



Amongst the political initiatives under way in the region, the so-called "Sarajevo Process" or "3x3 Initiative", launched by UNHCR, the European Commission (EC) and the Organization for Security and Cooperation in Europe (OSCE), together with the Governments of Bosnia and Herzegovina (BiH), Croatia, and Serbia and Montenegro (SCG), remains of critical importance. The aim of this initiative is to bring about lasting solutions for the remaining refugees in the western Balkans. The

Sarajevo Declaration was signed on 31 January 2005, and was endorsed by the three line ministers from the concerned governments. They committed themselves to working together to solve the outstanding displacement problems by the end of 2006. However, the implementation of the agreement remained problematic, owing in part to difficulties arising when the three governments sought to weld national action plans into a common matrix.

Persons of concern to UNHCR (in thousands) 800 700 600 500 400 300 200 100 0 Asylum-Refugees Returnees Others seekers ■ 1 January 2005 ■ 31 December 2005

Challenges and concerns

The outbreak of inter-ethnic violence in Kosovo in the spring of 2004 posed a great challenge to the UN Interim Administration Mission in Kosovo (UNMIK), UNHCR and its partners, and neighbouring countries. This development, coupled with the continuing uncertainty over Kosovo's future status, had a negative impact on returns of ethnic minority groups in 2005. After a modest peak in 2003, with over 3,800 registered minority returns, fewer than 2,500 returned in 2004, and roughly the same number returned in 2005.

Unresolved disputes over property (mainly housing), restricted freedom of movement and limited access to basic services continued to be major impediments to the return and sustainable integration of minorities. The appointment of a "Minister for Returns" within the Kosovo Provisional Institutions of Self-Government (PISG) has not brought about any significant positive change. Despite a considerable investment of money and energy into organized return programmes by the



Croatia: An ethnic Serb returnee in Knin, Krajina region. UNHCR / V. Winter

PISG, UNMIK and donors since 2001, only 14,400 members of minorities originating from Kosovo have returned voluntarily (out of some 250,000 displaced in the region).

One remaining obstacle in the implementation of the Sarajevo process of January 2005 is the plight of some 30,000 households, consisting mainly of refugees or ex-refugees from Croatia whose tenancy rights (long-term protected housing leases) were terminated by the Government of Croatia. In BiH such rights were given back to the original occupants and are in practical terms equated to private property. These outstanding issues need to be dealt with fairly and in a comprehensive manner in the context of the Sarajevo Declaration.

In SCG, the interlocking structure of state institutions stood in the way of UNHCR's strategic objectives. The Asylum Law was approved at State Union level in March 2005, but unless it is adopted by the two constituent Republics, it cannot be implemented. Asylum legislation is expected to be adopted in Montenegro during the course of 2006, but in Serbia it is still at the drafting stage.

Progress towards solutions

A decade after the signing of the Dayton Peace Agreement, steady progress has been achieved in terms of achieving durable solutions throughout the region. The total number of refugees and IDPs in the western Balkans, which peaked at 1.7 million in 1999, decreased from 870,000 in 2004 to approximately 600,000 at the end

of 2005. This reduction, however, has occurred almost entirely in the number of refugees and IDPs displaced by the conflicts in Croatia and BiH. Meanwhile, the number of IDPs in Kosovo has remained more or less stable at approximately 250,000 over the last four years.

Returns to and within the western Balkans continued, albeit at a decreasing pace. Returns to BiH passed the one million mark in July 2004, but in 2005 overall returns amounted to only 6,400 (over 1,200 refugees from abroad and over 5,100 IDP returns), a sharp decrease from approximately 20,400 returns in 2004. Repatriation to Croatia from SCG and BiH also decreased from approximately 7,500 in 2004 to nearly 5,300 in 2005. Furthermore, over the past few years an estimated 110,000 refugees from Croatia and BiH have integrated locally and are naturalized citizens in SCG.

At the regional level, UNHCR implemented the asylum component of the EC Community Assistance for Reconstruction, Development and Stabilization (CARDS) project in Albania, BiH, Croatia, The former Yugoslav Republic of Macedonia and SCG. The overall supervision and coordination was provided by the Swedish Migration Board, with IOM and an NGO partner implementing the migration and visa components. Through this regional initiative UNHCR contributed to building the capacity of mid-level decision-makers, NGOs, and judges. The Office also strengthened regional cooperation on asylum issues and ensured the adoption of country progress reports. Eight regional seminars for participants from relevant ministries, NGOs and the judiciary were organized. The seminars covered such issues as the

provision of legal assistance, gender aspects of the asylum procedure and the normative framework behind the EU *acquis*, including the Maastricht and Amsterdam Treaties and the development of a common asylum system. The project was successfully concluded at a closing conference held in Brussels on 14 December 2005.

UNHCR continued its efforts to increase bilateral and multilateral support to the governments in the region. Offices throughout the region provided critical support through various partnerships, including ties with the European Commission and the Council of Europe Development Bank.

Operations

Separate country chapters describe UNHCR's operations in BiH and SCG.

In Albania, UNHCR's programme remained focused on strengthening the asylum procedure and implementation of the CARDS project on the pre-screening of migrants and asylum-seekers. UNHCR took on a supervisory role in the project and implemented activities in cooperation with IOM and the OSCE. As a result of sustained training and capacity-building activities, the management of the Directorate for Refugees and of the National Commission for Refugees showed marked progress in 2005, with steadily improving decisions on individual asylum claims and better case management. Training sessions were conducted for judges, reception centre staff and civil servants, university students (a refugee law course), and border guards (under the CARDS pre-screening project). The national reception centre for asylum-seekers was fully operational and once asylum-seekers were granted refugee status, they were assisted in moving to private accommodation. Border Migration Police Officers were trained and the transit facilities were rehabilitated. A memorandum of understanding was prepared in anticipation of handing over the project to the Government in 2007. However, the high turnover of government staff gave rise to doubts about the sustainability of UNHCR's efforts to build the capacity of the authorities.

In **Croatia**, UNHCR continued to promote and facilitate the repatriation and reintegration of refugees from SCG and BiH. Of approximately 5,300 returns in 2005, more than 1,200 were assisted directly by UNHCR. UNHCR also assisted returnees with the registration of applications for shelter reconstruction assistance, the facilitation of border crossing and transport to places of origin, and helped them to obtain necessary documentation, including on citizenship and returnee status. Through a network of mostly national NGOs, UNHCR provided legal advice to returnees, mainly on housing and property issues. At the

end of 2005, Croatia hosted more than 2,900 refugees from BiH and SCG. The most vulnerable refugees were accommodated in collective centres, which were maintained with UNHCR's assistance. Refugees and asylum-seekers were offered psychosocial support services by UNHCR and its partners. Although the Asylum Law had been in force since 2004, no positive decision on any refugee claim had been taken by the end of the year. This raised a series of fundamental questions about Croatia's refugee status determination process, which UNHCR brought to the attention of the Government.

At the beginning of 2005 The former Yugoslav Republic of Macedonia hosted more than 2,200 refugees and asylum-seekers. By the end of December, the number had decreased to approximately 2,100, of whom the vast majority were ethnic minorities from Kosovo. UNHCR continued to provide monthly cash grants to all asylum-seekers from Kosovo in order to cover their rent, food and heating expenses. This facilitated their continued stay in private accommodation following the 2004 closure of the last collective centre for refugees. The asylum-seekers and refugees from Kosovo are predominantly of Roma, Ashkaelia and Egyptian, Gorani and Serb origin. During 2005, all persons of concern to the Office were registered with the central national asylum authority, under the Law on Asylum and Temporary Protection. None were expelled, returned to their country of origin or detained. With the exception of the people whose asylum cases were rejected and the tiny residual group of 24 Bosnians who remained in the country but were not regularized, all others benefited from some form of protected status. Of the total of more than 1,200 individuals who were awaiting first instance decisions by January 2006, 90 per cent were interviewed in 2005. The vast majority were granted a form of complementary protection on humanitarian grounds. However, fewer than two per cent of this group were granted refugee status under the 1951 Convention.

UNHCR made several interventions on behalf of more than 120 asylum-seekers who were not granted refugee status in the country. Written individual case assessments were required in order to appeal the expulsion measures that followed the Supreme Court's final rejection of their claims in July and August. Despite an agreement to this effect, the authorities did not issue identification documents to the persons concerned, with the result that many had difficulty in accessing health care and other public services. The asylum procedure was marred by appeal bodies that lacked transparency and independence. In 2005, all decisions by appellate bodies confirmed first instance findings. Further to discussions with the President of the Second Instance Commission, the Commission decided to allow asylumseekers and their legal representatives to be present during deliberations on their cases.

Funding

Owing to overall financial constraints, the operational budget approved by ExCom for South-Eastern Europe was reduced by 16 per cent, despite continued high-level

donor interest in UNHCR's activities in the region. This had an impact not only on non-vital activities such as training seminars and workshops, but also on assistance to needy refugees and IDPs. In SCG for example, support was reduced at 70 collective centres hosting vulnerable residents.

Restricted voluntary contributions (USD)		
Earmarking ¹	Donor	Annual programme budget
South-Eastern Europe		
	Japan	500,000
	Norway	786,164
	Sweden	4,976,496
	United States	11,650,000
Sub-total		17,912,660
Albania		
	European Commission	1,151,361
Sub-total Sub-total		1,151,361
Bosnia and Herzegovina		
	Council of Europe Development Bank	500,000
	European Commission	538,899
	Japan	1,000,000
	Sweden	237,316
Sub-total		2,276,215
Croatia		
	Norway	1,179,245
Sub-total		1,179,245
Serbia and Montenegro		
	Council of Europe Development Bank	500,000
	European Commission	3,982
	Germany	256,080
	Russian Federation	1,650,000
Sub-total		2,410,061
The Former Yugoslav Republic of Macedonia		
	Italy	194,049
	Norway	1,179,245
Sub-total		1,373,294
Total		26,302,836

 $^{^{\}mbox{\scriptsize 1}}$ $\,$ For more information on the earmarking, please refer to the donor profiles.

Budget and expenditure (US Dollars)			
Country	Final budget	Expenditure	
Country	Annual programme budget		
Albania	2,164,382	1,955,229	
Bosnia and Herzegovina	12,165,483	10,638,568	
Croatia	5,048,004	4,586,538	
Serbia and Montenegro	24,873,779	22,711,694	
The former Yugoslav Republic of Macedonia	3,842,543	3,476,689	
Regional projects ¹	327,753	263,758	
Total	48,421,944	43,632,476	

¹ Includes establishment of EU-compatible legal, regulatory and institutional frameworks in the field of asylum.