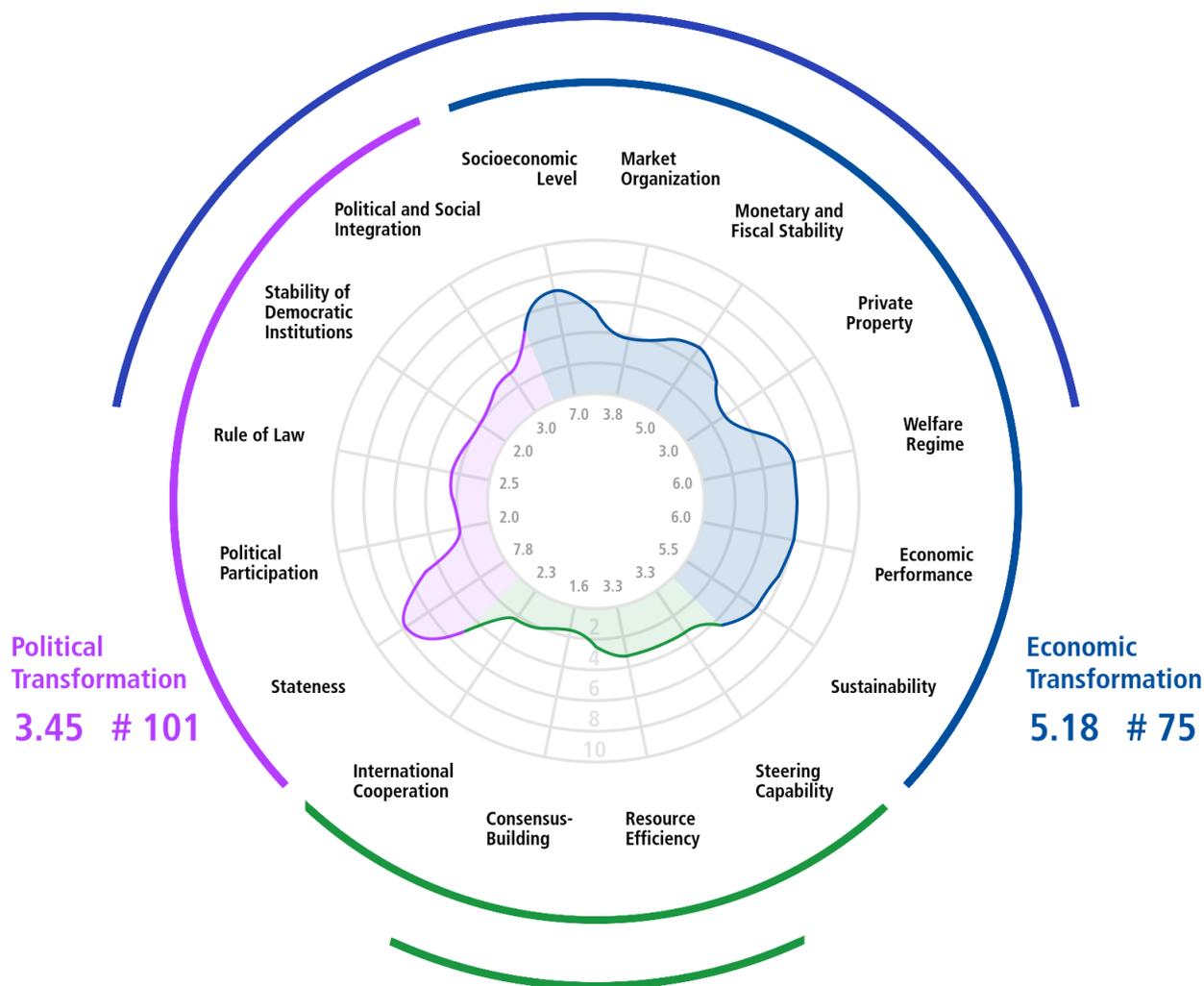


Belarus

Status Index

4.31 # 95

on 1-10 scale out of 137



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3.45 # 101

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5.18 # 75

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on 1-10 scale out of 137

This report is part of the **Bertelsmann Stiftung's Transformation Index (BTI) 2026**. It covers the period from February 1, 2023 to January 31, 2025. The BTI assesses the transformation toward democracy and a market economy as well as the quality of governance in 137 countries. More on the BTI at <https://www.bti-project.org>.

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Key Indicators

Population	M	9.1	HDI	0.824	GDP p.c., PPP \$	33006
Pop. growth ¹	% p.a.	-0.5	HDI rank of 193	65	Gini Index	24.4
Life expectancy	years	74.2	UN Education Index	0.792	Poverty ³	% 0.1
Urban population	%	81.1	Gender inequality ²	0.080	Aid per capita \$	12.5

Sources (as of December 2025): The World Bank, World Development Indicators | UNDP, Human Development Report 2025. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.65 a day at 2017 international prices.

Executive Summary

Between 2023 and 2025, Belarus continued its trajectory toward deeper authoritarian entrenchment and long-term economic stagnation, marked by political repression, growing international isolation and increased dependence on authoritarian allies. President Alexander Lukashenko's regime persisted in suppressing fundamental political rights and civil liberties. Neither the parliamentary and local elections in 2024 nor the presidential elections in 2025 met even the minimum standards for free and fair elections. The state's law enforcement and judicial systems remained instruments of repression, serving to eliminate any form of civic activism or political dissent. The country continued to pursue a record-high number of politically motivated criminal cases and large numbers of political prisoners. Constitutional amendments adopted in the 2022 referendum and formally enacted in 2024 failed to introduce any meaningful changes to the rigid vertical structure of authoritarian power.

Despite the achievement of political stabilization, the elimination of key political opponents and an increase in public support, the Belarusian leadership has made no effort to engage in political liberalization or reconciliation in recent years. The government has continued to eradicate all signs of political pluralism and competition, responding to any manifestation of disloyalty with mass repression.

The government has also escalated its campaign of historical revisionism, suppressing alternative narratives of Belarusian identity while promoting pro-Russian disinformation. These policies deepened political polarization and social tensions between supporters and opponents of the regime.

Belarus' relations with the West further deteriorated due to its role as a co-aggressor in Russia's invasion of Ukraine. The European Union, United States and allied countries expanded economic sanctions, targeting key economic sectors of Belarus.

With access to Western markets and financial institutions severed, Belarus deepened its economic and geopolitical dependence on Russia and China. Lukashenko strengthened the country's military, political and economic integration with Moscow, allowing Russia to further expand its military presence in Belarus, even approving the deployment of Russian nuclear weapons and the establishment of military bases on Belarusian territory. Simultaneously, Belarus expanded cooperation with China and formally joined the Shanghai Cooperation Organization (SCO) while obtaining partner status in the BRICS group of states.

Despite a temporary economic rebound driven largely by Russian military contracts and increased exports to Russia, Belarus' long-term growth prospects remain bleak. The country is trapped in a low-growth cycle, and its economic gap with Central and Eastern European economies continues to widen.

Belarus' immediate future remains closely linked to Russia's geopolitical ambitions and China's selective economic engagement, with limited prospects for genuine political or economic liberalization.

History and Characteristics of Transformation

Belarus, the country where the historic Belavezha Accords were signed in 1991, marking the dissolution of the Soviet Union, gained independence following the USSR's collapse. A brief period of unstable democratic transformation (1991 – 1996) saw the formation of democratic institutions, the separation of powers, the development of local self-governance, the conduct of free elections, the rise of a multiparty system, the emergence of civil society institutions and market economy mechanisms, and the privatization of state property.

Geopolitically, Belarus initially declared neutrality, enshrining this status in its 1994 constitution. However, its accession to the Commonwealth of Independent States (CIS) and integration with Russia under the 1996 Union State Treaty effectively kept it within Moscow's sphere of influence. Belarus also renounced nuclear weapons and signed the 1994 Budapest Memorandum with the United States, United Kingdom and Russia, receiving security assurances in return.

The trend toward authoritarianism began with the election of Alexander Lukashenko as president in 1994. Just two years later, he orchestrated a constitutional coup, amending the constitution to diminish parliamentary and judicial powers, dissolving parliament, and appointing new judges so as to change the composition of the Constitutional Court.

Over time, Belarus evolved into a superpresidential system characterized by a highly centralized decision-making structure; a vertical organization of the state apparatus; manipulated elections at all levels; the elimination of judicial independence; state control over all important spheres of society; the suppression of political opposition, independent trade unions, civil society organizations and local self-governing bodies; and widespread police violence against dissenters.

Economically, Lukashenko's regime pursued limited market reforms, resulting in a state-dominated capitalist economy in which the degree of government intervention remained high and state-owned enterprises were prioritized over the private sector.

Despite deep ties with Russia and its regional integration projects (CIS, Eurasian Economic Union, Collective Security Treaty Organization), Lukashenko attempted a geopolitical balancing act between Russia and the European Union. With the 2004 EU enlargement, Belarus' western neighbors became part of a united European space. In 2008, Belarus joined the European Union's Eastern Partnership initiative, seeking economic cooperation, trade diversification and EU financial aid. Simultaneously, Belarus maintained its integration with Russia, benefiting from cheap Russian energy supplies.

Since 1996, Belarus has faced international sanctions for human rights violations and election fraud, with periodic thaws in relations (2008 – 2010, 2016 – 2019). The 2016 – 2019 period saw limited liberalization, including a reduction in political repression, progress in WTO accession, entry into the Bologna Process and improvements in the business environment. Belarus' IT sector, including the Hi-Tech Park, fueled private sector growth during this time.

Despite these economic advances, political reforms remained absent. Elections continued to fall short of democratic standards, though the government allowed two independent candidates into parliament in 2019. Independent media began to flourish, and civil society strengthened. By 2020, according to the World Values Survey, the societal values of Belarusians had shifted from paternalism to self-realization, with increasing pro-market sentiments.

The COVID-19 crisis and the government's mismanagement of the pandemic's effects led to a collapse in public trust in state institutions, while trust in civil society correspondingly increased. This was compounded by the 2020 political crisis ahead of the presidential elections. New political figures emerged outside the traditional opposition scene, including Viktor Babariko (banker), Sergei Tikhanovsky (blogger) and Valery Tsepkalo (former Hi-Tech Park head). These candidates inspired hopes of greater political freedom and economic reform. However, Lukashenko's regime arrested all popular opposition candidates, who unexpectedly unified their campaign teams under Sviatlana Tsikhanouskaya, who replaced her jailed husband. The opposition movement became symbolized by a trio of women: Sviatlana Tsikhanouskaya, Maria Kalesnikava and Veronika Tsepkalo.

The massive election fraud in August 2020 and the subsequent violent crackdown on protesters sparked months-long protests. Instead of political dialogue, the regime escalated repression, turning Belarus into a police state. Independent media were dismantled; many CSOs, all opposition parties and the country's trade unions were liquidated; tens of thousands of people were arrested, with many facing long prison sentences; the private sector came under attack; and the state engaged in mass dismissals of disloyal officials, academics and professionals.

According to U.N. estimates, the scale of the repression amounted to crimes against humanity. Political, civil society and business leaders fled the country, forming exiled democratic structures, including Tsikhanouskaya's Office, the Coordination Council and the United Transitional Cabinet, which gained partial international legitimacy.

Due to mass human rights violations, Belarus has faced new waves of international sanctions. Restrictions intensified in 2021 after the forced landing of a Ryanair plane and the state-orchestrated migrant crisis on the European Union's borders. In February 2022, Lukashenko's regime offered the use of Belarusian territory and provided technical and infrastructure support for Russia's full-scale invasion of Ukraine. In response, the international community imposed unprecedented sectoral sanctions on Belarus, severely impacting its economy.

As of early 2025, Belarus remained under a harsh authoritarian regime. Civil and political freedoms were suppressed, the 2024 parliamentary and 2025 presidential elections had failed to meet democratic standards and dependence on Russia was growing, posing a significant threat to Belarusian sovereignty.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

Transformation Status

I. Political Transformation

1 | Stateness

Belarus is a unitary state with a strong, centralized executive branch. The state's monopoly on the use of force is unquestioned and extends across the entire territory.

The only domain where the power of the state could be said to be limited is the military and external security sphere. Since the start of Russia's full-scale war against Ukraine, during which Belarusian territory was used for the attack, the state's ability to maintain absolute control in this domain has become doubtful.

In the context of internal political tensions and Russian aggression against Ukraine, Belarus has experienced acts of sabotage on railroads, an attack on a Russian airplane at the Machulishchi airbase in 2023 and the entry of Russian military drones into the country's territory. In cyberspace, a group of Belarusian "Cyberpartisans" regularly carries out hacking, data theft and cyber attacks on state bodies.

The legitimacy of the Belarusian nation-state is widely accepted by the population and is rarely questioned. However, as widespread political protests in 2020 and later showed, significant parts of society do not accept the official concept of Belarus as a Russia-oriented state with strong nostalgia for the Soviet period. At least half of the population wants to see Belarus as an independent country among its European neighbors, with strong respect for the rule of law and the rights of citizens.

In addition, after Belarus's involvement in the Russo-Ukrainian war as a co-aggressor, part of the democratic opposition began to question the country's sovereign status, claiming that Belarus was an occupied territory.

Access to and rights derived from citizenship are not granted equally. The state seeks to restrict the rights of citizens deemed disloyal to the political regime. An updated citizenship law (2023) provides for the revocation of citizenship in connection with "extremism" charges against those who have left the country. Additionally, the Belarusian government has restricted certain rights of its citizens abroad, including

Question
Score

Monopoly on the
use of force

9



1

State identity

6



1

the ability to obtain or renew their passports at Belarusian consular missions. For those who left the country for political reasons, this effectively results in the denial of new identity documents once the old ones expire, restrictions on international travel and complications in legalizing their status in their country of residence. As a result, Belarusian citizens abroad and their family members in Belarus are unable to resolve property or inheritance issues.

For obvious reasons, such a policy by the Belarusian state leads some citizens to reject their connection to the current state and seek another passport. In particular, the idea of an alternative passport for a democratic Belarus, proposed by democratic forces, has gained some popularity.

The Belarusian state is secular. Christianity, in its various denominations, is the most widespread religion, and a significant portion of the population is unaffiliated. The government restricts religious freedoms. Unregistered religious groups are completely banned from conducting any religious activities. Registered religious organizations must obtain permits to hold events outside their premises, a provision that extends to proselytizing, and must receive prior government approval to import and distribute religious literature.

The events of 2020 triggered a crackdown by Lukashenko's regime on religious organizations, including the arrest of clerics, some of whom remain imprisoned or have been arrested in recent years for their open stance on violence or Belarus' role as a co-aggressor against Ukraine.

Despite the absence of direct influence from religious dogmas on the political order in Belarus, the Orthodox Church holds a privileged position compared with other confessions. The highest hierarchs of the Orthodox Church support Alexander Lukashenko, and the church also serves as an agent of pro-Russian influence in Belarus.

The administrative structures of the state provide basic public services across the entire country. The state's jurisdiction remains stable and, despite the questionable electoral legitimacy of Lukashenko's regime, is not contested by any significant social groups.

Belarus has a relatively well-developed infrastructure for basic water supply, sanitation and electricity, with near-universal and affordable access across both urban and rural areas. However, disparities remain with regard to the quality, sustainability and management of these services, particularly in rural regions. According to World Bank data (2022), almost 100% of Belarusian households have access to at least a basic water source (urban – 99%, rural – 98%). While centralized water supply systems with treated drinking water reach virtually everywhere within urban areas, rural areas depend more on wells and decentralized small-scale water systems. About 98% of the population has access to at least basic sanitation facilities, but only 75% have access to safely managed sanitation, with lower rates in rural areas. Electricity access in Belarus is nearly universal, with 100% of households electrified.

No interference of religious dogmas

9



1

Basic administration

7



1

Tax collection is robust. In 2024, the Ministry of Taxes and Levies reported that tax revenues exceeded planned volumes by 1.5%. The administration of communication, transport and basic infrastructure in areas such as water supply, education and health care is generally sustainable but not without challenges. A series of crises, including the political crisis, political repressions and Belarus's involvement as a co-aggressor in the war against Ukraine, has triggered a massive wave of migration, including the departure of highly skilled professionals. This has led to administrative difficulties and service provision issues, particularly in the health care and education sectors.

Administrative structures and public services in Belarus have undergone systemic personnel and ideological purges. This process began in 2021 with the “power ministries,” then spread to the state management system and state institutions such as the education system, and was subsequently extended to state-owned enterprises. By 2025, even actors in the private sector were required to coordinate leadership candidates with local administrations. These changes have affected the quality of public administration and public services, as a significant portion of professionals have left the country or been banned from practicing their professions.

2 | Political Participation

Elections are held regularly in Belarus. Presidential elections occur every five years, while parliamentary and local council elections are held every four years. However, since the constitutional coup d'état in 1996 and the establishment of Alexander Lukashenko's authoritarian regime, none of the subsequent elections have been free or fair.

During periods of warming political relations with the West (2008 – 2010, 2015 – 2019), Belarusian authorities engaged in dialogue with the OSCE Office for Democratic Institutions and Human Rights (ODIHR) on electoral reform. Despite some improvements in the electoral process during the 2015 presidential and 2016 parliamentary elections, subsequent elections in Belarus failed to meet international standards.

Results in the 2020 presidential election were widely falsified, triggering mass civil protests across the country. After authorities brutally suppressed the demonstrations using unprecedented levels of police violence, mass arrests, torture and internet shutdowns, they imposed even stricter restrictions on free and fair elections.

Amendments to the Electoral Code in March 2023 further limited opportunities for independent observation, restricted the electoral rights of Belarusian citizens abroad, and perpetuated noninclusive and nontransparent mechanisms for forming electoral commissions, including the Central Electoral Commission. The vote-counting process also remained opaque. In 2023, all opposition political parties were liquidated, alongside a mass crackdown on civil society organizations, independent trade unions and free media.

Free and fair elections

2

'06 '26 10



The 2024 parliamentary elections and the 2025 presidential election were conducted in an atmosphere of ongoing political repression, low levels of societal interest, and widespread fear of any political or civil activity, with no opposition or truly independent candidates, an absence of any independent national or international observers, and the traditional manipulation and falsification of voter turnout rates and election results.

The Belarusian political system is based around a strong presidency, which has full control over the legislative and judicial branches of government. Although general elections take place on a regular basis, the composition of the parliament (National Assembly), local councils and the All-Belarusian People's Assembly – a new body with the power structure added by constitutional amendments in 2022 – are entirely predetermined by the executive branch. Elected bodies have very limited or no influence on real decision-making.

The 2022 constitutional amendments reinforced the superpresidential system, further consolidating the power of Alexander Lukashenko. The president of Belarus remains the dominant figure in the political system, holding broad executive and legislative powers. The president has authority to appoint and dismiss key government officials, including judges, ministers and security personnel. The parliament remains largely ceremonial; although the constitution grants it the right to approve the appointment of the prime minister, this officeholder was de facto appointed only by the president by 2025.

A key change in the 2022 amendments was the introduction of the All-Belarusian People's Assembly (ABPA) as the “highest representative body” of the state. The ABPA approves the primary domestic and foreign policy directions, endorses social and economic development programs, holds the right of legislative initiative, approves elections, and is tasked with deciding on the removal of the president in cases of crimes or violations of the constitution. However, since Alexander Lukashenko remains both president and chairman of the assembly, the creation of this body has not altered the core political order, in which all power is concentrated in the hands of a single individual.

In this highly centralized system of power, there are no influential groups that wield veto authority over the president's decisions or those of the Presidential Administration. However, two influential groups can be identified: the “siloviki” bloc (Ministry of Internal Affairs, KGB, special services) and the “technocrats” bloc (Ministry of Foreign Affairs, National Bank, economic management). While the former group tends to maintain a high level of repressive and ideological control and to restrict relations with the West, the latter is inclined toward greater liberalization and the expansion of contacts with the West.

Effective power to govern

2

'06 '26 10



At the review period ended in early 2025, civil society organizations in Belarus were operating under intense pressure and strict state-imposed restrictions. The political, legal and financial conditions for civil society activity did not meet even the minimum standards for an enabling environment.

Nevertheless, despite the complete erosion of freedom of association, civil society has not been entirely eradicated. Organizations from various sectors continue their work, including some that still maintain registered status. Since 2021, a large-scale state campaign to revoke the official registration of civil society organizations has been ongoing. More than 1,187 civil society organizations have been liquidated, including public associations, independent trade unions, professional associations, political parties, foundations, non-governmental institutions, associations and religious organizations. Additionally, at least 709 organizations have chosen to dissolve themselves (Lawtrend Monitoring, 2025), in many cases under the threat of further repression and other risks.

In 2023, at least 204 decisions were made to forcibly liquidate civil society organizations, followed by at least 226 such decisions in 2024, which serves to show the scale of the ongoing process of dismantling civil society in Belarus. According to Lawtrend, 2,330 non-profit organizations remain registered, with about 220 new organizations having been registered since 2021. However, the number of newly registered NGOs is roughly 10 times smaller than the number being liquidated.

Repression against civil society leaders and members also continues in the form of administrative and criminal prosecution, unlawful searches, property seizures, harassment, threats against relatives, and other forms of state and law enforcement pressure. Authorities actively use anti-extremism laws against civil society representatives, including prosecution for making financial transfers to solidarity funds or for providing support to political prisoners and their families, as well as the designation of public initiatives as extremist formations. These initiatives' information resources and social media accounts are also classified as extremist materials.

As a result of their professional activities, participation in civil society organizations and civic engagement, at least six human rights defenders, dozens of civil society and religious organization representatives, and 34 members of professional unions and the labor movement remain imprisoned (Lawtrend Monitoring, 2025).

Previously socially active citizens who have remained in the country have limited their activity to humanitarian, charitable and sometimes cultural initiatives with low publicity and on a small scale.

In its 2025 report on Belarus, the Committee on the Elimination of Discrimination against Women (CEDAW) criticized the country's lack of gender equality and anti-discrimination laws, highlighting the severe repression of women's rights defenders,

Association /
assembly rights

2

'06 _____ '26 10



1

activists and journalists, along with inhumane detention conditions. Human rights defenders also reported ongoing persecution of LGBTQ+ individuals. On February 7, 2025, the Council of Ministers approved amendments to the Law on the Rights of the Child on the first reading. The changes impose strict limits on LGBTQ+ topics, banning “propaganda of homosexual relations, sex reassignment, pedophilia and childlessness.”

Since 2021, virtually all independent Belarusian media have been dismantled. Non-state media outlets have been criminalized and independent journalists have been forced into exile, arrested or compelled to leave the profession. In early 2025, no fewer than 39 independent journalists remained in prison.

The Belarusian Association of Journalists has reported that anti-extremism legislation has been widely used to suppress freedom of expression and restrict access to independent sources of information. As of September 1, 2024, about 14,000 internet resources had been blocked, with more than 5,000 designated as “extremist information products.”

A plurality of opinions does not exist in Belarusian media; state-owned TV consistently promotes ideological narratives, hate speech, and the rejection of political opponents or other actors whose views and assessments differ from the official line. Non-state media that continue to operate in Belarus must employ rigorous self-censorship to avoid prosecution and maintain access to their audiences.

Belarusian authorities not only criminalize independent journalism but also the consumption of independent media content. Any form of interaction with so-called extremist media outlets – such as subscribing, reposting or commenting on their publications on social networks or giving them interviews – serves as grounds for prosecution.

3 | Rule of Law

The constitution formally establishes the separation of powers, but checks and balances do not exist in practice. The executive branch maintains full control over both the legislative and judicial branches.

The constitutional referendum of February 2022 introduced changes aimed at limiting presidential power. These changes included restricting the presidency to two terms, abolishing the president’s right to adopt legal acts that supersede laws and granting more authority to the parliament and the Constitutional Court. Additionally, the referendum established a new quasi-representative body – the All-Belarusian People’s Assembly – comprising 1,200 members. This body includes current and former presidents, deputies, senators, government officials, and regional and local executive committee heads as well as 350 local council deputies and 400 representatives from “official” civil society.

Freedom of expression

2

'06 _____ '26 10



Separation of powers

2

'06 _____ '26 10



Formally, the All-Belarusian People's Assembly was granted the status of the highest representative body, with responsibilities including determining the main directions of domestic and foreign policy, military doctrine, national security strategy and socioeconomic development programs. It also plays a role in the election and dismissal of the chairman and judges of the Constitutional and Supreme courts, as well as the chairman and members of the Central Election Commission. Furthermore, it has the authority to introduce a state of emergency or martial law. However, the unwieldy body in practice serves only the directives of the presidential administration.

The judiciary is not independent. Formally, the constitution grants judges independence, but in practice, the judiciary is fully dependent on executive power. The Supreme Court heads the system of courts of general jurisdiction and is the highest judicial body. The Constitutional Court exercises control over the constitutionality of normative legal acts. The Constitutional Court does not have the right to independently make decisions regarding the compliance of normative legal acts with the constitution. It can make such conclusions only upon the appeal of the president, the All-Belarusian People's Assembly, the chambers of parliament, the Supreme Court or the Council of Ministers. Following amendments to the constitution in 2022, the Constitutional Court was given back the right to make decisions on appeals from citizens and courts of general jurisdiction on the constitutionality of laws in specific cases.

Judges of the Constitutional Court and the Supreme Court are appointed and dismissed by the All-Belarusian People's Assembly on the recommendation of the president, while other judges are appointed and dismissed by the president of the Republic of Belarus.

In judicial practice, judges are dependent on the executive branch of power. Courts are also part of the machinery of political repression. In the pattern established since 2020, judges by default support the prosecution and in most cases agree with the punishment requested by the prosecutor. Bar associations have experienced several waves of purges since the events of 2020, as a result of which lawyers who demonstrated independent judgment and defended people who participated in protests have been expelled from the bar and deprived of their licenses (and very often prosecuted). Many of these lawyers have also been forced to leave the country.

Independent
judiciary

3

'06 '26 10



1

Officeholders and civil servants who break the law or engage in corruption can, in some cases, be prosecuted and punished. For example, former Minister of Forestry Vitaly Drozha was convicted in January 2023 for accepting a bribe on an especially large scale. According to the General Prosecutor's Office, more than 900 people were prosecuted for corruption-related offenses in both 2023 and 2024, including 15 high-ranking officials such as deputy ministers and directors of major state enterprises.

However, such cases are typically initiated only with the direct approval of the executive branch. In the case of high-ranking officials, including the heads of large state-owned enterprises, corruption investigations can proceed only with Lukashenko's personal authorization. As a result, corruption within the security services, judiciary, presidential administration and Lukashenko's close circle has remained untouched.

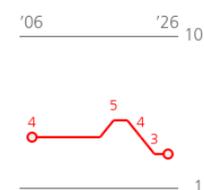
Despite massive abuses of authority by government officials and direct violence against citizens during the events of 2020, none of the individuals responsible were held accountable. On the contrary – many were awarded or promoted, as they either carried out direct orders from Lukashenko or acted in the spirit of those orders.

Civil rights are formally guaranteed by law, but all fundamental rights are systematically violated. Following the events of 2020, an extremely repressive regime was established in Belarus. In 2024, the Viasna Human Rights Center documented 6,550 politically motivated criminal prosecutions. As of early 2025, 1,216 political prisoners remained behind bars, with four political prisoners having died in correctional facilities and remand prisons.

According to Belarusian human rights defenders and reports from respected international organizations, including the U.N. High Commissioner for Human Rights and the U.N. Special Rapporteur on the situation of human rights in Belarus, Belarusian authorities have committed gross human rights violations and crimes against humanity. On September 30, 2024, Lithuania referred the situation in Belarus to the International Criminal Court (ICC), requesting an investigation into crimes against humanity committed by the Lukashenko regime. The government of Lithuania stated that there are substantial grounds to believe that crimes against humanity, including deportation, persecution and other inhumane acts, have been carried out against the civilian population of Belarus since May 1, 2020.

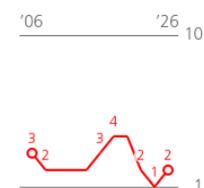
Prosecution of office abuse

3



Civil rights

2



4 | Stability of Democratic Institutions

The Belarusian authoritarian model is based on a rigid vertical of presidential power, concentrated in the hands of Alexander Lukashenko. Key political decisions are made at the level of the Presidential Administration and its subordinate executive structures. The All-Belarusian People’s Assembly, granted constitutional status as “the highest representative body of the people’s power of the Republic of Belarus” in 2022, is also headed by Lukashenko. In practice, it merely rubber-stamps decisions made by the executive branch.

The bicameral Belarusian parliament (the National Assembly), consisting of the lower house (the House of Representatives) and the upper house (the Council of the Republic), has no real power. The Constitutional Court lacks the authority to function as an independent body of constitutional justice, while the judiciary as a whole remains subordinate to and controlled by the executive branch – notably the KGB. Local councils at various levels (regional, district, city and village), though formally elected by citizens, wield no real power and are fully dependent on local executive bodies and higher councils.

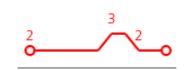
This highly centralized system exists to serve the personal rule of Lukashenko, who has been in power for 31 years. However, such rigidity creates a fundamental contradiction when it comes to ensuring the system’s stability in the event of Lukashenko’s departure – including due to natural causes, as he is now 70 years old. The constitutional amendments adopted in 2022 and effectively implemented in 2024 were intended to establish a framework for a potential transition of power. Some presidential powers were curtailed, including the removal of the president’s right to issue decrees with the force of law. Certain functions were transferred to the All-Belarusian People’s Assembly and its Presidium, while the role of parliament was slightly expanded.

However, because all key positions – including both the presidency and the chairmanship of the All-Belarusian People’s Assembly – remain in Lukashenko’s hands, these changes have not altered the fundamental nature of the country’s political system.

Performance of
democratic
institutions

2

'06 '26 10



There are no genuine democratic institutions in Belarus. The political process is entirely non-competitive, and elected bodies play no substantive role in decision-making. The party system exists only to create an illusion of political competition, as independent political parties have had virtually no chance of securing seats in parliament or local councils since 2006. Following the 2023 reregistration of political parties, any remaining opposition was completely purged. Since 2021, Belarusian authorities have liquidated more than 1,187 civil society organizations, further dismantling independent public and political life.

Belarusian democratic forces in exile strive to build their own system of democratic institutions to demonstrate an alternative vision and viable governance models that could be implemented in Belarus in the future. As part of this effort, proto-executive bodies have been established, including the Office of Sviatlana Tsikhanouskaya (OST), which serves as the prototype of a presidential office; the United Transitional Cabinet (UTC), which functions as a prototype of a government; and the Coordination Council (CC), which is formed as a representative body and parliamentary prototype.

In 2024, the Coordination Council of Belarusian democratic forces organized online elections modeled after international electoral standards. Any Belarusian citizen over age 18 was eligible to participate, with full identity verification required through passport data and facial recognition technology. The elections saw 280 candidates compete for 80 delegate seats, with an independent election commission overseeing the process and international observers present. Despite relatively high awareness of the elections – nearly half (47%) of pro-democracy Belarusians recognized the event as important (People’s Poll, May 2024) – security concerns significantly affected voter turnout. Fearing potential repression, the participation rate remained low, with fewer than 7,000 voters casting ballots.

To strengthen democratic governance and establish internal checks and balances, all major opposition structures have signed a Protocol of Cooperation. This agreement grants the Coordination Council oversight powers, including the right to approve appointments to the United Transitional Cabinet and the authority to monitor its activities through public hearings. However, in practice, competition between these institutions and individual leaders persists, often resulting in a power imbalance favoring executive structures such as the OST and the UTC.

Commitment to democratic institutions

2

'06 '26 10

2

1

5 | Political and Social Integration

The political party system in Belarus has long been weak and fragmented. After the constitutional coup of 1996, parties were divided into pro-government factions and opposition democratic forces. Pro-government parties primarily served to create an illusion of political competition. In practice, parties unaffiliated with the state have had no real chance of entering parliament. By the third convocation in 2004, the parliament was completely devoid of opposition, except during the period from 2016 to 2019, when two members of the opposition were present in the House of Representatives. A similar pattern appeared in local council elections, where since 2003 it has been virtually impossible for opposition candidates to win seats.

During the wave of civic and political activism in 2020, democratic political parties played a secondary role, integrating into the broader protest movement rather than leading it. Following the 2020 elections, some political forces attempted to institutionalize their structures by announcing plans to form new parties. In early 2021, supporters of the most popular opposition candidate, Viktor Babariko, declared their intention to create the Vmeste (Together) party, while the leader of the Tell the Truth political initiative, 2020 presidential candidate Andrei Dzmitryeu, announced plans to transform the initiative into a party called Nasha Partiya (Our Party). However, the escalating wave of political repression prevented these proto-party structures from developing into formal political organizations.

In February 2023, the Lukashenko government enacted new electoral laws that raised the minimum membership requirement for political parties from 1,000 to 5,000 members and required them to have offices in all regions. Also in 2023, as part of a forced reregistration process, all 11 remaining opposition parties were dissolved, including long-standing parties that had existed since the 1990s such as the Belarusian Popular Front, the United Civil Party, the Belarusian Social Democratic Party (Hramada) and the Belarusian Left Party Fair World. As a result, only four pro-government parties remain officially registered: Belaya Rus, the Communist Party of Belarus, the Liberal Democratic Party and the Republican Party of Labor and Justice.

The Belaya Rus party was formally established in 2023, evolving from the state-sponsored public association of the same name, which was originally created to mobilize mass public support for Alexander Lukashenko. It has since become the largest pro-government party in Belarus, with an officially declared membership of around 180,000. In the parliamentary elections held on February 25, 2024, Belaya Rus secured 51 out of 110 seats (46.4%) in the House of Representatives, while the other pro-government parties won a combined total of 19 seats (17.3%). Independent (nonpartisan) pro-government candidates took 40 seats (36.3%). Compared to previous parliamentary elections, the share of party-affiliated deputies grew significantly – signaling an increasing role for political parties within the new authoritarian framework.

Party system

2



The Belarusian authoritarian system is characterized by extensive state regulation and the exclusion of independent actors from the political process. Interest groups – whether civil society organizations, religious communities, political parties or business associations – exist on the periphery of the public sphere and typically lack full autonomy from the state. Addressing any concerns requires involvement and authorization from state authorities. Even minor initiatives, such as organizing a local festival, providing additional education for schoolchildren or holding community gatherings, must be approved by local government officials, often from ideological departments. This creates a hierarchical relationship between the state and interest groups while severely limiting direct horizontal interactions between the groups themselves.

The government’s long-standing policy of restricting civil rights and suppressing civic activity has led to the marginalization of interest groups and the under-representation of their concerns. The ongoing mass repression against a wide range of social groups, which began in 2020, has further deepened political polarization in Belarusian society. Analysts from the Belarusian Change Tracker highlight the growing divide between supporters of the Lukashenko regime and its opponents: “For both segments, their adversaries are the most unacceptable group. For example, ardent regime supporters, despite often holding xenophobic views, are still more likely to accept sexual minorities in society than they are to accept staunch opponents of Lukashenka” (Belarusian Change Tracker, May 2024).

Key democratic political leaders, including Sviatlana Tsikhanouskaya, the main opposition candidate in the 2020 elections, remain in exile. There is no dialogue between the democratic opposition and the Lukashenko regime, and the voices of the regime’s opponents inside the country are almost entirely suppressed.

Levels of approval of democracy and perceptions of its performance among Belarusians are mixed and have evolved over time. Studies such as the World Values Survey (WVS), the European Values Survey and research by the Center for East European and International Studies (ZOiS) indicate a gradual liberalization of Belarusian society between 2011 and 2020 – mainly politically but also economically. Over the past decade, a majority of Belarusians have embraced a more liberal understanding of democracy, associating it with political participation through free elections, gender equality and civil rights.

Although recent comprehensive data is lacking, indirect indicators from studies such as the Chatham House research on the social contract (2024) suggest that public concern over the lack of democracy and rule of law has increased compared to 2009. In 2024, Belarusians were also less likely to believe that the state ensures political stability, upholds the rule of law or provides opportunities to earn money – reflecting a decline in trust in the state’s social and political functions.

Interest groups

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Approval of
democracy

n/a

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n/a _____ 1

Paradoxically, according to the European Union’s annual Neighbours East survey, in 2016, levels of satisfaction with how democracy functions was significantly higher in authoritarian countries such as Belarus (48% indicating they were rather satisfied) and Azerbaijan (58%) than in democratic Moldova and Ukraine, where satisfaction levels were below 15%. However, by 2023, dissatisfaction with the way democracy works in Belarus had grown, with 47% of respondents expressing dissatisfaction – up from 42% in 2016 – reflecting the public disillusionment following the events of 2020.

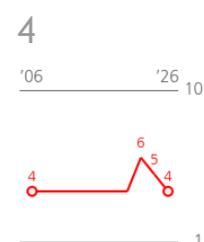
Belarus is often seen as a country with low levels of social trust, a perspective supported by data from the World Values Survey, ZOiS surveys, and independent Belarusian research institutions such as IISEPS and the Belarusian Analytical Workroom. In 2020, ZOiS opinion polls indicated that the overall level of social trust in Belarus was below 23%, with more than 60% of respondents stating they “hardly ever” or “never” trusted people they were meeting for the first time.

However, during the COVID-19 pandemic and the political crisis of 2020, Belarusian society experienced increased social trust among segments of the population opposing Alexander Lukashenko’s regime. This period saw a dramatic decline in trust in state institutions and a simultaneous rise in trust in non-state organizations. From mid-2020 to early 2021, the country witnessed rapid a growth in self-organization across various sectors, including local communities, professional groups and protest groups. Different forms of solidarity networks also emerged during this time.

In the following years (2021 – 2025), the Belarusian state responded with brutal repression, targeting all forms of solidarity network. This led to increasing polarization between supporters of the Lukashenko regime and its opponents. According to the Belarus Change Tracker (May 2024): “Public opinion remains politically polarized: (...) the extreme segments still have a very negative attitude toward each other. At the same time, general satisfaction with the socioeconomic situation in the country is growing, which may affect the balance of political views in the future. Belarusians are also actively assimilating the main strategic narratives of pro-government propaganda: The only exception is ardent opponents of the regime who support the ideas promoted by pro-democratic speakers.”

Belarusian authorities have managed to suppress active street protests, reestablish full political control and achieve a degree of political stability. At the same time, Lukashenko has successfully reinstated an atmosphere of distrust and uncertainty within Belarusian society. People fear expressing their opinions and hesitate to form social connections that could reveal their political views. As a result, most social initiatives within the country remain detached from overt political or policy discourse, operating instead in a space of cautious neutrality.

Social capital



Civil society remains under severe pressure from the Lukashenko regime due to the mass liquidation of organizations, arrests, and criminal prosecutions of activists and leaders. The repression is primarily aimed at dismantling solidarity infrastructure and severing ties between the Belarusian diaspora and resistance networks within the country.

Belarusian society, fatigued by repression, political tensions and economic sanctions, appears to support a political thaw – including improved relations with the European Union, the release of political prisoners and the return of exiles who fled political persecution.

II. Economic Transformation

6 | Level of Socioeconomic Development

According to the World Bank classification, Belarus was classified as an upper-middle-income country in 2024. The most recent 2021 – 2022 UNDP Human Development Report ranked Belarus 60th out of 191 countries, with a score of 0.808. This places Belarus among the countries with relatively high human development, with an average life expectancy of 73.2 years, expected years of schooling of 14 years and gross per capita income adjusted for purchasing power parity totaling \$18,425.

Belarus has the lowest poverty rate in the CIS. The prevalence of poverty, based on the upper-middle-income poverty rate (\$6.85/day 2017 PPP), is low and is expected to decrease from 0.69% in 2023 to 0.57% in 2024. According to data from Belstat, the country's official statistics office, the share of the population with per capita disposable resources below the minimum subsistence budget (about €124) in 2024 does not exceed 3.5%. The Gini index score of 24.4 (most recently measured in 2020) has declined slowly over the past decade and indicates one of the lowest levels of inequality in Europe and Central Asia.

There are substantial regional disparities between the capital city of Minsk and other regions, a fact that prompts people to migrate to the capital or abroad. In 2024, Minsk (30.8%) and the Minsk region (18.0%) accounted for 48.8% of the country's gross domestic product (GDP).

In its 2025 report, the U.N. Committee on the Elimination of All Forms of Discrimination against Women (CEDAW) noted Belarus' efforts to promote gender equality in the economy and labor. At the same time, CEDAW drew attention to the increasing gender pay gap; ongoing occupational segregation characterized by a high concentration of women in low-paid sectors such as education and health care and the under-representation of women in high-paid sectors; the persistence of the list of prohibited jobs for women; and discrimination in hiring based on marital status and the presence of children.

Question
Score

Socioeconomic
barriers

7



1

Economic indicators		2021	2022	2023	2024
GDP	\$ M	69673.7	73775.2	72478.8	75961.9
GDP growth	%	2.4	-4.7	4.1	4.0
Inflation (CPI)	%	9.5	15.2	5.0	5.8
Unemployment	%	3.9	3.6	3.5	3.4
Foreign direct investment	% of GDP	1.8	2.2	2.7	2.3
Export growth	%	10.1	-21.0	19.0	2.9
Import growth	%	5.7	-18.2	22.7	5.3
Current account balance	\$ M	2137.1	2627.7	-1019.8	-1944.6
Public debt	% of GDP	41.2	40.8	40.7	39.9
External debt	\$ M	41653.7	39858.9	36704.5	-
Total debt service	\$ M	4344.0	6809.2	7950.7	-
Net lending/borrowing	% of GDP	-0.3	-1.6	1.3	-
Tax revenue	% of GDP	12.8	11.2	12.7	-
Government consumption	% of GDP	16.8	17.2	17.9	19.0
Public education spending	% of GDP	4.6	4.6	5.0	-
Public health spending	% of GDP	4.9	4.5	-	-
R&D expenditure	% of GDP	0.5	0.5	0.6	-
Military expenditure	% of GDP	1.4	1.6	1.8	-

Sources (as of December 2025): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

7 | Organization of the Market and Competition

Belarus formally operates as a market economy that is heavily distorted by state intervention and the dominant role of the public sector. Government interference extends far beyond setting general rules for market competition, significantly shaping economic conditions to favor state-owned enterprises.

One of the most striking examples of this intervention was the state-imposed price freeze introduced in October 2022 by a directive from Alexander Lukashenko, called “On the Inadmissibility of Price Increases.” Violators faced criminal prosecution.

Market
organization
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Later that year, the policy evolved into a strict approval system requiring businesses to obtain government authorization before raising prices. In early 2024, this permit-based approach was replaced by a more lenient system that allowed companies to adjust prices within specified limits, provided they notified the authorities.

The private sector contributes approximately 55% of Belarus's GDP, while the state sector accounts for 45%. Although Belarusian law formally guarantees equality between different forms of ownership, in practice state-owned enterprises receive preferential treatment. Government regulations are largely crafted to serve the interests of the public sector, often sidelining private businesses. State-owned enterprises benefit from privileged access to government loans – through both directive and special financing for state investment projects – while private firms struggle to secure fair treatment in legal disputes against state-backed competitors.

A key factor reinforcing this imbalance is the dual role of sectoral ministries. Ministries such as Agriculture and Food, Health, Industry, and Communications simultaneously act as regulators and owners of enterprises. This creates strong incentives to use regulatory mechanisms to shield state-owned companies from competition, often at the expense of the private sector.

The Belarusian economy is riddled with barriers to market entry and business operations. Licensing remains a significant hurdle, with 38 types of activities requiring state-issued permits. In addition, raw materials markets are highly monopolized and economic power is concentrated within financial-industrial groups and state-controlled holding companies. Other barriers include restricted access to arable land for private agricultural businesses, excessive costs or limitations on private sector use of public infrastructure, rigid quotas on commodity processing at the Belarusian Universal Commodity Exchange, opaque pharmaceutical registration procedures, foreign capital restrictions in the insurance sector (particularly health insurance), state control over access to telecommunications infrastructure, and licensing requirements for private medical service providers that do not apply to state-run facilities (World Bank, 2021).

Since the political crisis of 2020 and Belarus's complicity in Russia's war against Ukraine in 2022, market competition has further deteriorated. Repression has targeted numerous private enterprises, particularly those whose owners or employees were seen as disloyal to the regime.

In response to Western sanctions, the Belarusian government has introduced so-called asymmetric countermeasures. Since 2023, companies affiliated with "unfriendly" Western countries have faced restrictions, including bans on the sale of shares or real estate. Meanwhile, individuals labeled "extremists" or "terrorists" by the state have been subject to severe punitive measures – ranging from arrest and imprisonment to the confiscation and sale of their assets.

Under such conditions, a significant portion of businesses have relocated abroad. While the exact scale of this corporate exodus remains difficult to quantify, expert estimates suggest that by the end of 2024 thousands of companies will have left Belarus.

Belarus' commitment to promoting fair competition is embedded in its foundational legislation, notably the Law on Counteracting Monopolistic Activity and Developing Competition. This law aims to create an environment supportive of dynamic commodity markets, while also ensuring equitable competition and protecting consumer rights.

In line with the Eurasian Economic Union's directives, Belarus in 2016 established the Ministry of Anti-monopoly Regulation and Trade (MART). MART has been instrumental in guiding the nation's antitrust policies and ensuring compliance with competitive practices. Notably, in 2021 and 2022, MART increased its oversight of price regulation. During this time, for about 350 categories of goods listed in Belstat's registries, any proposed price increase required detailed justification and approval from relevant state authorities.

A landmark development occurred in November 2022 when the anti-monopoly agencies of Russia and Belarus formalized their collaboration by signing an intergovernmental agreement. This accord, crafted under the Union Program on Common Rules of Competition, mandates the uniform application of anti-monopoly laws across enterprises operating within the two members of the Union State framework. The agreement took effect January 23, 2023.

The Belarusian economic landscape is marked by significant monopolization, especially within raw material markets, and a pronounced concentration of economic power among state-owned financial-industrial conglomerates and holding companies. These structural challenges have been exacerbated by the effects of Western sectoral sanctions. As of early 2023, the State Register of Natural Monopolies included 185 entities, while the Register of Economic Entities Holding a Dominant Position in Commodity Markets listed 857 entities.

In a move to refine antitrust regulations, July 2024 saw the enactment of amendments to the law "On Counteracting Monopolistic Activity and Developing Competition." These revisions aimed to enhance merger control mechanisms by broadening the range of actions exempt from being classified as economic concentrations. Additionally, the financial thresholds requiring merger clearance were raised, effectively reducing the administrative burden on businesses and promoting a more streamlined regulatory environment.

Competition policy

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Belarus has been negotiating its accession to the World Trade Organization (WTO) for nearly 30 years, beginning in 1993. The intensity of these negotiations has fluctuated depending on cycles of political relations with the West. From 2016 to 2019, Belarus intensified its efforts to join the WTO, setting ambitious goals of completing negotiations and achieving membership by 2020. However, following the imposition of economic sanctions against Belarus in 2020, the intensity of negotiations declined. Despite this, Belarus remains engaged in the accession process; for example, a Belarusian delegation participated in the ministerial meeting of the Informal Group of Acceding Governments (IGAG) in February 2024.

As a member of the Eurasian Economic Union (EAEU), Belarus follows the customs and tariff regulations of the EAEU, which maintains a single customs territory for its five member states (Armenia, Belarus, Russia, Kazakhstan and Kyrgyzstan). In trade with foreign countries, EAEU member states apply the EAEU Common Customs Tariff. According to WTO data, the most-favored-nation tariff rate for Belarus was 6.6% in 2023. Belarus remains the only EAEU country that is not a WTO member. The EAEU aims to establish a unified free trade zone for all its participants; however, internal barriers remain a significant issue. The EAEU registry currently lists 34 trade restrictions, half of which are expected to be eliminated by 2025.

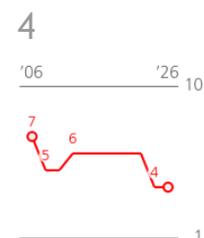
The European Union, the United States and several other countries have imposed a wide range of economic sanctions on Belarus. These sanctions notably include:

- Prohibitions on the sale of specific equipment, technology or software;
- Trade restrictions on petroleum products, potassium chloride (potash), iron and steel, wood, cement and goods used in tobacco production;
- Broad financial restrictions, including a ban on providing insurance to the Belarusian government or public bodies and limits on cash transfers; and
- A ban on the export of dual-use goods.

Sanctions have significantly altered Belarus's trade structure. Between 2015 and 2020, Belarus's main trading partners were Russia (approximately 40% of total trade), the European Union (about 30%) and Ukraine (around 12%). By early 2023, Belarus had almost entirely ceased trade with Ukraine, while Russia's and China's shares of Belarus's total trade volume had increased to 66.3% and 9.2%, respectively. The European Union remained Belarus's second-largest trading partner, but its share dropped to 12%.

Facing isolation from Western countries, Belarus is becoming increasingly dependent on the Russian market and competition system, and is thus losing its global position year after year. In an effort to compensate for this decline, it has been actively seeking access to Asian and African markets. In 2024, Belarus ratified a free trade agreement with Iran, expanded trade volumes with China and began negotiations for an economic partnership agreement with the United Arab Emirates, a free trade agreement with Indonesia and a temporary trade agreement with Mongolia.

Liberalization of foreign trade



As of January 1, 2024, Belarus had 22 registered commercial banks. The National Bank of the Republic of Belarus oversees the banking sector and ensures its stability. It also designates systemically important banks – those critical to maintaining the financial system’s stability and functionality. In 2025, five banks hold this designation: the two largest state-owned banks, Belarusbank and Belagroprombank; Priorbank, which changed ownership in 2024 after Raiffeisen Bank International sold its 87.7% stake to the UAE-based SOVEN1 Holding Limited; and two Russian banks, Alfa-Bank and Sberbank.

State-owned banks dominate the financial sector, accounting for more than 60% of total banking assets. These institutions benefit from government support and play a key economic-policy role, primarily through issuing loans to state-owned enterprises.

The National Bank of Belarus seeks to align its regulatory framework with the Basel Committee on Banking Supervision’s recommendations, often enforcing stricter measures than other Eurasian Economic Union (EAEU) countries. Notably, Belarus directly implements Basel capital buffers, so banks that fail to meet capital requirements – including buffer thresholds – face operational restrictions or even license revocation. Additionally, entry barriers for new banks are relatively high: The minimum capital requirement to establish a bank in Belarus is nearly double that needed for a universal banking license in Russia.

The National Bank of Belarus maintains tight control over banking credit policies, imposing strict budgetary constraints. Banks must adhere to prudential requirements such as capital adequacy and liquidity ratios. The annual Monetary Policy Guidelines set by the National Bank establish specific risk management criteria, including a cap on non-performing assets, which generally must not exceed 10% of risk-exposed assets. According to National Bank data, as of the end of 2024, the capital-to-assets ratio reached 17.2% and the ratio of non-performing loans to total gross loans stood at 3%.

Since 2021, Belarusian banks have faced increasing international sanctions, primarily from the European Union. By early 2025, nine Belarusian banks were under various international sanctions, with BelVEB and Belgazprombank added to the EU sanctions list in February 2025.

The resilience of Belarus’s banking system under current conditions remains uncertain. Between 2021 and 2023, Fitch Ratings repeatedly downgraded Belarusian banks and issued negative outlooks. In May 2023, the state-run Development Bank – established to finance government programs – was downgraded to the category of “restricted default” due to its failure to meet eurobond payment obligations. Experts from the Belarusian Economic Research and Outreach Center (BEROC) have warned that underlying risks in the sector could be substantial despite official banking statistics.

Banking system

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Although the adoption of the 2015 Securities Law introduced some improvements, Belarus's securities market remains largely underdeveloped. The country enforces strict disclosure regulations in its securities market.

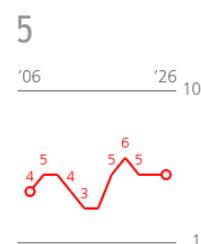
8 | Monetary and fiscal stability

The Consumer Price Index (CPI) increased by 5.2% in 2024, in line with the National Bank's target of keeping the inflation rate below 6%. Inflation rates in Belarus have remained relatively high and volatile in recent years, creating uncertainty for businesses and consumers alike. In the 2021 – 2022 period, the annual inflation rate exceeded 10%, but since 2023, it has stabilized at between 5% and 6%, largely due to the government's strict price controls. However, independent economists warn that suppressing inflation through non-market interventions generates hidden inflationary pressures, as prices in deregulated sectors have been rising at double-digit rates. Should the authorities ease price controls, the inflation rate is projected to accelerate to 6% to 8%, according to BEROC forecasts.

Belarus does not maintain a fixed exchange rate; instead, the value of the Belarusian ruble is pegged to a currency basket. However, given the country's heavy economic reliance on Russia, the exchange rate is influenced by fluctuations in the Russian ruble. The National Bank faces the persistent challenge of preventing excessive appreciation of the Belarusian ruble against the Russian currency while also avoiding steep depreciation against the U.S. dollar. With Belarus's exports overwhelmingly dependent on the Russian market – which accounted for 65% of total exports in 2024 – a strong Belarusian ruble relative to the Russian ruble undermines the competitiveness of Belarusian producers. At the same time, the tight link between the two currencies heightens devaluation risks, particularly if new oil sanctions against Russia prove effective.

According to BEROC, by mid-2020, the National Bank had effectively lost its operational independence, as it no longer controlled key aspects of monetary policy. Between 2022 and 2024, the government set explicit targets for inflation, ruble monetary base expansion, broad money supply, bank lending and the refinancing rate. As a result, the National Bank has been tasked with managing both money supply and price levels simultaneously – a policy approach that has led to a discretionary and reactive monetary stance. Since mid-2020, under government pressure, the National Bank has prioritized stimulating economic activity, demonstrating a greater tolerance for inflationary risks.

Monetary stability



Belarus reported a current account deficit of \$396.5 million in the third quarter of 2024, with the country's average current account balance at -\$500 million from 2000 to 2024. A widening current account deficit signals growing external debt, which could slow economic growth and put downward pressure on the national currency.

According to the World Bank, Belarus's external public debt shrank by 12% in 2023, reaching \$24.95 billion. As a share of GDP, external debt declined from 51.3% at the start of 2024 to 48.6% by October 2024. Belarus remains Russia's largest sovereign debtor, with outstanding obligations of nearly \$7.75 billion to Moscow.

Between January and November 2024, the consolidated budget recorded a surplus of 4.9 billion rubles (3.03% of GDP), despite an initial projection of a 6.2 billion ruble deficit (-2.19% of GDP) for the year. This unexpected surplus was driven in part by reduced public debt servicing costs and a significant surplus in targeted government funds.

The 2025 budget maintains an expansionary stance, focusing on stimulating economic activity and supporting real household incomes. Increased expenditures are planned for social programs, including education and health care. While the government aims to sustain economic stability through fiscal measures, this approach risks widening the budget deficit and increasing public debt. The 2025 deficit is projected to be 1.6% of GDP, and is expected to be financed through Russian loans.

9 | Private Property

Property rights in Belarus are legally guaranteed but remain heavily restricted by the state. In practice, violations are widespread, including infringements on the rights of foreign property owners. The Belarusian constitution recognizes two forms of ownership – state and private (Article 13) – and guarantees the inviolability of property (Article 44). However, key natural resources, including agricultural land, mineral deposits, water bodies and forests, remain under exclusive state ownership. The Civil Code outlines regulations on the ownership, use and transfer of property, while land ownership is governed by the Land Code. Following the adoption of the revised Land Code on January 1, 2023, foreign citizens were granted only limited rights to acquire land in Belarus.

Despite legal protections, private companies and foreign investors frequently face government interference, sometimes resulting in outright expropriation. One of the most high-profile cases involved Austrian investor Alexander Muravyov. In 2013, his company ATEC Holding GmbH acquired a 99.72% stake in the Motovelo factory from the state. However, five years later, the government demanded the company surrender its shares to the state free of charge. When Muravyov refused, he was arrested, sentenced to 11 years in prison, and stripped of all his and his company's assets.

Fiscal stability

5

'06 '26 10



Property rights

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'06 '26 10



The 2020 political crisis further eroded property rights, leading to mass seizures and government takeovers. Repressive measures included forced leadership changes in companies – as seen in the case of Belgazprombank, whose chairman, opposition candidate Viktor Babariko, ran in the 2020 presidential elections – as well as business closures under state pressure and direct extortion by law enforcement targeting detained entrepreneurs and wealthy individuals. In 2022, the government formally legalized property confiscation from individuals and businesses accused of “unfriendly actions” against Belarus by passing the Law on Property Seizure and the Law on Questions of Placement Under Temporary External Management.

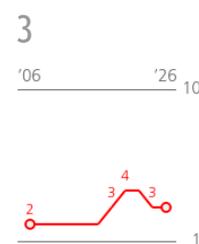
Between 2023 and 2024, these repressive measures expanded beyond high-profile opposition figures to target activists and civil society members. In October 2024, authorities confiscated a century-old wooden house near Pinsk owned by the family of Aleksy Dzikawicki, deputy director of Belsat TV broadcasting from Poland. That same year, the government announced the seizure of property from 104 opposition activists who had fled the country, further escalating its crackdown on dissent.

Privatization in Belarus has always been limited, progressing at a slow pace with only occasional surges, typically driven by economic difficulties. While a legal framework for systematic privatization was established in the early 1990s, the process was largely dismantled after Alexander Lukashenko came to power in 1994. Brief revivals of privatization occurred in 2007, 2011 and 2019, spurred by economic challenges stemming from deteriorating relations with Russia. However, most ambitious privatization plans remained unfulfilled. The state remains highly cautious in selling off public assets, generally favoring the privatization of small enterprises while carefully controlling the sale of large industrial firms.

The true size of Belarus’s private sector after 2020 is difficult to assess due to government restrictions on economic data. Estimates suggest the private sector accounts for about 55% of GDP, compared to 45% for the state sector. Despite limited privatization and an often hostile business climate, Belarus’s private sector experienced steady growth from 2012 to 2020. It became the most dynamic segment of the economy despite a lack of financial and institutional support and unfair competition with state-owned enterprises. The expansion of the private sector also helped diversify Belarus’s foreign trade, reducing reliance on Russian markets and resources.

However, after 2020, the business environment deteriorated significantly due both to internal and external factors. Domestic factors included widespread political repression, legal uncertainty, tax policy changes, state-imposed price controls, and targeted pressure on politically disloyal businesses and their owners. Additionally, the mass emigration of skilled workers exacerbated labor shortages. External factors such as international sanctions and Belarus’s deepening alignment with Russia have led to capital flight, supply chain disruptions and the forced reorientation of businesses toward the Russian market.

Private enterprise



According to a 2023 BEROC survey on private business sentiment, the key obstacles facing Belarus's private sector include a severe labor shortage, macroeconomic instability, disruptions in supply chains, difficulties in sourcing goods due to sanctions and counter-sanctions, and increased state intervention in pricing policies.

The challenges facing the private sector have drawn the government's attention, but it continues to send mixed signals. At the end of 2024, Alexander Lukashenko suggested that local authorities should appoint the leaders of private enterprises. However, in early 2025, during a special meeting with representatives of large private businesses, he promised support and improved conditions for the sector.

10 | Welfare Regime

The Belarusian state traditionally presents itself as socially oriented, with a high share of government spending allocated to social programs. In certain respects, this aligns with reality – Belarus provides free or subsidized access to social services, including health care, education, housing and public transportation. There is also an extensive system of targeted state benefits and subsidies for vulnerable groups such as low-income individuals, pensioners, youth and young families. The country boasts high scores on the Human Capital Development Index and maintains relatively low poverty rates.

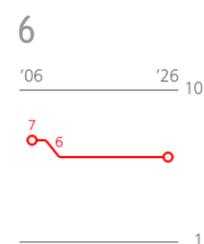
The state ideology aims to establish a unique form of “social contract” with the population, exchanging political loyalty for material benefits and social support. The government seeks to foster dependence, portraying itself as a benevolent provider, without which individuals would struggle to support themselves and their families – thus discouraging political engagement.

At the same time, compared to developed countries, Belarus's overall level of social spending remains lower than in OECD nations. According to the prime minister, 2024 funding for the social sector amounted to approximately 31 billion Belarusian rubles, or 12% of GDP. By comparison, social spending in neighboring Lithuania and Poland stood at 19.8% and 22.7% of GDP respectively.

Within the pension insurance system, contributions toward old-age pensions account for 29% of the wage fund, yet retirees in Belarus are entitled to receive only 55% of their average monthly earnings as pensions. The system also includes disability pensions, maternity and childbirth benefits (covering 180 days) and childcare allowances paid until the child reaches 18 years of age.

Belarus has a well-developed public health care system, with medical services predominantly state-funded and free of charge for citizens. A wide range of services, including dentistry, are publicly financed; however, patients must pay for outpatient medications and dental prosthetics unless they belong to a protected category. In

Social safety nets



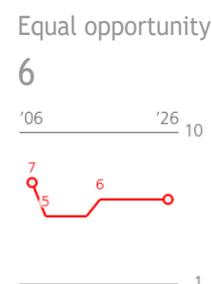
2024, government health care spending accounted for 4.8% of GDP, with three-quarters of total health expenditures being publicly funded – a level comparable to other upper-middle-income countries. The private health care sector remains small. Belarus continues to rely heavily on hospital-based care, maintaining one of the highest numbers of hospitals and hospital beds per capita in WHO’s European Region. The country also has high vaccination coverage and manages tuberculosis and HIV through specialized national programs. The health care system is centralized and structured to deliver mass, standardized services, often at the expense of quality treatment for complex diseases. Since 2020, following a wave of medical doctor emigration, Belarus has faced a persistent shortage of qualified medical professionals.

Household surveys indicate that the actual unemployment rate in Belarus has remained below 4% in recent years, reaching 3% (or 150,400 people) in 2024, according to Belstat. However, the country has virtually no unemployment support system or active labor market policies. In 2024, only 3,600 individuals – just 2.5% of the total unemployed – were officially registered with state employment services. As of early 2025, the minimum unemployment benefit was 42 rubles (€12.30) per month, nearly 10 times lower than the officially recognized subsistence minimum of 447.64 rubles (€131.40).

In the World Economic Forum’s 2024 Global Gender Gap Index, Belarus was ranked 55th out of 146 countries. While the country performed well in the categories of economic participation and opportunity for women, securing sixth place with a score of 0.818, its ranking in the area of political empowerment was significantly lower, at 109th place. As of 2024, women held over 40% of parliamentary seats and accounted for 46.3% of senior leadership positions in the workforce. Gender parity has been achieved in primary education enrollment, with Belarus maintaining a Gender Parity Index (GPI) score of 1.0 for many years. Additionally, 97.5% of women had attained at least a secondary education, contributing to an impressive literacy rate of 99.8%, according to U.N. data.

However, the United Nations has highlighted several critical issues, including the absence of specific legislation addressing domestic violence, the lack of a legal definition of discrimination, weak law enforcement and limited institutional capacity to promote gender equality. Despite these challenges, the 2022 Human Development Report indicated that Belarus experiences a relatively modest 5.3% loss in human development due to inequalities – a more favorable figure than those found in neighboring countries.

Gender wage disparities persist in Belarus. In December 2021, women’s nominal average monthly wages were only 71.9% of men’s (CEDAW Report 2023). This gap primarily stems from two factors: women’s disproportionate employment in lower-paid sectors such as education, health care and social security, and their under-representation in higher-paying positions across various industries.



Since the 2020 political crisis, female political activists have been targeted with gender-specific intimidation tactics, including threats of sexual violence and the denial of basic sanitary needs while in detention.

Beyond gender issues, certain social groups in Belarus continue to face economic and social barriers, including the Roma community, people with disabilities, LGBTQ+ individuals, migrants and specific religious groups. In 2024, the authorities introduced a draft law proposing administrative penalties for the “promotion of nontraditional family relationships,” explicitly targeting LGBTQ+ rights.

11 | Economic Performance

By the end of 2024, Belarus’s GDP had grown by 4%, reaching a total of \$74.73 billion (GDP per capita at current prices: \$8,161.8) (Belstat, 2025). This marked the highest growth rate in the past five years. GDP per capita in purchasing power parity (PPP) terms was \$27,718 (2023).

The main driver of economic growth in 2024 was the industrial sector, which expanded by 5.4%. Trade also played a significant role in boosting economic activity, adding about 0.5% to GDP growth, driven by an 11.8% increase in retail trade and a 2.6% rise in wholesale turnover.

Real disposable household incomes increased by 9.5%, while real wages rose by 12%. Investment levels reached 108% of the previous year’s figures, marking a 1% increase compared to 2023.

Despite overall positive economic performance in 2024, analysts from the independent research center BEROC noted a slowdown in growth during the second half of the year. As a result, they predict that economic expansion will decelerate to 1.5% to 2% in 2025.

Economists have also highlighted two major challenges facing the Belarusian economy: a labor shortage and an unsustainable wage increase not aligned with productivity growth. The country is experiencing excessive domestic demand and overconsumption of goods and services, fueled by rapid income growth.

Foreign trade in goods and services shifted into deficit due to weakening export dynamics and excessive domestic demand.

Inflation in 2024 remained under control, with the 5.2% rate not exceeding the 6% ceiling, but price pressures in the economy remain. The authorities curbed price growth through administrative measures, resulting in a record-low increase in regulated tariffs.

Output strength

6

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12 | Sustainability

In the 2024 edition of the Sustainable Development Report, Belarus was ranked 30th among 166 countries. Since 2015, Lukashenko's administration has consistently reaffirmed its commitment to achieving the Sustainable Development Goals (SDGs). Belarus has adopted a National Strategy for Sustainable Socioeconomic Development for the period lasting until 2030. The country has established a Sustainable Development Council, implemented an SDG National Reporting Platform and maintains an SDG Roadmap.

Belarus has taken several steps toward achieving a low-carbon economy. The country has developed a national green economy plan, which is set to guide its efforts until 2025. In 2021, Belarus set a conditional target of reducing greenhouse gas emissions by at least 40% by 2030 compared to 1990 levels and, by early 2024, had fulfilled these obligations.

Belarus has several policy documents focused on the development of a green economy and climate change adaptation, such as the National Action Plan for the Development of the Green Economy (2021 – 2025), the Strategy for the Adaptation of Belarusian Agriculture to Climate Change until 2050 and the Strategy for the Adaptation of Belarusian Forestry to Climate Change until 2050. Yet, despite having comprehensive plans and strategies, Belarus struggles with the practical implementation of its environmental policies. There is a lack of public financing for green initiatives, and reliance on external funding sources is not well-defined. Belarus continues to rely heavily on fossil fuels, which is hampering its transition to renewable energy sources.

One more serious shortcoming is the lack of involvement of NGOs at both the development stage and the assessment stage. The government does not seek to engage independent expertise when assessing the actual results. On the other hand, despite the absence of NGOs and independent expertise, the environmental sector in Belarus is well staffed with experts. Addressing environmental and climate challenges remains a top priority at both the national and local levels. While solutions and policy dynamics could be more effective and inclusive, the sector has shown some progress in recent years.

According to World Bank data, Belarus allocated 5% of GDP to education in 2023, a level consistently maintained since 2013. However, levels of investment in research and development remain critically low, amounting to just 0.5% of GDP in 2022.

Belarus boasts high enrollment rates across primary, secondary and higher education (95%, 94% and 67%, respectively). However, education quality remains a significant concern. In the 2018 Program for International Student Assessment (PISA), Belarus ranked 31st worldwide, performing close to the OECD average and among the top

Environmental
policy

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Education policy /
R&D

5
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five post-Soviet countries. Still, independent experts (Bank of Ideas, 2023) report that since 2020, the education sector has experienced significant deterioration.

Belarusian universities rank poorly in global assessments. The country's leading institution, Belarusian State University (BSU), has consistently declined in the Times Higher Education World University Rankings – falling from the “1001+” category in 2021 to “1501+” in 2025. Other Belarusian universities fail to appear in international rankings due to non-compliance with evaluation standards.

The higher education system is largely state-controlled, with 82.9% of funding coming from the government. The authorities exert significant influence over university governance, curricula and academic activities, while international academic cooperation remains severely restricted. Some positive reforms were initiated between 2015 and 2020, particularly after Belarus joined the Bologna Process in 2015. However, since 2020, the situation has deteriorated sharply – characterized by mass repression against students and an exodus of academic professionals. In 2023, Belarus recorded the lowest score in both Europe and the post-Soviet space in the Academic Freedom Index (AFI).

For the past 15 to 20 years, the science and research sector in Belarus has been in steady decline, marked by chronic underfunding, weak integration into the economy, shrinking numbers of research personnel and large-scale academic migration. Ideological constraints continue to hinder development, particularly in the social and humanitarian sciences. For example, independent sociological research has been banned in Belarus since 2020.

In 2024, Belarus continued its downward trajectory in the Global Innovation Index, dropping from 80th to 85th place. For comparison, it ranked 62nd in 2021 and 77th in 2022.

Governance

I. Level of Difficulty

Belarus is a geographically compact, landlocked country with strong connectivity to both Europe and Asia. It lies at the intersection of two Pan-European multimodal corridors (II and IX) and, before the 2020 political crisis, was included in the European Union's plans for expanding the Trans-European Transport Network (TEN-T). Major energy transit routes, such as the Yamal-Europe gas pipeline and the Druzhba oil pipeline, pass through Belarus, linking Russian suppliers with European consumers of oil and gas. To compensate for its lack of direct access to the sea, the Belarusian government has invested in port infrastructure in Lithuania (Klaipėda) and Russia (Saint Petersburg). Belarus's strategic location and existing infrastructure have historically allowed it to benefit significantly from transit trade, the re-export of Russian oil and petroleum products, and the export of Belarusian potash fertilizers.

Belarus has a relatively homogeneous population in terms of ethnicity and religion. The country is classified as having an upper-middle-income economy, with relatively even income distribution and a low wealth gap between rich and poor. It boasts a high level of human capital and a well-educated workforce. However, there are significant regional disparities, with the capital, Minsk, concentrating one-fifth of the population, possessing better infrastructure and enjoying higher levels of economic development than other regions.

The population has good access to essential infrastructure, public transportation, free education and basic free health care services. Belarus's well-developed health care system, particularly its hospital infrastructure, allowed the country to manage the COVID-19 pandemic relatively effectively, despite controversial government decisions regarding pandemic response measures.

Belarus faces significant risks due to its geopolitical position between an aggressive Russia and Europe. Russia is pursuing an expansionist policy focused on "deepening integration" with Belarus within the Union State framework, and is thus increasing its political, military-strategic and economic control over the country.

This has compounded Belarus's isolation from Western countries and Ukraine, severely undermining its transit advantages. Transportation links with the European Union and Ukraine have been significantly restricted, including bans on air travel and passenger rail services. Economic sanctions targeting Belarusian oil and potash

Structural
constraints

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exports have to a sharp decline in trade with the European Union. Due to sanctions and Belarus's toxic image in the West as a co-aggressor, Belarusian enterprises have largely been forced to shift their focus to Russian and Asian markets. As a result, Belarus has become increasingly dependent on Russia both economically and politically, posing serious risks to its sovereignty.

As a post-Soviet country, Belarus experienced only a brief period of unstable democratic transformation, which ended with the establishment of an authoritarian regime in the mid-1990s. Under these conditions, public and civic activities developed in opposition to the efforts of the current government. The Lukashenko regime has deliberately suppressed the growth of civil society, excluding public associations and interest groups from any platforms or opportunities for equal dialogue with the state. After ratcheting up repression against the dissenting majority of society in 2020, the state imposed a top-down model of state-civil society relations was imposed, under which civil society organizations could either serve state interests – thus gaining a limited hearing for their issues – or be pushed aside.

Among Eastern Partnership countries, Belarus has the lowest number of officially registered civil society organizations per 10,000 citizens (CSOMETER, 2023). At the beginning of 2021, Belarus had 3,021 registered civil society organizations, but by 2024 this number had dropped to 1,973 (Belarusian Ministry of Justice data).

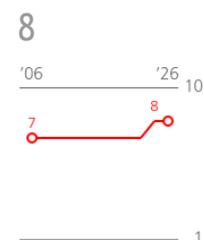
A notable surge in civic engagement and the rapid growth of informal citizen associations were already observable between 2016 and 2018, but this phenomenon accelerated during the COVID-19 pandemic and the wave of mass political mobilization in 2020. During this period, public participation in civic initiatives, levels of trust in civil society, and the prevalence of social solidarity and self-organization all increased significantly. However, following the failure of the democratic revolution and the imposition of harsh government repression, civic activism and participation in civil society organizations had declined critically by 2024.

Levels of interpersonal trust and social solidarity in Belarus have traditionally been assessed as low.

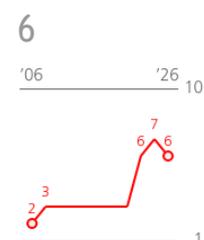
Belarus' acute sociopolitical crisis of 2020, which escalated into months-long protests, was not recognized by those in power as signaling a need for reforms, and consequently led neither to negotiations nor a true resolution. Instead, the authoritarian regime maintained its grip on power through mass police violence and the establishment of an extremely harsh repressive system. By the second half of 2021, Lukashenko's regime had managed to suppress all significant pockets of resistance within society and fully restore its political control.

The use of force to resolve the political crisis led to deep polarization in Belarusian society. The social distance index continues to reflect strong mutual rejection between the extreme segments of the conflict – that is, between supporters of

Civil society traditions



Conflict intensity



Lukashenko’s regime and its opponents. For both groups, their adversaries remain the least acceptable social category. Sociopolitical tensions persist, particularly in light of ongoing repression.

At the same time, there is a growing trend of fatigue among the population regarding the prolonged conflict. Chatham House research (December 2024) indicates that a majority of Belarusians want an end to repression, the release of political prisoners and the restoration of relations with the West.

II. Governance Performance

14 | Steering Capability

The strategic priorities of Belarusian state policy are set by the National Strategy for Sustainable Socioeconomic Development, adopted for a 15-year period, as well as by general state programs for socioeconomic development developed by the government for five-year periods and approved by the president.

The latest Program for Socioeconomic Development of the Republic of Belarus for 2021 – 2025 focuses on achieving sustainable economic growth, increasing household incomes, expanding and diversifying exports, accelerating the development of high-tech and knowledge-intensive services, and regional development. The provisions of the national program are detailed in sectoral state programs adopted at the level of individual ministries and state committees. Currently, 36 such programs are in effect, including the State Program for Innovative Development of the Republic of Belarus (2021 – 2025), the State Program “Transport Complex” (2021 – 2025) and the State Program “Labor Market and Employment Promotion.”

The Belarusian ruling elite consists of two informal groups – the “technocrats” and the “siloviki” – with differing preferences that dilute prioritization: The technocrats oversee economic and social affairs, primarily working in economic ministries, the National Bank and the Ministry of Foreign Affairs. They focus on pragmatic socioeconomic issues, are less ideologically driven and generally support limited engagement with the West. The siloviki – including figures in the KGB, the Ministry of Interior, the Ministry of Information, and other security and ideological services – are responsible for social stability and ideological loyalty. They are more aligned with Russia, rely on police control and ideological oversight, and support repressive measures to maintain political stability. Since 2020, the siloviki have played a dominant role in decision-making.

Question
Score

Prioritization
3

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Despite adverse external factors – including sanctions, reduced trade and transport links with the West, the near-total loss of the Ukrainian market and ongoing sociopolitical tensions – the Lukashenko regime has managed to achieve its economic-policy objectives by 2024.

During 2023/2024, GDP grew by 3.7% – 4%, export revenues reached a 12-year high, household incomes and real wages rose, investment increased and foreign exchange reserves expanded. Inflation remained relatively moderate, defying expectations given the country’s economic isolation.

However, independent experts at BEROCC caution that Belarus’ economic expansion is unsustainable and unbalanced, for the following reasons:

- The economy is overheating, with wage growth outpacing productivity gains.
- Underlying inflationary pressures persist despite official figures suggesting stability.
- Growing dependence on Russia poses a serious risk, meaning that any downturn in the Russian economy could destabilize Belarus.

One of the most pressing challenges for the government is the ongoing exodus of skilled labor.

This issue is further exacerbated by low birth rates and an aging population. According to the U.N. World Population Prospects 2024, Belarus was ranked eighth among 44 European nations most at risk of significant population decline by 2100.

While the government has shown determination and resilience in maintaining economic growth under severe constraints, the structural fragility of the economy – along with demographic decline and increasing reliance on Russia – raises concerns about long-term sustainability.

Belarus’s policymaking, due to its authoritarian nature and centralized decision-making, is characterized by low levels of innovation, selective learning and minimal flexibility in governance. While economic management shows some pragmatism, political and social policies remain rigid, exclusionary and resistant to reform. The lack of inclusive learning mechanisms means policy adjustments are primarily driven by goals of regime survival rather than societal progress. The absence of independent institutions for policy assessment and the low inclusivity of social groups in devising government policies significantly limit evidence-based policymaking and policy effectiveness.

At the same time, it is important to consider that the authoritarian regime in Belarus has been in place for nearly 30 years. Despite growing socioeconomic underperformance compared to its Western neighbors, Belarus has managed to maintain long-term stability. This demonstrates a certain level of adaptability within

Implementation

4

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Policy learning

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the authoritarian regime – at least in terms of retaining political control. During periods of improved relations with the European Union, particularly between 2016 and 2020, the Belarusian government actively implemented good practices and engaged in knowledge exchange across various sectors. Projects included cooperation and the adoption of Western standards in the areas of banking, customs administration, integrated border management, the development of small and medium-sized enterprises, educational reforms, energy efficiency, urban and regional policy, and climate adaptation strategies. Some of these advancements have remained part of actual government practices.

15 | Resource Efficiency

Belarus's government shows a mixed record in the efficient use of human, financial and organizational resources. While the executive branch maintains a highly centralized administrative system with some capacity for pragmatic economic management, inefficiencies arise due to political control, strong ideologization, limited transparency and weak institutional oversight.

The Belarusian state employs a large bureaucratic apparatus, with personnel expenses remaining significant relative to the services provided. Politically motivated dismissals are frequent, particularly following political crises. After the 2020 protests, large-scale purges took place in government institutions, universities and state enterprises, targeting individuals perceived as disloyal. Recruitment into public service is heavily influenced by political loyalty rather than merit. Competitive hiring procedures exist but are compromised by ideological vetting, especially for high-ranking positions.

Nevertheless, despite large-scale purges in the public administration and other government institutions, the public administration still includes sufficiently competent experts at the middle level, although their numbers are declining. At the same time, changes made by the public administration have been largely technical, with little effort to improve accountability or citizen engagement.

Belarus has historically maintained a relatively low level of public debt, avoiding excessive borrowing, though its financial dependence on Russia has grown significantly. Budget planning and execution lack transparency. Official budget documents are available, but independent audits and real parliamentary oversight are absent. The government rarely publishes detailed breakdowns of actual expenditures and has not publicized key statistical data for the period after 2022.

There are cases of budget misalignment, with frequent emergency reallocations, particularly in politically sensitive years. Spending priorities often reflect political rather than economic rationality, for instance by focusing on increased security and expanded law enforcement budgets following the 2020 crisis.

Efficient use of assets

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The public administration is centralized, with little room for autonomous decision-making at the local level. Administrative structures function primarily to execute top-down directives rather than to manage resources independently and effectively. Decentralization is largely absent. Local governments are subordinate to the executive branch and lack financial and legal autonomy. Public participation in local governance is minimal, and oversight mechanisms are weak.

The government's ability to coordinate conflicting objectives into a coherent policy is heavily influenced by its authoritarian, centralized governance style. While the state effectively enforces top-down directives and maintains political stability, its coordination mechanisms lack inclusivity, transparency and institutional flexibility. This results in rigid but functional policy coherence that prioritizes regime stability over economic efficiency or social development.

The goals of economic pragmatism and policy effectiveness exist, but they remain secondary to political loyalty. For example, while the government has made efforts to sustain economic growth and maintain social stability, politically driven decisions – such as the repression of independent businesses and civil society – undermine long-term economic sustainability. Trade-offs between economic cooperation with Russia and maintaining some degree of sovereignty are visible in security, energy, trade, taxation and financial policies, where Belarus has increased reliance on Russian subsidies and support while trying to avoid full economic and political absorption.

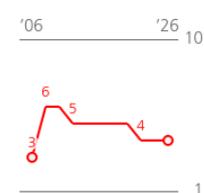
Policy coordination is highly centralized and hierarchical, with decision-making power concentrated in the Presidential Administration. Other executive bodies, including the Council of Ministers, have limited autonomy and depend on the “presidential vertical.” While an institutionalized interministerial coordination mechanism exists – outlined in legal frameworks governing the adoption of normative acts and overseen by the Council of Ministers – its effectiveness is constrained by the overarching dominance of the presidential administration in the areas of policy formulation and enforcement.

Belarus has a robust anti-corruption legal framework that includes provisions from the Criminal Code, Administrative Code, Law on Public Service and Law on Combating Corruption. Since 2021, the country has implemented a national anti-corruption strategy valid through 2030. Belarusian regulations require managing potential conflicts of interest in government procurement, an area known to be particularly vulnerable to corruption.

In 2024, 709 individuals were convicted of corruption-related crimes, a 1.1% decrease compared to the previous year. The most prevalent offenses include embezzlement through abuse of office, bribery and exceeding official authority. High-ranking officials and executives of major state-owned enterprises have on some occasions been held accountable for corruption. For instance, in January 2023, the Minsk court sentenced former Minister of Forestry Vitaly Drozhzha for bribery.

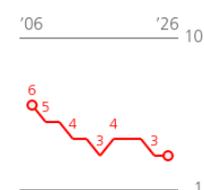
Policy coordination

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Anti-corruption policy

3



16 | Consensus-Building

The authoritarian regime of Alexander Lukashenko remains fundamentally opposed to democratic governance, prioritizing political control over pluralism, institutional checks and balances, and competitive elections. The ruling elite views democracy as a threat to its survival and actively suppresses political opposition, independent media and civil society. The democratic opposition, including exiled political forces, strongly advocates for a democratic transition, the rule of law, and the protection of political and civil rights. However, due to severe repression, these actors are unable to influence policymaking within Belarus. Meanwhile, pro-regime economic elites, particularly those linked to state enterprises and semioligarchic structures, benefit from the current system and do not support democratic change.

The government has partially adopted market-oriented reforms while retaining a strong role for the state in the economy. The Lukashenko regime has consistently opposed full-scale privatization and economic liberalization, citing fears of social unrest and loss of control over key industries. Although a private sector exists, it operates under strict political oversight. To tighten its control over the private sector, the government has raised taxes in recent years and required some individual entrepreneurs to change their legal status. Additionally, at the beginning of 2025, a government regulation was introduced that obliges private businesses to coordinate managerial candidacies with the heads of local administrations. The political opposition, private sector economic actors and a majority of the population largely support a market-oriented transition, calling for deregulation, reduced state interference and integration into global markets. However, the country's deep economic ties with Russia, international isolation and the regime's preferences for state-controlled enterprises limit the feasibility of such a shift in the short term.

The authoritarian regime of Alexander Lukashenko has created a highly repressive political environment, leaving reformers with little to no influence in the country. The security apparatus (the siloviki) is deeply loyal to Lukashenko and plays a central role in suppressing dissent. The military and law enforcement agencies function as veto players, preventing any meaningful democratic transition. Russia's aggression against Ukraine since 2022, along with Belarus's involvement, has expanded the influence of hardliners from the security services and military elites, while completely sidelining reformers. State-controlled elites benefit from the authoritarian system, particularly in state-owned enterprises and key industries.

In the post-2020 period, virtually all political opposition has been neutralized through mass arrests, forced exile and repression. Past attempts at dialogue between the Lukashenko regime and democratic actors have failed. During previous political crises – e.g., in 2010 or 2020 – the opposition sought negotiations, but the regime responded with repression rather than compromise.

Consensus on goals

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Anti-democratic actors

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Economic elites might shift their positions if the economic situation worsens significantly, especially given Belarus' growing dependence on Russia. However, there is as yet no indication of large-scale defections from the ruling camp. Lukashenko's reliance on Russian support further limits opportunities for co-optation. The Kremlin views Belarus as a strategic ally and has no interest in democratic reforms that could weaken its own influence.

The political leadership in Belarus does not seek to moderate societal divisions; rather, it actively deepens and exploits them to maintain control. Alexander Lukashenko's authoritarian regime has long relied on repression, ideological polarization and state propaganda to suppress opposition rather than seeking to foster social cohesion.

The most significant divide within Belarusian society is between pro-regime forces and the democratic opposition. The 2020 presidential election and its aftermath exacerbated this conflict, as mass protests were brutally crushed, opposition leaders were imprisoned or forced into exile, and civil society was systematically dismantled. Instead of pursuing reconciliation, the government promotes an "us vs. them" narrative, branding opponents as "Western puppets" or "extremists."

By the end of 2024, the Viasna Human Rights Center documented cases of 6,550 individuals sentenced to various forms of penal sanctions for political reasons. This ongoing repression is deepening divisions between Lukashenko's supporters and those seeking democratic change. At the same time, a Chatham House survey (December 2024) found that perceptions of social tension were decreasing, with the percentage of people who believed levels of social tension were very high dropping from 56% in 2021 to 30% in 2024.

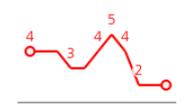
Belarusian society is divided between those who support closer ties with Russia and those who advocate for a national identity, sovereignty and European integration. Lukashenko's government has historically played both sides of this divide, but since 2020 has become increasingly dependent on Moscow. This shift has resulted in the deliberate marginalization of the Belarusian language and culture in favor of Russification, with independent cultural institutions and media outlets facing severe repression.

A significant portion of the population, heavily influenced by state-controlled media, supports Belarus' strategic alliance with Russia and views NATO and the West as adversaries. According to a 2024 Chatham House survey, about 36% of Belarusians support Russia's actions in Ukraine and align with Moscow's worldview. However, attitudes toward European integration are more complex. The same survey found that only 14% of urban Belarusians oppose expanding ties with the European Union, though many remain skeptical about full European integration, favoring either neutrality or a pro-Russian foreign policy stance.

Cleavage /
conflict
management

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The political leadership in Belarus largely excludes civil society actors from policymaking, treating them as adversaries rather than partners. The authoritarian regime under Alexander Lukashenko has consistently repressed independent civil society organizations (CSOs) and marginalized non-state actors in decision-making processes. Rather than engaging in genuine dialogue, the government maintains a controlled and selective approach to consultation, favoring pro-regime organizations. This affects business associations, private businesses and the remaining CSOs that are loyal to the government.

Since 2018, the Law on Normative Legal Acts has required regulatory impact assessments (RIAs) for draft laws. The development of state programs and RIA processes theoretically allows for the involvement of non-state stakeholders. However, in practice, such consultations are lacking in some regulatory areas, take place infrequently or are merely formal.

Since 2021, about one-third of all CSOs have been forcibly dissolved, and the few remaining operate under constant surveillance and legal restrictions. Human rights organizations, independent trade unions and advocacy groups have been labeled as “extremist,” effectively excluding them from any policy discussions and public communication. The violent suppression of the 2020 protests marked a turning point, leading to a near-total eradication of independent civil society participation. Previously, during periods of diplomatic rapprochement with the European Union (2016 – 2020), limited consultations took place. However, after 2020, these channels were shut down.

Many independent Belarusian civil society groups now operate in exile, engaging with international partners and forming democratic opposition structures such as the United Transitional Cabinet, the Coordination Council and the Office of Sviatlana Tsihanouskaya. However, the Lukashenko regime does not recognize these actors as legitimate stakeholders.

Alexander Lukashenko’s authoritarian regime actively blocks reconciliation between victims and perpetrators of past injustices. Rather than addressing historical wrongs, the regime uses denial, repression and ideological control to suppress any efforts toward healing. The regime has historically refused to engage in any process of historical reckoning or transitional justice, leaving victims of past political repression – including the Soviet period and the 2020 protests – without legal options regarding restoration of their rights. The state-controlled judiciary and law enforcement agencies prevent victims from pursuing justice, while state-run media discredit their narratives.

Anti-war activists and pro-change groups, including radical organizations such as the Cyberpartisans and Belarusian paramilitary groups in Ukraine, have actively resisted the government. However, Lukashenko’s regime remains steadfast in its efforts to suppress dissent. In 2023 it established an interdepartmental commission for citizens wishing to return from political exile, but imposed stringent conditions that emphasized loyalty over genuine reconciliation.

Public consultation

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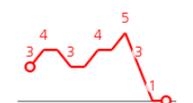
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Reconciliation

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Furthermore, the regime manipulates historical narratives to maintain control, distorting events such as the Belarusian People’s Republic (1918), World War II, and Stalinist and Soviet repressions to align with its current political needs. This has included desecration of the graves of victims of political repression, the erasure of memorials dedicated to Belarusian cultural figures deemed to be anti-Soviet activists, destruction of graves of Polish Home Army members and the promotion of an official narrative of “genocide” against the Belarusian population during World War II. The failure to foster dialogue and the lack of willingness to acknowledge wrongdoing have entrenched a deeply polarized and hostile environment, making reconciliation an unrealistic goal in Belarus.

17 | International Cooperation

From 2008 to 2020, Belarus received approximately €5.3 billion in technical assistance and loans from European and international financial institutions. Of this, €3.5 billion was allocated between 2014 and 2020, amounting to €500 million annually. This financial support played a significant role in various sectors of the economy and government institutions. In 2019 alone, the funds raised accounted for 2.2% of the country’s GDP and 13.3% of public budget expenditures, making it a crucial source of funding for national and local projects (Institute of Political Studies “Political Sphere,” 2021).

However, after the 2020 election fraud and subsequent mass protests, along with the regime’s involvement in Russia’s 2022 war, international cooperation with Belarus came to a halt. The only remaining international aid is provided through some U.N. programs funded by Russian and non-EU sources. Meanwhile, between 2021 and 2024, the European Union, the United States and some individual EU member states shifted their focus to supporting independent civil society structures and non-governmental initiatives such as independent media, cultural actors, students and victims of political repression.

Under Lukashenko’s regime, international development aid was primarily used to address socioeconomic challenges, including infrastructure development in the areas of transport, energy, energy efficiency, and urban water and sanitation, as well for the support of small and medium-sized businesses and for regional and sustainable development. Additionally, international technical assistance played an important role in fostering international cooperation in education and science – areas that the Belarusian state has traditionally neglected. Through international aid, the country also made some progress in areas such as governance reforms and alignment with international standards – for instance with regard to WTO accession, integrated border management, gender equality, improvements in vocational education, higher education quality, biodiversity and environmental protection, banking sector governance, and statistical reporting standards.

Effective use of support

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However, these efforts were ultimately constrained by the authoritarian governance model. Where deeper reforms were needed – such as in the areas of democratization, expanding local government autonomy, ensuring the rule of law, protecting human rights or increasing citizen participation in decision-making – the regime blocked further progress.

The Belarusian government has rarely proven to be a reliable partner in its relations with the international community. Since 1996, Belarus has been subject to international sanctions due to human rights violations. While sanctions were temporarily frozen during certain periods (2008 – 2010, 2016 – 2020), they were never fully lifted.

Since 2020, Belarus has once again come under international sanctions not only for election fraud and human rights violations within the country but also for breaches of international norms and security principles. Extensive economic sanctions have been imposed due to widespread human rights abuses, including offenses against foreign citizens, the unlawful forced landing of a Ryanair plane, the creation of a migration crisis on EU borders, and the use of Belarusian territory and infrastructure to support Russia's military aggression against Ukraine.

Between 2021 and 2022, Belarus withdrew from several international treaties and agreements. It denounced the Optional Protocol to the International Covenant on Civil and Political Rights; withdrew from the Aarhus Convention on access to information, public participation in decision-making and access to justice in environmental matters; and exited the EU-Belarus Readmission and Visa Facilitation Agreement.

The International Labour Organization (ILO) invoked Article 33 of its constitution against Belarus due to systematic violations of labor and trade union rights and the government's failure to comply with ILO recommendations. This article allows the ILO and its member states to impose restrictive measures, including economic sanctions, against the offending country. This is only the second time in the ILO's 100-year history that such an extreme measure has been applied – the first being against Myanmar in 2000 – highlighting the severity of Belarus's actions from the international viewpoint.

On Sept. 30, 2024, the Lithuanian government submitted a case against Belarus to the International Criminal Court (ICC), citing various violations, including the forced displacement of Ukrainian children to Belarus, crimes against humanity within Belarus and the unlawful trafficking of migrants. In February 2025, the Office of the Prosecutor in The Hague began a preliminary examination of the situation in Belarus.

Belarusian authorities have consistently applied international law selectively. In practice, international treaties do not take precedence over national law within Belarus's legal system and enforcement practices.

Credibility

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The political leadership in Belarus has demonstrated a selective and often opportunistic approach to cooperation with neighboring countries. Its willingness and ability to engage in regional partnerships are shaped by geopolitical alignments, internal political considerations and the broader strategic interests of the ruling regime.

Belarus's relations with its neighbors – Poland, Lithuania, Latvia and Ukraine – have deteriorated significantly since 2020 due to the country's election fraud, human rights violations, weaponization of migration and alignment with Russia's aggressive foreign policy. While it has historically maintained pragmatic relations with Ukraine, Belarus became a de facto co-belligerent in Russia's 2022 war against Ukraine by allowing Russian forces to use its territory for military operations. This has resulted in the severance of diplomatic ties and a complete breakdown of economic and political cooperation.

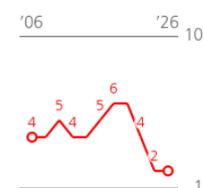
Belarus's participation in international and regional organizations has become increasingly restricted due to its growing international isolation. Belarus has either suspended or significantly limited its engagement with Western-oriented regional platforms such as the Organization for Security and Cooperation in Europe (OSCE), the Council of Europe (CoE) and the European Union's Eastern Partnership (EaP), viewing them as threats to regime stability.

The most significant integration effort has been with Russia under the Union State framework. However, this relationship is asymmetric, with Belarus increasingly dependent on Moscow for economic, military and political support at the cost of its own sovereignty. The regime remains committed to Russia-dominated structures such as the Eurasian Economic Union (EAEU) and the Collective Security Treaty Organization (CSTO), viewing them as economic and security guarantees. However, its role remains secondary to Moscow's strategic priorities.

Facing international isolation from the West, Belarus is working to expand cooperation with countries of the Global South. It is strengthening ties with China and Iran, seeking access to African and Asian markets, and maintaining cooperation with countries that have similar political regimes (such as Venezuela and Myanmar). In 2024, Belarus officially became a member of the Shanghai Cooperation Organization (SCO) and obtained partner status in the BRICS group of states.

Regional cooperation

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Strategic Outlook

Unlike all its neighbors except Russia, Belarus has not followed a model of democratic transformation. Since the late 1990s, an authoritarian political regime has been established, showing a remarkable degree of resilience to both internal and external challenges. The reasons for this resilience cannot be attributed to a single factor but instead represent a complex phenomenon. In addition to the authoritarian consolidation of elites around Lukashenko, the regime depends on the police apparatus, political and economic support from Russia, and its ability to maintain an acceptable level of economic well-being among the population to ensure sufficient political loyalty. The state apparatus functions efficiently enough to provide essential services to the population, including high employment levels, housing provisions, basic utilities and health care. The existing level of corruption does not destabilize the state apparatus or provoke public outrage.

However, maintaining this stability comes at a cost, posing existential risks to Belarus's long-term independence. Despite its current economic well-being, Belarus has continued to fall further behind the economies of other Eastern and Central European countries. A crisis in the science and research sector, declining education quality, a brain drain, and worsening demographic trends place the country on a trajectory toward the classic "poverty trap." The use of Belarusian territory by Russia for its attack on Ukraine in 2022 effectively signals the loss of the country's sovereignty in military and strategic affairs. The "deep integration" program within the framework of the Union State is less about pragmatic integration between two equal entities and more about the creeping annexation of Belarus by Russia.

Belarusian society is held captive by the parasitic superstructure of the authoritarian regime, which stifles its potential for development. In 2020, Belarusians failed to achieve a nonviolent democratic revolution and reclaim their freedom and control over their country. Between 2021 and 2024, Lukashenko's regime successfully dismantled emerging networks of social solidarity, and imprisoned or exiled its main political opponents. However, this does not mean civil society has been completely destroyed; potential for future change and hope remain. Supporting these forces and their ability to operate inside the country should be a priority for both internal and external actors committed to democratic change. Given the extreme repression established after 2020, it is unrealistic to expect civil society and the democratic opposition to single-handedly steer the country toward democratic transformation.

Without the revival of civil society and independent media and a minimal restoration of political activity, no potential "window of opportunity" for political transition can be effectively utilized. The Belarusian political system is highly dependent on Lukashenko's persona, and as he ages, the regime will be forced to explore models for a power transition and post-Lukashenko stability. The constitutional changes of 2022 have laid some groundwork for this process. At the same time, any transformation of this nature exposes the vulnerabilities of autocratic systems and can create openings for positive societal change.