OHR Reconstruction and Return, March 1998

RRTF: Report March 1998

An Action Plan in support of the return of refugees and displaced persons in Bosnia and Herzegovina

March 1998

Executive Summary

Introduction

1. Over two years into the implementation of the General Framework Agreement on Peace in Bosnia and Herzegovina, a large number of the country¹s citizens are still internally displaced or refugees in host countries. Successfully reintegrating them into Bosnian society is essential both from a humanitarian perspective, and to ensure sustained economic growth and overall political stability in the medium-term. In addition to immediate assistance to needy returnees, an intensified effort is required to create the proper conditions for sustainable resumption of normal life. Much has been done. But to achieve sustainable return, as intended in the Annex 7 of the Dayton Peace Agreement, both a significant level of international support and a strong commitment from Bosnian authorities are still needed. This Action Plan, prepared by the OHR-chaired Reconstruction and Return Task Force (RRTF), and strongly supported by both Entities¹ Governments, offers a framework for effective donor assistance to support refugees and displaced persons within Bosnia and Herzegovina (see Box 1).

BOX 1: SUMMARY ACTION PLAN
Improve coordination and maximize use of resources through RRTF: • OHR to coordinate intensified efforts in promoting political intervention and implementation of local and international information strategy; • Enhanced action, especially by SFOR and IPTF, to create an appropriate security environment; • Increased support for UNHCR in addressing international protection issues; • Donor agencies to focus efforts on job creation and educational opportunities, as well as provision of housing and infrastructure; • Local authorities to accelerate removal of legislative and administrative barriers to return and reintegration.

Situation

2. About 600,000 refugees are still abroad, mostly in the Federal Republic of Yugoslavia, in Germany and in Croatia. Emigration continues: some young and educated urban people, as well as ethnic minorities, are, reportedly, still leaving the country, in large part for economic reasons. Displaced persons account for about a quarter of the population in both Entities. And there are about 40,000 refugees from Croatia in Republika Srpska.
3. Large population movements have already taken place. More than 400,000 persons returned in 1996, mainly to the Federation. But the time of ³easy returns², i.e. voluntary returns to areas

controlled by the returnees[1] ethnic group, is now over 1997 returns were 40 percent less than 1996. Few people have returned to areas where they would be ethnic minorities, and such [3]minority returns[2] are often localized in the Zone of Separation, and correspond to elderly individuals or large groups with strong international back up.

4. Accurate and precise data are not available to adequately foresee all future population movements. A majority of refugees and displaced persons state their willingness to return to their places of origin, but a large number of rural people who were displaced into cities express little desire to return to their villages. And a number of those who are still abroad are trying to integrate in their current country of residence or to resettle in a third country. In the two to three years to come, population movements are likely to involve about 300,000 to 400,000 persons, including a large proportion being repatriated from abroad.

Objectives and Financing Requirements

5. The primary factor for refugees and displaced persons when making the decision to return is political. A proper political environment and security are critical pre-conditions. To date, economic assistance has proven to have little influence on the decision to return if political conditions are not right. The other main obstacles to successful reintegration are lack of accommodation (and related infrastructure) and lack of employment opportunities. Economic assistance can and should make a critical difference in these areas, making returns not only possible, but also sustainable.
6. Assistance should be aimed at ensuring refugees and displaced persons can make free and informed choices with regard to their place of residence within Bosnia and Herzegovina. The focus should be on those populations and areas which may require the greatest assistance for such a free choice to become a reality, and in particular for those minorities who are willing to return. In appropriate cases, assistance may, however, also be directed towards those rural populations who wish to settle permanently in cities, and to persons returning to majority areas from asylum countries.
7. A substantial amount of external support is needed for specific, reintegration-related projects, within the framework of the Priority Reconstruction Program designed in late 1995 by the European Commission and the World Bank. The financing target for these projects in 1998 is US$520 million (see Table 1):

Table 1:
Reintegration-related External Financing Requirements (US$ million)
Requirements 1998

Political Environment and Security	90
Economic Revival and Employment	125
Housing	125
Local Infrastructure	180
Total	520

8. This support must be complemented by additional assistance, as described in a separate report, for ensuring continued economic growth. Effective donor coordination is crucial for successful implementation, and the RRTF has a critical role to play in that respect (see Box 2).

BOX 2: THE RECONSTRUCTION AND RETURN TASK FORCE (RRTF)

Role:
In the context of this Action Plan, the RRTF will provide overall policy guidance to ensure the successful application of the global strategies as expressed in the Action Plan. It will:
• provide resource allocation guidance, including the use of positive linkages in support of sustainable return;
• function as a focal point for relevant information sharing, with a view to facilitating interagency program coordination within Bosnia and Herzegovina;
• mobilize national and international political support, as necessary; and
• monitor the progress of the implementation of the Action Plan and prepare periodic reports for the High Representative and the international community.
Structure:
The OHR will chair meetings of the Central RRTF (composed of OHR, UNHCR and the other principal actors in Bosnia and Herzegovina) and ensure a continuous, consultative liaison with the appropriate government authorities. It will be assisted by a permanent Secretariat including representatives of its members.
Effective existing regional coordination structures for reconstruction and return will be formalized within the RRTF structure and provided with general policy guidance and relevant information to ensure global consistency. Regions with underdeveloped coordination structures will be assisted in their development.

Principles

9. External financial support will remain insufficient compared to the needs. It is therefore essential to maximize the impact of available resources. To that effect, a number of principles should be observed:
    - Promote return through focused intervention, using the political leadership of the OHR, and the coordinated efforts of the international community for guidance;
    - Involve beneficiaries and relevant authorities in Bosnia and Herzegovina in the planning and implementation of return-related projects, as successful reintegration remains their ultimate responsibility;
    - Provide assistance to all members of society, in proportion to their needs and capacities. Residents should benefit from reintegration projects to prevent the development of resentment against returnees. Grants should be reserved for the most vulnerable;
    - Support movements as they occur. Strong support for developing an appropriate political and legislative environment should be provided throughout the country at the earliest stages, whereas substantial material assistance should be provided only when expected population movements are occurring, or where there is confidence that the provision of assistance will result in returns;
    - Design and implement structural reforms. Projects should be accompanied by efforts from both Entity Governments to establish an adequate legal and regulatory framework (e.g. revolving financing mechanisms) for mobilizing private sector investments, and make it possible for most refugees and displaced persons to reintegrate without direct grant assistance;
    - Apply appropriate linkages, between the provision of assistance and local implementation, to promote the acceptance of return by all relevant local authorities.

Pillars

10. The assistance program is based on four pillars:
    - **Political environment and security.** In conjunction with SFOR[1]s activities in support of

Bosnia and Herzegovina¹s stability, action should be intensified to remove political and security-related constraints to return and reintegration, through:

i. exerting adequate political pressure under OHR leadership to enhance the environment for returns;
ii. supporting UNHCR and other human rights groups in addressing international protection issues, in Bosnia and Herzegovina as well as in the broader regional context;
iii. assisting the United Nations International Police Task Force (IPTF) in its efforts to restructure and retrain police forces, for improving security and public order over the medium-term;
iv. providing financial support and technical assistance to the Bosnian authorities to ensure the proper functioning of the social safety net and other public services;
v. promoting judicial system reform and strengthening human rights institutions, such as the Ombudsperson and Human Rights Chamber; and
vi. strengthening civil society initiatives, including ensuring a satisfactory education system for all.

- **Economic revival and employment.** Assistance should be provided to creating sustainable employment in the immediate and the medium-term for returnees and displaced persons, through: (i) promoting private sector development and sustainable growth, with a combination of policy interventions and well-targeted projects; (ii) implementing urgent measures, for alleviating unemployment during the transition period (with a view to directing scarce resources to areas which have some demonstrated economic and political potential for sustainable employment to be generated beyond this period); and (iii) eliminating discrimination against returnees and displaced persons in the local labor market.
- **Housing.** Support should be provided for returnees and displaced persons to have satisfactory accommodation, with due respect to property rights, by: (i) supporting property rights restoration through passage of necessary legislation; (ii) improving the sector¹s regulatory environment, and in particular improving existing space allocations and developing adequate mechanisms for leveraging private financing; and (iii) addressing issues which cannot be resolved through market mechanisms, in particular providing financing for the accommodation needs of the most vulnerable groups.
- **Local infrastructure.** Infrastructure works should be carried out to support return and reintegration activities, through: (i) remedying existing shortages, which may create impediments to return and reintegration; and (ii) encouraging municipal and cantonal authorities to accept returns (and in particular minority returns) by applying a ³positive² linkage between return and investment.

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