

International MONITORING

January 1 - April 1, 2011

Dear friends!

We are proud to present the first issue of the BISS International Monitoring – an analytical report assessing the key trends in international relations engaging Belarus. This issue analyzes four Belarus' foreign political vectors: its relations with the European Union, with Russia, with China and with "Third World" countries. The objective of the International Monitoring is to not only record and categorize changes in Belarus' external political efforts and the country's standing on the international scene, but also provide a forecast for future developments in the key foreign policy areas.



Belarus' accession to a customs union with Russia and Kazakhstan and the presidential election late in 2010 dramatically affected Belarus' international standing. One might say that official Minsk got back

to its "single-vector" foreign policy and isolation from the West after the December 19 events. The matter does not seem unambiguous, though, as various interests clash and fight both inside Belarus and beyond it, capable of markedly adjusting the country's foreign political vectors and changing the situation, if not to the opposite, then at least to something substantially different from what is observed now. The primary objective of this issue of the International Monitoring, encompassing the period from January 1 through March 31, 2011, is to figure out where exactly Belarus stands in the framework of international politics, and what modifications can be expected in a few months to come.

We expect that the International Monitoring will be issued once in two months, increasingly covering a broader range of Belarus' foreign political relations. We hope you will share your views and suggestions with us to make the Monitoring better and more interesting.

Dzianis Melyantsou
Editor

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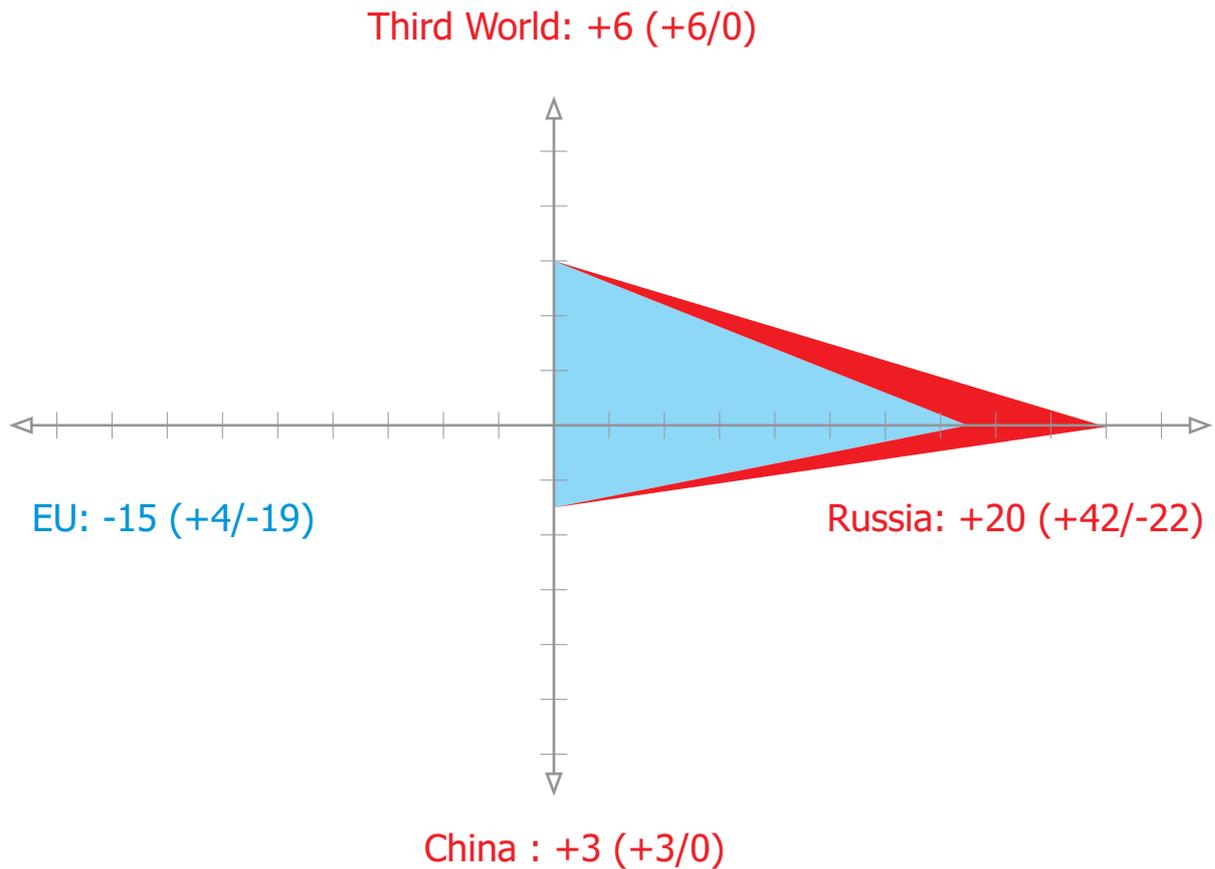
- 3 EU
- 6 Russia
- 8 China
- 10 Third World



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Indices of Belarus' foreign policy vectors



In this picture you can see the today's Belarusian Foreign Windrose, which has quite an exotic appearance. Since the EU's index, according to the experts' calculations, has a negative value (-15), the western foreign policy vector has changed its direction to the opposite and strengthened the eastern one.

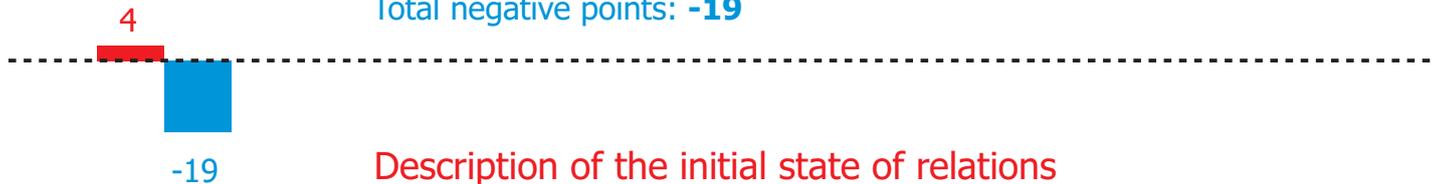
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Development of EU-Belarus relations

Summary index: -15

Total positive points: 4

Total negative points: -19



Description of the initial state of relations

The relations between Belarus and the European Union prior to the period covered by this Monitoring issue were developing mostly in the context of the presidential campaign. The positive trend that emerged before the race for presidency grew more prominent in the fourth quarter of 2010 owing to evident liberalization of socio-political activity during the collection of signatures to support presidential nominees and canvassing.

During that period, Lithuanian President Dalia Grybauskaitė, foreign ministers of some European countries, European Commissioners for Enlargement and European Neighbourhood Policy and for Health and Consumer Policy paid visits to Minsk. The European Commission continued developing (albeit not transparently) the Joint Interim Plan, which was supposed to become a transition systemic framework for a more intensive cooperation (since the EU did not ratify a standard Partnership and Cooperation Agreement with Belarus). In order to encourage further internal political liberalization, Belarus was promised EUR 3 billion during the visit of foreign ministers of Poland and Germany on condition the country's presidential election met international democratic standards. Belarus and the EU continued discussing and developing cross-border cooperation projects. One indication of that positive trend was the expanding cooperation between Belarus and European financial institutions. The only dark spot in the picture was the continuing problem of Belarus' representation in the Euronest Parliamentary Assembly, the parliamentary component of the Eastern Partnership.

However, that super-positive trend in Belarusian-EU relations ended quite suddenly as a result of the brutal dispersal of a rally in Minsk on December 19, 2010 and a wave of politically-motivated repressions that followed. The European Union did not recognize the official results of the presidential election in Belarus and condemned the actions of the Belarusian authorities after the election day.

Description of the key events in the period

The monitored period of Belarusian-EU relations was marked by the EU's efforts to look for the best scenario of response to the events in Belarus. Following a few immediate statements by EU officials (including the joint statement by Catherine Ashton and Hillary Clinton on January 5) to reprove the Belarusian authorities, the European Parliament launched a thorough probe into the situation. On January 12, the European Parliament held an extraordinary Foreign Affairs (AFET) Committee meeting on the situation in Belarus. In a joint statement issued after the session, MEPs outlined a policy to take sanctions against official Minsk.

In an attempt to avert or at least mitigate the potential sanctions, Belarusian Foreign Minister Siarhei Martynau went on a "diplomatic exoneration tour" around a few European capital cities in January. He sought to have his European counterparts hear out the official version of what happened in Belarus. It is noteworthy that, according to some reports, Martynau played the "geopolitical card", as he was reportedly speaking about the "Russian hand" in the December 19 events and a growing vulnerability to the pressures coming from Russia. EU officials were uncompromising, though.

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On January 20, the European Parliament passed a resolution on Belarus. The final version of the document appeared to be milder than the original draft prepared by the European Parliament factions. Nevertheless, the document called for (very smoothly, though) rather strong measures against the Lukashenka regime: to consider targeted economic sanctions and suspension of macrofinancial assistance; reinstate and expand visa sanctions; freeze personal assets of the persons subject to sanctions; and consider suspension of Minsk's membership in the Eastern Partnership initiative. MEPs also argued that large international sporting events, such as the 2014 IIHF World Championship, must not be held in Belarus as long as the country had political prisoners.

On January 31, the Council of the European Union adopted a final resolution on Belarus. The document proved to be even less rigid than the final resolution of the European Parliament of January 20. The document imposed visa bans and asset freeze against 158 persons responsible for political repressions in Belarus. The Council resolved to increase its support for Belarusian civil society and restated the importance of visa facilitation and reduction in Schengen visa costs for Belarusians. The Council also emphasized its commitment to the policy of "critical engagement" with Belarus. Building on the decision of the Council of the European Union, Warsaw hosted the international donors' conference "Solidarity with Belarus" on February 2. The conference gathered officials and NGO representatives from the EU, United States, Canada and the Eastern Partnership bloc (except Belarus). The conference pledged allocation of EUR 87 million to Belarusian civil society for promotion of democracy and support for political prisoners. About 75% of the total will be provided by EU member-states and institutions (for instance, the European Commission quadrupled the volume of support for Belarus for 2011-2013 to EUR 15.6 million from EUR 4 million).

In response to the actions of the Belarusian authorities and keeping to the general track toward a harsher policy of the Union, the heads of the European Parliament political factions on February 10 adopted a decision to lift the freeze off the Euronest issue and call its first session without inviting Belarus. In contrast to that initiative (but in line with the resolution dated January 31), the Council of the European Union on February 28 issued a mandate for the European Commission to start negotiations over a simplification of visa relations with Belarus. Further developments in Belarus showed that the authorities had opted for the confrontational track (searches, arrests and interrogations continued; courts passed severe sentences; information was divulged about tortures in prisons) and prompted the EU to take additional steps. On March 10, the EU adopted a resolution calling for stricter measures against those involved in violation of human rights in Belarus. Eleven days later, on March 21, the Council of the European Union applied the visa ban to more Belarusian officials. On the same day, the Belarusian Foreign Ministry said it would reciprocate and slapped a visa ban on EU and US representatives (the list was not disclosed) and tightened control over illegal foreign financing of political activities in Belarus.

Main trends

- 1) A sharp deterioration in relations and explosive escalation of the conflict.** This tendency results from shocks at the post-election developments both in Minsk and in Brussels and is manifested in numerous negative statements, resolutions and mutual sanctions. The EU was shocked not so much at the brutality of the Belarusian authorities, as at the fact that Minsk chose **such a way** to withdraw from the engagement process. Many in the EU interpreted the situation as Lukashenka's betrayal. It appears that the Belarusian political establishment gives the same interpretation to the policy pursued by the EU. The trend precisely corresponds to the logic of the conflict as a whole and the psychological profile of one of its parties – Alixander Lukashenka.
- 2) Increase in general uncertainty about the future of relations.** The previous paradigm of the EU policy on Belarus – the strategy of "socialization and engagement" – clearly failed, given the current situation. However, the EU has no strategic alternative. Belarus has no clear strategic vision, either, hence fuzzy expressions in documents and statements, resulting from the complexity of efforts to align actors' interests, which are frequently contradictory.
- 3) (in the context of the second trend) "Freezing" of previous plans and active search for new (or modified old) cooperation patterns.** Many of the elaborated cross-border cooperation projects were as good as "frozen", and so were the achievements in the framework of the Eastern Partnership and in the area of cooperation with European financial institutions. The Joint Interim Plan was postponed indefinitely. At the same time, all projects and accumulated experience did not fall into oblivion, but were put off until the situation cleared up – one proof of this is the absence

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of any truly harsh measures by the EU, which would rule out any chance of getting back to dialogue as early as this year. Moreover, there is a single condition that Belarus needs to meet for the EU to start the de-freezing procedure – it has to release and rehabilitate all political prisoners (which offers the Belarusian authorities room for bargaining).

One may consider the decision of the EU to give up the peg of the visa issue to the progress in talks with the Belarusian government to be the first step towards new cooperation tactics. This means the double-track approach to Belarus is growing stronger; however, there are no reasons to believe that a new strategy is being mapped out.

Forecast for the near term

In a few months to come, the conflict between Belarus and the EU will unlikely lose its bitterness. We cannot rule out further escalation resulting from targeted economic sanctions imposed by the Union in response to new sentences in Belarus. At the same time, both Belarus and the EU are interested in getting back to the negotiating table. Since the Belarusian authorities cannot afford themselves to pass lenient sentences on the key figures of the “mass riots” case (because an essential objective of judicial trials is to raise the fear level in society), there is no point for them to make public moves towards the EU for the time being. The positive impact of such decisions (for instance, the abolition of capital punishment and phase-by-phase release of political prisoners, etc.) will be neutralized by court rulings all the same. The Belarusian authorities will have to make up their mind fast, though, as the next electoral cycle is near, requiring a reduction in external confrontation, while Russian pressure keeps growing stronger amid the rapidly deteriorating economic situation. Therefore, one might expect the authorities to start looking for ways (if they are not looking for them already) to tackle the conflict and eventually end it through diplomatic channels, including informal, like it happened in 2006-2007.

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Development of Belarus-Russia relations

42



-22

Summary index: +20

Total positive points: +42

Total negative points: -22

Description of the initial state of relations

The relations between Belarus and Russia are developing fast, the dominating trend towards cooperation and deepening of relations being set by the package of agreements on the establishment of the Common Economic Area of Belarus, Kazakhstan and Russia, inked in Moscow on December 9, 2010. Belarus is involved in further development of the Eurasian Economic Community (EurAsEC) and the Customs Union, keeping up its efforts to work out common positions and shape institutions of interaction with its partners. The administrations of Belarus and Russia eagerly employ the integration rhetoric again, mentioning the prospects of the single currency and creation of joint ventures.

Nevertheless, amid progressing economic integration, the two countries frequently lack understanding politically. Russian President Dmitry Medvedev strives for a foreign policy that is based on democratic values, respect for human rights and principle of extraterritorial protection of interests of Russian citizens. Russia will not any longer turn a blind eye to such events as the brutal dispersal of a peaceful opposition rally in Minsk on December 19, 2010, as a result of which Russian citizens were arrested. At the same time, the Belarusian authorities, while trying to prevent an increase in Russia's influence in this country, appear to be short of room for maneuver to carry out a balanced external policy after the sharp deterioration in their relations with the West.

Therefore, being unable to conduct a truly multi-vector policy and facing a deficit of legitimacy, Aliaxander Lukashenka is forced to prioritize cooperation with Russia and take part in integration projects beneficial to Russian ruling elites.

Description of the key events in the period

Of all important events in Belarusian-Russian relations in the period from January 1 through March 31 the problems with oil supplies in early 2011 clearly stand out. They emerged as a result of Russia's attempt to increase profits of its energy suppliers and cut the rent of the Belarusian government. Belarus received the first batch of Russian crude as late as January 25, after Prime Ministers of Belarus and Russia Mikhail Miasnikovich and Vladimir Putin tackled all disputable issues.

The "case of Artyom Breus and Ivan Gaponov" was arguably the most negative event marring the bilateral relations. Those two Russian citizens were first sentenced to administrative arrest for taking part in an unsanctioned opposition rally on December 19, 2010, and then accused of staging mass riots, punishable by a prison sentence of up to 15 years. However, the efforts of the Russian Foreign Ministry and Russian Embassy in Belarus were a success, when both Breus and Gaponov were sentenced to major fines of around USD 3,500 each.

A real breakthrough was achieved on March 15, when Minsk hosted a session of the Union State Council of Ministers, which adopted an agreement on cooperation in the construction of the Belarusian nuclear power plant and addressed the possibility of a targeted USD 9 billion 25-year loan for the construction of the plant. The agreement was signed in package with the additional intergovernmental deal on ensuring the parallel operation of the united energy system of Russia and united power grid of Belarus. The latter envisages the creation of a joint Belarusian-Russian

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venture to sell electricity between OAO Inter RAO UES and Belenergo on a parity basis by July 1, 2011.

Another crucial event of the first quarter was Belarus' request for a USD 2 billion loan from the EurAsEC Bailout Fund. Amid the unfolding foreign exchange crisis, the Belarusian government resorted to borrowing with a view to stabilizing the situation on the domestic money market.

Main trends

The events described above suggest that tensions still remain in Belarusian-Russian relations at the political level, even though the Belarusian government announced a sort of a "reset" (the total of negative points used to calculate the index proves this). The Belarusian administration definitely favors cooperation with Russia and is ready to meet halfway and offer concessions in order to achieve its foreign political goals in the eastern direction.

It is noteworthy that the need to respect human rights and protect interests of Russian citizens became a serious factor for Russian external policymakers on Belarus. Russia also strives for setting out clear commitments that Belarus must meet in its cooperation efforts and to some extent employs the "conditionality" principle, which is evident from the terms that Russia believes the Belarusian authorities must meet to get the intergovernmental and stabilization loans. Bilateral cooperation at the level of ministries and agencies has been developing quite actively, and so has multilateral cooperation within the EurAsEC, the Customs Union and the CIS.

Forecast for the near term

Based on the logic of the evolution of bilateral relations and given the lack of any decent foreign political alternatives, Belarus will continue its cooperation with Russia in the short run, being dependent on its support both in its internal affairs and internationally. In its turn, Russia will keep insisting, within due limits, on Belarus' observing human rights and reforming its economic system.

The two countries will further cooperate in the military sphere and in the construction of Belarus' first nuclear power plant in Astravets and announce new initiatives to set up joint ventures, attract foreign investments and privatize state-run enterprises.

Belarus will keep its active engagement in integration processes in the former Soviet Union. It will build integration institutes together with Kazakhstan and agree foreign trade tariffs within the Customs Union. The most expected event in Belarusian-Russian relations is the commitment of stabilization loans to Belarus, enabling this country to improve its internal economic situation.

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Development of Belarus-China relations

Summary index: +3

Total positive points: +3

Total negative points: 0

3 0

Description of the initial state of relations

The economic cooperation between the two countries contributes the most to the very high level of Belarusian-Chinese political relations by promoting trade relations and facilitating Chinese investments in Belarus. This is corroborated by the substantial increase in mutual trade turnover: mutual trade amounted to USD 2.2 billion in 2008, hit by the global crisis, which compares to only USD 34 million in 1990. In the first six months of 2010, Belarusian-Chinese trade turnover reached USD 1.068 billion, which represents a 60% increase year-on-year.

The two countries establish joint ventures in both Belarus and China, and the Belarusian authorities facilitate Chinese construction and investment projects in Belarus.

Economic cooperation expanded into the banking sector in March 2009, when the People's Bank of China and the National Bank of Belarus (NBB) agreed a three-year currency swap worth 20 billion yuan, or 8 trillion Belarusian rubles (Br), or USD 2.78 billion (as of the time of the deal). Belarus and China thus switched to settlements in the national currencies in bilateral trade.

Chinese loans are just as important for the Belarusian economy. The recession-hit economy benefited considerably from Chinese tied loans (despite the lending terms) during 2009 and 2010, when it was crucial for the country to restructure its economy while preserving the modernization pace, and when Belarusian-Russian relations went through an acute phase prior to the presidential campaign.

Description of the key events in the period

The start of the year 2011 was not marked by hyperactivity in Belarusian-Chinese relations. The Chinese loans taken on the eve of the presidential election in late 2010 provided certain support for the Belarusian economy, facilitating the creation of new productions and modernization of existing manufacturers, and further attracting Chinese investments in the country. Furthermore, China's political support at the top level and recognition of the presidential election results by the Chinese administration indicated that the two countries shared views and were ready to continue developing bilateral relations.

At the same time, in January-March, Belarusian-Chinese relations were reduced to exclusively economic contacts at the level of separate enterprises. Joint ventures kept working and buying equipment and components for modernization; Chinese makers were involved in housing construction in Belarus and creation of new productions. When it comes to prospects of furthering joint projects, they are discussed at the level of companies' executives. The absence of Belarusian high- and top-ranking officials during negotiations with China may be attributed both to internal problems of the Belarusian economy and some easing of tensions in Belarusian-Russian relations. Apparently, as soon as Belarus and Russia agreed that the construction of Belarus' first nuclear power plant would be financed from a Russian state loan, and new talks started over new loans, some of the economic cooperation initiatives of Belarusian and Chinese partners were postponed, and the intensity of negotiations with the Chinese side decreased. Nevertheless, negotiations are still underway, which was confirmed by a counselor of the Chinese Embassy in Belarus, who said Belarus and China mulled around 20 new projects worth more than USD 5 billion.

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Main trends

There are two marked trends in Belarusian-Chinese relations now. The first one is the permanent proximity of political positions in the international scene on a very broad range of issues, refusal to criticize the state leaders and political systems, and mutual support at international events, conferences, etc. This trend will remain for as long as possible, because the Belarusian administration finds it essential to have political support of one of the leading nations globally, the economic leader of Southeast Asia and one of the permanent members of the UN Security Council. This kind of support is especially crucial now that Belarus' relations with Russia are not that unambiguous.

The second trend is characterized by the economic relations between the two nations. Amid the global economic crisis, lower foreign trade volumes and the considerable commodity trade deficit (imports exceed exports), as well as the need for restructuring and modernization of the economy, Belarus requires investments and cheap loans extended without political conditionality very badly. It is clear that the economic cooperation between Belarus and China will develop at a moderate pace, trade turnover will keep growing, and so will loans to the Belarusian economy and Chinese investments in Belarus.

Forecast for the near term

The alleviation of tensions in Belarusian-Russian relations logically affected the intensity of negotiations with Chinese partners. The tendency towards a moderate increase in trade turnover and moderate development of economic relations will evidently remain in the next few months, until Belarus clarifies the situation with the terms of financing of its nuclear project and likelihood of Russian loans. At the same time, if recession continues in the Belarusian economy and additional financing is required, new currency loans might become a serious burden on the Belarusian state budget in a few years to come. This is why the country may want to resume talks with Chinese investors over a sale of a minority shareholding in Belaruskali; however, this will be a last resort measure for the Belarusian administration. There are no prerequisites for stepping up political dialogue in the next couple of months; top-level meetings are possible only as part of routine procedures to address current issues.

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Development of Belarus' relations with the Third World

Summary index: +6

Total positive points: +6

Total negative points: 0

6
0

Description of the initial state of relations

Belarus' efforts to cooperate with developing countries are insufficiently diversified and focus mainly on China, Venezuela, Vietnam, Iran, and Syria. Belarus also has stable (but not as deep) relations with Oman, Libya, the United Arab Emirates, Cuba and South Africa.

The key endeavor of the Belarusian side in its foreign political vector targeting the Third World is to search for new market outlets and any other economic instruments to compensate for its foreign trade deficit. In many cases, Belarus has reached impressive progress (Iran), however, with some (China) Belarus' trade deficit is painfully large. The Belarusian government refrains from engagement in adventurous political projects, therefore, despite its resounding rhetoric, it does not pursue truly large-scale projects in the countries subject to international sanctions or openly confronting the West, and holds back from supplying them with hazardous military technologies and equipment.

Description of the key events in the period

Burma. On January 13-14, 2011, Deputy Foreign Minister of the Union of Myanmar U Maung Myint paid a visit to Belarus. Contacts with Myanmar are sporadic – in July 2000, Burmese Foreign Minister U Win Aung visited Belarus, and in June 2010, a Belarusian delegation of businesses led by Deputy Foreign Minister Sergei Aleinik paid a visit to Myanmar.

Iran. The Iranian Ambassador to Belarus said during a press availability timed to the anniversary of the Iranian Revolution that his country carried out projects totaling USD 1.5 billion in Belarus, and over USD 1 billion worth of joint Belarusian-Iranian projects were negotiated. He cited the examples of Magnit-Minsk multifunctional complex to be built by Iranian Kayson for approximately EUR 250 million, as well as the construction of Prilesye transport and logistical center in the free economic zone Minsk. Iranian investment projects are actively advertised in Belarus when partners declare their intent, however, as a rule, projects never even reach the phase of architectural design, and therefore, caution must be exercised when analyzing any statements of Iranian representatives. Interestingly, the diplomat mentioned the Minsk District-based Samand passenger car assembly, despite the fact that back on February 15, 2011, Belarus' First Deputy Prime Minister Uladzimir Siamashka told members of the lower chamber of parliament, the House of Representatives, that the Belarusian government was ready to give up the assembly of Iranian cars and considered making a Chinese car instead.

The situation with the Belarusian project to produce oil in Iran remains vague and is unlikely to clarify in the short run. There are obstacles to the joint oil project in both Belarus and Iran, and its prospects are quite gloomy.

Cuba. An official delegation of Cuba led by Cuban Foreign Minister Bruno Rodriguez Parrilla visited Belarus on February 21-23, 2011. Lukashenka met with the minister and said that Cuba was "one of our principal partners in Central and Latin America".

The peak of economic cooperation with Cuba was attained in 2008, when mutual trade turnover reached USD 49.7 million (Belarusian exports exceeded USD 35 million, and imports from Cuba were at USD 14.6 million). In 2010, trade turnover shrank to mere USD 7.4 million, including USD 6.9 million worth of exports from Belarus (mostly car parts, trucks, tractors and tires).

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Gambia. Africa is still an undiscovered continent for Belarus. Gambian Minister of Foreign Affairs, International Cooperation and Gambians Abroad Mamadou Tangara visited Belarus on February 28-March 2, 2011 (his first visit to Belarus was in August 2010). Belarusian Foreign Minister Siarhei Martynau said: "Quite shortly, the Gambian Minister of Economy and Finance is due to visit us with his delegation. During that visit, we hope to advance on the path of our concrete co-operation on a number of economic agreements and those commercial proposals submitted to Gambia previously." Given the modest social and economic parameters of that African country, the proposals will hardly result in a breakthrough.

Iran. Belarusian Justice Minister Viktor Halavanav paid a visit to Iran on March 2-4, 2011. The minister not only held traditional negotiations with his Iranian counterpart Morteza Bakhtiari, but also was accepted at a quite high level by head of the judicial system of Iran Sadeq Larijani and Iranian Parliament (Majlis) Speaker Ali Larijani. The two countries signed an extradition treaty during Halavanav's visit, but the practice of ratification of Belarusian-Iranian agreements shows that the signing of the deal does not mean it will come into effect any time soon.

Morocco. Building on Belarus' general effort to diversify its foreign relations, a Belarusian delegation visited Morocco on March 3-4. Leading the delegation was Deputy Foreign Minister of Belarus Siarhei Aleinik. The delegation included representatives of MAZ truck producer and MTZ tractor maker. The meetings were held at a relatively low level, which indicates the same old problem that the Foreign Ministry has run into many times now: foreign visits are inefficient and call for professional expert engagement and serious preliminary planning.

Vietnam. In mid-February 2011, a delegation of the Belarusian Defense Ministry led by Aide to Defense Minister with respect to ideological work in the Armed Forces, head of the central department for ideological work of the Defense Ministry Major General Aliaxander Gura paid a visit to Vietnam. The delegation was received at a very high level, as Gura met with Minister of National Defense Phùng Quang Thanh and head of the Central political department of Vietnam People's Army Ngô Xuân L?ch. Just like Cuba, Vietnam has been Belarus' traditional partner since the Soviet times, and cooperation with Vietnam remains quite stable. However, Belarusian-Vietnamese trade amounted to USD 145.9 million in 2010, with a substantial surplus for Belarus, which a major difference from Belarus' relations with Cuba, with very modest economic foundation as of today.

Venezuela. In late March 2011, some media, primarily Ukrainian UNIAN news service, reported that Belarus had given up imports of Venezuelan oil. The report was based on Belarus' failure to take Azeri oil from the Odesa-Brody pipeline, which is supplied to Belarus under an oil swap deal with Venezuela. It is not quite clear why Belarus needed Azeri oil when it received, and is receiving, Venezuelan crude oil (tankers were on their way to Baltic seaports with oil for Belarus in mid-March 2011). Belarus' First Deputy Prime Minister Uladzimir Siamashka denied the reports that Belarus had given up on imports from Venezuela, although UNIAN claimed with reference to an unnamed source that Belarus had decided not to take Venezuelan oil any more because of more favorable deliveries from Russia. Anyway, the idea of the Belarusian government to use alternative oil sources as a bargaining chip during its oil talks will likely remain. Furthermore, in Venezuela, unlike Iran, Belarus quite successfully carries out projects to produce oil and modernize the local economy with generous support of the authorities.

Arab revolutions. On January 27, the Foreign Ministry's spokesman said: "The Foreign Ministry of Belarus is concerned over developments in Egypt related to mass protests spanning the largest cities of the country. We are convinced that street clashes and violence are a bad way to handle immediate social and public problems. We urge the parties to address existing issues solely by peaceful means at the negotiating table and in compliance with international legal standards."

Belarus' official statements on Libya became a more vivid reflection of the internal political situation in this country. Whereas at first Belarus issued a statement supporting the UN Security Council resolution on Libya, after just two days the Belarusian Foreign Ministry de facto supported Gaddafi: "The Republic of Belarus calls on the states involved in the military operation to cease, with immediate effect, the military operations which lead to human casualties. The settlement of the conflict is an internal affair of Libya and should be carried out by the Libyan people alone without military intervention from outside." The statement indicates a rather risky foreign political line in conditions when such a strong support for Gaddafi became a continuation of the confrontation with the West over non-Belarus issues. Anyway, the statement itself is hardly based on a thorough analysis of the international situation, that is, the Foreign Ministry in effect chose to confront the West, and even if this course is encouraged by Gaddafi's material remuneration rather than ideological considerations, this policy cannot be considered a well-judged move of Belarusian diplomacy.

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Main trends

Search for new partners (contacts with Myanmar, Gambia, Morocco), having little success despite its intensity and duration. This trend is well identified by visits of Belarusian delegations led, as a rule, by Deputy Foreign Minister Siarhei Aleinik, to countries deemed as potential trade partners.

The geography of foreign relations remains habitual, except for a couple of less active contacts with Venezuela and the possible refusal of official Minsk to accept oil deliveries from that country. Belarus' cooperation with Venezuela could have been affected by the pressure coming from Russia, which is naturally interested in remaining the oil and gas monopoly in Europe. Belarus, with its need for economic modernization, is incapable of attracting sufficient investments from the Third World, and even the scarce investment inflows hardly promote Belarus' modernization, as investments are mostly channeled into low-tech environmentally-unfriendly productions, mainly in the mining sector (granite), construction materials industry (low-tech cement production) and assembly factories (passenger cars).

Forecast for the near term

Belarus might wish to revise its general foreign strategy towards more risky options. This theory is supported by the suspicious events in Côte d'Ivoire, possible contacts with Gaddafi and the pronounced anti-Western stance of the Foreign Ministry in its attempt to support Gaddafi. This foreign policy revision will likely take place not at the level of the Foreign Ministry, but even beyond it.

By adopting an anti-Western position the Belarusian authorities must have crossed the line, and the West will not turn a blind eye to many of Belarus' policies pertaining to developing nations, like it happened previously.

The Belarusian administration would like and will try to deepen its cooperation with the Third World to compensate for the vacuum in relations with the West, however, all the easy options have been used up, and it is next to impossible for Belarusian trade and industry, with their low level of expertise and inefficient state management structure to "discover" new countries and markets.

The most successful projects will most likely be carried out with the countries that build their relations with Belarus based on the positive track record of cooperation – China, Vietnam, Turkey. However, the investments and solutions that Belarus imports in the framework of investment projects cannot efficiently address the country's modernization needs.

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Supplement

Catalogue of the events based on which experts have calculated the relations development index

Development of EU-Belarus relations

Date	Event	Point
January 5	Joint statement by Catherine Ashton and Hillary Clinton (gave the problem a transatlantic dimension)	- 1
January 12	European Parliament's extraordinary Foreign Affairs (AFET) Committee meeting on Belarus and final statement (policy outlined to apply sanctions)	- 1
January	Siarhei Martynau's "Diplomatic exoneration tour" (attempt to prevent nullification of the progress Belarus made in 2008-2010 when pursuing dialogue with the EU)	1
January 20	European Parliament's resolution on Belarus	- 1
January 31	Council of the European Union's resolution on Belarus	- 3
February 2	Conference "Solidarity with Belarus" in Warsaw (official Minsk was not invited to take part)	- 2
February 10	Decision of the European Parliament political factions to call the first Euronest session without inviting Belarus	- 2
February 28	Decision of the Council of the European Union to issue a mandate for the European Commission to negotiate a simplification of the visa regime with Belarus	2
March 3	Nine countries (non-EU member states) joined the EU in its sanctions against Belarus (a stronger foreign political impact of the sanctions on Belarus)	- 1
March 10	European Parliament's resolution calling for stricter measures against those involved in violation of human rights in Belarus	- 1
March 21	Decision of the Council of the European Union to extend the list of persons subject to sanctions (further escalation of the conflict)	- 2
March 21	Statement of the Belarusian Foreign Ministry on retaliatory sanctions against some representatives of the EU	- 3
January-March	Numerous negative (and even insulting) statements of officials representing both sides and numerous negative materials in the media	- 2
February-March	A series of consultations at the level of Foreign Ministries of Belarus and some EU member-states (Latvia, Lithuania, Slovenia) (a minimum communication channel is preserved officially)	1
Total		- 15

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Development of Belarusian-Russian relations

Date	Event	Point
January 6-25	Belarus and Russia cannot reach agreement on the price formula for duty-free oil deliveries	- 3
January 12	Anatoli Rubinau, Speaker of the upper chamber of parliament, the Council of the Republic: "Russia is not simply a partner, but a state that is close to us in its spirit and language. It is a country that we have been with for centuries and will stay together."	1
January 13	Sergei Lavrov: "No Russian politicians or officials have been invited to the inauguration of President Aliaxander Lukashenka."	-2
January 13	Sergei Lavrov: "The resolution of the Council of Europe on Belarus also reflects the Russian standpoint."	- 2
January 18	The department for information and press with the Russian Foreign Ministry was sorry to learn that the Belarusian authorities denied extension of accreditation to Kommersant correspondent in Belarus Movsun Gadzhiyev	- 1
January 20	Belarusian Prime Minister Mikhail Miasnikovich's visit to Moscow and meeting with Russian Prime Minister Vladimir Putin. The premiers discussed gas and oil contracts, situation with the arrest of Russian nationals, and coming meeting of the Union State Council of Ministers	3
January 21	Lukashenka's inaugural address: "We will continue building the Union State and consolidate integration ties in the framework of the Common Economic Area, EurAsEC and CIS."	1
January 25	Negotiations between Belarusian Prime Minister Mikhail Myasnikovich and Russian Rosatom corporation head Sergei Kiriyenko over the agreement on the construction of Belarus' nuclear power plant	2
January 26	The Russian lower chamber of parliament, the State Duma, ratified the intergovernmental agreement on mutual supplies of military products, double purpose products and civilian industry products during periods of aggression or war	4
January 28	The Russian Embassy in Belarus expressed its surprise and regret at the statement of Belarus' Prosecutor General Ryhor Vasilevich on the situation with Russian citizens Artyom Breus and Ivan Gaponov, arrested in Minsk in connection with mass disorders on December 19	- 1
January 28	National Bank of Belarus (NBB) Governor Petr Prokopovich said he supported the initiative to change to a single currency within the Common Economic Area	1
February 1	Russian Foreign Ministry: "Unilateral sanctions against Belarus will be counterproductive."	1
February 2	Russian President Dmitry Medvedev: "I am also surprised at the events that have taken place in Minsk, and I have ordered that the Foreign Ministry should take note of the points that you [human rights activists] mention in your appeal when it shapes the diplomatic position of the Russian Federation."	- 1
February 2	Sergei Lavrov: "Mass arrests after the election in Belarus are unacceptable."	- 1
February 3	Aliaxander Lukashenka: "I am shocked indeed. You must have forgotten you're working in Belarus, not in Russia. Corruption, carve-up, pressure, deals behind my back are not acceptable here."	- 1

January 1 - April 1, 2011

Date	Event	Point
February 7	When on vacation in Sochi, Aliaxander Lukashenka did not meet with representatives of Russian businesses or authorities, despite original plans	- 2
February 8	Sergei Lavrov: "The events that took place after the election were absolutely uncalled for and unacceptable. We call for a release of presidential candidates, journalists, human rights activists, and two Russian citizens, who have not been officially charged yet."	- 1
February 9	Minsk hosted consultations of the Belarusian and Russian Foreign Ministries: attending were Russian Deputy Foreign Minister Grigory Karasin and Belarusian Deputy Foreign Minister Ihar Petrishenka	2
February 16	Belarus has reached "absolute compromise" with Gazprom in talks over gas supplies, Belarus' First Deputy Prime Minister Uladzimir Siamashka said	1
February 16	The next session of the lower chamber of parliament will not address Belarus' recognition of independence of South Ossetia and Abkhazia, said Ihar Karpenka, the chairman of the commission for international affairs and connections with the CIS of the House of Representatives	- 1
February 16	Uladzimir Siamashka: "Russia defaults on its commitments to deliver oil to Belarus."	- 3
February 25	Aliaxander Lukashenka: "At the political level, all matters have been resolved [with Russia], major agreements have been signed. The economic impact of direct cooperation with Russian regions will easily outweigh any trade turnover with foreign states."	1
March 1	Aliaxander Lukashenka adopts an action plan to implement the decisions of the December session of the Collective Security Council of the CSTO during his meeting with CSTO General Secretary Nikolai Bordyuzha in Minsk	2
March 4	Russian media publish negative comments about the "black lists" of Belarusian artists, which also include Russian culture figures	- 1
March 6	Aliaxander Lukashenka to Washington Post: "We have excellent relations with Putin. We have worked together for over a decade, and I advise you against demonizing Putin."	1
March 12	Deputy Economy Minister Anton Kudasau: "The Customs Union is working for the benefit of Belarus and its partners. The things that we did not manage to perform independently are now possible because of the cooperation with Russia and Kazakhstan."	1
March 14	Aliaxander Lukashenka approves the draft intergovernmental agreement between the Republic of Belarus and the Russian Federation on cooperation in the construction of the Belarusian nuclear power plant including the principal amendments suggested during negotiations with the Russian side	1
March 14	Minsk hosted a session of the Commission of the Customs Union of Belarus, Kazakhstan and Russia at the level of deputy prime ministers. Deputy Prime Minister Siarhei Rumas led the Belarusian delegation, First Deputy Prime Minister Umirzak Shukeyev led the Kazakhstan delegation, and First Deputy Prime Minister Igor Shuvalov led the Russian delegation. The session adopted the decision to abolish transport control on the Belarusian-Russian border on April 1, 2011	2
March 14	Minsk hosted a face-to-face meeting of Russian Prime Minister Vladimir Putin and Belarusian President Aliaxander Lukashenka	3

January 1 - April 1, 2011

Date	Event	Point
March 15	A session of the Union State Council of Ministers. Belarus and Russia inked the document on cooperation in the construction of the Belarusian nuclear power plant; the intergovernmental agreement on ensuring the parallel operation of the united energy system of Russia and united power grid of Belarus; the intergovernmental agreement on cooperation in research and peaceful use of space; interdepartmental agreement on the application of the treaty between Belarus and Russia on cooperation in social security dated January 24, 2006	3
March 15	The National Library hosted a session of the EurAsEC Interstate Council led by Belarusian Prime Minister Mikhail Miasnikovich, Prime Minister of Kazakhstan Karim Masimov and Prime Minister of Russia Vladimir Putin	3
March 15	Overall subsidies to the Belarusian economy will amount to around USD 4.3 billion in 2011, Russian Prime Minister Vladimir Putin said	- 1
March 17	"The events connected with the detention of Russian citizen Yurov in Minsk are regrettable," said spokesman for the Russian Foreign Ministry Aliaxander Lukashevich	- 1
March 18	Lukashenka noted during a meeting with Russian journalists: "The Russian government agencies have no intention of making use of the difficulties that Belarus is faced with now and pressurizing it."	1
March 22	Russian State Duma ratified the federal bill "On ratification of the Agreement between the Russian Federation and the Republic of Belarus on creation and operation of the joint communications network of the regional force grouping of the Republic of Belarus and the Russian Federation	2
March 22	Negotiations of the Belarusian governmental delegation with the Russian side over credit and financial cooperation in line with previous agreements took place in Moscow. The Belarusian delegation was led by Finance Minister Andrei Kharkavets	2
March 24	Belarus' State Secretary of the Security Council Leanid Maltsau: "It is important to consistently develop and consolidate military and military and technical cooperation with Russia, and to enhance the efficiency of the Collective Security Treaty Organization (CSTO)	1
March 30	Session of the joint board of the Justice Ministries of Belarus and Russia; a program of cooperation between the ministries for 2011-2012 is signed	2
March 30	The National Bank of Belarus allows Belarusian importers to make payments in Belarusian rubles, Russian rubles and tenge to economic entities of Russia and Kazakhstan for acquired imported equipment without limitations	1
March 31	Economy Minister Mikalai Snapkou has no doubts that the Customs Union will be beneficial to the Belarusian economy	1
Total		20

January 1 - April 1, 2011

Development of Belarusian-Chinese relations

Date	Event	Point
January 27	Statement of a counselor of the Chinese Embassy in Belarus, who said Belarus and China considered around 20 new projects worth over USD 5 billion	1
February 16	First Deputy Prime Minister Uladzimir Siamashka's speech in the parliament, comments on the continuation of Belarusian-Chinese cooperation, allocation of funds (USD 676 million) for new productions	1
January-March	Infrequent, but regular and exceptionally positive references to mutually beneficial cooperation between Belarus and China in Belarusian mass media	1
Total		3

Development of Belarus' relations with the Third World

Date	Event	Point
February 21-23	An official visit of a Cuban delegation led by Cuban Foreign Minister Bruno Rodriguez Parrilla	2
February 28-March 2	A visit of Gambian Minister of Foreign Affairs, International Cooperation and Gambians Abroad Mamadou Tangara	2
March 2-4	Belarusian Justice Minister Viktor Halavanau's visit to Iran	2
Total		6

Event ranking scale:

- Economic and political integration, creation of supranational bodies (ratification of relevant treaties) – **5-7 points**
- Signing/ratification of a crucial agreement – **4 points**
- Top-level visit – **3 points**
- Visit at the level of ministers, of a parliamentary delegation, negotiations of agreements – **2 points**
- Positive statements by a head of state, Foreign Ministry, positive parliamentary resolutions, positive materials in state or state-controlled media – **1 point**
- Adverse statements by a head of state, Foreign Ministry, in mass media, adverse parliamentary resolutions, adverse materials in state media – **minus 1 point**
- Protraction of ratification of treaties, non-invitation to international events, failure to provide support internationally – **minus 2 points**
- Infringement of treaties, default on mutual commitments – **minus 3 points**
- Trade wars, antidumping probes – **minus 3 points**
- Commodity boycotts, embargoes, recall of diplomats, ambassadors – **minus 4 points**
- Severance of diplomatic relations, provocations, hostilities – **minus 5-7 points**