

FROM THE EDITOR

Everything has its value

By Victor Kharkov

Mr. Lukashenko has urged that state-owned commercial entities be run efficiently, with proper rents charged. He is keen to see an end to loopholes which allow subletting agents to make money unfairly from state property, with all such leases auctioned publicly. The situation is highlighted by the fact that commercial, privately owned properties are being rented at much higher prices than those owned by the state. Read more in *Capital means much but not everything* (p. 4).

For many years, the Government has been trying to promote investment in the Belarusian economy, stressing our Single Economic Space prospects, our educated, relatively inexpensive labour force, high technological level and government support (including tax breaks). For many years now, Russian companies have been our major investors, accounting for almost half of all injected funds. Those from the UK are placed second (25 percent), followed by investors from Cyprus (6.4 percent) and Austria (4 percent).

Meanwhile, investments into CIS states are arriving through offshore schemes, as the Eurasian Development Bank notes. Cypriots and Dominicans are often major foreign investors within the post-Soviet space.

Over the past few years, Belarus has failed to meet its targets for incoming direct foreign investments, despite signing over 60 bilateral agreements with other states to avoid double taxation — and the same number on the mutual protection of investments. Moreover, our country is now a fully-fledged member of the Multilateral Investment Guarantee Agency and investors' interests are protected by the Investment Codex. Last year, Belarus adopted a FDI attraction strategy for the period until 2015, which the Government believes will improve the situation.

Regardless of the popularity of the i-phone, i-Pad, Kindle and similar electronic gadgets, books remain a huge part of our culture, as was evident at the recent 20th Minsk International Book Fair. From grand, illustrated volumes to simple paperbacks, the event provided clear evidence of our passion for reading and the pleasures of page turning. Each edition was lovingly handled. Without exaggeration, each page, paragraph and, even, sentence was lovingly consumed!

Few would argue that the younger generation are in thrall to computer games, sometimes behaving like mindless robots, playing ceaselessly day and night. However, I'm happy to report that plenty of Belarusians still adore the printed word. Moreover, our Belarusian publishing houses are producing high level editions. Belarus was not lost among the 25 countries which took part in the forum. Find out more in *Folios, bestsellers and other books on display*.



Changes to legislation are matter of dialectics

Belarus could shift to one-round parliamentary elections

By Vasily Kharitonov

Changes to electoral legislation are only implemented out of necessity (not from outside pressure), as President Alexander Lukashenko recently noted at a meeting focusing on how best to improve electoral legislation. The Head of State stressed that all issues are open to discussion but that the Electoral Code has been in place in Belarus since 2000, bringing forth four parliamentary election campaigns and one national referendum, in addition to three presidential elections and various local council elections.

"Despite reproach from our opponents, our elections have been held in line with the Electoral Code, honestly and openly, securing the expression of the Belarusian nation's will. Our legal mechanism of organising elections

works smoothly and effectively," he emphasised.

The President believes that, like any procedure, the mechanism must adjust to changing times, working flexibly. "However, improvement should not entail the destruction of established and steadily operating institutions," he asserted.

The Belarusian saying comes to mind that it's good to listen to others but that you should retain your own opinion. We should forget politicised, contrived views from outside while analysing proposals in our national interests.

The President remarked that the matter had been discussed with the presiding judge of the Constitutional Court. "No legislation can be passed once and for all since life is ever changing. Legislation must keep up with the vigorously changing flow of society. While allowing for change within the elec-

tion process, we should base our decisions on real life, asking ourselves whether we are reacting to real problems," stressed the Head of State. He added, "Some say that public organisations should receive the right to nominate candidates for deputies. However, we have thousands of public organisations. Secondly, why should we do this?"

Do we have a shortage of nominated candidates? Are candidates for deputies in short supply? They are not, so why do we have to make such suggestions? Are we anticipating something?"

According to Mr. Lukashenko, change should reflect real life needs, with improvement of electoral law

aiming to help citizens realise their election rights in full, while countering attempts to disrupt the process. The Head of State believes that the existing Electoral Code is effective. "We have held top-notch elections. If we forget the partisan opinions voiced by some of our opponents and look at the real picture (the opinions of our well-wishers and neutral people) we can see that they envy our level of elections. Everyone says that they are serious and worthy of admiration," the President notes. "We can also take a closer look at the OSCE recommendations — made after monitoring the parliamentary elections in 2012. We don't necessarily agree with all the OSCE views but we understand what the OSCE wants from us. In responding, we need to note the true intention behind these suggestions."

The President emphasised that our national legislation is being improved in the interests of Belarus alone — not at someone else's bidding. "The Belarusian saying comes to mind that it's good to listen to others but that you should retain your own opinion. We should forget politicised, contrived views from outside while analysing proposals in our national interests," Mr. Lukashenko remarked.

The meeting turned to prospects for developing electoral law, with proposals from the Central Commission of Belarus for Elections and National Referenda discussed, alongside recommendations by international institutions — such as the OSCE. Most of those present spoke against allowing national public organisations to nominate candidates for deputies. The Chairwoman of the Central Election Commission (CEC) believes that the rejection of this idea would satisfy political opponents who actively opposed this innovation. Other CEC initiatives received support, including the transition to the majority principle at parliamentary elections (during their first round), which would simplify the election campaign and reduce expenses.

The raising of personal election funds for candidates standing as deputies of local councils was also discussed.



Snapshot of previous elections at House of Representatives of Belarus

Issue price of 90 million dollars

By Tatiana Grigorova

The Energy Efficiency Department of the State Committee for Standardisation is working on an agreement with the World Bank, to allocate funds for the modernisation of two Belarusian thermal power plants

According to the Director

of the State Energy Efficiency Department, Sergey Semashko, about \$90m is to be spent on modernising TPP-1 in Mogilev and TPP-1 in Gomel, and some other sites.

Mr. Semashko notes that his department has been working closely with the World Bank. "We're currently implementing two projects — worth \$125m and \$30m," he tells us. Mogilev

District Boiler House's modernisation is due to be operational by early summer, extending its capacity. Borisov District Boiler House and Zhodino Workshop are also being modernised, ready for early 2014. "In addition, a cogeneration plant has been launched in Borisov, producing electricity and heat, funded with World Bank loans. Two more cogeneration plants, in Oshmyany

and in the village of Ruba in the Vitebsk Region, are to be introduced in the near future," Mr. Semashko adds.

A joint project with the UNDP to build energy-efficient housing is also on the cards. "The project only began on January 1st, 2013," notes Mr. Semashko. It involves the construction of three pilot houses, two of which will be in Minsk and one in Grodno.