


Procedure file

Basic information		
COS - Procedure on a strategy paper (historic)	1995/2303(COS)	Procedure completed
Reconstruction of the former Yugoslavia: European Union aid administration and international aid coordination		
Subject 6.40.03 Relations with South-East Europe and the Balkans		
Geographical area Yugoslavia, Federal Republic - 01/2003		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	RELA External Economic Relations		23/01/1996
		PSE TITLEY Gary	
	Committee for opinion	Rapporteur for opinion	Appointed
	AFET Foreign Affairs, Security and Defense Policy		
	BUDG Budgets		24/01/1996
	UPE GIANILY Jean-Antoine		
	DEVE Development and Cooperation		20/12/1995
		PPE MAIJ-WEGGEN Hanja	
	CONT Budgetary Control		
Council of the European Union			

Key events			
20/11/1995	Non-legislative basic document published	COM(1995)0582	Summary
11/12/1995	Committee referral announced in Parliament		
29/05/1996	Vote in committee		Summary
29/05/1996	Committee report tabled for plenary	A4-0178/1996	
19/06/1996	Debate in Parliament		
20/06/1996	Decision by Parliament	T4-0355/1996	Summary
20/06/1996	End of procedure in Parliament		
08/07/1996	Final act published in Official Journal		

Technical information	
Procedure reference	1995/2303(COS)
Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper
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Stage reached in procedure	Procedure completed
Committee dossier	RELA/4/07298

Documentation gateway					
Non-legislative basic document		COM(1995)0582	20/11/1995	EC	Summary
Committee report tabled for plenary, single reading		A4-0178/1996 OJ C 198 08.07.1996, p. 0004	29/05/1996	EP	
Text adopted by Parliament, single reading		T4-0355/1996 OJ C 198 08.07.1996, p. 0162-0199	20/06/1996	EP	Summary

Reconstruction of the former Yugoslavia: European Union aid administration and international aid coordination

OBJECTIVE: to define the conditions for EU aid administration in the former Yugoslavia and determine the resources to be implemented to improve the coordination of international aid in the region. SUBSTANCE: according to the Commission, the Community should play a key role in coordinating the aid provided given the efforts the Union has made to contribute to the reconstruction of the former Yugoslavia. The Commission thus considers that: - as regards the management of Community aid, changes should be made at the highest level so that the funds destined for this region are more visible and better coordinated (to this end, the Commission proposes creating a task force to ensure the transparency of the various services). The countries receiving aid must also adapt. At present, the Commission does not have any delegations in these countries with the exception of Serbia, which is not directly affected by aid for reconstruction. The Commission is calling for the establishment of a delegation in Bosnia-Herzegovina and, if necessary, in Croatia to make it easier to identify and implement projects and to improve the coordination of actions taken by other financial backers; - as regards coordination, given the number and diversity of financial backers involved, efforts are required to ensure more effective use of the funds available, to take advantage of the know-how of all those concerned, to bring together as many donors as possible, to better identify the actions to be implemented and to better absorb the aid granted. The Commission emphasises in particular that this coordination should centre around the following three instruments: . the holding of an international conference on reconstruction bringing together all the parties involved and all the potential donors. The Commission plans to organise and prepare this conference in conjunction with the World Bank; . a limited coordination body (Steering Board, composed of 8 to 10 members), capable of defining lines of action, strategies and priorities to be implemented on the ground and establishing the necessary mechanisms to watch developments and monitor the political and economic conditionality of the aid; . local coordination structures: the members of the Steering Board would be parties to these structures along with the Commission. They would work closely with the national, regional and local authorities of the countries receiving aid and benefit from the experience of the IMG. ?

Reconstruction of the former Yugoslavia: European Union aid administration and international aid coordination

The committee adopted unanimously the report drafted by Mr. TITLEY on EU aid administration and internal aid coordination in former Yugoslavia. According to the amended motion for a resolution, the European Parliament welcomes the first two donors' meetings on the reconstruction of Bosnia-Herzegovina. It further stresses the need for an equitable burden-sharing within the international community and for achieving practical results before the September elections. International assistance for reconstruction should benefit the entire people of Bosnia-Herzegovina. The Parliament insists on the need for donors to select high-impact, high-visibility projects with high employment potential, which will favour inter-entity and inter-state cooperation. The proposed resolution emphasizes the need to speed up efforts for landmine clearance, as well as the importance of supporting institution strengthening, the respect of human rights and the rule of law, poverty alleviation, social integration and the reinvigoration of the local economy. The resolution calls for the immediate start of preparatory work for damage assessment and project identification in Croatia, so that implementation can take place as soon as the political conditions are fulfilled.?

Reconstruction of the former Yugoslavia: European Union aid administration and international aid coordination

Only US\$ 350 m of the US\$ 600 m raised at the first donors' conference was committed by April 1996. 70% of donor resources was provided as grants made to support specific projects or as 'in kind' assistance, very few donors having given cash grants. Less than 9% of donor

resources went to social sectors, and less than 2% towards land mine clearance. These facts were given at the second donors' conference and are included by Mr Gary TITLEY (PSE, UK) in his report. In adopting it, Parliament insisted on the need for donors to select projects with high employment potential and called on the US, Japan and the Islamic countries to undertake sufficient long-term commitments in order to contribute effectively to the complete reconstruction programme. It also stressed the importance of achieving practical results in terms of peace before the September 1996 elections. Parliament took the view that priority should be given to housing rehabilitation, returning refugees, land mine clearance, specific projects for institutions (tax and customs administration, monetary authorities, etc.), projects supporting cooperation between the former Yugoslav Republics, and poverty alleviation with the establishment of a coherent social welfare system. Emphasis should be given to projects which aim at reinvigorating the local economy by the use where possible of local suppliers and labour force (particularly from an ethnically mixed labour force), which promote social integration, and which help to provide salaries for doctors and teachers. However, it needed to be emphasized that continuing aid is dependent on all parties respecting human rights and the rule of law, cooperating with the International War Crimes Tribunal, dismantling the war industry and cooperating in arms control. - As regards international coordination, Parliament acknowledged the efforts to set up efficient coordination systems and called for a clarification of the role of each donor. In particular, it called for coordination of the assistance by the Union and the Member States to be strengthened, and called on the Commission to provide information on observance of the rules of conditionality when granting financing. - As regards macro-economic issues, Parliament remarked that the macro-economic situation of Bosnia-Herzegovina is particularly difficult, and that external assistance in the short term therefore needs to be in the form of grants rather than loans. It stressed the importance of dealing swiftly with the problem of EIB debt areas, in order to mobilise as soon as possible EIB funds for reconstruction. It emphasized that donor resources should be channelled into projects identified as priorities by the agencies on the ground in Bosnia. - As regards Croatia, it emphasized that there could be no question of a resumption of the negotiations with a view to the conclusion of a cooperation agreement with Croatia, any more than that country becoming one of the beneficiaries of the PHARE programme, so long as the international community is not convinced that Croatia actively supports the Dayton peace agreement in all its aspects. It called for the immediate start of preparatory work for damage assessment and project identification in the war-stricken areas of Croatia so that, once political conditions are considered fulfilled, implementation can take place without delay. In conclusion, Parliament: . insisted on the need for donors to select high-impact projects with high employment potential, which will favour inter-state cooperation and reinforce implementation of political conditionality, . urged the Commission to avoid any measure that treated the various entities as political bodies and to seek cooperation with the local partners, . was concerned by the absence of the representatives of Republika Srpska at the second donors' conference. In adopting the report by Mr Alexandros ALAVANOS (GUE/NGL, GR) on humanitarian aid to the former Yugoslavia, Parliament noted that the European Union accounts, financially, for the bulk of humanitarian aid for the former Yugoslavia and therefore has the grave responsibility of ensuring the correct use of those resources. It stressed that, in providing humanitarian aid, the emphasis should be on emergency aid, such as food aid and medical supplies. It also drew attention to the need for mine clearance. It considered that humanitarian aid to the peoples who have suffered as a result of the war is essential and should continue until they can secure their own livelihood. It drew attention to the large numbers of refugees from areas which have changed hands (3.6 million refugees and displaced persons within the former Yugoslavia and 850 000 refugees elsewhere in Europe), to which the Dayton Accords themselves had given rise. In particular, Parliament asked: - that efforts be made to ensure that such humanitarian assistance reaches the suffering population, does not fill the pockets of local authorities and is not used for projects which fall within the definition of reconstruction aid; - that it should not serve as an alternative to a political commitment by the European Union to the former Yugoslavia. Consequently, the European Union should make commitments going beyond the end of the IFOR mandate to ensure the safety of minorities, to guarantee the protection of refugees who wish to return and to allow the development of civil society; - the European Union uses its influence with all the former warring parties to ensure that they grant refugee status to all those expelled from their homes by the war; - that the Member States of the European Union who have taken in refugees from the former Yugoslavia implement a gradual plan for their return, taking account of the wishes of mixed couples who no longer wish to settle in states whose multi-ethnic character is much less marked than before. Given the many difficulties, the return should be carried out in proper consultation with UNHCR, which means that it should not be over-hasty. The Union should not cooperate in any further ethnic segregation. On the contrary, it should work to promote the security and protection of the multicultural communities. Humanitarian assistance should also: - in the short term, ensure the survival of the people concerned in conditions of safety and dignity; - in the medium term, permit them to regain some degree of self-sufficiency, particularly by the supply of seed, fertilizer and machinery, by assisting small and medium-sized businesses and re-establishing schools and hospitals; - ease the transition from the emergency phase to the reconstruction phase, particular by the re-establishment of networks; - make a positive contribution to the return of refugees and displaced persons to their region of origin; - fund programmes in the fields of health, medicine and surgery and encourage the return of medical staff; - set up programmes to aid those handicapped by war wounds and to provide them with prostheses to enable them to resume working life as far as possible; - provide psychological support and introduce rehabilitation programmes for those who have been victims of ethnic cleansing; - provide social aid programmes, psychological support and education to the war orphans, single-parent families and women who have been victims of violence; - devote extra attention to the 300 000 military personnel and young people who will require psychological rehabilitation and education to prepare them to play a normal role in the multicultural society which needs to be established. Finally, Parliament called for immediate and coordinated actions relating to transparency and information concerning the 27 000 disappeared persons. It also called for an independent inquiry to be opened without delay into all the circumstances surrounding the fall of Srebrenica and the disappearance of the people in that region. It stressed the vital role of the NGOs in managing humanitarian aid, and called for their action to be coordinated. The Commission should support the establishment in Bosnia-Herzegovina of NGOs reflecting the existence of the three ethnic communities there, in order to permit the revival of a multi-ethnic society based on tolerance and European humanist values. ?