

The formula of co-operation may change

Against the backdrop of global integration processes, Ukraine, Belarus' neighbour, occupies a special place. On the one hand, it is moving closer to the European Union, whilst on the other, Kiev states that it is not in their interest to lose their close ties with former Soviet republics. If this is the case, then the subject of interaction with the countries of the Single Economic Space, and in the future with the Eurasian Economic Union, remains on the table, and it is necessary to define a reasonable level of co-operation, which would suit all parties. This was the main topic of the discussion between the President of Belarus and the Prime Minister of Ukraine, Nikolai Azarov.

By Vasily Kharitonov

Alexander Lukashenko does not see any problems in signing an agreement between Ukraine and the EU, and believes that a certain formula of co-operation between Ukraine and the Customs Union will be found. He said this at the meeting with Mr. Azarov.

Alexander Lukashenko believes that the problem is too politicised. "We have driven ourselves in unknown destinations. We should rely upon reality. The fact that Ukraine is going to sign an association agreement with the European Union is almost a fait accompli, according to statements from Brussels and Kiev. Therefore, we also have to approach it in this way, that Ukraine is a sovereign and independent state that has chosen this path and decided to enter this agreement," said the President.

"Frankly speaking, I do not see any problems in the step towards co-operation with the EU. It is im-



portant that the agreement itself will not stop the co-operation of Ukraine with EurAsEC and the Customs Union," believes the Head of the Belarusian state.

"If the Customs Union will meet Ukrainian proposals, we will meet them, if they are defective and skewed towards the European Union, neither Russia, Kazakhstan or Belarus will, of course, accept them. But if these countries will accept, then we will, but only on the basis of some compromises," said Mr. Lukashenko. "Whether we like it or not, we have to live in a certain reality, and to build our common policy on this basis. Whatever Ukraine chooses to do, even if they join NATO, we will still have to look for relations with them, we are obliged to do it for many reasons."

The President of Belarus made it clear that the group of three would

like to see Ukraine as an integral part of the associations. "We would like that Ukraine were a part of the EurAsEC and the future Eurasian Union on an equal basis, in order to for us to have unified rules which would be recognised by all member states. I think we will find a formula for us to be together, and not to split," said the Head of the Belarusian state. "We do not think about Ukraine as a foreign country. We would like that it was, not just physically next to us, but together with us in all regional integrations. However, it is Ukraine's right to choose in which direction to go, and we must accept the rights of Ukraine and understand that this is a sovereign, independent country," said the President.

"Therefore, in the near future we have to go a very long way to find normal co-operation with Ukraine.

We understand it. 'We' being the members of the Customs Union."

Speaking about bilateral Belarusian-Ukrainian relations, the President expressed his confidence that the parties will find a solution to all problems.

"We are representatives of two fraternal Slavic people and are bound by centuries-old friendships. We do not choose neighbours, and our task is to learn to live as neighbours and together. I think this is the basis of our co-operation," said the Head of State. "Some say it's more emotional, than pragmatic. But people have gone too deep into pragmatism lately in this world and there are a lot of wars and conflicts everywhere. We should not forget that we are humans, we should not only think about money and goods."

Ukraine's Prime Minister, Nikolai Azarov said that his country was interested in co-operation with the EU and the Customs Union. "We have to go through a rather complicated way. We have made big commitments and we will meet them for ourselves, not for someone else," said the Prime Minister. "Therefore, we believe that it is very important for us to have a free trade zone with the EU, and it is equally important to have normal relationships, a free trade area, with the Customs Union, to participate in the integration process and in the EurAsEC."

Ukrainian trade with the member states of the Customs Union stands at around \$65 billion.

"We do not oppose one another. On the contrary, we want to find a harmonious blend of the opportunities that are available for economic development in the West and in the East," the Prime Minister said. "As for co-operation with Belarus, Ukraine will do everything to ensure that relations between neighbours are good."

Time to highlight the key points

By Vladimir Khromov

Alexander Lukashenko expects extraordinary decisions from the Government concerning the issues of Belarus' socio-economic development

"The current year is drawing to a close, and the fourth quarter is about to begin. Sincerely speaking, it is the last chance to fix and remove the problems that currently exist. We can assess the results of the year with a high degree of probability and, with these in mind, the tactics of our actions in the near future may have to be adjusted a little," announced the President at a meeting tackling the current issues of Belarus' socio-economic development.

The Head of State drew special attention to prices and tariffs, including the tariffs on housing and utility services. He was interested in learning whether the government's decisions in this area had been properly balanced. The Head of State also wanted reports about key aspects of the monetary policy with regard to the present-day reality.

The President remarked that corresponding issues have been already considered by experts of the Presidential Administration, and he wondered about the estimated tightness of projections and the feasibility of reaching the goals.

"Keep in mind that I've directly instructed our parliamentarians to scrutinise the future effectiveness of suggested governmental expenses. Parliament will have a serious talk with you when the relevant documents have to be adopted," warned the Belarusian leader.

Yet Mr. Lukashenko remarked that the global situation is very complicated, and that this fact cannot be ignored. "But we cannot blame the world and the global crisis all the time. It will not make things easier for us if we do. We should pay close attention to the rational use of financial and other resources, and the introduction of frugal practices across the board," believes the President.

"The highest priorities will be: keeping the financial sphere stable, the balanced development of the real sector of the economy and better social protection of our people," stressed Mr. Lukashenko.

The Head of State said he wanted concrete proposals from the participants of the governmental session regarding the entire range of outlined issues. "Today we need to make extraordinary decisions. If we just talk about ordinary ones, then selling what we have stockpiled is the primary one," added the Belarusian leader.

According to the President, it is necessary to analyse whether the current state budget is optimised well, including government programmes. Moreover, it is necessary to clearly determine the priorities on which to focus government finances.

More bilateral projects of new level

By Galina Grigorieva

Centre for International Industrial Co-operation of the United Nations Industrial Development Organisation (UNIDO) to open in Belarus, according to framework co-operation programme, signed by Belarus and UNIDO in Vienna

The framework programme is the organisational basis for expansion of UNIDO's programme activities in Belarus and stipulates specific avenues of joint efforts for 2013-2017, taking into account priorities of Belarus' socio-economic development.

The co-operation areas include environment and power engineering, including resource-effective and clean manufacturing, water resources management, renewable energy sources and energy efficiency; technology training, innovations and development; encouragement of investments and transfer



UNIDO Chief Office to establish ties with Minsk

of technologies; development and collaboration of small and medium-sized enterprises; the enhancement of quality of infrastructure; and the enhancement of agricultural food industry, and the auto-industrial industry.

The concretisation of UNIDO's in-

ternational technical aid projects within the framework of the outlined priorities is an important practical part of the programme. In particular, Belarus will take part in the implementation of *Greening Economies in the Eastern Neighbourhood* project (EaP-GREEN),

whose budget stands at 12.5m Euros with UNIDO's financial contribution amounting to 500,000 Euros.

UNIDO is also expected to assist in creating of a national system for technology foresight in Belarus with the total budget of \$653,000, with the Belarusian side intending to contribute slightly over \$200,000.

Moreover, the National Technology Transfer Centre and the Belarusian Institute for Systemic Analysis and Information Support for Scientific and Technical Sphere will be used to create a Centre for International Industrial Co-operation of UNIDO in Belarus. The facility will focus on supporting efforts of the government to enhance the competitiveness of industrial enterprises by providing them with technical aid. Compiling a further list of technical co-operation projects and determining potential sources for their funding (considering UNIDO donors and partner organisations) will be a task for the nearest future.