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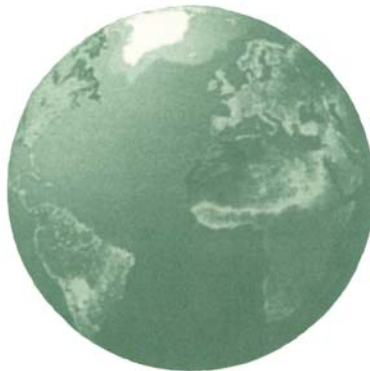
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**BELARUS ON THE EU BORDERS. THE IMPACT OF  
ENLARGEMENT ON TRADE AND CROSS-BORDER  
COOPERATION**



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## SUMMARY

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Fears among exporters in Belarus about the aftermath of EU enlargement have been exaggerated. Analysis shows that the changes in trade regime generally favour exports to the EU 25. Average tariffs have decreased. New standards have not become a severe obstacle. Anti-dumping duties have not been applied automatically and remain a matter for negotiation. In any case, the ten newcomer states absorb a relatively small share of Belarus's exports, so that the enlargement will not have a tangible impact on the economy.

The introduction of visas by Poland has not yet drawn a new dividing line in Europe, but cross-border mobility will decrease if Poland applies stringent visa procedures on joining the Schengen area. In the longer term, enlargement will bring other benefits, such as improved border infrastructure, which will stimulate transit-trade flows between the EU and the Russian Federation. Western regions of Belarus may also gain by spillover from Structural Fund allocations in north-east Poland.

Opportunities for increased cross-border cooperation are a great benefit offered by EU enlargement, but usually disregarded by Belarus officials. However, cross-border cooperation with western neighbours is currently snarled by confrontation with the EU, an eastward-looking foreign and economic policy, and strong centralization of power. Participation by border regions of Belarus in Euro-regions remains nominal. However, it is well understood both in the EU and in Minsk that cross-border cooperation may become the only way forward in relations between the two sides. Implementation of cross-border projects can engage regional and local elites in EU affairs. The New Neighbourhood Programmes offer financial resources for cross-border projects, in which four out of six Belarus regions can participate. Let us hope the authorities in Belarus do not impede such projects, so that society has a chance to come closer to the European Union.

## INTRODUCTION

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Since May 1, 2004, Belarus has had common borders with three EU member-countries: Poland, Lithuania and Latvia. There have been many discussions, in the last couple of years, about the possible impact of EU enlargement on the socio-economic development of Belarus. Fears arose among government officials and state-owned enterprise (SOE) managers, born of insufficient knowledge of the EU, its policies and functioning. It was thought that extending the single market to the borders of Belarus would threaten the livelihoods of exporters to Central Europe and the Baltic States. The new conditions (and threats) are in fact threefold: introduction of common EU tariffs by the ten new members, anti-dumping duties against some Belarus exports, as well as quotas applied by the acceding 10, and new standards (safety, environmental, *etc.*) applicable to certain products for sale in the single market. However, detailed calculations show that the conditions for Belarus exports to the EU 25 have generally improved. It has also become clear that the markets of the ten EU newcomers are not vital to the country's exports, so that its economy has hardly registered any changes in the trade regime.

Analysis by the Ministry of Foreign Affairs has been limited to exports. A broader, more thorough look at the problem would add other factors to the impact. One less tangible, but major result is enhanced opportunity for cross-border cooperation. New EU neighbour-

hood programmes and intensified cooperation in existing Euro-regions may greatly benefit western Belarus regions. In the longer term, there may be spill-over of EU Structural Funds allocations to north-eastern Poland and eastern Lithuania. Furthermore, there will be the impact of the new visa regime for Belarus citizens entering Poland.

The paper sets out to make a broader assessment of the impact of the EU enlargement on socio-economic development of Belarus, with the focus on trade and cross-border cooperation.

## IMPACT OF THE EU ENLARGEMENT ON TRADE

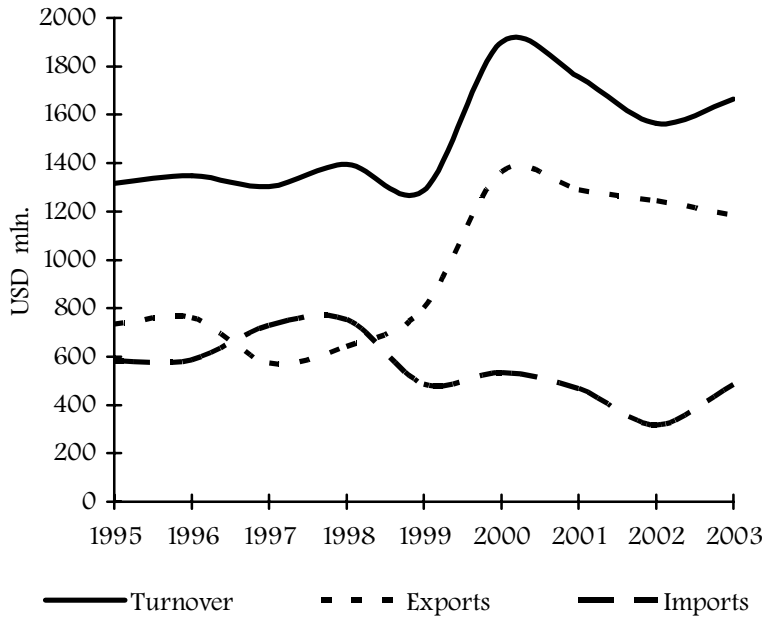
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Official statistics shows that the ten newcomer states account for 8.3 per cent of Belarus's foreign-trade turnover and 12 per cent its exports (in 2003). Over 70.4 per cent of that trade share is accounted for by Poland, Lithuania and Latvia, which take 76.6 per cent of the export share.<sup>1</sup> The fluctuating trend in this trade is shown in *Figure 1*. Although overall the trend is upwards, the figures should be treated cautiously. The sharp increase in exports by Belarus in 1999 was determined largely by a new opportunity to resell oil and oil products from Russia to the Western and Central Europe. It is hard to predict how long Russian firms will tolerate this and it was most probably backed by inherently capricious political decisions. *Figure 2*

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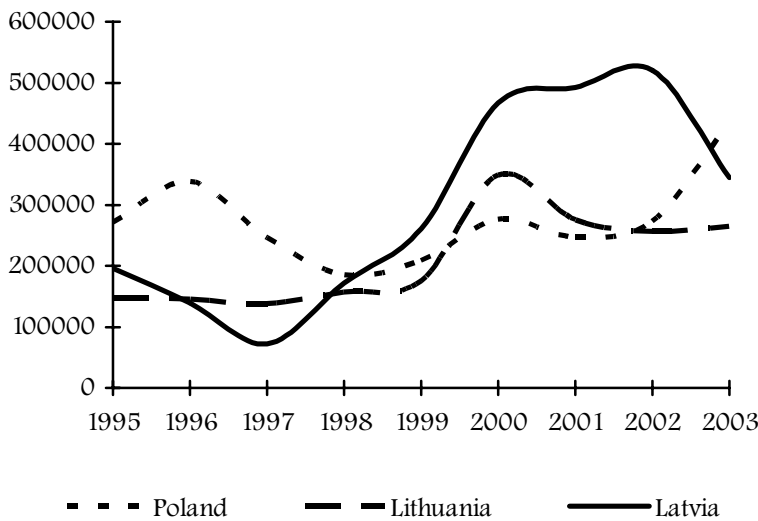
<sup>1</sup> The data for this paper were published by the Belarus ministries of Statistics and Analysis and of Foreign Affairs, supported in some cases by the author's own calculations from these.

Figure 1  
Trade between Belarus and the ten newcomer states  
1995–2003



Source: Modified from Statistical Yearbook (1); own calculations.

Figure 2  
Belarus exports to Poland, Lithuania and Latvia, 1995–2003  
(USD '000)



Source: Modified from Statistical Yearbook (1); own calculations.

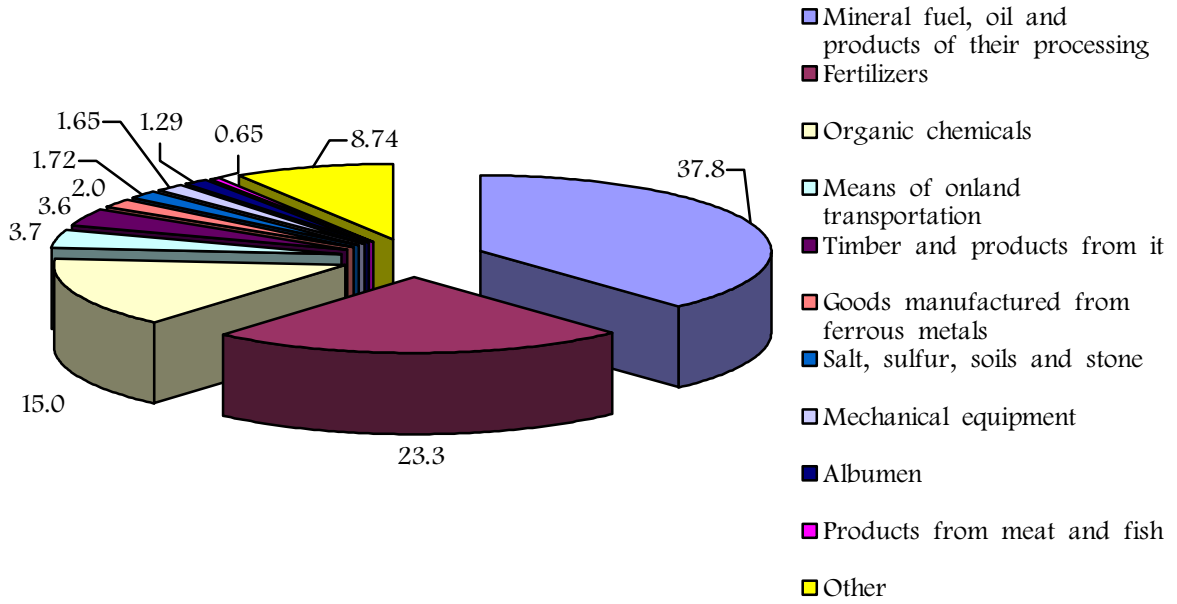
shows the comparative dynamics of exports to the neighbouring EU members.

Figure 2 reveals wide fluctuations in exports to the three neighbouring EU countries. In 2003, Poland took 3.1 per cent of total Belarus turnover and 3.8 per cent of its exports, while Lithuania

and Latvia took 1.7 and 2.7, and 1.9 and 3.5 per cent respectively. Crucial to the analysis is the structure of these exports, which reveals how sensitive the trade flows are to the new circumstances brought about by enlargement.

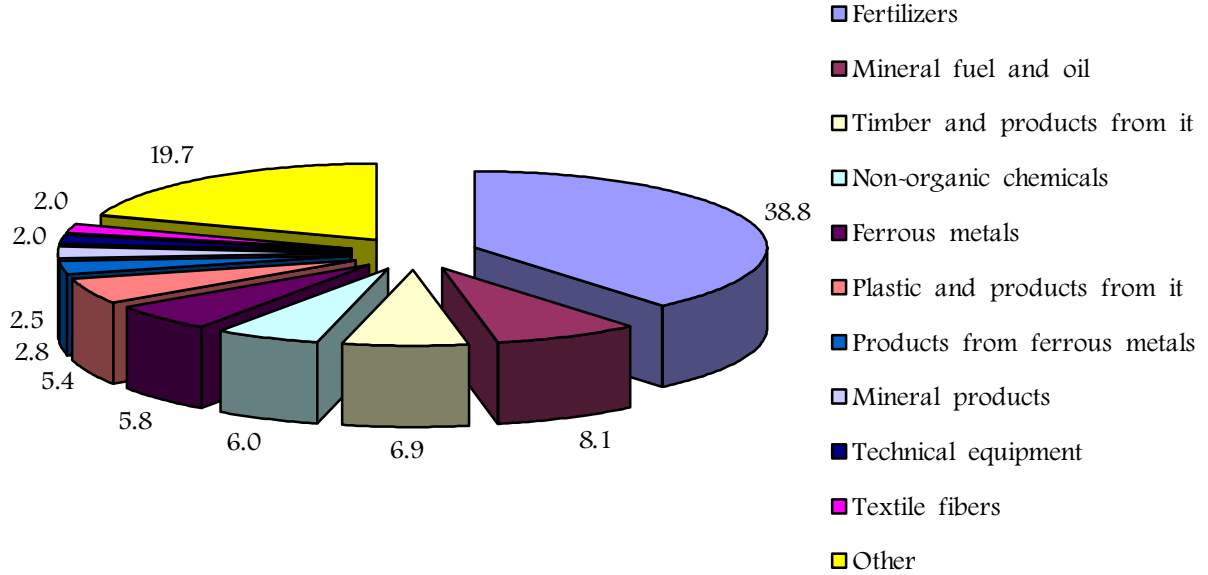
Figure 3 reveals that the leading export to Poland in 2003 was fuel and oil (37.8 per cent, USD 16.4 million), followed by potash, nitric and mineral fertilizers (23.3 per cent, USD 10.2 million) and organic chemicals (15 per cent, USD 6.5 million). The largest share of exports to Lithuania in 2003 (Figure 4) was taken by fertilizers (38.8 per cent, USD 10.3 million), followed by fuel and oil (8.1 per cent, USD 2.5 million), timber (6.9 per cent, USD 1.8 million) and non-organic chemicals (6 per cent, USD 1.6 million). More than a half the exports to Latvia in 2003 (Figure 5) consisted oil and fuel (56.1 per cent, USD 18.2 million). Other substantial items included products of ferrous metals (15 per cent, USD 4.8 million) and timber (11.6 per cent, USD 3.8 million).

Figure 3  
Structure of exports by Belarus to Poland in 2003  
(%)



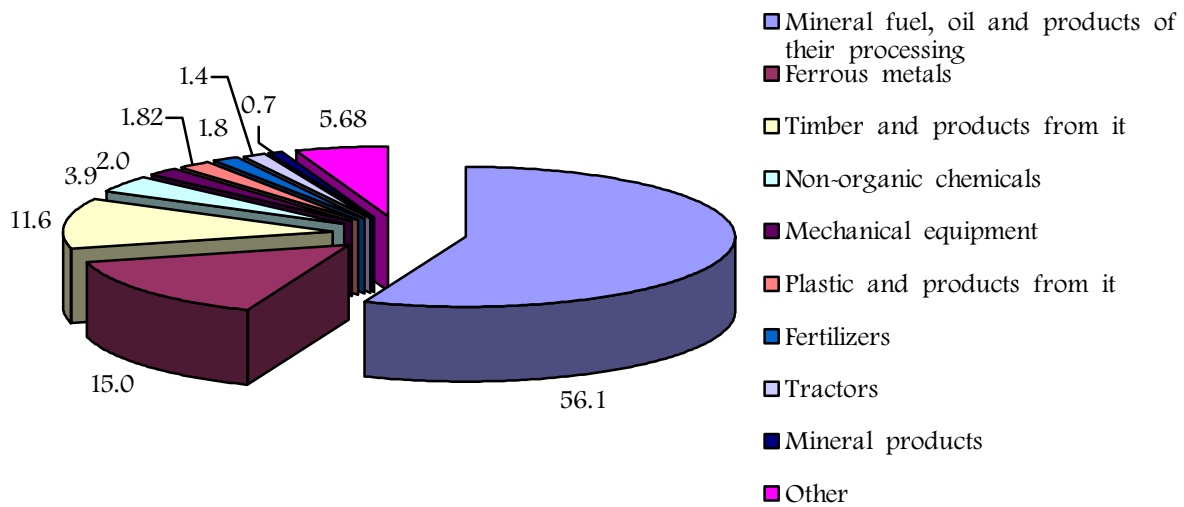
Source: Modified from Statistical Yearbook (1) and Foreign Ministry materials.

Figure 4  
Structure of exports by Belarus to Lithuania in 2003  
(%)



Source: Modified from Statistical Yearbook (1) and Foreign Ministry materials.

Figure 5  
Structure of exports by Belarus to Latvia in 2003  
(%)



Source: Modified from Statistical Yearbook (1) and Foreign Ministry materials.

In general, fuel and oil products have been the major Belarus export items to the ten newcomer states since 1998, reaching 33.5 per cent in 2003. Next come fertilizers (18.3 per cent), followed by ferrous metals products (16.1 per cent). However, the structure of exports to Central Europe has not been stable, although the main trend has remained over the last three years.

If fuel and oil products are excluded from the analysis, the share of exports to the ten newcomer states in total exports drops to 8 per cent. Thus the economic development of Belarus is not dependent on trade with the EU newcomers and so not very sensitive to changes in their trade regime. Calculations show that in general, Belarus would gain from the introduction of common EU tariffs in the ten new member-countries. The average tariff, based on the composition of exports to each of the ten newcomer states, decreased from 3.55 to 1.91 per cent, giving a calculated

benefit of about USD 13 million,<sup>2</sup> with traditional quotas imposed by the EU on Belarus textiles calculated on the basis of current trade volumes.<sup>3</sup> This means that exports of textiles to the ten newcomer states will not be threatened by new restrictions.

The major problem arises with the chemical industry. The EU applies anti-dumping duties to several export items from Belarus, for which the ten newcomer states have been a traditional market. These include Belarus (and Russian) potassium chloride, calcium urea, polyester tow, urea-ammoniac compounds, and urea. Poland has been importing about 400,000 t of Belarus mineral fertilizers a year and the introduction of anti-dumping duties would eliminate this relatively big market, which gives Belarus producers low transportation costs. Spreading the anti-dumping duties to the

<sup>2</sup> Estimates by Foreign Ministry experts based on data provided by exporters.

<sup>3</sup> Foreign Ministry information.

ten newcomer states will cost Belarus industries about USD 132 million a year.<sup>4</sup> Negotiations between the government of Belarus and the European Commission yielded an intermediate period, so that anti-dumping duties are not being introduced until April 2005. No further agreement has been reached and it looks as if the Commission is not keen for political reasons to retain any preferences for Belarus.<sup>5</sup>

Another negative consequence of EU enlargement may be the introduction of new standards and technical requirements. Two major export items may be threatened: tractors and tracks. Total exports of these in 2003 reached USD 25 million. However, representatives of the companies concerned claim to be confident that their products can meet EU technical and ecological standards, such as EURO-3. Contracts over several years remain in force since the enlargement, which also stokes their optimism.

These calculations may give some idea of the consequences of EU enlargement for Belarus's exports. If the country can soften the potential impact of anti-dumping duties by diplomacy, its terms of trade with the EU 25 will improve. Another consideration is the growing competition on the market of the ten newcomer states. Imports from third countries could put exporters from Belarus in a difficult position, especially as Belarus is not a member of the WTO. It can be concluded, therefore, the Belarus economy will hardly notice any changes due to EU enlargement.

Policy-makers usually omit an important potential benefit from their analysis: the preferential trade regime incorporated into the new neighbourhood policy. The EU has declared that trade relations with the new neighbours will gradually be liberalized, with the aim of establishing a free-trade area with them. The EU is ready to grant preferential access to its markets, but the offer is conditional on human rights, democracy, the rule of law, and market reforms (European Commission 2003). Unfortunately, Belarus qualifies under none of these. According to a recent statement, the EU has excluded Belarus from the circle because of lack of progress in establishing democratic governance. This may lead to preferences for Belarus companies being withdrawn.

Less tangible, secondary impacts on Belarus trade with the enlarged EU and on the socio-economic development of regions bordering Poland include the introduction of Schengen visas to enter Poland. This would mainly affect the regions of western Belarus and eastern Poland. Since the early 1990s, many Belarus citizens in the border regions have been involved in cross-border trading, whose flows have been served by small businesses in eastern Poland. This cross-border trade has become a significant source of income for some companies in Poland, and to a greater extent, Belarus. The planned introduction of visas has therefore aroused many fears. At present, a Polish visa is not very expensive (five Euros for a single entry), and the procedure is relatively simple. Though still time consuming, especially for those not living in the cities of Grodno or Brest, but it has not significantly hampered cross-border contacts.

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<sup>4</sup> Estimates by Foreign Ministry experts based on data provided by exporters.

<sup>5</sup> Foreign Ministry information.

The visa procedures that Poland will have to introduce if it joins the Schengen area include official invitations, proof of financial self-sufficiency, and bureaucratic routine at embassies. Cross-border mobility will decrease significantly and cross-border trade be hampered. If the statements of EU officials that visas aim at bringing order to border crossings, not at erecting barriers can be taken seriously, the visa regime will not have a significant impact on regional trends in Poland or in Belarus. Paradoxically, a big decline in cross-border mobility came in the summer of 2004, with the introduction of protectionist customs duties by Belarus. Under the new rules, duties are levied even on a single item brought for personal consumption. This was meant to eliminate the shuttle trading that has been a big source of income for so many people in western Belarus.

A positive aspect of EU enlargement has been development of the border infrastructure, including modernization of frontier posts and building of new ones. The EU attaches great importance to keeping its external borders transparent and efficiently managed, and has been financing modernization of its future borders via pre-accession aid in Poland and the TACIS programme in Belarus. New terminals and infrastructure are being built, which should help to alleviate queuing. The trade flows between the two countries will presumably become more intense, although it is hard to forecast these, as other factors such as trade regime and business climate will be crucial. Only if the government of Belarus creates the conditions to make the country an efficient transit corridor for goods from the EU to Russia and back will the border infrastructure be-

come a significant factor in the development of western regions of Belarus.

Activities related to EU regional policy in North-East Poland, in particular, investments from the Structural Funds, may have spillover effects in Belarus. The main aim of EU regional policy is to intensify economic activity in backward regions, through infrastructure development, training and retraining programmes, and development of small businesses. It is very hard to estimate the future impact of EU regional policy in Poland, because the detailed programmes and financial plans are still being worked out. According to an optimistic scenario, efficient action by the Polish authorities and EU institutions may accelerate growth in eastern regions and new businesses may also seek opportunities in neighbouring Belarus, where the labour force is relatively cheap and well qualified. In the western regions of Belarus, people speak Polish and the free economic zones that exist in the bordering regions may become very attractive to investors. If this optimistic scenario comes to fruition in the years to come, western Belarus will receive a strong boost from EU enlargement.

## **EU ENLARGEMENT AND CROSS-BORDER COOPERATION WITH BELARUS**

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Cross-border cooperation in Europe has half a century's history behind it. Essentially, it entails planning, organization and fulfilment of joint projects between partners on either side of an interna-



tional frontier. According to the European Commission, the main motives are:

- \* turning a line of separation into a scene of communication between neighbours;
- \* overcoming animosities and historical prejudices among peoples of border regions;
- \* strengthening democracy and development of operational regional/local administrative structures;
- \* overcoming national peripheral status and isolation;
- \* promoting economic growth and development and improving standards of living;
- \* rapid assimilation into an integrated Europe or approach towards it (AEBR 2000, 8).

Priorities include developing border infrastructure to stimulate trade and regular contacts of citizens, and benefiting the environment and tourism. Cultural, educational and business exchanges are also popular cross-border cooperation projects.

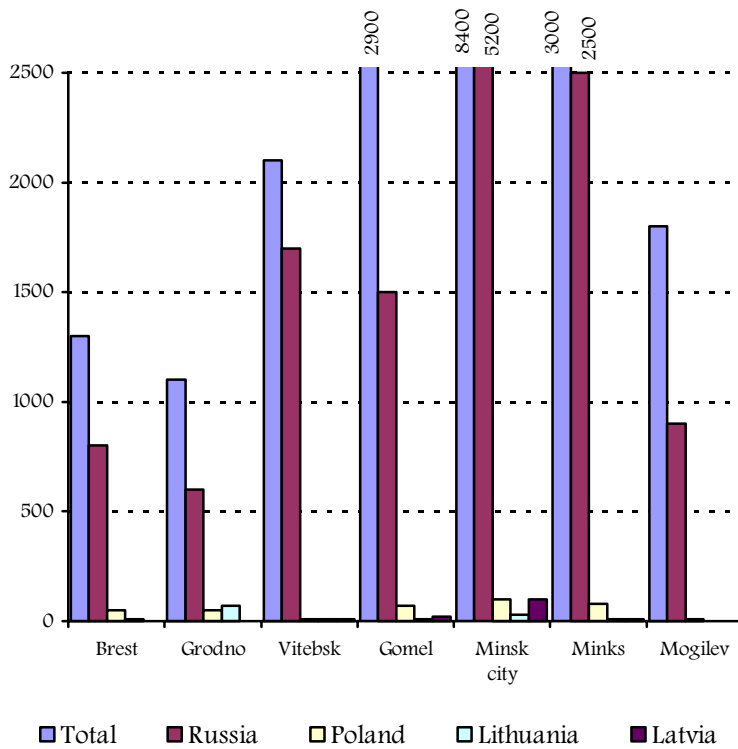
Formal and informal cross-border cooperation between Belarus and Poland started in early 1990s. Relaxation of travel controls made it necessary to regulate flows of citizens in both directions, intent on exploiting trade opportunities. Contacts later intensified among small companies, educational establishments and NGOs as well. Interest in cooperation grew on both sides of the border, stimulated by cultural and language similarity, common history and positive attitudes towards neighbours. Cooperation with Lithuania was hampered by the visa regime introduced by the Baltic States in early 1990s, and by

a policy of distancing the country from the former Soviet Union. Official relations between the EU and Belarus have been deteriorating since 1995. Open confrontation in 1997 led to a freeze on ratifying a Partnership and Cooperation Agreement between them. After numerous declarations, the EU launched a policy of boycott that lasted until 2002. Among other things, this cut the TACIS funds available to Belarus. The candidate countries followed suit, which immediately resulted in a slowdown of cross-border cooperation. The leadership of Belarus responded by intensifying political and economic relations with the Russian Federation.

This situation is reflected in the Belarus trade statistics (*Figure 6*). The Brest and Grodno regions that border Poland and Lithuania (Grodno) have relatively little trade with these countries. Poland's share of the foreign trade of Brest is only 7.8 per cent and of Grodno 9.3 per cent. The Lithuanian share of the foreign trade of Grodno region is 10.3 per cent. Open borders with Russia and easy access to less competitive Russian markets have reduced the inclination of most Belarus companies to export westwards. Imports from Poland and Lithuania have been restricted by protectionist tariffs, although the official statistics necessarily ignore unofficial imports, of which no estimate has been made by the Belarus customs or other experts. Even if they double the quantity, the trade turnover remains relatively low.

Despite the confrontation with the EU, Belarus has been receiving funds to finance cross-border activities since 1996. The major instrument has been TACIS CBC, which comprises 22.3 per cent of

Figure 6  
Foreign trade turnover by regions, 2003



Source: Modified from Statistical Yearbook (2).

all TACIS funding in Belarus.<sup>6</sup> Twelve major projects have been realized since 1996, with total budget of 11.7 million Euros, for modernizing border crossings, for demarcating the border between Belarus and Lithuania, and for ecological projects in the basins of Zapadnaya Dvina, Zapadny Bug and Neman (see Appendix). Two further projects are planned in the near future: demarcating the border between Belarus and Latvia (2.2 million Euros) and building truck customs terminal in Brest (16 million Euros).

TACIS CBC had an important sub-programme of small projects aimed at developing cooperation between local administrations of border regions in Belarus (and Ukraine, Moldova and Russia)

<sup>6</sup> The information on TACIS CBC in Belarus comes from the TACIS coordination office, Minsk.

with local administrations of EU 15 or candidate countries. In 1996–2002, Belarus local authorities implemented ten small projects with a total budget of 1.32 million Euros. Five more were approved for financing in 2003, with a total budget of 1.12 million Euros. These were designed to create forum of cross-border investors in Brest, to learn from neighbours' experience in development of inter-regional collaboration, to train specialists in transport management and logistics, to develop the agricultural economy, to establish a Latvian-Belarus information centre, and for some other purposes (see Appendix). However, 15

projects in eight years point to very weak activity by regional and local authorities to avail themselves of EU funding.

In 1993–4, heads of regional administrations in Polish border regions initiated the formation of so-called Euro-regions, to formalize somewhat and develop cross-border cooperation with Belarus, Ukraine and Lithuania. One motive was the availability of EU funds for the purpose. In 1997, Grodno and Brest regions joined the two Euro-regions Neman and Bug, covering the whole border with Poland and Lithuania. Partners in Neman were bordering regions of Poland, Lithuania and Kaliningrad oblast (Russia), and in Bug, those of Poland and Ukraine. Since then, Belarus partners have participated in some common projects. In Neman, these included (1) creating and networking the Belarus office of

the Neman Euro-region in Grodno (common budget 196,928 Euros), (2) creating a consultancy service for small-business development in Novogrudok, Belarus (common budget 239,600 Euros), (3) instituting a training programme in cross-border transport management and logistics (common budget 175,200 Euros), and (4) regional development and environment in the Neman Euro-region (common budget 989,560 Euros).<sup>7</sup>

Officials from the Belarus and Polish sides state that Bug and Neman have had very low efficiency in attaining their declared aims, in particular in developing transnational cooperation (Komornicki 2002). As mentioned earlier, activities related to cross-border cooperation have slowed since 1997. Confrontations with the EU, reorientation of foreign policy eastwards and centralization of power have hindered fruitful collaboration with western neighbours. Under the circumstances, collaboration with Western European countries is not a priority and relations with the EU have been antagonistic rather than just cool. Tense relations between Poland and Belarus in recent years have soured cooperation. Every cross-border activity has gained immediate political connotations.

Another reason for stagnation in cross-border cooperation has been strict centralization of power in Belarus. Unlike those in most European states, including Ukraine and Russia, regional and local authorities in Belarus have very limited decision-making powers and competencies. Most strategic decisions to do with intra-regional development are taken by central government or require long agreement procedures with all kinds of

central authorities. Furthermore, the country's leadership has been very suspicious of governmental linkages with Western countries, for fear of importing democratic ideas.

Under these circumstances, any cross-border cooperation seemed to offer additional problems rather than new opportunities for local administrations and their initiative was eroded. Regional authorities in Grodno and Brest, and Belarus partners in general sought economic benefits rather than cooperation with their neighbours in the bad economic situation of the late 1990s. According to one Grodno official, responsible for collaboration within the Neman Euro-region, the higher authorities of the region 'wanted the money, but they did not want the project; they seek to solve domestic problems at the expense of the partners; otherwise they just did not need any cross-border cooperation.'

Heavy domination of every activity by the governmental administration and lack of genuine NGOs and other possible partners for cooperation in Belarus left the country's participation in Euro-regions nominal. At present, Belarus regions participate in four Euro-regions with the EU: Bug and Neman (already mentioned), as well as more recently created Belovezhskaya Pushcha (with Poland) and Country of Lakes (with Lithuania and Latvia). In the near future, Euro-regions may become the only way to keep at least some relations between Belarus and the enlarged EU alive. Cross-border cooperation itself can be depoliticized if it focuses, for example, on ecological and cultural issues, giving some chances to engage Belarus regional elites in closer relations with Western neighbours.

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<sup>7</sup> Data obtained from the Office of the Neman Euro-region, Grodno.

## NEIGHBOURHOOD PROGRAMMES – NEW OPPORTUNITIES FOR BELARUS

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One of the main factors with an impact on cross border cooperation that also defines the benefits and threats of enlargement to neighbouring states is the EU policy towards neighbours. The European Commission proposed a framework in 2003 for a so-called New Neighbourhood Policy to outline future relations with the new neighbours. This underlines the importance of EU involvement in building fruitful collaboration with all such neighbouring countries, especially Russia, Ukraine, Moldova and Belarus. The Union is keen to support the development of a stable market economy, the rule of law, efficient administration, clean environment, security, and other attributes. Within this policy, the EU can go so far as to offer full participation in the single market (free movement of goods, services, capital and labour) without membership (European Commission 2003).

In general, the assistance offered by the EU New Neighbourhood Policy is conditional on a country's progress. In other words, the EU will not pay if the country 'does not behave.' This can cause problems for Belarus, whose policies do not usually meet EU expectations. The Commission has conceded that relations with Belarus will not be easy:

The EU faces a choice. It can leave things to drift, which could cost the people of Belarus dear and prevent the EU from pursuing increased cooperation on issues of mutual interest, or engage and risk sending a signal of support for

policies that do not conform to EU values (European Commission 2003, p. 15).

The European Commission continues to work through the Neighbourhood programmes, which are planned to become a basis for cross-border cooperation between the EU 25 and its new neighbours. On the EU side, the programmes are financed by INTERREG (strand A), and on the other side by TACIS CBC. Coordination of the programmes causes some institutional problems: INTERREG is administrated by DG Regional Policy, while TACIS is a programme of EUROPEAID. Experts of the INTERREG office in Poland admit that coordinating the activities of these two big institutions is no easy task. The Commission has undertaken to create a single financial instrument after 2006 to carry out the programmes.

Total TACIS funding of the Neighbourhood programmes for the four CIS countries may reach 20 million Euros in 2004, 25 million Euros in 2005 and 30 million Euros in 2006 (European Commission 2004). Three out of five Belarus regions are eligible to participate: Grodno and Brest (West), Vitebsk (North) and Minsk (Centre). The European Commission has defined three major programmes under which Belarus regions may receive funding: Latvia–Lithuania–Belarus (7.5 million Euros for Belarus and Russia), Poland–Ukraine–Belarus (8 million Euros for Ukraine and Belarus), and the Baltic sea region, designed to foster transnational cooperation with partners in Denmark, Finland, Germany, Sweden, Poland, Norway, Russia, Lithuania, Latvia and Estonia (7.5 million Euros for Belarus and Russia). Of the total commitment of 23 million Euros for 2005–6, 6 million Euros were planned

for allocation in 2004 (*Ibid.*) It should be noted that the funds are not divided between partners on a parity basis, but for specific projects. This means that if projects from Belarus are greater in number and better in quality, Belarus partners may receive more of the money than Ukraine or Russia.

Unlike the Small Projects programme, where applicants and implementers were confined to regional and local administrations, the participants in Neighbourhood programmes may encompass any type of organization. The one condition is that the projects have a cross-border nature and facilitate sustainable development of a region. The priorities are formulated rather broadly, so that almost any initiatives may be approved, provided the applications are correctly written.

The application process was to start only after a relevant agreement between the Belarus government and the European Commission had been signed. This was planned for October 2004, but unfortunately signature had not been scheduled by the time this paper was written. The delays may have been due to the unconstitutional referendum held in Belarus in November 2004.

According to Commission officials, the procedure of application and approval of projects may take half a year. If agreement had been reached before the end of 2004, implementation of projects would have started in late summer or autumn 2005. Approval of a project by the European Commission is not the end of the story. According to Belarus legislation, the project will have to follow a registration procedure with the government. This is no formality: it calls for a pile of documents and the approval

process may take one or two months. If the project is not considered to contribute to Belarus priorities of development or if the EU transfers are not qualified as 'technical assistance' according to Belarus law (Presidential Decree 460), the EU allocations in Belarus will be taxed at a rate of up to 30 per cent. Actually, the problem of taxation of EU grants was one of reason why EU funding was frozen in 2003. Of course, the government should monitor international projects realized in the country, but direct intervention of the state complicates uneasy bureaucratic procedures and annoys our foreign partners and donors.

In general, Belarus has great potential for cross-border cooperation. Firstly, there is no language barrier. Much of population in the western regions understands and speaks Polish, while eastern Poles understand and sometimes speak Russian. Lithuanians over the age of 30 speak Russian too. Secondly, the borders are not straddled by national or ethnic distrust, which international experience shows is one of the biggest barriers to fruitful cross-border cooperation. A positive image of neighbours in all three states is fostered by similarities of culture and shared history. Furthermore, Poles generally consider people of Belarus as reliable partners; which is likewise important impression for building contacts. The period of distancing from the former Soviet Union has ended in Lithuania, where people are now ready for dialogue and collaboration with neighbours.

In the opinion of the specialists working for the TACIS coordination office in Minsk, the desire of local authorities and NGOs to cooperate with people across the border is quite strong. The

specialist skills available will suffice to implement small international projects. One problem in this respect is relatively poor knowledge of the foreign languages required to cope with EU documentation and project applications. The solution may be to attract universities as partners for projects. In the EU, this niche is occupied by consultancies that help to phrase applications in 'EU language', but there are no such services provided in Belarus, where the universities may be the key instead.

Future years may see intensification of activity by counterparts in Poland and Lithuania. The financial resources of INTERREG (Strand A) are allocated only for specific cross-border projects with neighbouring partners. So representatives of regional and local administrations, NGOs and other organizations in Poland and Lithuania will probably be looking for such partners in Belarus. Although the money available for Belarus is far less than for new members, it will suffice for some interesting and useful initiatives.

Further effort is certainly needed to spread information about EU programmes to local communities, especially to explain long-term planning, programming and strategy-building aspects. Conspicuous projects on the Polish–Belarus border, showing tangible economic results, could encourage other partners in Belarus to pursue cross-border cooperation. The expertise of the Euro-regions may turn them into sensitive channels for spreading information and advice to local communities. Belarus has a chance to join in European integration through cross-border cooperation. It should not be missed.

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## APPENDIX

### OF DATA FROM THE TACIS COORDINATION OFFICE IN MINSK

Table A1  
TACIS CBC projects implemented in Belarus, 1996–2000  
(million Euros)

No.	Project	Budget
1	Building, delivery of equipment and providing of technical assistance for border crossing Kammenyi Log	1.7
2	Delivery of equipment and providing of technical assistance for border crossing Warsaw Bridge	0.6
3	Delivery of equipment and providing of technical assistance for border crossing Kozlovichi	0.5
4	Building, delivery of equipment and providing of technical assistance for demarcation of Belarus–Lithuania border	1.4
5	Euro-border in Brest	0.4
6	Additional study of border crossings between the EU and the CIS, and Central and Eastern Europe, Stage 1	0.2
7	Analysis of legislation on customs and border crossing procedures at western borders of the CIS	0.2
8	Regional development and environmental protection in Euro-region Neman	1.0
9	Management of water resources and environmental protection in basins of Daugava and Zapadnaya Dvina	1.9
10	Development of cooperation between Poland and Belarus in assessment and increase of water quality in a basin of Zapadnyi Bug	1.9
11	Improvement of water supply safety for city and rural population in basin of Neman between Belarus and Lithuania via decrease of water pollution	1.7
12	Improvement of specialists' qualifications in development of regional projects of technical cooperation	0.2
<i>Total</i>		<i>11.7</i>

Table A2  
TACIS CBC projects approved for financing, 2003  
(million Euros)

No	Project	Budget
1	Building of truck customs terminal in Brest	16.0
2	Demarcation of Belarus-Latvian border	2.2
Total		18.2



Table A3  
TACIS CBC 'Small Projects' implemented in Belarus, 1996–2002  
million Euros

No.	Project	Budget
1	Forum of cross-border investors in Brest	0.06
2	Study of neighbours' experience (Belarus, Lithuania, Sweden, and Denmark) in development of regional cooperation	0.25
3	Training of specialists on transport management and logistics	0.15
4	Creation and networking of Belarus office of Euro-region 'Neman'	0.15
5	Cross-border information and cross-border contacts as a basis for development of trans-border region	0.2
6	Development of rural economy	0.09
7	Improvement of efficiency of energy usage in hospitals	0.2
8	Management of Euro-regions	0.01
9	Organization of Latvian-Belarus information centre	0.01
Total		1.12

Table A4  
TACIS CBC 'Small Projects' approved for financing, 2003  
(million Euros)

No	Name of the project	Budget
1	Enhancing of cross-border cooperation for regional development of trans-border area	0.25
2	Opportunities of unblocking of tourism on river Neman: Baltic cross-border water tourism	0.2
3	Improvement of tourism and economic development in Grodno (Belarus) and Ladruva (Lithuania)	0.19
4	Concept of development of cross-border integration in the area of Brest (Belarus) and Biala Podlaska (Poland) regions	0.28
5	Management and marketing of agro-tourism in Euro-region 'Country of Lakes'	0.25
Total		1.17