

South-Eastern Europe

Major developments

Almost a decade after the signing of the Dayton Peace Agreement, steady progress is being achieved in terms of durable solutions throughout the Balkans. Accumulated returns to Bosnia and Herzegovina (BiH) passed the one million mark in the summer of 2004. Meanwhile, refugees in Serbia and Montenegro (SCG) continue to repatriate to their places of origin, while others are offered the opportunity to integrate locally through naturalization. UNHCR continues to channel direct support to the governments of this region; for example, through its partnership with UNHCR, the Council of Europe Development Bank has agreed to loan eight million euros to BiH to support durable solutions for the remaining displaced persons in the official collective centres. Equally important are the political initiatives underway in the region. In January 2005, the Governments of BiH, SCG and Croatia met in Sarajevo to resolve outstanding challenges related to displacement. This so-called "3-by-3 Initiative", launched by UNHCR, the European Commission and OSCE, is a key component of the post-Dayton peace process.

Albania

Bosnia and Herzegovina

Croatia

The former Yugoslav Republic of
Macedonia

Serbia and Montenegro



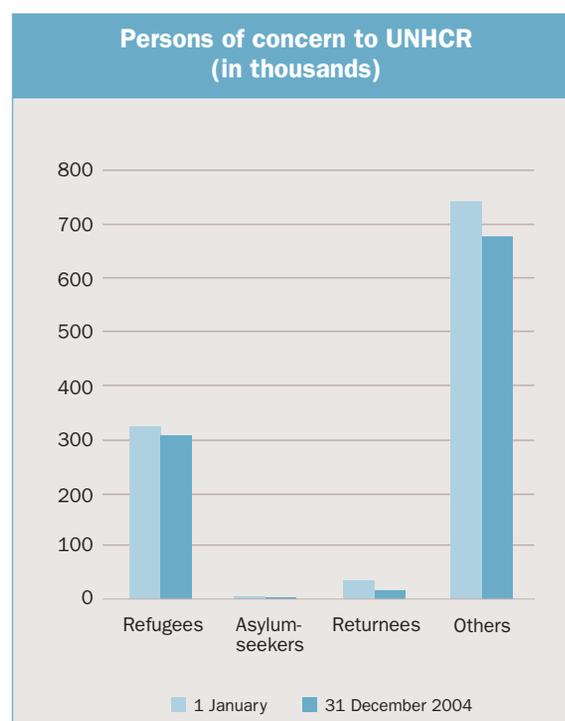
In June 2004 Croatia was granted official EU candidate status by the EU Council of Ministers, a move that was widely read as indicative of longer-term stability in the Balkans. The former Yugoslav Republic of Macedonia (FYR Macedonia) signed the Stabilization and Association Agreement with the European Union, thereby moving one step closer to European integration. In December the NATO-led Stabilization Force in BiH (SFOR) was replaced by the European Force (EUFOR).

However, these positive trends in the region lost some momentum in March 2004 following violent riots in Kosovo (SCG), which resulted in widespread damage to Serb-owned property. The return of Serb IDPs came to an almost complete (albeit temporary) halt. Meanwhile, tensions rose briefly in FYR Macedonia following the sudden death of President Trajkovski in February and again during a referendum in November on the Law on Decentralization (envisaged by the August 2001 Ohrid Agreement).

Challenges and concerns

In 2004, much of the Balkans area experienced sluggish economic growth and widespread unemployment (in Kosovo, more than 50 per cent). Some countries, such as SCG, faced political challenges,

while the status of Kosovo continues to generate a general sense of instability throughout the region. SCG found the legitimacy of its union with Montenegro challenged once again in 2004. Amendments to SCG's election law enabled the country to elect a new President (Tadic), after three abortive attempts.





Kosovo: Returnees to Drenoc Klina Municipality. UNCHR/ L. Boscardi

In 2004, very few of the remaining 2,240 Kosovar refugees in FYR Macedonia (primarily Roma) repatriated, owing to the violence in March and uncertainty over the province's future status. In view of the Ministry of Labour's limited capacity and the Government's overall reluctance to consider the option of local integration for Kosovar refugees (with the exception of Kosovars who have married citizens of FYR Macedonia) UNHCR continued to meet the assistance needs of this population throughout the year.

The outbreak of inter-ethnic violence in March posed the greatest challenge to UNHCR and its partners in SCG and neighbouring countries. The riots resulted in 20 casualties, the burning of 22 churches and hundreds of houses and the internal displacement of 4,200 ethnic minority people (mainly Kosovar Serbs and Roma). This development, coupled with the continuing uncertainties regarding Kosovo's future status, had a negative impact on minority returns – falling from 3,800 in 2003 to some 2,400 in 2004 – on the freedom of movement of ethnic minorities and on the prospects of durable solutions for displaced Kosovars in general.

Progress towards solutions

In Croatia over 7,400 people were officially recorded as having returned from SCG and BiH in 2004. This total, 24 per cent down on the 2003 figure, failed to fulfil the hopes raised by Croatian Government action to remove obstacles to return which involved housing repossession and reconstruction. However, reports from field-based partner organizations suggest a true return figure significantly higher than the official figure. The discrepancy may be due to the fact that many refugees are returning spontaneously and do not necessarily register their presence with any Government office.

Croatia's Law on Asylum entered into force in July 2004. The number of asylum-seekers in Croatia remains low, with only 154 new applications (162 persons) reported by the Government in 2004; 97 applications were turned down and 39 cases were closed. Eighteen cases remained pending at the end of the year. To date, no refugee has been recognized, which may be a cause for significant concern. However, there has been a marked increase in the number of

asylum applications since 2003, when only 63 new applications for asylum were reported by the Government.

In FYR Macedonia, the enactment of the revised Citizenship Law in March was another milestone for legislative reform, significantly strengthening the country's institutional framework. The continued implementation of status determination procedures by the Ministry of the Interior under the Law on Asylum and Temporary Protection led to over half the caseload receiving a decision on their asylum applications (nine granted refugee status; 956 offered humanitarian protection). An undetermined number were granted the right to apply for temporary residence because of their family links with citizens of FYR Macedonia (mostly through marriage). Three unaccompanied minors were granted citizenship. A total of 129 persons returned from FYR Macedonia to SCG with UNHCR's assistance, 46 of them to Serbia, and the other 83 to Kosovo. At the same time, nearly 725 refugees returned to FYR Macedonia from Kosovo leaving a residual caseload of 769 in Kosovo. The Legal NGO Network initiated procedures with the Ministry of the Interior of FYR Macedonia for the acquisition of citizenship by 667 so-called long-term habitual residents with unresolved citizenship status: 446 were successful and 79 were rejected.

In Serbia, UNHCR assisted the Serbian Commissioner for Refugees in conducting a refugee re-registration (November 2004 to January 2005). UNHCR estimates that, after a review of their status and after completion of the appeal procedure, the number of refugees will drop to roughly half the end-of-year figure of 275,000. Most of the reduction will be accounted for by naturalization rather than repatriation. Furthermore, UNHCR assisted the Government in closing 58 collective centres by providing alternative solutions for over 4,000 refugees and IDPs.

Regarding protection activities in SCG, UNHCR's main achievements have been the process leading to the publication of the *Analysis of the situation of Internally Displaced Persons from Kosovo: Law and Practice* (referred to elsewhere as *IDP Gaps Analysis*) and the drafting of the State Union Framework Law on Asylum that was completed and transmitted by the year's end to the Council of Ministers for further endorsement by Parliament. The Framework Law was eventually adopted by the Council of Ministers

in January 2005 and by the State Union Parliament on 21 March 2005.

In Kosovo, UNHCR took the lead coordination role in cooperation with NGOs to provide immediate emergency assistance to the group of 4,200 people newly displaced by the violence in March (at the end of 2004 this group numbered 1,864). UNHCR set out its views on protection in the following documents: the *Position paper on the continuing protection needs of individuals from Kosovo*, the *Update on the situation of Roma, Ashkëlia, Egyptians, Serb, Bosniak, Gorani and Albanian communities in a minority situation*, and the *Position paper on the possibility of applying the internal flight alternative within Serbia and Montenegro for persons belonging to ethnic minorities originating from Kosovo*.

In BiH, during the year, over 20,000 persons returned to their places of origin, including more than 2,400 refugees from abroad. Furthermore, UNHCR assisted the Government in the closure of nine collective centres by providing housing solutions to some 150 residents through 43 shelter projects. From a protection perspective, a welcome development was the official handover of responsibility for RSD to the Ministry of Security of BiH (with UNHCR providing intensive on-the-job training).

Operations

Separate country chapters describe UNHCR's operations in **BiH** and **SCG** (including Kosovo).

In **Albania**, UNHCR continued to assist authorities to develop a national asylum system in accordance with international standards and norms. Several by-laws to the 2003 national Law on Integration and Family Reunion of Persons Granted Asylum in the Republic of Albania were endorsed by concerned ministries. However, there are concerns that there could be insufficient state resources to bring local integration to fruition as a durable solution. Consequently, a priority for UNHCR was to strengthen the Department for Refugees (DfR) which coordinates the Government's activities in the field of asylum. Several training events were organized for the DfR as well as for judges and police officers. At the end of 2004, the authorities assumed responsibility for the management of the national reception centre, while UNHCR continues to provide financial assistance to cover the basic needs of asylum-seekers and refugees accommodated there. Recognizing the

importance of ensuring protection of asylum-seekers and refugees within broader migration flows, UNHCR extended pre-screening at border points (with the financial support of the EU Community Assistance for Reconstruction, Development and Stabilisation (CARDS) programme and in cooperation with the DfR, IOM and the OSCE). In 2004, some 60 foreigners were pre-screened; 11 of them requested asylum in Albania. Six transit reception facilities were established at major border points.

In **Croatia**, UNHCR continued to provide technical advice to the Ministry of Interior through the Coordination Group for Asylum. This group is a forum for regular discussion of asylum legislation and practice, established at the behest of UNHCR, and attended by all relevant Government bodies, NGOs and international community representatives (EC Delegation, EU CARDS twinning advisers and UNHCR). UNHCR has observer status at the Steering Committee meetings of the EU CARDS "Reform of Asylum" Twinning Project and was able to use this forum for the exchange of information as well as to raise issues under its mandate.

The Office continued to support the Croatian Law Centre and the Croatian Red Cross, key partners in the provision of protection and assistance to asylum-seekers and refugees. In August 2004, UNHCR signed an MoU with the Ministry of the Interior and the Croatian Red Cross on cooperation in matters related to the temporary reception centre for asylum-seekers, which has been managed by the Ministry of the Interior since July, with the Croatian Red Cross providing community services.

At the end of 2003, UNHCR initiated an informal coordination group for asylum with the purpose of exchanging opinions on the building of a system of asylum law in the Republic of Croatia encompassing Government bodies, NGOs and the international community. The most pressing issues remained the domestic asylum system's conformity to international standards, the construction and opening of the new State Reception Centre for asylum-seekers, and the refugee status determination procedure.

In **FYR Macedonia**, some 440 refugees were sheltered in the last collective centre until the end of May, when it was finally closed and the residents moved to private accommodation. After the closure, distribution of food ceased, and all refugees started to receive the standard cash food allowances. In

addition, non-food items were procured and distributed to persons of concern on a needs basis, including plastic sheeting, mattresses, blankets, kitchen sets, cooking and tent stoves, and hygienic parcels (which contained disposable sanitary napkins for refugee women and girls). Baby diapers and infant starter kits were also distributed. Moreover, specially targeted material assistance was provided to women (sanitary napkins), the elderly and the handicapped (including adult diapers) and specialized medical attention was provided on a case-by-case basis.

UNHCR continued to support a network of five legal NGOs, which provided legal counselling and representation to all asylum-seekers and refugees on citizenship and personal documentation to cases of concern to UNHCR. The network informed UNHCR of all decisions reached by the authorities. UNHCR monitored all phases of the asylum procedure and provided guidance to government authorities and lawyers.

Funding

Like its other operations in Europe, UNHCR's work in South-Eastern Europe suffered heavily from a depreciating US dollar. The dollar's depreciation against the euro and euro-related currencies led to reprioritization of a significant part of the planned activities in 2004. However, it was encouraging for UNHCR to note that the earmarked funding received for its operations in South-Eastern Europe was increasingly earmarked at the sub-regional level (68 per cent as compared to 64 per cent in 2003) rather than at the country level or – even less flexibly – at sector and activity level. It is when activities have to be reprioritized, in this case due to currency depreciation, that the importance of the availability of flexible funds is most starkly illustrated.

Restricted voluntary contributions (USD)		
Earmarking ¹	Donor	Annual programme budget
Albania		
	European Commission	1,254,748
Sub-total		1,254,748
Bosnia and Herzegovina		
	Council of Europe Development Bank	300,000
	European Commission	640,640
	Germany	372,324
	Japan	750,000
	Sweden	168,168
Sub-total		2,231,132
Croatia		
	Norway	1,119,403
Sub-total		1,119,403
FYR of Macedonia		
	Italy	183,824
	Norway	1,119,403
Sub-total		1,303,227
Serbia and Montenegro		
	Council of Europe Development Bank	704,000
	European Commission	732,464
	Germany	661,106
	Greece	124,844
	Japan	1,000,000
	Switzerland	396,825
	United States of America	383,410
	USA for UNHCR	5
Sub-total		4,002,654
South-Eastern Europe		
	Japan	2,750,000
	Norway	746,269
	Sweden	4,785,499
	United States of America	12,500,000
Sub-total		20,781,768
Total		30,692,930

Budget and expenditure (USD)

Country	Revised budget	Expenditure
	Annual programme budget	
Albania	2,025,384	1,914,893
Bosnia and Herzegovina	13,446,379	13,441,107
Croatia	5,666,450	5,658,707
Serbia and Montenegro	27,293,278	27,244,272
The former Yugoslav Republic of Macedonia	3,699,236	3,696,976
Regional projects ¹	205,900	141,556
Total	52,336,627	52,097,511

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