



Regional  
Housing  
Programme

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# NEWSLETTER No1

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MARCH-AUGUST 2014



# INTRODUCTION TO THE PILOT ISSUE

This is the Pilot issue of the e-Newsletter that the RHP Secretariat will start producing on a bi-monthly basis with the support of the Technical Assistance (TA) Communication Team and the direct involvement of the Partner Countries and UNHCR/OSCE. The purpose of the RHP e-Newsletter is to function as a vehicle of communication for all stakeholders: Partner Countries, RHP Donors, CEB, and UNHCR/OSCE. It is primarily designed to keep all interested parties abreast of RHP news and activities that take place at the Partner Country level as well as within CEB and UNHCR/OSCE. Likewise, it provides an opportunity for the RHP Donors to get their voices heard.

The RHP e-Newsletter aims at providing information on two main areas: recent activities carried out by the Partner Countries with the support of Technical Assistance (TA), activities carried out in cooperation with the CEB and UNHCR/OSCE, and interesting news. There is a lot going on that goes under the radar. The RHP e-Newsletter should keep us informed about RHP related events, activities, people and news that we would not be able to gather otherwise.

This Pilot issue presents the main highlights and developments which have taken place during the period March - August 2014. March 2014 is an important benchmark in the Programme as this is when the first Grant Agreements were signed. In the future, the RHP e-Newsletter will compile information on a bi-monthly basis from the Partner Countries, TA, UNHCR/OSCE and CEB. Thus, the next issue will cover September-October 2014.

For the time being, the RHP e-Newsletter is designed as an internal communication tool. The tone is rather informal and the expectation is that it also serves as a means to bring cohesiveness and to strengthen RHP's team spirit.

We hope that you find this new communication tool useful. Your feedback would be greatly appreciated. Bear in mind that this is the first time the e-Newsletter is produced hence there is room for change, evolution and improvement!

CEB RHP Secretariat



# Cover story



Photo by Goran Sivacki

## The first shovels in the ground in the Croatian town of Korenica

On 24 June 2014, RHP Donors and other partners celebrated the beginning of the construction works of an apartment building in the Croatian town of Korenica, which will accommodate 29 vulnerable families in late summer 2015.

Korenica is located in the Municipality of Plitvice Lakes, which is part of the Areas of Special State Concern. The land plot of about 1 965m<sup>2</sup> was donated by the Municipality. The total cost of the sub-project is estimated to be about EUR 1.4 million, of which 75% will be financed by the RHP Fund and the remaining 25% by Croatia's national contribution.

The Mayor of Korenica, Mr Boris Luketic and the Head of State Office for Reconstruction and Housing Care, Ms Mirela Stanic Popovic, hosted this ground breaking event. The Donors' representatives from the European Commission, the U.S.A., Switzerland and Germany were also present, as well as the representatives from partner organisations UNHCR, OSCE and CEB. The RHP stakeholders were also pleased to have Japan and the Netherlands participating in the site visit.

*The beneficiary families - former occupancy/tenancy right holders, the majority of whom are elderly and unemployed - have already been selected. Some of them were also present at the site, to witness with optimism the start of construction of their future home.*



Photo by Goran Sivacki

RHP Donors and partners also took the opportunity to visit another returnee family nearby which will also be provided with a durable housing solution in Korenica. The family is currently living in a relative's home, soon to be sold, without proper facilities such as running water. An apartment in Korenica will allow them to finally access decent housing conditions and medical and social facilities - almost 20 years after they had to leave their home due to the war.

The first disbursement from the RHP Fund was made on 22 May 2014, when the 1st tranche of EUR 315 000 was disbursed to Croatia for the construction of the apartment building. These funds will cover about 1/3 of the total estimated cost of the sub-project. The remaining funds will be disbursed in successive tranches, following the progress of the construction works.

# Beneficiary Story



## 1st RHP Project in Croatia to Mark End of Long Displacement

Bunić village in the Lika-Senj County's municipality of Korenica is the native place of Petar Eror (75), an elderly single man who currently resides in a neglected house overlooking the beautiful Krbava valley. Once a thriving farming community, Bunić today is scarcely inhabited by people who are struggling to make ends meet, working the land and taking care of their livestock. Being of age and of poor health condition, he cannot rely on the land and lives off his pension that he had earned working as the chief of police in the city of Virovitica, in the other part of Croatia, before the war.

As the situation began to deteriorate in Croatia in the early 1990s, Mr. Eror decided to temporarily relocate to his native Bunić for a while, „until the situation calms down”, as he says. Yet, as the armed conflict erupted in Croatia, it was not possible for him to return to his socially-owned apartment in Virovitica anymore. In August 1995, Petar Eror and his co-villagers left Croatia and found themselves as refugees in Serbia. As he spent the most of his life in the Korenica municipality and still had some friends and relatives left, Mr. Eror decided to seek a housing solution there. Since 1999, he applied several times to be accommodated in Korenica, without success.

Today, 15 years after his return to Croatia, a solution is in sight with the 1st wave project of the Regional Housing Programme. The construction of a 29-apartment building in Korenica, intended to provide housing for the most vulnerable returnee families, began in June 2014 and it is expected to be fully residential by June 2015. Petar Eror is one of the 29 beneficiaries who have been recommended by the Croatian RHP line institution, the State Office for Reconstruction and Housing Care, and UNHCR, to receive keys for a flat he can finally call his home.

Photos and story by UNHCR



# Newsflash



Photo by Goran Sivacki

## 4th Meeting of the RHP Steering Committee and 7th Meeting of the RHP Fund Assembly of Donors

The meetings took place on 23 June at the Ministry of Foreign and European Affairs in Zagreb. This gathering of Donors, Partner Countries and International Stakeholders also offered the opportunity to see concrete progress on the ground: works on the sub-project approved in April 2013 to construct an apartment building for 29 vulnerable families in the city of Korenica started in June 2014.

The Donors praised the Partner Countries for the progress achieved during the previous year. In the past 12 months, RHP has moved from preparation to its implementation phase. Altogether 12 sub-projects were approved by the RHP Assembly of Donors in 2013, worth a total of EUR 61 million in grants. In 2014, the first four sub-projects (one in each Partner Country), approved in April 2013, will be coming off the ground. Thanks to the Partner Countries' efforts and the support offered by the international community, more than half of the final beneficiaries (approximately 250 families) for these four sub-projects have already been selected and are looking forward to having soon access to a durable housing solution.

The meeting included a discussion on the recent floods in the region and its potential impact on RHP beneficiaries. All stakeholders agreed that close coordination of action to the benefit of floods' victims and RHP beneficiaries needs to be undertaken.

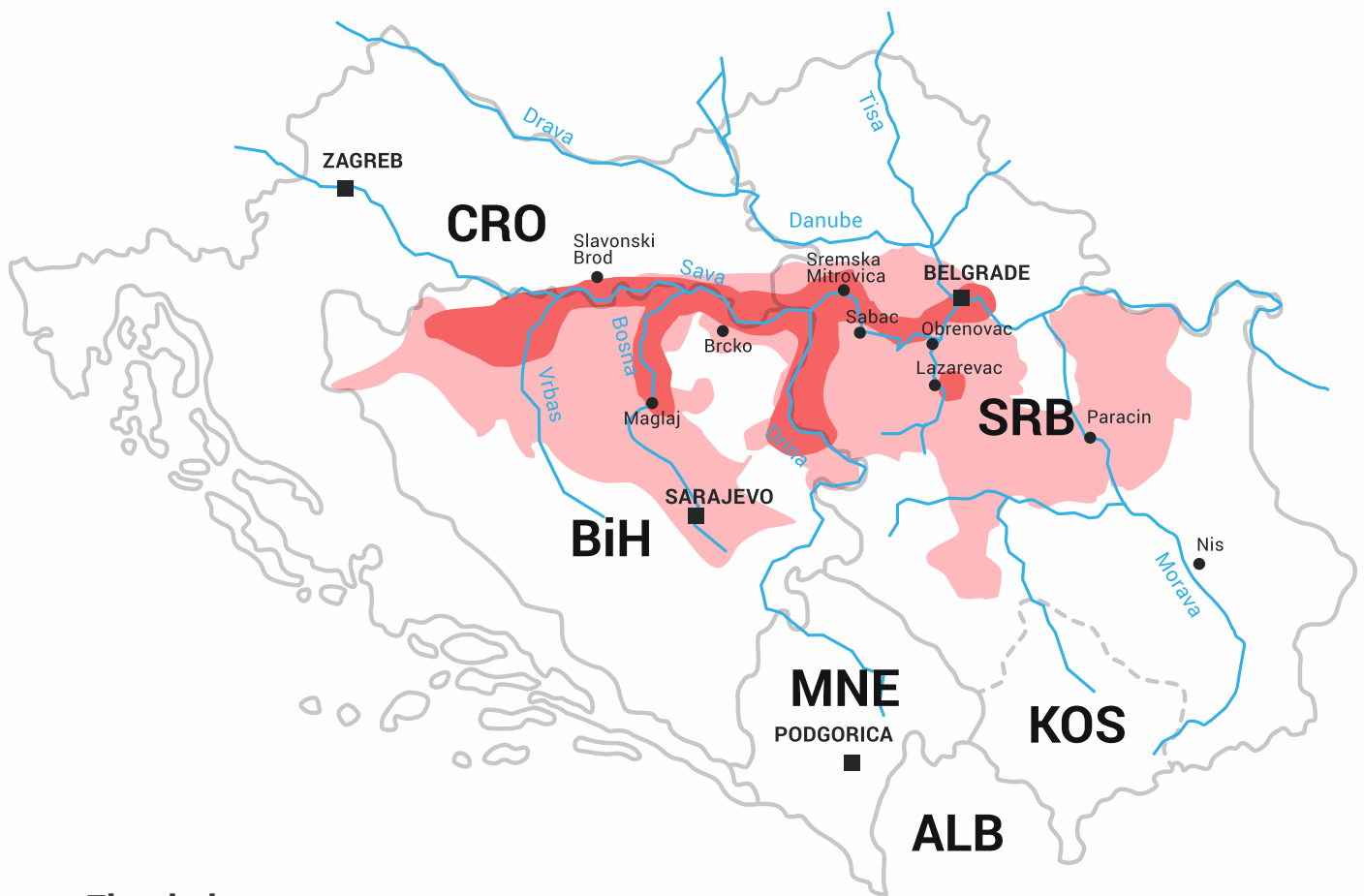
The Donors also reviewed and approved the fourth sub-project grant request submitted by Serbia, aiming at providing durable housing solutions in the places of local integration for 661 refugee families throughout Serbia. This fourth Serbian sub-project has a total cost of approximately EUR 12 million, of which around EUR 10.6 million will be financed by the RHP Fund.

## On 30 July 2014, RHP Fund received an additional USD 10 million from the U.S.A.

During the 7th Meeting of the RHP Assembly of Donors, Mr Simon Henshaw, Principal Deputy Assistant U.S. Secretary of State announced that the U.S.A. will provide an additional USD 10 million contribution to the RHP Fund. This contribution was paid into the RHP Fund on 30 July 2014.



Mr Simon Henshaw



## Flooded area

- Most affected areas
- Also affected

## Devastating floods in the RHP region

Bosnia and Herzegovina, Croatia and Serbia were hit by the worst floods in over a century due to a continuous rainfall that started on 13 May 2014. Tens of thousands of people had to be evacuated from their homes; the floods damaged houses, roads and energy infrastructure, and destroyed livestock and crops. The floodwaters have also displaced a large number of unexploded landmines left from the war, mainly in Bosnia and Herzegovina, the location of which will now need to be identified. Although the situation has stabilised since and many victims are now returning to their homes, many houses will have to be rebuilt completely.

The Regional Housing Programme could also be affected by the floods as some of its beneficiaries may be located in disaster areas. All RHP stakeholders - the main Donors and CEB in particular - will follow very closely the implications of the floods on the targeted beneficiaries to ensure that efficient support is provided to the flood victims while at the same time safeguarding that the RHP's focus will remain on the RHP beneficiaries. There will be a very close coordination of reconstruction efforts in favour of the flood victims and the RHP beneficiaries.

# Recent Activities

## Regional Activities

### Completion of CHP Implementing Structures' Verification process

- The Croatian State Office for Reconstruction and Housing Care (SORHC) concluded the CHP Implementing Structures' Verification Exercise on 11 April. This is a very important milestone as it enabled Croatia, as the first RHP Partner Country, to start receiving RHP Fund resources and to launch tenders for the implementation of approved sub-projects.
- On 25 April 2014, Montenegro successfully completed its CHP Implementing Structures' Verification exercise. PROCON has been formally confirmed as the Montenegrin PIU in charge of RHP implementation in Montenegro as well as being the sole contracting authority.
- On 4 July, Serbia successfully concluded the said exercise by signing the Government Resolution on financial management and accounting.
- CEB's mission in BiH on CHP Verification, conducted on 14-16 May, concluded that BiH's CHP implementing institutions are ready; only some details remain to be finalised. Thus, this exercise is close to completion and will most likely be finalised in the autumn of 2014.

### Strengthening the management capacity of the Lead Institution and PIU

#### MANUALS

- The Manual on Purchasing of Real Estate for HR is completed and was endorsed by the Technical Committee on 17 July 2014. Croatia can now proceed with the implementation of HR4 – Purchase of 101 Apartments.
- Manuals on Implementation, Monitoring and Procurement were completed in July 2014.

#### TRAININGS AND WORKSHOPS

- During the month of June, TA provided trainings on FIDIC (International Federation of Consulting Engineers) to Serbia and Montenegro. Additional trainings on procurement in all PCs will take place in September 2014.

- Procurement training was organized in Podgorica in June for the representatives of the LI and PIU. The objectives were to achieve a basic understanding of procurement principles as well as procedures and processes applicable under the CHP.
- Sub-Project Application Form (PAF) Quality Improvement Workshops were held in Montenegro, BiH, and SRB organised by CEB, in June. Representatives from BiH's Project Implementation Team as well as representatives from the Lead Institutions and Project Implementation Units, CEB, UNHCR and OSCE, as well as from the TA Consortium participated at the Workshops.

### Activities Working Group on Public Information

- Media coverage for signing of the Grant Agreement for HR1
- Media coverage for the announcement of RHP implementation process – HR1
- Media coverage for new public calls for the next round of countries' sub-projects (BiH1, MNE2, SRB2, SRB3)
- Media coverage for the RHP Steering Committee and Assembly of Donors in Zagreb on 23 June
- Preparation of RHP film by UNHCR – "Faces of RHP"

### New Grant Request Approvals

- ***SRB4 - Providing durable housing solutions in the places of local integration for 661 refugee families*** for a total cost of approximately EUR 12 million, of which around EUR 10.6 million will be financed by the RHP Fund, was approved by the Donors at the 7th meeting of the RHP Assembly of Donors, held in Zagreb on 23 June 2014.

### Preparation of new Grant Requests

- All four Partner Countries are currently busy finalising the PAFs that are to be submitted to CEB on the 1st of September 2014, for AoD approval on 20 November.

## Partner Countries



## BOSNIA AND HERZEGOVINA

### Legal Framework

- The Grant Agreement for **BiH1 - Provision of building materials to 20 families and turnkey reconstruction assistance to 150 families** - worth up to EUR 2 387 500 was signed on 16 July between BiH's Minister of Finance and Treasury Mr Nikola Spiric and CEB. The Agreement is already effective on a temporary basis while waiting for the ratification process to be completed.
- The Grant Agreement for BiH2 is currently under negotiation between BiH and CEB.

### Beneficiary Selection Activities

#### **BiH1 – Provision of building materials to 20 families and turnkey reconstruction assistance to 150 families**

- The selection of approximately 90 families (IDPs and refugees from Croatia) has been completed. These families have applied for the reconstruction of 50 housing units (25 in the Federation of Bosnia-Herzegovina (FBiH) and Republika Srpska (RS)). An additional 20 families have applied for the supply of building materials in the RS.
- The selection of 100 returnees to BiH from other Partner Countries is still on-going and is expected to be finalised in autumn 2014.

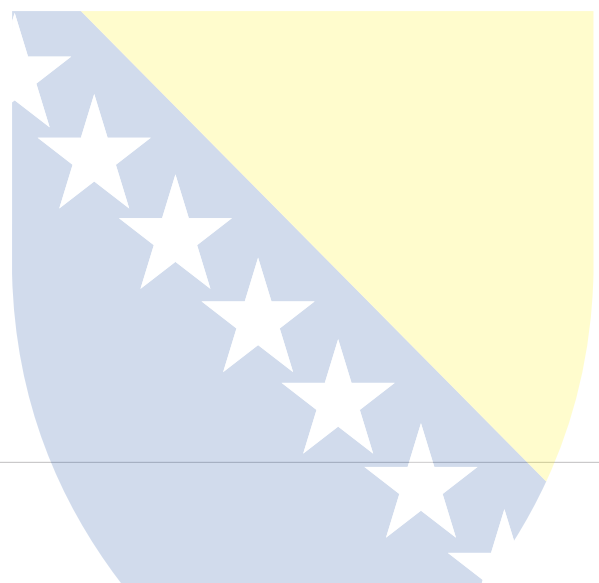
#### **BiH2 - Provision of housing solutions to 780 households for return and reintegration or local integration**

- The beneficiary selection process related to the returnees (500 housing solutions, 250 each from Croatia and Serbia) will be conducted simultaneously with the selection for BiH1, for the same group. Beneficiary selection commissions will focus on processing applications of returnees while waiting for the results of field verification from Croatia and Serbia.
- The selection of refugees from Croatia (30 housing solutions) will be done following an ad-hoc procedure by the RS line ministry (as agreed by the Project Implementation Team) based on the applications submitted for the RHP.

### Status of Tenders

#### **BiH1 – Provision of building materials to 20 families and turnkey reconstruction assistance to 150 families**

- Tender Dossiers for the design of reconstruction of 50 housing units in BiH (both FBiH and RS), and Tender Dossiers for the supply of building materials and technical supervision of 20 housing units in the RS are ready and the tenders will be launched shortly.





## Legal Framework

- The Grant Agreement for **HR1 - Construction of an apartment building for 29 families in Korenica** for the amount of up to EUR 1 048 658 was signed on 3 March between the Head of the State Office for Reconstruction and Housing Care, Ms Mirela Stanic Popovic and CEB.
- The Grant Agreements for **HR2 - Construction of two residential buildings in Knin for 40 beneficiary households** for the amount of up to EUR 2.6 million and **HR4 - Purchase of 101 flats within and outside the Areas of Special State Concern** for the amount of up to EUR 4.3 million, were signed on 23 June 2014 in Zagreb between the Head of the Croatian State Office for Reconstruction and Housing Care, Ms Mirela Stanic Popovic and CEB.
- The Grant Agreement for **HR3 - Construction of a home for 75 elderly and disabled persons in Glina**, for the amount of up to EUR 3.6 million, is currently undergoing an internal review process in HR.

## Beneficiary Selection Activities

### HR1 - Construction of an apartment building for 29 families in Korenica

- Beneficiary selection is completed. Following UNHCR's recommendations to the SORHC, the issuance of positive administrative decisions on the right to housing care for the selected beneficiaries has started.

### HR2 – Construction of two residential buildings in Knin for 40 beneficiary households

- Out of the 40 beneficiary families for this project, 30 have been selected. While initially the Joint Working Group (JWG) pre-screened 57 potential cases, UNHCR proposed additional 133 families to be assessed, to make sure that the most vulnerable are selected. SORHC accepted such approach. The majority of potential beneficiaries are former occupancy/tenancy right holders, while others are residents of the two collective centres near Knin.

### HR3 - Construction of a home for 75 elderly and disabled persons in Glina

- The expert jointly selected by the Lead Institution and UNHCR completed the mission in July 2014. The final report included the proposal of a selection mechanism and criteria for accommodation in the Centre, which is the pre-condition for the beginning of the selection process.

## Status of Tenders and Purchases

### HR1 - Construction of an apartment building for 29 families in Korenica

- The tender was launched on 15 April. By the end of May, the tender was completed and contractors chosen, allowing the project to start in June 2014.

### HR4 - Purchase of 101 flats within and outside the Areas of Special State Concern

- APN has already issued two public calls for the purchase of flats. HR suggested that flats that are not bought through these public calls be eligible for the RHP; this proposal was found acceptable by the RHP Technical Committee.

## Other activities

- The study for the use of EU Structural and Investment Funds (EUSIF) to support CHP implementation has been successfully completed. A concept note, focusing on Sustainable Urban Development to set the framework for integration and housing of returnees and refugees, was drafted by TA in cooperation with the Croatian authorities. Further discussions with the Croatian authorities will continue to ensure that a maximum of RHP beneficiaries could potentially be included in the programme.

## Legal Framework

- The first Grant Agreement for **MNE1 - Construction of two blocks of flats for 62 IDP families in Nikšić** was signed between Mr Predrag Boskovic, Minister of Labor and Social Welfare and CEB on 6 March 2014, for a grant of up to EUR 1 980 000.
- The Grant Agreement for **MNE2 - Provision of housing to 120 most vulnerable families from Camp Konik 1** for up to EUR 6.2 million is currently under negotiation between MNE and CEB.
- The Grant Agreement for **MNE3 - Construction of a home for 68 elderly/handicapped persons in Pljevlja** for up to EUR 1.9 million is now ready to be signed as all conditions precedent to signature have been fulfilled.

## Preparation of CHP Support Grant Agreement

- CEB and MNE are in the process of agreeing on the details of a Grant Agreement, which will cover partially the costs of both the Lead Institution and PROCON associated with running the MNE CHP. These costs are partially financed by the European Commission and not through the RHP Fund.

## Beneficiary Selection Activities

### **MNE 1 – Construction of two blocks of flats for 62 IDP families in Nikšić**

- Beneficiaries have been pre-selected, while the final selection process shall start six months before the completion of construction, as per the national legislation.

### **MNE 3 – Construction of a home for 68 elderly/handicapped persons in Pljevlja**

- The Lead Institution (LI) launched a public notice (open from 3 April to 3 May) and invited eligible elderly refugees to express interests for benefitting from this sub-project. These activities resulted in 101 persons registered as interested.

## Status of Tenders

### **MNE 1 – Construction of two blocks of flats for 62 IDP families in Nikšić**

- Tender Dossiers are in an advanced state of preparation.



## Legal Framework

- Serbian National IPA Coordinator and Minister without Portfolio Mr Branko Ruzic signed the first RHP Grant Agreement for Serbia on 14 March 2014. The RHP grant of up to EUR 1 993 000 will finance the implementation of **SRB1 - Provision of 125 building material packages and 70 prefabricated houses to the benefit of 195 households.**
- Grant Agreements for **SRB2 - Support to 870 refugee families through four housing solutions** worth 13 062 936 EUR (including Serbian contribution) and **SRB3 - Support to 715 refugee families through four housing solutions** worth 13 642 918 EUR (including Serbian contribution) are in an advanced stage of negotiation and will be signed imminently.

## Preparation of CHP

### Support Grant Agreement

- CEB and SRB are in the process of agreeing on the details of this Grant Agreement, which will cover partially the costs of R&D PIU associated with running the Serbian CHP. These costs are partially financed by the European Commission and not through the RHP Fund.

## Beneficiary Selection Activities

### **SRB1 – Provision of 125 building material packages and 70 prefabricated houses to the benefit of 195 households**

- *Component I* – Partial Self Help Project/delivery of building material – 125 packages. The final list of selected beneficiaries was published on 27 May 2014.
- *Component II* – 70 Pre-Fabricated Houses. The final list of selected beneficiaries was published on 17 June 2014.
- Public Information campaign for the beneficiary selection for SRB 2 and SRB 3 is in the preparatory phase.

## Status of Tenders

### **SRB1 – Provision of 125 building material packages and 70 prefabricated houses to the benefit of 195 households**

- The tender for the part of SRB1 that is implemented through Serbia's national contribution was launched and successfully completed. The first 25 building material packages are ready to be delivered to the beneficiaries. The Tender Dossier for the supply of 100 packages of building materials has been launched and it will close on 22 September 2014.



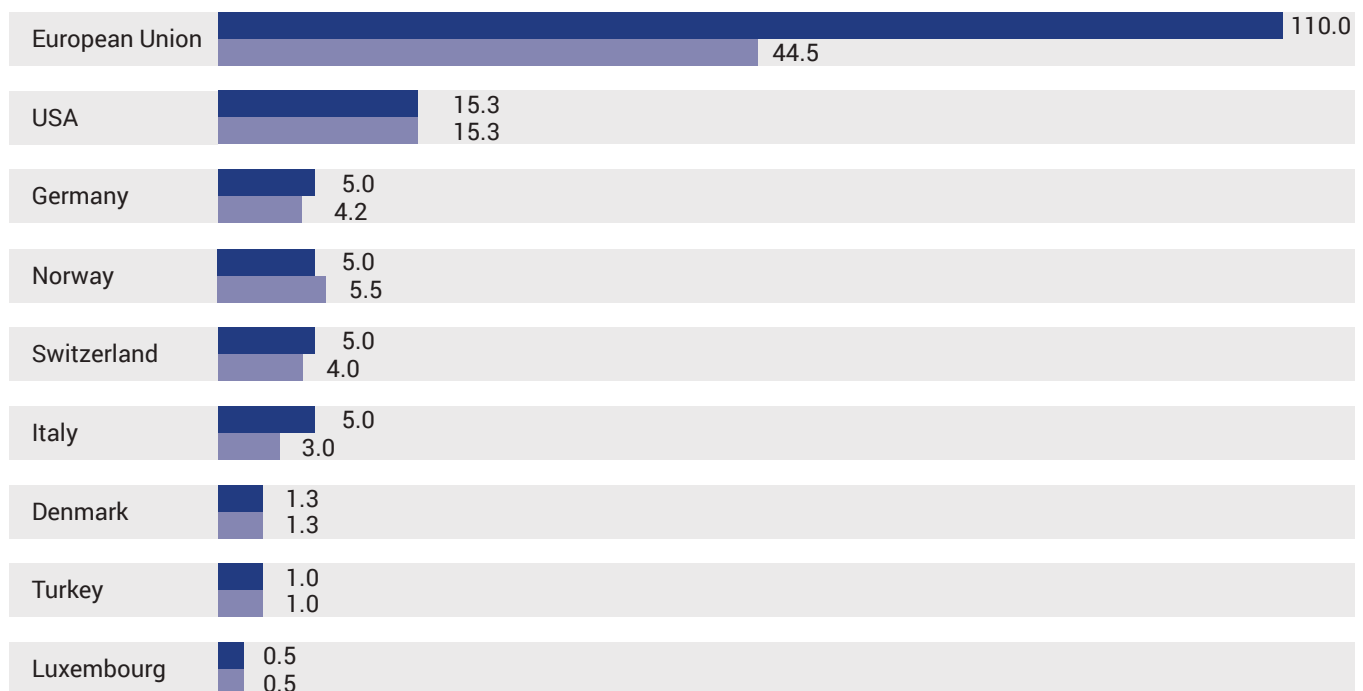


## RHP FUND STATUS

### Contributions committed and paid in ( in EUR million at end-August 2014 )

EUR 148.0 million committed

EUR 79.3 million paid in



### Status of Disbursements

- HR1- Construction of an apartment building for 29 families in Korenica:** In May 2014, CEB made the first disbursement from the RHP Fund when the first tranche of EUR 315 000 was disbursed for HR1.
- MNE1 - Construction of two blocks of flats for 62 IDP families in Nikšić:** In July 2014, CEB paid out the first grant tranche to MNE in an amount of EUR 594 000.
- SRB1- Provision of 125 building material packages and 70 prefabricated houses to the benefit of 195 households:** In early September 2014, CEB paid out the first grant tranche for Serbia, amounting to EUR 996 500.

# About RHP People

## United States

**MR. JOHN UNDERRINER**, Director, Office of Europe, Central Asia and the Americas (PRM/ECA), Bureau of Population, Refugees, and Migration at the U.S. Department of State who has been following RHP affairs from Washington DC for the past two years is moving to another post.

"It has been a great pleasure working with you and the rest of our RHP colleagues these past two years as we helped bring this important and complex programme to the verge of fruition. Or at least the beginning of construction! I have greatly appreciated working with all of you, and am confident that RHP is on track for positive results".

He will be replaced by **MS. NANCY IRIS**. **MS. IRIS** has been working with refugees, IDPs, and their issues for 33 years and has been covering the Balkans in her present position since she joined the U.S. Department of State in 1988. She began her refugee career as a United Nations Volunteer living in a refugee camp in the Philippines in 1981. She plans to attend the November Assembly of Donors/Steering Committee meetings in Paris.

**MR. DAVID M. ROBINSON** was nominated as Principal Deputy High Representative and Brčko District Supervisor in The Office of the High Representative in Bosnia Herzegovina in September 2013. As you recall, Mr. Robinson was the first co-Chair of the RHP Fund Assembly of Donors in 2012-13. He took this role during his tenure as Principal Deputy Assistant Secretary, State Department Bureau for Population, Refugees and Migration (BPRM). We are glad that Mr. Robinson is back in the Western Balkans and look forward to interacting with him in his new capacity in the future.

## Norway

**MR. JENS GRØNDAHL** who has been the representative of Norway in the RHP Steering Committee and Assembly of Donors since its first meeting in November 2012 has recently changed his position in the Foreign Ministry. For this reason, he will not be following up on RHP related matters anymore. Mr Grøndahl's successor in the Western Balkan Section is **MRS. ANNETTE BULL**, Deputy Director. She will be Norway's focal point for the RHP in the future.

"I take the opportunity to thank the CEB and all RHP stakeholders for an excellent partnership since the opening of the RHP. I wish you all the best in the continuation of your work".

## Organisation for Security and Cooperation in Europe

**AMBASSADOR FLETCHER BURTON**, Head of the OSCE Mission to Bosnia and Herzegovina left his post at the end of August. Ambassador Burton was OSCE's representative to the RHP Steering Committee since 2012.

"I believe that RHP is a crucial initiative to enhance cross border cooperation and further strengthen reconciliation efforts in the Balkans. After being involved in the Balkans during the conflict, I find it extraordinary how far the Partner Countries have come. I wish RHP success in the future".

## Upcoming activities (September-October 2014)

### RHP Events

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#### **2 October 2014**

Opening ceremony for start of SRB 1 – Provision of 125 building material packages and 70 prefabricated houses to the benefit of 195 households. A field visit to one beneficiary family which has already received a building material package in Stara Pazova (near Belgrade) is organized.

#### **7 October 2014**

Grant Agreement Signature Ceremony, for MNE2 - Provision of housing to 120 most vulnerable families from Camp Konik 1 and MNE3- Construction of a home for 68 elderly/handicapped persons in Pljevlja will take place in Podgorica, Montenegro.

### RHP Meetings

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#### **9 September 2014**

Regional Coordination Forum, Zagreb, Croatia.

#### **30 October 2014**

Technical Committee Meeting, Paris.

### Trainings and Workshops

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#### **8 September 2014**

Workshop on RHP Visibility and Communication organised by CEB and TA Consortium Communication Team, Working Group on Public Information, Zagreb, Croatia.

#### **15-16 October**

Risk Management Workshop organised by CEB in Belgrade with PIU and LI representatives from Partner Countries.





Bosnia and  
Herzegovina



Republic of  
Croatia



Montenegro



Republic of  
Serbia

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[www.regionalhousingprogramme.org](http://www.regionalhousingprogramme.org)

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The Regional Housing Programme is financed and supported by the International Community



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The Regional Housing Programme was set up to offer durable housing to 74,000 vulnerable individuals who became refugees or displaced persons following the 1991-1995 conflicts on the territory of former Yugoslavia. The RHP is to be implemented over five years with the support of the international community.

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