood Partnership Instrument (ENPI). However, the EU only intends to develop cooperative relations with Belarus when a democratic form of government, following free and fair elections, is established.

The EU assistance set out in the Technical Assistance to CIS Countries (TACIS) indicative programme for 2005-2006 focuses on assistance to civil society and democratisation, support for reform and international linkages in the higher education and training sector, and helping to cope with the consequences of the Chernobyl disaster. The national programme will continue to be complemented by the TACIS cross-border, regional and nuclear safety programmes.

In 2006 the European Commission (EC) launched a 4.5 million EUR programme to support scholarships for Belarusian students wanting to study abroad, to be implemented by the Nordic Council of Ministers, whose contribution topped up the programme to 5 million EUR. Scholarships will be granted to students who have been penalised by the regime and who have been denied access to Belarusian universities because of their political activities during and after the presidential elections of 19 March 2006. This initiative complements the scholarships offered by several EU member states to sanctioned students. The project is part of the Commission's continuing efforts to support Belarusian civil society and, in particular, Belarusian students and young people. Unless conditions change, the same type of cooperation is expected for 2007.

4. Mid-term perspective ETF intervention strategies contributing to added value in national, EU and donor reform-support policies

Since 1997, ETF assistance to Belarus has been viewed in the broad context of EU assistance to Belarus. It has been consequently been reduced to gathering sufficient country intelligence to provide ad hoc support to the European Commission if requested.

Providing conditions change in the country, the ETF will provide the required support should the EU decide to support reform of the VET system.

The ETF will continue inviting Belarusians to participate in relevant ETF activities taking place in neighbouring countries such as Russia and Ukraine. The Belarusian stakeholders will thus benefit from observing the good practices of their neighbours and will be kept informed of EU developments. Should the democratic and political situation change, they will also be able to prepare themselves for future cooperation.

5. Work programme 2007: objectives and indicators

ETF objectives for Belarus: To contribute to human resource development (HRD) in Belarus, in line with EU policies and strategies for the country and in particular fostering regional cooperation.

PROJECT NUMBER	PROJECT TITLE	SPECIFIC COUNTRY OBJECTIVE Longer-term effects the project is expected to have at the country level	EXPECTED OUTCOMES Outcome = short-term and medium-term effects of an intervention's output (during or by the end of the project)	ACHIEVEMENT INDICATORS Quantitative or qualitative variables measuring achievements against expected outcomes	SOURCES OF VERIFICATION	(YEARLY) OUTPUTS Products and services resulting from activities	PROJECT DURATION
ENPI 07-01	Facility to respond to EC requests	To provide policy analysis that enhances the role of education and training issues in the design and implementation of EU policies in the region	Information to relevant EC services on country HRD developments for new action plans preparation	New ENP action plan includes relevant information provided by the ETF	ENP action plan ETF Q reports and annual activity report (AAR)	If requested, input for development of ENP action plan or other EU strategic documents	2007
ENPI 07-04	Policy learning to support VET reform processes	To invite national stakeholders to participate in neighbouring country events and activities as a mean to ensure exposure to developments in the region and at EU level	Relevant stakeholder exposure to key issues linked to VET reform ETF intelligence and networking maintained	Invited stakeholder participation in key dissemination events in Russia and/or Ukraine	ETF Q reports	A reduced number of Belarus stakeholders invited to key dissemination events	2007

ENPI07-07	Networking	To reinforce regional exchanges of experiences on sector policy development and implementation	<p>Strengthened policy formulation and implementation capacities of national stakeholders in overall or specific reform issues</p> <p>Dissemination and networking activities that expose national stakeholders to EU policies and other partner country experiences of education and training sector reform</p>	<p>Selected stakeholder participation in network activities and provision of relevant input when requested</p> <p>New networks are fully operational in an integrated manner at the national and regional levels and in coordination with other ETF networks</p>	<p>ETF quarterly reports</p> <p>Project plan for 2008</p>	Concept note and work plan	2007-2013
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