

SECTORAL PRIORITIES – SOCIAL AND PENSION POLICY

Introduction

Social Sector in BiH

Social development strategies of modern states are based on the controlled capacities for political, economic and social development. When planning its own future, Bosnia and Herzegovina needs to start with economic and social development and, in its founding documents, it has to strive to ensure the rule of law and the welfare of its citizens. The implementation of the Poverty Reduction Strategy (PRSP) in the social policy sector in BiH will be particularly important, as it is the first time in our country that these groups are systematically consulted and provided with the opportunity to incorporate their own needs in the preparation of a comprehensive development strategy for the economy and the society.

In drafting a development strategy for social welfare in FBiH and RS, which includes social protection, protection of families with children, protection of civilian victims of war, employment, pension and disability insurance, displaced persons, veterans' and invalids' protection, it is necessary to begin with basic human rights, as a set of principles, standards and norms, the objective of which is to ensure decent living conditions for dignified and comprehensive development of individuals.

BiH and, particularly, the FBiH, spend less on social welfare of the vulnerable population than any other country in the region, which is difficult to justify for a country with such a level of social needs. For example, according to the World Bank data, the share of the gross domestic product (GDP) allocated for social and child protection in 2000 was 1.1 percent in Slovenia, 1.6% in Macedonia, 1.9% in Croatia, 1.4% in Bulgaria, 2.4% in Latvia, 2.1% in Estonia. In Bosnia and Herzegovina, in the Republic of Srpska, allocations for social and child protection in 2000 amounted to 1.1 percent of GDP, and, in the Federation of Bosnia and Herzegovina, just 0.7 percent of GDP.

Sweeping reforms are needed in all areas of social policy, as well as an increase in spending on social protection (in absolute terms and as a share of the GDP) up to the levels closer to regional averages for the sector. Neither of the entities has social protection benefits financed or supported from the entity budget, which is unsustainable.

The objectives of the FBiH and RS governments in the coming period are as follows:

- To create institutional and budgetary mechanisms for the development of social policy and to identify strategic objectives in the social sector;
- To promote policies for productive employment as the best means of combating poverty;
- To establish financing program that will filter to the poorest segments of society;
- To create an efficient social security network for the most vulnerable, with the participation of local communities;
- To create a modern legal framework which will promote human and social rights, in line with accepted international standards;
- To define the minimum of social rights at the level of BiH;
- To maintain minimal standards for the most vulnerable, within the fiscal constraints of FBiH;
- To create a new database on all socially vulnerable groups (social statistics);
- To ensure transparent vertical and horizontal coordination between the government and the non-governmental sector, to ensure assistance to the most vulnerable groups;
- To promote sound management and savings in public expenditure;
- To ensure a more equitable distribution of public revenues and total domestic product;
- To fully implement legislation/regulations, especially in the domain of labor legislation and fiscal obligations;
- To prevent corruption in the social sector;
- To upgrade staff qualifications continuously through additional training for work in the social sectors.

1. Assistance to the Unemployed

1.1. Legal Framework

According to the Constitution of BiH, the entities are responsible for labor and employment. In the regulative sphere, these issues are under the authority of entity line ministries, while employment institutes are public institutions carrying out the largest part of activities responsible for the implementation of regulations. The Law on Labor ("Official Gazette of FBiH", No. 43/99) was adopted in September 1999. The reform of legislation in the area of labor and employment in RS was carried out in 2000, through the adoption of the Law on Labor and the Law on Employment, as systematic regulations in this area.

According to the Law on Mediation in Employment and Social Welfare of Unemployed Persons, the cantons have the authority over the establishment, operations, discontinuation and other issues related to the functioning of employment services. In addition to the Federal Employment Bureau, there are also the employment services in all cantons, with the exception of the Herzegovina-Neretva Canton, and it is expected that the Cantonal Employment Service in this canton will be established in the near future. The Law envisages that, besides public services at the cantonal level, mediation in employment can also be carried out by private agencies.

The RS Employment Bureau was established as an institution of the labor market and, organized on three levels: central, regional and local. The expert services operate on the central level, while branch offices and local offices are established respectively on the regional and local level, as organizational units of the central bureau. In the RS, in addition to the RS Employment Bureau, on the basis of the Law on Employment and Rulebook on Agencies, privately owned organizations – employment agencies – are also active.

The activities on organizing an employment agency on the BiH level are underway.

1.2. Situation regarding Unemployment Benefits

As the situation on the labor market in BiH is presented in the Labor Market section, which includes the majority of measures for boosting employment, this section will deal solely with the unemployment benefits extended to the unemployed under the laws currently in force. On meeting certain conditions, a number of employees who previously held employment is entitled to monetary benefits. In the FBiH this benefit is between KM 117 nad KM 240 and is paid over 6 to 12 months period. Insufficiency of funds for this purpose caused that this benefit was paid only to 3,320 persons on average during 2002.¹ The unemployed in the FBiH are entitled to health care insurance, on condition that they are registered with cantonal unemployment offices. Funds for contributions for health insurance for this category come from a share of wage contribution intended for unemployment insurance.²

In the RS, during 2001, on average 1,586 persons received monthly unemployment benefit, in an average amount of about 70 KM. The condition for receipt of this benefit, which could be paid over 3 to 12 months period, was previous employment of a minimum given duration. All registered unemployed were entitled to health insurance, with the health insurance contributions paid from the RS budget.³

2. Pension and Disability Insurance

2.1. Legal Framework

According to the Annex 4 of the Dayton Peace Accords, which represents the Constitution of BiH, the system of pension and disability insurance is under the authority of entities. That means that each entity has its own separate legal regulations in the area of pension and disability insurance.

In the FBiH, the Law on Pension and Disability Insurance, which took effect on July 30th 1998, is based on the principles of reciprocity, inter-generational solidarity and obligatory pension and disability insurance. Citizens who do not have mandatory insurance can realize the entitlements to the pension and disability insurance through voluntary insurance. According to this Law, certain entitlements of social character are no longer being envisaged by the law (protective supplement, other person's assistance and care benefit and bodily damage benefit).

According to the Law on Contributions, the rate of contributions for pension and disability insurance is 17 percent levied on the insured person and 7 percent on the employer, i.e. a total of 24 percent of net wages. The new Labor Law in the FBiH was passed in 2000.

In the RS, the Law on Pension and Disability Insurance established mandatory pension and disability insurance and determined the entitlements and responsibilities arising from that insurance, as well as the option for persons not covered by the mandatory insurance to obtain voluntary insurance. This Law, adopted on October 1st 2000, brought the most important changes in the system of pension and disability insurance, i.e. it eliminated the right to bodily damage and assistance and care of another person benefits, imposed stricter conditions for the right to old-age pension and stipulated that the pension base would be determined in accordance with the average wage of the insured person.

2.2. Institutional Framework

In the FBiH, in line with the Law on Organization of Pension and Disability Insurance, the Federal Institute for Pension and Disability Insurance started operation on January 1st 2002, as the unified body

¹ The Reform of Social Welfare System in FBiH, Inter-ministerial Working Group for Social Policy, February 2002, p. 19.

² Cantonal Employment Service Sarajevo.

³ The Analysis of the Situation in the Social Sector of the RS, with Proposed Measures, Working Group for the Social Sector, June 2002.

responsible for pension and disability insurance. With the beginning of the operations of this Institute, the pension and disability institutes in Sarajevo and Mostar were closed.

For realization of the pension and disability insurance entitlements, as well as of the verified needs and interests in the field of this insurance, the Pension and Disability Fund was established in the RS. The Fund has branch offices at regional and local levels, and, the administrative service has been established at the level of the Fund, .

In accordance with the new Law on the Council of Ministers, the Ministry for Civil Affairs has some jurisdiction regarding the coordination of cooperation between entity pension funds, as well as in solving pension-related matters at the international level.

2.3. Situation in the Area of Pension and Disability Insurance

According to the data of the Federal Statistical Institute, the total of 286,039 pensions was paid in December 2002, of which 274,894 pensions were paid in BiH (269,502 in FBiH, 2,213 in RS and 3,179 in the District of Brcko), 9,064 in Croatia and 1,739 in other countries. The average pension in December 2002 amounted to 186.16 KM, i.e. 36.3 percent of the average wage in FBiH (513 KM in December of 2002). The lowest pension amounts to 140 KM, and the guaranteed pension amounts to 155.08 KM. The highest level of pension paid is limited to 633.22 KM. Of the overall number of pension beneficiaries in FBiH, 116,059 (40.57%) are old age pension beneficiaries, 106,066 (37.07%) are beneficiaries of disability pensions, and 63,968 (22.36%) are beneficiaries of family pensions.⁴

In December 2002, the RS Pension and Disability Insurance Fund paid pensions for 183,057 beneficiaries, of whom 162,345 reside in the RS. The lowest pension was 80 KM, and the average pension, from the end of 2001, has been 120 KM. The lowest pension (up to 80 KM) is received by 53,092 beneficiaries, which is about 29 percent of the total number of beneficiaries, and the pensions under the amount of the average pension (up to 120.18 KM) are paid to 105,379 beneficiaries, i.e. around 58 percent of pensioners. In the course of the period before December 31st, 2002, the ratio of pensions paid, in comparison with the pensions due was 55.80%.

The decision of the High Representative imposed in 2000, which prescribed regular payment of pensions at the level of funds collected, without delays and accumulation of arrears in the pension system.

2.4. Problems

The disproportion between expenditures and revenues is the basic cause of difficulties in the functioning of the pension insurance, of delays and reductions of pensions, which, for the majority of pensioners, increases the risk of their falling into the category of the poor. In comparison with 1991, when the ratio of pensioners and employees was 1:3 in BiH, by end-1995 that ratio fell to 1:1.3, and, after that, in the FBiH (i.e. in the part previously served by the Social Pension and Disability Fund Sarajevo) it rose to about 1:1.6. There are significant variations in the level of pensions, which additionally increase the exposure of individual groups of pensioners to the risk of poverty.

In RS, there are more pensioners than employees paying pension contributions – the ratio is 1:1.08. That is why even the extremely high contributions do not allow the average pension which would exceed 30 percent of the average income per capita. The level of pensions in the RS is by one third lower than in the FBiH, and the ratio between pensions and wages is 1:2. Nevertheless, the pension system in the RS functions only with significant transfers from the entity budget.

2.5. Priorities

In the selection of the priorities and setting the modalities of their realization, the working groups paid attention to the volume and the rate of the increase of inflow of contributions into the pension and disability funds and to the facilitation of their operations, with the objective of ensuring regular payment of pensions. The focus is on the activities which will ensure or enhance the implementation of the existing regulations and eliminate deviations in the functioning of the system which had occurred in the course of the war and later, as a result of political disagreements and the weakness of the system.

The priorities in strengthening the pension and disability insurance funds are as follows:

- Achieve regular payment of contributions for all employees, including BiH citizens, employed with foreign or international organizations and institutions, as well as in consular or diplomatic representative offices, into the system.
- Rationalize the administration of the pension and disability insurance funds, to cut administrative costs.

⁴ The Federation Institute for Pension and Disability Insurance, Information, April 2003.

- Strengthen the oversight of all inspection bodies with the objective of regular payment of contributions.
- Tighten penalty provisions for unregistered labor.
- Resolve property related issues – in connection with the real estate belonging to the pension and disability insurance institutions.
- Resolve issues between the entity pension and disability insurance institutions in connection with the payment of pensions earned in one entity to beneficiaries who are now living somewhere else. The possible options are the following:
 - ⇒ Signing a new agreement between the entity funds, or
 - ⇒ Adopting a state level law which would regulate this area, which would:
 - define the responsibilities of BiH for the implementation of international agreements in the field of pension and disability insurance,
 - ensure the minimum of social security for pensioners in BiH, and
 - ensure the harmonization of regulations in this area.

The above priorities do not require significant resources of pension and disability insurance funds, except when it comes to the rationalization of administration, where it might be necessary to pay severance payments to former employees. A new development is the need for a closer harmonization of operations of the entity pension and disability insurance funds, which will require the adoption of new laws and regulations or amendments to the existing ones. Depending on the adopted model of linking of the entity pension and disability systems, the resources necessary for the equalization of pension levels in both entities may exceed 150 million KM annually (to equalize the level of pensions in the RS with the FBiH). Other priority activities require a higher level of political and institutional readiness and clarity in the implementation of the existing laws and regulations. Under this condition, it is estimated that it will be possible to undertake all priority activities within a period of one year, employing just a small number of additional financial inspectors.

2.6. Proposed measures

- Pay the outstanding debt to pensioners.
- Collect outstanding obligations of insurance payers from previous years.
- Review the possibilities for the establishment of the single Pension and Disability Insurance.
- Determine the level of pensions on the basis of the average wage executed in the course of the entire length of service.
- Separate the costs related to the pensions based on the payment of contributions from the costs based on various privileges and benefits, and all disbursements not preceded by insurance contributions.
- Support the decision that no entitlements of social nature should be executed within the framework of Pension and Disability Insurance.
- Initiate the reform of the pension system simultaneously and in parallel in both entities.
- Within the reform of the pension system, holders of the pension insurance should be offered additional or supplemental models of pension insurance, including the option of the holders retaining the right to manage those resources.

The majority of proposed measures aim to ensure the stabilization of the financial situation of the pension and disability insurance system, which would improve the regularity of pensions and the social status of pensioners. The measures from this group are mostly short-term measures and they require a more concrete involvement of the entity governments and existing institutions. The issue of improving connections and cooperation of the entity pension and disability funds will require a political decision at the highest level, for which the most favorable alternatives should be proposed. The resolution of this issue will be reflected in the formulation of the pension reform in BiH. This reform should resolve the difficulties inherent to the existing system, in which the current employees are financing the pensions of current pensioners (pay-as-you-go system), which creates a level of distrust in the system and encourages avoidance of the payment of contributions. In line with the expected capacities of BiH society in the coming period, it is envisaged that this reform will evolve in the direction of introduction of additional funds for pension savings.

3. Protection of Disabled War Veterans and Family Members of the Dead Soldiers

3.1. Legal Framework

There are two legal frameworks from the domain of veterans' and invalids' protection in FBiH: one is for the members of the BiH Army and the other is for the members of HVO. For the members of the BiH Army, this area is regulated by the following legal regulations:

- The Law on Basic Rights of Disabled War Veterans and Families of Dead Soldiers, which is as a law of the SFRY, taken over and implemented as a Republic-level law⁵;
- The Law on Extraordinary Financial Assistance to Disabled War Veterans and Families of Dead Soldiers⁶;

There is a separate system of protection for the veterans' and of the disabled in place for the members of HVO, which is based on the Law on Protection of Disabled War Veterans and Families of Dead and Missing Defenders⁷.

In the RS, the forms and the scope of entitlements of veterans, disabled war veterans and family members of the dead soldiers, as well as the conditions and the procedure for executing those rights are stipulated by the Law on Rights of Veterans, Military Invalids and Families of Dead Soldiers⁸. The forms and the scope of rights related to the protection of civilian victims of war, as well as the conditions under which those rights are executed, are stipulated by the Law on Protection of Civilian Victims of War⁹.

3.2. Institutional Framework

In compliance with the existing regulations of the FBiH, the right to personal and family disability benefit is, in the first instance, approved by the competent municipal authorities. In the process of revision and in the process of deciding on appeals filed in regards to the first instance decisions, the Federal Ministry of Veterans' and Invalids' Issue decides as the second instance body. The Federal Ministry, in the first instance, decides on the rights to extraordinary personal and family financial assistance.

The cantonal ministries, i.e. for veterans' issues administrations, prepare the regulations on supplementary rights of veterans' population members and, in the second instance, rule on appeals filed on the first instance decisions of the municipal authorities, made on the basis of the cantonal regulations. The cantonal ministries for veterans' issues and the municipal administrative authorities are not organizationally subordinate to the Federal Ministry of Veterans' and Invalids' Affairs, but to the appropriate cantonal and municipal bodies, so that their organizations, rights and responsibilities are defined by cantonal or municipal regulations. The Federal Ministry has powers of the administrative and fiscal monitoring of the implementation and application of the Federal regulations on the protection of war veterans' and disabled by responsible municipal authorities.

In compliance with the existing regulations in the RS, in relation to the rights resulting from the Law on the Rights of Veterans, War Disabled and Families of Dead Soldiers and the Law on Protection of Civilian Victims of War, the first instance decisions are made by appropriate municipal authorities. The decisions made in the first instance determine the degree of military disability, the right to the personal disability benefit, family disability benefit, increased disability benefit and the increase of family benefit, care and assistance supplement, orthopedic supplement, health insurance, as well as the veteran's status and the classification into a relevant category, and they are subject to revision, which is carried out by the Ministry for Veterans' Issues, Victims of War and Labor.

3.3. Situation in the Sector

According to the provisions of the three existing laws in the FBiH, which define the basic rights of military invalids and families of killed soldiers, the total of 97,796 beneficiaries are entitled to personal or family disability benefit. There are 45,377 military invalids of war and 52,419 family members of killed and missing soldiers¹⁰. The data includes the beneficiaries of veterans' and invalids' protection who acquired those rights before the 1992-1995 war, i.e. for participation in the national defense war 1941-1945.

The fact that in FBiH, in practice, there are still two separate legal frameworks, which regulate the area of veterans' and invalids' protection differently, points to the necessity of adopting a unified Federal law on the rights of veterans and family members of dead soldiers, as soon as possible, which would provide adequate protection of the members of these categories, especially the most vulnerable ones, under the same conditions and in the same way throughout the FBiH.

According to the form and the content of the new law, the entitlements of disabled war veterans and families of dead soldiers should remain within the boundaries of the financial constraints of the FBiH, and, as these source from the legal Budget of the FBiH, in line with the position of the Mission of

⁵ Official Gazette of the RBiH", no. 2/92 and 13/94.

⁶ Official Gazette of RBiH", no. 33/95, 37/95 and 17/96.

⁷ National Gazette of the Croatian Republic of Herzeg-Bosnia", no. 36/94 and 24/95.

⁸ Official Gazette of the RS, no. 25/93 and 32/94.

⁹ Official Gazette of the RS", no. 25/93 and 32/94,

¹⁰ Information of the Federal Ministry of Veterans' Issues, April 2003.

the International Monetary Fund in BiH. It is expected that the provisions of the new Law will not recognize the entitlement to extraordinary financial assistance.

The proposed solutions in the text of the new Law envisage that the burden of financing veterans' and disabled veterans' protection in the FBiH is shared, depending on the division of authority, between the Federal, cantonal and municipal budgets. Only the basic rights, i.e. the disability benefits (personal and family), would be financed from the FBiH Budget, while the additional rights would be financed from the cantonal budget (health insurance, professional re-training, unemployment benefits, education, scholarships, certain tax exemptions, customs exemptions etc.).

According to the data available to the RS line ministry, in that entity 40,659 persons with recognized status of military invalids, classified in 10 categories, from 20 percent to 100 percent disability receives entitlements on the basis of veterans' and invalids' protection . 41,994 family members of dead soldiers and deceased disabled war veterans receive benefits on the basis of the veterans' and disabled war veterans protection, for a total of 82,653 beneficiaries of monetary benefits from the RS Budget.¹¹ The family disability benefit, awarded for the loss of a family member - killed soldier - is received by 25,190 persons, and the family benefit for the loss of a family member – deceased disabled veteran - is received by 2,633 beneficiaries and 633 co-beneficiaries. 2,293 beneficiaries receive the civilian personal disability benefit, and the number of beneficiaries of the family civilian disability benefit is 1,949.

Because of the inability to secure funding of the veterans' and invalids' protection scheme in the amount envisaged by the RS budget, the RS Government has, on the proposal of the line Ministry, and in line with Article 152 of the Law, issued the Decree on Ascertaining Priorities in Payment of Benefits Based on the Law on Rights of Veterans, Disabled Veteran and Families of Dead Soldiers. In the year 2001, in compliance with the above Decree, it was possible to fund the following rights:

- For military invalids: personal disability benefit, other's care and assistance supplement, orthopedic supplement, health insurance contribution and assistance for personal participation of the insured persons in the procurement of orthopedic aids and in the health care costs (participation),
- For family members of dead or missing soldiers – family disability benefit, increased family disability benefit, increase of the family disability benefit, health insurance contributions, personal participation in the health care costs (participation), while the funds for erecting tombstones for deceased soldiers were paid if available.

3.4. Problems

The difficulties faced by the entities of BiH in ensuring veterans' and invalids' protection are, primarily, the result of the inability of entity budgets to secure sufficient resources for the large number of beneficiaries of rights in this sector. Despite earlier revisions , the fragmentation of the system (particularly in the FBiH) and the lack of updated databases on the beneficiaries of these rights, make the determination of the existing situation and the planning of adequate reforms more difficult. Extraordinary sensitivity of the entity governments to the protests of these categories of beneficiaries has made the implementation of the reform of the system of veterans' protection more difficult. In effect, the reform in this area implies a more equitable distribution of funds, with the focus on ensuring adequate protection of the most heavily disabled war veterans and financially most vulnerable families of dead soldiers. However, the activities on the reform of the system of protection of disabled war veterans and families of the dead soldiers are underway, and particularly the RS Government has recently managed to achieve a significant progress in the preparation of these reforms.

3.5. Priorities

In order for the system of veterans' and invalids protection to be equitable and successful in ensuring the basic living conditions for the most heavily disabled veterans and the most vulnerable families of the dead soldiers, and, at the same time, to be financially sustainable, it will be necessary to:

- Rationalize the number of beneficiaries.
- Rationalize the number and types of benefits which this system is legally required to provide and for which funds can be allocated.
- Encourage and facilitate employment of the beneficiaries of veterans' and invalids' protection system who retain a degree of work capability (through additional training programs, additional education, various incentives for self-employment).
- Encourage employment of the family members of dead soldiers, to enable them to improve their financial position.

¹¹ Information from the Ministry for Veterans' Issues, Civilian Victims of war and Labor, February 2003.

3.6. Proposed Measures

With the objective of ensuring a more comprehensive, more equitable and better quality provision of veterans' and invalids' protection in the coming period, it is necessary to:

- Pass the single Law on Veterans' Rights in FBiH, which requires the assistance of the international community. This law should ensure the establishment of a unified system of protection of the rights of the disabled, veterans and families of dead soldiers in FBiH, taking into account the realistic level of resources available for those purposes;
- Establish functional information systems for veterans' and invalids' protection in the RS and in the FBiH;
- Significantly improve the functioning and the effectiveness of the social security network for the members of the veterans' population, in such a way that funds envisaged for those purposes are better channelled to the most vulnerable categories;
- Devise effective and concrete measures and forms of incentives for employment and self-employment of demobilized soldiers, disabled veterans war and family members of dead or missing soldiers;
- Develop and implement programs for training of the disabled veterans and family members to obtain qualifications for easier employment;
- Improve the level of physical and psychological capacity of invalids through specialized centers for rehabilitation;
- Secure earmarked funds for co-financing of the new jobs for disabled veterans, as the best method of their labor related rehabilitation;
- Ensure funds for co-financing adaptation of work areas and procurement of special technical equipment, necessary for the employment of the disabled with a high level of disability;
- Assist in solving housing problems of the veterans' population.

The limited capacities of the entity budgets imply the necessity of a significant reduction of allocations for veterans' and invalids' protection. The entity governments are determined to prevent this reduction from further worsening the living conditions living of the most vulnerable categories of this population. The number of beneficiaries of veterans' and invalids' protection will be reduced through the planned revision, and the beneficiaries who retain work capacity will be offered assistance in ensuring adequate employment, through retraining and co-financing of new job creation.

4. Social protection

Social protection aims to ensuring social welfare of citizens in the state of social need and of their families. The term "social need" implies a permanent or a temporary situation which citizens or families can find themselves in, caused by war, by natural disasters, a general economic crisis, by psychological or physical condition of individuals or by other causes, which cannot be eliminated without the assistance of the community.

In compliance with the existing laws in FBiH and RS, the beneficiaries of social protection are persons in the state of social need, specifically:

- Children without parental care, or who are neglected by their parents
- Children whose development was disturbed by family circumstances,
- Persons with either physical or psychological disabilities,
- Persons without financial means and incapable of work,
- Elderly persons without family care,
- Persons with socially negative behavior,
- Persons and families in need of social protection because of special circumstances.

Social protection, as a growing function and form of the social policy in the conditions of transition, functions in the conditions of a limited financial base and still on the criteria inherited from the previous system. Many cantons and municipalities are unable to provide the necessary level of social protection. The growing needs for social protection in the population and the inability of the existing system to meet those needs result in an increase of the number of uncared for and vulnerable, together with the reduction in the quality of social services and institutions.

4.1. Legal Framework

At the end of July 1999, the Parliament of FBiH adopted the Law on the Basics of Social Protection, Protection of Civilian Victims of War and Protection of Families with Children (codified act). With the adoption of this Law, the transition processes in the social sector were initiated, as the legal framework for the beginning of the reform was created. The final objective of the reform in this sector is to ensure social care and assistance to all who are in the state of social need, in the most economic and most humane way.

The Federal Law on the Basics of Social Protection, Protection of Civilian Victims of War and Protection of Families with Children contained obligation of the cantons to pass their own social protection laws within three months. The total of eight cantons have adopted these laws, while the parliamentary procedure is still ongoing in the remaining cantons.

The basic legal act regulating this area in the RS is the Law on Social Protection, adopted in April 1993, and amended in July 1996. This Law contains concepts inherited from the pre-war period, such as, for example, "social security and material provisions" which imply a higher level of social protection than the one possible in the current conditions.

4.2. Institutional Framework

In FBiH, the immediate provision of social and child protection is managed by 10 cantonal ministries for labor, social policy, refugees and displaced persons, through the operations of 79 local services (54 centers for social work and 25 services that perform activities in the field of social and child protection and two cantonal centers for social work, in Sarajevo and Goražde cantons).

The bodies in charge of social protection in the RS are the RS Government and local communities. The RS Government is in charge of regulating and defining relations, entitlements, obligations, responsibilities and contents of social protection. The local community is the framework for meeting the most of individual and common needs of citizens, including social protection. The municipality is the framework within which it is possible to act preventively and combat various social problems, and it is the key level of provision and improvement of social protection.

4.2.1. Facilities for Institutional Care

According to the June 2002 data, there are 25 institutions of social protection in FBiH, providing care for 3,169 beneficiaries. In a relatively brief period of time, 11 day-care centers for the care of persons with mental retardation were established in FBiH.

In addition to the centers for social work, there are 10 institutions in the RS, which, as a priority, provide care for elderly and for children, i.e. for persons with special needs. On average, 1,600 persons from the population of elderly people and children are located there, as their needs could not be met in any other way.

4.3. Situation in the Social Sector

In 2001, the total number of social protection beneficiaries in the FBiH was 153,396 – 140,465 adults and 12,841 children. This numbers indicates an increase with respect to the year 2000, when there were 134,569 beneficiaries of social protection in the FBiH, of which 124,851 adults and 9,718 children. To that, one should add about 24,344 children without one parent. The data on the number of children without one parent abroad, in refugee status, are still unavailable.

For the RS we have the information on the situation in the centers of social work and social and child protection services for 2000, which show that 144,256 citizens of that entity – adults and minors, had the right to social protection. The category of social protection beneficiaries who turn to those institutions includes refugees and displaced persons, as well as citizens entitled to subsidies. According to the same source, the number of such beneficiaries is 319,017.

Debts which have accrued between the entities, for beneficiaries from the RS who were placed in the institutions of social protection in the FBiH, and vice versa, are an additional burden on the functioning of social protection. After the mediation of OHR, the Agreement on Mutual Compensation of Costs between RS and FBiH was signed. However, this problem is still not resolved in a satisfying way.

The Law on Distribution of Public Revenues and Financing of FBiH defines the distribution of public revenues between FBiH and the cantons. A significant part of revenues was ceded to the cantons. By their own regulations, the cantons are determining the type and the level of revenues they are giving to municipalities. Social protection is financed in the same way.

4.4. Problems

The system of social protection in both entities of BiH is in grave difficulty, as it is faced with an enormous increase of demand for various types of social assistance, which are still growing. The functioning of the system was made more difficult by inadequate laws, which prescribed a far broader scope of social protection than the budget capacities allow. This problem is additionally complicated by the fragmentation of authority between the levels of government (especially in the FBiH), where the entity prescribes the level of social protection, and the lower levels of government are under obligation to secure funds for its realization. An additional difficulty is the lack of updated and comprehensive databases on social protection beneficiaries.

Currently, social protection is characterized by:

- Income vulnerability of the majority of the population and constant worsening of the social problems, i.e. increase of the number of people who require social assistance (refugees, civilian victims of war, returnees, veterans etc);
- Lack of realization of legally stipulated social rights, as well as weak links between the institutions in charge of social protection on the municipal and entity level in the RS;
- Financing of the social and child protection on the cantonal level in the FBiH is hampered by serious difficulties, due to the insufficient funds in the cantonal budgets. The capacities of Federal government to assist the cantons are limited in this segment, as the authority for the implementation of social and child protection, i.e. allocation of funds is, in line with the Constitution of FBiH and the Law on Distribution of Public Revenues in FBiH, under exclusive authority of the cantons and, municipalities;
- Insufficient level of definition of social protection financing and a high level of indebtedness within the social protection system;
- Weak material and staff capacities in social protection institutions;
- Unequal position in different regions or cantons and the lack of solidarity;
- Problems resulting from the privatization process;
- Lack of programs for poverty reduction, underage criminal behavior, struggle against substance abuse, alcoholism etc.;
- Lack of records and monitoring, which would enable timely detection of the needs of population and timely provision of protection.

4.5. Priorities

For both entity governments, the basic priorities are:

- To ensure that the necessary minimum of social protection is regularly provided for the most vulnerable categories.
- To ensure that the legally mandated benefits in an equal amount are regularly paid to all beneficiaries without regard to their place of residence.

Achievement of this was planned through the allocation of resources at the entity level (in the FBiH) and through the mandatory allocation of a legally stipulated part of municipality budgets (in the RS), which will require amendments to the Law on Distribution of Revenues. Limited resources imply the necessity of a partial approach to this task: in 2003, the FBiH plans to introduce these reforms in the field of child protection and the protection of civilian victims of war.

4.6. Proposed Measures

- Pass harmonized laws on social protection in the FBiH and RS, which will determine the scope of basic entitlements in the field of social protection, to be financed from the entity budgets or from another designated source.
- Establish a new database for monitoring the beneficiaries of social protection, with the objective of ascertaining the actual condition of social indigence of the population and the establishment of new social and economic statistics, on the area of the entities and the state of BiH, for reasons of information system compatibility for the identification, as well as revision, of socially indigent. It is necessary to approve a manual on the contents, obligations and methods of keeping unified registry records of the beneficiaries of social protection in the FBiH and the RS.
- Prevent multiple exercising of social and other rights in the case of the displaced persons and refugees.
- In order to rationalize the usage of social protection resources, the local social protection services must conduct a continuous revision of the existing social protection beneficiaries. It is necessary to invest in the development of the local social protection service, in the education of staff and management.
- Pass a unified law on protection of persons with disability, regardless of the cause of disability. Currently, persons with disability are categorized in several regulations: disabled veterans, civilian victims of war, work disabled, disabled with acquired and congenital disabilities, which results in significant differences in status, but also in the level and the scope of rights and financial benefits.
- Support development of the nongovernmental (third) sector in the system of social protection, as an equal partner for the governmental sector, along with the provision of funds and passage of regulations for the development of NGO sector and the civil society. promote inclusion of local communities and the private sector, through the introduction of incentive measures for donations and tax exemptions for assisting socially vulnerable groups.

- Develop new, alternative models of care for the beneficiaries, through the promotion of care within the local community and through NGOs.
- Promote development of volunteer work within the system of social protection.
- Develop intersectoral cooperation for a sustainable system of social protection, but also for its improvement, which implies much stronger links between the social protection system and: health care system, education, judiciary, local police forces, financial sector etc.
- In addition to the above reforms, to establish a mixed system of social protection in the FBiH and the RS it is also necessary to pass the following legal amendments:
 1. In the area of health care,
 2. In the area of education,
 3. In the reform of the existing disincentive fiscal system.
- Reform of financing regulations and introduction of tax exemptions should stimulate firms and individuals to take a more active role in funding social protection and humanitarian work.
- Through constant polling of households and living measurement surveys, ensure reliable data for creating and planning social protection in the FBiH and the RS and for the harmonization of social policy on the level of BiH.

4.7. Specific segments of the social sector

4.7.1. Persons with Disabilities

The protection of persons with disabilities has deteriorated in the post-war period in both entities, due to numerous reasons, and it is almost inversely proportionate to the increase of the number of persons with disabilities. According to the accepted methodology, persons with disabilities are social protection beneficiaries if they belong to the categories of persons with bodily damage, psychological retardation, persons with combined difficulties, persons with hearing, sight and search impediments. On the other hand, the number of persons with disabilities in BiH is difficult to determine, as the data are collected in accordance to different criteria and different methodologies, and in a number of cantons (FBiH), or municipalities (RS) no registration of the number of persons with disabilities was carried out (returnee municipalities).

In the coming period it is necessary to equalize the legal protection of all persons with disabilities, and on the basis of standard rules for the equalization of abilities of persons with disability. That will require the harmonization of our legislation with international standards and norms, along with facilitation of the process of awarding those benefits to the beneficiaries through a rationalized administrative procedure. It is also necessary to introduce new standards in the fields of urban planning and construction, to adapt the urban environment to the needs of numerous persons with disabilities.

In the protection of persons with disability it is necessary to change the legislation and pass a unified law on protection of persons with disabilities, regardless of the cause of disability. Currently, persons with disability are categorized in several regulations: disabled veterans, civilian victims of war, work disabled, disabled with acquired and congenital disabilities, which results in significant differences in status, but also in the level and the scope of rights and financial benefits. It is necessary to ensure equal principles in the determination of the level of disability for all categories.

4.7.2. Protection of Families with Children

Starting with the enormous importance of families and the upbringing of children, one of the objectives of the strategy is to establish, further develop and improve the system of protection of families with children. This objective will be achieved by providing realistic forms of protection, i.e. forms of basic rights of families with children.

The most important forms of protection of families with children are stipulated by the Federal and cantonal laws:

- **the Child benefit** is only paid in the Sarajevo Canton. The other cantons do not pay any child benefits.
- **wage compensation to women-mothers who are employed**, for the duration of their absence from work caused by the care of children, and a benefit to mothers who are not employed.

Since the concerns of all officials on all levels of government should be focused on providing equal conditions for a harmonized individual development to all children, as well as on aiding families in fulfilling their reproductive function and in improving the quality of life, we propose the following actions:

- Define family-related policies in the FBiH and RS, within the framework of the population-related policies. The measures of family policy strive to improve the quality of life in families, which are the

basic units of society, and the most important measures include the child benefit, tax benefits, paid maternity and paternity leaves, family services etc.

- Pass a separate law on child protection.
- Establish the Child Protection Fund on the entity level (in the FBiH). In the meantime, it is necessary to finance at least the minimum of rights (child's benefits) on the same level for all beneficiaries in the FBiH, on the basis of the principles of solidarity and subsidiarity, within the fulfilment of the poverty reduction objectives and assistance to the most vulnerable groups in the society, taking into account that the children are the category of population exposed to the highest poverty risk.
- Establish a new database for monitoring the beneficiaries of child protection in the FBiH, according to the European standards, with constant monitoring of the actual situation regarding vulnerability of families and children
- Eliminate the existing legal barriers for exercising of children's rights, especially for children with disabilities, in education, health care, urban planning, finance etc., and adopt the regulations which will introduce stricter penalties for violation of the children's rights.
- Develop and strongly promote alternative forms of child care, primarily accommodation in foster families, day centers and half-day centers, as more humane, but also less expensive, forms of care for children without parental care and children with special needs (physical and mental disturbances), in comparison with institutional care.
- With regard to child protection, it is necessary to pass or amend the following laws in FBiH: the Family Law, the Law on Amendments to the Criminal Code of FBiH, the Law on Criminal Procedure, the changes to the Law on Distribution of Public Revenues and Financing of the Federation of BiH, the changes to the Law on Lottery and Games of Fortune, the changes to the Federal and cantonal laws on internal affairs, as well as to eliminate the existing legal obstacles for exercising of children's rights in education, health care, urban planning etc.

4.7.3. Civilian Victims of War

On December 31st 2001, 14,466 civilian victims of war were registered in the FBiH. Of the total number of recorded civilian victims of war, 7,300 are beneficiaries of rights stipulated by the Law. Of that number, 3,745 are civilian victims of war with the degree of disability between 60 and 100 percent and 3,555 are family members of civilian victims of war, whose rights are based on the loss of dead, deceased or missing family members.

The basic rights of civilian victims of war, which are stipulated by this Law and exercised on the level of the FBiH are: personal disability benefit, other person's care and assistance supplement, orthopedic supplement, family disability benefit and child's benefit.

The following measures are specific for this segment:

- Transfer the protection of the civil victims of war in the FBiH from the cantonal to the entity level, within the framework of the protection of veterans and disabled veterans, as in the RS (the relevant law is in parliamentary procedure).
- In this segment, as for the other programs of assistance for disabled persons, it is necessary to harmonize the criteria for the determination of the degree of disability, i.e. prepare a standardized manual/rulebook to be used in all centres for social work, and establish unified commissions for disability assessment and categorization.

5. Refugees and Displaced Persons

5.1. Legal Framework

The legal framework of the FBiH in the area of the protection of refugees, displaced persons and returnees consists of the following laws and regulations:

- the Law on Displaced Persons – Refugees and Returnees in the FBiH, and accompanying bylaws;
- The adoption of the cantonal laws regulating the area of displaced persons and refugees is underway;
- Property related laws and by-laws (Law on Discontinuation of Application of the Law on Abandoned Apartments and the Law on Discontinuation of Application of the Law on Temporarily Abandoned real Estate Owned by Citizens);
- Annex 7 of the Dayton Peace Accord for BiH.

5.2. Institutional framework

Governments on various levels are dealing with the set of problems related to refugees and displaced persons:

- the Ministry of Human Rights and Refugees of BiH;
- the Ministry of Displaced Persons and Refugees of FBiH with the Office for Displaced Persons and Refugees;

- the Ministry for Refugees and Displaced Persons of RS, with 52 municipal sections and 4 regional offices in FBiH, with the total of 520 employees;
- the Sector for Refugees in the District of Brcko;
- the Sector for Planning and Economic Development in the District of Brcko;
- Cantonal line ministries in all ten cantons;
- the municipal services in 84 municipalities of the FBiH, which are working on activities from this area.

The funds for the support to the return of refugees and displaced persons are allocated on all levels of government and significant, although declining, assistance of international organization and donors still channelled into this field:

- Resources from the budget of the FBiH (3% of the needs of the return);
- Resources from cantonal budgets;
- Resources from municipal budgets;
- Other resources in compliance with decisions of the FBiH government and cantonal governments and also in compliance with administrative decisions of municipalities;
- Other resources.

Of the international organizations involved in supporting the return of refugees, the most important is, certainly, the RRTF (Return and Reconstruction Task Force), which is a part of the OHR, with 7 special representatives, six regional and seven field offices. The UNHCR is the institution responsible for the coordination of activities on return and reintegration of refugees and displaced persons. OSCE and CRPC also have an important role in the field of property-related rights, and many other organizations have contributed to creating conditions for a more successful return. The EU, USAID, UNDP, IOM and many other international, governmental and non-governmental organizations have provided or continue to provide assistance in the process of reconstruction and return.

5.3. Situation in the Area

In comparison with the overall number of 2.1 million of refugees and displaced persons, the Ministry of Human Rights and Refugees of BiH estimates that 283,900 displaced persons still live in the FBiH (35% from the territory of the FBiH and 65% from the RS). In the RS, there are 248,300 displaced persons, and in the District of Brcko there are about 23,500. It is estimated that about half a million of refugees from BiH are living abroad, of which about 100,000 do not have a permanently resolved status, and therefore it is necessary to envisage that it is possible for them to return to BiH. There are still 73 collective and transit accommodations for refugees, housing some 9,280 persons. In the FBiH there are 54 refugee, collective and transit centers with some 8,300 persons, while the rest are accommodated in 13 collective centers and 6 centers for care of the elderly.

According to the data of the BiH Ministry of Human Rights and Refugees and UNHCR, from the day of the signing of the Dayton Peace Accord until the end of 2002, the total of 930,688 returns of refugees and displaced persons in BiH was registered, of which 424,402 are refugees and 506,285 are displaced persons. 685,650 persons, i.e. 73.67 percent have returned to the area of FBiH, 225,616 persons, or 24.24 percent, have returned in the area of RS, and 19,422 persons, or 2.09 percent of refugees and/or displaced persons have returned to the District of Brcko.

Concerning the so-called minority returns, 2002 was the most successful year, ever since the signing of the Dayton Peace Accord, as of 107,909 registered returns, 102,111 of them, which is close to 92 percent, were categorized as "minority returns". The return of minorities in the course of 2002 exceeded the results achieved in all previous years of return.

Although the tempo of return, and, especially, of minority return, has significantly accelerated in the last two years, the representatives of the Ministry of Human Rights and Refugees of BiH estimate that about 50 percent of refugees and displaced persons are still not in their homes. Although many will never return, this Ministry estimates that some 114,000 refugees from the countries which have accepted refugees, and about 300,000 displaced persons (of about 574,000 – according to a survey carried out in 2000), would return to their homes. It is necessary to ensure close cooperation with line institutions of those countries to ensure that as many as possible of the remaining refugees return to BiH.

5.4. Problems

Despite the favorable situation and a more accelerated tempo in the last two years, the most serious barriers for the finalization of the process of return of refugees and displaced persons are the safety of returnees from harrasment and violence, the implementation of property-related regulations, which is still not rapid enough, the need to rebuild houses for the returnees, the establishment of

economic and social conditions for sustainability of the returns, and the lack of updated databases on refugees and returnees.

The repatriation of refugees, resulting in the relocation of returnees, has a direct influence on the constant increase of the number of displaced persons in FBiH.

5.4.1. Safety

Personal safety is the key factor for the return of refugees and displaced persons. Although the safety related situation has gradually improved, harassment of minority returnees is still frequent, especially in the RS.

5.4.2. Implementation of Property Related Regulations

Over the last two years the process of the return of property and tenants rights to returnees and refugees from the period of war was significantly accelerated. According to the data of March 31, 2003, of the total number of claims submitted for property return (privately owned or tenants' rights), 87 percent was resolved, and in 78 percent of cases the property was restored. In the FBiH, the process of return was run more efficiently, so that in the same period 92 percent of requests were resolved, and the property was restored in 82 percent of cases. In the RS, the property return process went more slowly, so that the percentage of resolved claims was 80 percent, and 72 percent of claims was closed with the return of property.

The issue of property return also has reflections on the aspect of «legal instability», as the regulations in this area were changed so many times since 1992. The task still remains to return the property of about 92,000 families.

5.4.3. Reconstruction

It is estimated that, within the overall remaining demands for reconstruction, it would be necessary to reconstruct about 140,000 houses and apartments, which would require about US\$ 2 billion. The Commission for Refugees and Displaced persons has adopted the list of about 65,000 houses in the priority areas of return, for the following four years, which is the result of the consultations between the RRTF, UNHCR and line ministries on the state and entity level. In the first phase – until the end of 2004, while BiH can still expect more significant inflows of international aid, the reconstruction of about 30,000 housing units is planned, and in the second phase, until the end of 2006, the remaining 20,000 units from this priority list need to be reconstructed.

About 100 million KM was allocated in 2002 for the return purposes from the budgets of all levels of government in BiH, and it is estimated that the resources used by the international community were at the same level. Within the Agreement on Association and the Method of Use of Funds for the needs of reconstruction and return to BiH in 2002, 15.8 million KM was allocated (3 million KM from the BiH budget, and 6.4 million each from the entity budgets) for joint projects based on the criteria defined by the Commission for Refugees and Displaced Persons.

According to the information available to date, in 2003 and in the subsequent years, the resources available will not be even nearly sufficient for meeting the above needs, as the inflows of foreign donation will decline ever more significantly.

5.4.4. Databases

One of the most serious problems, which has hampered the return process is the lack of a database on the activities which have been undertaken, which are ongoing and which are being planned. A better access to this data would permit the identification of real priorities and eliminate double beneficiaries from the program. Because of undefined links between various administrative levels, the exchange of information is insufficient. The coordination with international organizations could also be improved. Negotiations with the European Commission on taking over the database of reports on the beneficiaries of donor assistance in BiH are ongoing.

The existing database on displaced persons needs to be updated by recording already completed returns, i.e. by de-registration of the displaced persons who are no longer displaced. Determining the actual number of persons who remain displaced would facilitate future planning and completion of the return process to a significant extent.

5.4.5. Sustainability of Return

The most important problem for the majority of returnees, even after they return to their property, is how to ensure economic existence. Apart from the difficulties with finding employment, returnees are also faced with difficulties in accessing the basic public services: education, health care and social protection, the disbursement of pensions. In the activities undertaken to date, some

agreements were reached between the entities in certain areas, such as education, but there has been no practical results yet.

5.5. Priorities

The priorities in the area of the return of displaced persons and refugees were determined by the governments of BiH and the entities in coordination with the international organizations assisting in this process, on the basis of accepted international obligations and according to the experiences gathered from refugee crises in other countries.

Creation of the basic conditions for return of as many refugees and displaced persons is key. The implementation of property related regulations is the prerequisite for the returnees to be able to use their houses, apartments and other property, including land and business facilities. The objective is that this process must be completed by the end of 2003. Rebuilding of 30,000 houses is planned for 2003-2004 period, and 20,000 more for 2005-2006, but the currently available budgetary funds will not be sufficient.

Apart from the above activities, ensuring the sustainability of return will require that the entity governments and lower levels of government adopt and implement, in an equitable way, laws and regulations necessary for normal integration of returnees into the life of local communities, which implies guarantees of personal and property safety. They must also reach an agreement and implement adequate solutions, urgently, to enable returnees to use the services of the education, health care and social protection systems, pension and disability insurance systems etc.

5.6. Proposed Measures

When defining the needs, activities and measures for the realization of the priorities in the area of assistance to refugees and displaced persons, through round tables and individual meetings, officials of BiH government and entity governments, line ministries and international organizations active in the area, and representatives of associations of refugees and displaced persons were all consulted, and the existing documents were used. To successfully conclude the return process, the following steps should be taken:

Reform of Laws and Regulations

- Adopt the Law on Changes and Amendments to the Law on Refugees from BiH and Displaced Persons in BiH;
- Harmonize the entity laws with the Law on Refugees from BiH and Displaced Persons in BiH;
- Ensure the protection of human rights guaranteed by the Constitution of BiH on the entire territory of BiH and implement the decision about the constitutive peoples on all levels, in line with the 1991 census;
- Harmonize the by-laws in the following fields:
 - Education;
 - Health care;
 - Employment;
 - Pension and disability insurance;
 - Allocation of public land;
 - Property related regulations and their implementation.
- Conduct a revision of the distribution of construction land;
- Provide expert and technical support to entity governments in creating required legal norms and corresponding administrative arrangements.

Reconstruction and Return of Property

- Create conditions necessary for the refugees to stay: complete demining (4.2% of BiH territory is still inaccessible because of mines), provide infrastructure, telephone connections and electric power supply, ensure equality in access to health care and other services, eliminate all forms of discrimination in employment. Employment of returnees would facilitate elimination of problems in education, health care, public administration etc.,
- Secure alternative accommodation for persons legally entitled to such accommodation,
- Establish mechanisms for the care of elderly returnees who have no one to care for them,
- Take steps for final phas-out of collective centers,
- Sanction destruction of other people's property when vacating illegally occupied apartments and houses,
- Activate a fund within the Central Bank of BiH for compensations for destroyed property;

Reform of Administrative Institutions

- Urgently reorganize and rationalize the administration involved in the implementation of Annex 7;
- Establish a vertical connection in which the Ministry of Human Rights and Refugees of BiH would serve as the umbrella institution, defining policies in the field of return and coordinating their implementation, which would be carried out by the line institutions in the entities and the Brcko District;
- Strengthen the role of the Commission for Refugees and Displaced persons;
- Consider the option that the Commission takes over the local officers of the RRTF, in view of the fact that this organization is ending its operations at the end of 2003;
- Renew the activities of the Fund for Return with the BiH Commission for Refugees and Displaced Persons. Establish the Office for Coordination and Information of the Fund, which would be an executive and expert body of the Fund;
- Conduct specialist training of the employees of the social protection network, for IT-related activities, for adequate provision of social services, for financial activities related to planning and analysis, for writing narrative and financial reports, for drafting laws and by-laws.

Databases

- Take over and manage the database on beneficiaries of donor assistance in reconstruction;
- Update and supplement the existing database of displaced persons and returnees through recording published data, i. e. through de-registration of displaced persons who no longer have that status.

Regional ties

In view of the importance of the neighboring countries for the success of the return, establish and maintain close contacts on the level of line ministries, in order to encourage return.

In view of the expected decline of the international assistance for the refugees and displaced persons, the Development Strategy of BiH – PRSP is focused on the improvement of coordination in the planning and realization of return on BiH level, through strengthening the existing Commission for Refugees and Displaced Persons, as well as through the rationalization of the existing system of support to this population group on the entity level and on the lower levels. The plans of line ministries and international organizations envisage the finalization of the implementation process for property-related laws by the end of 2003. However, the activities on reconstruction will continue for the next four years, and, in that time, the reconstruction of about 30 percent of the remaining devastated housing units is planned. For successful planning and coordination of those activities, it is necessary to take over and update the database on aid projects from the UNHCR, and to update and expand the database on refugees, displaced persons and returnees. The insufficiency of available resources even for this plan requires continuous activities on attracting donor funds taking credits for the completion of the return process.