



UNHCR

United Nations High Commissioner for Refugees
Haut Commissariat des Nations Unies pour les réfugiés

FOURTH PROGRESS REPORT

Reporting Period: 1 June 2016 to 31 December 2016

Implementation of the Durable Solutions Process (Sarajevo Process) for refugees from Croatia displaced by the 91 – 95 conflict, including cessation of refugee status

A) Introduction

At the time when the conflict in Croatia ended in 1995, some 950,000 people had been displaced from or within Croatia over the course of the conflict. In order to find solutions for persons displaced from Croatia in South-Eastern Europe by the conflict in the region in the 90s, with a particular focus on the Regional Durable Solutions Process (“Sarajevo Process”), UNHCR advocated to improve the policies and practices of the Government of Croatia related to housing assistance, status issues, free legal aid, and resolution of property rights. UNHCR further managed to improve the allocation of housing units, both through the national Housing Care Programme (HCP) and the Regional Housing Programme (RHP), including for vulnerable persons of concern. Awareness on the importance of sustainable solutions for returnees and promotion of national minority rights and reintegration have been continuously raised. During the period with the highest rate of voluntary repatriation to Croatia (from 1999 to 2004), UNHCR provided material aid and supported a number of projects, including small house repairs, income generation, and community building initiatives. Progress has been achieved with long lasting positive effects in the returnee communities.

In April 2014, UNHCR issued its Advisory on the *Implementation of the Durable Solutions Process (Sarajevo Process) for refugees from Croatia displaced by the 91 – 95 conflict, including cessation of refugee status* (hereinafter Advisory).¹ The Advisory contained UNHCR’s recommendation for the cessation of refugee status of refugees from Croatia displaced by the 1991 – 1995 conflict pursuant to the “ceased circumstances” cessation

¹See: UN High Commissioner for Refugees (UNHCR), *Implementation of the Durable Solutions Process (Sarajevo Process) for refugees from Croatia displaced by the 91-95 conflict, including cessation of refugee status*, April 2014, available at: <http://www.refworld.org/docid/533d813f4.html>, *Progress Report on the Implementation of the Durable Solutions Process (Sarajevo Process) for refugees from Croatia displaced by the 91 – 95 conflict including cessation of refugee status*, November 2014, available at: <http://www.refworld.org/docid/547c1e524.html>; and UN High Commissioner for Refugees (UNHCR), *Second Progress Report on the Implementation of the Durable Solutions Process (Sarajevo Process) for refugees from Croatia displaced by the 91 – 95 conflict, including cessation of refugee status*, September 2015, available at: <http://www.refworld.org/docid/560eb5104.html>, and *Third Progress report on Implementation of the Durable Solutions Process (Sarajevo Process) for refugees from Croatia displaced by the 91-95 conflict, including cessation of refugee status*, August 2016, available at: <http://www.refworld.org/docid/57c409fd4.html>.

clauses contained in paragraph 6(A)(e) and (f) of the UNHCR Statute and Article 1C(5) and (6) of the 1951 Convention relating to the Status of Refugees. UNHCR recommended that States ensure that all aspects of cessation be implemented in 2014, with cessation to take effect by the end of 2017 at the latest. In tandem, UNHCR provided recommendations on how to resolve remaining displacement challenges and further advance the Regional Durable Solutions Process.

This is the Fourth Progress Report issued in line with UNHCR's commitment to monitor its cessation recommendation and States' commitments under the Regional Durable Solutions process. The report covers the period from 1 June 2016 to 31 December 2016, and should be read in conjunction with the initial Advisory.

UNHCR acknowledges the ongoing efforts of the Government of Croatia to ensure access to durable solutions for returnees and refugees from Croatia. However, the recommendations contained in the Advisory remain relevant. In UNHCR's view, there has been some progress in implementation of the Regional Durable Solutions Process since the issuance of the Advisory in 2014.

B) Update on the refugee situation

Although the majority of persons from Croatia displaced by the conflict in the 1990s had either returned to their country of origin or acquired the nationality of their country of asylum when the Advisory was initially issued, there were still 49,055 persons from Croatia registered as refugees in the region, of which 41,724 were in Serbia; 6,726 in Bosnia and Herzegovina; and 567 in Montenegro; as well as 38² in Kosovo (S/RES/1244 (1999)).³ In addition, at the end of 2015, there were 726 persons from Croatia still registered as refugees in other countries outside the region.⁴

As of 31 December 2016, 25,548 refugees from Croatia remained registered in the region, of which 20,334 were in Serbia; 5,164 in Bosnia and Herzegovina; 24 in Montenegro; and 26 in Kosovo (S/RES/1244 (1999)). Overall, this represents a decrease by 1,522 persons compared to 31 May 2016.⁵ It should be noted that this decrease is largely due to cessation of refugee status of persons from Croatia on the basis of re-acquisition of the national protection of the country of origin or acquisition of the nationality of the host countries pursuant to Article 1C(1), (3) or (4) of the 1951 Convention.⁶ Cessation on this ground, initiated in Serbia and in Montenegro well before UNHCR issued its Advisory in April 2014, continues.

²This is a correction of the figure of 39 contained in the advisory.

³All references to Kosovo in this Progress Report are to be understood in the context of S/RES/1244 (1999). This designation is without prejudice to positions on status.

⁴UNHCR Field Information and Coordination Section.

⁵As reported in the Third Progress Report.

⁶According to the 1951 Convention, a person's refugee status shall cease if s/he has re-availed himself / herself of the protection of his / her country of nationality (Article 1C(1)) or if s/he voluntarily re-established himself/ herself in the country which s/he left or outside which he remained owing to fear of persecution (Article 1C(4)), while Article 1C(3) stipulates that a person's refugee status shall cease if s/he has acquired a new nationality and enjoys the protection of the country of his/her new nationality.

In Serbia, there was no decrease in the number of refugees from Croatia in the reporting period and the number of refugees stood at 20,334 persons, as of December 2016.

In Montenegro, in general, persons displaced from the former Yugoslavia in the 1990s were granted the status of “displaced persons,” which no longer exists under the 2009 Law on Foreigners. Under the 2009 Law on Foreigners, displaced persons from the former Yugoslavia were granted privileged access to the status of foreigner with a simplified application procedure to facilitate local integration. Following several years of extending the deadline for submitting applications to obtain status as foreigners under the privileged regime, the Government decided to cease the status of “displaced persons” of all persons who had not applied by 31 December 2014. Persons who acquire status as foreigners are required to obtain national passports from Croatia and are also no longer recognized as displaced. As of 31 December 2016, there were 24 refugees from Croatia still holding “displaced person” status in Montenegro as their applications for the status of foreigner were still pending, due to incomplete applications. Additionally, concerns remain in particular with respect to the temporary residence status granted to 27 persons due to the temporary nature of the status.

Throughout the region, considering the aging refugee population, the number of repatriation to Croatia has declined considerably, and progress in achieving returns remains very slow. During the reporting period, UNHCR Croatia registered 34 minority returnees. This figure includes 29 refugees from Croatia assisted with voluntary repatriation from Bosnia and Herzegovina, 4 refugees from Serbia through the Government-sponsored returns programme and 1 person from Montenegro.

Serbia and Croatia, together with the respective national Red Cross Societies, continue to support voluntary repatriation from Serbia to Croatia, mainly through transport of personal belongings. Returnee convoys from Bosnia and Herzegovina to Croatia are organized by NGO Bosnian Humanitarian Logistics Service (BHLS). Two convoys have been organized from Serbia (assisting four persons) and seven convoys from Bosnia and Herzegovina (assisting 30 persons) since June 2016. The County State Administration Offices of Croatia issued 18 decisions on granting the Returnee Status in Croatia.⁷

Repatriation from Serbia continues without logistic and administrative problems and the transportation of most personal belongings is processed in an expedited manner in keeping with the humanitarian character of the operation. The transfer of personal belongings and household items from Bosnia and Herzegovina, although facilitated by UNHCR’s partners, is still treated as common commercial cargo subject to standard customs clearance procedures, without any priority being accorded. The standard procedures are considerably more time-consuming and cumbersome. UNHCR recalls that this matter was brought to the attention of

⁷The Returnee Status is granted to both nationals (over 95% of all returnees) and former habitual residents who are non-citizens. In both cases, the status of returnee (valid for 6 months) enables them to get monthly allowance per person (cash grants, free health insurance, and access to humanitarian aid). For non-citizens, this status immediately enables them to get the status of permanently residing foreigner status. UNHCR has been advocating for immediate granting of this status to individuals who have returned for years and there has been a progress due to the improved efficiency of the administration and relatively small number of claims.

the respective authorities, stressing the humanitarian character of the shipments and suggested simplification of existing procedures. Nevertheless, the practice continues.

Information available to UNHCR indicates that refugee returns to Croatia will continue to decrease. Given that persons from Croatia displaced by the conflicts in the 1990s have lived more than two decades in exile, it is expected that most of the remaining persons still registered as refugees from Croatia will strive to integrate locally, primarily through the implementation of the Regional Housing Programme (RHP)⁸. Only a relatively small number of individuals – primarily RHP applicants – still hope to return to their pre-war places of origin. Although numerous achievements have been made by the Government of Croatia to ensure conditions for return, a number of difficulties remain. These impediments and the progress made in addressing them are reviewed in detail in Section D.2 of this Progress Report.

In the meantime, prospects and opportunities for local integration in the place of displacement are improving in the region and are outlined further below. A number of concerns remain, however, which are described further in Section D.3 of this Progress Report.

C) Comments on progress on UNHCR’s recommendation regarding application of the “ceased circumstances” cessation clauses to refugees from Croatia

While cessation on an individual basis on grounds of acquisition of nationality has been ongoing in Serbia and Kosovo (S/RES/1244 (1999)), and Montenegro, as outlined above, cessation for refugees from Croatia on the basis of ceased circumstances pursuant to Article 1C(5) and (6) of the 1951 Convention and in line with the recommendation contained in UNHCR’s Advisory has not been initiated anywhere in the region. Equally, no host States outside the region⁹ have indicated an intention to implement cessation on this basis.¹⁰

The Government of Serbia remains in disagreement with the cessation recommendation made by UNHCR in the Advisory.¹¹

In Bosnia and Herzegovina, refugees from Croatia were never registered or formally recognized as refugees at State level, but rather at Entity level in Republika Srpska. Based on extrapolation from the figures of the re-registration exercises of 2000 and 2005, the total

⁸The RHP is a joint initiative of Bosnia and Herzegovina, Croatia, Montenegro, and Serbia (“the Partner Countries”) to implement the regional durable solutions strategy set out in the 2005 Sarajevo Declaration and confirmed in the 2011 Joint Declaration on Ending Displacement and Ensuring Durable Solutions for Vulnerable Refugees and Internally Displaced Persons and is complemented with national reconstruction/housing programmes.

⁹Information obtained for the November 2014 Progress report included the following host States outside of the region: Austria, Belgium, Canada, Czech Republic, France, Germany, Hungary, Ireland, Italy, the Netherlands, Switzerland, and the United Kingdom.

¹⁰The exception is Switzerland, where cessation for refugees from Croatia pursuant to Article 1C(5) and (6) was implemented prior to the issuance of UNHCR’s advisory between the period of June 2010 and August 2013.

¹¹ Immediately after the issuance of the Advisory, the Government of Serbia sent two *note verbales* to UNHCR, expressing its disagreement with UNHCR’s recommendations. In February 2015, in response to the First Progress Report, the Government of Serbia sent a letter to UNHCR to reiterate its objection that cessation on the ground of the ceased circumstances had been prematurely applied.

number of refugees was estimated to be 6,677 at the end of May 2016. The re-registration exercise in 2005 was intended to provide a basis to confirm or cease refugee status by the Sector for Asylum of the Ministry of Security of Bosnia and Herzegovina, but this was never implemented. The Ministry for Refugees and Displaced Persons of Republika Srpska has, however, expressed willingness to de-register persons who have repatriated voluntarily to Croatia or who have integrated locally and do not need further assistance. Analysis of the data on refugees from Croatia, which the Ministry for Refugees and Displaced Persons of Republika Srpska shared with UNHCR, showed that 1,692 refugees were recorded to hold citizenship of Bosnia and Herzegovina¹². Following reduction of the number of refugees whom UNHCR assisted to voluntary return to Croatia (2002-2015) and return registries from Croatia (up to 2011), as well as the number of refugees who were recorded to hold citizenship of Bosnia and Herzegovina from the database, UNHCR and the Ministry for Refugees and Displaced Persons of Republika Srpska determined that number of refugees from Croatia in Bosnia and Herzegovina stood at 5,164 at the end of 2016. The Ministry for Refugees and Displaced Persons of Republika Srpska expressed willingness to review its data and de-register those refugees who found a durable solution. The State Ministry for Human Rights and Refugees (MHRR) of Bosnia and Herzegovina has separately agreed with UNHCR to convene a meeting with all relevant actors at State and Entity levels in 2017. The aim would be to agree on necessary steps to review refugee status and to explore ways to cease status for persons who either hold nationality of Bosnia and Herzegovina or have benefitted from assistance to return to Croatia. The stakeholders would also seek to identify vulnerable refugees in need of further assistance in Bosnia and Herzegovina (including legal assistance for naturalization). A thematic working group is to be established to analyse and review such needs soonest, i.e. in the second half of 2017.

D) Recommendations relating to the implementation of the Regional Durable Solutions Process

1. Update on the Regional Durable Solutions Process

In UNHCR's view, there has been continuous and tangible progress made under the Regional Durable Solutions Process since its Advisory in April 2014. The most positive developments observed have come about as a result of the Regional Housing Programme's (RHP) implementation. Selection of RHP beneficiaries for the approved sub-projects in all four Partner Countries, namely Bosnia and Herzegovina, Croatia, Montenegro, and Serbia, is progressing despite some delays. Still, concerns remain, especially with respect to delays and challenges in ensuring that the most vulnerable are identified.

The second half of 2016 saw an increased number of concrete housing solutions delivered to the most vulnerable beneficiaries in all Partner Countries, amongst whom were a number of refugees from Croatia. Some 1,000 housing solutions were provided in the region, in 2016. It is expected that this trend will continue in the entire region through 2017 and 2018. Some

¹²However, citizenship status of family members of 1,692 refugees with recorded citizenship of Bosnia and Herzegovina is yet to be determined.

EUR 269 M were pledged in support of the RHP at a Donors Conference in April 2012 in Sarajevo, of which 230 M are from EU. The implementation period was originally planned for five years (2013 –2017), but following the EC decision, of 1 December 2016, the RHP implementation will be extended until 2020. At present, EUR 155 M have been approved by the donors, of which EUR 14 M were approved for Croatia, i.e. for 330 housing solutions. Despite delays in some areas, the RHP beneficiary selection process is being implemented within the timeframes set by the respective Country Feasibility Reports. This, along with growing efficiency in the preparatory process for all approved RHP sub-projects, gives rise to optimism.

Donors have approved 22 sub-projects within the framework of the RHP since the beginning of the programme implementation, providing for 7,900 housing solutions for vulnerable refugee and internally displaced families across the region. The initial aim of the RHP was to find solutions for 74,000 persons. Nevertheless, this projected figure seems not to correspond to the magnitude of the needs of the most vulnerable displaced population. It is believed that some 27,700 persons (7,900 vulnerable families) should receive new homes by 2019, if the current implementation pace continues (additional 3,300 housing units in 2017 and 3,600 in 2018). It is estimated that a significant number of these persons are refugees from Croatia, especially in Serbia (up to two thirds of the overall number of currently selected RHP beneficiaries in Serbia – 2,074 families).

UNHCR welcomes the considerable advances in the implementation of the RHP by the Partner Countries, as outlined above. UNHCR also welcomes the commitment by donors to maintain their funding pledges for the RHP in full, as presented at the Donor Conference in Sarajevo in April 2012, and encourages them to continue lending support until the RHP fully meets its declared objectives. Current role of UNHCR (in close partnership with OSCE missions where present) is to provide support to the Partner Countries¹³ by monitoring and reporting on the progress of selecting beneficiaries for specific projects and in making policy-level suggestions to guide the implementation of the RHP. To this end, amongst others, mechanisms were established to ensure that beneficiaries of the RHP meet general eligibility criteria and those related to vulnerability.

In order to avoid possible duplication of assistance and ensure that the most vulnerable are selected, particular emphasis has been placed on cross-border verification for persons pre-selected as RHP beneficiaries. UNHCR is pleased to note that additional capacities to perform cross-border data verification have been established in all four Partner Countries to expedite the beneficiary selection for timely implementation.

Cross-border verification is particularly important with respect to refugees from Croatia in Bosnia and Herzegovina. The Government of Croatia is still in the process of conducting 3,559 field verifications for applicants to the RHP in Bosnia and Herzegovina, of which 96 per cent are completed. Croatia requested a total of 3,350 administrative and 261 field verifications to be carried out in the three Partner Countries, with the majority in Serbia. The

¹³Reference is made to the following countries: Bosnia and Herzegovina, Croatia, Montenegro and Serbia;

requests are based on applications for housing assistance submitted by potential beneficiaries. There are some 4,900 pending claims.

Ensuring the sustainability of solutions has been shown to be a challenge in all four Partner Countries, and requires a more comprehensive approach, whereby the issues are addressed more holistically through existing institutions, including social welfare systems. UNHCR has therefore called upon all four Partner Countries to develop efficient sustainability management and monitoring mechanisms and to design projects with a solutions-oriented perspective, focused on ensuring the sustainability of return or local integration. Additionally, more efforts are needed to remove other barriers to voluntary repatriation (see Section D.2 below).

Additionally, concerns relating to the effective possibility of local integration continue (as outlined in Section D.3).

UNHCR therefore encourages Croatia and the host countries in the region to do their utmost to ensure that persons of concern are able to achieve durable solutions, or that the solution is clearly identified and is under implementation by them, and to work closely with their respective UNHCR Offices to ensure that the durable solutions process continues to progress and is not adversely impacted or curtailed by the cessation of refugee status.

UNHCR further notes that there may be refugees from Croatia who continue to be in need of a solution, but have not yet been identified, due to the extent of their vulnerabilities and isolation. The process of UNHCR monitoring of RHP beneficiary selection, particularly its cross border verification component, indicates instances of cases whose housing and social needs remain unaddressed. Beneficiaries in remote areas that are not targeted by RHP projects are of particular concern in all countries of the region. Consequently, UNHCR in the region, in close consultation with the Governments concerned, aim to continue their efforts to identify cases of particular concern and to review the residual problems they and other refugees from Croatia may face, in line with the recommendations of UNHCR's Advisory.

2. Comments on the progress of UNHCR's recommendation to remove barriers to voluntary repatriation and sustainable reintegration in the country of origin

a) Difficulties to regularize stay for refugees from Croatia without Croatian citizenship

The majority of refugees from Croatia in Bosnia and Herzegovina never obtained Croatian citizenship and are required to regularize their stay in Croatia upon return.¹⁴ UNHCR notes that there have been improvements with respect to the challenges faced by former habitual residents of Croatia to regularize their stay in Croatia. This is in line with specific provisions for regularization of stay for former habitual residents introduced in Croatia's 2013 Act on Foreigners. The regularization process functions smoothly and improvement is noted in

¹⁴ Article 94, para 2 of the Croatian Law on Foreigners stipulates: "Permanent residence could be approved to foreigners who had permanent residence in Croatia on 8 October 1991 and who are beneficiaries of the Return Programme or Reconstruction Programme or Housing Care Programme, which has to be proved by a certificate of the competent state body for refugees, and who are assessed as having returned with intention to permanently live in Croatia."

exemption of fees. UNHCR and its three legal implementing partners report that among 419 status related cases, 11 were exempted from administrative fees. UNHCR continued to assist, on an individual basis, the most vulnerable with free legal aid and partial coverage of applicable administrative fees as the fees have been an obstacle for a number of people to regularize their status and the access to free legal aid services remains cumbersome.

Any person who had a registered residence in Croatia on 8 October 1991 and who returns to Croatia in an organized or spontaneous manner can be granted returnee status¹⁵. This entitles the recipient to six months of financial aid from the State, free medical insurance and access to humanitarian assistance, and is in principle available for all newly-arrived returnees, including former habitual residents. There have been improvements in addressing the previously reported delays in payments of returnee grants.

UNHCR commends improvements in acceleration of granting Returnee Status which facilitate non-citizens' access to the naturalization procedure and implementation of the Act on Administrative Fees.

b) Need for adequate housing

Effective access to housing assistance still remains the most pressing issue in the context of implementation of the Regional Durable Solutions Process. UNHCR repeatedly notes that there has been limited progress towards meeting the need for adequate housing for (potential) returnees to Croatia. This is particularly concerning as accommodation is one of the preconditions to obtaining permanent residence in Croatia. Potential returnees, including those that have returned, are largely dependent on being selected as beneficiaries of housing reconstruction projects for returnees, namely the national Housing Care Programme (HCP) or the RHP.

The continuing backlog in implementation of Croatia's HCP remains of particular concern. Croatia has a total of 2,443 pending family requests for housing care submitted by the former occupancy/tenancy right holders, 1,278 pending requests for reconstruction and 6,176 pending requests for housing care (estimated number of persons of concern based on those figures amounts to approximately 10,000 persons¹⁶). Further efforts to increase the state allocated funds to finalize the remaining pending cases are required. UNHCR has noticed some limited progress as in 2016 a total of 798 requests were finalized (93 positive and 705 negative). This, nevertheless, concerns the administrative proceedings, only. The Government reported that only 34 former occupancy/tenancy right (OTR) holder families have received housing solutions through national HCP in the second half of 2016.

Returnees and other beneficiaries have a possibility to purchase their newly allocated apartments/houses. Some improvement is noted in relation to completion of purchase

¹⁵Article 2 of the Law on Amendments to the Law on Status of Refugees and IDPs (Official Gazette No51A <http://narodne-novine.nn.hr/default.aspx>).

¹⁶ The number of former OTR and pending requests for reconstruction relate specifically to the Serb national minority population, whilst the number of housing care requests concerns all population groups in Croatia. Thus, the estimate provided is based mainly on the two first groups mentioned.

contracts (within Areas of Special State Concern/ASSC) - 136 were finalized in comparison to 87 in the previous report while outside ASSC 78 contracts were finalized in comparison to 76 finalized in the previous report). However, there are still 2,918 pending requests within ASSC and 1,015 outside ASSC. The issue of previously rejected ¹⁷ draft Government Decision aimed at enabling former OTR holders to purchase allocated State owned apartments under a preferential regime, has not been addressed, despite UNHCR's recommendations to do so. Conditions for purchase in urban areas thus remain very unfavourable for Serb national minority returnees.

As to the implementation of Croatia's national HCP, the State budget allocations have been decreased for the purchase of apartments for former OTR holders in urban areas from EUR 5.2 million in 2015 to EUR 3.4 million in 2016. In September 2016, the Central State Office for Reconstruction and Housing Care revised the budget and allocated 4 million HRK (530,000 EUR) for building materials scheme and decreased for the same amount for the maintenance of buildings. The decrease in funding is coupled with a slow administrative decision-making process.

The implementation of the State-run reconstruction programme also needs to be accelerated as at least 1,278 families still await assistance. Having in mind the fact that Croatia reconstructed more than 155,000 privately owned houses (damaged/destroyed during the war), the reasons for this prolonged implementation are unclear.

UNHCR would like to recall on the previous Progress Reports and once again recommends that the Government of Croatia introduce favourable conditions for former OTR holders to purchase allocated housing units in urban areas; accelerate purchasing procedures; and harmonize the purchasing procedures in urban areas with those that apply in other parts of the country (e.g. in the Areas of Special State Concern, Croatian Danube Region). Further efforts to increase the State-allocated funds to finalize the remaining pending cases are urgently required. UNHCR additionally recommends that the rate of issuance of decisions on HCP, by the County Offices of the State Administration, be accelerated.

As for implementation of the RHP in Croatia, UNHCR welcomes the continuation of the joint modalities of cooperation with the Croatian Lead Institution, the Central State Office for Reconstruction and Housing Care (CSORHC). The RHP budget for Croatia stands at some EUR 14 million.

During the reporting period, the Joint Working Group¹⁸ (JWG) led by the Central State Office for Reconstruction and Housing Care met four times and nominated 67 vulnerable

¹⁷The draft Decision was not approved by the State Attorney Office.

¹⁸A Joint Working Group (JWG) led by the Central State Office for Reconstruction and Housing Care (CSORHC) selects RHP beneficiaries. UNHCR is represented in the JWG by two staff members who provide advice on the eligibility of applicants based on RHP vulnerability criteria; they do not have voting rights. Only beneficiaries who have already obtained the right to housing care are eligible. CSORHC provides UNHCR with a list of potential beneficiaries; preliminary field visits to establish their current situation are carried out jointly. If concerned beneficiaries are displaced outside the country, CSORHC requests cross-border verifications in the respective countries. UNHCR may identify eligible candidates who have not applied or received a positive decision on housing care. In such cases, UNHCR assists them in the application process, both directly and

families. To date, the progress on selection of RHP beneficiaries stood at 191 selected families and 75 pre-selected¹⁹. Five families moved in apartments (sub-project HR04) and eight apartments were purchased. To date, 84 families (208 persons) received RHP housing assistance.

UNHCR notices delays in the delivery of housing units under the HR04 RHP's sub-project (purchase of 101 apartments) and envisages additional obstacles in the last approved, HR06 sub-project (construction of family houses). Construction works on the HR02 (two buildings in Knin), HR03 (Home for Elderly in Glina) and HR05 sub-project proceeded without major obstacles.

Reasons for the delays concerning the sub-project HR04 remained the same as reported in the previous Progress Report: a) slow issuance of administrative decisions on the right to housing care and, b) slow purchase procedure which lasts for more than six months. Furthermore, lack of appropriate apartments e.g. of smaller size and on lower floors at the market, slows down the implementation. Under HR04, 17 already selected vulnerable beneficiaries await purchasing of apartments. To finalize HR04, the State has to purchase another 23 apartments for which the JWG has already identified enough vulnerable families. For the HR06 sub-project, UNHCR notes that eligible beneficiaries according to RHP vulnerability criteria do not meet technical conditions of having valid building permits or legalized ownership which significantly delays implementation.

Concerning the operational engagement of eight local Serb National Council's coordinators in February 2016, for which funding was ensured through the RHP Operational Grant, to assist County State Administration Offices in contacting the applicants and speeding the administrative procedure, UNHCR notes some, but limited, advances in issuance of decisions. In relation to previous report, 497 decisions (in comparison to 301 issued in the first half of 2016) were issued (County State Admin Offices issued 47 positive and 450 negative decisions on housing care). The trend of issuing a large percentage of negative decisions on the right to housing care continued. To the understanding of UNHCR, negative decisions are the result of the following - applicants are giving up due to the combination of time lapse, there are concrete local integration opportunities/housing solutions being offered in Serbia through RHP, and insufficient documentation proving eligibility. High percentage of negative decisions requires further feedback from the side of authorities.

UNHCR recommends the acceleration of issuance of decisions on the right to "housing care" to improve at the level of the County Offices of the State Administration and that the public purchase procedure coherently follows the pace of issuing positive decisions. In relation to HR06 RHP sub-project, UNHCR recommends that Croatia identify a mechanism to assist eligible beneficiaries with timely issuance of technical documentation necessary for

through a network of legal implementing partners. When eligibility under RHP vulnerability criteria is established, UNHCR and SORHC jointly assess pending and necessary actions required for beneficiaries to receive housing assistance. If and when status-related issues, social integration, and other humanitarian requirements are identified, UNHCR activates a referral system with its implementing partners.

¹⁹HR01-29 selected, HR02- 40 selected, HR03-75 preselected, HR04-78 selected, HR05-six selected, HR06-38 selected;

construction of houses along with covering such costs on behalf of beneficiaries. UNHCR recommends CSORHC to utilize the NGO coordinators' network more efficiently in order to speed up the issuance of decisions. Croatia is kindly required to provide an in-depth analysis on the proportion of the negatively decided requests for housing assistance.

In view of the need for complementarity of the national and regional housing programmes, as well as the backlog of pending applications, UNHCR encourages Croatia to pursue other funding opportunities to continue implementation of housing assistance and to ensure greater synergies between the national and the regional housing programmes.

In December 2016, CSORHC, supported by UNHCR, produced Pictorial Report on the Progress of RHP in Croatia, called *"Rebuilding Lives"*²⁰. The Report depicted six beneficiary families who received RHP housing solutions with the focus on their sustainability prospects. The Report was presented at the RHP Steering Committee/Assembly of Donors, on 1 December in Paris and at the launching event in Zagreb, on 8 December 2016. The latter presentation was covered by the national media.

UNHCR welcomes Croatia's continuous engagement with local media aimed at affirmatively informing the broader public about the implementation of the RHP in Croatia and the region, in support of achieving durable solutions.

c) Access to basic public infrastructure

UNHCR notes that there has been improvement in access to public infrastructure since the issuance of its Third Progress Report. The budget for local communities in 2016 was half a million HRK (66,500 EUR). This budget was increased to 2 million HRK (266,000 EUR), in September 2016. This financial assistance is to be used by local self-government units for sustainability measures. CSORHC published a public call, on 2 December 2016. Results and the lists of selected municipalities were made public in January 2017. The Areas of Special State Concern where most minority refugees return to, continue to lack adequate infrastructure. One specific problem that affects primarily Serb returnees is the (re)connection to the electrical grid with some 50 rural and remote settlements still living without electricity.

UNHCR commends CSORHC initiative to increase the budget to assist sustainable return by financially assisting local self-governments. Nevertheless, the acute problem of reconnecting the returnee settlements to power supply persists. UNHCR recommends that the Government of Croatia urgently prioritize returnee areas for access to electricity. UNHCR is of the opinion that this issue should be resolved with no further delays.

d) Employment and basic means of subsistence

Following the adoption of the Constitutional Act on the Rights of National Minorities,²¹ more members of national minorities have been employed in local self-administration bodies. There are Croatian Serb Deputy Prefects in counties where the Croatian Serb population

²⁰http://regionalhousingprogramme.org/wp-content/uploads/2016/12/RHP_Newsletter_December_2016.pdf

²¹ Constitutional Act on the Rights of National Minorities, Official Gazette 55/02, 47/10, 80/10, 93/11.

represents more than five per cent of the population, and in some municipalities Croatian Serbs hold the position of head of the municipality.

Limited employment prospects across the country has in particular affected employment of national minorities in public service. UNHCR received a comprehensive information from the Ministry of Foreign and European Affairs and the Government's Office for Human Rights and Rights of National Minorities stipulating that the reasons for decreased employment rates of national minorities were the Government's ban to employ new staff and the reluctance of minority members to declare themselves as members of minority groups. UNHCR acknowledged Serb representation at the level of County Prefects (where Serb national minority constitutes over five percent of population) and municipality officials. The Ministry of Regional Development and EU Funds provided a comprehensive input on measures to assist deprived communities. Majority are focused on the improvement of the work of local self-administration units and infrastructure. UNHCR is interested to see development of a project "*Program of integrated physical, economic and social regeneration of small towns in war affected areas*". Considering that this project relates to five towns in the areas of return (Knin, Benkovac, Vukovar, Beli Manastir and Petrinja) and includes significant funds (120 million EUR), UNHCR expects that actual implementation will start soon. UNHCR will address the issue with the Ministry for Regional Development and EU Funds (MRDEUF). To UNHCR knowledge, all five locations are in the preparatory phase except Knin where intervention plan was adopted in 2016. UNHCR encourages MRDEUF to continue to provide this assistance and furthermore expands the project in other areas of return, as reflected in the Ministry's comments.

UNHCR commends the initiatives in the areas of return to assist economic development and encourages the respective authorities to continue to provide this type of assistance and furthermore expand the project in other areas of return. UNHCR recommends that Croatia take steps to increase the level of employment of returnees through initiatives to foster employment and non-discrimination and by prioritizing returnee communities for economic development activities.

e) Difficulties related to private property repossession

As noted, UNHCR welcomed the amendments made to the Act on Areas of Special State Concern, adopted in January 2015, which also regulated the resolution of so-called unauthorized (or unsolicited) investment cases.²² The Government reported that three cases

²²The issue of "unsolicited investment" cases has been on the UNHCR - Government of Croatia agenda for the last 16 years. It affects a limited number of Serb returnees - rightful owners of houses/flats/business properties that the State assigned for usage to third persons while the owners were in refuge. Upon their return and subsequent repossession of their private properties, the owners - returnees - were faced with private law suits, lodged by the former occupants who claimed compensation for the investments made into these objects. These investments were unsolicited. The local courts in all these cases have issued verdicts in favour of former occupants. As a result, the returnees are ordered to pay significantly high amounts of money aimed at compensating the "investors". The returning refugees are not in position to pay these expenses (including the court fees), so their houses are put on public auctions.

were still pending (out of 18). UNHCR is not in position to confirm this information as details have not been shared with UNHCR.

UNHCR invites the Government of Croatia to provide detailed report on the progress made and urge the authorities to resolve all pending cases, if any.

f) Access to free legal aid

The legislative framework for free legal aid provides a comprehensive basis for vulnerable beneficiaries. However, lack of available funds remains a major challenge.

The Ministry of Justice has reduced by half the funding allocation in 2016 (750,000 HRK or 100,000 EUR) to NGOs for primary legal aid in comparison to 2015 when the budget was 1,5 million HRK or 200,000 EUR). Funds were allocated only in November 2016, which left NGOs to spend funds within two months. Moreover, in 2016, NGOs were not allowed to assist beneficiaries in covering necessary administrative fees, but only in the representation in administrative procedures. These shortcomings, coupled with significant decrease of funds, have detrimental effect on reintegration of returnees. Allocated funds are not sufficient and UNHCR therefore continues to fund three NGOs that provide free legal aid; NGOs assisted 2,998 beneficiaries in the second half of 2016 (Hocu Kuci Knin 681, Civil Rights Project Sisak 1,952 and Serb National Council 365).

UNHCR recommends that the Government of Croatia increase the State budget for free legal aid and implementation of efficient mechanisms that would allow NGOs to cover administrative fees for beneficiaries and timely disbursement of funds.

UNHCR recommends that the Government of Croatia ensure free legal aid for vulnerable returning refugees to assist them in enjoying their rights, in line with existing legislation and without discrimination.

g) Representation of minorities

While employment of members of national minorities in the state administration bodies requires improvement, the Government's Office for the Human Rights and the Rights of National Minorities (GOHRRNM) provided a special *ad hoc* report which was supplemented by Government's inputs to the Fourth Progress Report. GOHRRNM's report informs on the EU funding for the implementation of the IPA Transition Assistance and Institution Building Component (TAIB) 2012, in force as of May 2016 that supports implementation of the Constitutional Act on National Minorities (CARNM). Of particular interest are the points in the report emphasizing that the Government of Croatia will adopt the Operational Plans for national minorities during the first 60 days and that a special unit will be established within the Ministry of Education and Science to specifically address education of national minorities.

UNHCR appreciates initiatives to strengthen the work of the local national minority councils. Reported activities demonstrate Croatia's determination to streamline provisions of the Constitutional Act on the Rights of National Minorities.

Primary and secondary education in return areas for Serb minority is smoothly implemented.

The issue of bilingual signs in the town of Vukovar and other minority areas has not been resolved. Despite the Constitutional Court Decision of June 2015, ordering implementation of the bilingual signs, the town of Vukovar has changed its Statute in order to prevent their placements. This resulted in the removal of all bilingual signs from Vukovar. Parliament's Committee for Human and National Minority Rights requested Constitutional Court to assess the legality of this provision. The Ministry of Public Administration also suspended the application of certain provisions of the Vukovar Statute. The Ministry for Public Administration has made considerable efforts to ensure the application of the domestic legal framework in terms of the use of minority languages and script by self-government units but the implementation of the Law on Use of Languages and Scripts of National Minorities remains suspended in some areas, including Vukovar.

UNHCR commends the Government's efforts to streamline the rights of national minorities through consistent implementation of the Constitutional Act on the Rights of National Minorities and recommends to Government to continue to promote the importance of usage of national minority languages and scripts and take measures to further implement the Act. Such policies would contribute to the building of a tolerant society and encourage sustainable reintegration of returnees.

h) Remaining security issues

UNHCR has been receiving information from various sources that intolerance towards members of the Serb national minority continues to be on the rise, as reflected in threats, hate speech and destruction of property²³. UNHCR notes incidents of hate speech, demonstrated through the public use of Nazi-era slogans. The most recent incident involves placing of memorial plaque (on 9 December 2016) in Jasenovac, known for being the place of the biggest concentration camp during WWII in the region. The Parliament Committee on Constitution, Standing Order and Political System agreed on its session held on 13 December that this sign offends the dignity of victims of this camp as well as all victims of fascist regime and invited the authorities to conduct appropriate steps to protect the dignity of all victims. Council of Europe Commissioner for Human Rights, in his report on the visit to Croatia²⁴ underlined *“the importance of continuous training for legal professionals and law enforcement officials on human rights standards concerning the fight against hate speech, xenophobia and racism”*.

UNHCR recommends that the Government of Croatia take steps to address the increase of instances of intolerance towards the Serb national minority. The authorities are encouraged to adopt appropriate measures and activities focused on prevention, sanctioning, and public condemnation of hate speech and intolerance towards national minorities. The Government

²³The Serbian Ministry of Foreign Affairs reported a total of “43 ethnically motivated incidents during 2016”, while 23 of them occurred in the reporting period;

²⁴COE CHR Report on the visit to Croatia, October 5, 2016, <https://wcd.coe.int/com.instranet.InstraServlet?command=com.instranet.CmdBlobGet&InstranetImage=2951929&SecMode=1&DocId=2392316&Usage=2>, p. 19.

should initiate campaign to promote the rights of national minorities and sensitize the media and the public on this issue. A country-wide campaign to promote the rights of national minorities and to sensitize the media and the public on this issue should be initiated.

The Government provided comprehensive information on the prosecution of war crimes as well as on detailed plans to remove mines within the provisions of the new legislation and increased budget.

The system of support to victims and witnesses exists within seven county courts; however, similar departments should be established in all county courts. Croatia introduced a National Strategy for Developing a System of Support to Victims and Witnesses for 2016-2020²⁵ (Official Gazette 75/15). The Action Plan to implement the Strategy has not yet been adopted.

i) Discrimination against Roma returnees

The National Strategy for Roma Inclusion 2013-2020²⁶ and its Action Plan provide a solid basis for regularization of undocumented Roma population. The Foreigner's Act provides relaxed provisions including mitigating changes in the process of approving residence for foreigners thus facilitating access to documentation through the following key improvements: the ownership certificate (title deeds) of the property at which address the beneficiary is applying is no longer required as one of the conditions for temporary and permanent residences; proof of medical insurance is no longer a prerequisite for residency; any debt incurred with the State Tax Administration Office regarding health insurance fees is no longer an obstacle in resolving status issues of beneficiaries; and provisions have been relaxed for residency based on humanitarian reasons. For certain number of Roma returnees who are either stateless or at risk of statelessness, the Government should establish the statelessness determination procedure and ensure protection of their rights. The exact number of stateless Roma returnees as well as of those Roma who are at risk of statelessness is not known. In 2016, UNHCR Croatia continued with funding legal implementing partners to provide legal assistance in obtaining civil documentation necessary to regularize legal stay, including two mobile teams assisting Roma.

UNHCR recommends that the Government of Croatia addresses and resolves remaining obstacles facing Roma returnees, such as limited access to free legal aid, lack of registration of children's births or residence, non-possession of identity documents, and high administrative fees.

UNHCR recommends that the Government conduct a comprehensive mapping exercise to obtain reliable data on stateless Roma and Roma at risk of statelessness and to assist persons in need.

²⁵ National Strategy for Developing System of Support to Victims and Witnesses for 2016-2020, http://narodne-novine.nn.hr/clanci/sluzbeni/2015_07_75_1437.html

²⁶National Strategy for Roma Inclusion, 2013-2020, available at: <https://pravamanjina.gov.hr/UserDocsImages/arhiva/23102013/National%20Roma%20inclusion%20strategy%202013-2020.eng.pdf>.

UNHCR further recommends that the Government establish a statelessness determination procedure to identify persons who are stateless and to ensure protection of their rights, and, in parallel, adopt further measures to ensure that citizenship is confirmed for those at risk of statelessness.

3. Comments on progress in respect of UNHCR's recommendation to pursue opportunities for local integration or alternative legal status in countries of asylum in the region

a) Regularization of stay

Bosnia and Herzegovina: UNHCR is currently working with the authorities of Bosnia and Herzegovina at the State and entity level to ascertain the remaining number of refugees. Following an outreach and information campaign conducted in 2015/2016, which UNHCR organized in coordination with the Ministry for Human Rights and Refugees (MHRR) and the competent Ministry from the entity of Republika Srpska, 243 persons²⁷ were identified by the end of 2016. Of this number, 96 refugees applied for naturalization, of whom 36 have in the meantime obtained citizenship. Of the remaining 189 who have not yet obtained nationality, it appears that only 34 individuals meet the conditions to apply for citizenship based upon facilitated naturalization. They are expected to be able to naturalize before the end of 2017. Another 155 persons²⁸ must still meet the criteria of five years of temporary residence²⁹ in order to qualify for permanent residence and another three years of permanent residence in order to qualify for citizenship. Among those, the respective authorities have identified twenty-eight refugees who reportedly have “no legal grounds to apply for temporary residence in Bosnia and Herzegovina”. For persons with temporary residence only, as well as persons not eligible for temporary residence, it would be useful to establish a mechanism to ensure access to local integration and subsequently to citizenship of Bosnia and Herzegovina before cessation of refugee status is applied.

UNHCR welcomed the 2013 amendments to the Citizenship Law of Bosnia and Herzegovina which eased requirements for refugees to naturalize and helped some individuals. However, the procedure to obtain citizenship of Bosnia and Herzegovina remains complex, costly, and time consuming, in part due to the need to travel to Croatia to obtain documents related to birth, etc.

The exact number of refugees from Croatia who still lack proper identity documents and who may continue to require assistance to obtain them in future remains unknown. The profiles of persons identified through the above-mentioned outreach campaign indicate that many are socially very isolated and often have limited or no financial means. Many reside in remote

²⁷Out of 243 persons, 18 passed away or could not be found at their last reported residence.

²⁸In Bosnia and Herzegovina, out of 155 persons, 42 have temporary residence while 113 have not applied for temporary residence.

²⁹ The refugee status for these persons has not been confirmed by the State level authority (Ministry of Security). Subsequently, they are unable to apply for naturalization based on the refugee status since they do not hold a refugee card issued by the Ministry of Security. Furthermore, the Ministry of Security does not issue an attestation confirming their refugee status, which is a prerequisite of the RS entity Ministry in charge of citizenship.

areas. In these circumstances, loss of refugee status through cessation without acquisition of nationality would further increase their vulnerability.

UNHCR recommends that the authorities of Bosnia and Herzegovina better identify the extent of the residual impediments to acquisition of nationality by refugees from Croatia by jointly mapping problem areas and vulnerable cases with a view to further simplifying the naturalization process. In this regard, UNHCR continues to advocate facilitated naturalization for all remaining refugees who wish to naturalize.

Montenegro: As noted above, the Ministry of Interior of the Government of Montenegro continues to process pending applications for foreigner status. Persons wishing to obtain the status of foreigner were obliged to re-avail themselves of the protection of their country of origin, i.e. nationality, in order to obtain valid Croatian documents, including national passports. These documents were required in order to apply for the status of foreigner with temporary or permanent residence in Montenegro, and will subsequently be necessary in order to naturalize. Following a request from the Government of Montenegro and UNHCR, the Croatian diplomatic-consular services have shown flexibility in extending services to this category of (former) refugees. As on 31 December 2016, there were 24 refugees from Croatia holding the status of displaced persons, as their applications are still pending, while 987 were granted the status of foreigner with permanent residence, and 27 the status of foreigner with temporary residence (valid for three years).

Of concern is that the applications of the 24 persons have remained pending for more than a year and a half. Furthermore, 27 former displaced persons have been granted the status of foreigner with temporary residence only (valid for three years). Under the new Law on Foreigners that entered in force in April 2015, there are no provisions that would ensure their privileged acquisition of permanent residence as had been defined in the 2009 Law on Foreigners. Consequently, the Ministry of Interior could require holders of temporary residence permits to submit documents or meet conditions such as stable income, accommodation, and health insurance, which a number of former refugees would not be able to meet.

It remains UNHCR's position that long-staying recognized refugees from Croatia and/or those on a pathway to citizenship should retain their refugee status pending their transition to a permanent residency status or citizenship.

UNHCR recommends that the Government of Montenegro grants facilitated access to permanent residence to all former refugees from Croatia.

UNHCR recommends that Montenegro provide further support for socially vulnerable persons among former refugees to help resolve their housing needs and to ensure effective access to health and social protection.

Montenegro is also encouraged to ensure that children born to parents who obtained foreigner status similarly obtain a facilitated permanent residence status in Montenegro.

On 31 December 2015, the *Strategy for Durable Solutions of Issues regarding Displaced and Internally Displaced Persons in Montenegro, with Special Emphasis on the Konik Area* expired. The Government of Montenegro and UNHCR agreed that a number of goals contained in the Strategy had not been achieved, and the Ministry of Labour and Social Welfare was tasked to draft a new Strategy for the period 2016-2018. The Strategy and the 2016 Action Plan for its implementation were drafted in close cooperation with UNHCR. However, the Strategy was not adopted during the reporting period.

Serbia: In order to provide conditions for local integration for all who opt for this solution, the Government has adopted a comprehensive policy and legal framework for providing support to refugees. As part of this, the Serbian authorities grant citizenship and access to political, social, economic, and civil rights to all refugees and former refugees.³⁰ In addition, the Serbian Commissariat for Refugees and Migration (SCRM) is providing housing support (see below) as well as support for the economic empowerment of refugees. Funds are planned and allocated on an annual basis in the State budget. Implementation of 2016 projects is ongoing.

Despite the existence of social protection mechanisms, in practice, a number of vulnerable refugees continue facing obstacles in accessing them. This is mainly due to the combination of the different factors such as: static social protection institutions (social welfare centres in particular), lack of resources and remote locations where refugees reside especially in rural areas. The most vulnerable refugees in such areas still face obstacles in accessing medical services and medicines that cannot be obtained free of charge under the national healthcare system. As a result of the on-going public administration reform where no new recruitments are allowed, local Centers for Social Welfare remains weak and thus access to social services for many vulnerable refugees is impeded. UNHCR records indicate that some 3,000 extremely vulnerable families (7,000 individuals) are still living in inadequate conditions and are unable to cover basic needs and medical treatment.

While Serbia adopted the National Strategy for Resolving Issues of Refugees and IDPs for the period from 2015–2020, its Action Plan, aimed at setting up concrete action points and corresponding time lines, still needs to be adopted.

UNHCR recommends that Serbia adopt the Action Plan for the implementation of the Strategy without further delay.

Kosovo (S/RES/1244 (1999)): All 26 remaining refugees from Croatia have expressed the wish to integrate locally. Most of the refugees have acquired multiple personal documents from different institutions and governments (e.g. Croatia, Serbia and Kosovo (S/RES/1244 (1999)) and the United Nations Interim Administration Mission in Kosovo (UNMIK)). According to legislation in force in Kosovo (S/RES/1244 (1999)) from 1999 to 2008, refugees gained the right to register with UNMIK (as habitual residents) and receive UNMIK ID cards and travel documents. By doing so, they formally gained full rights as domicile population and have access to public services. Further to this and based on post-2008

³⁰ Stipulated in Article 1 of the Law on Refugees in Serbia.

legislation, refugees have gained the right to acquire Kosovo (S/RES/1244 (1999)) “citizenship” and formally obtain full rights for access to public services, while retaining refugee status with the Serbian Commissariat for Refugees and Migration.

b) Adequate housing

The prospects and opportunities for local integration in the place of displacement are improving in the region, especially due to the advancing implementation of the RHP.

In **Bosnia and Herzegovina**, more than 5,000³¹ refugees from Croatia have applied for housing within the RHP scheme. A total of 151 families from Croatia should benefit from RHP sub-projects that have been approved. To date, 20 refugee families from Croatia have received construction material to build a house. Given their vulnerability, the competent Ministry in the Republika Srpska provided additional financial means to cover the cost of installation of those materials. Additional complementary sustainability measures have been provided through a project funded by the Bureau for Population, Refugees and Migration of the United States of America. A further 30 families have been selected to benefit from RHP sub-projects, and the selection of an additional 100 beneficiary families is ongoing.³²

In **Montenegro**, refugees from Croatia stand to benefit from five out of six approved RHP sub-projects. Since the selection of beneficiaries for the approved sub-projects is still to take place, exact number of refugees from Croatia is unknown at the moment. So far, out of 59 families who moved in the first ever finished RHP sub-project in Montenegro, 3 families (13 persons in total) were from Croatia.

The largest group of RHP beneficiaries is in **Serbia**, where the provision of housing is an important part of a programme to support sustainable local integration. Refugees from Croatia are expected to constitute between 70 and 75 per cent of the beneficiaries for the 5,200 planned housing solutions under the RHP Country Housing Programme for Serbia. Six sub-projects were approved and their implementation started. So far, 21 per cent of the planned beneficiaries have been selected; the vast majority of over 1,070 RHP beneficiaries so far selected in Serbia originate from Croatia.

The results of the implementation of the RHP in Serbia indicate that the existing needs are higher than the funds available under the Country Housing Programme in Serbia. Based on the results of the selection process, there is a need for continuation of such programme for the most vulnerable, especially in the urban centres, since the identified needs and the number of eligible beneficiaries are found to be several times higher than the number of solutions offered so far through RHP. In this respect, Serbia should also be able to address the challenges identified in the field by ensuring the technical sustainability of the housing provided – some of the most vulnerable beneficiaries are found not to be able to install by themselves the received building material, or to connect to the infrastructure.

³¹ Total 1,550 families/5,208 persons originating from Croatia have applied for housing within the RHP.

³² The selection process has been ongoing since March 2016 and involves the respective entity authorities, municipal representatives, centres for social welfare, UNHCR, and OSCE.

In the absence of State-funded free legal aid mechanisms, UNHCR continued supporting provision of free legal aid. Particular focus was placed on provision of information and counselling related to the RHP and on acquisition of personal documents, including for 83 refugees accommodated in seven collective centres who are in the process of naturalization.

In **Kosovo (S/RES/1244 (1999))**, a lack of housing solutions, as elsewhere, represents a major obstacle to the sustainable integration of refugees from Croatia. They have been included in projects under the national IPA (Instrument for Pre-Accession) projects.³³

c) Employment

Economic and employment prospects in the region have not improved in the reporting period. It is not known how many refugees from Croatia secured jobs during this period and no data is available regarding State programmes for employment for this category of persons.

UNHCR notes ongoing challenges with respect to access to employment for refugees from Croatia in host countries in the region, whether due to existing restrictions based in law or a lack of implementation of more favourable provisions where these exist.

Within the context of the RHP, UNHCR has continuously reiterated to Partner Countries the commitment they made in the Belgrade Declaration of 7 November 2011 (Joint Declaration on Ending Displacement and Ensuring Durable Solutions for Vulnerable Refugees and Internally Displaced Persons) to ensure that a comprehensive solutions-oriented approach is taken to ensure sustainability. This should include measures to provide for better employment opportunities. UNHCR has, *inter alia*, requested RHP Partner Countries to provide more detailed plans for economic and socio-cultural sustainability for any new sub-projects, including examination of social integration and employment programme opportunities, and has encouraged good practices from nationally or externally-funded programmes in the region to be integrated into RHP sub-projects with financial resources identified for this purpose.

UNHCR continues to advocate for improved employment opportunities through income generation programmes as part of projects undertaken to support the Regional Durable Solutions Process.

d) Access to acquired pension rights

There was no progress on resolving the issue of outstanding pension payments between Croatia and Serbia. There have been no bilateral meetings on the issue and a new draft bilateral agreement on social insurance remains pending. On 9 March 2016, Croatia sent a Memorandum to Serbia informing them that the planned amendments to the bilateral agreement on social insurance do not foresee provisions that would address the issue of due, outstanding pensions. Reportedly, on 22 June 2016, Serbia expressed its standpoint and informed Croatia that the issue of due, outstanding pensions needs to remain on the bilateral

³³ In Gjilan/Gnjilane region, 2 families/5 individuals from Croatia will benefit from the IPA housing project designed for internally displaced persons in collective centres. In total, 22 families/35 persons residing in 11 collective centres in northern Kosovo (S/RES/1244 (1999)) are in need of adequate housing.

agenda and as such to be resolved. On 19 October 2016, Croatian media reported that the Union of Association of Pensioners from Serbia had initiated process against Croatia with the International Labour Organization (ILO) in November 2014. The Ministry of Labour and Pension System of Croatia claims that this request was not attended by the previous Government and that it was only brought to their attention in February 2016 “*when it was too late to disclaim Union’s active legitimation before ILO*”. At the time this Report was written, the decision of ILO was still pending.

The Ministry of Labour and Pension System of Croatia continued to claim that the new bilateral agreement with Serbia should not address issues that had not been included already in the existing Agreement on Social Insurance. This includes the issue of outstanding pensions.

According to the Government of Serbia, issues to be resolved include: establishment of lists of affected beneficiaries; agreement that full compensation will be provided; resolution of all requests; and obtainment of funding for the compensation.

UNHCR would like to once again stress the need to urgently resolve this longstanding issue, which hinders the enjoyment of acquired rights for a significant number of Croatian pensioners, including to consider the implementation of the proposals provided by TAIEX experts.³⁴ UNHCR calls upon both parties to address and resolve the issue in a fair and just manner.

e) Social assistance and health care

In January 2016, a new Law on Health Insurance came into force in Montenegro, stipulating among other provisions that all foreign citizens must submit a certificate from their country of origin to prove that they are not beneficiaries of health insurance in that country in order to enjoy health insurance provided by Montenegro. It is unclear how often such a certificate must be submitted, whether once, or each time health care services are sought. There is a need to renew a health booklet, of which the validity is three months for adults and one year for children.

Access to social assistance or health care is generally granted to refugees from Croatia in other countries in the region with an exception to those in Bosnia and Herzegovina without registered residency.

³⁴ In February 2012, the EC (Technical Assistance and Information Exchange instrument using the TAIEX instrument) engaged two independent pension experts, who conducted a mission in order to analyse Croatian legislation on pension and disability insurance and its application. The experts subsequently issued an evaluation report from the mission containing a non-binding recommendation on how to resolve the contested issue. The report recognized legitimacy of claims and invited parties to: 1) agree on the straightforward definition of the problem and 2) find a compromise solution, either through bilateral agreement or a unilateral legal instrument addressing specific cases. The experts have also advised that both administrations should try to come up with their own solutions which fit their needs rather than leaving the matter for the courts to resolve. The experts also referred to the emphasis that the European Court of Justice places on the protection of social security rights which represent the counterpart of contributions paid by beneficiaries. Thus, the experts stressed that if there are pensioners who are left without any income and for certain periods of time have not received any form of pension payments, these persons should be compensated for what they have lost.

UNHCR recommends that Montenegro simplifies the procedure to allow refugees from the former Yugoslavia to benefit from health insurance and that Bosnia and Herzegovina enables unhindered registration of residency for all refugees from Croatia who wish to locally integrate, including their subsequent, unhindered access to social and health care.

E) Conclusion

There has been no implementation to date of UNHCR's recommendation to declare the cessation of refugee status for refugees from Croatia displaced by the 1991-1995 conflict, pursuant to the "ceased circumstances" cessation clauses contained in paragraph 6(A)(e) and (f) of the UNHCR Statute and Article 1C(5) and (6) of the 1951 Convention by the principal host States. UNHCR welcomes, however, the continuing reduction in the numbers of registered refugees from Croatia in line with Article 1C(1), (3) or (4) of the 1951 Convention.

UNHCR acknowledges the ongoing efforts in the region to ensure access to durable solutions for returnees to Croatia and refugees from Croatia. In light of the above, however, most, but not all recommendations contained in the April 2014 Advisory remain relevant.

UNHCR remains particularly concerned that barriers to sustainable reintegration in Croatia persist. Additionally, concerns relating to the effective opportunity for local integration continue. UNHCR therefore urges Croatia and the host countries in the region to do their utmost to ensure that persons of concern are able to achieve durable solutions within the context of the implementation of the Regional Housing Programme, or that a solution has been clearly identified and is under implementation, and to work closely with their UNHCR counterparts to ensure that the durable solutions process continues to progress and is not adversely impacted or curtailed by the cessation of refugee status. Regional and country-specific programmes and strategies sustained over several years have allowed and continue to permit the finding of solutions for thousands of individuals. Over the period, UNHCR has been reshaping its activities to engage strategically with the governments and institutions in support of programmes and projects which further advanced national ownership of solutions for people remaining in displacement.

As of 2018, UNHCR intends to refocus its engagement with respect to displacement issues stemming from 1990's in former Yugoslaviak.

UNHCR remains engaged in programmes or projects in an advocacy and advisory role. It will also continue to lend its expertise to potential donors and other actors with regard to the needs of populations still in need of solutions. Additionally, UNHCR may continue to provide limited free legal counselling and aid, through its partners. As of 2018, UNHCR will not be involved in providing direct assistance and individual support. Over the coming years, UNHCR will be involved in monitoring and reporting on a needs-be basis in order to ensure that individuals who have been assessed as in need of durable housing solutions receive the required support from the authorities. These actions could also make references to some of the outstanding issues contained in the Advisory and this Progress Report. UNHCR continues to stand ready to work closely with Governments in this respect.

UNHCR calls on the Government of Croatia to take further measures to ensure effective implementation at all levels (national, municipal) of laws, policies, and programmes aimed at improving housing assistance, resolving pending unsolicited investment cases, and facilitating access to free legal aid. UNHCR also invites the Government of Croatia to do its utmost to promote and create an atmosphere of tolerance, trust, coexistence, and reconciliation through prevention mechanisms and timely and efficient law enforcement in cases of hate crimes, speech, and incidents.

UNHCR calls upon all Governments to remove unnecessary administrative hurdles that affect refugees and returnees, including obstacles to regularizing status; obtaining nationality; enjoying rights, including housing, acquired pension rights and entitlements; and accessing basic services, including water, electricity, and healthcare. In this respect, UNHCR calls upon the Governments of Croatia and Serbia to reach a just solution for all affected by the unpaid pension entitlements.

UNHCR further believes that there may be refugees from Croatia who continue to be in need of a solution, but have not yet been identified due to the extent of their vulnerabilities and isolation. UNHCR in the region, in close consultation with the Governments concerned, aim to continue its efforts to identify cases of particular concern and to review the residual problems that they and other refugees from Croatia may face, in line with the recommendations of UNHCR's Advisory.

UNHCR proposes further that, following the publication of this report, UNHCR discuss with its Government counterparts the preparation of an action plan for the coming period up to the end of 2017, so that relevant measures can be identified that would further enhance the implementation of UNHCR's recommendations in the Advisory and the progress achieved towards durable solutions for refugees from Croatia.

UNHCR recalls the commitments outlined in Sarajevo Declaration of 2005 (“Access to all rights and entitlements, including the right to accommodation, shall be ensured in a fair and transparent manner, while all social, legal, procedural or any other requirement for the implementation of the above-said shall be met in the spirit of the present Declaration.”) as well as Belgrade Declaration of 2011³⁵ (“Taking into account relevant legislation, strategies, programmes and action plans of each country, as well as international norms and standards, we recommit our Governments to cooperate in a spirit of good faith to protect and promote rights of refugees, returnees and internally displaced persons, including existing individual rights, and to provide all necessary political, material, legal, social and other support required to end their displacement and enable them to live as equal citizens in our countries, free from any form of discrimination.”) and strongly invites the respective Governments to fulfil them, i.e. ensure sustainability of solutions to the extent possible and within the context of the Regional Durable Solutions Process, including Regional Housing Programme.

³⁵Joint Declaration on Ending Displacement and Ensuring Durable Solutions for Vulnerable Refugees and Internally Displaced Persons of 7 November 2011;

UNHCR remains committed to exploring pragmatic solutions and continuing active dialogue with the concerned States in the context of the letter and the spirit of the Joint Declaration on Ending Displacement and Ensuring Durable Solutions for Vulnerable Refugees and Internally Displaced Persons of 7 November 2011.

In order to facilitate solutions and close the displacement chapter, UNHCR will continue to analyze remaining challenges and to work closely with partners to identify vulnerable persons without a durable solution who may still be in need of basic assistance. UNHCR stands ready to develop additional responses and elaborate timeframes to implement recommendations in close consultation with the Governments concerned.

UNHCR
June 2017