

BELARUS: BIOMASS DISTRICT HEATING PROJECT

Key Dates:

Approved: March 31, 2014

Effective: July 31, 2014

Closing: December 31, 2019

IBRD financing in million US Dollars

<i>Financier</i>	<i>Amount</i>	<i>Undisbursed</i>
IBRD Loan	90	27.60



About the Project

Lacking a sufficient energy resource base, Belarus relies heavily on imported energy resources to meet domestic energy demand. Annual costs related to energy imports (mainly from Russia) amount to about 22% of GDP. District heating plays an important role in the energy system of the county, as 60% of the population relies on it for heat supply. At the same time Belarus has abundant forest resources which it sustainably manages through certification and other standards.

The **Project Development Objective** is to scale up the efficient use of renewable biomass in heat and electricity generation in selected towns of Belarus.

The project finances the replacement of existing gas and oil boilers by biomass boilers, the provision of wood-chipping equipment and biomass fuel storage facilities, the installation of individual building-level heat substations with temperature control, and the upgrading of district heating networks.

The project also helps participating utilities to communicate more proactively with their customers, including on existing grievance redress mechanisms and feedback analysis, to enhance service delivery and facilitate a shift from volume-based to energy content-based biomass pricing.

Key Achieved and Expected Results

The project helps to scale up the efficient use of renewable biomass in heat and electricity generation, thereby lowering operating costs and improving fuel security in 19 towns around the country and enhancing the living and working conditions of 140,000 Belarusians.

Out of 13 original contracts, 12 have been completed, and the sites commissioned: the new biomass boiler houses have been put in operation. In addition to the fuel switching, all sites cover improvements in energy efficiency by investing in modernization of heat transmission and distribution systems. Seven new sites have been added to the project.

By improving energy efficiency and replacing imported natural gas and oil with less expensive local wood biomass, the project would reduce the cost of the heat supply on average by 63% in participating towns, thereby reducing the burden of heating costs on household budgets.

The project contributes to the reduction of greenhouse gas emissions, with total projected lifetime carbon dioxide emissions savings projected to be 4.5 million tons.

Key Partners: Energy Efficiency Department of the State Standardization Committee, Ministry of Energy, Ministry of Forestry, Ministry of Housing, and participating district heating utilities.

BELARUS: TRANSIT CORRIDOR IMPROVEMENT PROJECT

Key Dates:

Approved: December 19, 2014

Effective: May 7, 2015

Closing: June 30, 2020

IBRD financing in million US Dollars

<i>Financier</i>	<i>Amount</i>	<i>Undisbursed</i>
IBRD Loan	250	49.02



About the Project

The potential of Belarus as a transit and trade hub is currently not fully exploited. Despite improvements, road infrastructure needs further upgrading, including to meet safety standards, and there is room for the reduction of regulatory barriers to reduce waiting time at the borders.

The **Project Development Objective** is to improve transport connectivity, border crossing procedures and safety for domestic and international road users on selected sections of the M6 corridor.

The project aims to improve hard and soft connectivity through road widening, improved network management, and road safety measures.

The project invests in the key transit corridor connecting Belarus and Poland and support ongoing reform of the roads and customs sectors, promoting cross-border trade and transit transport services and laying the foundation for new business and investment opportunities.

Key Achieved and Expected Results

All sections of the M6 'Minsk - Grodno' highway have been opened to traffic, and the contractors for civil works contracts are making consistent progress for completion of the rehabilitation.

Reconstruction of the Bruzgi border crossing point was completed in June 2019. The border management enhancement component, the handling capacity of the Bruzgi border crossing point is expected to increase from the current 700 trucks to 1,700 trucks per day. The activities are complemented by IFC advisory work studying the constraints in border clearance procedures and recommending business process improvements.

The project also supports improved road safety and network management through a more market-orientated approach to the development of roadside services and the development of a Traffic and Road Safety Coordination Center.

Domestic and international road users will benefit from reduced journey times between Minsk and Grodno, lower road accident risks, and a better travel experience with improved public amenities and services as well as real-time traffic information, including detour suggestions due to severe weather and road maintenance works. This project will also promote private participation in the roads sector through the development of roadside services.

Key Partners: Ministry of Transport, Belavtodor, and Minskavtodor-Center.

BELARUS: FORESTRY DEVELOPMENT PROJECT

Key Dates:

Approved: March 27, 2015

Effective: July 30, 2015

Closing: August 31, 2021

IBRD financing in million US Dollars

<i>Financier</i>	<i>Amount</i>	<i>Undisbursed</i>
IBRD Loan	55.11	14.61
GEF grant	2.74	1.45



About the Project

Belarus is one of the most forested countries of the region, with forests accounting for nearly 40% of the country's territory and 2% of GDP. The Government recognizes the importance of institutional change, investment, new technologies, and capacity building in the forestry sector, as well as a growing demand for wood products from both the wood processing and wood energy enterprises.

The **Project Development Objective** is to enhance silvicultural management and reforestation and afforestation, increase the use of felling residues, and improve the contribution of the forests to the public good.

The project builds on the World Bank Forest Sector Policy Note, which provided strategic advice on defining sector goals and opportunities in conjunction with the development of the National Forest Strategic Plan for 2015-2030, and on the experience and knowledge gained from the European Neighborhood and Partnership Instrument East Countries Forest Law Enforcement and Governance (FLEG) Program (2008–12, 2012–17), which is being implemented by the World Bank.

In March 2018, the project received EUR12 million in Additional Financing.

Key Achieved and Expected Results

The project supports modernization of forest management, reforestation and creation of new forest areas, which will help the Belarusian forest sector adapt to storms, climate change and pests. Four million hectares of forests outside protected areas will be managed in a more biodiversity-friendly manner. It provides direct support to 25,000 employees of 88 forestry enterprises and generates better-skilled and semi-skilled jobs in the rural forest, wood processing, and wood energy sectors.

With the original loan and the additional financing, six nursery complexes are planned to be upgraded, one for each Oblast in Belarus. Out of the six, modernization of three forest nurseries has already been completed. These nurseries will improve the quantity and quality of first-class seedlings for afforestation and reforestation. The engagement brings investments in goods and machinery to support the development and intensification of silviculture.

The project also includes the installation of video and communications equipment for the monitoring, surveillance, and detection of fires; the introduction of firefighting equipment to help extinguish the fires once started; and the development of a web-based interface to allow the sharing of information, including geo-information. It is estimated that measures on the prevention, improved detection, and more timely and effective response to forest fires are expected to reduce future losses by 30%. The project responded to an emergency request to deal with a most severe wind blow incident in the last 15 years which hit Minsk oblast in July 2016.

Key Partners: Ministry of Forestry, Ministry of Natural Resources and Environmental Protection, and 88 participating forestry enterprises.

BELARUS: EDUCATION MODERNIZATION PROJECT

Key Dates:

Approved: September 17, 2015

Effective: January 20, 2016

Closing: February 28, 2025



IBRD financing in million US Dollars

<i>Financier</i>	<i>Amount</i>	<i>Undisbursed</i>
IBRD Loan	152.30	132.35

About the Project

Like many countries in the region, Belarus has faced a steady decline in its school-age population over the past two decades. In response, the Government has undertaken an ambitious effort to consolidate the school network, adjusting the infrastructure in line with demographic trends. A national program objective is to improve the quality of general secondary education and to optimize the network of institutions of general secondary education.

The **Project Development Objectives** is to improve access to a quality learning environment in selected general secondary schools and strengthen the student assessment and education management information systems of the Republic of Belarus.

In April 2019, the project received an additional financing component in the amount of EUR 90 Million.

Key Achieved and Expected Results

65,000 boys and girls from 300 schools around the country will benefit from an improved learning environment the rehabilitation of school facilities and the provision of the necessary laboratory equipment for physics, chemistry, biology, and information technology classes. Out of them, 13,000 are those who studied at closed or reorganized schools in rural areas.

As of today, modernization of 37 schools have been completed, bringing an improved learning environment to almost 17,000 students.

The project also aims to modernize the management of the education sector and bring it in line with international best practices. With the help of a World Bank grant, Belarusian authorities are currently evaluating how their system collects and uses information for evidence-based policymaking. Under the loan, existing approaches to student learning assessment and data analysis will be strengthened to achieve better system performance and improve student learning outcomes.

The project facilitates Belarus' first participation in an internationally comparable system of evaluating student learning — the Program for International Student Assessment (PISA). PISA will become a benchmark that can be used for assessing the quality of education in Belarus compared to more than 70 other countries.

Belarus conducted PISA 2018 testing in May 2018. The first results are expected to be published in December 2019. With the World Bank support, the country is set to participate in PISA 2021.

Key Partners: Ministry of Education, National Institute of Education, Republican Institute for Knowledge Control, Main Information Analytical Center, and participating oblasts and rayons.

BELARUS: PUBLIC FINANCIAL MANAGEMENT MODERNIZATION PROJECT

Key Dates:

Approved: March 28, 2016

Effective: July 27, 2016

Closing: July 30, 2021

IBRD financing in million US Dollars

<i>Financier</i>	<i>Amount</i>	<i>Undisbursed</i>
IBRD Loan	10	7.10



About the Project

The Public Expenditure and Financial Accountability Assessment 2014 concluded that the Belarus Public Finance Management (PFM) system delivers fiscal discipline, but also highlighted areas that undermines the productivity of public spending. Building on this assessment, the Government's PFM Reform Strategy has an ambitious agenda, including improvements in medium-term budgeting, program budgeting, treasury, debt management, and accounting.

The **Project Development Objective** is to improve the policy alignment of the budget, consolidate cash balances, improve budget transparency, and lay the foundations for implementation of an Integrated Financial Management Information System (FMIS).

Key Achieved and Expected Results

The project will enhance the Government's ability to plan the budget from a medium-term perspective by focusing on results, improving debt management and enhancing treasury coverage, improving budget transparency, and creating a basis for implementation of the FMIS.

Citizens budgets for 2018 and 2019 were developed and posted on the Ministry of Finance's webpage in 2017 and 2018. Since 2018, Oblast level subnational governments have started publishing their versions of citizens budgets.

Fiscal data portal, which provides the public with access to interactive fiscal data on budget execution, went live in January 2018. In addition, the Ministry produces and publishes quarterly bulletins on the execution of the consolidated budget, as well as republican and local budgets.

The Concept for reforming national public accounting and reporting and initial plan for its implementation were approved by the Government in February 2019.

Key Partners: Ministry of Finance, Ministry of Economy and Ministry of Trade.

BELARUS HEALTH SYSTEM MODERNIZATION PROJECT

Key Dates:

Approved: November 18, 2016

Effective: May 19, 2017

Closing: May 31, 2022

IBRD financing in million US Dollars

<i>Financier</i>	<i>Amount</i>	<i>Undisbursed</i>
IBRD Loan	125	122



About the Project

Belarus has equitable access to health care with out-of-pocket expenses (20% of total) that are reasonable and comparable with higher-income European countries. Public expenditure on health (3.5% of GDP) is about average for countries of similar income in Europe and Central Asia region. Belarus has made excellent progress in the control of communicable diseases and in reducing infant and maternal mortality.

However, non-communicable diseases are a key factor behind low life expectancy in Belarus, and will become increasingly important as the population ages, and there is still too much focus on hospital-based care. The Government also sees the need for further development of primary care services, especially to eliminate inequality of health care provision between urban and rural areas, and improved systems for diagnosis, treatment, and follow-up.

The **Project Development Objective** is to contribute to improving selected aspects of the quality of health care delivery in the Republic of Belarus.

Key Achieved and Expected Results

The Project contributes to improving selected aspects of the quality of health care delivery through:

1. Establishment of e-Health system and adoption of ICT-based clinical decision-support tools for quality improvement. It will enable the nationwide rollout of e-Health system to facilitate diagnosis of illness, clinical decisions for treatment, and follow-up of patient well-being in a systematic manner.

E-Health Concept has already been finalized and approved by the Ministry of Health. The document provides solid foundation for eHealth system planning, development and implementation. E-prescription is already being used in all the seven regions albeit only in a few health facilities per region, except Minsk city where all facilities use e-prescription.

2. Improvement of clinical competencies of health care providers in non-communicable diseases management. It supports prevention, early detection and treatment of cardiovascular diseases, including hypertension, which is a major challenge for Belarus aging population.

3. Modernization of neonatal care provision at the at the Republican Center of Mother and Child.

Key Partners: Ministry of Health; Republican Scientific and Practical Center for Medical Technologies, Informatization, Administration and Management of Health; Republican Center of Mother and Child, BelMapo; medical universities and colleges, and local health authorities.

BELARUS: MICRO, SMALL AND MEDIUM ENTERPRISE ACCESS TO FINANCE PROJECT

Key Dates:

Approved: September 28, 2017

Effective: April 19, 2018

Closing: December 31, 2022



IBRD financing (million US Dollars)

<i>Financier</i>	<i>Amount</i>	<i>Undisbursed</i>
IBRD Loan	60	43.06

About the Project

In Belarus, 19 % of private enterprises identified lack of access to finance as the single most important obstacle to their growth (up from around 6% in 2008), with Micro, Small and Medium Enterprises (MSMEs) particularly constrained, according to the World Bank Group Enterprise Survey 2013. Widespread use of subsidized loans channeled predominantly via public banks to SOEs has distorted the operation of the banking system. The Government has already substantially reduced directed lending but there is still progress to be made.

Higher real interest rates for non-privileged private enterprises have discouraged private investment and diminished the capacity of private firms – in particular MSMEs – to expand their production and create jobs. The Government's goal is to facilitate growth of the private sector, especially MSMEs, as part of a strategy to reduce overreliance on the public sector as a driver of growth. In this regard, the Government places high importance on channeling resources through financial intermediaries to eligible MSMEs.

For the Belarusian economy as a whole, more enabling policies for the development of the private sector – including through improved access to finance – can help to raise productivity and stimulate employment growth.

The **Project Development Objective** is to improve access to finance for private Micro, Small and Medium Enterprises and enhance governance and the institutional capacity of the Development Bank of the Republic of Belarus (DBRB).

Key Achieved and Expected Results

It is expected that 150 MSMEs will obtain credit under the project, alongside the DBRB MSME loan portfolio will grow by 170 per cent. The share of beneficiary businesses that obtain credit under the project with at least 15 % female workforce participation will be monitored.

Governance and business model of DBRB will be improved through the institutional strengthening component of the project.

Belarusian citizens will be the ultimate indirect beneficiaries of a more competitive economy, through job creation, sustainable growth, and more competitive markets for goods and services.

Key Partners: The Development Bank of the Republic of Belarus, Participating Financial Institutions.

BELARUS UTILITY EFFICIENCY AND QUALITY IMPROVEMENT PROJECT

Key Dates:

Approved: June 14, 2019

Closing: March 31, 2025

IBRD financing (million US Dollars)

<i>Financier</i>	<i>Amount</i>	<i>Undisbursed</i>
IBRD Loan	101	101



About the Project

Belarusians have adequate access to water supply and sanitation, but, despite improvements, there are still major issues in efficiency and quality, such as service interruptions, leaks, and excessive operating costs as a result of aging infrastructure and insufficient maintenance.

Excessive iron content is the main drinking water quality issue in urban areas, and about 20 % of citizens are currently supplied with water whose iron content exceeds national standards. The iron content in water discolors teeth and clothing and results in the purchase of expensive bottled water.

The National Clean Water Program aims for 100% coverage of drinking water supply by 2025, and the Belarus Utility Efficiency and Quality Improvement Project is designed to support the Government program.

Municipal solid waste collection in Belarus is available for the entire urban and rural population although the quality of disposal services available varies. Approximately 80% of total collected waste is disposed of in landfills around the country, many of which lack environmental protection controls.

The **Project Development Objective** is to improve the quality and efficiency of water and wastewater services and support the introduction of regional solid waste management.

Key Achieved and Expected Results

Around 550,000 Belarusians from across the country will enjoy better quality drinking water, and a cleaner environment, thanks to the modernization of water and wastewater treatment facilities, which will be carried out as part of the project. The project has the following component.

1. Improving Water and Wastewater Services at Utility or Service Provider Level aims to improve the operational performance of water supply and sanitation (WSS) service providers and enhance the quality of water and wastewater service provision to the people of Belarus through packages of support tailored to the needs of utilities.
2. Strengthening utility performance component aims to finance government activities that support the strengthening of national and local water services institutions.
3. Enhancing the solid waste management process component aims to pilot a regional approach to solid waste management (SWM) and technical assistance (TA) to further develop the sector more broadly. The component includes construction of the Polotsk/Novopolotsk Regional Landfill and similar facilities in other towns across the country, which will replace existing mini-landfills that have no environmental controls, to ensure safe disposal of solid waste.

Key Partners: Ministry of Housing and Utilities