

EASTERN EUROPE

Armenia Belarus Russian Republic of Ukraine
 Azerbaijan Georgia Federation Moldova



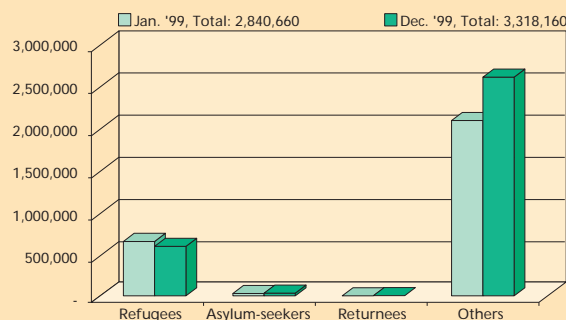
MAJOR DEVELOPMENTS

The military incursions by Chechen fighters into Daghestan (Russian Federation) in the summer months, and the subsequent massive response by Russian federal troops in Chechnya in the autumn, displaced over 250,000 people. Most went to neighbouring areas in the Russian Federation, mainly Ingushetia, where UNHCR launched an emergency relief operation together with other UN agencies, the ICRC and some NGOs. The Office allocated USD 8 million from the Emergency Fund to respond to the basic needs of the displaced people. These needs were met despite the difficulty for humanitarian aid workers of operating in a situation of heightened insecurity. Some 5,000 refugees crossed into Georgia, where UNHCR also provided protection and assistance. A report on the emergency programme is given in the chapter on the Russian Federation.

Eastern Europe is witnessing an impressive drive to adopt new legislation in practically all fields, including human rights, refugee and citizenship law. In the past year Armenia, Azerbaijan and Belarus have

adopted new refugee laws. Georgia ratified the 1951 Convention and its 1967 Protocol in May, and also became a member of the Council of Europe. It was immediately put to the test when Chechen asylum-seekers entered the Pankisi Valley, where the Georgian Government granted them asylum, despite domestic and external pressures.

Persons of Concern to UNHCR



CHALLENGES AND CONCERNS

UNHCR continued to be guided by the Programme of Action of the CIS Conference, to help countries in the region develop a legislative framework in line with international standards, and simultaneously strengthen the capacity of those agencies and bodies charged with translating that framework into policy and implementing it. UNHCR also helped strengthen the role of NGOs - through appropriate NGO legislation in the first instance - and other elements of civil society active in the migration and asylum fields.

Progress was made in Crimea (Ukraine) where remaining groups of stateless people (mainly Formerly Deported Peoples - in particular the Crimean Tatars) obtained Ukrainian citizenship. UNHCR provided advice on citizenship legislation in Azerbaijan and Georgia, and assisted the Armenian authorities in promoting citizenship for refugees from Azerbaijan. UNHCR helped Azerbaijan implement the new citizenship law adopted in 1998.

Although progress was made in strengthening institutional frameworks for the management of migration and displacement issues, this was hampered in several countries by political upheaval or uncertainty and frequent changes of personnel within the competent authorities. Economic problems also meant that governments tended to have other priorities. There remain some serious concerns about protection in the region, including: access to procedures and abuse of the 'safe third country' notion; restrictive interpretations of the definition of a refugee, resulting in very high rejection rates; and, in some cases, a lack of relevant legislation or procedures.

A major concern of the Office was that military activities and the heightened security risks in the Northern Caucasus made it difficult to ensure adequate protection and assistance monitoring.

PROGRESS TOWARDS SOLUTIONS

The year 1999 did not, unfortunately, see the long-awaited resolution of conflicts in the South Caucasus. There was a glimmer of hope that the South Ossetia conflict in Georgia might reach a peaceful solution. UNHCR contributed to a degree of stability and confidence in the area as some 1,500 refugees returned from North Ossetia. However, in the latter half of the year, the security situation in both South Ossetia and in the

Gali region of Abkhazia worsened to the extent that international staff periodically had to be evacuated. Further south, Armenia and Azerbaijan were reported to be talking constructively on the subject of Nagorno-Karabakh, but both countries were distracted by serious political instability throughout the year, and there was no breakthrough.

UNHCR maintained close collaboration with the UN, the OSCE and the Friends of the Secretary-General, endeavouring to ensure that critical issues such as voluntariness, safety and sustainability of return were addressed within conflict resolution processes. In parallel, UNHCR promoted the principle that internally displaced persons enjoy their full citizenship rights in places of current residence, without prejudice to their eventual return to their former homes.

UNHCR continued to work within an increasingly coherent inter-agency framework, providing assistance to IDPs and refugees and focusing on the most vulnerable groups, but also working towards the longer-term integration of the displaced. Working together with the World Bank and UNDP in an expanded framework for co-operation, UNHCR assisted returnees to war-damaged areas, mainly with shelter. Consultations with other agencies are oriented to preparedness for the eventual return to these areas of thousands more. The underlying objective is a hand-over to development agencies of responsibility for the provision of assistance in the area.

The penultimate Steering Group meeting of the CIS Conference in June 1999, identified the gap between the passage of legislation and its enforcement as one of the major areas of work still to be addressed by all CIS countries. A consolidation of the NGO sector was also deemed necessary. Thematic Working Groups of NGOs demonstrated greater strength and maturity at the Steering Group meeting. UNHCR therefore redoubled its efforts in 1999 to address these issues within its mainstream activities. A Working Group was established by the Steering Group meeting to look at the future of the CIS Conference process after its formal end in 2000.

OPERATIONS

Please see separate chapters on Armenia, Azerbaijan, Belarus, Georgia, Russian Federation, Republic of Moldova and Ukraine.

FUNDING

General Programmes in the region were affected by the overall funding shortfall during the year. While in some cases delays in implementation meant that the full budget was not required, in other instances planned activities or targets had to be reduced.

The Special Programme for the CIS countries started the year with a target of USD 32.5 million. Due to underfunding, it was decided in August to reduce the budget to USD 30.7 million of which 82 per cent was eventually funded.



Voluntary Contributions - Earmarked (USD)

Donor	Earmarking*	General Programmes		Special Programmes	
		Income	Contribution	Income	Contribution
FINLAND					
	CIS Countries	0	0	703,767	703,767
FRANCE					
	CIS Countries	0	0	81,436	81,436
GERMANY					
	CIS Countries	0	0	175,000	175,000
JAPAN					
	Armenia	30,000	30,000	0	0
	CIS Countries	0	0	3,940,000	2,130,000
	Azerbaijan	30,000	30,000	0	0
	Belarus	50,000	50,000	0	0
	Republic of Moldova	40,000	40,000	0	0
	Ukraine	270,000	270,000	0	0

REGIONAL OVERVIEW

Donor	Earmarking*	General Programmes		Special Programmes	
		Income	Contribution	Income	Contribution
THE NETHERLANDS					
	CIS Countries	0	0	1,722,889	1,722,889
	UNHCR/WB/UNDP Programme in AZE	0	0	146,067	146,067
SWEDEN					
	UNHCR/WB/UNDP Programme in AZE	0	0	236,740	236,740
	CIS Countries	0	0	1,041,818	1,041,818
SWITZERLAND					
	CIS Countries	0	0	1,266,234	1,266,233
UNITED STATES OF AMERICA					
	CIS Countries	0	0	9,038,000	9,038,000
	Belarus	25,000	25,000	0	0
	Republic of Moldova	10,000	10,000	0	0
	Russian Federation	125,000	125,000	0	0
	Ukraine	58,500	58,500	0	0
EUROPEAN COMMISSION					
	CIS Countries	0	0	734,496	750,287
DANISH REFUGEE COUNCIL (DEN)					
	CIS Countries	0	0	2,334	0
STICHTING VLUCHTELING (NET)					
	CIS Countries	0	0	100,000	100,000
THE MILLENIUM FUND (SWI)					
	Russian Federation	25,000	25,000	0	0
UK FOR UNHCR (GBR)					
	CIS Countries	0	0	11,146	11,146
MITSUI KUR DASHI EXPLORATION B.V. (JPN)					
	UNHCR/WB/UNDP Programme in AZE	0	0	600,000	600,000
PRIVATE DONORS JAPAN					
	CIS Countries	0	0	57	57
TOTAL**		663,500	663,500	19,799,984	18,003,440

* For more information on the various earmakings, please refer to the Donor Profiles.

** Total funds available for obligation in the region also included unearmarked voluntary contributions, lightly earmarked contributions, opening balances and adjustments.

Budget and Expenditure (USD)

Country	Working Budget*		Expenditure*	
	General Programmes	Special Programmes	General Programmes	Special Programmes
Armenia	321,101	3,793,482	321,182	2,692,956
Azerbaijan	377,284	7,185,937	358,395	5,609,964
Belarus	542,777	83,300	520,566	83,300
Georgia	0	9,059,661	0	6,408,977
Republic of Moldova	525,419	242,625	521,386	200,000
Russian Federation	15,388,627	5,641,036	15,355,348	5,281,673
Ukraine	2,408,410	1,656,531	2,186,659	1,408,700
Follow-up to the CIS Conference	0	1,022,420	0	731,665
NGO Fund	0	1,359,626	0	1,292,444
Regional Projects	0	139,333	0	120,000
TOTAL	19,563,618	30,183,951	19,263,536	23,829,678

* Figures do not include costs at Headquarters.

Financial Report - Special Programme (USD)

Programme Overview	Current Year's Projects		Prior Years' Projects	
		notes		notes
Opening Balance	4,342,101	(1)		
Income from Contributions	18,817,177	(1)		
Other Funds Available	1,975,761			
Total Funds Available	25,135,039	(5)		
Expenditure	24,128,822	(1) (5)		
Closing Balance	1,006,217	(1) (5)		
Expenditure Breakdown				
Protection, Monitoring and Coordination*	5,250,416		99,917	
Community Services	906,678		444,723	
Crop Production	310,820		124,914	
Domestic Needs / Household Support	226,694		50,186	
Education	756,697		499,367	
Food	60,782		0	
Forestry	37,607		0	
Health / Nutrition	934,000		414,886	
Income Generation	1,187,092		804,086	
Legal Assistance	1,150,498		1,181,536	
Livestock	90,590		4,160	
Operational Support (to Agencies)	1,487,663		575,149	
Sanitation	45,721		45,858	
Shelter / Other Infrastructure	2,271,219		1,581,207	
Transport / Logistics	252,399		64,001	
Water	96,558		180,808	
Instalments with Implementing Partners	4,805,680		(5,624,973)	
Sub - total Operational	19,871,114		445,825	
Administrative Support*	2,113,443		9,065	
Sub - total Disbursements/Deliveries	21,984,557	(5)	454,890	(6)
Unliquidated Obligations	2,144,265	(5)	0	(6)
TOTAL	24,128,822	(1) (5)	454,890	
Instalments with Implementing Partners				
Payments Made	13,012,490		541,212	
Reporting Received	8,206,810		6,166,185	
Balance	4,805,680		(5,624,973)	
Outstanding 1 January	0		6,513,336	
Refunded to UNHCR	0		499,952	
Currency Adjustment	0		(8,273)	
Outstanding 31 December	4,805,680		380,138	
Unliquidated Obligations				
Outstanding 1 January	0		1,609,623	(6)
New Obligations	24,128,822	(1) (5)	0	
Disbursements	21,984,557	(5)	454,890	(6)
Cancellations	0		1,154,733	(6)
Outstanding 31 December	2,144,265	(5)	0	(6)

* Includes costs at Headquarters.

Figures which cross reference to accounts

(1) Annex 1 to Statement 1

(5) Schedule 5

(6) Schedule 6