Factsheet
Belarus

Sustainable Financing of National HIV Responses
1. HIV EPIDEMIOLOGY AND RESPONSE

1.1 HIV epidemiology in brief

Belarus has a concentrated HIV epidemic, with 13,527 officially registered people living with HIV, which is 50% of the estimated actual number of people living with HIV in the country\(^1\). In 2014, 6,062 people living with HIV were receiving antiretroviral therapy\(^2\) (coverage of 21% of the estimated number of people living with HIV and 45% of the registered people living with HIV\(^3\)). Sexual transmission is the most common way of HIV transmission, followed by injecting drugs. HIV prevalence among people who inject drugs (PWID)\(^4\), sex workers (SW)\(^5\) as well as men who have sex with men (MSM)\(^6\) is still rising. There are significant gender differences (e.g., 10% of the women who inject drugs have reported engagement in sex work, compared to 4% of the men who inject drugs\(^7\)). There are also sub-national differences in the HIV prevalence: in 2015, it ranged from 15% in Gomel to 44% in Svetlogorsk among people who inject drugs; among sex workers, it ranged from 0% in Brest to 18% in Svetlogorsk and among men who have sex with men from 2% in Brest to 15% in Vitsebsk\(^8,9,10\).

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2. Ibid.
3. Ibid.
7. Ibid.
8. Ibid.
9. Ibid.
10. Ibid.

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1.2 Legal and institutional aspects of the national HIV response and the role of NGOs

The national HIV response, including prevention and provision of HIV-related medical services, is regulated by the Law on prevention of diseases that pose danger to public health and HIV (2012)\(^11\), (hereinafter referred to as the HIV-specific Law). After being amended in December 2015, the HIV Law explicitly mentions cooperation between healthcare institutions and non-commercial organisations (the official way NGOs are called in Belarus) in prevention of HIV and

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11 Republic of Belarus, Закон о предупреждении распространения заболеваний, представляющих опасность для здоровья населения, вируса иммунодефицита человека (2012).
other communicable diseases. Also, according to the Law on Healthcare (1993), NGOs can participate in solving healthcare-related issues and implementing health protection activities, though they are not recognised as providers of medical services.

The State Programme on HIV Prevention for 2011-2015 has two main goals: prevention of the spread of epidemic and decrease of mortality. The objectives of the Programme are to: provide continuous and equitable access to treatment, care and support to people living with HIV; create conditions for strengthening reproductive health and allowing HIV-positive women and families affected by HIV infection to give birth to healthy children; prevent in-hospital HIV infections; prevention of HIV among key populations; improve of the national system of monitoring and assessment of HIV epidemic and of HIV response; create favourable conditions for ensuring access of the population to HIV prevention services; strengthen human resources in HIV prevention. The Programme envisages an opportunity for Global Fund grant sub-recipients to participate in implementation of Programme activities, such as running support groups for people living with HIV, prevention, setting up condom dispensers, but it does not explicitly envision allocation of state funding to support NGO services. All programme activities where NGOs are involved are currently supported through the Global Fund.

The 2011-2015 Programme will be replaced by the sub-programme Prevention of HIV Infection of the state programme Health of the Population and Demographic Security of the Republic of Belarus for 2016-2020. The sub-programme has the following objectives: to ensure universal access to HIV diagnostics, treatment, care and social support, including in the penitentiary system; to eliminate vertical transmission of HIV and of transmission of HIV during medical interventions; to reduce spread of HIV among key populations. It envisages involvement of NGOs in activities, funded from the State budget.

According to the 2015 Country Progress Report submitted by Belarus to the UNAIDS, NGOs play a key role in carrying out certain HIV prevention services including needle exchange and condom distribution programmes and awareness raising. At the same time, the report recognised a need in development and implementation of an effective mechanism of social contracting, which would allow the country to scale up HIV prevention services provided by NGOs to key affected populations.

12 The amendments include an addition to Article 8: The Ministry of Health ensures "cooperation between institutions of health care and public associations when they undertake preventive measures to prevent the spread of socially dangerous diseases and HIV". According to Article 14, it will be possible to provide medical services outside of the institutions of health care. In new Article 10, creation of anonymous consultation centres, help lines for the prevention, diagnosis and treatment of socially dangerous diseases and HIV will also be possible for NGOs.

13 Republic of Belarus, Закон о здравоохранении (1993). In 2011, NGO Act developed a draft regulation on competition for publicly beneficial projects by non-commercial organizations in the area of HIV prevention and care. The draft provided a list of priority services for people living with HIV, sources of financing and possible application process. However, the draft was not adopted (NGO Act – International Educational Public Branch, HIV-Services for State Social Order).


15 The total funding of the Programme was set at 174, 948.1 million Belarusian roubles, out of this the Global Fund committed to provide 121,266 million roubles (1 US $=3,000 Belarusian roubles based on January 1, 2011 exchange rate), (Republic of Belarus, The Main Characteristics of the State Programme on HIV Prevention for 2011 – 2015 Years).

16 Republic of Belarus, Перечень государственных программ на 2016-2020 годы, направленных на достижение приоритетов социально-экономического развития.

2.1 NGO landscape in Belarus

The main document regulating the establishment of NGOs in the Republic of Belarus is the Civil Code. It describes the main forms of NGOs, their goals and the main principles of registration process. An NGO seeking registration must comply with requirements envisaged by the Civil Code and other laws, such as the Law on Public Associations and Decree of the President of the Republic of Belarus on Certain Measures to Regulate the Activities of Foundations. There are three main forms of NGOs: public associations (membership-based NGOs), foundations (non-membership based NGOs) and non-profit institutions (non-membership based NGOs that are founded and financed, fully or partly, by the founder). In April 2015, there were 2,607 public associations (228 international, 707 national, and 1,672 local), 34 unions and coalitions of public associations, and 159 foundations (15 international, 5 national, and 139 local) officially registered in Belarus. The exact number of non-profit institutions is not available, as institutions are registered through a simplified procedure by the local executive authorities and there is no common registry.

NGOs are not allowed to operate without registration. Public associations are subject to a stricter registration procedure. The registration process for non-profit institutions is simpler and does not require considerable founding assets. There are fewer NGOs registered as foundations. To set up a local foundation founders must contribute approximately US$ 1,140 (or 100 ‘basic amounts’). Establishment of international or nationwide foundations requires a founding fund of 1,000 ‘basic amounts’ (approximately US$ 11,400).

Direct state funding to NGOs is provided in Belarus. However, currently only few NGOs are beneficiaries. Such are, for instance, the Republican Youth Union, and the Union of the Blind and Visually Impaired People. This financing is non-competitive and comes in the form of direct financing or subsidies.

Public associations can engage indirectly in economic (income-generating) activities, by establishing separate for-profit companies (usually limited liability companies). Non-profit institutions and foundations can engage in economic activities listed in their statutes. All income (including from service provision) is taxed at a regular rate, similarly to businesses. As a result, the income from service provision in the NGO sector in Belarus is only 6% of their total funding.

All foreign funding must be registered with the Department for Humanitarian Activities at the President’s Administration, which has the authority to refuse funding registration.

2.2 Social contracting of NGOs under Global Fund grants

During the current Global Fund phase (2013-2015), fifteen NGOs were financed by the Global Fund, with an average of US$ 280,368 available per NGO (range US$ 17,216 – 1,180,227) predominantly for prevention.

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19 Republic of Belarus, Закон об общественных объединениях (1994).
20 Republic of Belarus, Указ Президента о некоторых мерах по упорядочению деятельности фондов (2005).
22 This is the lowest level of executive power in the Republic of Belarus, represented by local executive committees. Further on used as local executive authorities.
23 One basic amount equals 180,000 Belarusian Rubles.
24 Art. 20 of the Law on Public Associations.
programmes among key populations and services on local level.

2.3 Government social contracting to NGOs: Legal and regulatory frameworks

The amendments of the Law on Social Services (2000) which came into effect in 2013 introduced the mechanism of state social contracting that enables legal entities and individual entrepreneurs to perform social services and to implement social projects on a competitive basis. The aim of the state social contract is to provide social services to people in difficult life situation – the beneficiary group of the Law – and to increase accessibility and quality of such social services. The Law’s list of the categories of people in difficult life situation does not explicitly mention people living with HIV; it only includes people with an official status of disability. The Law lists services that can be provided by state service providers to the beneficiaries, including social-medical services.

The Law provides that funding for the state social contracts shall be allocated from the budgets of the local authorities. In doing so, local authorities must follow state, sectoral and regional programmes. Local authorities define the needs for state social contracts, conduct competitions, sign contracts with selected service providers, including NGOs, and provide funding. The competition should be conducted by the local authorities in a transparent and open manner. Local authorities also provide consultative and informational support to providers, including NGOs.

Table 2: Global Fund average annual budget for NGOs (2013-2015)

<table>
<thead>
<tr>
<th>Programme</th>
<th>Budget allocated to NGOs (US $)</th>
<th>% of line budget</th>
<th>National/sub-national/local (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prevention PWID</td>
<td>1,027,711</td>
<td>59.7</td>
<td>0/0/100</td>
</tr>
<tr>
<td>Prevention MSM</td>
<td>256,110</td>
<td>97.0</td>
<td>0/0/100</td>
</tr>
<tr>
<td>Prevention SW</td>
<td>382,765</td>
<td>91.2</td>
<td>0/0/100</td>
</tr>
<tr>
<td>Prevention PLHIV</td>
<td>55,755</td>
<td>53.6</td>
<td>0/0/100</td>
</tr>
<tr>
<td>Prevention subtotal</td>
<td>1,722,341</td>
<td>65.0</td>
<td>0/0/100</td>
</tr>
<tr>
<td>Treatment, care and support</td>
<td>127,400</td>
<td>8.7</td>
<td>0/0/100</td>
</tr>
<tr>
<td>Enabling environment</td>
<td>108,960</td>
<td>50.5</td>
<td>100/0/0</td>
</tr>
<tr>
<td>Programme management and support</td>
<td>14,198</td>
<td>1.8</td>
<td>100/0/0</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,972,900</td>
<td>38.4</td>
<td>6/0/94</td>
</tr>
</tbody>
</table>

Source: UNDP Belarus.

28 According to legislation, a person with disability is a person with permanent physical, psychic, intellectual or sensor disorders, which, when interacting with various barriers, impede full and effective participation of the person in social life equally with others. A person is recognised as having a disability by medical and rehabilitation expert committees based on clinical, functional, social, professional and psychological data by using a classification of main types of functional disorders and vital functions (Republic of Belarus Law On Prevention of Disability and Rehabilitation of People with Disability (2008) and Resolution on approval of the Instruction on the procedure for and criteria of determining the group and cause of disability, list of medical indications entitling to a social pension for children with disability under 18 years of age, and the degree of loss of health (2007)).
implementing the social contracts, and monitor their implementation.

Local authorities may provide funding either through the procedure of procurement or by providing subsidies to NGOs that carry out social services or implement social projects; typically they do so through subsidies. Resolution of the Council of Ministers on Some Issues of Social Contracting (2012) regulates the conditions and procedure for provision of subsidies to NGOs and contains a set of standard documents and forms related to social contracting (announcement, application, contract, etc.). Subsidies are provided to compensate salary expenses of the staff of NGOs providing social services and to partially compensate expenses related to implementation of social projects (up to 50% of the total project costs). NGOs can apply for subsidies only if they have already obtained cost-share resources to implement the social project. According to the contract template, the contract can be signed for up to five years. However, in practice the contracts are signed for a year at most, as budgets of local authorities are approved on annual basis.

The Law on State Procurement of Goods (Works, Services) from 2012 does not explicitly prohibit NGOs from participating in state procurements along with other legal entities and business entrepreneurs. However, public associations cannot participate in procurement, because it is considered an economic activity. Therefore, unless public associations set up a separate entity to participate in procurement competitions they cannot access this mechanism. In general, setting up a separate entity can be costly for associations, since it requires additional costs for administration of such entities.

Under procurement rules, NGOs are subject to all general requirements for private legal entities. For example, the Law on State Procurement entitles state entities conducting the competition to request security deposit up to three per cent of the value from the bidders in order to ensure that the bidder will not withdraw its application or refuse to sign a contract in case of winning. Only state institution bidders are exempt from the deposit requirement, but not NGOs. Similarly, upon signing of the contract up to 15% of the cost can be requested as a guarantee. There is no such requirement from the state institution bidders. On the other hand, the Law provides a special procedure for small and medium size enterprises (SME), which grants them preferential access to a certain share of state procurement (maximum of 10% of the total value has to be procured from SME). There is no such provision for NGOs.

The State Programme on HIV Prevention for 2011-2015 envisaged the development of the social contracting mechanism to ensure sustainable financing from local budgets for HIV prevention programmes; the implementation of this activity was implemented in 2014-2015 with support from the Global Fund. As a result, the Ministry of Health with the support of civil society has developed and introduced changes on NGO involvement in health services to the HIV Law. In 2016 the Law is to be further revised to incorporate updates specifically related to social contracting. With the support of the GF grant proposed changes have been drafted and discussed by the stakeholders in 2015.

2.4 Quality control and assurance

Quality control of service provision related to HIV prevention and assurance systems in respect of social service provision require further development. The Council of Ministers approved minimum quality standards for social services (Resolution on Some Issues of Social Service Provision, 2012). All social

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30 According to Article 2 of the Budget Code of the Republic of Belarus, a subsidy is a budget transfer to a legal entity or a physical person on condition of participation in financing (or co-financing) for production or sale of goods, works or services or for partial reimbursement for institutional costs.
31 Republic of Belarus, Постановление о некоторых вопросах государственного социального заказа (2012).
33 Republic of Belarus, Закон о государственных закупках товаров (работ, услуг) (2012).
34 Specifically in context of HIV there is a draft document developed on Sanitary norms and rules on HIV prevention. This document is not adopted at the time of writing.
35 Republic of Belarus, Постановление о некоторых вопросах оказания социальных услуг (2012).
services provided must correspond to these standards in quantity, quality and other conditions.

According to the Law on Social Services, the local executive authorities that order the service are responsible to control and ensure their quality. As a standard practice, the service provider shall fill out the main reporting document—a certificate of completion, which includes information on the number of service beneficiaries, hours spent by staff involved in service provision and their salaries. There are few examples by some local authorities of quality assurance through surveys of the clients; however, they are not representative of the general situation. In addition, the local authorities may not have sufficient capacity or competences to ensure proper quality control.

2.5 Other prerequisites for service provision (licenses, special permissions, etc.)

According to the Decree of the President of the Republic of Belarus on Licensing of Certain Types of Activities (2010), public associations are allowed to provide pro bono psychological consultations without a license. Medical services, including diagnostics, however, require licensing; besides, as was already discussed in section 1.2, NGOs are currently not allowed to provide medical services, unless they create a for-profit entity, which can become licensed medical service providers. The Ministry of Health is responsible for licensing of medical activities, including HIV testing. The license can be granted for up to 10 years. Application documents for obtaining the medical license are to be submitted to the Ministry of Health. The list of documents for legal entities and individual entrepreneurs include: an application form according to the template, a copy of the founding documents, a copy of certificate of the state registration, a confirmation of payment of licensing fee.

From the Education Code of the Republic of Belarus (2011) it is not clear if NGOs are allowed to pursue educational activities without a special permit. The Code classifies a very broad range of activities as educational (including training programmes, thematic seminars, popular lectures courses, and personal empowerment workshops) and limits the list of entities allowed to carry out educational activity to those explicitly granted that right by law. Except for educational institutions, NGOs are not included in the list.

2.6 Government social contracting of NGOs: The practice

Social contracting of NGOs is a new practice in Belarus. According to the 2014 USAID CSO Sustainability Index, contracts worth approximately US$ 160,000 were awarded to six NGOs and their regional branches in 2014. The NGOs were to provide eight types of social services in 26 regions of Belarus. Projects included medical and social services for the elderly and persons with disabilities; social and labour rehabilitation for people with mental disorders; and social and psychological services for victims of human trafficking and domestic violence. Some of the challenges in implementation practice were identified during implementation of these contracts. For example, a lengthy process from identifying the social issues to announcing the call for contracts, absence of required licenses and permits for NGOs to provide services, and lack of licensed staff for service provision within the NGOs.

Some other areas have been identified to require further improvement. Services requested by local authorities must correspond to objectives of the national, sectoral and regional programmes and local authorities’ official plans. This limits the possibility of introducing innovative services or those outside of the scope of current programmes. For instance,

37 Ibid.
38 Republic of Belarus, Указ Президента олицензировании отдельных видов деятельности (2010).
39 Republic of Belarus, Licensing of Medical Activity.
40 Republic of Belarus, Кодекс об образовании (2011).
discrepancies between HIV-related services for people who use drugs and provided under a social contract with the government, and the list of the Integrated Development Programme of Social Services, leads to delayed reimbursement. Local authorities identify the needs for services to be supported in coordination with the Territorial Centres of Social Services for Population43 and HIV-related services are not always considered by them.

Sometimes, there are cases where coordination and cooperation could improve – especially in cases where responses to key populations needs fall under the competence of two ministries. For instance, assistance to people who use drugs, a key population at higher risk for HIV exposure, is within the competences of the Ministry of Internal Affairs and the Ministry of Health. However, there is no coordination to launch a state social order for this group with assistance of NGOs, e.g. needle exchange44.

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43 State institutions providing social services. There are 148 such centres in the country (Republic of Belarus. Territorial Social Service Centers (Addresses and Phone Numbers)).

44 NGO Act – International Educational Public Branch, The Practice of Social Order Through the Eyes of the State Structures.
3. RECOMMENDATIONS

Legal and institutional aspect of the national HIV response:
Key populations at higher risk of HIV exposure and people living with HIV can benefit from state support and social services provided by state and non-state service providers. Prevention, treatment, care and support can be one of the areas where NGOs can be actively engaged. Based on competences, they can also contribute to provision of other social and medical services, including palliative care. Towards this end, the following steps could be considered:

- Amendments to the Law on Healthcare to recognize NGOs as providers of prevention and, when licensed, medical services, should be adopted.
- The Ministry of Health should encourage NGOs to participate in or contribute to the development of State Programmes on HIV Prevention, and take into consideration their recommendations.
- NGOs should be recognized and mentioned as implementing partners in the Programme beyond the Global Fund grants, and state funds should be planned and allocated in transparent way for their involvement.
- Social contracting should be among priorities also in the new state sub-programme on HIV prevention for 2016-2020.
- The Ministry of Health, local authorities and NGOs should cooperate at the stage of formulating projects, which will be implemented through social contracting.
- International agencies (including UNAIDS and its co-sponsors) and donor organisations should support NGO dialogue with ministries and local authorities to encourage specific focus on HIV prevention, treatment, care and support and related public health objectives.
- HIV-related services should be included in the upcoming state programme on integrated development of social services.

NGO landscape in Belarus:
Better framework regulation for NGOs is vital to ensure that Belarusian non-profit sector can proliferate and further contribute to implementation of some government’s tasks, including service provision to vulnerable social groups. Towards this end:

- NGOs should work together with the government on amending framework legislation for NGOs to guarantee a simplified registration procedure.
- The government should facilitate NGOs’ access to all financial resources, including foreign funding and donations, provided that they finance activities, which are allowed under the laws of Belarus.
- It is recommended to revise NGO and related legislation to allow NGOs to carry out economic activities improving opportunities to attract additional sources of funding and provide sustainable services to the clients.
- Tax incentives / exemptions can be introduced for NGOs whose activities contribute to public benefit.

Social contracting of NGOs for the national HIV response:

- Council of Ministers Resolution on Some Issues of Social Contracting and the competition procedure prescribed can be further streamlined, e.g. to ensure that in case of a single submission to the competition for state social order, the applicant who meets eligibility and qualification requirements should be admitted to the contract award.
- The Law on State Procurement of Goods (Works, Services) should be amended to guarantee equal footing in access to procurement funds for NGOs and small and medium enterprises.
- NGOs providing public benefits could be exempt from the requirement to provide security deposits; their capacity to implement the contract can be verified through other means, such as assessments, guarantees, references, track record, etc.
- The subsidy threshold could be increased from 50% up to 100% of the total cost of the social project implemented by NGOs providing social services on behalf of the state.
- More efforts should be vested in supporting cross-sectoral dialogue between the ministries on...
HIV-related issues and needed services (Ministry of Health, Ministry of Labour, and other related authorities) to develop joint requests for contracts and issue state social orders in area of HIV.

- Local governments should be supported to raise funding locally, including through creating their own reserves for delivery of innovative and needed services.
- The framework of social contracting should be revised to extend committed budgetary allocations under the state social contracting beyond one year in order to ensure continuity and sustainability of services.
- Government capacity in the field of quality assurance and monitoring of social contracting could be increased; the evaluation process of the services supported through state social contracting should be open and transparent.
- Standards and measures of quality control should be developed through an open, consultative procedure and a guidance note should be issued for local authorities.
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Authors: Timur Abdullaev, Predrag Đurić, Boyan Konstantinov, Christoph Hamelmann

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Series Team: Timur Abdullaev, Predrag Đurić, Christoph Hamelmann, Boyan Konstantinov, John Macauley.
Series Editor: Christoph Hamelmann
Contact: rosemary.kumwenda@undp.org

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