

Serbia and Montenegro

Main objectives

Serbia and Montenegro (SCG)

Facilitate and promote the voluntary repatriation of refugees to Bosnia and Herzegovina (BiH) and to Croatia and, where possible, of IDPs to Kosovo; facilitate the integration and naturalization in SCG of those refugees who are unable or unwilling to return to their country of origin; provide basic humanitarian assistance and promote self-reliance for the most vulnerable of over 280,000 refugees from the subregion and over 200,000 IDPs from Kosovo; continue to provide protection to asylum-seekers and mandate refugees, and assist the authorities in building the institution of asylum, in particular through the adoption of a law on refugees, and the establishment of a refugee status determination (RSD) process.

Kosovo

Help to inhibit further displacement of minorities from Kosovo, and encourage the return of minority IDPs and refugees to their home communities and their reintegration in a sustainable manner; monitor the prospects for the return in safety and dignity of ethnic minorities in Kosovo, and thereby enable IDPs to make an informed decision; identify and facilitate the attainment of the most appropriate durable solutions for refugees from Croatia and from BiH; provide international protection and basic humanitarian assistance to the remaining refugees from The former Yugoslav Republic of Macedonia (FYR Macedonia) and IDPs from southern Serbia, and help them to repatriate to their communities in safety and dignity.



Impact

Serbia and Montenegro

- Within the framework of the organized repatriation programme, 1,317 refugees were transported to Croatia and 1,067 to BiH. In addition, 456 families were assisted with transportation of their tractors and household belongings.
- A total of 2,620 IDPs returned to Kosovo from SCG; 62 go-and-see visits to places of origin in Kosovo were organized for Serb, Roma, Ashkalia and Egyptian IDPs; 29 refugee families were assisted with transport of household belongings.
- Working in cooperation with the SCG Government, UNHCR provided international protection and basic assistance to 350,411 registered refugees (of whom 13,827 were accommodated in collective centres) and 234,826 IDPs (10,868 of them in collective centres).
- In 2003, the Collective Centre Solution Project (CCSP), launched the previous year, succeeded in closing 142 collective centres (which had housed more than 5,500 refugees and 2,200 IDPs). In cooperation with the Ministry of Social Affairs,

five collective centres were converted into homes for the elderly; the conversion of another two is well underway. This form of durable solution was provided for 658 elderly refugees.

- Among those who left collective centres as a result of CCSP, 937 refugee families benefited from the Pilot In-Kind Assistance Project (PIKAP); 260 refugee families were assisted through the self-help housing programme (see protection and solutions, below); 3,731 families received small loans; and 725 families received in-kind grants. Over 600 individuals undertook skills training and apprenticeship programmes.
- RSD procedures were carried out by the Office for 87 families (135 individual asylum-seekers); 13 refugees were recognized under UNHCR's Mandate.
- In an attempt to address the specific problems facing Roma IDPs, UNHCR, OSCE and the Council of Europe funded a Secretariat within the Ministry of Ethnic Minorities tasked with drawing up a National Strategy for the Integration and Empowerment of the Roma.
- UNHCR remained directly involved in the development of a housing strategy and legal infrastructure for micro-financing and inclusion of refugees and IDPs in the Poverty Reduction Strategy of the Government of Serbia.

- A Task Force on Gender and Child Protection was established in October 2003, chaired by UNHCR and composed of representatives of ministries and NGOs.

Kosovo

- A total of 3,629 members of ethnic minority groups returned to Kosovo in 2003, 31 per cent more than in 2002. Of this population, approximately 55 per cent (spontaneous) were directly assisted by UNHCR. The remaining 45 per cent (facilitated and organised) were systematically monitored for the provision of adequate assistance, protection and policy-related concerns and/or access to public services. UNHCR intervened whenever necessary.
- UNHCR released its position paper on "The Continued Protection Needs of Individuals from Kosovo," the background document "Update on the Situation of Roma, Ashkaelia, Egyptian, Bosniak and Gorani in Kosovo", and in partnership with OSCE, produced the "10th Minority Assessment," providing valuable information to agencies working within Kosovo, as well as host governments of refugees from Kosovo, on the situation of the different ethnic minority groups in Kosovo.

Persons of concern				
Main origin/Type of population	Total in country	Of whom assisted by UNHCR	Per cent female	Per cent under 18
IDPs	256,900	-	44	32
Croatia (refugees)	189,700	189,700	50	18
Bosnia and Herzegovina (refugees)	99,800	99,800	-	-
Local residents-at-risk	85,000	85,000	-	-
FYR Macedonia (refugees)	1,400	1,400	50	49

Income and expenditure (USD) Annual programme budget				
Revised budget	Income from contributions ¹	Other funds available ²	Total funds available	Total expenditure
35,277,277	9,859,811	25,165,583	35,025,394	35,025,394

¹ Includes income from contributions earmarked at the country level.

² Includes allocations by UNHCR from unearmarked or broadly earmarked contributions, opening balance and adjustments. The above figures do not include costs at headquarters.

Working environment

The context

Serbia and Montenegro

By the end of 2003, the State Union of Serbia and Montenegro (SCG) still hosted more refugees (350,411) and IDPs (234,826) than any other European country.

The pace, scope and depth of political, social and economic reforms in the country were profoundly affected by the assassination of the reformist Serbian Prime Minister, Zoran Djindjic, in March 2003, and the subsequent state of emergency, which lasted two and a half months. In February 2003, the country had been through a constitutional change, with its transformation from the Federal Republic of Yugoslavia into the State Union of Serbia and Montenegro. The State Union (SCG) emerged as a political compromise: the product of agreement between Serbia and Montenegro as a transitional, three-year solution aimed at stabilization of the region. The Union was also conceived as an opportunity for the two countries to harmonize their economic systems in anticipation of eventual accession to the EU. However, at year's end, unresolved differences between Serbia and Montenegro remained, and these could not but compromise the smooth running of the State Union.

Widespread popular discontent found expression in political fragmentation and extremism. These processes were exacerbated by negative macro-economic indicators: negative industrial growth, lack of foreign capital investment, extremely high unemployment (30 per cent) and one third of the population living below the absolute poverty line. The situation in and around Kosovo influenced politics in Serbia and Montenegro as well as the country's international relations. For the ethnic Serb returnees in Kosovo, the security situation remained precarious, and had a negative effect on the process of IDP return. In late 2003, a dialogue between the transitional authorities in Kosovo and the Government in Belgrade – on the subject of benchmarks and standards for Kosovo – commenced under the auspices of the Special Representative of the Secretary General and the Head of UNMIK. Belgrade repeatedly voiced its deep dissatisfaction with the achievements of the international community in Kosovo, insisting on the swifter return of IDPs,

improved security for the returning minorities, freedom of movement and equal employment opportunities.

In April 2003, SCG acceded to the Council of Europe as a full member and in December 2003 ratified both the European Convention for the Protection of Human Rights and Fundamental Freedoms and the European Convention for the Prevention of Torture and Inhuman or Degrading Treatment or Punishment. SCG signed two bilateral agreements in 2003 with BiH. The lifting by SCG and Croatia of visa requirements for each other's citizens helped further normalization of relations and stabilization of the region.

Kosovo

With the delegation of power, transfer of competencies, and the launch of the system of benchmarks and standards for Kosovo, UNMIK and other international actors are urging the Provisional Institutions of Self-Governance (PISG) to assume greater responsibility for minority returns and integration. As a result, minority returns have moved higher up the political agenda, exemplified by the open letter issued in July 2003 by all non-Serb leaders of Kosovo appealing to IDPs residing in Serbia, Montenegro and refugees in FYR Macedonia to return to their home communities in Kosovo. In 2003, the UNMIK Office of Returns and Communities (ORC) created Regional Return Units (RRUs). These added impetus to UNHCR's gradual handover of coordination responsibilities to UNMIK, and enabled UNHCR to concentrate more on its supervisory role (as per United Nations Security Council Resolution 1244) as well as field activities.

Within minority communities, the negative perception of security was stoked up by a series of violent incidents directed toward Serb minorities during the summer and autumn. No instigators were arrested or charged. These incidents led to a sharp decrease of minority returns in June, August and September.

Despite the brief renewal of conflict in the northern parts of FYR Macedonia in late August of 2003, the situation by year's end was stable. In the course of the year, 2,200 refugees returned to FYR Macedonia, while the simmering conflict pushed 79 new arrivals over the border the other way into Kosovo. By the end of the year, 1,393 FYR Macedonia refugees remained in Kosovo. Some 2,000 ethnic Albanians displaced from Southern Serbia remain of concern

to UNHCR. This population has still not settled locally and may encounter security problems upon return. No major developments in 2003 affected 372 refugees from BiH or Croatia; 13 people voluntarily repatriated to Croatia, while 53 relocated to Serbia in 2003.

Constraints

Serbia and Montenegro

The unstable political situation in Serbia and Montenegro affected all areas of UNHCR's operation. Although the Office maintained cordial relations with the Commissioner for Refugees in Serbia and the Commissioner for Displaced Persons in Montenegro, ministries at the federal level were disbanded, and new ones created, often with ill-defined mandates. Consequently, UNHCR could not initiate work on the resolution of urgent issues, the most relevant being the drafting of an asylum law and new refugee legislation in line with the 1951 Refugee Convention. The legal gap (absence of cessation clauses in the 1992 Serbian Refugee Law) was an impediment to expressing the results of local integration in statistics and identifying those refugees who are no longer in need of international protection. The absence of an accurate database on the naturalization of refugees was a source of difficulty.

A major obstacle to voluntary repatriation in 2003 was the Croatian Government's failure to bring about the repossession of private property. UNHCR engaged an NGO to follow up on repossession claims, but to no avail. Uncertainties related to the status of Kosovo and the SCG Government's insistence on the speedy return of ethnic Serb IDPs prevented UNHCR from considering alternatives for these IDPs (though the problems were somewhat less intractable in Montenegro than in Serbia).

Kosovo

A difficult security environment, limited freedom of movement, unresolved property issues, persistent lack of economic opportunities (more than 50 per cent unemployment), insufficient information for IDPs and the inadequate or untimely funding of return projects were the key factors blocking minority return to Kosovo. In 2003, UNHCR made concerted efforts to mitigate these constraints in close cooperation with key partners. However, medium to long-term solutions are primarily the responsibility of the central and municipal PISG authorities, whose

engagement in the return process is complex and highly politicized.

Funding

Serbia and Montenegro

The global funding shortfall resulted in an allocation to the operation in SCG of only 85 per cent of the total 2003 ExCom approved budget. Initial reductions in the programme were made mainly in UNHCR's contribution to the Serbian Commissioner for Refugees for the running costs of collective centres housing refugees and IDPs (reduced from USD 5.1 million in 2002 to USD 2.3 million in 2003). The negative effect of exchange rate losses (especially the depreciation of the US dollar against the euro) was felt acutely in Montenegro, where the US dollar decreased by some 15 per cent against the local currency. Major savings were realized through cancellation of the procurement of non-food items, as well as the release of funds set aside for the repatriation of refugees from BiH (which failed to take place on a significant scale).

Kosovo

In 2003, UNHCR Kosovo ended the year with an allocation of 90 per cent of the initial ExCom approved budget. Careful budgeting and extensive consultation with implementing partners minimized the negative impact of the shortfall (which was unfortunately aggravated by the appreciating euro). Non-vital activities were cut back first, and operational partners were asked to cover gaps whenever possible.

Achievements and impact

Protection and solutions

Serbia and Montenegro

The refugee de-registration exercise, initiated with the Serbian Commissioner for Refugees in 2002 resulted in de-registration of a total 97,160 refugees by the end of 2003. In cooperation with UNHCR Sarajevo and Zagreb, a "regional benchmarks" document was drafted to serve as a tool for the identification of individual refugees who may fall under one of the cessation clauses provided under Article 1C of the 1951 Refugee Convention, and who may thus be

de-registered in the host country. In September 2003, UNHCR initiated discussions with the Serbian authorities regarding the possibility of a refugee status revision exercise in early 2004. By year's end, 44,000 refugees had been granted SCG citizenship (and were consequently de-registered).

Despite UNHCR's efforts, little was achieved in Croatia with regard to private property, the biggest obstacle remaining the enforcement of ostensibly agreed legal remedies and repossession mechanisms. Some steps were taken to solve the problem of the former tenancy rights holders on the basis of the Conclusion for the provision of housing care for former tenancy rights holders who want to return to Croatia. This programme does not offer a legal remedy (i.e. restoration or adequate compensation) for lost tenancy rights, but a housing solution allowing ex-tenancy right holders to return if they so wish. The deadline for lodging applications is 31 December 2004. It was agreed that UNHCR in SCG will collect and forward applications from refugees in SCG and monitor the process.

The resettlement programme for refugees from former Yugoslavia continued to phase down in 2003. The cases of approximately 2,300 refugees were processed; 697 interviews were conducted and 469 refugees from former Yugoslavia departed to third countries. Priority was accorded to victims of violence, vulnerable women and elderly refugees.

The promotion of returns to Kosovo was precluded by prevailing security conditions, and a lack of options for sustainable reintegration. Therefore, UNHCR promoted only the right to return and focused on providing reliable information to IDPs on conditions in their places of origin and other relevant issues. In Kosovo, UNHCR registered 2,620 minority returns in 2003, most of them spontaneous. An Inter-Agency IDP working group on legislation established in early 2003 compiled the "Gap Analysis on the IDP situation in SCG". This document should be a first step towards greater transparency in legislation applicable to IDPs and strict adherence to the *Guiding Principles on Internal Displacement*.

A working group on gender and child protection was established by UNHCR. Composed of representatives of key ministries and NGOs, and chaired by UNHCR, it was tasked to identify needs and make recommendations on raising awareness amongst



Refugees at a collective centre in Kraljevo.
UNHCR/A. Montanari

the refugee population; provide training and support to NGOs; enhance the capacity of competent authorities on these issues and establish preventative mechanisms and policies.

UNHCR continued to assist the Government of SCG in its efforts to establish the institution of asylum. In March 2003, SCG adopted a Charter on Human Rights and Civil Liberties. The charter includes express reference to the right to seek asylum and provides for a refugee definition in line with the 1951 Refugee Convention.

At the same time, UNHCR established links with other bilateral development programmes to ensure the inclusion of refugees in local integration projects. UNHCR participated in a number of development initiatives. The Office took part, together with the relevant ministries, in the Steering Committee of the UN HABITAT project for local integration of refugees. UNHCR worked closely with the Government of Serbia on its proposal to the Council of Europe



Bank for a loan of EUR 20 million for refugee housing. UNHCR also supported the Government's efforts to gradually close collective centres by linking its integration programme to this process. Through the local settlement programme, beneficiaries living in collective centres who opted for local integration in Serbia were assisted with construction materials for houses which were built by the refugee families themselves (self-help programme). In 2003, more than 200 refugee families were assisted in this way. In Montenegro, UNHCR provided self-help assistance to 25 refugee families.

As in the previous year, the self-reliance programme consisted of non-commercial micro loans, in-kind grants and vocational training programmes. Of the more than 5,000 direct beneficiaries of this programme, nearly 44 per cent were women. The *Poverty Reduction Strategy Paper* (PRSP) represents a crucial instrument for future planning, as it is the major national planning document on poverty reduction. UNHCR successfully promoted the

inclusion of refugees and IDPs as well as all marginalized groups such as the Roma in the PRSP process, alongside vulnerable members of the local population.

Kosovo

UNHCR played a key role in monitoring and analysing the conditions of minorities (approx. 85,000 individuals) throughout Kosovo while providing accurate and timely information to IDPs, refugees, local and central authorities, NGOs, donors and host governments through active participation in various coordination fora and coordinated go-and-see and come-and-inform visits. In 2003, the Office pursued durable solutions for the few remaining refugee families from FYR Macedonia, BiH and Croatia, while monitoring the situation of southern Serbian IDPs.

Despite UNHCR's advocacy of the continued need for international protection of ethnic minorities from Kosovo, forced returns from Western Europe

continued to increase in 2003. Consequently, through an airport monitoring team and the network of its field offices, UNHCR has continued to undertake intensive returnee monitoring in an effort to swiftly assess the situation of forced returnees and its effect on minority communities (also see legal assistance below).

Activities and assistance

Serbia and Montenegro

Community services: In Serbia medical assistance was provided to 52,143 refugees and IDPs. Regular doctors' visits and the provision of essential drugs were organized for 142 remote collective centres. The project beneficiaries (those aged over 60 or under 18) were accommodated in 89 municipalities. Some of the elderly refugees/IDPs found accommodation in ten homes for the older. Some 634 vulnerable refugees and IDPs underwent medical tests and treatment, and 78 of the most vulnerable refugees and IDPs were provided with hearing aids and orthopaedic devices. UNHCR continued to pay for the food and accommodation of some 2,000 refugees and refugee children with mental and physical disabilities, unaccompanied children and elderly people accommodated in social institutions without any family support. A network of 54 mobile teams, each consisting of a social worker and a psychologist, provided psychological support to 29,600 refugees and IDPs in 161 municipalities in Serbia by visiting collective centres and private accommodation. Approximately 6,500 children, mainly from the most socially vulnerable households and/or single-parent families, were involved in a range of social and recreational activities. In Montenegro, these activities targeted 520 children and were funded by the Danish Refugee Council. Basic school kits were provided by UNHCR for 120 children from extremely vulnerable families. In Montenegro, educational activities, health promotion projects and the provision of basic sanitary items and educational kits for the Roma population were implemented by five local Roma Associations and a non-Roma local NGO, targeting some 615 individuals.

Public Information Activities

Mass information activities included the production of two separate 30-minute television programmes broadcast weekly to refugees and IDPs respectively. The broadcasts provided current and accurate

information, from a cross-border perspective, on areas of return, assistance and options. UNHCR also undertook information campaigns related to projects targeting refugees and IDPs.

Domestic needs/Household support: Some 111,963 women and girls in SCG were regularly provided with sanitary materials during 2003. Cooking stoves, beds, mattresses, blankets, kitchen sets and other household items were provided for the benefit of over 10,000 refugees and IDPs. Some 1,400 beneficiaries of the local settlement programme were provided with basic furniture.

Education: Some 554 individuals with 1,330 dependant family members benefited from vocational training and apprenticeship programmes in Serbia. In Montenegro, some 50 Roma/Egyptian/Ashkalia IDPs participated in vocational training workshops.

Food: A total of 14,711 metric tons of WFP food-aid was distributed to refugees in SCG. The standard monthly food parcel comprised 12 kg of wheat flour, one litre of vegetable oil, a kilo of sugar and a kilo of beans. During 2003, the number of total beneficiaries was gradually reduced from 121,661 to 58,143 refugees. ICRC provided monthly food parcels for 59,000 IDPs in SCG. UNHCR participated in two needs assessment missions: one with WFP relating to food for refugees, and another with ICRC relating to food for IDPs.

Health/Nutrition: Medical assistance was provided to 52,143 refugees and IDPs. Regular doctors' visits and provision of essential drugs were organized for 142 remote collective centres. More than 600 vulnerable refugees and IDPs were assisted with diagnostic assessments, therapeutic assistance, and 78 of the most vulnerable refugees and IDPs were provided with medical devices such as hearing aids and orthopaedic devices.

UNHCR supported initiatives by other agencies and NGOs working on HIV/AIDS by financially contributing to the UNAIDS Theme Group implementing activities (throughout the year). The supported initiatives focused on prevention of mother-to-child transmission of HIV, improvement of HIV Surveillance system in Serbia, and assisting the Government of Serbia to develop HIV/AIDS component within the *Poverty Reduction Strategy Paper*.

Income generation: UNHCR's IPs issued 3,731 micro-loans from the existing revolving fund, to both the first-time borrowers and the repeat clients, which also benefited 12,319 family dependants. Some 554 refugees with 1,330 dependant family members benefited from the vocational training programme. More than 700 grants were distributed to vulnerable refugees and IDPs, benefiting around 1,737 dependants. Some 650 refugee and IDP women were involved in design and manufacturing of ethno-products, and over 25 sales exhibitions were organized.

Sanitation: Sanitation activities were implemented by local NGO in a camp in Podgorica (Montenegro) hosting 2,780 Roma/Egyptian/Ashkalia IDPs from Kosovo. The daily operations included monitoring, maintenance/repairs of the camp structures, and assisting these IDPs in their basic needs. The activities included raising awareness of public hygiene; waste management; basic material support utilized by beneficiary groups for communal works, clean-up exercises, minor repairs, and coordination with municipal water/sewage/garbage departments in order to maintain healthy sanitary conditions in the camp.

Shelter/Other infrastructure: Two important surveys of collective centres in Serbia were organized during 2003 to collect information for planning and the closure of collective centres in 2003 and 2004. UNHCR continued to contribute towards the running costs of collective centres in Serbia. At the beginning of 2003 there were 298 collective centres accommodating 13,226 refugees and 8,660 IDPs. By year's end there were only 176 collective centres accommodating 7,966 refugees and 7,523 IDPs. In Montenegro, the number of residents of official collective centres (receiving contributions from UNHCR) had decreased from 489 refugees and 1,757 IDPs, to 227 refugees and 1,089 IDPs by December. Emergency maintenance work was completed on some 40 collective centres.

Transport/Logistics: UNHCR continued to fund transportation of WFP-donated food from designated delivery points to the refugees. Over 600 metric tons of UNHCR non-food items were delivered to vulnerable refugees and IDPs living in collective centres and private accommodation in Serbia. In Montenegro two metric tons of non-food items were distributed. Within the framework of organized repatriation, 1,317 refugees were transported to Croatia

and 1,067 to BiH. In addition, 456 families were assisted with transportation of their tractors and household belongings. UNHCR assisted 29 returnee families with transportation of household belongings to Kosovo.

Kosovo

Community services: UNHCR and its implementing partners provided 42 small-scale grants in support of some 2,500 returnee, minority and IDP women; implemented 240 self-reliance and 72 income-generating projects for some 2,800 spontaneous minority returnees and their vulnerable neighbours and completed 110 community development projects in 70 communities, benefiting more than 30,000 people.

Domestic needs/Household support: Non-food items were distributed to minority returnees, IDPs and FYR Macedonia refugees as well as extremely vulnerable minorities: 268 beds, 723 kitchen sets, 2,949 mattresses, 122 sleeping bags, 973 consignments of firewood (three cubic metres each), 530 multi-purpose stoves and 4,964 sanitary napkins. 25 rigid shelters were distributed and an additional 10 reallocated for extremely vulnerable families.

Food: UNHCR distributed 2,613 three-month food rations (wheat flour, beans, oil, sugar and canned meat) to spontaneous returnees and 510 three-month rations to organized returnees. In addition, 2,856 and 1,382 two-month food rations were delivered to FYR Macedonian refugees between January and April 2003 and October and December 2003 respectively.

Legal assistance: Some 126 volunteers were recruited and trained throughout Kosovo with the aim of documenting the return and departure of minorities throughout Kosovo, while maintaining current and accurate information on security, access to services, and freedom of movement. These volunteers also provided information for the completion of Community Profiles (284), and Regional Situational Reports (53). Five regional workshops on the rights of Roma, Ashkalia and Egyptians were carried out with the Council of Europe, while a two-day workshop on the UN *Guiding Principles on Internal Displacement* was held jointly with OCHA. Free legal aid and information was provided to over 3,000 individuals, of whom 79 per cent were members of minorities. In 2003,

407 forced returnees were recorded by airport monitoring teams and followed up by UNHCR field offices to identify any protection related concerns and to notify the UNMIK Office of Returns and Communities (ORC) of any outstanding assistance needs.

Operational support (to agencies): UNHCR in Kosovo engaged in public information activities as follows: World Refugee Day events were held in each of the five regions; 14 press releases were issued; five articles were published in Focus Kosovo magazine, and four articles were published on the UNHCR website; a press kit was produced jointly with ORC. The Office also provided financial support for the Millennium Development Goals awareness campaign and supported UNHCR with information materials and contacts for broadcast on the Povratak television programme.

Shelter/Other infrastructure: The Plementina temporary transit/community shelter, housing 459 mostly Ashkalia and Egyptian minority IDPs was managed and maintained by a national NGO. Although the exit strategy for a phased hand over to UNMIK and the local municipality did not succeed, some 188 individuals left the shelter in 2003. In addition, 267 minority returnee families were assisted with minor emergency repairs (approximately 30 per cent of all returnee families in 2003).

Transport/Logistics: A fleet of 15 UNHCR trucks was maintained and convoys were organized for the delivery of humanitarian assistance. The Office also maintained a warehouse and mechanical workshop, undertaking the repairs of all UNHCR and implementing partners' vehicles.

Organization and implementation

Management

Serbia and Montenegro

In 2003, UNHCR Serbia and Montenegro was represented by the branch office in Belgrade, field offices in Novi Sad and Kraljevo, the sub-office in Podgorica and two satellite offices in Bar and Berane. The Belgrade office had eight international and 50 national staff, who were responsible for 55 municipalities in

Serbia. Kraljevo, with three international and 11 national staff, was responsible for 61 municipalities, while Novi Sad, with nine national staff covered 45 municipalities. Podgorica functioned with two international and 16 national staff. Over the course of the year, the staffing level was reduced by 14 and at the end of 2003 stood at 12 international and 76 national staff.

Kosovo

The office structure in 2003 was composed of one main office in Prishtine/Pristina and five Field Offices. The main office was headed by the Chief of Mission and the Deputy Chief of Mission (Protection), with 15 international staff, 39 national support staff, six UNVs and a JPO. Each of the five field offices was manned by a head of field office and at least one additional international staff member, 35 national staff and an average of two UNVs.

Working with others

Serbia and Montenegro

UNHCR's activities were implemented mainly through the Serbian Commissioner for Refugees, the Montenegrin Commissioner for Displaced Persons, the Ministries of Social Affairs and Welfare in SCG, the Ministry of Health, as well as through nine international and seven national NGO partners. In addition, 15 NGOs coordinated their activities with UNHCR under the framework of the Operational Partnership agreements. UNHCR and the Serbian Commissioner for Refugees jointly coordinated the application of various bilateral donations aimed at the provision of housing for refugees.

UNHCR chaired the Micro Finance Policy Working Group, which coordinated integration assistance programmes for refugees and IDPs delivered by agencies, donors and ministries involved in issues of employment, business finance, and the development of small and medium enterprises. UNHCR intervened directly with the Governor of the National Bank to support the regulation of micro-financing in the country. NGO coordination meetings were held on a regular basis to exchange updated information on programmes implemented by UNHCR and other bilateral projects.

Kosovo

In 2003, the UNHCR programme was implemented by 11 international and three local NGO partners. In partnership with numerous institutions, UNHCR was able to generate funds and ensure the full coverage of needs of refugees and IDPs in Kosovo. These partnerships included: UNDP with its Rapid Response Returns Facility provided full housing reconstruction assistance to some 90 returnee families; the Bureau of Population, Refugees and Migration provided support to 182 minority returnees through minor shelter repair, income-generating projects and domestic items; through the Small Investment Minority Fund, OSCE implemented 36 social, economic and infrastructure support projects for minority communities; WFP made available some 700 three-month rations in 2002, half of which were directed to 2003 minority returnees from SCG; with funds from the Kosovo consolidated budget, ORC provided 90,000 euros for minor shelter repair for UNHCR beneficiaries; the Swiss Development Cooperation funded the creation of a foster home to help locally integrate 15 refugees from Croatia and BiH. In addition, UNHCR participated in the many coordination mechanisms created for the minority returns process, i.e. working groups and task forces on all levels with UNMIK, OSCE, KFOR, PISG and NGOs.

Overall assessment

Serbia and Montenegro

In 2003, overall objectives were met. The programme focused on the capacity building of local NGOs that are taking over activities from international agencies; self-sufficiency of beneficiaries through self-help construction of individual housing, payment of utility costs by collective centre tenants, payment of incentives to beneficiaries leaving collective centres; assisting the most vulnerable refugees/IDPs with basic food and non-food items. The process of phasing out direct assistance for post-Dayton refugees is well underway and the amount of international humanitarian assistance available for vulnerable refugees and IDPs is diminishing, as foreseen under the HLWG/UNHCR Strategic Directions for 2002-2004. Nevertheless, given the economic situation prevailing in SCG, the consequences of reducing humanitarian assistance to the residual group of extremely poor and vulnerable refugees and IDPs are likely to cause difficulties. While UNHCR has sought the cooperation of the Government of SCG, donors, and NGOs and

governmental organizations to provide that assistance, the funding climate has been clouded by the political situation. It is not expected that programmes (including PRSP) will be funded or begin before mid- 2004; until then, the needs of the most vulnerable refugees and IDPs are being temporarily neglected. Following the impending EU enlargement, an increasing number of asylum-seekers find themselves on the territory of SCG. UNHCR will continue to support the Government in the full realization of the rights of IDPs as citizens of SCG. In particular, it will continue to strengthen the capacity of the Ministry for Human and Minority Rights of SCG to protect the rights of Roma IDPs.

Kosovo

The needs of UNHCR Kosovo's populations of concern during the reporting period were largely met through appropriate coordination with all actors. However, the steady decrease in resources, aggravated by a gradual increase in the number of return locations, has forced the Office to constantly re-prioritize its involvement, to the dismay of other parties.

Although UNHCR attempted to address the socio-economic situation of returnees through self-reliance and income-generation inputs, the long-term sustainability of this population is still of great concern. Wider-scale economic policy changes need to be made to ensure the long-term development of both minority and majority communities. Moreover, the recent unexpected upsurge of violence against Serb-minority members is likely to hinder the return of minorities to Kosovo.

Offices

Serbia and Montenegro

Belgrade

Kraljevo

Novi Sad

Podgorica

Kosovo

Prishtine/Pristina

Gjilan/Gnjilane,

Mitrovice

Peja/Pec

Prizren

Partners: Serbia and Montenegro

Government agencies

Ministry of Social Affairs (Serbia)
Commissioner for Refugees (Serbia)
Commissioner for Displaced Persons (Montenegro)

NGOs

Alter Modus (Montenegro)
American Refugee Committee (Montenegro)
Amity (Serbia)
Association of Young *Krajisniks*
Commission for Real Property Claims of Displaced

Danish Refugee Council (Serbia/Montenegro)
Djurdjevdan, Roma Association
Hi Neighbour – (Serbia)
Horizonti
Humanitarian Centre for Integration and Tolerance (Serbia)
Humanitarian Law Centre (Serbia)
International Orthodox Christian Charities (Serbia)
International Rescue Committee (Serbia/Montenegro)
Intersos (Serbia/Montenegro)
Italian Consortium of Solidarity (Serbia)
Microfins (Serbia)
Narajan, Roma Association
Norwegian Refugee Council (Serbia)
Nova NGO
Novi Sad Humanitarian Centre
Persons and Refugees (Serbia)
Pralipe, Roma Association
Rom Obrenovac, Roma Association
Roma Life, Roma Association
Serbian Democratic Forum (Serbia)
Society for Development of Creativity
Sunce
Union, IDP Association

Others

IFRC (participating national societies) (Serbia/ Montenegro)

Red Cross of Serbia (Serbia)
Swiss Agency for Development and Cooperation (Serbia and Montenegro)
UNVs (Serbia/Montenegro)

Partners: Kosovo

NGOs

American Refugee Council
Civil Rights Project
Council for Defence of Human Rights and Freedoms
Danish Refugee Council
GOAL
Housing and Property Directorate
International Catholic Migration Commission
Kosovo Women's Initiative
Malteser Hilfsdienst
Mercy Corps Scotland
Mother Teresa Society
Norwegian Church Aid
Norwegian Refugee Council
Provisional Institutions of Self-Governance

Others

IFRC (participating national societies)
Bureau of Population, Refugees and Migration (BPRM)
Council of Europe (CoE)
IOM
Kosovo Force (KFOR)
Kosovo Police Service (KPS)
OCHA
OSCE
UNDP
UNHCHR
United Nations Mission in Kosovo (UNMIK)/Office of Returns and Communities (OCR) and Office of Community Affairs (OCA)
UNMIK Civilian Police (CivPol)
UNVs

Financial Report (USD)

Expenditure breakdown	Current year's projects	Prior years' projects
	Annual programme budget ^{notes}	Annual and supplementary programme budgets ^{notes}
Protection, Monitoring and Coordination	8,212,972	120,096
Community Services	2,692,007	506,488
Domestic Needs/Household Support	1,465,320	718,753
Education	79,484	10,681
Food	80,062	686,437
Health/Nutrition	615,526	237,064
Income Generation	1,164,515	316,900
Legal Assistance	2,180,431	504,714
Operational Support (to Agencies)	1,572,241	367,659
Sanitation	13,642	1,364
Shelter/Other Infrastructure	5,148,890	2,178,139
Transport/Logistics	2,897,727	485,336
Instalments with Implementing Partners	4,140,057	(4,297,686)
Sub - total Operational	30,262,874	1,835,945
Programme Support	2,248,341	935
Sub - total Disbursements / Deliveries	32,511,215 ⁽³⁾	1,836,880 ⁽⁵⁾
Unliquidated Obligations	2,514,179 ⁽³⁾	0 ⁽⁵⁾
Total	35,025,394 ^{(1) (3)}	1,836,880
Instalments with Implementing Partners		
Payments Made	19,408,302	925,923
Reporting Received	15,268,245	5,223,609
Balance	4,140,057	(4,297,686)
Outstanding 1st January	0	4,643,363
Refunded to UNHCR	0	338,450
Currency Adjustment	0	(7,227)
Outstanding 31 December	4,140,057	0
Unliquidated Obligations		
Outstanding 1st January	0	2,058,415 ⁽⁵⁾
New Obligations	35,025,394 ⁽¹⁾	0
Disbursements	32,511,215 ⁽³⁾	1,836,880 ⁽⁵⁾
Cancellations	0	221,535 ⁽⁵⁾
Outstanding 31 December	2,514,179 ⁽³⁾	0 ⁽⁵⁾

Figures which can be cross-referenced to the Accounts:

- (1) Annex to Statement 1
- (3) Schedule 3
- (5) Schedule 5