

# **Italian Governmnet spending 8 million DM on economic revitalisation in Brcko**

Following the Brcko Donors Conference on November 4-5 1997, hosted by OHR, the Italian government has announced that it is to spend additional funds on Brcko bringing its commitment to more than 8m DM for economic reconstruction in the Brcko area. 7m DM has been committed for the housing repair, well cleaning in the Zone of Separation (ZOS), demining and public works projects in both the ZOS and the city, while more than 1m DM will be injected into the Brcko economy in the form of loans for micro-enterprise, income generation projects and a business centre.

On November 10, 1997, the Italian Ambassador Michele Valensise met with Brcko Supervisor Robert Farrand to discuss progress so far and the implementation of these projects detailed below. The Supervisor expressed his gratitude to the Italian Government whose clear commitment, both financial and practical, to the revitalisation of Brcko has already resulted in the reconnection of Brcko to Tuzla by rail: the Italian army's regiment of train engineers has rebuilt the line (funded by USAID) as part of a wider international effort to re-establish rail links within Bosnia for travel and trade linking Bosnia with the rest of Europe.

The Italian government was one of the first to undertake humanitarian assistance thus in Brcko to the benefit of all Bosnian communities and has already carried out the repair of homes in Ravne Brcko, the rehabilitation of the Palanka primary school in Gornji Rahic benefitting 260 pupils, and the restoration of part of the Brcko drinking water supply serving 30,000 people. A programme aimed at the agricultural self-sustainment of 100 returnee families has been completed by

CISP with Italian Government funding and monies have been allocated for landmine clearance co-financed by the World Bank.

The Italian Ambassador's visit coincided with the arrival of representatives of the International Labour Organisation who are this week setting up a microcredit programme in Brcko funded by the Italian Government. At the Brussels Donors Conference Italy had committed 200,000 US\$ for this ILO programme to activate small and medium sized businesses, and 2.8m DM for public works, 80% of which will be spent in the city of Brcko and 20% in the ZOS.

The Italian Government projects presently underway in Brcko are:

- 1.1m DM through IMG for shelter projects north of the IEBL
- ( 0.9m DM) 0.5m US\$ for the local initiatives project of the World Bank which releases loans of up to 10,000 DM for enterprise or income generating projects

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