



Belarus'

FOREIGN POLICY INDEX

May-June 2013

Dear readers,

We are happy to present the new, fourteenth issue of Belarus Foreign Policy Index, which analyzes the evolution of the five foreign policy priorities of the country in May and June 2013. The most significant shift observed during this period is the rapid growth in the Ukrainian and Russian vectors amid less determined efforts in the relationships with the EU, China and the developing world.

The main trends recorded in the framework of **Belarus-Russia relations** were the increase in Russia's pressure and inability of the Belarusian administration to effectively withstand this pressure. As dependence on Belarus's eastern neighbor grows stronger, Russia does not take official Minsk's 'push-pull' foreign policy seriously anymore.

Minsk's attempts to counter Russia's attacks by enhancing contacts with the EU and China and seeking more trustful contacts with Ukraine will hardly bear fruit. Minsk will have to come to terms with the rules of the Customs Union and the Common Economic Space while maneuvering within the rigid framework established by these treaties and informal agreements. It is highly unlikely that Belarus will be able to enjoy any significant benefits in addition to the massive subsidies that Russia has already provided. In the near term, this will likely lead to further economic aggravations and increased penetration of Russian capital into the most appealing economic sectors of Belarus.

Regular contacts between **Belarus and the European Union** continued. The OSCE and the Council of Europe managed to intensify their dialogue with official Minsk on the freedom of the media and capital punishment in Belarus—the two issues that are believed to be critical to the European Union.

Further prospects of the relationship will clarify in the context of the upcoming Eastern Partnership summit. Both Belarus and the EU wish to capitalize on the event; therefore, both will continue their efforts to build up contacts.

The relations with **China** have never gone beyond the established track: Chinese capital keeps coming to the Belarusian economy, and the relationship between the countries remains non-transparent. Mutual contacts were developing mostly according to the Chinese scenario. Belarus's willingness to turn China into one of the poles for its maneuvering policy became conspicuous during the period under review; however, chances are high that the attempts to use China in the foreign policy games with Russia will prove fruitless, the main reason being Beijing's cautious reasonable policy. Further, there were some indirect indications that Belarus will go as far as terminating previous agreements with China if this move turns out to be profitable enough. At the same time, the Chinese authorities have been quite resolute about protecting their interests in the region, as long as this causes no tensions in its relations with more important partners.

Belarus has managed to overcome the slump in its contacts with the **developing world**, which was apparent at the start of the year. Contacts have been as

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intense recently as they were during the best years of the collaboration between Belarus and the developing world. The trend towards phasing down ties with the developing countries in opposition to the West still remains. Against this backdrop, contacts with the developing nations enjoying friendly relations with the West or those with no major geopolitical or ideological ambitions keep expanding.

The situation around the Belarusian projects in Venezuela or Venezuela-led projects in other Latin American economies will remain vague in the short run. In Africa, Belarus's efforts will be focused on Nigeria, Ghana and Mozambique. Minsk may also try to establish closer ties with Angola and Ethiopia building on their former contacts with the Soviet Union.

Belarus achieved a major breakthrough in its relations with **Ukraine** by removing one of the oldest barriers to the promotion of bilateral relations—the two countries finally completed the ratification of the State Border Treaty. However, it is unlikely that the two countries and their leaders will pursue strategic partnership. Objectively, Belarus and Ukraine remain competitors in various areas. One cannot rule out that the recent compromise and favorable spell may be short-lived and will soon be replaced with a new phase of severe confrontation.

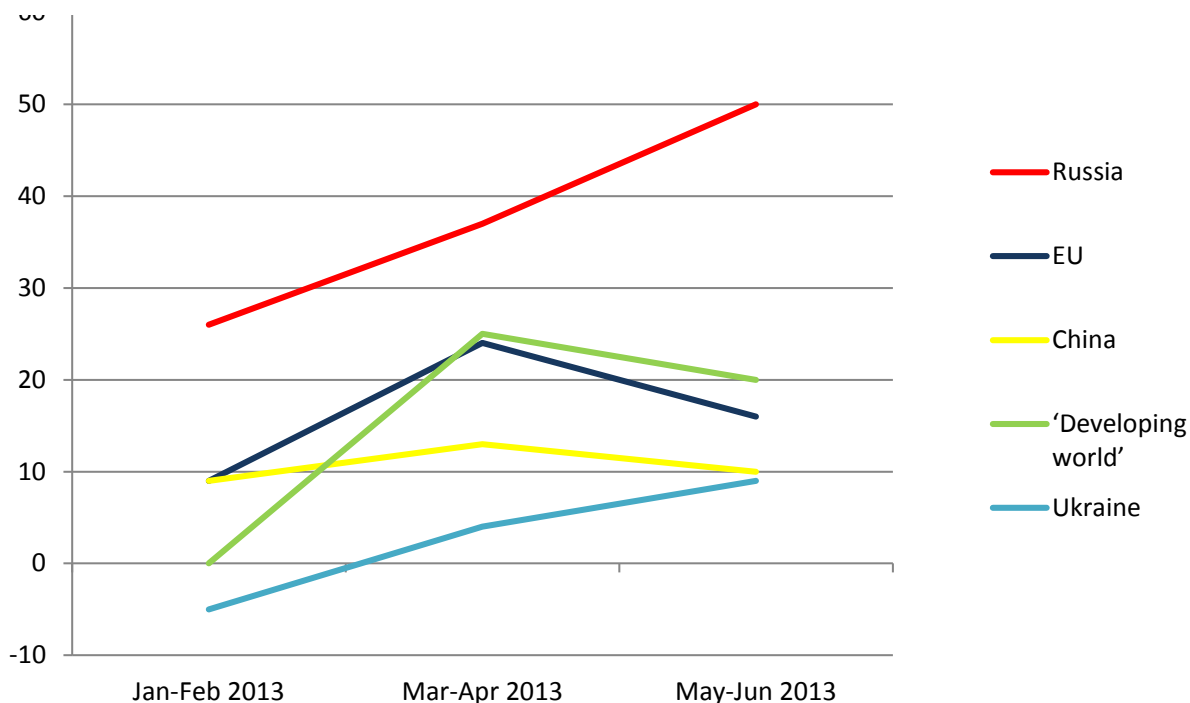
As usual, we wish you a peasant reading and encourage you to share your comments and opinions.

Dzianis Melyantsou

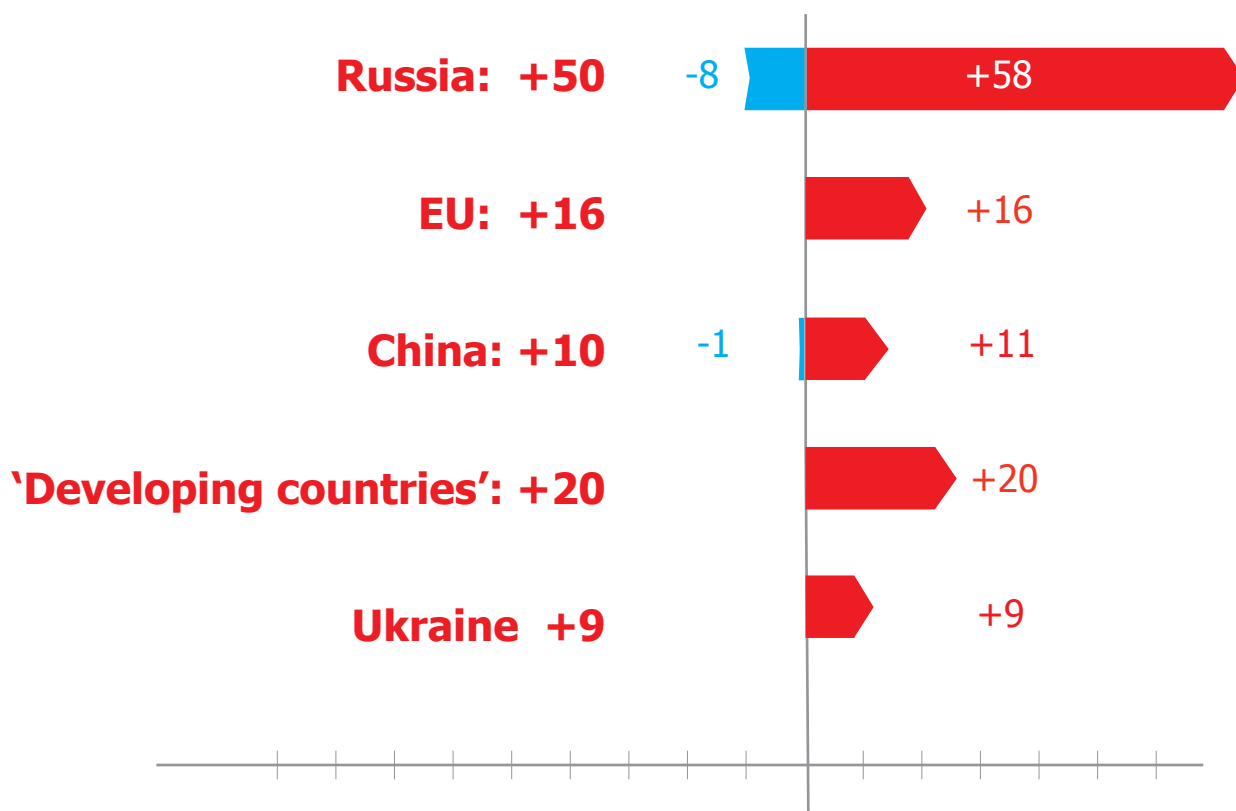
Belarus Foreign Policy Index Editor

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Relations development indices: Dynamics of the foreign policy vectors

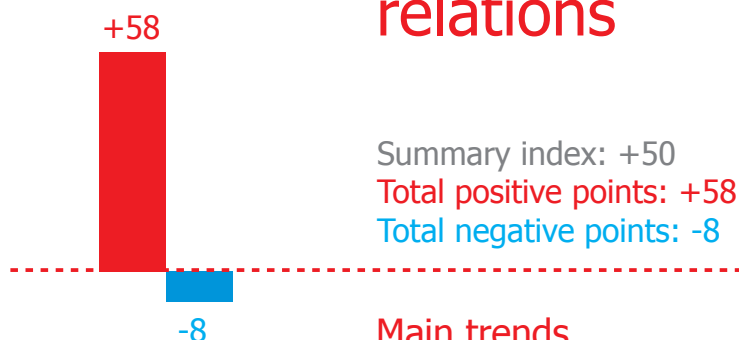


Relations indices for May-June 2013:



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Development of Belarus-Russia relations



Main trends

- 1) In May and June 2013, Russia's redoubling its pressure on Belarus and Belarus's inability to effectively parry its neighbor's attacks became the main trends in the relationship between the two countries. The only thing Belarus managed to achieve was to have Russia meet the minimum package of its commitments. Belarus, however, was short of tools to effectively counter the Kremlin's compelling stand on some of the pivotal issues, specifically, the Russian airbase in Belarus. Privatization of some of the key Belarusian assets by Russian capital, a process that seemed to have reached a deadlock, has finally been set in motion.
- 2) As Belarus's dependence on its eastern ally grows, Moscow does not take official Minsk's attempts to pursue a 'push-pull' foreign policy seriously.
- 3) In a bid to put an end to the economic recession triggered primarily by the specific nature of Belarus's relations with Russia, the Belarusian authorities are trying to work out some new 'grey' schemes engaging Russian oligarchs. However, the Russian administration is perfectly aware of these stratagems, which are in fact managed by Russia in order to encourage the Belarusian economy and Russian businessmen who are close to the Kremlin.

Description of the key events

The Kremlin stepped up its pressure on official Minsk in May and June. As we predicted in the [previous Index issue](#), the Belarusian administration was unable to challenge Russia's initiative to deploy a full-scale airbase in Belarus. On May 6, A. Lukashenka met with Secretary of the Russian Security Council N. Patrushev to finalize the decision to create a Russian airbase in Belarus. Almost a month later, on June 5, the Belarusian state leader spoke highly of this country's military collaboration with Russia, including in the context of the future airbase, at a meeting with a delegation of the Council of Defense Ministers of the CIS. The airbase rhetoric reached its peak on June 20, when V. Bondarev, Commander-in-Chief of the Russian Air Force, mentioned the exact location of the future airbase in the vicinity of the city of Lida. Therefore, some analysts' forecasts that following the notorious 'teddy bear airdrop' Russia would seek a stronger foothold in the Belarusian defense sector turned out to be accurate. A. Lukashenka's attempts to resist that process essentially failed.

Problems with Belarusian export to Russia still persist. The Belarusian authorities are trying their best to restore the status quo (M. Miasnikovič's instruction for heads of state agencies to seek more active cooperation with Russian regions, efforts by Belarusian Ambassador to Russia I. Pietryšenka, visits by Belarusian officials to Russian regions and receptions of delegations of Russian regions in Minsk). This effort did pay off, and Belarus's export to Russia went up by 5.4% year-on-year in January-May to USD5.282

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billion¹. Nevertheless, unsold inventories of Belarusian producers are still high—overstocks remain a major headache for the government. The considerable drop in import from Russia, by more than 25% year-on-year in the first five months of the year, is a dire threat to the Belarusian economy, because it produces a devastating impact on Belarus's export to Europe, which almost halved year-on-year in January-May 2013². Import from Russia keeps falling despite yet another agreement on supplies of Russian crude oil to Belarus (the third agreement this year, covering third-quarter deliveries, at 5.75 million tons).

The slight increase in export supplies to Russia amid excessive stocks of Belarusian industrial producers and drop in export to the EU can be partially attributed to the agreement to supply some of the oil products processed from Russian crude oil back to Russia. In January-April 2013, Belarus supplied to Russia almost USD400 million worth of oil products³. To compare: Belarusian refined oil deliveries to Russia totaled only USD50 million in 2011 and about USD300 million in 2012⁴. The most important factor, though, is the elimination of the 'solvent-diluent' scheme. Despite record-high crude supplies in January-May 2013, they only amounted to 75.7% of the volume delivered in the first five months of 2012, while in value terms, they were 39.6% below last year's level.

The discontinuation of the 'solvent-diluent' scheme became Russia's natural response to the attempts by the Belarusian authorities to boost their resource base at the expense of their eastern neighbor without offering anything in exchange except for promises of privatization and appeals to deepen integration. Under the Kremlin's pressure Belarus continued what already seems the endless discussion of the MAZ-KAMAZ merger, however, Russia succeeds in narrowing the room for maneuver.

The attempts by First Deputy Prime Minister U. Siamaška to sign the fuel balance with Russia for the period to the end of 2013 in exchange for Belarus's pledge to honor its commitments failed: the signing of the fuel agreement was postponed; the deal was eventually signed only covering the third quarter of 2013, although the amount of crude to be delivered to Belarus in July-September was agreed at the level originally requested by Belarus, at 5.75 million tons. Russia also stepped up pressure in the Belarusian construction market by initiating discussions about the creation of joint construction holdings. Russia's foothold in the Belarusian space industry has also become stronger—a memorandum was signed between OAO Corporation VNIIEM and UP Geoinformation systems of the National Academy of Sciences, Prime Minister M. Miasnikovič met with head of the Russian Federal Space Agency V. Popovkin, and it seems Belarus and Russia agreed the sale of OAO Peleng.

The Belarusian authorities proposed Russian investors to take part in the development of the National Airport Minsk, despite the fact that Chinese and Arab investors are already involved in the project. Active talks are underway over other enterprises that interest Russian business—MAZ, MZKT and Grodno Azot.

Two events marked the pinnacle of the bilateral relations during the two months in question: on May 16, A. Lukashenka met with president of OAO NK Rosneft I. Sechin and president of OAO NK RussNeft M. Gutseriyev, and on May 20, A. Lukashenka met with S. Kerimov, a major shareholder in OAO Uralkali. Sechin and Gutseriyev made it quite clear that they were interested in the Belarusian oil refineries and Grodno Azot. Further, some experts suggested that the visit of the two Russian oil tycoons could have been caused by problems in the Russian oil market: the country's economic recession causes the government to introduce more stringent requirements for the fuel and energy sector, whereas not all of the beneficiaries of the Belarusian 'grey' oil-processing schemes were from Minsk.

1. http://gtk.gov.by/ru/stats/itogi_vnesh_torgovli2013/maj13_itogi

2. http://belstat.gov.by/homep/ru/indicators/trade_balance.php

3. http://gtk.gov.by/ru/stats/itogi_vnesh_torgovli2013/maj13_itogi

4. http://gtk.gov.by/ru/stats/itogi_vnesh_torgovli2012/yanv_dek2012

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Gutseryev is also known for his interest in Belaruskali. The second Russian contender wishing to get his hands on Belaruskali—Kerimov—must be stepping up pressure as well. Almost immediately after the meeting with S. Kerimov, the Belarusian president held a meeting with the working group supervising potash sales (May 27). Following that meeting, Lukashenka de facto supported the proposal of the Russian businessman to create a special commission to deepen the collaboration between the two countries in potash trade and organization of potash sales via a single channel. Given the fact that both Sechin and Kerimov are members of Vladimir Putin's close circle and the active lobbying of the Soyuzkali project by the Russian president, these meetings and statements by Lukashenka should be considered to be yet another concession that Belarus had to offer Russia being under tremendous pressure.

Belarus becomes increasingly dependent on Russia for its import of hydrocarbons: Gazprom has announced plans to supply 23 billion cubic meters of natural gas to Belarus in 2014 (same as in 2013) and an agreement was reached between the Belarusian government and Gazprom to switch public transport to gas engine fuel.

Another major problem in the bilateral relations (apart from Minsk's searching for cheap money with no commitment) is the development of the Common Economic Space and, eventually, of the Eurasian Economic Union. The position of the Belarusian side is clear—it wants unlimited duty-free supplies of hydrocarbons at Russia's domestic prices while going back on its promise to meet some of the unbeneficial obligations.

The Belarusian authorities oppose to the introduction of the recycling fee on automobiles and seem to have started an entire campaign to assemble Chinese vehicles in Belarus only in order to create a new reason to negotiate with Russia and get a bargaining chip to enjoy new concessions. The authorities may have been involved in the organization of protests of entrepreneurs against the introduction of the technical regulation of the Customs Union concerning the safety of light industry products. Appeals were made to start collecting signatures for Belarus to withdraw from the Customs Union and the Common Economic Space. However, official Minsk was quite inspired by the statement by Dmitry Medvedev that as soon as the Eurasian Economic Union has been established, Russia would lift all economic barriers and cancel tariff regulations for commodities within the Common Economic Space. The Belarusian authorities thought that the Russian premier referred to oil and interpreted his words as the ultimate binding decision. The only problem is that in order to achieve this Belarus will have to make more concessions (it would be fair to word it as 'meet its commitments'), which, along with more oil- and gas-related preferences, will result in a complete dependence on Russia.

The period under review became notable due to one more foreign policy maneuver of Belarusian diplomacy, which seeks to counterbalance Russia's gravitation. What is meant here is Lukashenka's visit to Ukraine on June 17-18, following which the Belarusian president had to give an account of what happened to Putin on the telephone. There is no doubt that Lukashenka had made the move in the context of his relations with Russia; however, it is not clear what that move really was—an attempt to have Ukraine's support, provided that country was going to join the Common Economic Space, or to resolve economic issues with Yanukovich's government. Other important initiatives in the international scene include efforts by the Belarusian administration to reinforce its western policy vector. However, these undertakings by official Minsk should not be regarded as some effective instrument to withstand Russia's pressure: this country depends too much on the Kremlin now, and it does not seem there will be any tools to overcome this dependence any time soon.

Forecast for the near term

Official Minsk's attempts to step up its contacts with the European Union and China, build up more friendly ties with Ukraine and make some other moves seeking to counterbalance the ever-increasing pressure from Russia will remain ineffective; the likeliest outcome is that those players will be using Belarus to pursue their own agenda.

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Despite the ongoing propaganda campaign against the unconditional abidance by the rules of the Customs Union and the Common Economic Area, official Minsk will have to come to terms with the new regulatory framework and continue maneuvering within the narrow framework set by relevant agreements, as well as informal agreements between the top executives of the two countries. Belarus will be unable to gain any new preferences in addition to those already made available by Russia, which will cause further economic aggravations in the short run and let more Russian capital inside the most appealing sectors of the Belarusian economy.

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Development of Belarus-EU relations

+16



0

Summary index: +16

Total positive points: +16

Total negative points: 0

Main trends

- 1) Regular meetings between the Foreign Ministry's senior officials and diplomats representing EU Member States and institutions continued, and so did active contacts with European diplomats pursued by their Belarusian counterparts. High-ranking officials at the ministry and the government's economic bodies visited the EU.
- 2) The normalization of Belarus's relations with the West continues expanding beyond the Belarus-EU framework. Minsk has intensified its relations with the OSCE and the Council of Europe in the two areas that are fundamentally important to the European Union—the freedom of the media and capital punishment in Belarus.

Description of the key events

The keynote concept of the relationship between Belarus and the EU this May and June can be conveyed quoting A. Lukashenka, who said at a meeting with S. Naryshkin, the speaker of the Russian State Duma: *"we need to move more actively towards the EU, building up our relations."*

Given the decision by the Council of the European Union to temporarily cross the name of Belarusian Foreign Minister Uladzimir Makiej out of the visa 'blacklist' (as long as he remains foreign minister), not only Belarus, but also the EU believes there is a need for stepping up the bilateral relations. Judging by the two previous periods under review, the two sides sort of exchanged niceties: Belarus agreed to have Swedish diplomats back in the country, while the EU lifted the sanctions from Makiej. These two developments must have had no connection at all, but anyway, both fit perfectly well into the 'roadmap' for normalizing the relations.

In May and June, intense diplomatic contacts with Brussels and EU Member States continued; however, there was no diplomatic breakthrough. None of the persons that the EU considers to be political prisoners were released. There were no visits by the country's top officials to the EU (during the previously reviewed period, Prime Minister Michail Miasnikovič visited Lithuania). However, the background of the relations and conduct of official Minsk indicate that the normalization process is gathering momentum.

Deputy Foreign Minister Aliena Kupčyna remained the central figure of Belarusian diplomacy when it came to the relations with the European Union. On May 6-7, she paid a working visit to Hungary; on May 17, she took part in a meeting of the foreign ministers of the Visegrad Group and Eastern Partnership in Kraków (although the invitation had been addressed to Foreign Minister U. Makiej). During the latter meeting, Kupčyna noted the interest of the Belarusian side in continuing pragmatic collaboration within the Eastern Partnership and suggested that a list of strategic projects of the EaP program should be approved. She called for enhancing the business component of the program. She also had a bilateral meeting with EU Commissioner Štefan Füle.

On June 12-13, Kupčyna visited Vilnius to hold consultations with Vice-Minister of Foreign Affairs Andrius Krivas and meet with Foreign Minister Linas Linkevičius. During the

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two months in question, Kupčyna held a series of meetings with diplomats representing EU Member States and institutions.

There were some notable visits by Belarusian officials to the EU during May and June 2013. All of them are purely economic. The economy and finance ministers paid a working visit to Paris on June 5-8. The Belarusian delegation had meetings in French ministries and agencies, as well as in some international organizations accredited in France and some companies. The meetings mostly discussed opportunities for attracting French investments and loans to Belarus. The French side voiced its interest in opening an office of Ubifrance, the French agency for export promotion, in Minsk this autumn.

On June 17, 2013, Brussels played host to consultations between Deputy Foreign Minister Aliaksandr Hurianaŭ and Deputy Director General of the Directorate General for Trade of the European Commission Péter Balázs. Hurianaŭ and Balázs discussed prospects for Belarus's accession to the World Trade Organization, as well as relevant issues of the trade and economic relations between Belarus and the EU.

Also noteworthy is the high level of Belarus's participation in the 17th Good Neighborliness Belarusian-Polish Economic Forum in Białystok (at the level of deputy economy and agriculture ministers, Brest and Hrodna region administrations).

In May and June, the Foreign Ministry of Belarus held a large number of consultations with EU counterparts. Belarusian diplomats accredited in the EU Member States were consistently active, especially representatives of the Belarusian Embassies in France (with accreditation in Spain), Hungary, Italy, Lithuania and Latvia.

Some of the background events (those going beyond the Belarus-EU framework) include the official visit by Dunja Mijatović, OSCE Representative on Freedom of the Media, and the roundtable meeting organized in Minsk under the aegis of the Council of Europe addressing the issue of capital punishment.

On June 26-27 a Belarusian parliamentary delegation comprising the chairman of the Standing Commission of the House of Representatives for International Affairs N. Samasejka and chairman of the Standing Commission of the House of Representatives for State Development, Self-Government and Regulation A. Zazulia visited Strasbourg. The delegation met with PACE President Jean-Claude Mignon. N. Samasejka also held talks with Alexandre Guessel, Director of Political Advice at the Council of Europe.

Two-way trade between Belarus and the European Union Member States amounted to USD9.1 billion in January-May 2013 (more recent data are not available yet), a reduction by 30.6% year-on-year. Belarusian export reached \$5 billion, a fall by 49.1% year-on-year. Import from the EU amounted to \$4.1 billion, an increase by 24.3% year-on-year. Two-way trade came to a surplus of USD899.8 million for Belarus.

Forecast for the near term

The prospects of further development of mutual relations should take shape in the near future in the context of the upcoming Eastern Partnership summit, slated to take place in Vilnius this November. A lot will depend on the meeting of the foreign ministers of the EU and Eastern Partnership states that is scheduled to be held in Brussels on July 22. Now that the sanctions have been lifted from Foreign Minister Uladzimir Makiej, one can expect that he will represent Belarus in Brussels, rather than his deputy Aliena Kupčyna.

Both sides are interested in benefiting from the Vilnius summit as much as possible; therefore, one should expect further arrangements to take the relationship to a higher level.

Logically, the next move in the 'roadmap' for normalizing the bilateral relations should be made by the EU, which should send high-ranking officials of EU Member States or institutions to Minsk. After that, official Minsk will have to make a decision on political prisoners.

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Development of Belarus-China Relations

Summary index: +10

Total positive points: +11

Total negative points: -1

+11

-1

Main trends

- 1) Further penetration of Chinese capital into various sectors of the Belarusian economy and non-transparency of the relationship between Belarus and China became the main trends of the Belarusian-Chinese relations. Despite some optimistic statements made by official Minsk, these relations keep developing according to the Chinese scenario.
- 2) During the reviewed period, this country's willingness to turn China into one of the poles for its maneuvering policy became especially conspicuous. At the same time, there were some indirect indications that Belarus will go as far as terminating previous agreements with China if this move turns out to be profitable enough.

Description of the key events

During the period from May 1 through June 30, the main developments in Belarusian-Chinese relations were centered on two major joint projects—the creation of an assembly factory to make Chinese automobiles in Belarus and the construction of the China-Belarus Industrial Park (CBIP). The assembly of Chinese vehicles is a major challenge, especially for Belarus's relations with Russia—Russian high-ranking officials have repeatedly expressed their discontent about that project.

Nevertheless, on May 23, Director of SZAO BelGee D. Batrakoŭ said that the cars assembled in Belarus would be sold in Russia, whereas on June 9, head of the Administration of the President of Belarus A. Kabiakoŭ made a more ambitious statement, saying that the Belarusian-Chinese automobiles would be able to compete not only within the Customs troika, but also beyond it. Those statements raised lots of questions. According to official reports, SZAO BelGee plans to occupy between 7% and 12% of the Belarusian market of new cars. The company plans to produce between 2,000 and 2,500 automobiles as early as in 2014.

If the new Chinese vehicles assembled in Belarus should be exported to Russia, they will become a drop in the ocean of the Russian automobile market. Therefore, it is not clear why Russian officials are so sensitive about the new assembly factory in Belarus, which will never be able to seriously compete with Russian automobile giants. There are two possible explanations: the project envisages some 'grey' schemes to import Chinese vehicles in the Common Economic Space on a duty-free basis similar to the eliminated 'solvent/diluent' scheme of 2012, or this project is a corruption scheme devised to benefit Chinese and Belarusian officials.

The second important project, which was actively discussed in May and June 2013, was the China-Belarus Industrial Park (CBIP). The broad public knows virtually nothing about this project, except for the agitprop report about USD30 billion in investments. On May 8, the official website of Smaliavičy district administration posted a message that most of the participants in the public hearing of the CBIP project supported it, and on June 7, the



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master plan of the Park was approved by the government.

The state media began an active campaign to discredit the opponents of the project, saying that most of them are Minsk residents, who are guided exclusively by selfish interests and are afraid of losing their summer cottages in the district. At the same time, state officials assure the public that their property will remain intact. Resolution of the Council of Ministers No.447 of June 4, 2013 (which approves the master plan) does not make the master plan itself available to the broad public (there is a 'not for circulation' note), so it is hard to say whether the approved plan corresponds to the project originally submitted for public hearings. However, there are reasons to believe that this is not the final document. On June 24, deputy director of ZAO China-Belarus Industrial Park K. Karacejŭ said during the business conference China (Guangdong)—Belarus (Minsk Region) that the draft detailed plan of the Park would be put up for public hearings. Apparently, the authorities are not really very much interested in discussing the CBIP plan over again (even the detailed plan, not the master plan).

It looks like the need for adjusting the document that had been approved just two weeks before appeared immediately after the talks with Guangdong businesses. Guangdong is one of the most densely populated provinces of China and one of its most economically advanced provinces, so it appears to be a perfect choice as a potential source of investments. The other province that is actively 'developed' by Belarus is Heilongjiang, in the northeast of China; its advantages are not so obvious; however, the Belarusian government does not make any comments. The problem is that the CBIP presentations have already been held in both Guangdong and Heilongjiang, but from the look of it the proposals made by the Chinese side were either unstated or voiced only partially. This means exactly what the opponents of the Park refer to: it is impossible to guarantee the transparency of the project itself (including the information about the productions located in the Park and sources of financing) or the consistency of information reported by the operators of the Park. Therefore, the residents of Smaliavičy district, just like the rest of the country, still have no insurance (despite the documents approved by the country's government) against unpleasant surprises that the construction of the CBIP holds in store.

The following information makes it clear what sort of 'surprises' Belarus may be in for: on June 27, the Belarusian Ministry of Transport and Communications announced that it was planning to sign an additional agreement with China to specify the timeframe for the reconstruction of the National Airport Minsk with Chinese investment. The problem is not that Belarusian-Chinese projects are as a rule questionable from both the economic and technological points of view (for instance, the situation with Minsk TETs-5 co-generation plant, assembly of Chinese vehicles, etc.), but that the Belarusian authorities are ready to say goodbye to the strategic partner at any moment in exchange for some instantaneous benefit.

It is no secret that the National Airport Minsk has long been eyed by investors from not only China, but also the United Arab Emirates. On March 22-27, President A. Lukashenka led a strong delegation to that Arab country, where he met with Crown Prince of Abu Dhabi Sheikh Mohamed bin Zayed Al Nahyan. Importantly, a crown prince of Abu Dhabi is at best the third most important person in the UAE hierarchy (following the president of the United Arab Emirates—the emir of Abu Dhabi—and the emir of Dubai). One would think that the reception that failed to correspond to Lukashenka's level was a deliberate effort by the leaders of the UAE in the wake of the failure of their attempts to gain control of the National Airport Minsk. The visit took place after Lukashenka's unsuccessful meeting with Vladimir Putin on March 15, 2013, where the Belarusian president essentially failed to have any new concessions from Russia.

On May 30, 2013, national air carrier Belavia and the national carrier of the UAE Etihad Airways signed a code-share agreement for Belavia to operate its flights to Moscow, St. Petersburg and Kyiv in conjunction with Etihad Airways. Possibly, the problems with the Chinese investors started because the Belarusian authorities found quicker money from

an alternative investor, rather than because of the Chinese position.

Also noteworthy is the visit by Xu Qiliang, Vice Chairman of the Central Military Commission of China, which took place after Russia voiced the initiative to establish an airbase in Belarus. Xu Qiliang is responsible for the Air Force in the People's Liberation Army of China (he used to be Commander of the Chinese Air Force before he was appointed to the Central Military Commission). We mentioned China's efforts to penetrate in Belarus's military and technical sector in our previous Index issues.

Some positive developments observed during that period include the improvement of the trade pattern: Belarus managed to almost treble export of its commodities to China in January-March 2013 from the first quarter of 2012 to USD255.5 million (this impressive increase slowed to 84.1% year-on-year during the first four months of the year, though). Import from China rose by 39% to USD612.7 million in the first quarter of 2013 (this increase further expanded to 42.7% in January-April). However, of all Belarus's key trade partners, China has the highest ratio of its export to Belarus to import from this country—its deliveries to Belarus account for 76.7% of two-way trade, whereas supplies from Belarus to China make up only 23.3%)⁵.

This appears to be a typical situation for Belarus, when some short-term success is achieved in foreign trade owing to a one-time contract and is then offset during the subsequent period. China remains the most unbeneficial partner in Belarus's foreign trade in terms of the proportion between export and import.

Forecast for the near term

Belarus will be unable to attain any of its objectives in trade with China in the short run: its enormous trade deficit will remain, and there will be no new Chinese loans coming to Belarus.

The attempts to use China in the foreign policy games with Russia will be fruitless primarily because of Beijing's reasonable and cautious policy.

At the same time, the Chinese authorities are showing their willingness to protect their interests in the region to a degree, where it causes tensions with more significant partners. In this connection, it appears that the Belarusian authorities should be more careful about their actions, which official Beijing can interpret as an attempt to play an unfair game with its partner.

5. http://belstat.gov.by/homep/ru/indicators/doclad/2013_5/09.pdf

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Development of relations with the 'developing world'

(Asia, Africa, Latin America)

+20



0

Summary index: 20

Total positive points: +20

Total negative points: 0

Main trends

1) The Foreign Ministry managed to overcome the slump in its contacts with developing countries, which was apparent at the start of the year. The intensity of contacts with that category of countries reached a very high level comparable to that recorded during the best years of collaboration with the developing world.

2) The trend towards phasing down contacts—at least those official—with the developing countries in opposition to the West continues. Against this backdrop, contacts with the countries that are close to the West or have no major geopolitical or ideological ambition keep growing stronger. One example is Belarus's consultations with Turkey, including on international and regional issues, which followed the visit by the Turkish Foreign Minister. Given Turkey's active involvement in the Syrian crisis and its opposition to Damascus and Teheran, these contacts pursued by official Minsk should not be considered anything ordinary.

3) The Foreign Ministry notably stepped up its efforts with respect to its traditional trade partners, which have remained somewhat disregarded for some time now (Mongolia, Laos) and new markets (Sri Lanka, Mozambique, Ghana). The recent ties with the economies of South and Southeast Asia have been further strengthened, which is especially conspicuous in the cases of Indonesia and Bangladesh.

Description of the key events

Latin America

On June 6-9, a Belarusian delegation led by Deputy Foreign Minister of Belarus Aliaksandr Hurianaŭ visited Cuba. The delegation comprised Deputy Minister of Architecture and Construction Dzmitry Siemiankievič, head of the foreign economic relations department at the Industry Ministry Anatol Paŭlovič, representatives of OAO MAZ, GP Belagromash, OAO Belshina and ZAO Beltire. During a meeting in the Cuban Foreign Ministry, the head of the Belarusian delegation noted the importance of maintaining and promoting political dialogue between Belarus and Cuba.

On June 25-26 First Deputy Prime Minister of Belarus U. Siamaška made a visit to Venezuela to participate in the 6th meeting of the joint commission for trade and economic cooperation and inspected the construction projects engaging Belarusian companies. The delegation also included Deputy Minister of Architecture and Construction Dzmitry Siemiankievič.

South Asia

Deputy Foreign Minister of Sri Lanka Neomal Perera stayed in Belarus on May 16-17 to participate in consultations between the Foreign Ministries of the two countries. The foreign diplomat was received by Foreign Minister of Belarus Uladzimir Makiej.

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On May 19-20, Meira Kumar, speaker of the lower house of the Indian parliament, visited Belarus. President Lukashenka met with the Indian MP and said he was certain that the current level of two-way trade between Belarus and India, at USD500 million, can be boosted. *"We need to set ourselves more ambitious targets and change from simple commodity exchange to cooperation links, create joint ventures in both countries, deepen our trade and economic relations."* It is planned that the Indian president will pay a visit to Belarus this autumn.

On June 12-13, a delegation of the Bangladeshi Foreign Ministry comprising Director for Europe of the Foreign Ministry Asad Siam, Chief of Protocol Khondker Talha, and Ambassador of Bangladesh to Russia Saiful Hoque visited Belarus. They were received by Deputy Foreign Minister of Belarus Valiancin Rybakoŭ. The diplomats addressed bilateral relations and preparation of the visit by Bangladesh Prime Minister Sheikh Hasina.

Southeast Asia

On May 5-6, Marzuki Alie, Speaker of the People's Representative Council, the lower house of the People's Consultative Assembly of Indonesia, visited Belarus. President Lukashenka received the speaker and said that Belarus considered Indonesia to be its chief and most promising partner in Southeast Asia. *"We will be doing our best, of course, if you don't mind, to establish a foothold of our trade in Southeast Asia in Indonesia, the more so because we were promised support from top officials during the recent visit to Indonesia."*

On May 16-17, Prime Minister of Vietnam Nguyen Tan Dung made a visit to Belarus. A. Lukashenka said during his meeting with the Vietnamese premier that Belarus had plans to boost two-way trade with Vietnam to more than USD500 million. He also said that Minsk was interested in "entering the markets of neighboring countries, third countries, together; it will be highly beneficial to us, but will not harm Vietnam." The head of state explicitly said: *"We do not hide that we are capable of cooperating in all areas: from supplies of civil products to military and technical cooperation."*

On June 2-3, Vice Prime Minister and Minister of Foreign Affairs of Laos Thongloun Sisoulith visited Belarus. He was received by President Lukashenka, who said that the economic collaboration between the two countries frequently engaged Vietnam as an intermediary; however, *"the two countries are capable of cooperating directly in many areas."*

On June 17-18, a Belarusian delegation led by Economy Minister Mikalaj Snapkoŭ made a working visit to Laos. The delegation comprised First Deputy Chairman of the State Science and Technology Committee Lianid Dziamidaŭ, Deputy Agriculture and Food Minister Vasil Kazakievič, representatives of the Belarusian Chamber of Commerce and Industry, OAO Promagroleasing, enterprises under the Industry Ministry and Belneft-ekhim concern. The delegation held meetings in the Ministry of Planning and Investment, Ministry of Industry and Commerce, Ministry of Science and Technology, Ministry of Finance, the Chamber of Commerce and Industry, and some other ministries and organizations of Laos. On June 30, President of Laos Choummaly Sayasone arrived on a visit to Belarus.

Middle East

On May 30, Minsk played host to political consultations between the Foreign Ministries of Belarus and Turkey. The Turkish delegation was led by Deputy Foreign Minister Fatih Ceylan. Belarus and Turkey addressed bilateral relations and *"exchanged opinions on some of the most pressing issues of the international agenda."* This latter part is particularly interesting, given Turkey's position on Syria, which has remained Belarus's traditional partner for many years. Fatih Ceylan was also received by Foreign Minister Uladzimir Makiej.

On June 17, Lukashenka and Shaikha Dheya bint Ebrahim Al-Khalifa, the President of

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the Riyada Group of Companies, discussed in Minsk prospects of joint projects, including supplies of Belarusian machinery to the Persian Gulf region.

Africa

On May 13, Minsk played host to Belarusian-South African consultations between the Foreign Ministries. The South African delegation was headed by Deputy Minister of International Relations and Cooperation Marius Fransman. Some of the themes addressed at the meeting comprised Belarus's engagement, including as a Customs Union Member State, with the Southern African Development Community (SADC), as well as the collaboration between Belarus and South Africa in the framework of BRICS activities.

On May 20-23, Deputy Foreign Minister of Belarus V. Rybakoŭ made a visit to Mozambique. He held a meeting with Prime Minister of Mozambique Alberto Vaquina. The two officials discussed potential areas for engagement with focus placed on collaboration in agribusiness, industrial cooperation and development of rural areas. The Belarusian diplomat also met with senior officials at the Ministry of Foreign Affairs, Ministry of Industry and Commerce, Ministry of Agriculture, association of entrepreneurs and foundation for the development of agriculture. The Belarusian delegation comprised Ambassador to South Africa Andrej Maŭčan, general director of OAO Promagroleasing Paviel Krupnoŭ, representatives of RUP MTZ, OAO MAZ and OAO Amkodor. A permanent exhibition and fair of Belarusian machinery and equipment was opened in Maputo at the premises of the Belarusian-Mozambican joint venture BelAfrica Ltd. Minsk first attempted to establish economic ties with Mozambique in the early 2000s.

Other regions

On May 30, Minsk held consultations between the Foreign Ministries of Belarus and Mongolia. The Mongolian delegation was led by Deputy Foreign Minister Damba Gankhuyag. Despite its remoteness, Mongolia is an important economic partner of Belarus, building on the Soviet cooperation legacy. Two-way trade totaled USD112 million in 2012, an increase by 45% from 2011 (achieved mostly because of sales of oil products). The head of the Mongolian delegation was also received by Prime Minister of Belarus M. Miasnikovič and Foreign Minister U. Makiej.

Belarusian ambassadors to Venezuela and Egypt presented their credentials to the heads of Bolivia and Sudan, respectively, as late as this May. This suggests that despite the powerful rhetoric about efforts to develop relations with those countries, such an elementary move as the formal accreditation of an ambassador has not been made so far, although the Belarusian administration regards both those countries as promising partners. The Belarusian Foreign Ministry must have decided to make a series of consistent steps to have its envoys accredited in adjacent countries in a bid to extend the circle of partners. In May, Belarus's Ambassadors to Nigeria and South Africa presented their credentials to the heads of Ghana and Mozambique, respectively—Minsk treats these two economies as its priorities in building its foreign relations.

Forecast for the near term

The strenuous efforts of Belarusian diplomacy to step up the engagement with developing countries will keep the contacts with the developing world at quite a high level that has been achieved recently, at least in the short run. The Foreign Ministry's consistent arrangements that target a longer period will contribute to this diplomatic success, specifically, the accreditation of ambassadors in some of the potentially important countries and organization of visits of foreign high- and top-ranking officials to Belarus in the second half of the year.

The new partner countries from South and Southeast Asia will become the most potentially productive and fruitful regions for collaboration (including Indonesia and Bangla-

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desh). At the same time, Belarus will keep its contacts with traditional partners (India and Vietnam).

The situation around the Belarusian projects in Venezuela or its projects in other Latin American countries that involve Venezuela will not clarify in the near future. Given the significance of Venezuela's support to Belarus's ambition in Latin America, one should hardly expect any notable success of Belarus's foreign policy or economic efforts in that continent.

In Africa, Belarus will keep its focus on Nigeria, Ghana and Mozambique. It is highly likely that Minsk will seek closer ties with Angola and Ethiopia drawing on those countries' experience of working with the USSR.

The situation in the Middle East leaves no hope that Belarus will be able to promote its relations with the countries of the region. The countries of North Africa remain politically unstable, so the only thing Minsk can do is take a wait-and-see attitude. Withdrawing from its former left-leaning and nationalist partners in the region, Belarus is getting closer to the conservative monarchies that are on friendly terms with the West and Turkey. However, those countries are not really interested in Belarus; the only thing they care about is to keep Minsk from collaborating with the opponents of the Arab monarchies—Damascus and Teheran.



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Development of Belarus-Ukraine relations

Summary index: +9

Total positive points: +9

Total negative points: 0

+9

0

Main trends

1) A major breakthrough in the bilateral relations took place during the two months under review; the main chronic 'aggravator' of the relationship has been done away with as the two countries completed the ratification of the State Border Treaty. Current commercial conflicts have been resolved as well. Obviously, Aliaksandr Lukashenka and Viktor Yanukovich managed to overcome personal animosity (at least they seem to have done so to a great extent), and the dialogue between the two state leaders will be more successful in the future.

2) It is highly unlikely, though, that the two countries and their heads will achieve strategic partnership. Objectively, Ukraine and Belarus remain competitors in various areas, including commerce and geopolitical games. Grounds for new conflicts remain, which is caused by the opposite interests of the businesses of the two countries. Further, the lack of personal trust between Lukashenka and Yanukovich most likely remains, and this is something that one meeting cannot help.

Description of the key events

Early May was marked by another wave of 'trade wars', as Ukraine banned import of pigs, pig products and raw materials citing a "possibility of an African swine fever outbreak in a Belarusian district."

On May 22, Kyiv played host to the 22nd meeting of the Intergovernmental Ukrainian-Belarusian joint commission for trade and economic cooperation under the chairmanship of First Deputy Prime Minister of Ukraine S. Arbuzov. The Belarusian delegation to Ukraine was led by First Deputy Prime Minister U. Siamaška. The commission signed a protocol outlining the positions of the two countries on all of the topical issues. Further, the Agreement on interregional and cross-border collaboration was signed.

One of the main issues on the agenda for the meeting was Belarus's restraining import of Ukrainian-made confectionery. On May 24, President of Ukrkondprom association of confectioneries Oleksandr Baldyniuk said that as a result of the meeting, the blockade of Ukrainian confectionery products by the Belarusian customs service was removed, and customs clearance of Ukrainian goods went back to normal. Belarus is currently the fourth-largest export market for Ukrainian confectionery producers (following Russia, Kazakhstan and Azerbaijan), estimated at USD16 million a year.

On May 31, Prime Minister of Ukraine M. Azarov visited Minsk to take part in a meeting of representatives of the Common Economic Area. While in Belarus, Azarov met with his Belarusian counterpart M. Miasnikovič. Following that meeting, Azarov said: "We are going to take part at least in the preparation of Customs Union documents, express our

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*opinions and take into account the policies pursued by the Union. We hope that Belarus will support us in this matter.*⁶

On June 18-19, President A. Lukashenka paid an official visit to Kyiv. The formal objective of the visit was to complete the ratification of the bilateral State Border Treaty of 1997 and exchange instruments of ratification. At the same time, experts were quite skeptical about the declared objectives, the more so because the Belarusian side de facto had no compensation of old debts, which had been a major deal breaker for years. An agreement was reached that Ukraine would pay up in kind using various schemes instead of paying cold cash. Ukraine will supply military and technical products to the Belarusian air defense system, sell electricity to Belarusian consumers at discounted rates (thus making it possible for Belarus to re-export it) and charge Belarus lower transport fees. It is also planned that Belarus will supply its tractors and combine harvesters to Ukraine, something that Belarus is very much interested in.

The media promoted a version of the events, in which the two presidents discussed the Customs Union challenges during their one-on-one meeting and reportedly Yanukovich got interested in Lukashenka's mediation in his dialogue with the Kremlin. Lukashenka emphasized the importance of Ukraine's engagement with the Customs Union and the Common Economic Space, while Yanukovich said before the talks started: *"the format of Ukraine's relationship with the Customs Union has been adopted; we also need to discuss the role and capacity that Ukraine will have in the decision-making process that would contribute to the development of trade and economic relations with the Customs Union."* However, this version seems too far-fetched. Apparently, there is no affection between the two state leaders, and the level of mutual trust is not high enough to let each other into such sensitive issues.

It seems that an alternative version that is being discussed behind the scenes in Kyiv is more credible: the presidents were debating a new pattern of oil product trade, and it seems both were satisfied with the outcomes. Following the talks, the two heads of state were complimenting each other; Lukashenka said: *"Ukraine is not a foreign country to me, and as a state leader I will be doing my best to maintain a relationship that is very close, friendly and most beneficial to Ukraine."* Further, Lukashenka spoke about frequent informal meetings with Yanukovich. They have meetings quite often, albeit *"with no noise,"* Lukashenka was quoted as saying.

On June 19, Industry Minister of Belarus D. Kaciarynič held talks with Ukraine's Economic Development Minister I. Prasolov. The officials agreed that Belarus would include Ukraine in the preferential lending scheme to facilitate purchases of Belarusian-made machinery. Kaciarynič noted that the lending mechanism proved quite effective within the Customs Union.

On June 27, President Lukashenka received credentials of Mykhailo Yezhel, Ukraine's new Ambassador Extraordinary and Plenipotentiary to Belarus. During the ceremony, Lukashenka emphasized the significance of Belarus's relationship with Ukraine: *"I remain firmly committed to the strengthening of ties with Ukraine, our closest neighbor and very reliable partner. My recent official visit to Ukraine confirmed our willingness and aspiration to resolve pressing matters in a constructive way."*

6. 'Ukraine hopes to have Belarus's support in its engagement in the Customs Union work—Azarov', BelTA («Украина рассчитывает на поддержку Беларуси в вопросах участия в работе Таможенного союза — Азаров». — БелТА), 31.05.2013. — (http://www.belta.by/ru/all_news/politics/Ukraina-rasschityvaet-na-podderzhku-Belarusi-v-voprosax-uchastija-v-rabote-Tamozhennogo-sojuza---Azarov_i_636427.html)

7. 'Belarus, Kazakhstan and Russia are ready to have Ukraine as a member of the Common Economic Space—Lukashenka', BelTA («Беларусь, Казахстан и Россия готовы видеть Украину участницей ЕЭП — Лукашенко». — БелТА), 18.06.2013. — (http://www.belta.by/ru/all_news/president/Belarus-Kazakhstan-i-Rossija-gotovy-videt-Ukrainu-uchastnitsej-EEP---Lukashenko_i_638342.html)

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Forecast for the near term

Supplies of Belarusian oil products to Ukraine remain the key issue in the bilateral relations. However, Belarus and Ukraine cannot resolve this discrepancy on a bilateral basis, because it is a third player—Russian oil majors, specifically, Igor Sechin—that has the final say.

Belarus is interested in keeping the vast Ukrainian market to itself, while President Yanukovich's older son Oleksandr and the oligarchic group dubbed the 'Family' would like to monopolize this market. However, they will not succeed without Sechin's support. First of all, it will be Sechin that will make the decision on the sale of Lisichansk Refinery (controlled by Rosneft) to the 'Family'; and second of all, Ukraine will be able to resume its production of gasoline only if it gets Russia to resume crude oil supplies on reasonable terms. Sechin, CEO of Rosneft, who is very close to Vladimir Putin, will be the one to make the final decision. However, Rosneft is also a co-owner of Belarus-based Mozyr NPZ oil refinery, and Sechin must be personally interested in the export of Belarusian gasoline. It is de facto up to Sechin to choose which of the two projects under his control is more lucrative.

The oil product segment is kept away from public eyes, but Lukashenka's visit to Kyiv suggests that the two countries have managed to arrive at a compromise. Apparently, the 'Family' will give up the idea of monopolizing the Ukrainian oil product market for the time being—in exchange it will have a chance to increase its share in the gas market at the expense of Dmytro Firtash's oligarchic group, also with Sechin's aid. It is also obvious that the Ukrainian oil product market remains a source of a colossal corruption rent. Ukrainian experts claim that about half of all of the gasoline coming in the country is smuggled, and about half of all import is re-exported to offshore markets. It appears that all stakeholders have been able to effectively assert their interests for the time being; however, we cannot rule out that this current compromise may be short-lived, and a new round of bitter confrontation will follow.

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Annex

Catalogue of events underlying the relations development index.

Belarus-Russia relations

Date	Event	Point
5 May	A telephone conversation between A. Lukashenka and V. Putin.	+2
6 May	A. Lukashenka meets with Secretary of the Russian Security Council N. Patrushev. The agreements on the airbase that were reached with S. Shoygu are finalized.	+3
16 May	A. Lukashenka meets with president of OAO NK Rosneft I. Sechin and president of OAO NK RussNeft M. Gutseryev. They discuss possible expansions in oil and gas deliveries, as well as the engagement of these companies in the development of Belarus's chemical sector.	+3
16 May	A Belarusian delegation led by U. Siamaška holds talks in Tatarstan over collaboration between OAO MAZ and OAO KAMAZ.	+2
17 May	U. Siamaška meets with A. Dvorkovich.	+2
18 May	The Belarusian government and OAO Gazprom sign a program to switch public transport to gas motor fuel.	+1
20 May	A. Lukashenka meets with shareholder of OAO Uralkali S. Kerimov.	+2
21 May	Prime Minister of Belarus M. Miasnikovič meets with Russian counterpart D. Medvedev.	+2
21 May	Consultations between the Foreign Ministries of Belarus and Russia focusing on the engagement between Belarus and Russia in international human rights organizations.	+1
21 May	Commencement of the second phase of the joint staff training of military administration bodies of the Armed Forces of Belarus and Russia.	+1
22 May	Consultations between the Foreign Ministries of Belarus and Russia focusing on joint activities in their engagement with the OSCE and the Council of Europe.	+1
23 May	Belarus is interested in having AEON invest in the development of the National Airport Minsk. Investment opportunities were addressed at a meeting between Prime Minister of Belarus M. Miasnikovič and heads of AEON Corporation R. Trotsenko and of OOO Novaport S. Rudakov.	+2
29 May	A. Lukashenka takes part in a meeting of the Supreme Eurasian Economic Council in Astana; he makes positive remarks about the Common Economic Space.	+3
31 May	A. Lukashenka meets with Prime Minister of Russia D. Medvedev.	+3
31 May	Deputy Economy Minister of Russia A. Kudasov says that Russia plans to apply the recycling duty to the automobiles produced in Russia and those imported from the Customs Union member-states.	+1
	Duties applied to the export of Belarusian oil products processed from Russian crude oil to consumers beyond the Customs Union may be abolished starting 2015.	-1
04 June	An action plan is signed between Belarus and Russia's Krasnodar Krai to promote collaboration in 2013-2014.	+1

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Date	Event	Point
05 June	A. Lukashenka meets with heads of the delegations participating in the meeting of the Council of Defense Ministers of the CIS; he makes positive remarks about the military cooperation between Belarus and Russia.	+2
05 June	Belarusian Ambassador to Russia I. Pietryšenka meets with State Secretary of the Union State G. Rapota.	+1
05 June	U. Siamaška says supplies of Belarusian-made farm machines to Russia have been falling. He says Belarus has benefited from joining the Customs Union and the Common Economic Space.	-1
07 June	Russian Ambassador to Belarus A. Surikov says the oil balance for the quarter and the year remains uncertain; new loans will not be made available for Belarus to modernize its enterprises without privatization; Russia awaits decisions on MAZ, MZKT, Grodno Azot, Peleng, and Integral.	
07-08 June	A Belarusian delegation led by Belarusian Ambassador to Russia I. Pietryšenka visits the Republic of Karelia.	+1
12 June	Bank BelVEB opens USD8.262 billion worth of letters of credit in the framework of the Russian state loan to Belarus for the construction of Belarusian Nuclear Power Plant in behalf of ZAO Atomstroyexport (Russia); so far, a total of USD369.5 million has been disbursed.	-3
13 June	A. Lukashenka meets with Speaker of the State Duma of Russia S. Naryshkin; he makes positive remarks about the collaboration with the Russian Federation (the Union State, Common Economic Space), and also with the European Union.	+3 -1
17 June	A. Lukashenka meets with Russian Presidential Envoy to the Siberian Federal District V. Tolokonsky.	+2
17-18 June	Deputy Prime Minister A. Kalinin pays a working visit to Moscow. He meets with First Deputy Prime Minister of Russia I. Shuvalov and deputy Prime Minister D. Kozak. They discuss the creation of joint construction holdings.	+2
18 June	OAo Corporation VNIIEM (Russia) and UP Geoinformation systems of the National Academy of Sciences of Belarus sign a memorandum to establish a joint venture for commercial use of a part of the information resource of the united orbital group comprising the Russian satellite Kanopus-V and the Belarusian Space Vehicle.	+1
19 June	A telephone conversation between A. Lukashenka and V. Putin (following Lukashenka's visit to Ukraine).	+2
25 June	A. Lukashenka meets with Patriarch of Moscow and All Russia Cyril.	+3
25 June	A Belarusian delegation led by Minister of Trade V. Čekanaŭ goes to Russia's Chelyabinsk Region.	+1
20-26 June	A Belarusian delegation led by First Deputy Prime Minister U. Siamaška participates in the XVII St. Petersburg International Economic Forum. Siamaška has a working meeting with St. Petersburg Governor G. Poltavchenko, President and CEO of Sberbank of Russia H. Gref, Rosatom General Director S. Kiriyyenko and OAO Gazprom CEO A. Miller.	+3
24-27 June	A delegation of Belarusian businesses visits Stavropol and Kemerovo.	+1
26 June	Commander-in-Chief of the Russian Air Force V. Bondarev says that the Russian airbase will be deployed in Lida.	+1

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Date	Event	Point
27 June	The Council of the EurAsEC Anti-Crisis Fund approves the letter of intent submitted by the Belarusian side, which is a condition for the ACF to provide the sixth loan installment to Belarus.	+1
27 June	M. Miasnikovič meets with head of the Federal Space Agency of Russia V. Popovkin. He says in a statement that the OAO Peleng issue has been resolved (Russia will buy a blocking stake in the company).	+2
27 June	A strike of Belarusian entrepreneurs, who protest against the introduction of a technical regulation of the Customs Union in Belarus.	-2
Total		+50

Belarus-EU relations

Date	Event	Point
6-7 May	Deputy Foreign Minister Aliena Kupčyna makes a working visit to Hungary; consultations between the Foreign Ministries of Belarus and Hungary.	+1
17 May	Aliena Kupčyna takes part in a meeting of the foreign ministers of the Visegrad Group and Eastern Partnership in Kraków. She holds talks with EU Commissioner Štefan Füle on the sidelines of the meeting.	+1
17-18 May	The 2nd Belarusian-Lithuanian Forum of Twin Cities in Daugavpils; five new twin-city agreements are signed.	+1
23 May	Aliena Kupčyna meets with Ambassador of Ireland to Belarus Philomena Murnaghan.	+1
28-29 May	The 2nd Belarusian-Lithuanian regional cooperation forum; the 16th meeting of the Bilateral Belarusian-Lithuanian Commission for Trade and Economic Cooperation.	+1
5-8 June	Economy Minister M. Snapkoŭ and Finance Minister Andrej Charkaviec make a working visit to France.	+1
5 June	Aliena Kupčyna meets with Head of EU Delegation to Belarus Maira Mora.	+1
11 June	Aliena Kupčyna meets with charge d'affaires ad interim of Slovakia in Belarus Miroslav Mojzita.	+1
12-13 June	Aliena Kupčyna visits Vilnius; consultations are held between the Foreign Ministries of Belarus and Lithuania at the level of vice-ministers.	+1
14 June	Honorable Consulate of the Republic of Belarus in Florence is opened.	+1
17 June	Deputy Foreign Minister Aliaksandr Hurianaŭ holds consultations with Deputy Director General of the Directorate General for Trade of the European Commission Péter Balázs in Brussels.	+1
18 June	The first Days of Culture of the Republic of Belarus in the Republic of Finland are opened.	+1
26-27 June	17th Good Neighborliness Belarusian-Polish Economic Forum in Białystok.	+1

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May-June	Consultations between the Foreign Ministries: Belarusian-Latvian consultations (May 17), Belarusian-Czech consultations on consular issues (May 29); Belarusian-Austrian consultations (June 6); Belarusian-Slovak consultations on consular issues (June 6-7); meeting of the political directors of the Foreign Ministries of the CEI and the U.S. in Budapest (June 12); Belarusian-Dutch consultations (June 14); Belarusian-Latvian consultations on consular issues (June 14).	+2
May-June	A series of contacts between Belarusian diplomats and diplomats and parliamentarians of the EU Member States.	+1
Total		+16

Belarus-China relations

Date	Event	Point
8 May	Most of the participants in the public hearing of the master plan of the China-Belarus Industrial Park support the project, according to the documents posted on the website of Smaliavičy district administration following the discussion.	+1
17 May	A. Lukashenka and M. Miasnikovič meet with Xu Qiliang, Vice Chairman of the Central Military Commission of China.	+2
21 May	Chief of the State Control Committee of Belarus A. Jakabson meets with Deputy Director General of the PBC's Anti-Money Laundering Bureau Liu Zhengming.	+1
3 June	The final consignment of electric locomotives from China arrives in the Baranavičy locomotive depot under the contract between Belarusian Railways, China National Electric Import & Export Corporation and Datong locomotive factory.	+1
7 June	The master plan of the China-Belarus Industrial Park is approved.	+1
19 June	Ambassador of Belarus to China V. Buria visits Harbin in the framework of Belarus's participation in the Harbin International Economic and Trade Fair; he discusses collaboration projects with Heilongjiang province.	+1
15-21 June	A delegation of Belarusian businesses makes a visit to China.	+1
24 June	First Deputy Economy Minister of Belarus A. Filonaŭ meets with a delegation of businesses of Guangdong province and representatives of the Chinese Embassy in Belarus.	+1
24 June	The draft detailed plan of the China-Belarus Industrial Park will be put up for public hearings, deputy director of ZAO China-Belarus Industrial Park K. Karacejė said during the business conference China (Guangdong)—Belarus (Minsk Region). Minsk Region suggests Guangdong should become a co-founder of the CBIP.	-1
	Belarus almost trebles its commodity export to China in the first quarter of 2013 from the same period in 2012 to USD255.5 million. Import from China went up by 39% to USD612.7 million in the first three months of 2013.	+1
Total		+10

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Belarus's relations with the 'developing world'

Date	Event	Point
5-6 May	Speaker of the People's Representative Council of Indonesia Marzuki Alie visits Belarus.	+2
12-13 May	Deputy Minister of International Relations and Cooperation of South Africa Marius Fransman visits Belarus.	+1
16-17 May	Deputy Foreign Minister of Sri Lanka Neomal Perera makes a visit to Belarus to participate in consultations between the Foreign Ministries.	+1
16-17 May	Prime Minister of Vietnam Nguyen Tan Dung pays a visit to Belarus.	+3
19-20 May	Speaker of the lower house of the Indian parliament M. Kumar visits Belarus.	+2
20-23 May	Deputy Foreign Minister of Belarus V. Rybakoŭ visits Mozambique.	+1
29-30 May	Deputy Foreign Minister of Turkey F. Ceylan visits Belarus.	+1
29-30 May	Deputy Foreign Minister of Mongolia D. Gankhuyag visits Belarus.	+1
2-3 June	Vice Prime Minister, Minister of Foreign Affairs of Laos visits Belarus.	+2
6-9 June	A Belarusian delegation led by Deputy Foreign Minister Aliaksandr Hurianaŭ visits Cuba.	+1
12-13 June	A delegation of the Bangladeshi Foreign Ministry led by Director for Europe of the Foreign Ministry A. Siam visits Belarus.	+1
17-18 June	A Belarusian delegation led by Economy Minister M. Snapkoŭ makes a working visit to Laos.	+2
25-26 June	First Deputy Prime Minister of Belarus U. Siamaška makes a visit to Venezuela.	+2
Total		+20

Belarus-Ukraine relations

Date	Event	Point
22 May	First Deputy Prime Minister U. Siamaška comes to Kyiv to participate in the 22nd meeting of the Intergovernmental Ukrainian-Belarusian joint commission for trade and economic cooperation; the conflict around the supplies of Ukrainian confectionery products to Belarus is resolved.	+1
31 May	Prime Minister of Ukraine M. Azarov meets with Belarusian counterpart M. Miasnikovič in Minsk.	+1
18-19 June	President A. Lukashenka's official visit to Kyiv.	+3
19 June	Completion of the ratification of the State Border Treaty of 1997; exchange of the instruments of ratification.	+3
19 June	Industry Minister of Belarus D. Kaciarynič holds talks with Ukraine's Economic Development Minister I. Prasolov in Kyiv; they agree a scheme to facilitate supplies of Belarusian-made machinery to Ukraine.	+1
Total		+9