**At a Glance**

**Main Objectives**

Support the process of conflict resolution sponsored by the OSCE in Georgia/South Ossetia and facilitate the voluntary repatriation and reintegration of refugees and displaced persons returning from North/South Ossetia and Georgia to their places of origin; support the process of conflict resolution sponsored by the UN in Georgia/Abkhazia and seek durable solutions for some 260,000 IDPs from Abkhazia (without prejudice to their eventual return); seek improvements to refugee law and asylum procedures and support governmental and NGO structures to build up sufficient resources and expertise to respond to the influx of refugees from Chechnya (Russian Federation), including the provision of protection and assistance to Chechens; advise the Government on issues related to citizenship, with a view to encouraging eventual accession to the Conventions on Statelessness and attaining durable solutions for formerly deported Meskhetians.

**Impact**

**Returnees and IDPs**

*(Georgian-Osset Conflict)*

- Some 6,085 out of the original 50,000 displaced persons have returned to their places of origin with UNHCR’s assistance since 1997. Of these, 505 persons returned in 2000, but an estimated 29,000 remain in North Ossetia (Russian Federation) and some 7,000 are still displaced inside Georgia. Assistance for newly returned refugees and internally displaced persons (IDPs) took the form of housing, agricultural and income generation programmes with a long-term impact.

- UNHCR’s presence and monitoring activities have had a stabilising and moderating influence on the gradual normalisation of inter-ethnic relations, thus increasing the likelihood that return will be perma-

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**Persons of Concern**

<table>
<thead>
<tr>
<th>Origin/Type of Population</th>
<th>Total in Country</th>
<th>Of whom UNHCR assisted</th>
<th>Per cent Female</th>
<th>Per cent under 18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Russian Federation/ Chechnya (Refugees)</td>
<td>7,600</td>
<td>7,600</td>
<td>53</td>
<td>48</td>
</tr>
<tr>
<td>Georgia (IDPs)</td>
<td>272,100</td>
<td>36,000</td>
<td>56</td>
<td>27</td>
</tr>
<tr>
<td>Formerly Deported Meskhetians</td>
<td>110</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

1Government statistics.
2Figures reflect only material assistance.
3Includes some 7,000 IDPs and returnees from the Georgian-Osset conflict. In 2000, 505 refugees and IDPs returned to their places of origin in South Ossetia and Georgia proper. Also includes some 260,000 IDPs and returnees of the Georgian-Abkhaz conflict. An estimated 40,000 IDPs have returned spontaneously to Gali.
4Stateless persons. The total number of returned formerly deported Meskhetians is approximately 650 persons.

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**Income and Expenditure (USD)**

<table>
<thead>
<tr>
<th>Revised Budget</th>
<th>Income from Contributions</th>
<th>Other Funds Available</th>
<th>Total Funds Available</th>
<th>Total Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>AB 6,621,251</td>
<td>860,000</td>
<td>4,685,241</td>
<td>5,545,241</td>
<td>5,545,241</td>
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<tr>
<td>SB 2,257,814</td>
<td>791,436</td>
<td>1,243,294</td>
<td>2,034,730</td>
<td>2,034,730</td>
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<tr>
<td>Total 8,879,065</td>
<td>1,651,436</td>
<td>5,928,535</td>
<td>7,579,971</td>
<td>7,579,971</td>
</tr>
</tbody>
</table>

1Includes income from contributions earmarked at the country level.
2Includes allocations by UNHCR from unearmarked or broadly earmarked contributions, opening balance and adjustments.
3The above figures do not include costs at Headquarters.
Consultations with the OSCE resulted in an increased peace-keeping presence in one village housing ethnic minority returnees. This allayed fears of persecution and contributed to increased willingness on the part of both minorities to return to the village.

- In an attempt to reinstate property ownership, 29 cases passed through the courts, which, without exception, ruled in favour of the original owner. These few court cases went a long way towards removing a notable obstacle to return. After the court rulings, UNHCR found temporary shelter for the secondary occupier.

Returnees and IDPs (Georgian-Abkhaz Conflict)

- While UNHCR monitored the security and rights of some 40,000 persons who have spontaneously returned to the Gali District, the remaining 225,000 IDPs were unable to return in safety to their places of origin beyond Gali, and the question of the status of Abkhazia remained unresolved.

- Following the adoption in January of the “New Approach to IDPs” (see below) and the establishment of the Georgia Fund for Self-Reliance, the Government issued presidential decrees establishing a State Commission on the New Approach. The UN Security Council confirmed the international community’s support of the approach. UNHCR helped to attract contributions of USD one million to the Self-Reliance Fund.

Refugees and Asylum-seekers

- In the Pankisi Gorge, the most urgent needs of refugees were met. This helped to maintain harmony in an ethnically sensitive area. The renovation and refurbishment of 11 communal centres provided accommodation for refugees; the refurbishment of five schools and one kindergarten resulted in education for approximately 2,000 refugee children; the renovation of medical facilities, community infrastructure and water systems improved the health of the refugee population; the distribution of basic food items to the refugees during four winter months prevented nutritional deficiency; the distribution of special food packages to host families alleviated the burden on the local population and contributed to their continued hospitality.

Formerly Deported Meskhetians

- Working in close collaboration with the Council of Europe, UNHCR advised the Government on preparing draft legislation regulating the repatriation of formerly deported Meskhetians. To encourage Georgia to accede to the Conventions on Statelessness, UNHCR promoted the amendment of the Georgian citizenship laws. A draft was submitted for parliamentary debate.
WORKING ENVIRONMENT

Context

The territorial status of South Ossetia is still disputed. The OSCE leads a conflict-resolution process through the mechanism of the Joint Control Commission (JCC) in which UNHCR has observer status. No reliable data exist on persons displaced as a result of the 1991/1992 Georgian-Osset conflict. It is estimated that some 50,000 persons were displaced from their homes in a complex movement to various areas in the Russian Federation, Georgia proper, the conflict zone and within South Ossetia itself. Many ethnic Osset refugees in North Ossetia are hesitant to return in view of unresolved political disputes and harsh economic conditions in Georgia. Moreover, ethnic Georgians and IDPs from the Georgian-Abkhaz conflict occupy IDPs' houses, some of which have been sold to third parties. The financial incentive for refugees from the Georgian-Osset conflict to stay in the Russian Federation is less attractive than to return. In December, an economic agreement was concluded with the Russian Federation, which may increase return movements as the political and economic environment improves.

Some 225,000 displaced persons are still awaiting conditions allowing them to return to their homes in Abkhazia. They are not able to enjoy their full economic, social and political rights as citizens of Georgia. At the end of 2000, 40,000 IDPs were estimated to have returned to Gali without assistance or assurances of security. UNHCR continued to be guided by the UN Security Council resolutions confirming the right of refugees and IDPs to return to their place of origin in safety and dignity. The 1994 Quadrupartite Agreement between the conflicting parties, the Russian Federation and UNHCR remained relevant. Through its Working Group on IDPs, UNHCR systematically advocated security mechanisms and other guarantees for returnees to Gali. The "New Approach" adopted in January aims to involve the frequently marginalised IDPs alongside other citizens in the social, economic and political development of the nation. This was followed by the creation of a Self-Reliance Fund of USD one million with the participation of the World Bank, UNDP, UNHCR, Swiss Development Co-operation and USAID. Its function (once the promised funding becomes available) will be to finance innovative projects which support the New Approach by making IDPs more self-reliant.

A total of 7,603 Chechen refugees, who arrived during the winter of 1999/2000, are registered in Georgia and most of them are hosted in Pankisi Gorge. Women, children and the elderly constitute the majority. In January, UNHCR created a Supplementary Programme of USD 16.5 million to respond to the humanitarian needs of refugees and IDPs from Chechnya in the northern Caucasus and Georgia. USD 2.25 million were allocated for activities in Georgia. While UNHCR effectively covered the protection and material needs in Georgia, no refugees were able to repatriate during the year due to continued instability in Chechnya.

A total of 643 Formerly Deported Meskhetians are living in Georgia, of whom 110 are considered stateless. In total, some 450,000 are estimated to be scattered throughout the Russian Federation, the Caucasus and Central Asia. The plight of this group remained of concern to UNHCR. In the context of Georgia's accession to the Council of Europe, the President issued a decree in 1999 establishing a special commission on the Repatriation and Rehabilitation of Deported Peoples, but little progress was made. UNHCR has concentrated on advising the authorities on the questions of citizenship and statelessness, which are crucial to any eventual return to Georgia.

Constraints

In the Georgian-Osset conflict, any large-scale return of refugees and IDPs was ruled out by political deadlock, economic hardship, disputes over property restitution, common crime, and fear of ethnically motivated theft, harassment or worse. Insecurity also continued to hamper UNHCR's operations, which caused frequent suspensions of UNHCR's field activities during the year. The status of Abkhazia remained unresolved and UNHCR was not able to promote the return of IDPs in the absence of security guarantees by the parties. In August, three ICRC staff were kidnapped in the Pankisi Gorge, other hostage-taking was reported and the crime rate soared. As international staff could not enter the area, monitoring protection and assistance of Chechen refugees could only be done in a limited way, as with public information work among refugees and the local population. The usual severe winter conditions caused delays in construction. Nevertheless, UNHCR met the basic humanitarian needs of most of the refugees.

Funding

Emergency assistance to 7,000 Chechen refugees started in October 1999, but funding could not be assured till May 2000. This adversely affected the implementation rate of the whole of the Georgia programme as funds and staff had to be diverted from the
planned projects for IDPs. In addition, due to the shortfall in UNHCR’s global funding, the budgets for non-emergency projects had to be scaled down, in some cases by up to 50 per cent. Consequently, shelter projects for IDPs from the Georgia-Abkhaz conflict currently residing in urban areas had to be cancelled, while agricultural projects for IDPs and returnees had to be postponed.

**Ach i e v e m e n t s a n d I m p a c t**

**Protection and Solutions**

Legal counselling was offered to IDPs with regard to property restitution and their rights as citizens of Georgia. UNHCR conducted several workshops and training sessions for government officials and implementing partners in co-operation with a local NGO. The topics dealt with included statelessness, property restitution, and the rights of refugees and IDPs with a special focus on women, children and other vulnerable persons of concern to UNHCR. UNHCR’s activities continued (directly and indirectly) to encourage the Government to accede to the Conventions on Statelessness. UNHCR assisted in drafting amendments to the Georgian citizenship laws to bring them up to international standards and, as a sponsor of the legislative process pertaining to the repatriation of formerly deported Meskhetians, made comments on the draft Repatriation Law. These were submitted in November to the Ministry of Refugees and Accommodation (MRA) to facilitate discussion within the Government. UNHCR worked with MRA on improving the system for registering Chechen refugees and undocumented persons. An agreement was concluded with the Ministry of Internal Affairs aiming at improving the security of refugees and humanitarian personnel in the Pankisi Gorge. UNHCR lobbied intensively for respect for the rights of IDPs as Georgian citizens for as long as security conditions rule out immediate voluntary return. In response, development agencies have become more involved and the Government has expressed greater commitment.

**Activities and Assistance**

**Community Services:** In western Georgia, UNHCR funded two NGOs to expand community-based activities. The NGOs trained teachers and community leaders on conflict-resolution, needs assessments, project design and implementation. Host and IDP communities were assisted with self-help projects (which benefited 25,000 persons from both communities) and the renovation and running of six schools and ten houses providing accommodation for young people. In these houses, a large number of adolescents had the opportunity to benefit from psycho-social support and skills activities, such as leadership, teamwork, and computer and language skills. UNHCR has elicited the co-operation of a community centre to meet the psycho-social needs of women traumatised by their flight. At year’s end, this centre was due to begin offering skills training and other activities of interest to the participants.

**Crop Production:** UNHCR enabled 800 IDPs and host families to form four co-operatives. They were informed about their rights as citizens and provided with training on basic business management, crop cultivation and livestock rearing. Subsequently, IDPs and host families rented and cultivated agricultural land, which significantly improved their food security. UNHCR assisted 147 returnee families in the conflict zone to increase food production, thereby improving the likelihood that their return will be permanent.

**Domestic Needs/Household Support:** Most of the refugees and returnees arrived in Georgia with little more than the most basic supplies and belongings. UNHCR therefore distributed some essential items to the new arrivals, such as kitchen sets, mattresses, bed sheets, blankets, wood stoves and winter clothing.

**Education:** UNHCR urged the local community to allow refugee children to attend local schools and, to facilitate the adjustment, rehabilitated five school buildings. A donation of school kits and Russian and Chechen language schoolbooks were distributed to all refugee and local school-age children. This fostered closer harmony amongst the different communities in the Pankisi Gorge. White Crane, a magazine for peace-building and reconciliation amongst children, was distributed in 120,000 copies to schoolchildren in the conflict zones and also in Armenia. Two special issues were published featuring the Convention on the Rights of the Child and health issues. As in previous years, returnee children and IDPs from different ethnic groups were selected to attend a summer camp for peace-building and psycho-social rehabilitation. These activities have proved to build dialogue and friendship.

**Food:** In line with the terms of the 1997 Memorandum of Understanding between UNHCR and WFP, UNHCR distributed food to 5,000 refugees until May, when WFP took over. UNHCR gave host families a two-month package of food supplies to ease the economic burden presented by refugees and to promote
inter-ethnic harmony. Funds were also provided for the storage and distribution of food and other relief items for refugees, returnees and vulnerable IDPs. In the Georgian-Abkhaz conflict zone, hot meals and preserved food were given to 53 isolated elderly persons during the winter.

**Health/Nutrition:** In partnership with two international agencies, Chechen refugees received direct health care. UNHCR rehabilitated and equipped one hospital and three health clinics. A UNHCR/UNFPA-funded Reproductive Health Survey on IDP women revealed that although IDP women are in no worse health than other citizens, services are inadequate for IDPs and locals alike.

**Income Generation:** This sector received major attention in 2000 through the distribution of tool kits, group and individual loans (through the Revolving Loan Fund), domestic animals, and micro-credit. A local NGO, mentored by UNHCR since 1997, became independent and gave employment to 9,733 people in urban areas (66 per cent of them IDPs) by means of loan schemes. The agency successfully raised funds from other donors and doubled its loan portfolio. Another NGO managed 1,470 loans in the west of the country. In South Ossetia, similar efforts resulted in support to a local NGO to assist 50 returnee and local families with 164 loans and 180 professional kits (such as tools, equipment and protective goggles).

**Legal Assistance:** UNHCR provided MRA with expert advice and a vehicle and computers for registering Chechen refugees. The Office commissioned a study on the community relations of IDP and host families, and their expectations. The outcome will be used to assist in determining the most appropriate strategies for the New Approach and ensuring IDPs’ rights as citizens. A special training programme was provided in order to improve the capacity of the South Ossetian Committee for Migration and Nationalities to facilitate the return process and assist with the monitoring of returnee applications.

**Operational Support (to Agencies):** Local government bodies continued to receive assistance to improve their capacity to manage refugee matters and security. This included vehicles, radios and other equipment necessary for maintaining security in the Pankisi Gorge. Funds were also made available to local and international NGOs for operational expenses.

**Shelter/Other Infrastructure:** Over 85 per cent of the Chechen refugees were sheltered with host families, while the remainder had to be accommodated in unused public buildings. As these buildings had not been in use since the early 1990s, 11 sites needed repair and insulation against the harsh winter conditions, following the initial emergency repairs made in late 1999. A total of 109 houses were newly constructed for Osset returnees and 46 families received building materials to reconstruct their dwellings on a self-help basis. This intervention also assisted secondary occupiers evicted after court decisions in property restitution cases. Although UNHCR had planned to undertake some shelter repair in Abkhazia, it was decided that this should await real progress in the settlement of the conflict.

**Water:** As water available to Chechen refugees was generally of very poor quality, UNHCR assisted the local water department and epidemiological centre to ensure the quality of drinking water.
ORGANISATION AND IMPLEMENTATION

Management

UNHCR’s operation in Georgia was carried out through the support of the office in Tbilisi to three offices in the country and a mobile team in Gori/Tskhinvali. The programme was administered by 17 international staff, 51 national staff, one JPO and two UNVs. The operation suffered from delays in filling vacant posts. On several occasions field staff had to be pulled back to Tbilisi for security reasons.

Working with Others

UNHCR’s overriding aim was to improve conditions for the return of refugees and IDPs to their places of origin. It therefore continued to support the agencies and diplomatic missions working on the respective conflict-resolution processes. The New Approach/Georgian Self-Reliance Fund represents an innovative and exemplary collaborative effort by UN agencies and bilateral donors. It represents a transitional policy supportive of the rights of IDPs as citizens of Georgia while they await the opportunity to return to Abkhazia. Partnership with seven local NGOs was further strengthened as part of UNHCR’s strategy to build up civil society by transferring responsibilities from international implementing partners to local NGOs.

A presidential decree, signed in the summer, confirmed UNHCR’s co-ordinating role in protection and humanitarian assistance for refugees in Georgia. This helped UNHCR to play a significant role in identifying the needs of beneficiaries and, through the mechanism of regular co-ordination meetings, in filling gaps and avoiding duplication of effort.

OVERALL ASSESSMENT

All the indicators confirm that UNHCR has been effective in promoting the self-reliance of IDPs and that the New Approach has helped to promote their rights as citizens. However, the programme in western Georgia suffered from staff vacancies, leading to weak monitoring of protection and public information. Low returns of refugees from North Ossetia meant that UNHCR concentrated mainly on the return of IDPs. Complications developed when security problems hampered the ability of international staff to enter the Pankisi Gorge, where the majority of Chechen refugees are hosted. Nevertheless, most of the planned programmes were implemented and crucial basic human needs met. By working through local NGOs, rather than delivering assistance through international partners, UNHCR increased local capacity to assist IDPs more effectively, and more cost-effectively, than in the past.

Offices

Tbilisi
Akhmeta
Gali
Sukhumi
Zugdidi

Partners

Government Agencies
Ministry of Internal Affairs
Ministry of Refugees and Accommodation
South Ossetian Committee for Migration and Nationalities

NGOs
Acción Contra el Hambre
Agency for Social, Economic and Community Development
Constanța
Dawn Foundation
ERA
Georgian Young Lawyers Association
International Rescue Committee
Migrant
Norwegian Refugee Council
Peace and Accord
Samani
Secours populaire français
United Nations Association of Georgia

Other
United Nations Volunteers
World Bank/Georgian Self-Reliance Fund
### Financial Report (USD)

<table>
<thead>
<tr>
<th>Expenditure Breakdown</th>
<th>Current Year’s Projects</th>
<th>Prior Years’ Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>AB</td>
<td>SB</td>
</tr>
<tr>
<td>Protection, Monitoring and Co-ordination</td>
<td>1,517,737</td>
<td>359,284</td>
</tr>
<tr>
<td>Community Services</td>
<td>201,517</td>
<td>9,191</td>
</tr>
<tr>
<td>Crop Production</td>
<td>153,000</td>
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<tr>
<td>Domestic Needs / Household Support</td>
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<td>Education</td>
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<td>Income Generation</td>
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<td>Legal Assistance</td>
<td>247,920</td>
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<td>Livestock</td>
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<tr>
<td>Operational Support (to Agencies)</td>
<td>380,615</td>
<td>337,529</td>
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<td>Shelter / Other Infrastructure</td>
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<td>Transport / Logistics</td>
<td>94,280</td>
<td>51,930</td>
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<tr>
<td>Water</td>
<td>0</td>
<td>3,832</td>
</tr>
<tr>
<td>Instalments with Implementing Partners</td>
<td>647,350</td>
<td>315,830</td>
</tr>
</tbody>
</table>

**Sub-total Operational**

<table>
<thead>
<tr>
<th>Sub-total Operational</th>
<th>4,425,725</th>
<th>1,899,761</th>
<th>6,325,486</th>
<th>47,422</th>
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<tbody>
<tr>
<td>Programme Support</td>
<td>1,036,471</td>
<td>0</td>
<td>1,036,471</td>
<td>179,940</td>
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<tr>
<td><strong>Sub-total Disbursements / Deliveries</strong></td>
<td>5,462,196</td>
<td>1,899,761</td>
<td>7,361,957</td>
<td>(3) (6)</td>
</tr>
<tr>
<td>Unliquidated Obligations</td>
<td>83,045</td>
<td>134,969</td>
<td>218,014</td>
<td>0 (6)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>5,545,241</td>
<td>2,034,730</td>
<td>7,579,971</td>
<td>(1) (3) 227,362</td>
</tr>
</tbody>
</table>

### Instalments with Implementing Partners

- **Payments Made**: 2,552,968, 933,308, 3,486,276, 62,797
- **Reporting Received**: 1,905,618, 617,478, 2,522,096, 857,745
- **Balance**: 647,350, 315,830, 963,180, (794,948)
- **Outstanding 1 January**: 0, 0, 0, 949,930
- **Refunded to UNHCR**: 0, 0, 0, 154,982
- **Currency Adjustment**: 0, 0, 0, 0
- **Outstanding 31 December**: 647,350, 315,830, 963,180, 0

### Unliquidated Obligations

- **Outstanding 1 January**: 0, 0, 0, 335,079 (6)
- **New Obligations**: 5,545,241, 2,034,730, 7,579,971 (1) 0
- **Disbursements**: 5,462,196, 1,899,761, 7,361,957 (3) 227,362 (6)
- **Cancellations**: 0, 0, 0, 107,717 (6)
- **Outstanding 31 December**: 83,045, 134,969, 218,014 (3) 0 (6)

Figures which cross reference to Accounts:
1. Annex to Statement 1
2. Schedule 3
3. Schedule 6