

## IBRD Active Projects

### BELARUS: ENERGY EFFICIENCY PROJECT

**Key Dates:**

**Approved:** May 28, 2009

**Effective:** September 30, 2009

**Closing:** December 31, 2017

**IBRD financing (million US Dollars)\*:**

| <i>Financier</i> | <i>Amount</i> | <i>Undisbursed</i> |
|------------------|---------------|--------------------|
| IBRD Loan 7698   | 125.00        | 6.5                |
| IBRD Loan 82810  | 90.00         | 5.7                |



The economy of Belarus heavily depends on energy imports. About 95 percent of power and 80 percent of heat is produced from imported Russian natural gas. In recent years, Belarus has made significant efforts to reduce energy intensity and improve efficiency. The achieved results are encouraging; energy intensity has declined by about 60 percent over the past 15 years, decreasing from about 0.76 tons of oil equivalent per dollar of GDP in the mid-1990s to 0.23 in 2010. Belarus adopted several national energy-efficiency programs starting in 1996. The aim of the programs was to strengthen energy security through capital investments in asset renovation, efficient utilization of fuel and energy resources, and more extensive use of domestic and renewable sources of energy such as biomass.

The **Project Development Objective** is to improve energy efficiency in heat and power generation in selected towns in Belarus. The project helps to convert six existing heat-only boiler plants to combined heat and power plants (CHPs) in different locations across Belarus. The key indicators of project performance are a reduction in gas consumption and total efficiency in heat and power generation.

**Key Achieved and Expected Results:** It is expected that about 145 megawatts (MW) of additional electric capacity based on modern combined cycle gas turbines and gas engines will be installed. Furthermore, the efficiency of heat and power generation at the project sites is expected to increase by roughly 30 percent. It is estimated that about 133 million cubic meters of natural gas will be saved annually, which would lead to a reduction of about 165,000 tons of carbon dioxide emissions per year. 243,000 people will benefit from energy efficiency in heat and power generation by 2017.

Implementation is progressing well and the Project is on track toward meeting its Development Objective. Of the eight combined heat and power (CHP) plants to be rehabilitated under the Project, seven are in commercial operation. Commissioning of the remaining Gomel CHP-1 is expected before the closing date of the Project.

**Key Partners:** The Bank team has worked closely with the Energy Efficiency Department of the State Standardization Committee, as well as with the Ministry of Energy and oblast executive committees.

## BELARUS: WATER SUPPLY AND SANITATION PROJECT

### **Key dates:**

**Approved:** September 30, 2008

**Effective:** February 17, 2009

**Closing:** September 20, 2018

### **IBRD financing (million US Dollars)\*:**

| <i>Financier</i> | <i>Amount</i> | <i>Undisbursed</i> |
|------------------|---------------|--------------------|
| IBRD Loan 75890  | 60.00         | -                  |
| IBRD Loan 83520  | 90.00         | 60.5               |



Belarus is quite rich in water resources, and those available are sufficient to meet both current and future demands. During the past five years, total water use has declined by 5 percent, while industrial use has fallen by 17 percent, continuing a trend that began in the early 1990s. The reliability and safety of the water and sanitation services are less than satisfactory due to service interruptions, high losses in the distribution systems, and substantial operating costs as a result of aging infrastructure and the need for maintenance. The population, especially in rural areas using dug wells for water supply, is exposed to health risks.

The **Project Development Objective** is to increase access to water supply services and to improve the quality of water supply and wastewater services in selected urban areas in six participating oblasts of the Borrower. The objective will be achieved through the rehabilitation and reconstruction of water supply and sanitation facilities and networks, including the adoption of advanced technologies for water treatment. The project complements the Government's National Water Development Program "Chistaya Voda" (Clean Water) and contributes to innovation, modernization, and capacity development in the Belarus water sector.

**Key Achieved and Expected Results:** The project finances the rehabilitation and construction of deep wells, pumping stations, transmission mains, distribution networks, ground and elevated reservoirs, and iron-removal plants. It also supports the rehabilitation of wastewater collection systems and treatment plants, including the installation of pumping stations, sludge dewatering systems, collection networks, monitoring stations, and small laboratories to test treated wastewater. The project also strengthens the capacity of the participating utilities to provide better information to customers and develop social accountability mechanisms for water and wastewater services.

268,440 people have received access to drinking water that is in compliance with national quality standards. Completed works are in general of good quality and have delivered the expected outcomes. Construction works have been completed at 22 out of 28 original project sites and are ongoing at 6 sites. The project generated significant savings of US\$39 million that will be used for additional works.

**Key Partners:** (i) Ministry of Housing and Communal Services, (ii) oblast and municipal/city governments of the participating cities.

## BELARUS: INTEGRATED SOLID WASTE MANAGEMENT PROJECT

**Key Dates:**

**Approved:** June 17, 2010

**Effective:** October 6, 2010

**Closing:** June 30, 2017

**IBRD financing in million US Dollars\*:**

| <i>Financier</i>        | <i>Amount</i> | <i>Undisbursed</i> |
|-------------------------|---------------|--------------------|
| IBRD Loan 79320         | 42.51         | 4.7                |
| Global Environment Fund | 5.5           |                    |



Belarus attaches high priority to environmental protection, particularly to waste management issues. Specific objectives are to: (i) ensure 100 percent coverage of separated municipal waste collection in large cities and maximize recovery of valuable materials; and (ii) practice environmentally sound management of high-priority chemical pollutants, specifically persistent organic pollutants (POPs).

The **Project Development Objective (PDO)** is twofold: (i) to increase the environmental benefits of integrated solid waste management in the city of Grodno by recovering and reusing recyclable materials; and (ii) to strengthen the national capacity to manage hazardous wastes associated with POPs and reduce environmental and health risks associated with the presence and release of POPs into global and local environments.

**Key Achieved and Expected Results:** The project supports the design, construction, and supervision of a 120,000 ton per year modern mechanical waste separation plant in the city of Grodno and the improvement of the collection of separate waste in the city. The initiative seeks to recover recyclable materials and includes the implementation of public information and awareness-raising activities. Construction of a modern mechanical waste separation plant in Grodno will prevent the burial of 20,000 tons of waste in the landfill by the end of the project. A related public awareness campaign will result in the participation of 80 percent of Grodno residents in a waste source separation program by 2017, up from 16 percent before the project.

The project remains on track to achieve its Development Objective to increase the environmental benefits of integrated solid waste management in Grodno through recovery and reuse of recyclable material. Materials Recovery Facility (MRF) in Grodno has been commissioned and handed over to authorities. The roll out of the separate collection system is underway to have the entire separate waste collection, transportation and treatment system in Grodno fully functional by the end of June, 2017.

The Global Environment Facility–financed component helped to strengthen the national capacity to manage hazardous wastes, specifically those associated with POPs, and supported Belarus in meeting its obligations under the Stockholm Convention on POPs. The activities (i) helped to ensure environmentally sound management of the destruction of high-priority stockpiles of POPs and associated contaminated equipment, (ii) provided secure storage for lower-risk stockpiles, and (iii) supported planning infrastructure to manage the future generation of POPs. 2,926 tons of POPs stockpiles and wastes were recovered and packaged, 1,793 tons have already been destroyed, and 964 tons of remaining stockpiles are being stored at a secure location, which significantly exceeded the original project objective of eliminating 1,800 tons of the dangerous substances.

**Key Partners:** (i) Ministry of Housing and Communal Services, which is responsible for the setting up and implementation of solid waste management policy; (ii) oblast and municipal/city governments of Grodno; and (iii) Ministry of Natural Resources and Environment.

## 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 83510  | 90.0          | 56.4               |



Lacking a sufficient energy resource base, Belarus relies heavily on imported energy resources to meet domestic energy demand. The Government plans to increase the share of local fuels, mainly biomass, in the energy supply from 25 percent in 2011 to 32 percent in 2020. District heating plays an important role in the energy system of the county, as 60 percent of the population relies on it for heat supply.

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 13 towns of the country and enhancing the living and working conditions of 79,000 Belarusians.

All 13 contracts have been signed; four contracts (Kadino, Cherikov, Zyabrovka, Bereza) are fully completed, and the new biomass boiler houses have been put in operation.

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 percent in participating project 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 2.1 million tons.

**Key Partners:** Energy Efficiency Department of the State Standardization Committee, Ministry of Energy, Ministry of Forestry, Ministry of Housing, and 13 participating district heating utilities: Grodno oblast: Volkovysk; Brest oblast: Ivanovo, Baranovichi, and Bereza; Gomel oblast: Zarechie, Kalinkovichi, and Zyabrovka; Minsk oblast: Starye Dorogi, Kholopenichi, and Cherven; and Mogilov oblast: Kadino, Cherikov, and Veremeiki.

## BELARUS: TRANSIT CORRIDOR IMPROVEMENT PROJECT

### Key Dates:

**Approved:** December 17, 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 84590  | 250           | 202.5              |

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The potential of Belarus as a transit and trade hub is currently not fully exploited. The project will invest 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.

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 supports the improvement of sections of the M6 Transit Corridor linking Minsk and Grodno as part of the national strategy to connect all six oblast centers to high standard roads. It will help to address border crossing delays at the western border facing Poland by streamlining customs clearance procedures, thereby facilitating growth in trade.

### **Key Achieved and Expected Results:**

The project supports upgrade of 86.7 kilometers of the road linking Minsk and Grodno. The main procurement generated significant saving and an additional section of 67 km is included in the scope of the project.

As a result of 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:** (i) Ministry of Transport, (ii) Belavtodor, and (iii) Minskavtodor-Center.



## BELARUS: FORESTRY DEVELOPMENT PROJECT

### Key Dates:

**Approved:** March 27, 2015

**Effective:** July 31, 2015

**Closing:** December 31, 2020

### IBRD financing in million US Dollars\*

| <i>Financier</i> | <i>Amount</i> | <i>Undisbursed</i> |
|------------------|---------------|--------------------|
| IBRD Loan        | 40.71         | 29.2               |
| GEF grant        | 2.74          | 2.2                |



Belarus is one of the most forested countries of the region, with forests accounting for nearly 40 percent of the country's territory and 2 percent 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.

### **Key Achieved and Expected Results:**

The project will modernize selective forestry sector operations and protect and enhance the quality of forest resources. 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.

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.

Four million hectares of forests outside protected areas will be managed in a more biodiversity-friendly manner by 2020. The engagement brings investments in goods and machinery to support the development and intensification of silviculture, including the purchase of 74 modern forest harvesters needed for younger-aged thinning operations and 52 forwarders. Six new heavy-duty chippers will help to utilize wood waste from felling operations and develop the use of woody biomass from logging residues.

The project also facilitates the modernization of forest nurseries to produce container-grown seedlings of improved quality; 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 percent.

**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, 2021

### IBRD financing in million US Dollars\*

| <i>Financier</i> | <i>Amount</i> | <i>Undisbursed</i> |
|------------------|---------------|--------------------|
| IBRD Loan        | 50.0          | 41.8               |



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.

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

### **Key Achieved and Expected Results:**

As a result of the project, an estimated 25,000 boys and girls from 120 schools affected by school optimization are expected to benefit from an improved learning environment through the rehabilitation of school facilities and the provision of the necessary laboratory equipment for physics, chemistry, biology, and information technology classes. The first year school rehabilitation contracts were awarded in all oblasts, rehabilitation of 19 schools out of 24 under contracts is completed.

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. Although Belarus has a national system of education quality monitoring, it has never participated in a major international assessment of student learning, having little comparable evidence about the quality of its secondary education and how it evolved over time.

The project will facilitate Belarus' first participation in an internationally comparable system of evaluating student learning—the Program for International Student Assessment (PISA)—which is carried out every three years. PISA 2018 will become a benchmark that can be used for assessing the quality of education in Belarus compared to more than 70 other countries. Looking at the competencies of 15-year-old pupils in the field of mathematics, reading, and science, PISA measures the extent to which the education acquired can be applied to every day needs and also helps countries identify areas for improvement.

**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:** September 30, 2019

### IBRD financing in million US Dollars\*

| <i>Financier</i> | <i>Amount</i> | <i>Undisbursed</i> |
|------------------|---------------|--------------------|
| IBRD Loan        | 10.0          | 9.9                |



The Public Expenditure and Financial Accountability (PEFA) assessment carried out by the World Bank in 2014 argued that Belarus' public financial management (PFM) system had managed to deliver fiscal discipline in recent years but still had notable weaknesses that undermined the efficient allocation and application of public funds. An ongoing World Bank technical assistance project has supported the Government in developing the PFM reform program and preparing the first public finance investment operation.

The Government's PFM Reform Strategy, prepared in 2015 by the Ministry of Finance, responds to the PEFA assessment with an ambitious reform program in the areas of medium-term budgeting, program budgeting, treasury, debt management, and accounting, and the project will support its implementation.

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. It is expected that the project will lead to:

- i) Improved alignment of policies and budgets, as indicated by the expansion of the coverage of budget expenditures by programs;
- ii) Increased level of consolidation of cash balances, as indicated by a decrease in the share of central government expenditures channeled outside the Treasury Single Account;
- iii) Improved budget transparency, as indicated by the annual publication of a citizens' budget, which includes information on budget execution and the medium-term financial program and an analysis of links between financing and results;
- iv) Development of the foundations for the FMIS, as indicated by the approval of bidding documents for the FMIS based on approved and revised business processes and the Unified Chart of Accounts.

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



## BELARUS HEALTH SYSTEM MODERNIZATION PROJECT

### **Key Dates:**

**Approved:** November 18, 2016  
**Effective:** expected in April 2017  
**Closing:** May 31, 2022



### **IBRD financing in million US Dollars\***

| <i>Financier</i> | <i>Amount</i> | <i>Undisbursed</i> |
|------------------|---------------|--------------------|
| IBRD Loan        | 125.0         | 124.6              |

Belarus has made considerable improvements in the delivery of health services, particularly on universal access to healthcare and management of communicable diseases. There is scope for further improving efficiency and quality of healthcare delivery. The high incidence of non-communicable diseases, in particular of cardiovascular diseases, is a key factor behind the low life expectancy in Belarus, particularly among men. The country also sees the need for further development of primary care services focusing on measures to eliminate inequality of health care provision between urban and rural areas.

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:

- (a) 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. The e-Health system will also allow for effective use of aggregated clinical information in designing and implementing public health policy.
- (b) 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.
- (c) 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.

\*Source Client Connection as of June 26, 2017.

*Note: Disbursements may differ from financing due to exchange rate fluctuations at the time of disbursement.*