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

A. Current Situation

A.1. Facts and Figures

Refugees And Displaced Persons – An Unresolved Issue

BOX 1: KEY DEMOGRAPHIC FIGURES

• A 15 percent decline in population:
- 1991 Population: 4.4 million
- 1997 Population: 3.7 million
• 75 percent of refugees (550,000 to 610,000) still abroad – and only 190,000 refugees have returned.
• 88 percent of refugees in only three host countries: Federal Republic of Yugoslavia (40 percent of refugees), Germany (35 percent), and Croatia (13 percent).
• 85 percent of displaced persons (950,000) are still displaced – only 220,000 have returned.
• Overwhelming ethnic majorities in all parts of Bosnia and Herzegovina: the highest minority ratios are about 13 percent (in the Tuzla-Podrinje and Sarajevo Cantons).
• 93 percent of 1997 returns were to majority areas – and there were only 10,000 "minority returns" in 1997.

5. The importance of successful reintegration is best illustrated by Bosnia and Herzegovina's current demography (see Box 1 for some key demographic figures, Map 1 for a map of Bosnia and Herzegovina's administrative borders, and Annex 2 and 3 for population figures in Bosnia and Herzegovina and for refugees abroad respectively). According to some conservative estimates, Bosnia and Herzegovina has lost at least 15 percent of its pre-war population due to war and emigration (with substantial regional variation: over a third decrease in Una Sana, Posavina, Sarajevo, Western Bosnia and Neretva Cantons, a slight increase in Tuzla-Podrinje, Western Herzegovina and Gorazde Cantons). About 600,000 refugees are still abroad (with refugee status), of which 250,000 are Serbs (mostly in the

Federal Republic of Yugoslavia), 250,000 are Bosniacs (mostly in Germany and other Western countries, such as Austria and Sweden) and 100,000 are Croats (mostly in Croatia). A large number of those currently in Germany are expected to be repatriated in 1998. According to some local personalities and foreign observers, emigration has not yet come to a halt: some young and educated urbanites, as well as ethnic minorities, are, reportedly, still leaving the country.

Displaced persons still account for about a quarter of the population (29 percent in Republika Srpska, 22 percent in the Federation).

In addition, there are about 40,000 refugees from Croatia in Republika Srpska (ethnic Serbs from Kordun, Lika and parts of Dalmatia, as well as Slavonia (former UNPA areas). Effective minority return in Republika Srpska is clearly linked to their return to Croatia, for both political and practical reasons.

Returns – A Slowdown In 1997

6. More than 400,000 people (refugees and displaced persons) have returned since 1996. However, the time of "easy returns" may be over, as a large proportion of the persons who are still displaced or refugees originate from areas where they would now be ethnic minorities (see Annex 4 for a breakdown of returns per year, category and canton of destination in the Federation, and Map 2 and 3 for movements of refugees and displaced persons, respectively):
    - The number of returns fell by 40 percent in 1997 (150,000 vs. 250,000 in 1996). Returns of displaced persons dropped from 160,000 in 1996 to 50,000 – which suggests that most displaced persons who were able and willing to go home have already done so, and that movements of displaced

persons could therefore remain limited in 1998 (at least as long as minority return continues to be impeded). Refugee returns increased only slightly over the same period (from 85,000 to 100,000), but voluntary repatriation declined.

- 80 percent of returns took place in the Federation (90 percent of refugee returns) in 1996 as well as in 1997. Even within the Federation, returns are not equally spread throughout the Cantons and municipalities. Ten municipalities have received two thirds of the returnees from abroad – and the two Cantons of Sarajevo and Una Sana account for 55 percent of returns (see Map 1 attached). Similarly, movements of displaced persons have taken place almost exclusively within the Federation (mainly in Una Sana, Tuzla Podrinje, Central Bosnia and Sarajevo Cantons).
- Half of the returnees have relocated, i.e. resettled in a place which is not their place of origin, particularly in Bosniac-controlled areas. And although they account for half of those still abroad, only 5 percent of refugees originating from Republika Srpska have returned.

Minority Returns – Still Anecdotal

7. Minority returns remain at a very low level in both Entities (about 6 percent of total returns – see Annex 5 and Map 4 for registered minority returns in 1997) – and they need to change in nature to gain significance:
    - Minority returns are very localized: in most Cantons, they took place in only one or two municipalities, often as a result of strong international pressure.
    - Returning minorities are often either isolated individuals (usually elderly people) or communities moving collectively with strong

international back-up. Minority returns do not correspond yet to continuous population flows.

- Only about 2,000 persons have returned across the Inter-Entity Boundary Line since 1996. In Republika Srpska, out of 900 minority returns, 75 percent took place in the Zone of Separation (ZOS). Except for Banja Luka (with just over 150 returns out of a pre-war minority population of about 80,000), no municipality has registered the return of more than a few persons. In the Federation, minority returns are primarily internal movements, which affect particularly the Posavina, Central Bosnia and Sarajevo Cantons. With the exception of Sarajevo, these movements involve very few Serbs (8 percent). Some observers have also noted the ongoing departure of minorities from Sarajevo which could in fact partially or fully offset the effects of the return movement.

Missing Data For Effective Assistance

8. Detailed and reliable data on refugees, displaced persons or residents are currently not available, including statistics on refugees currently hosted in Germany, the Federal Republic of Yugoslavia or Croatia. Population figures and refugee numbers are often limited to (usually inflated) estimates. Information on factors critical for assistance program design such as places of origin, age groups (children, working age adults, pensioners), economic and social situation (e.g., education, pre-war activities, family status), is currently non-existent. Such data are, however, clearly necessary to target assistance adequately and ensure its effectiveness. Efforts are urgently needed to collect and analyze all necessary information.
9. To identify the main trends and patterns, both the

European Commission (EC) and the World Bank have undertaken complementary surveys, to be completed within the next months. In addition, data on the number and future plans of displaced persons and refugees are expected to be generated from a registration exercise. The registration will be carried out by the Entity authorities in 1998, with the support of UNHCR, in accordance with the new legislation to be passed on refugees, displaced persons and repatriates. But accurate information will most likely not be available in a timely manner to decision-makers – and systematic forward planning of population movements will not be possible before financing decisions are made. In this context, and in order to avoid misallocation of scarce resources, donors should focus their financial assistance on accompanying population flows, as well as supporting focused interventions aimed at promoting return.

10. The preparation of cantonal (in the Federation) and municipal return plans, as requested by the Bonn Peace Implementation Conference, is nonetheless important in order to identify measures that should be taken (and possibly assistance which would be needed) in case returns do happen. Such plans have already been developed by the Central Bosnia, Zenica – Doboj, and Western Herzegovina Cantons, and UNHCR and OHR have committed themselves to assisting relevant authorities in this endeavor. The Federation Government is also preparing a plan, for refugees returning both within the Federation and in Republika Srpska. Such preparatory steps, as well as more detailed project preparation efforts in some instances, are essential to ensure a rapid response from the donor community to actual movements.

A.2. TRENDS

Current Preferences of Refugees and Displaced Persons – Conditional Retur

12. Two surveys recently conducted by the Commission for Real Property Claims of Displaced Persons and Refugees (CRPC, established under Annex 7 of the Dayton Peace Agreement) and by the Danish Refugee Council (DRC) provide some information about the preferences of refugees and displaced persons under current circumstances. Although the survey sample is perhaps not fully representative of all refugees and displaced persons, identified trends are consistent with registration patterns for municipal elections (to vote for the place of origin or for the place of residence) and with an analysis of claims submitted to the CRPC. These preferences are not, however, static and may change as the political and security environment improves.
Preferences are closely linked to ethnicity (see Table 1). The large majority of displaced Serbs intend to relocate within Republika Srpska (or in third countries) – while Bosniacs, and to a lesser extent Croats, appear more willing to return to their places of origin.

    Exceptions to general “ethnic patterns” are very local and often occur in municipalities where large returns would challenge the current majority. This is true in both Republika Srpska and the Federation. The CRPC survey also observed that the determination of minority displaced persons to return to municipalities where they were pre-war majorities (or large minorities) seems often premised on a desire to alter the political control of the return destination. Reciprocally, current majorities (and authorities) are very reluctant to accept returns of large groups which could challenge

their status. This suggests that minority returns may be easier to achieve in areas where an overwhelming pre-war majority still exists.

Table 1:
“Would you like to return to your pre-war home?”
CRPC Survey (displaced persons and refugees in neighboring countries

In percent	Yes	No	Maybe
Bosniac	80	7	1
Croat	62	17	2
Serb	23	55	2

Preferences are linked to age and family status. As a general pattern, older people are more willing to return, while younger people prefer to stay or go where there are more employment opportunities. This is particularly true for pre-war rural populations. Many young men are still fearful of crossing the Inter-Entity Boundary Line, since some people have reportedly been arrested for having served in the other Entity’s army (amnesty laws remain unsatisfactory in Republika Srpska, and are not adequately implemented in the Federation). Preferences are also linked to education levels: people willing to return to minority areas or even to Bosnia and Herzegovina (for refugees accommodated in host countries) are likely to be less skilled than average. Preferences are closely associated with places of origin and residence – and with local factors such as circumstances which surrounded eviction, damage level, presence of old neighbors, etc. Local trends are highly variable and need to be carefully assessed, for defining priority areas in delivering assistance.

Obstacles To Successful Return and

Reintegration: Political Environment And Security First

13. The CRPC and the DRC surveys provide useful information on the main subjective factors which influence refugees and displaced persons when making the decision (in current circumstances) on whether to return or relocate – and on where to relocate to (see Table 2):
    - the primary concerns for refugees to return in Bosnia and Herzegovina and for displaced persons to return to their place of origin are political environment and security;
    - once the political and security situation is considered satisfactory, refugees and displaced persons identify lack of employment opportunities and accommodation problems as the two main obstacles for successful reintegration.

Table 2: **"Would you choose to return to your pre-war home under any of the fo** CRPC Survey (displaced persons and refugees in neighboring countries	
If your neighbors from before the war also returned to their homes?	
If the local authorities guaranteed your safety?	
If there were job opportunities available?	
If your house were reconstructed?	

Return To The Place Of Origin – Minority Returns And Returns To Villages

14. Even prior to the start of hostilities in the former Yugoslavia, significant population movements had taken place. The effect of the conflict has been two-fold: (i) it has caused new movements, which would not have happened in a peaceful situation; and (ii) it has accelerated pre-war migration trends. Population movements can be classified in four categories: …

Movements which would not have happened in peace time. These include: expulsions of ethnic minorities from areas with strong economic potential, abandonment of housing units located close to frontlines or heavily damaged, etc. … Movements resulting from pre-war housing shortages. Before the war, a relatively large number of families shared their houses with relatives. With the departure of ethnic minorities, many households have split up and currently occupy several housing units (and they are reluctant to return to the pre-war situation). … Urbanization (see Box 2). Urbanization began prior to the war, in patterns similar to those of other Central European countries. The war caused a large number of rural people to move to cities, and many of them have become accustomed to urban standards of living. Many former rural dwellers may prefer to remain in town rather than to return to remote areas. This is likely to be particularly true for younger people. … Transition-related movements. Bosnia and Herzegovina is undergoing a substantial economic reform process. A number of pre-war large enterprises are likely to be restructured (e.g., Zenica steel plant), and new businesses are already emerging in many places (e.g., Tuzla). The distribution of employment opportunities throughout the country is rapidly changing – which has generated and will continue to generate significant labor force migration (although ethnic factors are likely to constrain such movements for at least a few years).

BOX 2: URBANIZATION

Before the war, about 40 percent of Bosnia and Herzegovina's active population was employed in agriculture. However, only 16 percent of the 570,000 farms had more than 5 ha (and 35 percent had less than 1 ha) of cultivable land. Agricultural output in many mountainous areas was very poor and primarily limited to subsistence needs. Household incomes were often completed by a salary earned by one family member working abroad or in a neighboring factory. Social infrastructure of villages was heavily subsidized (to a large extent by the Northern republics in the former Yugoslavia).

During the period 1986 – 1991, a large number of people moved from the countryside to the cities.

Similar trends can be observed in other Central European countries: as an example, since 1989, rural employment has declined by 40 percent in the Czech Republic.

14. The four types of movement have different potentials for reversal: … Movements which would not have happened if the war had not occurred can, in principle, be reversed. If adequate encouragement is given to local authorities, combined with significant financial assistance, people who were expelled or had to abandon their homes, in particular ethnic minorities, may be in a position to return. … Movements which were accelerated by the war are less likely to be reversible. Urbanization trends and transition-related movements are unlikely to differ from patterns observed in other Central European countries. And governmental authorities are no longer able to subsidize the social infrastructure of villages, while extensive repairs have to be carried out in many

places. In many instances, sustainable return to rural areas which relied on subsistence farming prior to the war will not be possible.

15. Regardless of their preferences, and even if the political situation improves substantially, a significant number of refugees and displaced persons will have to relocate for economic reasons, particularly those originating from rural areas which suffered heavy destruction. However, to foster sustained peace in the region, the decision to relocate should be made with a sense of free will (in view of economic opportunities for example, rather than as a result of political pressure), which requires effective implementation of the "right to return".

Likely Movements: A Possible Scenario

16. Population movements can be expected to continue for several years: initially as a consequence of returns and relocations, and later to align and adjust population distribution to regional economic potential. Although movements are still unpredictable at this stage, it is useful to outline some of the likely trends for the coming period: … Many of the refugees still abroad are likely to be integrated in their current country of residence or to resettle in third countries, particularly those who are in Croatia and in the Federal Republic of Yugoslavia. Several hundred thousand former refugees have already found permanent solutions abroad. Effective repatriation from Western Europe may also take more time than currently anticipated. In view of the unreliability of current population estimates, refugee returns to Bosnia and Herzegovina and further movements of displaced persons are likely to involve no more than 400,000 people in the two to three years to come. … A relatively large number of rural people will relocate to urban areas. Since economic prospects for many mono-

industrial small towns are limited, population movements could take place over relatively long distances (i.e. not only from villages to the main town within the municipality, but also across municipalities). Urbanization will probably be directed to majority areas (where security seems to be more ensured), but could nonetheless generate social tensions by aggravating the already existing urban/rural antagonism. It is likely to be followed by population movements from both rural areas and cities with low economic activities to the most dynamic urban centers. … Minority returns will be more difficult, at least for some years to come in municipalities and regions where current majorities were minorities or narrow majorities prior to the war. Substantial effort, and in particular significant political pressure, is likely to be necessary in order to ensure that such returns are not limited in quantity (and "quality") to insignificant levels. … Current demographic and economic differences among regions are likely to be aggravated in the years to come. Areas which suffered extensive destruction are often those where minority returns are also the most difficult from a political perspective. Such areas are likely to continue declining economically. Most of the population of Bosnia and Herzegovina will be concentrated in regions where economic activity has already restarted (e.g., Herzegovina, Sarajevo, Tuzla, Bihac, Banja Luka area). There is, however, little evidence to date of potential regional overcrowding due to returns or relocation; at least until the start of population movements between major urban centers (through exile or death, Bosnia and Herzegovina has lost about 15 percent of its population since 1991). … Economic differences between both Entities could create or impede population movements. If economic difficulties remain more acute in Republika Srpska than in the Federation, many displaced persons originating from the Federation and currently in

Republika Srpska may decide to return to their place of origin for economic reasons (i.e. because of greater job opportunities). On the other hand, potential returnees from the Federation to Republika Srpska could be discouraged by the relative absence of economic prospects in that Entity (on movements and economic situation, see Box 3). Efforts should be made to ensure balanced economic development throughout the country.

BOX 3: TWO MAJOR LESSONS LEARNED FROM PAST EFFORTS

1. Economic assistance is crucial for successful reintegration, but has little influence on the decision of people to return to their place of origin. Personal and political factors (and only marginally economic factors) are the main determinants in the decision for refugees and displaced persons (and particularly minorities) to return. Experience shows that people are not going back to areas where donor funds have been spent (see Annex 6 and Map 5, 6 and 7). Implementation of economic assistance should, therefore, accompany (or follow), rather than precede, movements to facilitate and sustain them, although there is still a case for well-targeted and coordinated intervention to encourage returns in some areas.
2. People have not gone back to areas where there are little economic prospects. Regardless of agreements they had made, many families have not returned to remote villages (even after their houses have been repaired with international assistance). Efforts should be made to analyze the sustainability of potential returns before undertaking major reconstruction works.

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