

BELARUS

ETF country information note 2009-11 (update 2010)

Summary

Between 1997 and 2007 ETF assistance to Belarus has been viewed in the broad context of EU assistance to the country. It has consequently been reduced to gathering sufficient country intelligence to provide ad hoc support to the European Commission if requested.

In 2008, ETF and national stakeholders started a discussion on possible future scenarios for the modernisation of the system.

ETF objectives for 2009-11 will be to contribute to human resource development (HRD) in Belarus, in line with EU policies and strategies for the country. The level of ETF support is intended to bring added value to support the democratization and openness of the education sector by facilitating dialogue between various education stakeholders. If interest is expressed by the EC services, the focus will be on providing advice to the EC and national stakeholders on the basis of EU experience and policy developments relevant for Belarus with a view to laying the ground for possible future interventions.

1. Socio-economic background

Since its independence, Belarus has undertaken limited, yet sufficient reforms, to deliver significant economic growth and avoid the sharp drop in per capita income experienced by many of its neighbours. The country now has one of the highest income levels of the CIS countries. The economy is highly industrialised, 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 production and the decisions of economic agents, high taxes, 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.

Nevertheless, economic growth in Belarus has been genuine and robust, especially in recent years. The Belarusian economy was hit by the global financial crisis and its spillover effect particularly on the Russian economy. GDP growth contracted from 10% in 2008 to - 1.8 in 2009 (IMF data) which nevertheless was less than in neighbouring Ukraine or Russia. The growth is predicted to be positive again in 2010 at 1-2%.

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 the population. Although certain problems persist, the recent growth 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 in the Russian market and thus lay down a base for growth in the future. Exports play a crucial role in growth in the country, 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 slow down growth. Belarus, consequently, underutilises strategic advantages, such as its geographical location, human capital capacity, and privileged access to the Russian market.

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

2. Key policy issues and strategies in the human capital development sector in Belarus

i) Key policy issues and strategies in education and training

Belarus' spending on education which is over 6% of its GDP¹ is high compared with most of its neighbours. Belarus is in fact the CIS country that spends the largest share of its GDP on education. The Human Development Index of Belarus is the highest in the CIS due to, amongst others, high education attainment levels. The education sector shows steady gross enrolment rates in tertiary education exceeding those of Russia, Poland and the Baltic States. The education system is centrally managed and controlled and it still bears many features of the Soviet legacy.

The key issue in the recent reform and debate is a reduction of secondary general education from 12 to 11 years. The reasons for this cut are highly debatable and the decision does not seem to be based on a sound consultation with the education community and experts. There are concerns about the decision as international evidence suggests that an additional year of schooling contributes to economic growth in low/middle income countries. According to the OECD, economies benefit and over time may experience a 3% to 6% rise in output for every additional year that individuals spend in education.

Belarus does not 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.

Ongoing developments in the vocational and educational training (VET) sector are undertaken within the framework of the Programme for VET Development 2006-10. The programme addresses issues such as teacher training, planning of VET enrolment, content of training programmes and upgrading of facilities, equipment and teaching aids. The Ministry of Education, in cooperation with the Ministry of

¹ source : UNESCO Institute for Statistics (UIS)

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.

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. According to the Ministry of Labour and Social Protection the key challenges are labour market analysis and forecasting, collection of labour statistics in line with the ILO methodology, career guidance, the problems linked to the ageing population, specific measures for employment for disabled people, and the development of standards that can make Belarusian qualifications comparable at the European level.

3. EU and other donor interventions in the country

Belarus has been included in the European Neighbourhood Policy (ENP) and is considered eligible under the related European Neighbourhood and Partnership Instrument (ENPI). Due to the restrictions set by the European Council, from 2007 Belarus will receive limited assistance under the ENPI amounting to around €5 million per annum.

At the end of 2008, Belarus was invited to take part in the EU's Eastern Partnership together with Armenia, Azerbaijan, Georgia, Moldova and Ukraine, (EC Communication and Commission Staff Working Document on "Eastern Partnership" published on 3 December 2008²) which aims at deepening bilateral cooperation and creating an institutionalised forum for multi-lateral co-operation. It includes a more comprehensive institution-building programme, a free-trade area, mobility and security pacts, with a particular emphasis on supporting mechanisms for economic and social development and energy security.

The EU assistance set out in the Tacis indicative programme for 2005-06 focused on assistance to civil society and democratisation, support for reform and international links in the higher education and training sector, and helping to cope with the consequences of the Chernobyl disaster. The EU cross-border, regional and nuclear safety programmes complement the national programme.

Belarus benefits from the EU higher education initiatives such as Tempus and Erasmus Mundus and there are a number of ongoing Tempus projects involving Belarusian higher education institutions.

In 2006 the European Commission launched a €4.5 million programme to support scholarships for Belarusian students wanting to study abroad, to be implemented by the Nordic Council of Ministers, which contributed a further €500,000. 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.

The EU Delegation to Belarus was opened in spring 2008 and this besides diplomatic reciprocity was considered as a new step in the EU-Belarus cooperation. Moreover, Belarus is included in the Eastern Partnership which stresses the importance of incentives for change by building horizontal links between Eastern neighbours and the EU.

In general there are a limited number of donors active in all sectors including education and training or the labour market. Only UNICEF has some activities on pre-school and training of disadvantaged groups. Some small-scale education initiatives are supported by various donors through Belarusian NGOs.

² EC Communication on Eastern Partnership, COM (2008) 823/4, 03.12.2008; and the Commission Staff Working Document accompanying the EC Communication on Eastern Partnership, SEC (2008) 2974/3, 03.12.2008

4. ETF intervention strategy 2009-11

In the context of a fact-finding mission to Belarus carried out by the ETF in April 2008, the possible future scenarios on the modernisation of the system with a potential EU assistance were discussed. With the aim to deepen the knowledge of the current developments and to respond to the stakeholders' interest in EU developments, the ETF has carried out an update report on education and training in Belarus in addition to an education policy seminar which was organised in July 2008 as a way to fight isolation and to create a space for debate on EU developments and education policy making between State and non state actors, also acting as a facilitator. The report was finalised and made public at the end of 2009.

On the basis of the results and feedback on 2008 activities and upon the EC request, the ETF's intervention strategy for 2009 – 2011 is meant to keep up a dialogue in the country. Interventions and activeness will depend on the political situation and priorities set by the EU. In 2009 the ETF has supported the preparation of the joint UNESCO and CIS conference on TVET and Sustainable Development which was organised in Minsk in May for the Ministers of Education. The Belarusian government has expressed an interest to host a regional follow up conference in 2011 and invited the ETF to cooperate. The ETF will work on a joint conference concept *on Skills and Sustainable Development* and other international partners' interest to collaborate will be explored in the course of 2010.

The Black Sea Employment Review has been extended to Belarus in the context of the Eastern Partnership and the review report on labour market and employment will be finalised at the beginning of 2010.

Belarus has been invited to participate in the ETF National Qualifications Framework project in 2009. A dissemination conference of this long-term ETF project was organised in Minsk in June 2009. Belarusian partners showed a strong interest towards the modernisation of their qualifications system using the experience of other countries and expertise which the ETF has in this field. Possibilities for future work in this area could be explored provided that resources will be made available for cooperation with Belarus. Another education policy area is the development of professionally and practice oriented tertiary education by upgrading the secondary VET and bringing it closer to higher education and making it thus a more attractive alternative for students with greater employability prospects.

For 2010 the ETF will be engaged in the Torino Process and Education and Business study. Belarusian experts and stakeholders will be invited to participate in relevant ETF activities or thematic conferences. National seminars will be organised in 2010 in Belarus which provides opportunity for the Belarusians to be informed on EU developments in education and training. Belarus will also be involved in the ETF activities regarding the Eastern Partnership initiative.

For 2011, as mentioned above, the ETF will work on a joint conference concept *on Skills and Sustainable Development* upon the Belarusian government expression of interest. This dissemination event will bring together other Eastern Partners and CIS countries as a follow-up to the joint UNESCO and CIS conference held in 2009 in Minsk.

5. ETF intervention strategy in 2010

	Title of the ETF intervention	Themes code	Expected results	Activities undertaken	Project outputs	Timetable for activities
	<p>The Torino Process</p> <p>The ETF will launch in 2010 a cycle of reviews of VET policies and systems to be carried out every two years in all its partner countries and territories. This exercise aims to strengthen the capacities within the country to analyse the situation of the VET system, to assess its contribution to sustainable economic and social development and to identify priorities for future ETF actions and support.</p>	<p>ENP East 1.3</p> <p>Theme A</p> <p>Function 3</p>	<p>Staff in the relevant institutions of the partner countries are involved in the process, become fully familiar with it and presenting it in the appropriate occasions and writing about it in related articles/documents:/reports</p> <p>The exercise becomes institutional and staff has the ownership of it.</p>	<p>Meetings/round tables/visits to relevant institutions/desk and field researches:</p> <p><i>January-February: starting consultation process with the country</i></p> <p><i>March-April: collecting evidence, information and evidence and first draft of report</i></p> <p><i>June-July discussion seminar on first draft in country</i></p> <p><i>August-September: final results report which inputs to cross-country reports</i></p>	<p>Good quality reviews, carried out in close cooperation with the relevant institutions within the partner countries. The reviews are considered as an important instrument for capacity development with the aim of becoming a valuable source for the monitoring of VET reform and informing both public and other institutions on the progress of VET reform.</p>	<p>January - October 2010</p>
	<p>Business and education</p> <p>The Torino process will include an in-depth survey into cooperation between the education and business sectors within the partner countries. This exercise, which was announced at the recent ETF Conference in Brussels 3-4 December 2009, derives from the importance of cooperation between the world of education and the world of work for addressing partners' development plans and related needs in terms of qualified labour force.</p>	<p>ENP-East 1.3</p> <p>Theme A</p> <p>Function 3</p>	<p>The outcome of the study will constitute an inventory of practice, experience, constraints and challenges as well as recommendations drawn from a set of country, regional and cross-country reports.</p>	<p>Country focus groups and workshops, field research, interviews based on and analytical framework provided by the ETF.</p> <p>The outcomes of this survey will be presented and discussed with the relevant partners in the country.</p>	<p>A survey into cooperation between the education and business sectors within the partner countries is available.</p> <p>A 3-5 page report</p>	<p>January – October 2010</p>

	<p>Eastern Partnership Employment Reviews</p> <p>These reviews represents a follow up to the project which is aimed at improving understanding of the selected labour market issues both at the country and regional level</p>	<p>ENP East 2.4 Theme B Function 4</p>	<p>Better understanding of the selected labour market issues both at the country and regional level, with a special emphasis on how outputs from the education systems are used in the labour markets.</p> <p>Enhanced awareness and knowledge of the key stakeholders on the themes of the labour market analysis in six countries (Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova, and Ukraine).</p> <p>Identified policy intervention areas for national stakeholders, European Commission services and ETF management to be used in future actions.</p>	<p>Organisation of one regional conference for the dissemination of project findings with participation from the countries involved in the study</p>	<p>Finalisation of the regional study in EN and RU</p>	<p>January - December 2010</p>
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