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#### nside this issue!

1

Belarusian experts discuss post-election scenarios

NGOs form coalition 'For	2
European continent undivided by visa <b>barriers'</b>	
Presidential Election in Belarus. Chronicles	3-4
Politics and society news	5-6
Oil and Gas News	7-8
Finance and Commerce	9- 10
Korbut Flips (a story of the fa- mous Belarusian gymnast who helped popularizing this sport in the USA)	11. 12
Belarusian Philosopher <b>VaÍancin Akudovič</b> :	13 14

To be is not to be

#### OFFICE FOR A DEMOCRATIC BELARUS

# Belarus Headlines

Round-Table 'Belarus after the Election' Revolution, Reform, or Stagnation?' Takes Place in Brussels



A round table "Belarus after the election: Revolution, Stagnation or Reform" was held in Brussels on 24 November 2010.

The event was organized by the Office for a Democratic Belarus, in collaboration with the Centre for European Policy Studies and the European office of the Konrad-Adenauer-Stiftung with the support of the Open Society Institute and the Consortium EuroBelarus. It was

attended by members of the European Parliament, representatives of diplomatic missions and civil society organizations, researchers, journalists and students.

The debate consisted of two sessions during which experts among whom were **Aleh Hulak**, Belarusian Helsinki Committee and one of the coordinators of the campaign "Human Rights Defenders for Free Elections", **Vitali Silitski**, an Academic Director of Belarusian Institute for Strategic Studies, **Alexei Pikulik**, an analyst from the European University (St. Petersburg, Russia) **Andrei Yahorau** from Centre for European Transformation (Belarus), **Pirkka Tapiola**, Senior Adviser from Policy Unit of the EU Council Secretariat, and **Balazs Jarabik**, an associate fellow to FRIDE (a European think-tank for Global action) acquainted the audience with the political and economic situation in the country and presented different scenarios for a post-election period. The discussion also touched upon issues of Belarusian-Russian relations and cooperation prospects between Belarus and the European Union.

**Pirkka Tapiola,** Senior Adviser from Policy Unit of the EU Council Secretariat , noted that significant changes in relations between Belarus and the EU began to occur in 2008, when, following the release of a number of political prisoners, the EU suspended visa ban against a number of Belarusian officials, thereby also lifting restrictions on bilateral political level contacts. The EU's policy was one of critical engagement, as was also seen in Belarus' inclusion in the multilateral track of the Eastern Partnership. At the moment, despite the absence of a contractual basis between the EU and Belarus, EU Council bodies were discussing a Joint Interim Plan and should soon receive mandates on negotiations on visa facilitation and re-admission agreements. The signing of agreements on the order of mutual trips of residents of border areas between Belarus, Latvia, Poland and Lithuania were also welcome. Tapiola noted that an important test for the development of future relations would be the forthcoming presidential elections. What was important was not the result of the elections but their conduct. The vote needs to be held in accordance with internationally agreed standards and take into account the recommendations of the OSCE.

Belarusian and European experts also agreed that the main challenge was awaiting the country in the post-election period and the type of the challenge would largely depend on the conduct of the vote. For more info, please, visit *"Current activities"* section of the ODB web-site

25/11/2010

Source: ODB

## NGOs Launch Coalition For European Continent Undivided by Visa Barriers



On 25 November 2010, nongovernmental organisations from various Eastern Partnership countries, as well as representatives from a number of EU states launched a coalition 'For a European continent undivided by visa barriers'. The coalition will contribute to policy processes leading as quickly as possible towards liberalisation of the visa regime between the EU and the EaP countries.

The Participants of the Warsaw meeting welcomed the liberalisation of visa requirements for five Western Balkan countries, which, to their mind, underlines both the need for and the real possibility of extending this achievement to the rest of Europe.

They recognize the EU's manifest support for the idea of visa liberalisation between the EU and Eastern Partnership countries and understand both the aspirations of the EU's neighbours and the legitimate concerns of some member states. Nonetheless, the coalition fears that the slow progress of liberalisation is jeopardizing the broader goals of European external policy.

They believe "that for the security of

our continent and for the continued democratic transformation and modernisation in Eastern Europe – a process to which people-to-people contacts are vital -- effective action is needed linking the demands for implementation of reforms with a clear perspective of visa abolition".

The activists called upon the upcoming Hungarian and Polish Presidencies of the Council of the European Union "to remember the transformation of Central Europe and to take concrete steps towards visa-free travel within Europe."

The list of the signatories can be found at our web-site ("Current activities" section). The Office for a Democratic Belarus will actively participate in the coalition's activities. 25/11/2010

Source: ODB

#### Presidential Election in Belarus

#### Presidential Election in Belarus, Chronicles



Speaking at a round-table on the current situation in Belarus that took place last week in Brussels, the head of the Belarusian Helsinki Committee, Aleh Hulak, described the ongoing election campaign as more liberal in its political component as compared with 2006. He noted that the number of reported persecution cases against political and civil activists has significantly decreased, while the process of collecting signatures was free. Potential presidential candidates had the opportunity to convey their position to the people and could freely use national symbols. This could never happen in the past. Nonetheless, looking at the elections as a mechanism of political transformation, no significant change seems to have occurred. For example, the process of verification of signatures was closed to election observers, presidential candidates or journalists: and, this does not exclude the possibility that the numbers were manipulated. Moreover, the presence of opposition party members in the territorial and district commissions remained limited to 0,25%.

According to Hulak, it is not yet possible to single out a clear trend of development of the human rights situation in the country. On the one hand, the Government developed and signed a new national security concept that recognizes the role of civil society and political parties and pays attention to human rights. On the other hand, Article 193, which criminalizes the act on behalf of an unregistered organization, remains in force and is continued to be used as an instrument of pressure on civil society activists. Thus, the authorities are not ready to give up total control: though they are trying to find a less explicit form of it.

#### **Registration of candidates**

On 18 November, the Central Election Commission of Belarus registered 10 presidential contenders: Ryhor Kastusyou, Alyaksandr Lukashenka, Ales Mikhalevich, Uladzimir Nyaklyaeu, Yaraslau Ramanchuk, Vital Rymasheuski, Andrei Sannikau, Mikalai Statkevich, Viktar Tsyareschanka and Dzmitry Uss.



#### **Opposition Stages Protest Rally**

On 24 November, thousands of protesters rallied in the Belarusian capital, despite an official ban, demanding the resignation of the country's president.

Some 3,000 protesters gathered in downtown Minsk on Wednesday holding posters urging President Alyaksandr Lukashenka to quit. " Continued on p. 3

Page 3

Belarus Headlines

## Presidential Election in Belarus. Chronicles



24 October, Opposition rally in the centre of Minsk. Photo by Radio Liberty

Opposition leader and presidential hopeful Mikalai Statkevich said the rally was the opposition's "weapon to fight the dictatorship."

The authorities banned the rally. Dozens of police were on hand but did not interfere. Similar past protests had been violently dispersed with dozens of demonstrators arrested.

On 30 November, The Central Election Commission of Belarus issued warnings to presidential candidates Vital Rymashevsky and Mikalai Statkevich for organizing and carrying out "an unsanctioned public event in the centre of Minsk." The decision was made at the session of the Central Commission for Elections and National Referendums of Belarus.

#### Presidential elections in Belarus — Conclusion by independent observers

The official period for campaigning began on 18 November and will last until 18 December. Campaign conditions are unequal for presidential candidates – the incumbent president has unlimited opportunities for sharing his thoughts and viewpoints with the electorate through state-run mass media (especially broadcast media), while other candidates have only 1 hour for that purpose on television and 1 hour on radio (plus 1-hour television and radio debates for all).

Candidates' appearances on television and radio took place in accordance with the predefined schedule and without any major obstacles; however, they were accompanied by a series of news stories in state-owned printed and electronic media, which portrayed all candidates and their programmes (except for Lukashenka) in an exclusively negative light.

The number of places defined by local authorities for holding meetings of candidates and their authorised representatives with voters is higher than at the 2006 election. However, in many dwelling settlements these places are remote or inconvenient. Meetings and other campaign events have generally been held without significant obstacles from militia and authorities; however, a few incidents have been reported.

Observers have reported the broad use of administrative resources with the aim to ensure mass early voting – the most convenient occasion for falsifications.

#### Lidziya Yarmoshyna Predicts One-Round election

According to the Chairperson of the Central Elections Commission, Lidziya Yarmoshyna, the presidential election of 19 December will have only one round.

Yarmoshyna said she did not trust sociological services, which estimated the rating of President Alyaksandr Lukashenka at less than 50%. She said the media should trust voters instead of 'certain sociological services that wished to create an atmosphere of mistrust.'

On 30 November, the Central Elections Commission decided to make 7.44 million voting papers for the upcoming election. The amount of spare voting papers must not exceed 5% of the number of voters.

As of late November 2010, the country had slightly more than 7.09 million voters. The voting papers will be taken to polling stations on 13 December. About 1,000 international observers will be monitoring the election, Yarmoshyna said earlier.

"Forty long-term observers from the Organization for Security and Cooperation in Europe (OSCE) are already working in Belarus. Another 400 OSCE observers will come to Belarus the day before the election. An approximately same number of observers or even more will arrive from the CIS Executive Committee," noted Yarmoshyna adding that independent election monitors will be representing central elections commissions of CIS member states, including Georgia, Lithuania and Latvia and a number of foreign ministries."

> 01/12/2010 Source: The Associated Press, spring96.org, Itar-Tass, ODB

Page 4

## OSCE Expert Report on the Authorities' Investigation of Journalist's Death



Independent experts tasked by the OSCE completed an assessment of the ongoing investigation into the death of the Belarusian journalist Aleh Byabenin.

The review of the investigation is in response to a request made by the Belarusian authorities. The experts were asked to review all existing evidence and materials concerning the death.

The OSCE was asked to provide a technical assessment, not a full in-

quiry into this tragic death. The experts performed their tasks strictly within their mandate and produced an independent report.

The two experts, from Sweden and Norway, have over 30 years of investigative experience in forensic science and medicine.

#### **Experts' Conclusions**

The scene examination as it is documented, the items seized at the scene, the results of the examinations and analyses of the seized material give no reason for questioning the documented results and conclusions.

The experts' evaluation noted some specific areas of possible further technical analysis that relevant Belarusian authorities may consider. Statements given in interviews documented in the case file, including those with relatives, friends and colleagues, did not provide any additional facts or evidence.

In the view of the experts, the autopsy finding and the findings on the scene clearly point to the cause and manner of death being suicide by hanging.

The experts' evaluation and analysis is that, on the basis of all the evidence and information available to them, the cause and manner of death was suicide by hanging. In the experts' view, there is no reason to believe that Mr. Byabenin was hanged after death.

> 23/11/2010 Source: osce.org

#### Azerbaijani Minister of Emergency Situations visits Belarus

On 23 November, Azerbaijani Minister for Emergency Situations, Kamaleddin Heydarov, arrived in Belarus with a working visit.

The minister discussed cooperation between relevant organizations of Azerbaijan and Belarus at the meeting with his Belarusian counterpart Anvar Bariyev. The Belarusian Minister said they were planning to deliver rescue equipments and special costumes to Azerbaijan.

#### The Azerbaijani minister was shown new fire fighting technologies and rescue equipments during the visit. The Azerbaijani delegation was informed about the equipments for fire extinguish in oil reservoirs. Minister Heydarov said fire extinguish for oil reservoirs made by Belarusian experts interested Azerbaijani delegation.

Kamaleddin Heydarov also met with the Azerbaijani students at the Command and Engineering Institute of Belarusian Ministry of Emergency Situations. On November 23, Azerbaijani and Belarusian ministries of emergency situations signed a program of cooperation for the next years.



24/10/2010 Source: APA

### Belarus, Russia Set to Establish Joint Entry Visa

Russia and Belarus are planning to establish a joint entry visa of the Union State of Russia and Belarus, the head of Belarusian State Boarder Committee, Ihar Rachkousky, informed.

"We have set out to prepare a document ... and submit it to the presidents [of both states]," Rachkousky said without specifying the terms. Rachkousky said the issue on the joint Russian-Belarusian visa policy came in the wake of frequent cases when citizens of the other countries, who are forbidden to come to Russia, get a Belarusian visa and then legally move to Russia without an appropriate visa.

Last year, Russia and Belarus combined their databases so undesirable people for Russia cannot come to Belarus either," Rachkousky said, adding that Russian nationals living in Belarus will be forbidden to visit other countries if their freedom of travel is restricted in Russia.

The Union State of Russia and Belarus was formed in 1997 in order to provide a greater political, economic, and social integration.

25/11/2010 Source: Radio Free Europe

# Politics and Society

Page 5

## Belarus Agrees to Give up Uranium Stockpile

Belarus agreed to give up its stock of highly enriched uranium, a critical fuel for nuclear weapons, the United States and Belarus announced Wednesday.

The deal with Belarus was revealed after Secretary of State Hillary Rodham Clinton met with Belarus Foreign Minister Syarhei Martynau on the sidelines of a security summit here. The agreement would help eliminate one of the last legacies of the Cold War, when stocks of nuclear material were abandoned on territories of former Soviet states.

Belarus is believed to have at least 88 pounds of weapons-grade uranium, enough for at least eight nuclear weapons, at a research institute in Sosny, along with hundreds of pounds of highly enriched uranium, according to a 2010 estimate by the James Martin Centre for Non-proliferation Studies.

Belarus was one of three nuclearpower countries - along with North Korea and Iran - that were not invited to President Obama's 47-nation Nuclear Security Summit in April. At the time, Belarusian President Alyaksandr Lukashenka declared that the nation would never give up the materials.

"I will tell you the truth: We have kept highly enriched uranium - hundreds of kilograms of what is basically weapons-grade and lower-enriched uranium," Lukashenka said then. "This is our commodity. We are keeping it under the control of the [International Atomic Energy Agency]. We are not going to make dirty bombs and we are not going to sell it to anybody. We're using it for research purposes, is all."



But in October, he signed decrees calling for the removal of irradiated and fresh highly enriched uranium from research reactors to be delivered to Russia and replacing the material with lowenriched uranium. The Dutch newspaper De Telegraaf reported that as much as two tons of uranium would be exported, quoting the director of Sosny, Vyachaslau Kuushynau, that the projected would be implemented with the cooperation of the United States.

The announcement was apparently good enough to secure Belarus's invitation to the next summit, to be held in 2012 in South Korea. Belarus will aim to eliminate its stockpile by the time the summit convenes.

"Secretary Clinton commended this decision by Belarus as a sign of progress in efforts to advance nuclear security and non-proliferation," the joint statement said, noting that "the United States intends to provide technical and financial assistance to support the completion of this effort as expeditiously as possible."

The United States has led efforts to

eliminate stockpiles of such nuclear material in former Soviet states. At the April summit, Ukraine announced it would dispose of its entire stock of highly enriched uranium. With U.S. assistance, Ka-

zakhstan earlier this month secured approximately 100 tons of weaponsgrade nuclear material by transporting it to a highly secure storage facility in the eastern part of the country. The material had the potential to make more than 770 bombs.

Relations between Belarus and the United States have been strained for years, primarily because of Lukashenka's harsh repression of human rights. But the statement issued Wednesday suggested a potential thawing in ties.

"Welcoming progress on these global security issues, the United States and Belarus acknowledged that enhanced respect for democracy and human rights in Belarus remains central to improving bilateral relations, and is essential to the progress of the country and its citizens," the statement said. "The United States hopes for substantial progress in these areas and that the December Presidential elections in Belarus meet international standards."

> 01/11/2010 Source: The Washington Post

### Belarus Ratifies Agreement with Latvia on Border Resident Travel

Belarus has ratified an agreement with Latvia on easier visa rules for residents of borderline territories.

The document was signed in Riga August 2010, Deputy Foreign Minister Valery Varanetsky said presenting the document to the parliament on Thursday.

People permanently residing within 50

kilometres of the Belarusian-Latvian border for no less than twelve months are covered by the new rules. They can stay on the territory of the neighbouring country for no more than 90 days during a six-month period. Special permits for cross-border movement will cost 20 euro.

"Ratification of the agreement meets national interests of Belarus and its

citizens. It will contribute to further development of Belarusian-Latvian relations, stronger economic, scientific, cultural and familial ties between the two nations," Varanetsky said.

> 02/12/2010 Source: Itar-Tass

Finance and Commerce

Page 6

#### OIL and GAS

## Belarus to Raise Russian Gas Transit Fees in 2012

On November 2, Belarusian Deputy Prime Minister Uladzimir Syamashka said Belarus could significantly increase its fees for transiting Russian natural gas in 2012.

"This year the transit fees are USD1.88 per 1,000 cubic meters, and next year the fee will be USD2, which is a 6-percent increase," said Syamashka.

The minister added the natural gas transited by Belarus would remain at over 40 billion cubic meters in the next few years.

At the same time, Syamashka admitted that the oil transmitted by Belarus

would decrease over the next few years.

"Russia will most likely launch the BTS-2 (Baltic Pipeline System) as of January 1 and the oil transit will naturally decline and then remain stable," explained Syamashka. 03/11/2010

Source: english.people.daily.com

#### Belarus Counting on Azerbaijan Crude Imports

According to the Belarusian Ministry of Energy, Minsk intends to replace crude from Venezuela in the future with imports from Azerbaijan on swap contracts.

Venezuelan crude oil arriving in tankers to Ukraine's Pivden port is being pumped through the Odessa-Brody pipeline. But in 2011 Minsk is counting on swap contracts which will make it possible to replace the Venezuelan crude with imports from Azerbaijan.

This scenario envisions organizing supplies of Azerbaijani crude through



the Baku-Novorossiysk or the Baku-Supsa pipelines which have outlets to the Black Sea. There, crude oil will be loaded onto tankers which will transport it to Pivden

port to subsequently be pumped through the Odessa-Brody pipeline. The significantly shorter sea route will make these supplies much cheaper for Belarus.

"The savings could amount at \$45-50 per ton", the source noted. He did not clarify when such swap agreements may begin.

At the end of October in Minsk, the closed joint-stock company Belarusian

Oil Company, Homeltransnafta Druzhba on the Belarusian side and the Ukrainian Fuel and Energy Ministry and Ukrtransnaft on the Ukrainian side signed a long-term agreement on transporting Venezuelan crude along the Odessa-Brody pipeline to Belarusian refineries. The contract is in effect until the end of 2013 and envisions guaranteed volumes of 5 million tons per year with the possibility of increasing capacity to 8 million tons per year. The contract covers the possibility of organizing swap supplies.

> 12/11/2010 Source: Trend News, Oil and Gas, ODB

#### Naftan, Mazyr Refineries See Processing Fall 26 Percent over January-October 2010



According to Belstat, refining volumes at the Belarusian refineries Naftan and Mazyr in the first 10 months of 2010 fell 26 percent compared to the same period in 2009.

In October this year, primary crude oil



refining dropped 4.8 percent compared to October 2009 and was 1.45 million tons.

In the first 10 months of the year, the refineries produced 2.53 million tons of gasoline (9 percent less than in the first

10 months of 2009), 4.34 million tons of diesel fuel (down 20.6 percent), 3.54 million tons of fuel oil (off 40.4 percent) and 107,830 tons of lubricants (up 5.3 percent).

The drop in production stems from export duties of 70 percent on supplies of crude to Belarus introduced by Russia. Approximately 6.3 million tons of oil was delivered to the country without duties this year.

12/11/2010 Source: Telegraf, BelStat, ODB

Finance and Commerce

Page 7

OIL and GAS

## Minsk Lowers Russia Oil Expectations

Belarus said it would cut the amount of oil it gets from Russian in 2011 by 50 per cent as it looks to other suppliers, said Belarusian President Aliaksandr Lukashenka.

On November 18, Lukashenka stated that a deal with Venezuela means his

country could pull back on the amount of oil it gets from Russia. He said Russia should take a look at its energy investment strategy because he felt the European community was looking for alternative suppliers. Around 20 percent of the 21 million tons of oil exported to Belarus in 2009 was used for domestic consumption with the rest exported after passing through Belarusian refineries.

> 12/11/2010 Source: upi.com, RIA Novosti

## Gazprom Opens Belarusian Subsidiary Company

Gazprom created a subsidiary company in Belarus - foreign private production unitary enterprise Gazprom Transgas Zapad. Gazprom owns 100% of stakes in the organization, which is registered in Minsk.



Previously, the State Property Committee of Belarus and Gazprom entered into a contract of 50% Beltransgaz stake sale for \$2.5 billion on May 18, 2007 in order to create a joint BelarusianRussian gas transportation organization.

Under the contract "Gazprom" was to pay annually \$625 million for 12.5% of stake during

19/11/2010 Source: BelaPAN, Telegraf, ODB

## Odessa-Brody Oil Pipeline Begins Pumping Crude Oil in Brody Direction

The Odessa-Brody oil pipeline has begun pumping crude oil in the Brody direction for the first time, pumping a pilot consignment of the Urals bend of crude oil intended for the Mazyr petroleum refinery (Belarus).

A representative of the Ukrtransnafta company, which operates the Ukrainian oil transport system, announced this to Ukrainian News. The pumping of the crude oil began on November 20, after the crude oil was delivered to it by a tanker. As Ukrainian News earlier reported, the Pivdennyi oil terminal began receiving crude oil (about 80,000 tons) intended for the Mazyr petroleum refinery on 18 November.

Ukraine and Belarus signed in Minsk (Belarus) on October 25 a contract for pumping crude via the Odessa-Brody oil pipeline in the Brody direction. Ukraine and Belarus also concluded an agreement on the transportation of 8 million tons of crude oil per year via the Odessa-Brody oil pipeline during the period of 2011-2013. This deal means that efforts to supply Belarus with oil from new non-Russian sources reached a new, advanced stage. Though technically this oil has still Russian origin, effectively it is a swap oil which could be bought thanks to new arrangement with Venezuela.

Shipments of Venezuelan oil started at the beginning of this year. However, Belarus as a landlocked country faced obstacles in getting crude oil from seacoasts down to its refineries. Rail transportation evidently was not the best option. After negotiations with Ukraine, Belarusian leadership managed to get Ukrainian pipeline Odessa-Brody to transport oil for Belarus from the Black Sea this month. It means transportation costs will lower and shipments volumes will rise, thereby resulting in lowered costs due to scale effect.

But most importantly, it means the Russian monopoly does not seem unshakable anymore.

New move by the Belarusian government to establish the transportation system for non-Russian oil can improve the prospects not only of the Odessa-Brody pipeline, but also many other pieces of former Soviet pipelines in Eastern Europe. In recent years, Russia tried to avoid transit troubles with countries like Belarus and Ukraine by switching off partly or completely many pipelines in the region between the Baltic and Black Sea, and is actively working on constructing new pipelines which should deliver oil and gas to Central and Western Europe, as well as the Balkans, while bypassing traditional transit countries, like Belarus, Ukraine or Poland.

Nevertheless, what was considered to be a problem, could now become a new opportunity, since idle pipelines let post-Soviet countries to more easily break Russian monopoly on oil and, possibly, gas in the Eastern Europe.

20/11/2010 Source: Ukrainian New Agency, Belarus Digest, ODB

Page 8

# S&P: Belarus Proposed U.S. Dollar Notes Assigned 'B+' Rating; Recovery Rating '4'

On November 8, Standard & Poor's Ratings Services said that it assigned its 'B+' long-term senior unsecured debt rating to the proposed U.S. dollar notes to be issued by the Republic of Belarus (foreign cur-

rency B+/Negative/B, local currency BB/Negative/B). The amount and interest rate, as well as other details of the bond are yet to be determined.

At the same time, Standard & Poor's assigned a recovery rating of '4' to the proposed bond. This is in line with our policy to provide our estimates of likely recovery of principle in the



event of debt restructuring or a debt default for issuers with a speculative -grade rating. A recovery rating of '4' indicates our expectation of a 30%-50% recovery in the event of a payment default. According to our

criteria, bonds with a '4' recovery rating are rated on par with the issuer credit rating. We have therefore equalized the rating on Belarus' upcoming bond with the 'B+' foreign currency sovereign credit rating.

The ratings on Belarus are constrained by their view of its weak and deteriorating external liquidity, owing to very high current-account deficits and repeated price shocks on still-subsidized energy imports from Russia. We consider that the ratings are further constrained by the economy's structural rigidities, which hamper faster improvements in external competitiveness, and by reliance on export demand from trading partners in the Commonwealth of Independent States (CIS). The ratings are underpinned by moderate government deficits that withstood the economic slowdown comparatively well, and by moderate, albeit rising levels of government debt.

> 08/11/2010 Source: cbonds.info

#### Velcom Revenues up 21% yon"y to EUR 93.2 Million in Q3

Belarusian mobile operator Velcom saw its revenues grow by 20.8 percent to EUR 93.2 million in Q3 as a consequence of the higher mobile communication subscriber base, which led to an

increase in monthly fee and traffic revenues. Equipment revenues were bolstered by the introduction of netbooks to the market in July. At the same time, foreign exchange translation impacted revenues positively by EUR 3.8 million in the third quarter. Despite an increase in operating expenses from EUR 40.4 million to EUR 52.3 million driven by higher material



expenses, EBITDA comparable grew by 17 percent to EUR 42.2 million. A EUR 2 million foreign currency translation effect positively impacted EBITDA comparable. EBITDA

including restructuring and impairment charges increased to EUR 42.2 million as an impairment charge of EUR 290 million was recorded in the third quarter of 2009 due to the devaluation of the Belarus Ruble. Consequently, operating income (EBIT) increased to EUR 20.8 million in the third quarter versus operating loss of EUR 271.3 million in the year-earlier quarter. At the same time, capex was down 16.4 percent year-on-year to EUR 7.9 million due to lower access investments. In the same quarter, Velcom increased its subscriber base by 6.1 percent year-on-year to 4.2 million customers, supported by strong growth of its mobile broadband customer base, which reached 86,222. However, competitive pressure from the third operator led to a 1.5 percent year-on-year decrease of the mobile market share to 42 percent. As a result of higher usage, ARPU increased to EUR 6.7 in the third quarter from EUR 6.2 in the same period of the previous year.

> 10/11/2010 Source: telecompaper.com

#### Iran Invests \$250m in Belarus Residential-Trade Complex

According to Mikalai Ladutka, the Major of Minsk, Iranian architects will construct the largest residential, office, trade, and recreational complex in Belarus.

The News Network of the Islamic Republic of Iran quoted Nikolai La-

dutko as saying, "Belarus welcomes Iranian investors for carrying out constructional projects here."

The complex will be constructed at the cost of over 250 million euros over the course of three years. According to Iran's Ambassador to Belarus Abdollah Hosseini, Iranian investors are currently carrying out \$1.5 billion worth projects in Belarus.

"Some other \$2 million worth of defined projects are also under study," he added. **Continued on p. 9** 

Page 9

#### Iran Invests \$250m in Belarus Residential-Trade Complex (continuation)

#### Continued from p. 8

Tehran and Minsk signed a 15-item memorandum of understanding at the end of their 10th meeting of the joint economic cooperation committee in October earlier this year.

Removing visa requirements for traders and investors, establishing a joint

zation Project to help develop Belaru-

sian transport infrastructure on a stra-

According to World Bank, the Project is part of the Government's National

'Roads of Belarus" for the period 2006

-2015. Among the objectives of the

program are the creation of an ena-

bling environment for the develop-

ment of the national economy, en-

hancement of road safety, implemen-

tation of the Government's social pol-

tegic transit corridor and introduce

Transport Development Program

investment company, boosting cooperation in the different fields such as energy, oil and petrochemical, building an aluminium wire production factory in Belarus, and establishing a joint fund for boosting technological cooperation were among the items of the signed memorandum of understanding.

According to the Iranian Commerce Minister Mehdi Ghazanfari, Iran-Belarus trade value reached \$60 million since the beginning of the Iranian calendar year (March 21).

> 11/11/2010 **Source: The Tehran Times**

#### World Bank Supports Modernization of Transport Infrastructure in Belarus

The Board of the Executive Directors of the World Bank on November 11 approved a US\$150 million loan for the Republic of Belarus for a Road Upgrading and Moderni-

electronic tolling.



sector business initiative. The overall program includes the construction of four-lane motorways between Minsk and all five oblast capitals. In addition, the Government envisages relying increasingly on revenues from road toll-

ing for the funding of road maintenance and further upgrading of the road network.

The Project includes three components. The first component, with an allocation of US\$131 million, will finance the upgrading of a total of 53 km of existing two-lane road sections between Minsk and Bobrujsk into a modern 4-lane motorway. The road sections to be upgraded are part of the Trans-European Transport Corridor IX, connecting the Black Sea with the Baltic countries.

The second component, in the amount of \$18 million, will introduce the initial stage of a new freeflow tolling system in Belarus using state-of-the-art technologies; helping to raise the efficiency of road network utilization and compliance with EU standards.

The third component, with an estimated cost of US\$1 million will strengthen the institutional capacity of road sector institutions in Belarus and help them to converge towards European standards and methods. The World Bank loan has a maturity of 15 years, including a 5 year grace period. Project implementation will start in 2011 and will take four years.

> 12/11/2010 **Source: The Financial Times**

#### Prime Minister : Over \$2.5 Billion Worth of Deals Signed at Belarus Investment Forum



Agreements totalling more than \$2.5 billion were signed during the Belarus Investment Forum, Belarusian Prime Minister Syarhey Sidorski said in Germany's Frankfurt am Main on November 17 following the one-day event.

Mr. Sidorski expressed confidence that the deals would lead to new mutually beneficial agreements and ideas.

Investors have been found for building facilities to manufacture iron, steel, glass and other construction materials in Belarus, for developing its alternative power

generation industry, and for other projects, Mr. Sidorski said. Foreign companies will find Belarusians to be "decent people who do business honestly, openly and decently," he said. "Nobody has regretted coming to Belarus since its independence. Not a single company has sued the government."

> 18/11/2010 Source: BelaPAN

Page 10

#### Russia, Belarus, Kazakhstan Abolish Customs Barriers

Russia, Belarus and Kazakhstan are abolishing the customs clearance of their citizens within the boundaries of their Customs Union, declared Kazakh Prime Minister Karim Masimov.



According to him, the three countries have reached agreement that customs clearance will have been altogether abolished in the framework of the Customs Union by July 1<sup>st</sup>, 2011.

So far it is only functionaries that have been exempted from customs clearance on the borders of the Customs Union member-nations.

> 22/11/2010 Source: oilandgas.eurasia.com

# Italy's Danieli and BMZ Ink Memorandum for New Sheet Mill in Belarus

Belarusian Iron and Steel Works (BMZ) and the leading Italian producer of steelmaking machinery and plants Danieli & C. Officine Meccaniche

S.p.A. (Danieli) have lately signed a memorandum of intent for the construction of a new sheet rolling mill in Belarus.



Danieli is expected to be the cofounder of the new sheet rolling mill joint venture with BMZ, with its share in the capital of the joint venture to amount to 25 percent. The cost of the project and the planned amount of in-

vestments have not been revealed.

In October 2009, Belarus opened an international tender for the construction of a new sheet rolling mill, which will have the legal status of a joint venture in terms of a joint-stock company. The mill, it is now understood, will have a capacity of 600,000 of hot rolled sheets in coils, and it will allow Belarus to create its own capacities for the production of sheets and to replace imports of the products in question.

> 22/11/2010 Source: steelorbis.com

# Belarus Share in 10 Months Down by 13 Per Cent

It is reported that in January to September 2010 the share of loss making enterprises of Belarus was 13.2 % of the total enterprises number. In the same period of 2009 loss making enterprises share was 17.4%.

According to the National statistics committee on the results of 9 months of 2010, 263 industrial enterprises made a total loss for RUB495.9 billion. The largest losses were in electric power sector, machine building and metal processing, food industry, building materials sector and light industry.

The profitability of the products and services of industrial enterprises amounted 10%, while sales profitability amounted 7.6%. The profitability of products and services in such sectors as machine building for mining, chemical industry, non-

ferrous metallurgy and agriculture machine building was higher than average.

In electric power industry, petrochemical industry, railway machine building, construction materials and flour and feed industry.

> 23/11/2010 Source: rusmet.ru

#### Trade Deficit in Goods Reached \$7 Billion in October

As reported by the National Statistics Committee of Belarus, the country's foreign trade turnover of goods reached US\$46.688 billion in January-October 2010, increasing by 117.7% over the same period last year. However, the shortfall increased by 21.5% to US\$6.932 billion for the first ten months of 2010.

In this regard, the negative trade balance with the CIS countries has amounted only to 68.8% since the previous year (-Br4.858 billion vs. -US\$7.055 billion). Trade deficit with the member-countries of the Customs Union reduced from -US\$7.727 billion to -US\$5.891 billion. However the trade deficit with Russia amounted to -US\$6 billion compared to -US\$7.9 billion over the same period in 2009, as well as with Kazakhstan -US\$109 million against US\$205 million.

Trade balance with countries outside the CIS, which was positive in 2009, turned

into negative in 2010, reducing from US\$1.35 billion to -US\$2.07 billion.

Belarus increased its exports by 17% to US\$19.878 billion over this period, as well as imports by 18.2% to US\$26.81 billion. Turnover with CIS countries amounted to US\$26.8 billion against US\$21.9 billion (22% growth), non-CIS countries -US\$19.8 billion against US\$17.7 billion (12% increase). 01/12/2010 **Source: rusmet.ru** 

# Famous Belarusians of the World

I<sub>ssue</sub> LVIX



"Here one could learn more about Belarus", says a link on the website of Olga Korbut (Volha Korbut) - a famous Soviet gymnast who grew up and started her breathtaking career in the Belarusian city of Hrodna. Also known as the Sparrow from Minsk, Korbut, with her persistence and excellence in technical skills, helped publicizing gymnastics worldwide and contributed to a marked change in the tenor of the sport itself. Her touching openness brought closer Cold War enemies - the USSR and the USA - in sports and politics. In that way, in a dispute, the truth was born, and with it, friendship. And that sounds like a very Belarusian way.

Olga Korbut was the youngest of four daughters of an engineer and a cook. She found her way to sports pretty early but was not immediately recognized as a future star and idol of millions as she was too "chubby" for a gymnast. Her first coach was Ronald Knysh. He was impressed with her talent and the speed she grasped every new element. It seemed, he said, nothing was impossible for her.

But one's talent and native abilities are not enough; champion also needs a strong will and readiness to work infinitely. Olga cried over futile hours of training but was willing to stand up and perfect everything again and again. Is it a usual story of a new champion? It could as well be a tale of a modest Belarusian revolutionary.

# Korbut Flips

Korbut was desperate and bold, as Knysh recalls, she had the qualities of an athlete who wouldn't follow the beaten track but would open up new opportunities and new horizons, for herself and for the sport in general.

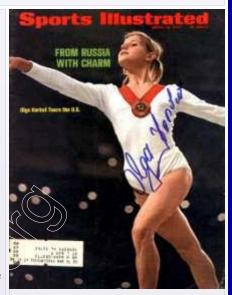
During her training Olga improvised on the bars, and the coach developed an unusual, daring flip that later was named after her. This back flip—to—catch on the uneven bars was the first release move ever achieved on the bars. Today gymnasts are not allowed to perform the flip which is considered to be extremely dangerous.

In 1972, 16-year-old Korbut conquered the XX Olympic Games in Munich. If the Soviet athletes were renowned for their sour faces of fighters, Olga shared her experience with the spectators and cameras. People all around the world could see her smiling and waving to the supportive crowds. They could also see her genuine tears of disappointment, especially when, having won gold medals for the balance beam and floor exercise, she received a silver on her favorite uneven bars. This sincerity only fueled up her popularity. She was now receiving letters from her fans from all over the world.

That was the beginning of the new era of gymnastics - Korbut's gymnastics - emotional and risky, graceful and nervous, innovative and charismatic. There was not only Korbut Flip but also Korbut Salto (a backwards aerial somersault on the balance beam) and Korbut Flic-Flac.

No, Olga's performances were not always great; she never got the medals on all events. Nonetheless her gains were much more important. After all, it was not only the audience to applaud her; she was recognized as a master by her fellow gymnasts.

In 1973, charismatic Olga was named best female athlete in the world. In the same year, the USSR national gymnastics team started its 20-day US tour called Olga Korbut and the team. The popularity of the Soviet gymnast in America created a wave of interest in gymnastics: American girls wanted to enroll in gymnastics schools, which opened in every State; hundreds of them were named after Korbut.



Korbut went to the 1976 Olympic games in Montreal as a star, but her old injuries did not let her to put on her best performance.

On a flight to another US tour in 1976 Olga met with Leanid Bartkevich, lead singer of the popular in the Soviet Union Belarusian pop-folk band Pesnyary. Two years later, as she retired from gymnastics, they got married and in 1979 she gave birth to her only son, Richard. After graduating from the Hrodna Pedagogical Institute she worked as the head coach of the national team but didn't find the job rewarding. She quit it to devote herself to her family. Bartkevich said she toured with Pesnyary, helped them stage their performances and cooked for them draniki - Belarusian potato pancakes.



Korbut and Bartkevich

#### Page 12

Having not found a way of using her talent in the USSR and being worried about the health of her son following the Chernobyl nuclear disaster, in 1991, Korbut decided to move to the United States, where she was often offered jobs. Olga taught gymnasts lived in different States: she married second time. In the early 2000, her name appeared in a number of scandals: Korbut was arrested on alleged shoplifting charges on the sum of 19 dollars. Her son Richard was charged with counterfeiting and spent three years behind bars.

Today Korbut lives in Scottsdale (Arizona) and heads Olga Korbut Gymnastics Academy. She gives private gymnastics and dancing lessons for all age groups.

"Many people think Olga Korbut is Russian. Well, she isn't", writes Olga on her website confirming her Belarusian origins. She explains that "Belarus is a small independent country in the centre of Europe ..."

Learn more about Belarus! It is a world-famous Belarusian gymnast Olga Korbut who is going to tell you about it.

> 30/11/2010 By Maryna Rahlei for the ODB

Olga Korbut then and now



# Korbut Flips



1972, Munich

I<sub>ssue</sub> LVIX

To be is not to be. Some words about Valancin Akudovič,

philosopher who does not exist.

Valancin Akudovič is wearing a cord jacket, solid-looking glasses, and a silver-haired beard. He enjoys books, hiking, coffee, and does not shy away from something stronger once in a while. As he addresses the public in his soft voice, there is hardly anyone in the audience who would doubt that the gifted speaker is made of flesh and bone. Nevertheless, Valancin Akudovič does not exist.

At least, so he claims.

Valancin Akudovič is a philosopher. Not a very typical occupation in today's Belarus, to say the least. His ideas seem grotesque on the verge of absurdity, but his analysis of reality is so down-to-earth, that some call it cruel. His books are philosophical manifestos which read like thrillers. One could be tempted to call Akudovič "a Belarusian Umberto Eco". The urge for such a comparison becomes almost irresistible if one takes a look at the philosophers' photos - the resemblance is nearly startling.

"Throughout my life I have been fascinated by the phenomenon of *niama* (Belarusian for 'non-existence')," says Valancin Akudovič.

What does he want to imply? Let us try to decode the philosopher's way of thinking.

We do not know why we come to this world, what the meaning of life is. But, at least, we more or less get the feeling of what *to be* is like. But what is it like *not to be*?

Next.

We all live, but some day we will not. And, even if there *is* something beyond life, there will probably never be another *me* anymore. If we exist, then only for a very short time; basically, we are born and destined for *nonexistence*.

There is more.



"The deeper I dug into *the man*, the less I found," admits the philosopher. "I believe there is nothing but existential vacuum inside *the man*". He believes that "*I*" is just a phenomenon of grammar. According to Akudovič, *the man* is nothing more than an empty place which is filled with all kinds of phenomena - physical, biological, social, cultural, existential, etc. "I am only the things which *are me*; in reality, there is no such thing as "*I*" at all," claims Akudovič.

This philosophy might seem to be rather tragic but Valancin Akudovič does not make an impression of a desperate mind. Rather than being sad, he is curious. Akudovič attempts to solve problems of nonexistence, and, side by side, takes a closer look at Belarus. The philosopher's point of view about his native land and its people is enraging to some home-grown nationalistic conservatives. Despite tender love towards Belarus and its culture, the Belarusian-speaking philosopher Akudovič is merciless: "Belarus will probably never be *Belarusian-only*".

Akudovič belongs to the generation, which directly contributed to the rebirth of Belarusian independence. However, his contemporaries - intellectuals, politicians, and cultural actors, still dream about Belarus where every citizen speaks the Belarusian language, praises the glorious time of the Great Duchy of Lithuania, and disdains the totalitarian Soviet past. But what does one see today? Belarus remains largely Russian-speaking, and the state ideology is rooted in the Soviet legacy.

"The fact is that we have failed to implement our national dream in the course of the last century, while conditions for doing so were very different, and sometimes rather favourable," writes Akudovič. "Eventually, one couldn't help stumbling upon an idea that there might be something wrong with that dream".

He compares modern Belarus with an archipelago of small Belarusian islands lost in the sea of Russian culture. "I have been trying to persuade the nationally engaged public for a long time that the idea of the *totally Belarusian* Belarus is not vital. Moreover, we must get rid of this utopia as soon as possible if we want to keep Belarusian idea at least partially alive".

However, Akudovič is even more sceptical about Belarus being *Russian -only*, or *anything-only*, to say in general.

"The way I see it, we will soon have to agree, that the Belarusian nation can only be founded on *social* values.

Page 14

# To be is not to be. Some words about Valancin Akudovič,

philosopher who does not exist.

When we abandon the tempting illusion that any single national, religious, cultural, ideological or any other model can dominate here and understand our unity in the interlacement of differences, then, possibly, we will do away with the confrontation of everyone with everybody, and will direct our energy not into the fruitless resistance, but into the unfolding and securing of everything that each of us values," Akudovič writes.

Akudovič explains the stubborn ignorance of Belarusians towards their national culture with the fact that this is a nation of village people. For a long time, the Belarusian language was mostly spread in rural areas of the country, while cities were rather cosmopolitan. In the 1960s, when peasants finally got the right to own a passport, the village began to migrate in masse to urban areas. However, this did not make the city more Belarusian - quite the contrary. "Having settled in the city, the village shed its Belarusian features and began total self-Russification. It was the only way to improve its social status and quality of life. This was a very natural process, because the whole essence and tradition of village culture is aimed at improving life as such".

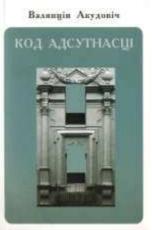
"However, this is where the other, blank side of a coin appeared," notices Akudovič. "Having taken over the country, the village turned it into a finds the issue of a nation completely abstract and thus not worthy of his attention and responsibility".

"I have recently realized, quite unexpectedly, that what I treasure the most (after my kids) is my native tongue," writes Akudovič. "I value Belarusian language even more than freedom and independence of my country. Why? Perhaps, both existence and non-

existence talk to me in Belarusian only (and refuse to use any other language). Now knowing that, you can easily imagine how uncomfortable I must feel in the present linguistic situation in Belarus. At the same time, I fully realize, that even in most favourable conditions this situation will not radically change, and the Belarusian language will probably never dominate. All this means that we have no other way out of the situation but to get rid of the aversion of the Russian-speaking towards the Belarusian-speaking and vice versa. To put it short: you shall love other's language as you love your own. Intellectuals could become "living examples" of this attitude for the whole society. Peaceful coexistence of different languages (just as religions and denominations) would be so natural for Belarus! Any other way would be artificial".

In Belarus, wannabe-intellectuals are abundant, but true thinkers are rare. Akudovič admits that he used to be courted by local politicians. "Politicians used to ac-

single industrialized collective farm. The village way of thinking gives absolute preference to social values, plainly ignoring culture, including language. The fundamental principle of village power is to "Live Better". Anything which lies beyond the ontological sphere of life as such can not be included into a villager's discourse. He



tively consult me, probably, in order to have me, as a philosopher, explain them Belarus. They wanted to know what they should pay attention to in order to succeed. However, behind all these enquiries there has always been only one desire: would I help them to win power? Since I am not a liar, I told the politicians that they would not see a victory any sooner than they would see their ears without a mirror.



As a result, politicians soon lost interest in philosopher Akudovič. Today's politicians are, by the most part, the very same politicians of yesterday. They know what to expect from me and try to stay away. They are a bit afraid of me, I think".

Well, maybe Belarus is just the right place for such a philosopher? After all, Belarusians are the people, who, to a large extent, do not exist - and not just in the minds of many people in the West. Belarusians themselves have constantly had trouble realizing not only who they are, but the very fact that they do exist as a people. "Maybe, it is our destiny to come into existence through niama, nonexistence, which we have been nurturing in ourselves for a thousand years?" asks Akudovič. "Just think about all the empires, peoples, cultures, which have boasted their victories and wealth, but have been swallowed by the sinister "nothing" in the course of the history? Not a trace of them has remained. But we - just look at us! Collectors of losses and defeats, we cross into the third millennium. Possibly, we will state our "Great Niama" as the most reliable way through time and existence".

21/11/2010

By Aleś Kudrytski for the ODB