



Newsletter

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The past week was marked by a gas war between Minsk and Moscow. On 31 December, two minutes before the New Year Eve deadline, a contract was signed which Belarus described right away as „unfortunate”.

In 2007, Belarus will pay 100 dollars per 1,000 cubic meters of natural gas it buys from Russia. This is a substantial increase from the 47 dollars it had paid in 2006. Under the contract, by 2011 Belarus will pay the same „market price” charged by Gazprom to its customers in Europe. In addition, Minsk was forced to sell a 50-percent stake in the Belarus state gas pipeline operator for 2,5 billion USD. Russia will make the payment in four equal installments.

Considering the fact that the price of gas is to grow by only 15 per cent, a sizeable budget deficit in Belarus is expected.

The deliveries of Russian oil remain an open issue. After Moscow had introduced duties on oil exports to Belarus, the processing of oil in the Belarusian refineries became unprofitable. The processing of oil is likely to come to a halt soon, leading to a serious economic crisis in Belarus.

Addressing a special conference on energy issues on 3 January, president Łukašenka threatened a retaliatory action against Russia. He said Moscow would be charged for a range of services which have so far been rendered free-of-charge or for a symbolic fee. This relates to such services as transit and the dislocation of military sites.

The Belarusian government was quick to introduce transit fees on Russian oil passing through the territory of Belarus. According to the Belarusian Ministry of Statistics, 90 million tonnes of Russian oil were transported to the West through the Belarusian pipeline network during the January-November 2006 period. From now on, Belarus is to charge a 45 USD per tonne fee on Russian crude oil pumped through Belarus pipeline to Europe. This is to bring Belarus an income of almost 4 billion dollars, which is almost as much as Moscow is going to gain as a result of an increase of prices for energy exported to Belarus.

Political analysts interpret Belarus's tough response to Moscow's energy dictate as an attempt to scare the Kremlin. It is expected that a compromise will eventually be worked out (possibly in the form of dividing revenue from the export of oil-derivatives produced in Belarus from Russian raw materials). This is because Russia cannot do without a market for its energy raw materials and does not want to lose its strategic ally.

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At the same time, experts claim, the latest developments have thwarted plans for a „fraternal integration“ which would pose a threat to the independence of Belarus. Minsk has been offered an opportunity to fight to its sovereignty. It remains to be seen if political will proves strong enough.

A crisis in government politics has opened fresh prospects for the opposition. The opposition, however, seems to undergo a crisis as well. This was evident at a press conference of the leaders of opposition parties on 4 January. They admitted that no strategy is in place for local elections and the second Congress of the Democratic Forces scheduled for February-March. On the eve of local government elections (9 – 14 January), Alaksandar Milinkievič, the opposition candidate in the last presidential elections, issues a strongly-worded declaration on 4 January. In his view, the opposition focused too much on accusing the authorities of persecution (preventing from printing leaflets and organizing election meetings), the opposition wrecked its chances in the campaign. The proposal to join forces and draft a common scenario for the campaign has not been translated into life. Many politicians and analysts doubt whether there is any sense in organizing the second Congress of the Democratic Forces in the nearest future. There is much reason for concern that in-fighting within the opposition may prove a damaging blow to the opposition.

On their part, representatives of the Belarusian authorities have stressed time and again that the campaign before local elections is conducted without any law violations. President Łukašenka recently said: “I do not interfere into the election process. I am only being informed about the course of the campaign. Frankly speaking, I only want to see how the governors are coping in organizing the elections. I think they will cope well. At this stage at least they are doing fine”.

Indeed, it seems that the authorities are in full control over the electoral process. Experts, on their part, do not rule out a rise in social discontent caused by growing inflation which is likely to follow a tangible rise in prices for energy raw materials. ■

POLITICS

UN condemns human rights violations in Belarus

The UN General Assembly has adopted a resolution on violation of human rights in Belarus. The document was tabled by the EU and USA.

The resolution condemns the increasing practices of criminal persecution of representatives of the opposition, human rights activists, journalists and non-governmental organisations. The document recalls serious incidents of violation and inconsistency with many legal norms in the course of the last presidential elections, held in Belarus on March 19, 2006.

The resolution was supported by representatives of 72 countries with 32 votes against, and 69 abstentions. Earlier, the draft resolution was adopted by the Third Committee of the UN General Assembly.

Canada introduces economic sanctions against Belarus

Foreign minister of Canada Peter McCay announced that Belarus was added to the “List of Territorial Control” as the second country after Burma.

The decision of Canadian authorities means in practice that any exports to Belarus will require special export license. The decision does not include humanitarian aid. The reason for introduction of these sanctions is continuous breaking of human rights in Belarus as well as lack of democratic changes in the country. The Canadian government indicated that Belorussian authorities failed to react to numerous appeals of the international community to that effect. Canada expressed its hope that the sanctions will positively influence situation in Belarus.

OFFICIALLY

„Free” Belarusian services may cost Russia dearly

In the first quarter of the year, Russia should receive quotes for all services so far provided by Belarus free of charge. The list includes the use of military facilities and transit.

Aleksandr Łukašenka told a meeting on energy supplies that the present situation should be changed. He said he did not intend to aggravate the present crisis. But in his view, if oil-rich Russia offers tiny Belarus worse terms than those it offers Germany and other European states, it was Russia's turn to pay for services rendered by Belarus. Minsk would demand payment for the transit of crude, the lease of land under the pipelines, and it would also negotiate the status of Russian property in Belarus.

OPPOSITION

Andrej Klimaŭ is released

Political prisoner Andrej Klimaŭ was released on Friday morning from a police station in the village of Barščouka on Friday morning. He was handed back the passport and his release papers.

Friends, family and opposition politicians greeted Klimaŭ in front of the police station with champagne.

Klimaŭ said he was determined to stay in politics and to carry on his activities within the United Citizens Party (AHP). He is also going to public a book of memoirs from a penal colony.

Klimaŭ was sentenced to 1.5 year to prison for having organized a protest action against Łukašenka. He had served earlier another three year sentence on charges of embezzlement.

Congress of democratic forces scheduled before 17 March

The decision to hold the congress of democratic forces followed a session of

the Political Council of the United Democratic Forces on 20 January in Minsk. Activists have started looking for a suitable venue.

The congress of democratic forces is to be held at the turn of February and March but not later than March 17 – this was the joint decision of Political Council Members. The session also adopted the organizational and working agenda for the Congress.

As well as questions concerning the Congress, issues on the participation of democratic forces in the political campaign to local elections were raised. Members of the Council who belong to various opposition parties concluded that they will jointly decide on withdrawing candidates from the elections.

ECONOMY

The government of the Republic of Belarus: The gas price hikes will not affect the citizens

The individual gas consumers in Belarus will not be affected by the new deal concerning gas supplies from Russia- said deputy premier Uładzimir Siamiaška and assured the cost of the increased price for the purchase of Russian gas will be transferred to industrial enterprises. According to Siamashka the price increase for municipal services will not exceed 5-6 USD during the year.

According to the new gas deal with Russia for 2007 Belarus will pay the Russian supplier 100 USD for 1000 cubic meters of gas as compared to the earlier price of 46.68 USD. Siamiaška has informed that the price for enterprisers which are the end users, will increase from 74.5 to 150-153 USD for 1000 cubic meters. As a result the cost of electricity will rise by 54% and heating 55%. „It is a big challenge for our industry, for the real sector of our economy and primarily for the employees of the energy sector” – admitted the deputy premier.

Independent analysts asses that the average man in the street will strongly feel the effects of the energy costs. „Belarus is faced with the increase of prices for municipal services, transport and fuels, a reduction of financing investment programmes can be expected” – said Jarasłaŭ Ramančuk from the Analytical Center Strategy. He added that he also predicts a threat to the stability of financial

and banking systems.

Commentators say that the gas price increase and the introduction of customs tariffs for the oil exported to Belarus will have a huge impact on the Belarusian „economic miracle” proving that it was based mainly on support from Moscow.

In 2005 the economic growth in Belarus amounted to 9.2% while the industrial production rose to 10.4% as compared to 2004.

Gasprom to take over half of Beltransgas in 2010

Gasprom will acquire 50% of the stakes of Beltransgas by 2010- informed Belarusian deputy premier Uładzimir Siamaška. In May 2007 Gasprom is to provide the first 625 million USD for 12.5% of the Beltrasgas shares.

During a press conference Siamashka pointed that the buying out of the 50% of Belarusian concern will take place in the coming four years. Each year, not later than June 1st 625 million USD should be transferred by Gasprom in order to achieve the whole sum, that is 2.5 billion USD, by 2010 explained Siamaška.

A joint Russian Belarusian enterprise based on Beltransgas will be founded by 1st of June 2007 after the first payment by Gasprom. „We shall guide the joint enterprise on a partnership basis for the benefit of Russian and Belarus” underlined the Belarusian deputy premier.

Meanwhile independent economist Jaroslaw Romanchuk said that president Łukašenka may not accept the transfer of the 50% of Beltransgas shares to Gasprom.

In an interview for the Belarusian service of Polish Radio Romanchuk said that Belarus does not adhere to respecting the rights of shareholders, until 2010 the presence of Gasprom in Baltransgas will be only nominal since the Belarusian side will make every attempt to exclude Gasprom from power.

SOCIETY

Coach carrying Christian youth searched

A bus carrying Christian youth was held up at the border crossing point in Brest on January 3. A meticulous search was conducted, with border guards going

through the passengers” personal belongings.

A report was compiled after several issues of the independent Belarusian Naša Niva newspaper were found. The news papers were confiscated for the public prosecutor’s office to determine whether they contained any materials „directed against the state”.

The bus with more than forty passengers on board was held up for almost five hours. The young Belarusian Roman Catholics and Protestants were returning from a pilgrimage to Zagreb, where they took part in a Taize Christian meeting.

Dzianis Sadoŭski, one of the pilgrims, said the search was a sign of persecution directed against young Christians on the eve of local elections. Sadouski said the search had been planned well in advance.

Belarusian law on mass media is one of the least effective

Belarus places one of the lowest on the list of the freedom of media of the former soviet states. A research was conducted by the Institute of Press Law Problems taking into account the regulations of the former Soviet Union republics.

The specialists took into account 13 aspects for which one point was donated. There had been no maximum number of points scored by any of the researched country.

It was shown that th4e most freedoms are enjoyed by journalists in Georgia, which was granted 11 points, then Estonia followed (with 9.5points), Ukraine (9 points). Belarus was granted 3 points, the research showed that freedom of press is less respected only in Kazakhstan and Turkmenistan which were g ranted 2 points respectively.

Protestants from the „New Life” will be setting up their own media

The Minsk protestant church „New Life” plans to set up its own television, radio and newspaper. Also „New Life” plans to establish a legal center, which will provide help to the faithful and religious communities.

The idea was bornn after last year’s effective hunger protest in defence of their church. Pastor Viachesłaŭ Hančarenka underlines

that there is a growing bond between the protestant and catholic church in Belraus.

CULTURE

A feature film for 50 USD by an inhabitant of Brest

An amateur feature film by Alaksandar Dabralinski hits the screens in Brest. The 18 year old artist spent 50 USD on the production of his crime story entitled „Cold city”. The main parts are played by his friends, while the local police station lent a police car. Many computer special effect have been used.

„Cold city” will be shown in two Brst cinemas: „Belarus” and „May 1st”. It is yet another production of the young Belarusian director. In a similar way Alaksandar Dabralinski filmed his „A

thousand and one balls”, shown in Brest cinemas.

Janka Kupala monument to be erected in Moscow

The unveiling of a monument in Moscow to Belarusian poet Janka Kupala is scheduled in the second or third quarter of the year.

A Russian edition of the poem „New land” by the Belarusian poet Jakub Kolas is in the pipeline, to tie in with the poet’s 125th anniversary. The news was given by a representative of the Belarus Foreign Ministry. Minsk and Moscow intend to develop collaboration in other areas, such as arts and health.

Work on integrating the Belarusian diaspora in Russia will be continued in 2007, including a Belarusians of Russia festival in Moscow, as well as a congress of Belarusians living in the Russian Federation.



There are various sites devoted to events in Belarus, which are, however, little known in Western Europe, and among people dealing with politics towards Belarus who do not understand the Russian or Belarusian languages.



The belarus-live site fills this gap. The site allows to order weekly reception of news in English, French, German, Polish, Belarusian, Russian and Ukrainian.

