Annual report of European Reconstruction Agency (Regulation (EC) No 2267/2000)

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PURPOSE : to present the 2000 Annual Report of the European Agency for Reconstruction. CONTENT : the Kosovo conflict which pulverised the Balkan region and shocked the west led western government to intervene in the regions firstly militarily and later in a humanitarian capacity. The Member States of the European Union took an immediate interest in the situation and recognised the need to offer instant humanitarian assistance. The reconstruction of the war torn area also required urgent attention. Numerous donors came forward offering advice and financial assistance for the rehabilitation of displaced persons. In February 2000, the European Union agreed to the establishment of the European Agency for Reconstruction (EAR) which would serve as the EU's implementing body for the reconstruction of the war torn region. Based in the Greek town of Thessaloniki, the EAR subsequently gained responsibility for reconstruction programmes in Montenegro and Serbia as soon as the political conditions permitted. Reconstruction projects are financed largely through the EU financial assistance programme known as CARDS, previously known as Obnova. Its initial budget for Kosovo added up to some EUR 70 million but this was later augmented to include EUR 260 million with an additional EUR 180 million for Serbia under the 2000 budget. The annual report suggest that the total figure for the 2001 assistance programme is expected to rise to +/- EUR 550 million. The agency has a total staff of 142 (64 international; 78 local). It can boast that of the 92% of funds committed during the year 2000 have been contracted with 53% paid out. In terms of the projects implemented through the blessing of the EAR particular attention has been given to the energy sector. Suffering from cold, harsh winters, the EAR recognised the urgent need to establish a safe, regular and secure supply of energy allowing for the heating of homes. Similar attention has been given, certainly in Kosovo, to the rebuilding and rehabilitation of homes. The Agency estimates that during the 1999 conflict nearly half of Kosovo's 250 000 housing stock was damaged or destroyed. Of these 41 000 houses were partially damaged, 32 000 were seriously damaged (wall standing but roofs and interior burned) and 47 000 were completely destroyed (down to and often below the foundations). The EAR decided to tackle this situation head on offering grant-aided reconstruction for damaged houses. In the first half of 2000 the Agency completed the rehabilitation of some 3 600 houses (EUR 14 million) and the reconstruction of 8 400 homes (EUR 60 million). Eighteen different NGO partners assisted the Agency in the implementation of the programme. The EAR's annual report thus estimates that in Kosovo alone an estimated 100 000 persons are able to return to a more normal life. Similar projects have been carried out in the transport sector; water and environment; enterprise development; agriculture; local government and the promotion of civil society; efforts to de-mine tracts of land; post and telecommunications; and lastly the rehabilitation of Pristina University. Since January 2001 similar energies have been devoted to projects in Serbia. In view of the exceptional circumstances faced by Serbia projects funded through the EAR include the delivery of diesel fuel; electricity imports; medicines; and foodcommodities. Funding has also been spent on towns and schools for a "democratic Serbia".