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WHAT IS BEHIND THE BELARUSIAN MULTI-VECTORAL POLICY?

One could say that talking about a multi-vectoral foreign policy in Belarus is nonsense because it does not have one. Keeping in mind its relations with Russia, this statement is even more convincing. However, it is not quite true as Aliaksandr Lukashenka is trying to diversify the foreign policy vectors of Belarus for several reasons.

Firstly, the more countries that have relations with Belarus, the more legitimate Lukashenka's regime ought to be. Another reason, multi-vectoral policy means counterbalancing the pressure from Russia and the West. But what stands behind the wide-ranging ambitions: is Belarusian foreign policy really diversified? Or is it just a façade to consolidate the power of Lukashenka's regime?

In the first article, an analyst at the Centre for Transition Studies Wiktor Szukielowicz gives a broad analysis of Belarusian multi-vectoral policy. He evaluates Belarusian policy towards dif-

ferent regions and comes to the conclusion that the policy proves to be effective to some extent and it helps Lukashenka somewhat to have more space for manoeuvre.

In the second article, Ihar Drako takes a deeper look into the cooperation between Belarus and China, Indonesia and Singapore, and Venezuela. He concludes that these partnerships are only a pragmatic game for partner-countries and Belarusian economic well-being is still fully dependant on Russia.

Finally, as in the previous issue of The Bell, there is a third article by the young analyst Iryna Stankevich. In her article she analyses the Euroregion as a satisfactory cross-border cooperation tool. Having the Western experience in mind, she gives food for thought on how Euroregions in Belarus should be managed.

Vytautas Keršanskas, Editor

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BELARUSIAN MULTI-VECTOR STRATEGY: WHO EXCEPT RUSSIA AND THE WEST?

Wiktor Szukielowicz

Vladimir Putin can claim to be the co-author of the multi-vector strategy of Belarus. It was his rise to power that made Lukashenka's regime reflect on alternatives to the Kremlin's influence. After a while, the multi-vector agenda started to mean counterbalancing both Russia and the West.

The multi-vector approach materialises a hope for the Belarusian government to find political and economic allies to cooperate with, in order to create a "safety net" for the independence of Belarus. The ruling elites have not seen any value in independence for a long time, but today many of them understand that independence is what secures their power.

This is why the Belarusian government is serious about diversifying foreign policies. Lukashenka has visited the Middle East, Latin America, South East Asia, the Caucasus and elsewhere in 2013. For a ruler whose every second foreign visit usually means a trip to Russia, 2013 was a very intensive year in terms of international meetings.

Growing economic challenges stand behind the intensification of international contacts. The government has been active even in Africa, which can only offer poor prospects for the Belarusian economy. Some of Lukashenka's visits in 2013 were openly dubious in terms of economics, e.g. his trip to Singapore.

Multi-vector strategies are not likely to serve as an alternative to Russia or the West for Belarus.

Belarus is active in foreign politics today because of Russia's top brass being occupied by events elsewhere. Preoccupied with Syria and the activation of domestic opposition in 2013, the Kremlin finds no time for its closest ally. However, the time-out for the regime of Lukashenka is likely to end soon, with the Kremlin re-starting pressure on the Belarusian government towards the privatisation of Belarusian companies. This is when you mostly need a diversified foreign policy.

Multi-vector strategies are not likely to serve as an alternative to Russia or the West for Belarus. Yet, they create an impression of the regime's international legitimacy and significance and open new markets for Belarusian goods, a priority for the Belarusian government.

China: asymmetrical strategic partner

Aliaksandr Lukashenka and the President of China Xi Jinping signed the Declaration on Strategic Partnership on 16 July 2013. Belarus has called Beijing a strategic partner for as long as 8 years – since 2005; this is why the signing of the Declaration provoked the irony of analysts.

Belarus and China view their strategic partnership differently. On one hand, inside Belarus Lukashenka claims that it has turned China into a key ally. For the Chinese, this is a mere statement of interest in closer cooperation. Talks about any type of alliance have nothing in common with the reality. Belarus is the fifth post-Soviet country after Russia, Ukraine, Kazakhstan and Uzbekistan to have signed a strategic partnership agreement with China.

Belarus is clearly in a losing situation in its relations with China today, because of tied loans and a negative balance of turnover of goods. The new contract between Uralkaliy and China will reduce Belarusian supplies to China this year. An explosion at a thermal power station in Minsk is a clear example of the poor quality of some joint projects.

China, as a permanent member of the UN Security Council, is an important factor for the legitimisation of the regime. Beijing does not mind being used by Belarus for these goals, but it also expects some dividends. In a situation where Belarus will have to privatise companies and try to limit the Kremlin's influence, China can become a key acquirer of Belaruskaliy or MAZ.

What irritates Russia the most is military technical cooperation. The Kremlin fears that some joint Belarusian and Russian technologies will be seized by the Chinese. Belarus holds joint military exercises with China and participates in the

development of a system of management, control, communication, and intelligence of Chinese air forces; it has also hosted study courses for 152 Chinese military personnel.

The future of Belarusian-Chinese relations depends on how good the Belarusians will be in understanding China, its technologies and goods. A lack of skilled sinologists is a big threat for successful Belarus-China relations, called "a major factor for the national security of Belarus" by Anatol Tozik, a former ambassador in China and a leader of the "Chinese lobby" in Belarus.

Latin America: Lukashenka's target for "grounding"

Cuba has been the only partner of Belarus in Latin America for a long time. But today's meetings with Cuba are more about ideology than economy, with the commodity circulation of a mere USD 39 million in January to June 2013 and a USD 7 million-negative balance for Belarus.

However, Cuba is the architect of Belarusian ties with Venezuela, another important partner and the now primary political ally of Belarus in the Americas. Hugo Chávez paid his first and very important visit to Belarus in 2006 when the bilateral trade was at a ridiculous level of USD 6 million per year.

It almost reached USD 1.5 billion after several years. Though oil supplies from Venezuela to Belarus proved economically inefficient, they helped Minsk to outmanoeuvre the Kremlin and, according to Siamashka, the vice-premier, to get more oil from Russia by reduced customs duties.

After the death of Chávez, Belarusian-Venezuelan projects have been scaled down. The regime of Lukashenka is trying to switch to closer relations with Brazil, the leader in the region. However, the visit of Lukashenka to Brazil in 2012 was not very fruitful. The country is a major economic partner for Belarus, with bilateral trade exceeding USD 1 billion in 2012, but this is dominated by potassium fertilisers.

Caucasus: used to be close, so far away now

Belarusian relations with three countries of the Caucasus are quite odd for an ally of Russia. Minsk maintains the coldest relations with Armenia, the most pro-Russian Caucasian state and a possible member of the Customs Union. On the other hand, Belarus is quite friendly towards Georgia, which has been at war with Russia for five years, and towards Azerbaijan, a country that often challenges Russia.

Azerbaijan has assisted the Belarusian government repeatedly over several years. It offered Be-

China, as a permanent member of the UN Security Council, is an important factor for the legitimisation of the regime.

The EU is so frustrated and pre-occupied with Belarus that it focuses much less on human rights violations in Azerbaijan.

Belarus a quick loan of USD 200 million in 2010, when Minsk had no money to pay for Russian gas. In 2011, Azerbaijan facilitated supplies of oil from Venezuela to Belarus by a swap deal. Later, Lukashenka said that Venezuela and Azerbaijan had helped Belarus out and “saved our sovereignty and independence”.

Azerbaijan is interested in supporting Belarusian authoritarianism. The EU is so frustrated and pre-occupied with Belarus that it focuses much less on human rights violations in Azerbaijan.

Notably, relations with Azerbaijan have improved relatively recently: since 2003, when Ilham Aliyev came to power. The Azerbaijani President visited Belarus for the first time in 2006. Since then, Belarus has been supplying arms to Azerbaijan. The amount is not clear, but this is clearly an irritating factor for Moscow, Armenia’s ally.

This is also a reason for Armenia’s cautious position on Belarus, with Lukashenka’s visit in May 2013 bringing no significant results. After the collapse of the Soviet Union, Armenia was the closest Caucasian state to Belarus. However, poor economic relations and the poverty of Armenia hindered the cooperation.

What both countries share is their dependence on Russia, resulting in membership in the Collective Security Treaty Organization, the CIS, and, possibly in the future, in the Customs Union. This is why the countries maintain contacts on the highest level, despite rather cold economic and political relations.

The good relations between Lukashenka and Saakashvili, the former Georgian President is a paradox. One is in a war with Russia, while the other is deepening its integration with Russia. What both share is their good understanding of the Kremlin’s strategy.

Belarus has not recognised the independence of Abkhazia and South Ossetia, and Georgia ignores human rights violations in Belarus in return, with Saakashvili defending Lukashenka in the West. Georgia has called for the abolition of sanctions and participation of the Belarusian parliament in Euronest. Lukashenka called his Georgian counterpart a defender of Belarusian priorities. The former Georgian leader did not change his approach even after the crackdown in 2010, on the night after the Presidential elections.

Ukraine: relations went wrong

The Southern neighbour is the third biggest economic partner for Belarus, with bilateral trade of over USD 3 billion in the first quarter of 2013. However, the countries have failed to get along politically. After not receiving an invitation to a

conference on Chernobyl in Kyiv, Lukashenka has even called the Ukrainian leadership disgraceful. Remarkably, the offence was targeted at Yanukovich, the current President, rather than Yushchenko, the openly pro-Western former president.

Though similar in governance and close geographically, the countries are often divided by misunderstandings. Belarus and Ukraine have repeatedly been involved in trade rows on access to markets, in particular on products present on the black markets of both states. According to Roman Bezsmertnyy, Ukraine’s former ambassador in Belarus, the “invisible participation of Moscow in the dialogue” is what mostly complicates the relations. The closer Belarus is to Russia, the more pressure Russia exerts on Ukraine. The above-mentioned Bezsmertnyy openly joined his colleagues from the EU in their criticism of the regime, something that has also worsened Lukashenka-Yanukovich relations.

Lukashenka’s visit to Kyiv in June was to promote conflict resolution. The countries finalised the border delimitation after more than 20 years of independence, an important landmark for Ukraine’s visa liberalisation with the EU.

The Orange Revolution brought relations to the lowest level possible, but later, Ukraine worked as an advocate of Belarus during Lukashenka’s dialogue with the West. Yushchenko pragmatically supported Lukashenka in relations with the West, but he lost the elections soon after, while Lukashenka cracked down on the opposition. Paradoxically, the Belarusian origin of Yanukovich did not help to build stronger Ukrainian-Belarusian ties or to create an anti-Kremlin alliance.

Closer ties between Belarus and Ukraine are still not likely, because their geopolitical interests are completely opposite to each other. The countries are likely to keep their pragmatic economic cooperation, though it can be marked by minor conflicts.

Belarusian flexibility in the Middle East

Belarus manages to maintain good relations with Israel and Iran simultaneously. After the beginning of military conflicts in anti-Western Iraq and Syria, the government of Belarus succeeded in switching to pro-Western Qatar and the United Arab Emirates.

Syria used to be the closest country for Belarus in the Middle East, comparable to Venezuela’s role in Latin America. The civil war, however, has frozen promising economic ties, following a similar situation in Iraq.

Belarusian government's vision of China's 1.3 billion market, serving as an alternative to cooperation with the 140 million in Russia, is nothing more than wishful thinking.

For a long time, Iran was also seen as a key partner for Belarus in the Middle East. However, relations have deteriorated noticeably in recent times. Investments from Iran proved not to be as big as expected, and bilateral trade decreased. Moreover, Iran cancelled the contract on oil extraction by Belarusneft, while Belarus closed down the Iranian car factory Samand. What was a focus of propaganda noise for a certain time, is now gone.

Belarus quickly re-focused on the Persian Gulf. Viktor Lukashenka, the son of the President, is a frequent guest of Oman, Qatar, and the United Arab Emirates. Some sources suggest that Belarus exports arms there for further re-export, but the government has failed so far to attract the rich financial resources of the Arab countries.

In the background of its good relations with the Arab world, Belarus is also in tune with Israel. It rarely criticises the regime for human rights violations. Meir Dagan, the former head of Mossad, even visited Belarus for a liver transplant last year. Bilateral trade is growing, while the former foreign minister of Israel shows fellow feelings to Lukashenka and has repeatedly visited Belarus.

The biggest conflict in relations with Israel took place in 2007 after a few anti-Semitic statements by Lukashenka, but it was soon conveniently accommodated.

Is foreign policy diversification working?

Some conclusions:

Belarus is rather flexible in its foreign policies and can hardly be called a Russian vassal amid good relations with clear opponents of Russia, e.g. in the Caucasus. Lukashenka is simultaneously anti-American in Latin America and mute with pro-American countries of the Middle East.

Multi-vector strategies are bringing very little economic outcome and cannot counterbalance ties with Russia or the EU.

Politically, some countries offered important backing to Belarus and helped to reduce Russian influence.

The multi-vector agenda has proved most successful during the regime's dialogue with the EU and the US. Better relations with the West could give Belarus more space for manoeuvre.

So, foreign policy diversification works, but in a different manner than the government expected. Lukashenka's order to disperse the peaceful rally on 19 December 2010 hindered his own multi-vector approach. It has made the dependence on Russia too heavy to be counterbalanced by any foreign policy tools.

BELARUSIAN MULTI-VECTOR FOREIGN POLICIES IN ASIA AND AMERICAS

Ihar Drako

Cooperation with China

The Belarusian government is interested in encouraging Chinese investments and growing the export of Belarusian goods and services to China.

To tell the truth, it is challenging to find Belarus success stories in raising Chinese foreign investments. A joint venture of the Belarusian holding Horizont and Midea, a Chinese corporation, was founded in 2007. In 2010, the Chinese partner increased its share in the company from 30 to 51 per cent, resulting in USD 28.5 million of Chinese FDI in Belarus in 2010. However, in 2011 the Chinese investors were no longer as generous, investing just USD 9.4 million in Belarus that year.

The Chinese-Belarusian Industrial Park is the most frequently quoted by the authorities. But what makes this project "wrong" is not only the open protests by citizens who live or own summer cottages in Smaliavičy district, caused by the original plans to demolish their property without due

market price compensation. Another "bad" thing is that the project does not promise any quick return. The now-successful Chinese-Singaporean Techno Park, chosen as a model for Belarus, was unprofitable for the first six years.

Aliaksandr Lukashenka paid an official visit to China in July 2013, accompanied by Aliaksandr Yarmak, the Head of the Administration of the Industrial Park. Yarmak told journalists that agreements had been signed with ZTE and Great Wall corporations. He also said that some pharmaceutical firms were interested in locating their manufacturing industries in the Park.

It looks nice. But the problem is that only Belarus is interested in bringing in investors, and it also undertakes all the risks. Belarus has launched preparations for the construction of the park and spent considerable sums of money. If pharmaceutical or any other companies stay away from Smaliavičy, the Belarusian state will lose a lot, be-

The economies of Belarus and Singapore are so isolated from each other that one can hardly expect some intensification of economic ties in the near-est future.

The political component of Belarusian-Venezuelan ties will probably fade away following the death of Chávez.

cause the project is state-run.

The Belarusian-Chinese export is also rather scarce. Export to China accounted for approximately USD 640 million in 2011, and just 445 million in 2012 (68 per cent of the previous year). Imports from China were USD 2.2 billion in 2011, growing to 2.36 billion in 2012, thus making the negative trade balance grow by USD 355 million. Of the total Belarusian export to China potash fertilisers accounted for 49 per cent, nitrogen compounds – 28 per cent, trucks – 2.8 per cent, and petroleum derivatives – 0 per cent.

We can see that hi-tech goods are a negligible share of China's imports from Belarus, with almost a half of the Belarusian export to China being potassium fertilisers.

This fact looks sufficient to claim that the Belarusian government's vision of China's 1.3 billion market, serving as an alternative to cooperation with the 140 million in Russia, is nothing more than wishful thinking. Russia remains the number-one consumer of Belarusian goods, except for products of oil refineries, targeted mostly for the EU. In the trade turnover of Belarus, China's share was 3.1 per cent in 2012, as opposed to Russia's 47.4.

So, China is not investing much in Belarus, and shows little interest in Belarusian high added-value goods. However, state propaganda calls it a strategic partnership. A need to demonstrate good examples of 'multi-vector policy' is the explanation.

Amid the "cold peace" with Europe and the US, the government cannot persuade common voters that Venezuela, Indonesia and Singapore can revitalise the Belarusian economy. China, however, is suitable for this role, despite the very modest outcome of actual economic cooperation. Politics dominate over economics in this regard. The government's point is clearly to show that Russia is not the be-all, and the world is large enough to find another strong ally.

Along with exports to China, investments from China and a limited domestic propaganda effect, the cooperation with Beijing gives Belarus access to loan money.

The government is using Chinese credits for the construction and modernisation of cement factories, thermal power plants number 2 and 5 in Minsk, and regional Lukoml and Biaroza power stations. Granted by the Chinese government or the China Exim Bank, the loans are tied, but preferential. Being tied, they ensure the safe return of most funds back to China in some way or other.

The Chinese government's conditions for loans demand construction or modernisation contracts

for Chinese companies and also require that at least half of the equipment and materials used for the work is produced in China. Loans from the Exim Bank assume cooperation only with Chinese exporting firms and not less than 70 per cent of the loan sum for Chinese materials or equipment.

So, the loans both make Belarus a debtor of China and its private bank, and a consumer of goods and services from Chinese firms. Unfortunately, Belarus has no other options for good loans, let alone investments. Except for being tied, the Chinese loans are attractive, since they are granted for 10 to 15 years at the LIBOR rate plus 3 per cent. The yearly LIBOR rate being less than 1 per cent, this borrowing is profitable for a country that has issued Eurobonds at a yearly rate of 9 per cent.

On the other hand, Belarus is growing increasingly indebted to China. Nadzeya Yermakova, the Chairwoman of the National Bank, stated in mid-September that Belarus is asking China for a loan of USD 500 million and RMB 5 billion for the implementation of investment projects. Naturally, Chinese firms are going to be the chief implementers. Belarus needs yuans to repay debts for former investment projects. Therefore, in reality this is debt restructuring, something conveniently labelled by Belarus as endless investments.

Cooperation with Indonesia and Singapore

A Belarusian delegation visited Indonesia and Singapore on 17-22 March 2013. Lukashenka led a delegation of 80 officials.

The region is obviously interesting because of its quickly growing economies that are turning into new consumers of previously non-demanded goods. Economic strategists in Minsk probably see Indonesia, still an agro-industrial country, as a likely client for Belarusian farm machinery. It has already started to import potash fertilisers. Mining equipment and tires for extraction industry vehicles are more import items.

According to the Indonesian central agency of statistics, bilateral trade reached USD 90 million in 2012, or 44 per cent less than the USD 163 million (according to Belarus, 220 million) in the peak year of 2011. The Jakarta Post quoted Uladzimir Siamashka (Semashko), the vice-premier of Belarus, as saying that this level is "not so high", at around USD 130 million, but "this is the beginning of a big process".

What is the reality behind this bureaucratic cliché? The reality is that even the optimistic figure of USD 130 million quoted by Siamashka is not more than 0.14 per cent of the sales turnover of Belarus.

Uladzimir Makei, the minister of foreign affairs, said after the visit that Belarus is going to reinforce its diplomatic activities in South East Asia. The Embassy of Belarus was opened in Jakarta in June 2012. According to the minister, closer ties with Indonesia and Singapore should enable Belarus to cooperate with ASEAN member states. He referred to agreements and contracts worth USD 400 million signed during the trip. This is what the minister said about cooperation with Indonesia: "We have achieved specific agreements on joint ventures for the production of tires and our equipment as well as supplies of Belarusian agricultural and industrial products to Indonesia".

The minister admitted that the diplomatic activities of Belarus in South East Asia were followed by economic reinforcement, namely by an opportunity to sell in this market. However, China is likely to prevent this from happening, despite its label of being Belarus' strategic partner.

The Belarusian government sees Singapore as a model of success of the authoritarian modernisation. Valery Tsepkalo, the chief of the Hi-Tech Park, is among the leading adherents of such a "transformation" for Belarus.

"Leave authoritarianism alone, just work on reforming the economy!" It sounds simple. But, contrary to Singapore, this is impossible in Belarus, because Aliaksandr Lukashenka personally, and his supporters in the regime do not want to leave private businesses to control economic modernisation.

On the other hand, the turnover of goods between Singapore and Belarus was just USD 26.5 million in 2012. The economies of Belarus and Singapore are so isolated from each other that one can hardly expect some intensification of economic ties in the nearest future. Singaporean funds have nothing to do in Belarus, because it does not make sense to buy anything here. The recent privatisation proposals prove this point.

Cooperation with Venezuela

Nicolás Maduro paid an official visit to Minsk on 3 July. In a conversation with his Venezuelan counterpart, Lukashenka said, among other things: "We should take stock of all the previous problems and issues, and create a road map for Belarusian-Venezuelan cooperation". Based on some well-grounded assumptions, Minsk owes Caracas a large amount of money, and Lukashenka would like to use the death of Chávez to forget this debt. Ties between the two countries before the beginning of Maduro's presidency were mostly based on the personal friendship of Chávez and Lukashenka.

Lukashenka is engaged in a reckless attempt to transport Venezuelan oil to Belarus, including swap schemes through Azerbaijan. Notably, Chávez himself only had a limited role in this adventurism: he just agreed to supply the needed amount of oil to Belarus. Belarus organised the logistics, so it is fully responsible for losses of over a billion dollars. In this story yet again, politics dominated over economics: the Belarusian leadership wanted to show the Kremlin that it could go without Russian oil import amid the oil customs duty row.

The political component of Belarusian-Venezuelan ties will probably fade away following the death of Chávez. The reason is that politically these ties were based on anti-Americanism, opposition to capitalism and globalism by two charismatic leaders who had serious intentions to promote themselves in the world of the Non-Aligned Movement. Maduro does not enjoy the same level of popularity in Latin America as Chávez did; this is why Lukashenka's interest in him is predominantly economic.

Maduro is likely to preserve the current situation in trade and economic cooperation. Venezuela will remain attractive for Belarus because of the oil. Belarus will continue attempts to sell its engineering products to Venezuela, something increasingly problematic in recent times because of Russia's membership in the WTO and the presence of Chinese goods in countries of the second and third world – the only region available for selling Belarusian trucks and tractors. Belarus will also continue to implement projects in the construction area and open factories for the assembly of farming machinery and motor transport.

According to the Customs Committee of Belarus, Venezuela's share in the Belarusian turnover of goods was 1.6 per cent in 2011. We exported goods worth USD 212.6 million dollars (68.6 per cent of the 2010 figure), and imported goods worth USD 1,146.8 million (97.4 per cent of the 2010 figure). The negative balance was USD 934.2 million.

The year 2012 saw a dramatic decrease in bilateral trade. Minsk considerably lowered the level of oil import from Venezuela, changing the trade balance to positive for Belarus. Central export items stayed untouched: potassium fertilisers, motor transport, and milk powder.

To summarise, we should note that the state propaganda is presenting new or broadening contacts with certain countries or entire regions as "breakthroughs". However, time shows that partners of Belarus prefer pragmatic cooperation to the paradigm of breakthroughs, a rule proven even by the Venezuelan case. For its economic wellbeing, Belarus is still relying on Russia, which provides Belarus with economic assistance predominantly

EUROREGIONS IN BELARUS: NEEDS FOR POLICY ENTREPRENEURS

Iryna Stankevich

Abstract: Euroregion as a form of cross-border cooperation is not an easy project. Some Euroregions in Europe demonstrate their efficiency by strengthening social and economic ties with regions while some of them do not. The success of cross-border partnership depends not only on the institutional basis but also on the mode of management. This article gives food for thought on how Euroregions in Belarus should be managed. The arguments in the paper are based on the experience of other Euroregions in Western Europe.

Belarusian authorities express their belief in the potential of Euroregions. There are at least two reasons that explain why Euroregions in Belarus is an urgent topic for the Belarusian government and why it is important for society. First of all, the relevance of the issue can be observed in the media even if we only follow the news – even the most recent ones, covering the period from September 2013 to October 2013:

→An exhibition Euroregion Neman-2013 was held in Grodno on 26–28 September 2013 (*Belta*)

→In 2014 Euroregion Bug plans to launch a geoportal with access to geospatial information about the region (*Belta*)

→On 2–3 October representatives of administrative-territorial units from Kazakhstan, Kyrgyzstan, Moldova, Russia and Ukraine visited the Vitebsk region and listened to a presentation about the economic-investment potential of the region and Euroregion Ozernyi Krai (*Belapan*)

→On 17 October *Belta.by* informed that a large-scale international ecological project “The development of cross-border protection of the urban environment in Czeremcha city and Visokoe city by extending the sewer facilities” would be realised within two and a half years on the territory of the Belarusian-Polish cross-border region which is close to the Belavezhsкая Puscha National Park (*Belta*)

Secondly, in April 2012 the Belarusian side of the Euroregion Neman opened a coordination office in Grodno operating from Grodno State University. It is worth noting that Euroregion Neman was established in 1997 and for almost 15 years there was no special body representing the Euroregion. It has been functioning on the basis of the Department for External Economic Relations of the regional administration.

in the development of cross-border cooperation, and that the Belarusian government believes in the potential of the Euroregions.

In addition, Belarus is a partner-country of five Euroregions, meaning that two-thirds of the Belarusian border is involved in this form of cooperation. More than 14 million people from the territory of Belarus and the territory of other partner countries live in all five Euroregions. The lives of these people depend also on the level and scope of the cross-border cooperation. Strategically, it should be an important issue for a country aiming to develop a strong regional policy with potential for economic growth.

The potential of Euroregions in Belarus cannot be fully achieved. Is it possible to effectively lead cross-border cooperation with centralised administration, where the regional authorities are not independent in the decision-making process? It is one of the crucial factors but not the only one for achieving prosperous cooperation in the framework of Euroregions.

Is it possible to have successful projects in the framework of Euroregions using only one source of financial assistance? Financial support for cross-border regions has come from the European Union through such programmes as ENPI or INTERREG; TACIS and PHARE. Furthermore, we cannot forget that for non-EU member countries access to financial support is obviously much more limited compared to EU countries. Analysing the projects carried out by Euroregions in Belarus, which were supported by financial instruments from the EU, we see that the majority of them were related to cultural and sports development activities. In order to strengthen the economic situation in the region there must be other financial streams. The academic research proves that a variety of financial sources strongly influence the success of fruitful cross-border cooperation.

Is it possible to develop trans-border cooperation without involving civil society organisations (CSOs) and provide media coverage of Euroregions within society? A large part of Belarusian society is unaware of the existence of Euroregions, their role and potential. Only the most active ones, such as Neman and Bug, have made progress in involving CSOs and the media in various activities and projects.

These projects are proof that Belarus is interested

Euroregions as an instrument for cross-border

cooperation and regional development allow for many more actions and room for manoeuvre than is seen in Belarus today.

Euroregions should be treated as an organisation with a policy entrepreneurship approach.

The academic researcher, Markus Perkmann, has pointed out several conditions for successful cross-border cooperation. According to him, cross-border regions should have the capacity to act. To have such capacity it is necessary to establish an organisational basis complemented by the relevant style of management in order to be able to mobilise all possible resources. His arguments are derived from the concept of policy entrepreneurship.

Perkmann postulated the following criteria for successful cross-border cooperation:¹

Organisational development: this means that Euroregions should act as independent organisations and have autonomy in the decision-making process.

Diversification of resource base: one source of financial assistance, for example EU funding, is not enough for proper functioning of Euroregions. There is a risk that those Euroregions that operate with EU financial support will only implement projects. They have only small room for manoeuvre because in order to choose which way to go they are obliged to act according to financed projects. The resource stream should be diverse. A good example is the Euroregion EUREGIO on the German-Dutch border, which possesses a stable income via membership fees. It was the first Euroregion in Europe established in 1958. Today it can be perceived as a “model” form of cross-border cooperation.

Cross-border appropriation: the role of civil society organisations and small- and medium-sized enterprises cannot be denied in developing cross-border activities. Actors other than public authorities will contribute to positioning the Euroregion as an important regional player. The concept of social entrepreneurship might be developed here. Jussi Laine presents a good example of social entrepreneurs across the Finnish-Russian border in his dissertation.

Belarus is capable of managing Euroregions effectively. A success story of cross-border cooperation – Augustov Channel – shows how important political will is in order to achieve some positive results. In this environment-related project the Augustov Channel was renovated, reopened

and became a place for water-sports amateurs. The project was a good example of “bottom-up” and “outside-in” approaches on how to succeed in regional development. In the case of the Augustov Channel the Belarusian government was inspired by the Polish example to create a profitable tourist destination with a “cruise-visa” possibility.²

Moreover, close attention should be paid to the better use of such developments as Special Economic Zones or Chambers of Commerce. They cooperate and function across borders as well. In Belarus there are six Special Economic Zones; so can they cooperate with other developments acting in the border regions? If yes, then what type of relationship can be established between Euroregions and Special Economic Zones? According to academic researchers it is a shortcoming that Euroregions are not involved in such relationships. The US-Mexico border is a good example of how the above mentioned Special Economic Zone influences economic growth and market-oriented integration development. James Scott, in his article “*European and North American Contexts for Cross-border Regionalism*”, describes the functioning of the US-Mexico border.

Conclusions and recommendations. Before we take an example of successful cross-border cooperation in Europe we should keep in mind the context of the creation and functioning of Euroregions. Naturally, Euroregions between the EU and Eastern Europe have a different context than those in Western Europe. Nevertheless, some good practices from others should be applicable in Belarusian regions. In the long-term approach, apart from the need of constitutional prerogatives for local authorities, there is definitely a need for entrepreneurial behaviour towards Euroregions in Belarus. They should be treated by government as a cross-border organisation, which can bring results if managed properly, mobilising all possible resources.

In the short-term approach, the Belarusian government can take a closer look at the experience of other successful Euroregions in Europe and, maybe, think of a common training framework with the Euroregion EUREGIO (as a good example of policy entrepreneurship) to share experiences with.

Finally, in order to realise the two above-mentioned approaches, the political will to do something and large-scale civil society mobilisation still remain crucial.



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¹ Markus Perkmann, “*Cross-border co-operation as policy entrepreneurship: explaining the variable success of European cross-border regions*”, May 2005

² Anais Marin, “*Of Barriers, Breaches and Bridges. Cross-border Ecotourism and the Prospect of Horizontal Governance Acting as a Bridge in Belarus-EU Neighborhood Relations*”, 2013