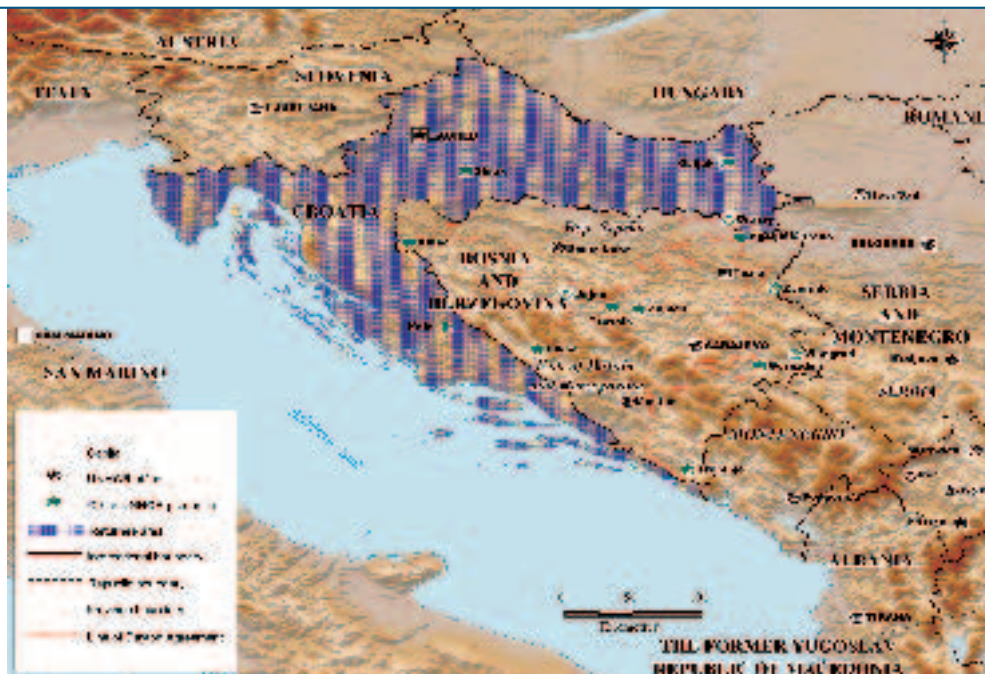


# Croatia

## Main objectives

Promote and facilitate the return and reintegration of Croatian refugees currently in Serbia and Montenegro (SiM) and Bosnia and Herzegovina (BiH); provide protection and facilitate durable solutions for refugees in Croatia who originate from BiH and SiM; support the Government of Croatia in establishing and implementing a legislative framework for asylum-seekers and refugees.



## Impact

- UNHCR's activities encouraged returnees to stay and continue to rebuild their lives;
- Refugees were enabled to make an informed decision on durable solutions as a result of cross-border information activities and "go and see" assessment visits to the country of origin.
- Border police units and administrative offices at county level, who represent the first point of contact for asylum-seekers, gained a better understanding of the principles and procedures of asylum.
- While still not fully satisfactory, improvements were made to the draft asylum legislation and the existing asylum procedures as a conse-

Persons of Concern				
Main Origin / Type of Population	Total In Country	Of whom UNHCR assisted	Per cent Female	Per cent under 18
IDPs	17,100	-	53	-
Returnees (from Serbia and Montenegro)	8,070	6,460	57	-
Bosnia and Herzegovina (Refugees)	7,390	7,390	59	15
Returnees (former IDPs)	6,300	-	52	23
Returnees (from Bosnia and Herzegovina)	2,980	2,680	57	-
Serbia and Montenegro (Refugees)	680	680	34	32

Income and Expenditure (USD) Annual Programme Budget				
Revised Budget	Income from Contributions <sup>1</sup>	Other Funds Available <sup>2</sup>	Total Funds Available	Total Expenditure
10,409,986	2,874,131	6,829,149	9,703,280	9,697,767

<sup>1</sup> Includes income from contributions restricted at the country level.

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

quence of UNHCR's comments and guidance provided to the Ministry of the Interior.

- Capacity-building activities increased the capacity of local NGOs to gradually take on UNHCR's monitoring, protection and co-ordination activities as the Office phases down its field operations.

## Working environment

### The context

In 2002, UNHCR registered 11,048 cross-border minority returns. This was significantly fewer than predicted. However, NGOs report a large number of spontaneous returns not included in that statistic. At the end of 2002, following the review of data and a de-registration exercise conducted by the Government, Croatia remained host to 8,392

refugees from BiH and SiM for whom durable solutions still need to be found. In the Croatian Danube Region there remained 3,352 Croatian Serb IDPs also in need of durable solutions. There were no asylum cases pending with the authorities at the end of the year. However, this cannot disguise the fact, of great concern to UNHCR, that Croatia has yet to recognise its first asylum claim. At the time of publication, UNHCR was itself in the process of reviewing 33 rejected asylum applications.

The resolution of property-related issues continued to be the main factor influencing the post-Dayton refugee return process in 2002. As regards repossession of property, a priority for UNHCR remained fair and efficient implementation of the amended Law on Areas of Special State Concern. Furthermore, the Government has committed itself to return all temporarily occupied private property belonging



Returnees arriving from Serbia and Montenegro. UNHCR / V. Petkovic

to Croatian Serb refugees by the end of 2002, and to complete all reconstruction activities by the end of 2003, provided sufficient resources remain available. This commitment should be viewed in the context of the Stabilisation and Association Agreement signed with the European Union in 2001, which identifies refugee return as a priority.

In past years, ministries interacted solely with UNHCR rather than directly with UNHCR's local implementing partners. Following capacity-building efforts with local NGOs in the areas of monitoring and co-ordination, co-operation between relevant ministries and local NGOs has improved. For example, the Reconstruction Ministry requested assistance from local implementing partners in processing property reconstruction applications. Moreover, the Ministry of the Interior also solicited the opinion of a local NGO on the draft asylum legislation.



Security in the areas of return was no longer a concern. However, isolated incidents, generally related to property disputes, still occurred. There was still a need to monitor discrimination against minority returnees when they attempted to access employment services, electoral eligibility or higher education.

## Constraints

Already by mid-2002 it was apparent that the Government would not meet its self-imposed deadlines on property repossession and reconstruction, mainly because the proposed legislative reforms that were to accelerate the process were not endorsed by Parliament until July 2002. This had a negative effect on return figures.

Croatia's economic prospects were poor, particularly in the areas of return. UNHCR's self-reliance grant packages enabled returnee families to start initial production and consequently end reliance on humanitarian assistance. However, this assistance will clearly be insufficient to render return sustainable in the long run. Returnees were often not in a position to benefit from more development-oriented activities, partly due to unfavourable loan schemes.

The coalition Government initiated and introduced a number of legislative and procedural measures conducive to return. However, in areas where the opposition parties enjoyed a majority in local government, these policies were often not enforced.

Decreasing numbers of persons with access to the asylum procedure indicate that there is still room for building officials' capacity for contacts with asylum-seekers further, notably through training activities.

UNHCR intervened with the Government on behalf of Bosniak (Bosnian Muslim) refugees who expressed a wish to locally integrate in Croatia. This did not meet with success. The Office will continue to advocate local integration of the remaining Bosniak refugees.

## Funding

In mid 2002, when UNHCR experienced a severe funding shortfall, the programme in Croatia was about to be suspended. Implementing partners were advised to slow down implementation of projects and

prepare for possible closure. Fortunately, UNHCR was able to pay third quarter instalments to implementing partners, but the crisis rumbled on, and nobody could be certain that funds for the final quarter would become available. The final allocation represented only 92 per cent of the ExCom approved budget for operations. In addition, exchange rate losses due to the depreciating dollar and late instalment payments further undermined project implementation. The net results were reduced cost-effectiveness and delays in the implementation of certain activities.

## Achievements and impact

### Protection and solutions

UNHCR addressed the main protection issues within the Joint Legal Working Group that incorporates representatives from the Government and the international community. Protection interventions were made on property repossession and reconstruction, acquisition of statutory documents and citizenship and other status issues. One result of the work of the Joint Legal Working Group was the adoption of the Law on Amendments to the Law on Areas of Special State Concern in July 2002, which introduced a more effective and streamlined property repossession mechanism. Nevertheless, by the end of the year, 6,881 properties remained occupied by those who seized them during the conflict in the 1990s. The amended law also provides a basis for allocation of housing assistance to former holders of tenancy rights who wish to return to the areas of special state concern. There are still no provisions for former holders of tenancy rights returning to other parts of Croatia, except Eastern Slavonia, where the tenancy rights system was never interrupted. The Joint Legal Working Group also received the Government's reaffirmed commitment to facilitate the return of former residents both through the implementation of administrative directives and provisions within the draft Law on Foreigners. UNHCR and the Reconstruction Ministry agreed on more flexible procedures for the reconstruction application process, which resulted in an increased number of reconstruction decisions in favour of Croatian Serb returnees.

One of the goals of the Agenda for Protection is an intense search for durable solutions, especially in

protracted refugee situations. The remaining Bosnian refugees have been in Croatia for several years. The assumption is that the majority of refugees from BiH who have had the opportunity to return have either already done so or will do so in the course of 2003, with individual property issues finding a resolution within the framework of the Property Law Implementation Plan. A limited number have expressed a wish to integrate locally in Croatia, and UNHCR has endeavoured to explain to the Ministry of the Interior that this is the most appropriate durable solution. The local integration of Bosnian refugees of Croatian origin is facilitated by the fact that this group is entitled to Croatian citizenship. However, this is not the case for Bosnian refugees of Muslim origin for whom local integration is denied. UNHCR continues to advocate local integration for all refugees regardless of ethnicity and country of origin. The resettlement programme for BiH refugees ended in 2002 with 1,499 persons departing under UNHCR's auspices.

UNHCR supported the Government's efforts to establish an asylum regime that gives asylum-seekers and refugees protection in conformity with international standards. Through direct comments and guidance to the Ministry of the Interior, participation in the work of country teams and the EU Community Assistance for Reconstruction, Development and Stabilisation (CARDS) programme, UNHCR helped to introduce significant improvements to the draft Law on Asylum. UNHCR contributed substantially to preparations for the CARDS 2001 Twinning Project on Asylum that was finalised in 2002 and will be implemented in 2003.

The Office expressed its concern regarding the detention of asylum-seekers and provided accommodation for the most vulnerable, including women and children, in an open reception centre. Capacity-building focused on two local NGOs that will provide legal services and representation to asylum-seekers, and the Border Police and County Administration staff, whose role is to advise asylum-seekers on asylum procedures in Croatia and facilitate their access to the procedures. This was done with the aim of ensuring adequate protection to asylum-seekers, especially the most vulnerable, pending the adoption of asylum legislation and the provision of legal assistance by the State.

## Activities and assistance

**Community services:** The Community Services Support Programme, staffed mainly by volunteers, reached some 18,000 beneficiaries, mostly returnees, but also refugees and particularly vulnerable groups. Assistance rendered included technical support, in-house services, distribution of non-food items, transport to health institutions, minor medical expenditure and support in obtaining documents. Volunteers assessed the needs of newly arrived returnees and other vulnerable community members. 2,456 wells were tested, of which 1,501 were treated and/or repaired. Children and youth development and reconciliation projects provided counselling, education and social activities

**Domestic needs/household support:** Limited material assistance primarily targeted vulnerable individuals in order to anchor return and help achieve self-reliance. UNHCR's implementing partners distributed 9,000 hygiene parcels, 2,000 agricultural tool kits, 3,600 stoves, 5,000 mattresses and 2,000 packages of various seeds to some 14,000 beneficiaries, predominantly returnees and refugees, but also the most vulnerable within the community. 1,800 repatriating Bosnian refugees received a departure package consisting of non-food items and basic food for three months. 89 vulnerable asylum-seekers received accommodation and food as well as limited social activities.

**Health/nutrition:** Recognised refugees and asylum-seekers are only entitled to primary and emergency health care. UNHCR established a health fund to cover secondary health care. This benefited 1,397 persons in need of specialised medical treatment.

**Income generation:** To support local integration and self-reliance, 319 returnee families (783 individuals) and 42 refugee families received grant packages, including domestic animals and agricultural supplies.

**Legal assistance:** A network of six implementing partners assisted approximately 35,000 returnees and refugees on issues such as property rights, pension and social welfare entitlements, and legal status. Counselling, home visits and legal representation contributed to the protection of their rights and subsequent reintegration.

**Operational support (to agencies):** Direct assistance activities were undertaken by 14 implementing partners, UNVs and limited UNHCR-direct implementation, particularly in the field of public information.

The overall project implementation was supported through programme, administration and finance staff, administrative and office costs. Implementing partners operated and co-ordinated activities in a cost effective manner adhering to UNHCR standards and principles. This was established through regular monitoring exercises in the field and financial monitoring.

UNHCR's mandate and goals were promoted through public information campaigns with civil society, donors and the Government. In 2002, UNHCR was particularly active in catalysing bilateral assistance through assessing needs and reviewing, endorsing and advocating for projects and activities that aimed at ensuring sustainability of returns.

**Shelter/other infrastructure:** Limited quantities of building materials were distributed to 787 returnee families, and enabled them to move into their own houses, or improve living conditions while they waited for further reconstruction. In the majority of cases, this was implemented on a self-help basis. 32 refugee families eligible for local integration received housing grants. Materials for self-help repairs provided to four collective centres considerably improved the living conditions of 102 refugee families.

**Transport/logistics:** During 2002, UNHCR's implementing partners took over the majority of activities in this sector, mainly the transportation of returnees and their belongings, including tractors, as well as customs procedures. UNHCR facilitated 52 organised convoys for 1,082 returnees, 351 tractors and trailers, 15 cars and 355 bulky household items.

## Organisation and implementation

### Management

UNHCR maintained offices in Knin, Osijek, Sisak and Zagreb. The satellite office in Daruvar was closed in September 2002. Following a 33 per cent

staff reduction, 61 staff members remained at the end of December 2002, including four international and 57 national staff, two JPOs and four UNVs. Cross-border co-ordination mechanisms linked UNHCR programmes in the region and enhanced the search for durable solutions.

## Working with others

UNHCR worked with 13 implementing partners; one governmental, nine local NGOs, two international NGOs and the Croatian Red Cross. Other key players included OSCE, the European Commission's Delegation, and Embassies. IFRC and IOM worked with UNHCR in different fora to ensure that refugee protection and asylum issues retained a high priority on the Government's agenda.

## Overall assessment

The initial objectives set for 2002 remained valid and were, for the most part, achieved. Though registered returns to Croatia did not reach the predicted targets, partners in the field reported high numbers of spontaneous returns. UNHCR's activities were implemented effectively, notwithstanding budgetary constraints. The humanitarian assistance had a positive impact on beneficiaries, who were among the most vulnerable in the community at large.

Progress has been made in amending return-related legislation, particularly regarding repossession and reconstruction. Efficient and fair implementation of the amended legislation remains a priority for UNHCR, especially in relation to repossession of property.

Poor economic conditions inevitably hinder sustainable return, as the lack of employment opportunities and inadequate local services discourages potential returnees and could in time cause returnees to flee once more. While UNHCR cannot address such structural development issues, it has discussed them with the Government and called for a well co-ordinated and comprehensive approach to economic revitalisation supported by international development agencies. This is badly needed in the areas of special State concern. Returnees and refugees who opt for local integration and who live in these areas are seeking ways to achieve self-

reliance and reduce dependence on humanitarian assistance, but without economic revitalisation of the areas under the leadership of the Government, these efforts may not be sustainable.

UNHCR achieved many of its objectives on asylum. It participated in the drafting of the Law of Asylum through the provision of substantive comments. UNHCR also strengthened co-operation with Government bodies and provided direct legal and social assistance to asylum-seekers, including accommodation for the most vulnerable, and training workshops for State officials and NGOs. UNHCR strengthened its working relationship with the EC Delegation to Croatia and reinforced the execution of its mandated role in the field of asylum.

### Offices

<b>Zagreb</b>
Daruvar (closed in September 2002)
Knin
Osijek
Sisak

### Partners

<b>Government Agencies</b>
Government Office for Displaced Persons
<b>NGOs</b>
American Refugee Committee
Caritas
Centre for Disaster Management
Centre for Human Rights Karlovac
Centre for Peace Osijek
Handicap
International Rescue Committee
Merhamet
MI, Serbian Democratic Forum Refugees and Returnees
Suncokret and Croatian Red Cross

## Financial Report (USD)

Expenditure Breakdown	Annual Programme Budget		Annual Programme Budget	
	Current Year's Projects	notes	Prior Years' Projects	notes
Protection, Monitoring and Co-ordination	2,494,173		11,624	
Community Services	813,865		555,381	
Domestic Needs / Household Support	530,772		118,472	
Health / Nutrition	187,233		145,245	
Income Generation	151,058		104,153	
Legal Assistance	1,170,465		541,366	
Operational Support (to Agencies)	762,374		400,741	
Shelter / Other Infrastructure	255,950		661,586	
Transport / Logistics	317,142		251,524	
Instalments with Implementing Partners	1,262,767		(2,774,084)	
<b>Sub-total Operational</b>	<b>7,945,798</b>		<b>16,008</b>	
Programme Support	1,673,759		27,869	
<b>Sub-total Disbursements / Deliveries</b>	<b>9,619,557</b>	<b>(3)</b>	<b>43,877</b>	<b>(5)</b>
Unliquidated Obligations	78,210	(3)	0	
<b>Total</b>	<b>9,697,767</b>	<b>(1) (3)</b>	<b>43,877</b>	
<b>Instalments with Implementing Partners</b>				
Payments Made	4,566,926		7,803	
Reporting Received	3,304,160		2,781,887	
<b>Balance</b>	<b>1,262,767</b>		<b>(2,774,084)</b>	
Outstanding 1st January	0		2,809,660	
Refunded to UNHCR	0		35,576	
Currency Adjustment	0		0	
<b>Outstanding 31 December</b>	<b>1,262,767</b>		<b>0</b>	
<b>Unliquidated Obligations</b>				
Outstanding 1st January	0		69,433	(5)
New Obligations	9,697,767	(1)	0	
Disbursements	9,619,557	(3)	43,877	(5)
Cancellations	0		25,556	(5)
<b>Outstanding 31 December</b>	<b>78,210</b>	<b>(3)</b>	<b>0</b>	<b>(5)</b>

Figures which cross-reference to Accounts:

(1) Annex to Statement 1

(3) Schedule 3

(5) Schedule 5