

RHP FUND ANNUAL REPORT 2015



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Picture on the cover page:

A family in Foča-Ustikolina, Bosnia and Herzegovina,
in front of their new house, March 2016



Bosnia and
Herzegovina



Republic of
Croatia



Montenegro



Republic of
Serbia

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



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.

www.regionalhousingprogramme.org



Beneficiary in front of a pre-fabricated house near Belgrade, Serbia

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Forewords by CEB and European Union

Rolf Wenzel

Governor



Providing support to refugees and displaced persons is part of the CEB's core mandate and has been central to the Bank's activities since its inception in 1956. It is in line with this mandate that the CEB actively supports the Partner Countries in implementing the Regional Housing Programme (RHP), while also helping its member states address the current surge in migrants and refugees.

The Bank's role in the RHP reflects its firm commitment to improving the living conditions of vulnerable population groups, who often lack access to adequate housing and have low prospects of integration into society. It also stems from practical considerations: large population flows within or across borders can be hugely destabilising, creating tensions between governments and resentment among communities. And this can have far-flung repercussions, as the recent migrant and refugee crisis demonstrates. This is why the RHP is important. Addressing the consequences of the displacement brought about by the conflicts in the Balkans during the 1990s is crucial, for what is at stake is the stability and prosperity not only of the region, but more broadly of Europe itself. The CEB and the other stakeholders from the international community will continue to provide steadfast support to this Programme. But in the end, the outcome of the RHP largely depends on the Partner Countries.

Bosnia and Herzegovina, Croatia, Montenegro and Serbia are fully committed to the RHP and are cooperating closely with one another. Their sustained efforts are starting to pay off: almost a thousand housing solutions should be delivered in 2016, four times the number delivered until now. I am confident that the Partner Countries, with the support of the international community, will make a success of the RHP.

Johannes Hahn

Commissioner for European
Neighbourhood Policy and
Enlargement Negotiations



The Regional Housing Programme (RHP) is an ambitious and important initiative, because of its regional scope, aim and size. Solving the protracted displacement situation of more than 70 000 people following the end of the war in Yugoslavia - more than fifteen years ago – it is a challenging task in several ways for all stakeholders concerned.

The RHP contributes significantly to the provision of badly needed, dignified living conditions for thousands of families and people still living in very difficult housing conditions throughout ex-Yugoslavia more than fifteen years after the end of the war. Refugees and displaced persons who, until now, could not return to their place of origin or integrate into their current community will finally be able to rebuild their lives. The RHP will also foster cooperation between the Partner Countries of Bosnia and Herzegovina, Croatia, Montenegro and Serbia. It will help governments and communities leave their fractious past behind and focus on a common future.

The Partner Countries, with the support of the European Union and other stakeholders, have accomplished a lot. Implementing structures are now in place. Close to 250 housing facilities have been delivered, improving the living conditions of over 600 vulnerable people. And many more projects are in the pipeline.

A lot remains to be done. Making strong progress on implementation in 2016 is crucial. The Partner Countries need to deliver to make it a success and we will continue to work closely with them to help ensure this. I am confident that they will rise to the challenge.



Beneficiary in front of his old home and new pre-fabricated house, Pecinci, Serbia

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Main Achievements in 2015

WHAT IS THE REGIONAL HOUSING PROGRAMME?



The Regional Housing Programme is a joint initiative by Bosnia and Herzegovina, Croatia, Montenegro and Serbia. The aim of the RHP is to comprehensively contribute to resolving the protracted displacement situation of the most vulnerable refugees and displaced persons following the 1991-1995 conflicts on the territory of former Yugoslavia, including internally displaced persons (IDPs) in Montenegro from 1999, by providing durable and sustainable housing solutions. RHP Partner Countries have committed themselves in the Belgrade Declaration to the principle of respect for the rights of refugees and internally displaced persons and to the mutual obligation to closely cooperate and synchronise activities in order to ensure truly durable solutions for them, either through voluntary return and reintegration or local integration.

The RHP consists of four individual Country Housing Projects, one per Partner Country, which are implemented by the Partner Countries themselves. Contrary to most other housing projects in the region, the RHP is not just about providing housing, but it is also about fostering the institutional capacity of the Partner Countries to deliver housing solutions. Thanks to this enhanced capacity, the Partner Countries should be in a better position to address the housing needs not just of RHP beneficiaries but of their populations at large. Thanks to its regional character, the RHP also contributes to improving neighbourly relations, thereby helping to foster security and stability in the region.

MAJOR MILESTONES IN 2015

More than 200	families moved into new homes
1	building for 29 families completed in Korenica (Croatia)
58	flats purchased throughout Croatia
150	packages of building materials delivered in Serbia and Bosnia and Herzegovina
5	construction sites inaugurated in Niksic (Montenegro), Glina and Knin (Croatia), Gorazde and Foca (Bosnia and Herzegovina)
39	contracts signed between Partner Countries and contractors for a total of EUR 9.6 million
10	disbursements made in favour of sub-projects for a total of EUR 16.6 million
6	new grant agreements signed: total grant amount EUR 69.0 million

2015 was the first year in which the RHP delivered housing solutions to eligible beneficiaries in larger numbers. All in all, more than 200 families moved in to new homes after 20 years of displacement and dire living conditions. And many more families will follow suit. Construction works are now ongoing in all four Partner Countries and more than 1 800 beneficiary families have been selected by the Partner Countries and confirmed by the UNHCR and the OSCE.

IMPLEMENTATION FULLY UNDER WAY

The implementation of the RHP is now fully under way, as demonstrated by the numerous sub-projects that have already been completed or are ongoing:

- Croatia: The construction of a building in Korenica to accommodate 29 vulnerable refugee families was finalised in September 2015. 28 out of 29 families have already signed a lease contract. In addition, 58 flats have been purchased throughout the country since December 2014. Of these 58 flats, 46 have been handed over to refugee families.
- Montenegro: In the town of Niksic, the construction of two apartment buildings to accommodate 62 vulnerable families started in May 2015. The construction works should be completed by summer 2016 and the flats handed over to beneficiaries shortly thereafter. The works at the Konik Camp in Podgorica, to construct new housing for 120 most vulnerable Roma families still living in the Camp, will start in early 2016 and are expected to be completed within 2 years.
- Serbia: Since October 2014, 129 packages of building materials, worth EUR 9 000 each, have been distributed to selected refugee families in Serbia. Their installation is mostly completed. Furthermore, the building and installation of 66 pre-fabricated houses is on-going and beneficiaries should be able to move in during the spring/summer of 2016.
- Bosnia and Herzegovina: Since March 2015, 20 building material packages have been delivered and installed to upgrade the homes of RHP beneficiary families. In addition, reconstruction works on 50 houses have started and will be completed by April 2016.

IMPROVED OPERATING STANDARDS

In 2015, the Partner Countries continued to improve their operating standards. Their efforts were underpinned by two main goals: speed up implementation and ensure that projects are implemented according to best practices.

Various management tools were introduced or consolidated during the year, such as Gantt charts, a Procurement Tracking System, Risk Registers and a Monitoring and Management Information System (MMIS). They proved to be indispensable. For instance, close monitoring of key milestones in procurement, coupled with the identification

and earlier mitigation of risks, enabled the Partner Countries to launch tenders in due time. Intense CEB presence in the Partner Countries and continuous Technical Assistance, funded by the European Union represented by the European Commission (the Commission), also proved crucial.

CAPACITY BUILDING AND REGIONAL FOCUS

The four Partner Countries are in charge of implementing their respective Country Housing Projects through national implementing structures. The Partner Countries receive significant Technical Assistance which the CEB is managing. In 2015, the Technical Assistance team, embedded in the implementing structures, continued to help the Partner Countries build up their institutional capacity and implement the RHP according to best practices.

One of the cornerstones of the RHP's success is its regional character. The four Partner Countries work very closely together to reach their common goal. They support each other and exchange information daily to maintain a steady pace of RHP implementation, to find synergies in their work and to learn from each other's successful experiences within the RHP. During the latest Steering Committee Meeting in December 2015, the Partner Countries emphasised, with one voice, the positive impact that the RHP is having on regional cooperation, security and reconciliation among people that were on different sides of the armed conflict 20 years ago. RHP's regional approach is one of a kind in the region and its benefits will certainly be worth highlighting in future years.

SUSTAINED DONOR SUPPORT

In 2015, the international community demonstrated its continued support to the RHP by contributing additional funds to the Programme and approving one new sub-project. In December, the Commission made a new contribution to the RHP Fund for an amount of EUR 11 million, thus bringing its total commitment to EUR 121 million. Thanks to this new contribution, funds committed to the RHP Fund reached EUR 159 million at end-2015. This additional contribution by the Commission also consolidated its status as the main Donor to the Fund. Of the total EUR 159 million committed, EUR 121 million has been committed by the Commission, i.e. 76%.

At the same time, the Donors to the RHP prepared the future of the Programme by approving one new sub-project, in an amount of close to EUR 9 million. This project, located in

Bosnia and Herzegovina, will consist in the reconstruction of 435 family houses for the return of refugees and IDPs and the construction of 45 family houses for local integration of IDPs. This approval brought the amount of grants approved to EUR 133 million.

Based on the sub-projects approved to date, in total around 6 600 families, or 21 000 people, are expected to see their living conditions improved by the RHP.

MID-TERM REVIEW AND MID-TERM EVALUATION

The RHP Donors decided to carry out a Mid-Term Review of the RHP in the second half of 2015. In light of the large scope of the task, it was decided to split the review into two separate assessments. A Mid-Term Review, commissioned by the CEB, aimed at providing an overall independent assessment of the RHP's achievements to date and lessons learned. A Mid-Term Evaluation, commissioned by the Commission, focussed on evaluating the RHP's achievements as regards beneficiary selection and sustainability-related aspects.

Both comprehensive reviews provided an overall positive assessment of the RHP. They also resulted in a number of recommendations that will serve as guidelines for RHP activities in the future. In particular, a distinct focus will be put on identifying potential bottlenecks early on so as to speed up implementation even more. In addition, more emphasis will be put on complementary measures to ensure the sustainability of the Programme. Finally, the Partner Countries will be invited to review their remaining needs, as a basis for identifying future sub-projects.

OUTLOOK

By the end of 2015, a total of 236 housing solutions had been delivered to RHP beneficiaries. The number of homes delivered is expected to increase rapidly in the coming years. The Partner Countries' objective is to provide 6 400 additional housing units over the next three years, with the peak scheduled for 2017. Some 800 housing units should be delivered to RHP beneficiaries in 2016 alone, i.e. almost four times more than in 2015.

RHP implementation status - key figures*

Approved sub-projects	18
Total estimated cost of approved sub-projects	EUR 161 million
Total approved grant amount	EUR 133 million
Total national contribution	EUR 28 million
Number of households concerned	6 600
Number of beneficiaries concerned	21 000
Total amount disbursed	EUR 22 million
Housing Units delivered 2014/2015	236

* Figures as at 31 December 2015



A beneficiary child in front of a house which was reconstructed thanks to a building material package received by the family in October 2014, Indjija, Serbia

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Statements by Partner Countries



RHP COUNTRY HOUSING PROJECT Bosnia and Herzegovina



Semiha Borovac

Minister for Human Rights and Refugees of
Bosnia and Herzegovina

Significant progress and genuine concrete achievements were undeniably secured in the preparation of the necessary administrative and legal frameworks, making it possible to build on the results achieved so far and to use the instruments developed for the efficient implementation of projects in the field.

In cooperation with local communities, the Ministry of Human Rights and Refugees of Bosnia and Herzegovina, as the Lead Institution, and the PIUs started implementation of all four sub-projects that BiH applied for in the context of the resources available in the Regional Housing Programme Fund.

The total value of these sub-projects, which are being implemented in more than 70 cities and municipalities across Bosnia and Herzegovina to provide housing for some 1 870 most vulnerable families, is EUR 41.3 million.

After completing the building design, the implementation of sub-projects BiH1 and BiH2 began and it is expected that about 1 000 beneficiaries will be able to move into their repaired or reconstructed houses by late 2016.

The third sub-project of the CHP (Country Housing Project) involves building a total of 438 apartments in 19 local communities. At the beginning of the year an invitation to tender for the design of the buildings will be announced. The construction works will be carried out after completion of the building design, and all the buildings are expected to be ready for the beneficiaries by the end of 2017.

The designing of houses for sub-project BiH4 will start after completion of beneficiary identification. This will be followed by the construction of the houses, which will facilitate the return and integration of a further 480 families by the end of 2017.

The Regional Housing Programme is a unique example of regional cooperation aimed at resolving a prolonged displacement situation and can be used as a model for resolving protracted refugee and displacement crises.

This initiative helps to strengthen good neighbourly relations and contributes to sustainable economic and social development and a peaceful and prosperous future for the partner countries and their citizens.



A beneficiary family in Olovo, Bosnia and Herzegovina, pictured in front of their previous house (left). Thanks to the RHP, the family received a building material package and reconstruction assistance which enabled them to have a new home, March 2016 (right)



A beneficiary family in Foca-Ustikolina, Bosnia and Herzegovina, in front of their old house, without access to water and electricity (left) and in front of their newly constructed house, March 2016 (right)

Status of sub-projects approved for Bosnia and Herzegovina

Sub-project title		Date of approval by Assembly of Donors	Total estimated cost (EUR)	Grant amount approved (EUR)	Estimated national contribution (EUR)	Status of sub-project implementation *
BiH1	Provision of building materials to 20 families and turnkey reconstruction assistance to 150 families **	08/04/2013	2 668 500	2 387 500	281 000	Delivery and installation of building materials to 20 families completed; rehabilitation of 50 houses in progress, reconstruction of other 100 houses planned to start in spring 2016
BiH2	Provision of housing solutions to 780 households for return and reintegration or local integration	11/10/2013	14 634 324	12 634 032	2 000 292	80% of beneficiaries selected; tendering/design in progress
BiH3	Construction of 438 flats in multi-apartment buildings for refugees and IDPs	20/11/2014	14 371 287	12 343 875	2 027 412	Design of buildings started; beneficiary selection on-going
BiH4	Reconstruction of 435 family houses for return of refugees and IDPs and construction of 45 family houses for local integration of IDP	26/03/2015	9 620 371	8 569 651	1 050 720	Identification of beneficiaries on-going
TOTAL			41 294 482	35 935 058	5 359 424	

* As at 31 March 2016

** Amounts revised after approval by Assembly of Donors



RHP COUNTRY HOUSING PROJECT Croatia



Mirela Stanić - Popović

Head of the State Office for Reconstruction
and Housing Care, Croatia

We are very proud of the progress made in the Republic of Croatia during the year behind us.

Construction works on an apartment building for 29 families in Korenica were completed and, as we had planned, we started construction works in Knin and Glin.

At the end of 2015, a further fourteen apartments were purchased both within and outside the Areas of Special State Concern and the first beneficiaries moved into their homes. Also last year, all of the 44 apartments purchased under the first public call were handed over to RHP beneficiaries. In order to support the RHP beneficiary selection process and ensure higher effectiveness and cross border verification, a Grant Agreement for Country Housing Project Support was concluded on 30 November 2015 between Croatia and the CEB. Accordingly, a few days before Christmas, the Republic of Croatia and Bosnia and Herzegovina signed a Memorandum of Understanding to carry out these tasks. The securing of permanent solutions to housing needs will be the key issue in the forthcoming period. In the year ahead, we plan to start construction works in Benkovac and we would be very honoured if our new project proposal for the renovation, reconstruction and construction of 62 family houses were approved by the RHP Donors.

The durable housing solutions envisaged by these projects will enable beneficiaries to return to their pre-war locations and integrate more strongly in the community. Successful implementation of the RHP is our most important objective and we must not forget that, still today, a large number of families have not yet been provided with permanent housing solutions.

Finally, I would like to thank all partners involved in the RHP for their cooperation. I especially want to thank Donors for their understanding and efforts. We are convinced that, with their support, we will successfully fulfill our mission. We are aware that progress in this ambitious initiative would not be possible without the help and support of the Technical Assistance that will be vital to our staff in the upcoming period.



One of the 29 beneficiary families of Korenica, Croatia, in their old house (left), June 2014. The same family in their new apartment, September 2015



Under the RHP, Croatia is purchasing apartments for 101 families who were former tenancy right holders or residents of collective centres. By the end of 2015, 58 flats have already been purchased while the rest will be purchased in 2016

Status of sub-projects approved for Croatia

Sub-project title		Date of approval by Assembly of Donors	Total estimated cost (EUR)	Grant amount approved (EUR)	Estimated national contribution (EUR)	Status of sub-project implementation *
HR1	Construction of apartment building for 29 families in Korenica	08/04/2013	1 398 211	1 048 658	349 553	Construction completed and keys handed over in September 2015
HR2	Construction of two residential buildings in Knin for 40 families **	11/10/2013	3 475 781	2 587 037	888 744	Beneficiaries selected; construction on-going
HR3	Reconstruction of a home for 75 elderly and disabled persons in Glina **	11/10/2013	4 259 039	3 085 525	1 173 514	Beneficiaries pre-selected; construction on-going
HR4	Purchase of flats for 101 households	06/12/2013	5 717 140	4 287 855	1 429 285	58 flats purchased to date; the remaining 43 apartments to be purchased in 2016
HR5	Construction of a residential building for 21 families in Benkovac **	20/11/2014	1 323 103	999 721	323 382	Construction started
TOTAL			16 173 274	12 008 796	4 164 478	

* As at 31 March 2016

** Amounts revised after approval by Assembly of Donors



RHP COUNTRY HOUSING PROJECT Montenegro



Zorica Kovačević

Minister of Labour and Social Welfare,
Montenegro

Montenegro is proud to point out the role it has played in providing safe shelter to numerous refugees from various regions, starting from the nineties when it received over 130 000 refugees, and continuing until today, as we strive to provide durable housing and other socially-oriented solutions for these populations.

The Ministry of Labour and Social Welfare is fully dedicated to the successful implementation of the Regional Housing Programme. When we talk about the results achieved, I am pleased to say that, at the beginning of 2016, we can observe a very significant improvement.

As the most important milestone in 2015, the start of works on the construction of 62 housing units in the municipality of Nikšić should be mentioned. The works are being carried out faster than planned, hence, as early as May this year, the first beneficiaries will move into their newly built apartments. Moreover, the contract for the construction of 120 housing units in Konik Camp - Podgorica - has now been signed. This is the largest project within the RHP for Montenegro in terms of the number of beneficiaries and the value of the grant. Work on the project for the construction of a home for elderly people in Pljevlja will be contracted in March 2016, while the construction of 94 apartments in the municipality of Berane will begin in June 2016.

Having in mind that the number of beneficiaries in need remains high, Montenegro presented a new project proposal in January 2016 concerning a home for elderly people in Nikšić and further new project applications will be submitted in the course of the year.

2017 will be the year of results, since it is expected that in 2017, the highest number of RHP beneficiaries will be able to move into their new homes. This will be a joint success for both our national and international partners. Apart from the housing aspect, this Programme will open the door to a more prosperous future for refugees and displaced persons in our country, thanks to comprehensive integration through improved access to education, employment, regulation of their status, health and social protection.

It is important to emphasise that the Regional Housing Programme is being successfully implemented thanks to the excellent cooperation between the Partner Countries, which represents an additional added value, not only in terms of this Programme, but also regarding future regional initiatives that can be based on the established inter-institutional connections and lessons learned.

Finally, I would like to express my gratitude to all our Donors and partners for their continuing commitment to RHP implementation, which will remain the focus of all our efforts in the coming period.



Children in Konik Camp, Montenegro, March 2015 (left). Start of construction works of 120 apartments, March 2016 (right)



RHP Donors inaugurating the construction works of the building in Niksic, Montenegro, June 2015 (left). Status of construction of the same building, March 2016 (right)

Status of sub-projects approved for Montenegro

Sub-project title		Date of approval by Assembly of Donors	Total estimated cost (EUR)	Grant amount approved (EUR)	Estimated national contribution (EUR)	Status of sub-project implementation *
MNE1	Construction of two blocks of flats for 62 I/DP families in Niksic	08/04/2013	2 580 000	1 980 000	600 000	Construction nearly completed (June 2016); beneficiary selection on-going
MNE2	Construction of housing to 120 most vulnerable families from Camp Konik 1	11/10/2013	6 906 750	6 226 622	680 128	Construction on-going
MNE3	Construction of a home for 68 elderly/handicapped persons in Pljevlja	11/10/2013	2 231 716	1 918 572	313 144	Construction to start in April 2016
MNE4	Construction of 94 apartments for 271 persons in Berane	20/11/2014	3 990 647	3 575 780	414 867	Works tender to be launched in spring 2016
TOTAL			15 709 113	13 700 974	2 008 139	

* As at 31 March 2016



RHP COUNTRY HOUSING PROJECT Serbia



Ivica Dačić

First Deputy Prime Minister and
Minister of Foreign Affairs of the Republic of Serbia

In March 2016, it will be two years since the signing of the agreement on the realisation of the first sub-project within the RHP in Serbia. This date is important because it represents the first concrete step towards the achievement of the long-lasting efforts made by Serbia to find dignified solutions for refugees through regional cooperation and dialogue, and with the support of the international community.

Despite the fact that we have been providing shelter to refugees for more than two decades, there are still tens of thousands of persons with refugee status in Serbia, who, together with a large proportion of those locally integrated, are not able to fully exercise their rights in their countries of origin. That is why the RHP is important – all our experiences in helping these people have been built into it. And we are proud of it.

Five RHP sub-projects, worth around EUR 88 million, are currently being implemented in Serbia. While 4 153 approved housing solutions are in the course of implementation, approximately 200 solutions have already been delivered within the first sub-project. The planned solutions are suited to the needs of the beneficiaries. These include: the construction of housing, the acquisition of village houses, prefabricated houses and the provision of construction materials. For those particularly vulnerable, a unique solution has been devised – social housing in a supportive environment.

RHP implementation finally gained momentum in 2015. And we expect implementation to speed up in the coming years. It will be a challenging task, because, in Serbia alone, nearly 17 000 families are in need of a home. The funds are limited, and the needs extremely high.

We are determined to persevere with full implementation of the RHP, but also of the entire Sarajevo Process, of which the RHP is an integral part that has immeasurable significance for the most vulnerable refugees. It serves as a milestone in regional relations and contributes to stability and reconciliation. In our efforts, we are counting on the continued assistance of our donors, the UNHCR, the OSCE and the CEB.

Even today, when more than a million people from Asia and Africa are seeking shelter in Europe, the success of the RHP should show that those in protracted displacement shall not be forgotten. We cannot stop halfway through, but must make a concerted effort to provide funding and avoid setting artificial deadlines for the Programme's implementation.



A beneficiary family in Indjija, Serbia. The picture taken in October 2014 (left) shows the house before the RHP-financed building material package was installed. One year later, the house is almost completed

Status of sub-projects approved for Serbia

Sub-project title		Date of approval by Assembly of Donors	Total estimated cost (EUR)	Grant amount approved (EUR)	Estimated national contribution (EUR)	Status of sub-project implementation *
SRB1	Provision of 66 pre-fabricated houses and 129 packages of building material for 195 families **	08/04/2013	2 212 500	1 993 000	219 500	Delivery of 129 building material packages completed; construction of pre-fabricated houses on-going
	C1 - Provision of pre-fabricated houses for 66 households C2 - Provision of building material to 129 households					
SRB2	Support to 870 refugee families through four housing modalities	11/10/2013	13 062 936	11 560 936	1 502 000	Beneficiary selection for C1 and C2 completed, for C3 and C4 nearly completed. C1 design on-going; C2 design-build tender launched; municipalities selected to implement C3 and C4
	C1- Construction of 200 apartments in multi-apartment buildings C2 - Construction of 120 pre-fabricated houses C3 - Provision of 300 building material packages C4 - Purchase of 250 village houses					
SRB3	Support to 715 refugee families through four housing modalities	06/12/2013	13 642 918	10 963 918	2 679 000	Beneficiary selection nearly completed. C1 design completed, works tender under evaluation. Tendering for other 3 components to start when beneficiaries are selected
	C1 - Construction of 235 apartments C2 - Construction of 80 pre-fabricated houses C3 - Provision of 350 building material packages C4 - Purchase of 50 village houses					
SRB4	Support to 661 refugee families through four housing modalities	23/06/2014	11 987 751	10 614 891	1 372 860	Beneficiary selection partially completed. C1 design on-going; C2 design/build contract signed; C3 100 building material packages tendered out; for 200 building material packages and C4, municipalities selected
	C1 - Construction of 261 apartments C2 - Construction of 30 pre-fabricated houses C3 - Provision of 300 building material packages C4 - Purchase of 70 village houses					
SRB5	Support to 1 712 refugee families through three housing modalities	20/11/2014	46 773 758	36 348 906	10 424 852	Municipalities selected. Tender for design (C1) about to be launched; call for municipalities to apply for C2 and C3 launched
	C1 - Construction of 1 262 apartments C2 - Provision of 250 building material packages C3 - Purchase of 200 village houses					
TOTAL			87 679 863	71 481 651	16 198 212	

* As at 31 March 2016

** Originally foreseen: 70 pre-fabricated houses, 125 packages of building material



Young beneficiary in Bosnia and Herzegovina

4

Operational Activities in 2015

4.1 Housing Modalities and Deliveries



The purpose of this chapter is three-fold. First, to show the various sub-projects which have already been completed or are under implementation. Second, to present some of the beneficiaries who moved into new homes in 2015. And third, to illustrate the variety of housing modalities that the RHP offers.

Indeed, the beneficiaries are provided with the most suitable housing modality based on their needs and family profile. These modalities include the construction of apartment buildings; the reconstruction/renovation of buildings or houses; the provision of building material packages; the provision of pre-fabricated houses and the purchase of apartments or village houses.

CONSTRUCTION OF APARTMENT BUILDINGS

Construction of an apartment building for 29 families in Korenica, Croatia

In September 2015, 26 families received the keys to their new apartments in the first RHP-financed apartment building in Croatia. This building, located in Korenica, has 29 flats in all, and, by December 2015, lease contracts had been signed by all but one family. Korenica is located in the Municipality of Plitvice Lakes, which is part of the Areas of Special State Concern. The land plot was donated by the municipality. Beneficiary families are returnees or IDPs who used to live in the same area before the war and have now been given the opportunity to return. This is the first RHP sub-project to be completed. The works were finalised in September 2015.



The RHP beneficiary pictured on the left fled to Serbia in the early 1990s. As he was born in the municipality of Korenica, Croatia, and still had some friends and relatives there, he decided to go back. Thanks to the RHP, he was among the RHP beneficiaries who received keys to a new flat in Korenica in September 2015



Construction of two apartment buildings to accommodate 40 families in Knin, Croatia, started in November 2015 and should be completed by November 2016

Construction of two residential buildings in Knin, Croatia, for 40 beneficiary households

Also in September 2015, the Croatian State Office for Reconstruction and Housing Care inaugurated the start of the construction works on two apartment buildings that will accommodate 40 RHP beneficiary families. A large number of these families are former tenancy right holders and persons who are currently living in temporary accommodation in the village of Golubic. The construction of the two buildings is scheduled to be completed by end-November 2016.

Construction of two blocks of flats for 62 I/DP families in Niksic, Montenegro

The construction works for the two blocks of flats were launched in June 2015. By December, the external part of the building had been completed, thus allowing the interior works to continue during the winter. The sub-project is progressing ahead of schedule and Montenegrin authorities expect the building to be finished and ready to accommodate the 62 beneficiary families by June 2016.

Construction of 235 apartments in Ovca, Municipality of Belgrade, Serbia

During 2015, the City of Belgrade completed the design for the RHP buildings, which will house 235 apartments. It also made other necessary investments to enable the construction works to start: site preparation works, construction of an access road as well as the design and installation of the sewage system. The City is also close to finalising the construction of a wastewater treatment facility. The construction works are scheduled to start in April 2016.



Ovca, Belgrade, Serbia (design)
The construction of 235
apartments is scheduled to start
in spring 2016

PROVISION OF HOUSING FOR THE ELDERLY

Reconstruction of a home for 75 elderly and disabled persons in Glina, Croatia

In September 2015, Croatia officially inaugurated reconstruction works on the Home for Elderly and Disabled Persons in Glina. This home, which will accommodate persons in need of medical and social assistance, should provide a permanent housing solution for 75 elderly refugees and returnees currently residing in the collective centre of Pula. The reconstruction works are scheduled to take 14 months, thus enabling the new tenants to move in before next winter.



Home for 75 elderly and disabled persons to be reconstructed in Glina, Croatia



Inauguration of the start of reconstruction works, September 2015

RECONSTRUCTION OF HOUSES

Provision of turnkey reconstruction assistance to 150 families, Bosnia and Herzegovina

In November 2015, Bosnia and Herzegovina hosted an event to mark the launch of the reconstruction works on 26 housing units in the Federation of Bosnia and Herzegovina. The families who own these 26 houses are mainly returnees who chose to settle in their pre-war homes in Bosnia and Herzegovina, which will now be reconstructed thanks to the RHP.



After the war, this beneficiary family, consisting of 13 members, returned from Sarajevo to their damaged house in a mountain village in Bosnia and Herzegovina



The reconstruction of the house, financed by the RHP, started in November 2015

PROVISION OF BUILDING MATERIAL PACKAGES AND PRE-FABRICATED HOUSES

Provision of 129 building material packages and 66 pre-fabricated houses, Serbia

Throughout 2015, 129 building material packages, worth EUR 9 000 each, were delivered to beneficiary families in Serbia. In addition, the construction of 66 pre-fabricated houses started in autumn 2015. By November, the foundations for 10 houses had been laid and the installation of all houses is expected to be completed by summer 2016.

Provision of building material packages to 20 families, Bosnia and Herzegovina

By December 2015, 20 families had received packages of building materials, which they are currently installing.



Construction of a pre-fabricated house in Temerin, Serbia, late 2015



This beneficiary family has been waiting for assistance since 1996, when they returned to their destroyed house in Gorazde, Bosnia and Herzegovina. The family received building materials for the reconstruction of their house in November 2015

PURCHASE OF APARTMENTS

Purchase of 101 apartments, Croatia

This sub-project continued successfully in 2015. The selected beneficiaries are former tenancy right holders or residents of collective centres. By the end of 2015, 58 apartments had been purchased, most of them handed over to beneficiaries and occupied. The sub-project is scheduled to be completed by the second half of 2016.



One of the first beneficiary families to receive the keys to an apartment in Petrinja, Croatia



Another beneficiary family receiving keys to an apartment in Knin, Croatia

4.2 Key Activities in 2015

PROGRESS IN IMPLEMENTATION

The large number of sub-projects now completed or under way is only one aspect, if the most visible, of the strong progress achieved by the Partner Countries in 2015. During 2015, the Partner Countries also made significant headway in the selection of beneficiaries and the implementation of additional sub-projects. This progress can be illustrated by a number of key metrics.

Selection of beneficiaries

- The process of selecting beneficiaries is a crucial element of the RHP. Its purpose is to ensure that RHP housing units are provided to those refugees and IDPs that are most vulnerable and most in need. In 2015, the Partner Countries increased significantly the number of beneficiaries selected. A total of 1 852 beneficiary families have been selected so far: 791 in Bosnia and Herzegovina; 243 in Croatia and 818 in Serbia. Montenegro will be carrying out the final selection of its beneficiaries 6 months prior to the completion of each sub-project, in line with its procedures.
- Cross-border data verification continued to be an important aspect of beneficiary selection in 2015. Its aim is to ensure that, from among the RHP applicants who are still residing in the host countries, the most vulnerable ones are selected. A study was conducted in close cooperation with the Partner Countries, the UNHCR and the OSCE, which defined the number of beneficiaries to be verified per Partner Country and per sub-project. Thanks to funding from the Commission, the CEB was able to channel funds for cross-border data verification activities, which started in the last quarter of 2015.

Procurement

- In 2015, the Partner Countries successfully awarded 23 tenders for the design and technical supervision of sub-projects, which will allow works tenders to be launched in the first half of 2016.
- At the same time, the Partner Countries prepared and launched several works tenders. These tenders should be awarded in early 2016, which will allow the launching of major works later in the year: construction of apartment buildings for 235 families in Belgrade (Serbia), construction of 150 pre-fabricated houses and supply of 100 building material packages in Serbia, construction of apartment buildings for 120 families in Konik (Montenegro), and construction of a building for 21 families in Benkovac (Croatia) and a home for 68 elderly persons in Pljevlja (Montenegro).

Design

- The design of several multi-apartment buildings is on-going, including 460 apartments in different locations in Serbia, 94 apartments in Berane (Montenegro) and 228 apartments in Bosnia and Herzegovina.

Contracting

- During the reporting period, the Partner Countries signed 6 new grant agreements with the CEB for a total of EUR 69.0 million. They also signed 39 contracts with contractors, amounting to a total of EUR 9.6 million. For transparency purposes, the list of contracts signed is published annually on the RHP website.
- In addition, Serbian authorities signed the first grant contracts with over 50 municipalities, for a total amount of EUR 7.6 million. Thanks to these contracts, the municipalities will provide 500 building material packages and over 300 village houses to the most vulnerable beneficiaries that live on their territory.

Works

- Construction works have commenced in all Partner Countries: in Croatia, a multi-apartment building for 40 families is being constructed in the city of Knin, and the reconstruction works on a home for 75 elderly persons have started in Glina. In Montenegro, the construction works on an apartment building for 62 beneficiary families in Niksic is progressing ahead of schedule. In Serbia, the foundations of 66 prefabricated houses have been laid and the construction works will be finalised in 2016. 26 houses are being reconstructed in Bosnia and Herzegovina.

STRENGTHENING MANAGEMENT CAPACITY AND OPERATIONAL STANDARDS

Improved project management capacity

In 2015, the Partner Countries also continued to improve their operating standards, with the help of technical assistance financed by the Commission. Their efforts had two main goals: speed up implementation and ensure that projects are implemented according to best practices.

In line with the overall objective for 2015 to speed up project implementation, certain management tools were introduced and/or their use enhanced in 2015:

- Gantt charts showing the estimated realistic timeline for implementation
- A Procurement Tracking System listing the status of all the tenders launched and planned
- Risk Registers identifying and categorising risks that can affect the pace of implementation
- A Monitoring/Management Information System (MMIS), which gathers monitoring data in relation to the physical and financial progress of sub-projects in a way that is well structured, easily accessible and up to date.



Selection of beneficiaries in Bjeljina, Bosnia and Herzegovina, 2015

These tools proved to be indispensable. For instance, close monitoring of key milestones in procurement, coupled with the identification and earlier mitigation of risks, enabled the Partner Countries to launch tenders in due time. In addition, the Technical Assistance team focussed on ensuring that the tender process, including development, launching and evaluation, is complete and carried out efficiently, which is crucial for timely procurement.

Strengthening operational standards

To ensure that projects are implemented in accordance with international standards, additional emphasis was also put on compliance with the processes and procedures that are defined in the RHP Project Implementation Manual. Moreover, a number of templates, standards and checklists were introduced in the Partner Countries, namely:

- **Standardised technical documentation and procurement templates:** In 2015, tender preparation was significantly facilitated by the use of standardised templates for the Terms of Reference for services (design, supervision, design review); works (design - build for prefabricated houses) and supply (building materials). Regular use of checklists provides an early warning system to ensure that the design of buildings and houses is “fit for purpose”.
- **More focus on environmental aspects:** Minimum energy efficiency standards have been established for RHP projects. Energy efficiency is one of the lowest-cost measures available to reduce carbon emissions. Enforcing minimum energy efficiency standards also lowers the energy costs and improves the living conditions of RHP beneficiaries.
- **Systematic use of health and safety standards:** Under the RHP, regional standards have been set for the systematic use of health and safety requirements in the tender documents. This requirement aims, on the one hand, to prevent accidents on the work site and, on the other, to contribute to the sustainability of the housing solutions provided.

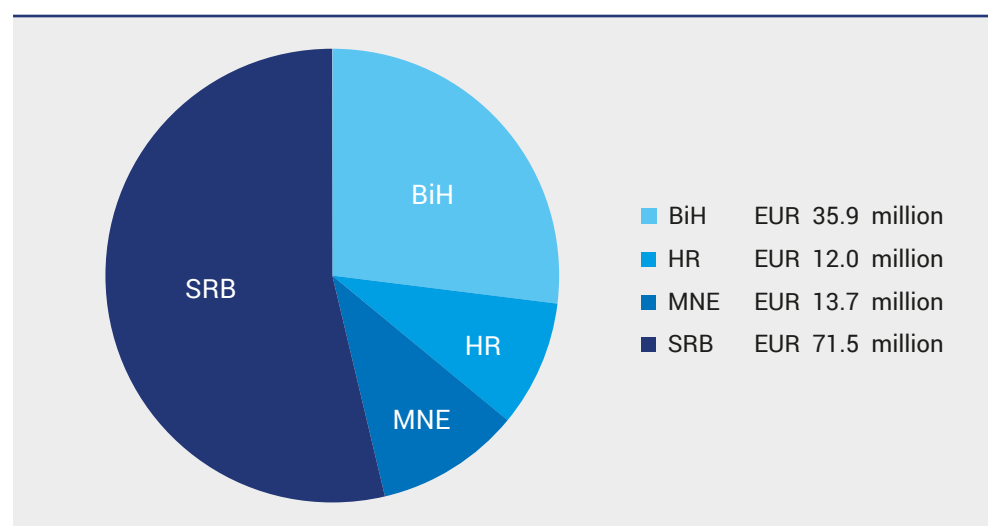
Finally, new verifications were carried out to ensure that the implementing structures of the Partner Countries operate in accordance with international standards. Although the Partner Countries' implementing structures had already been successfully verified during 2014, the inclusion of Brcko District as a third Project Implementation Unit in Bosnia and Herzegovina and the change in the Project Implementation Unit in Montenegro required additional verifications in 2015, which were completed successfully.

ONE ADDITIONAL SUB-PROJECT APPROVED

To help the Partner Countries focus on implementing already approved sub-projects, RHP Donors approved only one new grant in 2015, in an amount of EUR 8.6 million. The grant will benefit a sub-project located in Bosnia and Herzegovina, consisting in the reconstruction of 435 family houses for the return of refugees and IDPs and the construction of 45 family houses for local integration of IDPs.

This approval brought the amount of grants approved to EUR 133.1 million. To date, Serbia has been awarded the largest share of grants, amounting to EUR 71.5 million and representing 54% of all approvals. Bosnia and Herzegovina has been allocated the second largest amount, with EUR 35.9 million (27%), followed by Montenegro with EUR 13.7 million (10%) and Croatia with EUR 12.0 million (9%).

Approved grant amounts per country



4.3 Enhanced Cooperation and Complementarity

The aim of the RHP is to provide housing solutions that are durable. To enhance the sustainability of the RHP, the Partner Countries continued in 2015 to cooperate with and foster ownership of the Programme among local authorities. Furthermore, the RHP stakeholders also continued to strive to provide complementary measures to facilitate the integration and the employment opportunities of targeted beneficiary groups.

COOPERATION WITH LOCAL AUTHORITIES

The RHP relies on strong cooperation between the central Government and local self-governments, as the Programme is implemented in hundreds of municipalities all across the region. Local administrations are thus actively involved in the implementation process, including procurement and beneficiary selection. This cooperation strengthens the capacities of local administrations.

In Serbia, municipalities play a pivotal role in the implementation of the RHP as some of the sub-projects will be implemented in a decentralised manner – by the municipalities themselves – as regards the delivery of building material packages and the purchase of village houses. A large number of Serbian municipalities will also own and maintain RHP-financed apartment buildings for which they need to donate land and secure infrastructure connections. The municipalities also play a key role in the construction of pre-fabricated houses.



In October 2015, 61 Serbian municipalities signed contracts with the Commissariat for Refugees and Migration of Serbia and the Research&Development PIU, aimed at providing more than 2 000 permanent RHP housing solutions for a total cost of EUR 47.5 million. This ceremony took place in the presence of Serbia's Minister for Foreign Affairs, First Deputy Prime Minister Ivica Dačić

In Bosnia and Herzegovina, the involvement of municipalities will continue in the years to come as a large number of RHP beneficiaries will have their houses reconstructed. The support of municipalities for the RHP is very important as they issue building permits, manage technical acceptances, provide land and infrastructure as well as support in sustainability issues. Furthermore, 19 municipalities will own RHP-financed apartment buildings in which RHP beneficiaries are accommodated.



In November 2015, 22 municipalities signed cooperation agreements with the Ministry of Human Rights and Refugees of Bosnia and Herzegovina, to implement the first Bosnian sub-project "Provision of building materials to 20 families and turnkey reconstruction assistance to 150 families"

In Croatia, all municipalities involved in RHP projects donate the respective land and commit to be in charge of the maintenance of the newly constructed facilities.



The reconstruction of the home for elderly and disabled persons in Glina also represents an investment opportunity for the city, with implications beyond the lifespan of the RHP. This home for the elderly will provide economic opportunities in the form of jobs not just during the construction period, but also in later years

In Montenegro, municipalities also play an important role: as in the other Partner Countries, municipalities have donated land and financed the costs of preparing the building sites and of providing infrastructure facilities. More importantly, municipalities also own and maintain the RHP-financed buildings.



120 most vulnerable families currently living in Konik Camp, Montenegro, in particularly dire conditions, will receive new apartments funded by the RHP in 2017

COMPLEMENTARY INTEGRATION AND EMPLOYMENT MEASURES

A durable housing solution entails not only the provision of housing, but also a variety of complementary measures in favour of the targeted beneficiary groups. Partner Countries are called upon to provide detailed plans regarding the economic and socio-cultural sustainability of sub-projects, including social integration and employment opportunities. Donors also contribute to this effort by designing complementary programmes targeting the local population, including RHP beneficiaries.

Future for Konik Camp residents in Montenegro

Konik, the largest refugee camp in the Balkans, was opened in 1999 and currently hosts some 1 500 persons. With a view to closing the Konik Camp, the Government of Montenegro has been endeavouring to provide its residents with permanent housing solutions. In coordination with the Montenegrin authorities, the EU Delegation in Montenegro launched in September 2014 the construction of 48 apartments and a community centre for the tenants of the Camp. This project is financed by IPA 2007-2013 funds. The buildings were inaugurated in December 2015.



48 apartments in Konik, Montenegro, financed through IPA funds. The keys were handed over to beneficiaries in December 2015

The remaining families will get housing assistance from the RHP, through the construction of 120 supplementary housing units. The construction works are due to start in March 2016 and to be completed by the second half of 2017. These combined initiatives should enable the final closing of the Camp and a new life for its residents.



Konik camp is the biggest Roma settlement in Europe

Employment opportunities for beneficiaries in Berane, Montenegro

The US Government-financed project “Better employment opportunities for potential users of RHP in Berane”, amounting to USD 150 000 and implemented by the NGO Help, commenced in 2015 with a baseline study on the employment, income generation and socio-economic conditions of potential RHP beneficiaries in Berane. The project’s objective is to contribute to the inclusion of RHP beneficiaries in the social and economic life of the municipality, as a measure to ensure the sustainability of the RHP. With the support of this project, seven RHP beneficiaries have already found employment.

Assistance for integration in Bosnia and Herzegovina

The NGO Catholic Relief Services (CRS), funded by the Bureau of Population, Refugees and Migration, U.S. Department of State, is assisting the RHP through the project “Supporting sustainable reintegration of returnees in Bosnia and Herzegovina”. This project provides socio-economic support to the beneficiaries of the first Bosnian project, in the form of co-financing for employment in companies in the place of return or integration, starting a small business, agricultural production or livestock breeding. Seniors and people with health and social problems are supported in exercising their rights to pensions and health insurance, professional care, etc.

4.4 Outlook for 2016

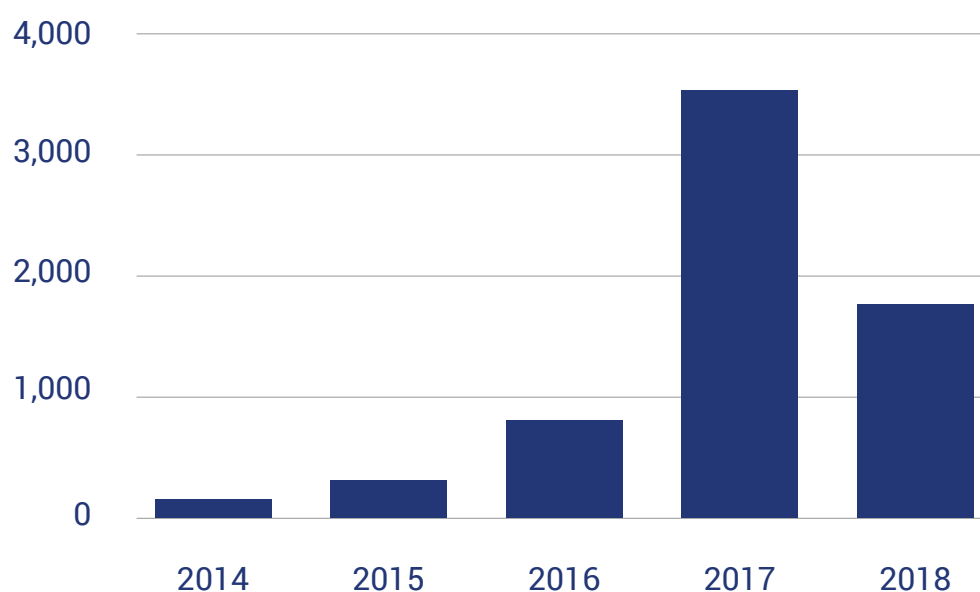
Delivery of estimated 800 housing units in 2016

By the end of 2015, a total of 236 housing solutions had been delivered to RHP beneficiaries. The Partner Countries' objective is to provide 6 400 additional housing units over the next three years, with the peak scheduled for 2017.

The Partner Countries plan to deliver some 800 housing units to RHP beneficiaries in 2016, including 180 reconstructed houses in Bosnia and Herzegovina, an additional 43 apartments purchased throughout Croatia, 62 flats completed in Niksic, and over 500 housing units (pre-fabricated houses, village houses, building material packages) completed in Serbia. The graph below indicates the overall targets; however, it should be noted that the figures are subject to revision.

Delivery of housing units per year

(actual and forecast)



Implementation of Donors' Recommendations following the Mid-Term Review and Mid-Term Evaluation

The actions envisaged under these recommendations and endorsed by all RHP stakeholders have one overarching objective: to select the remaining beneficiaries efficiently and to make joint efforts to deliver housing to selected beneficiaries in the shortest possible time. In addition to this, more emphasis will be put on strengthening sustainability measures for RHP beneficiary families. Relevant institutions of the Partner Countries will be called upon to take full ownership for the fulfilment of these recommendations. In 2016, the Partner Countries will also be invited to review their remaining priority needs in terms of specific problems of displacement that are still to be addressed, as the basis for identifying future sub-projects.

Financial and logistical support to the Partner Countries for beneficiary selection and cross-border data verification

In 2016, this financial and logistical support will continue, focusing on Croatia and Serbia as the countries with the biggest workload in terms of beneficiaries to be verified.

Capacity building

Training sessions and workshops as well as hands-on support provided by the Technical Assistance team and the CEB to the Partner Countries will continue throughout 2016. Continuous support to enhance their institutional capacities is essential, now that the RHP is fully in its implementation phase. These efforts include monitoring that the RHP Manuals and Guidelines as well as agreed-upon standards and templates are respected. This support is likely to become even more important for those implementing institutions that are also dealing with the current massive influx of migrants and refugees, as their capacities become even more stretched.

Continuing verification of project implementing structures

The number of transactions has rapidly increased following progress in project implementation, resulting in the Partner Countries needing more assistance in the fields of financial management and accounting. Capacity building will be offered to RHP implementing institutions in this field. In addition to this, periodical verifications of financial management and accounting aspects will be carried out by external experts.

Identification of lessons learnt, with a focus on enhanced regional cooperation

More focus will be put on identifying lessons learnt from the first years of implementation. This will enable the Partner Countries to consolidate and share their experiences, hence strengthening their institutional capacities to implement future housing or other infrastructure projects themselves, in line with EU standards. More broadly, 2016 should see the Partner Countries further reinforce their cooperation, which is the backbone of successful RHP implementation, taking into account its regional character.

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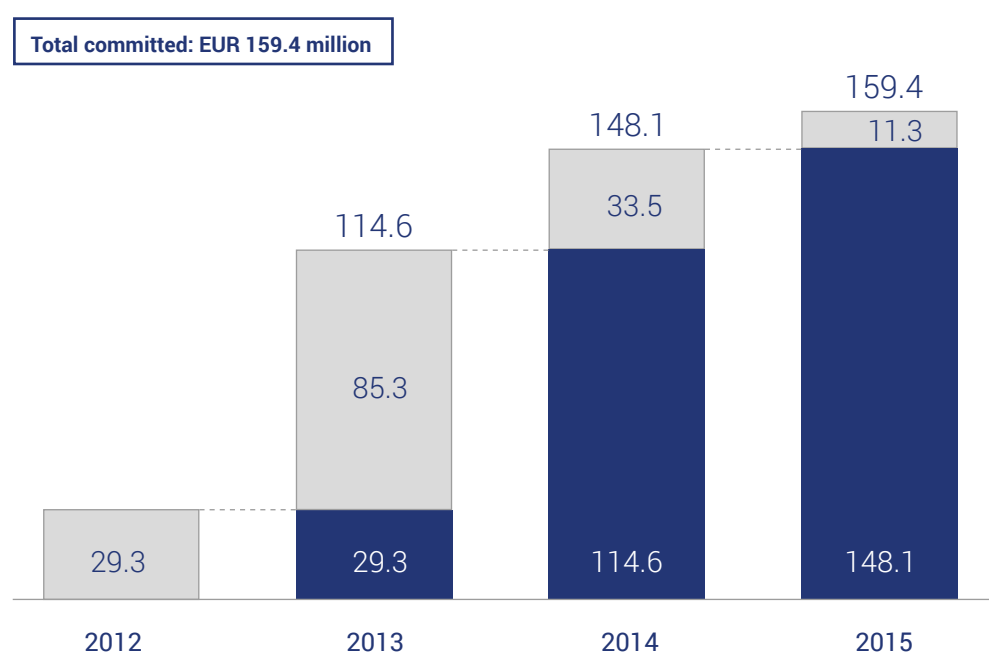
Financial Activities in 2015

ADDITIONAL FUNDS COMMITTED BY THE INTERNATIONAL COMMUNITY

In 2015, the international community demonstrated its continued support to the RHP by contributing new funds to the Programme. In December, the Commission committed an additional EUR 11 million, thus bringing its total commitment to EUR 121 million. Thanks to this new contribution, the funds committed to the RHP Fund reached a total of EUR 159 million at end-2015. This represents an increase of 8% compared to end-2014, when they stood at EUR 148 million. (All figures presented in the text of this chapter are rounded.)

Cumulative commitments to the RHP Fund

(in EUR million)



The additional contribution made by the Commission consolidated its status as the main Donor to the Fund. Of the total EUR 159 million committed, EUR 121 million have been committed by the Commission, i.e. 76%. In addition, the Commission committed a bilateral contribution of EUR 27 million to cover technical assistance for the Partner Countries and part of their operating costs, as well as the CEB's management costs.

Contributions committed to the RHP Fund

(in EUR million)

Total committed: EUR 159.4 million

European Union	121.3
U.S.	15.3
Norway	5.0
Germany	5.0
Switzerland	5.0
Italy	5.0
Denmark	1.3
Turkey	1.0
Luxembourg	0.5

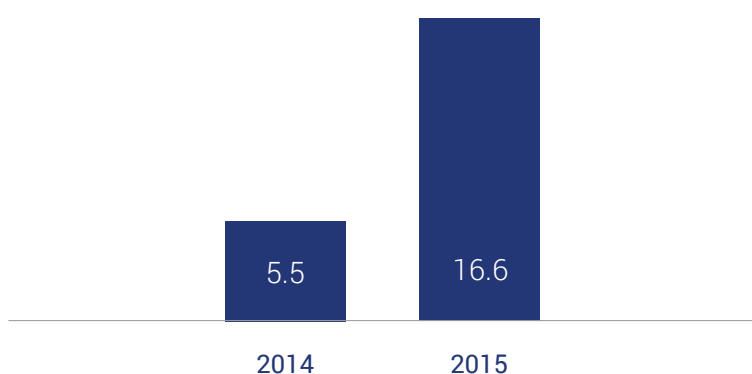
SUBSTANTIAL INCREASE IN DISBURSEMENTS

The year 2015 also witnessed a significant increase in disbursements to Partner Countries, which amounted to EUR 17 million, representing three times more than in 2014, when they stood at EUR 6 million. This significant rise in disbursements shows that, after a lengthy preparation phase, the Partner Countries are now fully engaged in the implementation phase of the Programme. More funds are being disbursed to the Partner Countries because they need them to finance the increase in expenditures they face as they implement a growing number of sub-projects.

Disbursements to Partner Countries

(per year, in EUR million)

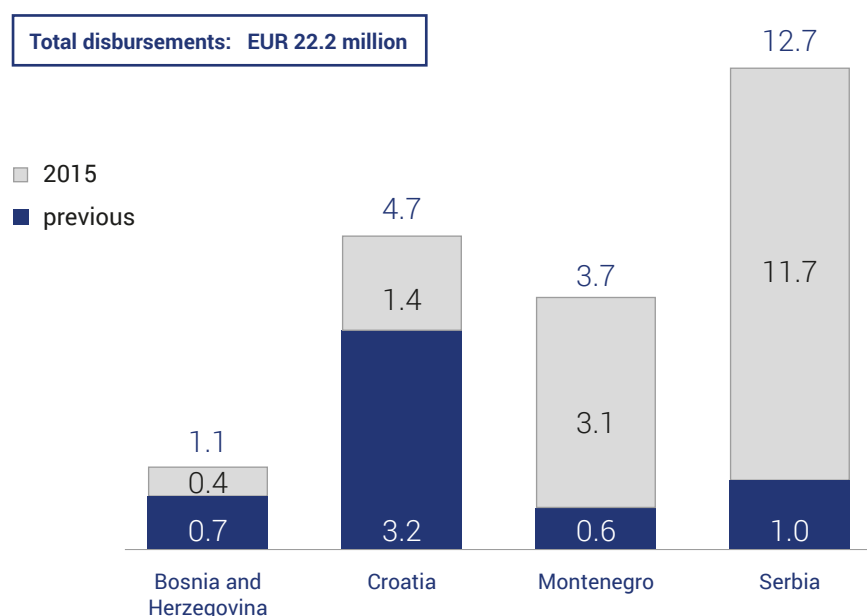
Total disbursed: EUR 22.2 million



At year-end 2015, the total volume of disbursements since the start of the Programme amounted to EUR 22 million. Of this total amount, EUR 13 million, or 57%, were disbursed to Serbia, a figure that is in line with its share of the Programme. In effect, Serbia accounts for the majority of RHP grants approved so far, i.e. EUR 71 million out of EUR 133 million, or 54%.

Disbursements to Partner Countries

(per Partner Country, in EUR million)



OUTLOOK FOR 2016

Now that the implementation of the Programme is fully underway, it is expected that there will be another substantial increase in the amount disbursed from the RHP Fund to the Partner Countries in the coming year.

At the outset of the initiative, the Partner Countries estimated that the Programme would cost EUR 584 million. To date, the international community has committed EUR 186 million and pledged an additional EUR 82 million. If the Partner Countries continue to successfully implement the Programme in 2016, Donors may commit additional funds. New sub-projects would then be approved, in contrast with 2015 during which only one sub-project was approved in order to enable the Partner Countries to focus on implementation.

EUR 209 000 COMMITTED OUTSIDE THE RHP FUND

To ensure that Donors are efficiently represented within the RHP Fund, only those that contribute at least EUR 250 000 may channel their contributions through the Fund. Those countries that pledged less than EUR 250 000 during the Donors' Conference in Sarajevo in 2012, namely Cyprus, the Czech Republic, Hungary, Romania and the Slovak Republic, were invited to channel their contributions directly through the CEB.

The above-mentioned countries have committed a total amount of EUR 209 000. These contributions are used by the CEB to pay for RHP-related events or publications. For example, in 2015, part of these funds covered the cost of the 2014 Annual Report on the RHP Fund and the organisation of the RHP Steering Committee meeting held in Paris in December.

6

Statements by Main Donors



Nancy Izzo Jackson

Deputy Assistant Secretary
Bureau of Population, Refugees and Migration
U.S. Department of State

For more than twenty years, the United States has worked to help those displaced by the wars in the Balkans. As part of this effort we are committed to improving cooperation among countries in the region. We see the Regional Housing Program (RHP) as an integral part of our efforts to foster these goals. We are pleased with the progress made to date on the RHP as outlined in the Mid Term Evaluation and the Mid Term Review. But as noted by both reports, there is still some way to go before housing solutions reach all target beneficiaries and it is imperative that significant headway be made in 2016 to reach these goals.

While 2015 marked the completion of the first sub-projects within the RHP, the next two years are pivotal to the success of the RHP. It is critical that political and technical bottlenecks that have so far stalled implementation are addressed to ensure that those most in need of the RHP's assistance are served by its projects. The United States has contributed \$20 million to the RHP and we will continue to play an active role in the program's implementation. We will also support programs that help beneficiaries surmount integration and livelihood challenges as they move into their homes. In 2016, we look forward to celebrating the achievements of the RHP with beneficiaries for whom housing solutions will be a cornerstone in achieving a lasting solution to their displacement.



Dr Ernst Reichel

Special Envoy for South-Eastern Europe,
Turkey and EFTA States
German Federal Foreign Office

If you ask a German about events in the Western Balkans in 2015, he surely will point to the refugees and migrants who made their way on the Balkan route towards Central Europe. Only those who are interested in Balkans matters are well aware that unspectacular, but none the less important progress has also been achieved, in parallel to the great efforts of the affected countries in managing the migration crisis. One of the success stories has been the Regional Housing Programme that has gathered full speed in 2015, now being completely operational in all the Partner Countries.

Considering the time that has elapsed after termination of the acts of war in the region, addressing the remaining population displacements by means of durable housing solutions has been long overdue. International donors' community and Partner Countries have launched the Regional Housing Programme and are now implementing it consistently. I would like to express my Government's deep appreciation for the way our Partner Countries have been continuing the Regional Housing Programme despite all other challenges. Let me finally thank all the stakeholders under the so-called Sarajevo process for their commitment and wish them great success for the years to come.



Giampaolo Cantini

Director General
Directorate General for Development Cooperation
Italian Ministry of Foreign Affairs and International Cooperation

Since the Balkan conflicts of the 90s, Italy has been actively involved in the Region, in order to provide relief to the victims of the civil war and assistance to the Balkan Countries in their reconstruction process. The Regional Housing Programme represents a great opportunity to address the needs of thousands of affected individuals and families, who lost everything, and provide tangible and durable housing to refugee households. The RHP, therefore, is a step forward towards reconstruction and reconciliation, with the Balkan Countries and the Italian Cooperation together involved in an effort of healing the wounds of a dramatic war while addressing the needs of refugees and displaced people.

After years of technical and financial assistance provided, our work seems to be yielding results: 2016 will hopefully be a turning point for RHP, due to the results evaluated by the Mid Term Review, and endorsed by the Donor Community. These achievements will inter alia improve the communication between key Stakeholders and ensure that financial commitment from Donors is in line with the real needs of the Partner Countries.

We firmly believe that it is worth the effort. This initiative will make possible, for tens of thousands of individuals and families, to live in dignity, and foster reconciliation between the Partner countries, thus contributing to peace and development for whole the Balkan Region.



Haakon Blankenborg

Director
Section for South-East Europe
Department for European Affairs and Trade
Royal Norwegian Ministry of Foreign Affairs

If the countries in the Western Balkans are to advance on their Euro-Atlantic path, they have to overcome the legacy of the past. Norway strongly believes that an initiative such as the Regional Housing Programme can help resolve a humanitarian tragedy, and more broadly contribute to peace and prosperity in the region. This is the main reason for the strong support of Norway to the Programme.

Following a thorough preparatory phase, the Regional Housing Programme is finally starting to produce visible results. Based on the recent “Mid-term Review” as well as the “Mid-term Evaluation” we are now able to assess the progress in the Partner Countries over the 1st half of the Programme. Norway is pleased to see that 2015 has brought some progress by the Partner Countries in the implementation of the Programme. The disbursement of grants to the Partner Countries is almost fourfold compared to the amount disbursed at the end of last year.

However, in their broad range of key findings the two reports also observe some shortcomings. These need to be addressed in the coming months to ensure the Programme to be implemented in a more smoothly manner. The donors have agreed on a set of recommendations on measures that need to be taken in order to further improve the efficiency and effectiveness of the RHP. For all stakeholders involved, focus in 2016 should and must be implementation.



Eduard Gnesa

Special Ambassador for International Cooperation in Migration
Swiss Agency for Development and Cooperation
Federal Department of Foreign Affairs

In 2015, construction works have intensified and RHP implementation has become visible on the ground in all Partner Countries. Local authorities are contributing majorly to the RHP's sustainability as crucial partners for acceptance, support and integration of RHP beneficiaries. Due to the midterm review and sustainability evaluation conducted, all RHP stakeholders have become aware of the strengths and weaknesses of the programme. Follow-up of the recommendations of both exercises is taken up by an action plan, as a basis for continued improvement of the RHP implementation. Strengthening Partner Countries' capacities and ensuring local ownership will remain one of the priorities, especially in the current migration context in the Balkans. Capacities built and strengthened in the framework of the RHP will certainly increase preparedness for similar future challenges.

Donors are invited to support complementary measures to facilitate the re-integration of the RHP beneficiaries upon their return. Switzerland is engaged in the Western Balkans through bilateral migration partnerships and long-term cooperation programmes which strive to improve the living conditions of the region's population in an inclusive way. As RHP donor, Switzerland is committed to promote synergies between the RHP and other Swiss supported local development initiatives, with the aim to enhance the results and contribute to the sustainability activities financed by Switzerland in the Western Balkan countries and the region.

7

Statement by UNHCR and OSCE



Vincent Cochetel

Director, Bureau for Europe, UNHCR



Marcel Pesko

Ambassador, Director,
Conflict Prevention Centre, OSCE

The year 2015, and especially its second half, was marked by the delivery of concrete housing solutions to the most vulnerable beneficiaries of the Regional Housing Programme (RHP) in all four Partner Countries. Substantial funds that had been made available for all approved sub-projects enabled the Partner Countries to commence implementation of the Programme on a larger scale, with the necessary technical infrastructure fully in place. Moreover, the results achieved in 2015 indicate that the delivery of housing solutions should reach its peak in the course of 2016, or early 2017, across the entire region.

In fulfillment of the Sarajevo Process, vulnerable beneficiaries of the RHP in Bosnia and Herzegovina (BiH), Croatia, Montenegro and Serbia began moving into newly constructed housing units in the course of 2015. The United Nations High Commissioner for Refugees (UNHCR) and the Organization for Security and Co-operation in Europe (OSCE) continued to promote transparent and fair implementation of the RHP, in particular with regard to selecting beneficiaries and ensuring sustainability. UNHCR and OSCE assisted the respective Partner Countries in providing more detailed plans for the sustainability of the solutions offered by the housing projects, in particular in seeking the engagement of local authorities in support of access to rights, social integration and employment opportunities.

The number of tangible results delivered throughout the region and the steady progress of the preparatory process for all approved sub-projects is now giving rise to reasonable optimism. In order to realise this potential, however, patience combined with diligent monitoring and support to RHP Partner Countries are required in this phase of the Programme so as to ensure smooth implementation and concrete results on the ground.

In parallel, the process of selecting beneficiaries for RHP projects, based on agreed vulnerability criteria, has in general continued steadily in all Partner Countries, within the set timeframes. In this context, UNHCR and OSCE commend the Partner Countries for undertaking the legislative steps that were necessary to ensure that specific groups of the most vulnerable potential beneficiaries may apply and subsequently benefit from the projects within the RHP. At the same time, our two organisations call on the Partner Countries to adopt and apply the quality assurance mechanisms needed to ensure that the Programme reaches those who most require assistance, be they refugees or internally displaced persons.

With this aim in mind, the cross-border verification of pre-selected beneficiaries remains a challenge, as it is crucial for the process of selection of beneficiaries for all projects, in particular those related to the return of people to their pre-war communities. Therefore, UNHCR and OSCE are advising the Partner Countries at all levels to pay special attention to the quality of information needed during and after the cross-border verification exercise. Recognising the importance of this crucial step in the selection of beneficiaries, Programme donors have generously approved the resources and funds necessary for efficient cross-border verification. The Partner Countries started receiving these funds in 2015 and this financial support will continue in 2016.

The sustainability of the solutions that are provided through the RHP remains yet another challenge, requiring systematic solutions to be found by the Partner Countries. In this regard, specific aspects of social housing assistance under the RHP need to be embedded into their respective social welfare systems, so that the related, cross-cutting issues can be addressed in a comprehensive and systematic manner. In this way, we can ensure complementarity among all programmes aimed at finding durable solutions for the region's displaced people.

Sharing the conviction that the durable solutions provided through the RHP should be holistic in concept, UNHCR and OSCE call upon the Partner Countries to provide more detailed plans for the economic and socio-cultural sustainability of their proposed sub-projects, including examination of the social integration and employment programme opportunities, and to assume full ownership of the success of this integrated approach. We strongly believe that only projects that adequately address sustainability and plan for concrete activities to enhance it possess the potential to respond to the needs of the most vulnerable refugees and internally displaced people in the region. In this respect, UNHCR and OSCE will provide support wherever feasible. Every effort should also be made to draw upon and integrate relevant good practices from previous or existing programmes in the region. At the same time, UNHCR and OSCE encourage Programme donors to continue supporting RHP beneficiaries through complementary projects and to closely coordinate such complementary activities with the responsible institutions of the Partner Countries.



Delivery of building material packages in Serbia started in 2014 and continued in 2015

8

Appendices

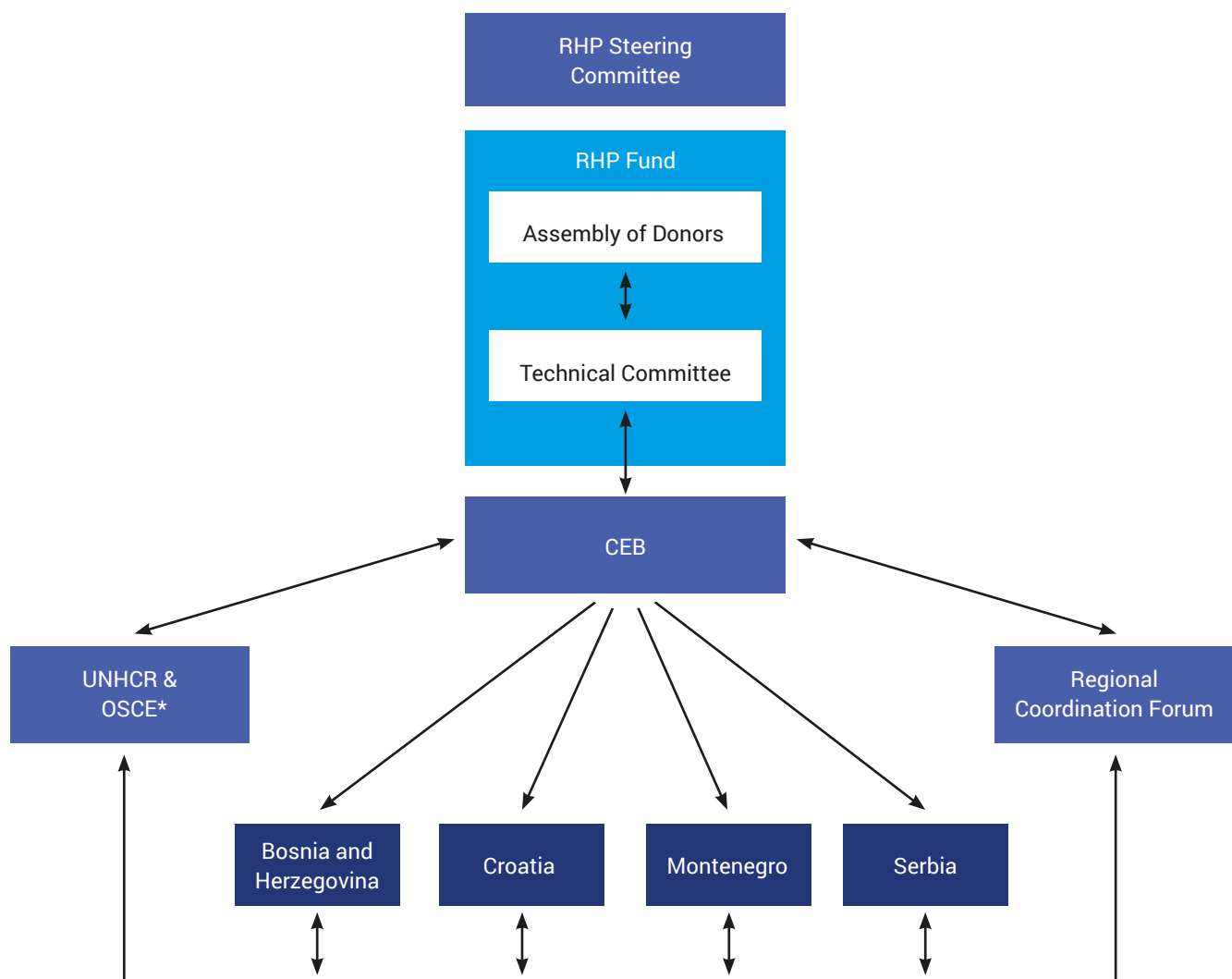
1 - List of Approved Projects

Country		Sub-project No.	Project Title	Total cost (in EUR)	Grant amount (in EUR)	National contribution (in EUR)
YEAR 2013				72 789 815	60 673 655	12 116 160
Assembly of Donors meeting of 08/04/2013				8 859 211	7 409 158	1 450 053
1	Bosnia and Herzegovina	BiH1	Provision of building material packages to 20 families and turnkey reconstruction assistance to 150 families	2 668 500	2 387 500	281 000
2	Croatia	HR1	Construction of apartment building for 29 families in the municipality of Korenica	1 398 211	1 048 658	349 553
3	Montenegro	MN1	Construction of two blocks of flats providing housing to 62 families in the municipality of Niksic	2 580 000	1 980 000	600 000
4	Serbia	SRB1	Provision of 66 pre-fabricated houses and 129 packages of building materials for the benefit of 195 families	2 212 500	1 993 000	219 500
Assembly of Donors meeting of 11/10/2013				44 570 546	38 012 724	6 557 822
5	Bosnia and Herzegovina	BiH2	Provision of housing solutions to 780 households for return and reintegration or local integration in BiH	14 634 324	12 634 032	2 000 292
6	Croatia	HR2	Construction of two residential buildings in Knin for 40 families	3 475 781	2 587 037	888 744
7	Croatia	HR3	Reconstruction and extension of home for 75 elderly and disabled people in Glina	4 259 039	3 085 525	1 173 514
8	Montenegro	MN2	Provision of housing to 120 most vulnerable families from Camp Konik 1	6 906 750	6 226 622	680 128
9	Montenegro	MN3	Construction of a home for 68 elderly in Pljevlja	2 231 716	1 918 572	313 144
10	Serbia	SRB2	Support to 870 refugee families - Sub-Project II	13 062 936	11 560 936	1 502 000
Assembly of Donors meeting of 06/12/2013				19 360 058	15 251 773	4 108 285
11	Croatia	HR4	Purchase of flats for 101 eligible beneficiaries	5 717 140	4 287 855	1 429 285
12	Serbia	SBR3	Support to 715 refugee families - Sub-Project III	13 642 918	10 963 918	2 679 000
YEAR 2014				78 446 546	63 883 173	14 563 373
Assembly of Donors meeting of 23/06/2014				11 987 751	10 614 891	1 372 860
13	Serbia	SRB4	Support to 661 refugee families - Sub-Project IV	11 987 751	10 614 891	1 372 860
Assembly of Donors meeting of 20/11/2014				66 458 795	53 268 282	13 190 513
14	Bosnia and Herzegovina	BiH3	Construction of 438 flats in multi-apartment buildings for refugees and IDPs in BiH	14 371 287	12 343 875	2 027 412
15	Croatia	HR5	Construction of a residential building for 21 families in Benkovac	1 323 103	999 721	323 382
16	Montenegro	MN4	Construction of 94 apartments in the municipality of Berane	3 990 647	3 575 780	414 867
17	Serbia	SRB5	Support to 1 712 refugee families - Sub-Project V	46 773 758	36 348 906	10 424 852
YEAR 2015				9 620 371	8 569 651	1 050 720
Assembly of Donors meeting of 26/03/2015				9 620 371	8 569 651	1 050 720
18	Bosnia and Herzegovina	BiH4	Reconstruction/construction of 480 houses for the return and local integration of refugees and IDPs	9 620 371	8 569 651	1 050 720
TOTAL				160 856 732	133 126 479	27 730 253

2 - RHP Governance Structure

In 2012, the CEB, in cooperation with other RHP stakeholders, set up an effective governance and coordination structure for the RHP and the RHP Fund. This structure is intended to foster three principles that are key to the success of the RHP:

- high stakeholder ownership
- strong operational coordination
- close Donor oversight.



*In line with its mandate in each Partner Country and within existing capacities

RHP FUND GOVERNANCE STRUCTURE

In 2012, the CEB, in coordination with the Donors, set up a multi-donor fund named the RHP Fund. The Fund's governance structure and the conditions applicable to its resources are defined in the General Conditions of the RHP Fund.

Within this overall governance and coordination structure, a specific governance scheme has also been set up for the RHP Fund to enable Donors to closely oversee the use of their contributions. This specific governance scheme comprises two bodies.

Assembly of Donors

The first body is the Assembly of Donors of the RHP Fund, which is the RHP Fund's supreme organ. The Assembly of Donors is composed of:

- one representative of each Donor
- the CEB in its capacity as Fund Manager, with non-voting status.

The Assembly of Donors has the following main responsibilities:

- approve the grant applications submitted by the Technical Committee and decide on other grant-related issues
- approve the annual financial statements of the RHP Fund
- monitor the payment of contributions to the RHP Fund as well as the Fund's financial flows.

The Assembly of Donors meets at least twice a year and is chaired on a permanent basis by the Commission and by another Donor on an annual rotation basis. From January 2015 to December 2015, the co-chair was Norway.

Technical Committee

The second body in the RHP Fund's governance structure is the Technical Committee. The Technical Committee is composed of one representative of:

- each Donor that has contributed at least EUR 5 million to the RHP Fund
- the Commission
- the CEB in its capacity as the RHP Secretariat.

The role of the Technical Committee is to:

- screen and assess grant applications
- submit grant applications to the Assembly of Donors for approval
- prepare Grant Request Assessment Criteria
- discuss implementation-related issues, especially those concerning the progress of the RHP.

The EUR 5 million contribution threshold ensures that the Technical Committee remains operational by limiting the number of its members. The Technical Committee met for the first time in Paris on 26 October 2012 and meets a minimum of twice a year.

RHP COORDINATION STRUCTURE

RHP Steering Committee

At the top of the coordination structure is the RHP Steering Committee. This Committee was set up to ensure that all RHP stakeholders have ownership of the Programme and coordinate closely with one another.

The RHP Steering Committee is composed of one representative of:

- each Donor
- each Partner Country
- the UNHCR
- the OSCE Secretariat

As the RHP's supreme coordinating body, the RHP Steering Committee has both strategic and supervisory tasks:

- Strategic tasks:
 - provide strategic guidance and coordinate activities under the RHP
 - review the effectiveness and sustainability of the activities financed with RHP Fund resources.
- Supervisory tasks:
 - oversee the RHP Fund's operations and the progress of the RHP.

The RHP Steering Committee has the same chairing arrangements as the Assembly of Donors (see above). The Committee meets at least twice a year and held its inaugural meeting in Paris on 30 November 2012. During that meeting, it was agreed that the RHP Steering Committee meetings would take place back to back with Assembly of Donors meetings.

Regional Coordination Forum

To further ensure close coordination between all RHP operational stakeholders, an operational coordination organ, named the Regional Coordination Forum, has also been set up.

The Regional Coordination Forum is composed of one representative of:

- each Partner Country
- the Commission
- the UNHCR
- the OSCE Secretariat
- the CEB in its capacity as the RHP Secretariat

The purpose of the Regional Coordination Forum is to facilitate coordination in respect of issues related to the Sarajevo process in general, and to operational issues concerning RHP preparation and implementation in particular.

The Terms of Reference of the Regional Coordination Forum were adopted at the first meeting of the Forum, which was held in Podgorica, Montenegro, on 18 January 2013. The Regional Coordination Forum formalises the operational cooperation that has been taking place among the Partner Countries, international stakeholders and the CEB since the Belgrade Conference held in March 2010 and which is so vital to the success of the RHP.



Photo exhibition organized in the context of the RHP Steering Committee and the RHP Fund Assembly of Donors meetings, Podgorica, Montenegro, June 2015

INTERNATIONAL STAKEHOLDERS

A number of international stakeholders, i.e. the Commission, the U.S., the UNHCR, the OSCE and the CEB provide strong support to Partner Countries. By playing a key role in the governance and coordination structure, they contribute to close Donor oversight and strong operational coordination.

The Commission and the U.S. closely monitor the progress of the RHP, in particular within the framework of the Technical Committee. The UNHCR and the OSCE have been tasked with helping to identify beneficiaries, monitoring their selection and monitoring that they receive adequate protection. As such, these institutions play a crucial role in ensuring that the RHP effectively provides sustainable housing solutions to those refugees and displaced persons most in need. Finally, the Commission, the UNHCR and the OSCE also facilitate operational coordination between all stakeholders by participating in the Regional Coordination Forum.

The CEB's role within the framework of the RHP is threefold:

- in its capacity as Fund Manager, the CEB is responsible for managing the RHP Fund. This mainly entails managing the contributions received from Donors, providing administrative support to the RHP Fund's governance bodies and reporting on the activities undertaken;
- in its capacity as a Financial Institution, the CEB assists the Partner Countries in preparing and implementing their Country Housing Projects, including pre-appraising grant requests, disbursing grants as well as monitoring the implementation of Country Housing Projects and the use of grants disbursed from RHP Fund resources to the Partner Countries. As part of this role, the CEB also supervises the Technical Assistance, funded by the Commission, that is provided to the Partner Countries by a consultant;
- in its capacity as the RHP Secretariat, the CEB facilitates coordination between the Partner Countries, the Donors, other international stakeholders and itself, during RHP preparation and implementation phases. This role entails providing administrative support to the RHP and the RHP Fund organs as well as ensuring that the RHP receives appropriate visibility.

3 - Audited Statements of the RHP Fund (January – December 2015)



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**Council of Europe Development Bank
(CEB)**

Independent Auditor's Report
**Account No 001023291101/
001023291102/001023291103/
001023291104/001023291105/
001023291106 in the name of
RHP Fund prepared for
the period from January 1,
2015 to December 31, 2015**

Council of Europe Development Bank (CEB)
55, avenue Kléber
75116 Paris
This report contains 8 pages
Reference : PB-16-1-15

KPMG S.A.
Société française membre du réseau KPMG
constitué de cabinets indépendants adhérents de
KPMG International Cooperative, une entité de droit suisse.

Société anonyme d'expertise
comptable et de commissariat
aux comptes à directoire et
conseil de surveillance.
Inscrite au Tableau de l'Ordre
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Independent Auditor's Report

Accounts No 001023291101/ 001023291102/ 001023291103/ 001023291104/ 001023291105/
001023291106 in the name of RHP Fund prepared for the period from January 1, 2015 to
December 31, 2015

We have audited the accompanying statement of movements on accounts No 001023291101/
001023291102/001023291103/001023291104/001023291105/001023291106 in the name of
RHP Fund for the period from January 1, 2015 to December 31, 2015 of Council of Europe
Development Bank (CEB) and the notes describing the basis of preparation and the general
accounting principles used ("the Note")(together "the Statement"). The Statement has been
prepared by management using the basis of preparation described in the Note.

Management's Responsibility for the Statement

Management is responsible for the preparation of this Statement in accordance with the basis of
preparation described in the Note, for determining the acceptability of the basis of accounting,
and for such internal control as management determines is necessary to enable the preparation
of the Statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the Statement based on our audit. We conducted
our audit in accordance with International Standards on Auditing. Those standards require that
we comply with ethical requirements and plan and perform the audit to obtain reasonable
assurance about whether the Statement is free from material misstatement.

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*Council of Europe Development Bank (CEB)
Independent Auditor's Report
Accounts No 001023291101/ 001023291102/
001023291103/ 001023291104/ 001023291105/
001023291106 in the name of RHP Fund Prepared
for the period from January 1, 2015
to December 31, 2015*

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, made by management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Statement for the period from January 1, 2015 to December 31, 2015 is prepared, in all material respects, in accordance with the basis of preparation described in the Note.

Basis of Preparation

The Statement is prepared to provide information to the donors. As a result, the Statement may not be suitable for another purpose.

Paris La Défense, 6th April 2016

KPMG Audit
A division of KPMG S.A.



Pascal Brouard
Partner



*Council of Europe Development Bank (CEB)
Independent Auditor's Report
Accounts No 001023291101/ 001023291102/
001023291103/ 001023291104/ 001023291105/
001023291106 in the name of RHP Fund Prepared
for the period from January 1, 2015
to December 31, 2015*

Appendix to the Independent Auditor's report

Statement of movements on Accounts No 001023291101/ 001023291102/ 001023291103/
001023291104/ 001023291105/ 001023291106 in the name of RHP Fund prepared for the
period from January 1, 2015 to December 31, 2015.

RHP FUND ACCOUNTS (in Euros)

RHP FUND REGIONAL ACCOUNT (n° 001023291101)					
Reference / Desc.	Value date	Beneficiary	Payer	Debit	Credit
INITIAL BALANCE AS AT	01/01/2015				35 129 969,30
INTEREST FOR THE LAST MONTH	01/02/2015	CEB		10 315,53	
INTEREST FOR THE LAST MONTH	01/03/2015	CEB		8 986,73	
HR3 / LD 9203 (2013) 1ST TRANCHE RECONSTRUCTION AND EXTENSION OF HOME FOR 75 ELDERLY AND DISABLED IN GUINA (FIP 17452 / RHP)	24/03/2015	MINISTRY OF FINANCE OF THE REPUBLIC OF CROATIA KATANGICEVA 5		118 692,71	
INTEREST FOR THE LAST MONTH	01/04/2015	CEB		10 492,11	
INTEREST FOR THE LAST MONTH	01/05/2015	CEB		10 931,72	
INTEREST FOR THE LAST MONTH	01/06/2015	CEB		11 985,19	
INVOICE NO 1500217053 2014 AUDIT OF THE RHP FUND EXTERNAL AUDIT REPORT (6 ACCOUNTS) FIP 17452 (RHP)	03/06/2015	KPMG S.A. IMMEUBLE BELVEDERE 1, COURS DE VALMY CS 50034		8 000,00	
VAT RECOVERY ON INVOICE 1500217053 KPMG S.A. EXTERNAL AUDIT 2014 OF THE RHP FUND FIP 17452 (RHP)	03/06/2015		CEB		1 000,00
INTEREST FOR THE LAST MONTH	01/07/2015	CEB		12 204,74	
SRB4 / LD 0404 (2014) - 1ST TRANCHE SUPPORT TO 661 REFUGEE FAMILIES THROUGH 4 DIFF. HOUSING MODALITIES (FIP 17452 / RHP)	01/07/2015	MINISTRY OF FINANCE KNEZA MILOSA 20 11000 BELGRADE, SERBIA		3 835 100,00	
INTEREST FOR THE LAST MONTH	01/08/2015	CEB		11 196,53	
INTEREST FOR THE LAST MONTH	01/09/2015	CEB		11 272,83	
INTEREST FOR THE LAST MONTH	01/10/2015	CEB		11 293,76	
MNE1 / LD 9301 (2013) - 2ND TRANCHE CONSTRUCTION OF 2 BLOCKS OF FLATS FOR 62 FAMILIES IN NIKSIC RHP FUND - FIP 17452 / RHP	07/10/2015	CENTRAL BANK OF MONTENEGRO 80 SVETOG PETRA CETINJSKOG, 6 ME-81000 PODGORICA, MONTENEGRO		504 462,35	
INTEREST FOR THE LAST MONTH	01/11/2015	CEB		11 470,52	
INTEREST FOR THE LAST MONTH	01/12/2015	CEB		10 931,75	
HR5 / LD 9205 (2014) - 1ST TRANCHE CONSTRUCTION OF A RESIDENTIAL BUILDING FOR 21 FAMILIES IN BENKOVAC FIP 17452 (RHP) - PARTIAL	15/12/2015	MINISTRY OF FINANCE OF CROATIA KATANGICEVA 5 HR - 10000 ZAGREB, CROATIA		202 557,08	
RHP MID-TERM REVIEW INVOICE 3401962 FIP 17452 (RHP)	23/12/2015	PRICEWATERHOUSECOOPERS 2 RUE GERHARD MERCATOR B.P. 1443, L- 1014 LUXEMBOURG		196 000,00	
INTEREST FOR THE LAST MONTH	01/01/2016	CEB		13 010,28	
TOTAL MOVEMENTS				5 396 923,86	1 000,00
NEW BALANCE AS AT	31/12/2015				29 734 045,44



Council of Europe Development Bank (CEB)
Independent Auditor's Report
Accounts No 001023291101/ 001023291102/
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001023291106 in the name of RHP Fund Prepared
for the period from January 1, 2015
to December 31, 2015

RHP FUND SUB-REGIONAL ACCOUNT (n° 001023291102)					
Reference / Desc.	Value date	Beneficiary	Payer	Debit	Credit
INITIAL BALANCE AS AT	01/01/2015				10 974 500,61
INTEREST FOR THE LAST MONTH	01/02/2015	CEB		3 222,54	
INTEREST FOR THE LAST MONTH	01/03/2015	CEB		2 907,43	
SR02 / LD 0402 (2015) - 1ST TRANCHE SUPPORT TO 870 REFUGEE FAMILIES THROUGH 4 DIFFERENT HOUSING MODALITIES (FIP 17452 / RHP)	03/03/2015	MINISTRY OF FINANCE KNEZA MILOSA 20 11000 BELGRADE, SERBIA		306 957,91	
INTEREST FOR THE LAST MONTH	01/04/2015	CEB		3 166,48	
MNE3 / LD 9303 (2013) - 1ST TRANCHE CONSTRUCTION OF A HOME FOR THE ELDERLY IN PLJEVLJA FIP 17452 (RHP)	02/04/2015	CENTRAL BANK OF MONTENEGRO BULEVAR SVETOG PETRA CETINJSKOG, 6 ME-81000 PODGORICA, MONTENEGRO		487 059,35	
FUND RECOVERY BEC. OF DISMISSED PIU MNE3 / LD 9303 - 1ST TRANCHE HOME FOR ELDERLY IN PLJEVLJA FIP 17452 (RHP)	02/04/2015		CENTRAL BANK OF MONTENEGRO		487 059,35
MNE3 / LD 9303 (2013) - 1ST TRANCHE CONSTRUCTION OF A HOME FOR ELDERLY IN PLJEVLJA - FIP 17452 (RHP) INTERNAL ACCT NUMBER: 213284	29/04/2015	CENTRAL BANK OF MONTENEGRO BULEVAR SVETOG PETRA CETINJSKOG, 6 ME-81000 PODGORICA		487 059,35	
MNE2 / LD 9302 (2013) - 1ST TRANCHE HOUSING TO 120 FAMILIES FROM KONIKI FIP 17452 (RHP) INTERNAL ACCT NUMBER: 213295	29/04/2015	CENTRAL BANK OF MONTENEGRO BULEVAR SVETOG PETRA CETINJSKOG, 6 ME-81000 PODGORICA		1 569 724,77	
INTEREST FOR THE LAST MONTH	01/05/2015	CEB		3 259,54	
INTEREST FOR THE LAST MONTH	01/06/2015	CEB		2 912,21	
SR01 / LD 9403 (2013) - 1ST TRANCHE COMP. 2, 3, 4 - SUPPORT TO 715 REFUGEE FAMILIES THROUGH 4 HOUSING SOLUTIONS - FIP 17452 (RHP)	02/06/2015	MINISTRY OF FINANCE KNEZA MILOSA 20 11000 BELGRADE		52 353,59	
INTEREST FOR THE LAST MONTH	01/07/2015	CEB		2 948,29	
INTEREST FOR THE LAST MONTH	01/08/2015	CEB		3 037,60	
INTEREST FOR THE LAST MONTH	01/09/2015	CEB		3 058,30	
INTEREST FOR THE LAST MONTH	01/10/2015	CEB		3 063,99	
INTEREST FOR THE LAST MONTH	01/11/2015	CEB		3 186,75	
CONTRIBUTION SWITZERLAND EUR 0.5 M - 4TH INSTALMENT OF TOTAL EUR 5 M FIP 17452 (RHP)	11/11/2015		SWITZERLAND		500 000,00
MANAGEMENT FEE ON SWISS CB 4TH INSTALMENT - EUR 0.5 M FIP 17452 (RHP)	11/11/2015	CEB		12 580,00	
INTEREST FOR THE LAST MONTH	01/12/2015	CEB		3 172,51	
INTEREST FOR THE LAST MONTH	01/01/2016	CEB		3 587,40	
TOTAL MOVEMENTS				3 064 368,01	987 059,35
NEW BALANCE AS AT	31/12/2015				8 907 201,95

RHP FUND COUNTRY ACCOUNT-BIH (n° 001023291103)					
Reference / Desc.	Value date	Beneficiary	Payer	Debit	Credit
INITIAL BALANCE AS AT	01/01/2015				35 209 040,50
INTEREST FOR THE LAST MONTH	01/02/2015	CEB		10 382,23	
INTEREST FOR THE LAST MONTH	01/03/2015	CEB		9 027,42	
INTEREST FOR THE LAST MONTH	01/04/2015	CEB		10 536,77	
BR02 / LD 9102 (2013) - 1ST TRANCHE PROVISION OF HOUSING SOLUTIONS TO 780 HOUSEHOLDS FOR RETURN + REINTEG OR LOCAL INTEGRATION IN BIH	10/04/2015	MINISTRY OF FINANCE AND TREASURY OF BIH TRG BIH 1		350 000,00	
INTEREST FOR THE LAST MONTH	01/05/2015	CEB		10 941,91	
INTEREST FOR THE LAST MONTH	01/06/2015	CEB		11 960,38	
INTEREST FOR THE LAST MONTH	01/07/2015	CEB		12 181,10	
INTEREST FOR THE LAST MONTH	01/08/2015	CEB		12 552,71	
INTEREST FOR THE LAST MONTH	01/09/2015	CEB		12 638,25	
INTEREST FOR THE LAST MONTH	01/10/2015	CEB		12 661,74	
INTEREST FOR THE LAST MONTH	01/11/2015	CEB		15 169,04	
INTEREST FOR THE LAST MONTH	01/12/2015	CEB		12 623,34	
INTEREST FOR THE LAST MONTH	01/01/2016	CEB		15 102,71	
TOTAL MOVEMENTS				493 794,60	0,00
NEW BALANCE AS AT	31/12/2015				34 795 276,03

RHP FUND COUNTRY ACCOUNT - CROATIA (n° 001023291104)					
Reference / Desc.	Value date	Beneficiary	Payer	Debit	Credit
INITIAL BALANCE AS AT	01/01/2015				6 977 353,67
INTEREST FOR THE LAST MONTH	01/02/2015	CEB		2 048,82	
INTEREST FOR THE LAST MONTH	01/03/2015	CEB		1 784,90	
HR03 / LD 9203 (2013) 1ST TRANCHE RECONSTRUCTION AND EXTENSION OF HOME FOR 75 ELDERLY AND DISABLED IN GLINA (FIP 17452 / RHP)	24/03/2015	MINISTRY OF FINANCE OF THE REPUBLIC OF CROATIA KATANCICEVA 5		711 313,29	
INTEREST FOR THE LAST MONTH	01/04/2015	CEB		2 028,88	
INTEREST FOR THE LAST MONTH	01/05/2015	CEB		1 956,31	
INTEREST FOR THE LAST MONTH	01/06/2015	CEB		2 144,83	
INTEREST FOR THE LAST MONTH	01/07/2015	CEB		2 154,41	
INTEREST FOR THE LAST MONTH	01/08/2015	CEB		2 251,05	
INTEREST FOR THE LAST MONTH	01/09/2015	CEB		2 206,38	
INTEREST FOR THE LAST MONTH	01/10/2015	CEB		2 220,61	
INTEREST FOR THE LAST MONTH	01/11/2015	CEB		2 361,58	
HR04 / LD 9204 (2013) - 2ND TRANCHE PURCHASE OF FLATS FOR 101 BENEF. FIP 17452 (RHP)	17/11/2015	MINISTRY OF FINANCE OF THE REPUBLIC OF CROATIA, KATANCICEVA 5 HR - 10000 ZAGREB		348 535,00	
INTEREST FOR THE LAST MONTH	01/12/2015	CEB		2 204,76	
HR05 / LD 9205 (2014) - 1ST TRANCHE CONSTRUCTION OF A RESIDENTIAL BUILDING FOR 21 FAMILIES IN BENKOVAC FIP 17452 (RHP) - PARTIAL	15/12/2015	MINISTRY OF FINANCE OF CROATIA KATANCICEVA 5 HR - 10000 ZAGREB, CROATIA		88 520,92	
INTEREST FOR THE LAST MONTH	01/01/2016	CEB		2 542,16	
TOTAL MOVEMENTS				1 162 413,91	0,00
NEW BALANCE AS AT	31/12/2015				5 824 939,76



Council of Europe Development Bank (CEB)
 Independent Auditor's Report
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 001023291103/ 001023291104/ 001023291105/
 001023291106 in the name of RHP Fund Prepared
 for the period from January 1, 2015
 to December 31, 2015

RHP FUND COUNTRY ACCOUNT-MONTENEGRO (n° 001023291106)					
Reference / Desc.	Value date	Beneficiary	Payer	Debit	Credit
INITIAL BALANCE AS AT	01/01/2015				873 756,40
INTEREST FOR THE LAST MONTH	01/02/2015	CEB		285,54	
INTEREST FOR THE LAST MONTH	01/03/2015	CEB		249,10	
INTEREST FOR THE LAST MONTH	01/04/2015	CEB		290,81	
MNE3 / LD 9303 (2013) - 1ST TRANCHE CONSTRUCTION OF A HOME FOR THE ELDERLY IN PLEVLJA FIP 17452 (RHP)	02/04/2015	CENTRAL BANK OF MONTENEGRO BULEVAR SVETOG PETRA CETINJSKOG, 6 ME-81000 PODGORICA, MONTENEGRO		31 006,65	
FUND RECOVERY BEC. OF DISMISSED PIU MNE3 / LD 9303 - 1ST TRANCHE HOME FOR ELDERLY IN PLEVLJA FIP 17452 (RHP)	02/04/2015		CENTRAL BANK OF MONTENEGRO		31 006,65
MNE3 / LD 9303 (2013) - 1ST TRANCHE CONSTRUCTION OF A HOME FOR ELDERLY IN PLEVLJA - FIP 17452 (RHP) INTERNAL ACCT NUMBER: 213294	29/04/2015	CENTRAL BANK OF MONTENEGRO BULEVAR SVETOG PETRA CETINJSKOG, 6 ME-81000 PODGORICA		31 006,65	
MNE2 / LD 9302 (2013) - 1ST TRANCHE HOUSING TO 120 FAMILIES FROM KONIKI FIP 17452 (RHP) INTERNAL ACCT NUMBER: 213295	29/04/2015	CENTRAL BANK OF MONTENEGRO BULEVAR SVETOG PETRA CETINJSKOG, 6 ME-81000 PODGORICA		100 631,23	
INTEREST FOR THE LAST MONTH	01/05/2015	CEB		301,30	
INTEREST FOR THE LAST MONTH	01/06/2015	CEB		288,23	
INTEREST FOR THE LAST MONTH	01/07/2015	CEB		293,55	
INTEREST FOR THE LAST MONTH	01/08/2015	CEB		302,50	
INTEREST FOR THE LAST MONTH	01/09/2015	CEB		304,57	
INTEREST FOR THE LAST MONTH	01/10/2015	CEB		305,13	
INTEREST FOR THE LAST MONTH	01/11/2015	CEB		317,36	
INTEREST FOR THE LAST MONTH	01/12/2015	CEB		304,21	
INTEREST FOR THE LAST MONTH	01/01/2016	CEB		304,08	
TOTAL MOVEMENTS				169 281,31	31 006,65
NEW BALANCE AS AT	31/12/2015				838 521,74

RHP FUND COUNTRY ACCOUNT - SERBIA (n° 001023291105)					
Reference / Desc.	Value date	Beneficiary	Payer	Debit	Credit
INITIAL BALANCE AS AT	01/01/2015				21 422 861,25
INTEREST FOR THE LAST MONTH	01/02/2015	CEB		6 290,59	
INTEREST FOR THE LAST MONTH	01/03/2015	CEB		5 480,26	
SRB2 / LD 9402 (2013) - 1ST TRANCHE SUPPORT TO 870 REFUGEE FAMILIES THROUGH 4 DIFFERENT HOUSING MODALITIES (FIP 17452 / RHP)	03/03/2015	MINISTRY OF FINANCE KNEZA MILOSA 20 11000 BELGRADE, SERBIA		5 062 942,09	
INTEREST FOR THE LAST MONTH	01/04/2015	CEB		4 974,14	
INTEREST FOR THE LAST MONTH	01/05/2015	CEB		5 097,87	
INTEREST FOR THE LAST MONTH	01/06/2015	CEB		5 589,14	
SRB3 / LD 9403 (2013) - 1ST TRANCHE COMP 2, 3, 4 - SUPPORT TO 715 REFUGEE FAMILIES THROUGH 4 HOUSING SOLUTIONS - FIP 17452 (RHP)	02/06/2015	MINISTRY OF FINANCE KNEZA MILOSA 20 11000 BELGRADE		2 350 146,41	
INTEREST FOR THE LAST MONTH	01/07/2015	CEB		4 899,04	
INTEREST FOR THE LAST MONTH	01/08/2015	CEB		5 020,30	
INTEREST FOR THE LAST MONTH	01/09/2015	CEB		5 064,52	
INTEREST FOR THE LAST MONTH	01/10/2015	CEB		5 063,91	
INTEREST FOR THE LAST MONTH	01/11/2015	CEB		5 260,60	
INTEREST FOR THE LAST MONTH	01/12/2015	CEB		5 048,55	
INTEREST FOR THE LAST MONTH	01/01/2016	CEB		8 042,14	
TOTAL MOVEMENTS				7 569 915,76	0,00
NEW BALANCE AS AT	31/12/2015				13 915 945,49



*Council of Europe Development Bank (CEB)
Independent Auditor's Report
Accounts No 001023291101/ 001023291102/
001023291103/ 001023291104/ 001023291105/
001023291106 in the name of RHP Fund Prepared
for the period from January 1, 2015
to December 31, 2015*

Notes to the statement

Basis of Preparation

The accompanying statement of movements on following RHP Fund accounts:

- RHP – Fund Regional Account (Account N° 001023291101)
- RHP – Fund Sub- Regional Account (Account N° 001023291102)
- RHP – Fund country account – BIH (Account N° 001023291103)
- RHP – Fund country account – HR (Account N° 001023291104)
- RHP – Fund country account – SRB (Account N° 001023291105)
- RHP – Fund country account – MNE (Account N° 001023291106)

for the period from January 1st, 2015 to December 31, 2015 has been prepared in accordance with Articles 2 and 3 of the General Conditions of the Regional Housing Programme Fund (the "General Conditions").

In accordance with these General Conditions, the Accounts will be debited with:

- payments for providing support in the form of grants;
- the management fee in accordance with Paragraph 3.6 of the General Conditions;
- the costs of the audit of the statements of the RHP Fund in accordance with Paragraph 3.8 (b) the General Conditions;
- the costs of recovery proceedings in accordance with Paragraph 3.4(c) of the General Conditions;
- other activities approved by the Assembly of Donors, such as regular audits in the Partner Countries as well as the RHP mid-term review and independent evaluations of Country Housing Projects (CHP).

The terms of the management fee due to the CEB are provided in the Article 3.6 of the General Conditions. The CEB receives a management fee corresponding to 2.5 per cent of the total amount of contributions paid into the RHP Fund.

In accordance with the General Conditions, the Accounts will be credited with:

- contributions made by donors pursuant to articles 2.2 and 2.3 of the General Conditions;
- interest accrued on the Fund Resources in accordance with article 3.7 of the General Conditions;
- amounts recovered under proceedings taken pursuant to article 3.4(c) of the General Conditions).



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General accounting principles used

This statement is prepared on the cash receipts and disbursement basis. On this basis, revenues are recognized when received rather than earned and expenses are recognized when paid rather than incurred.



Bosnia and
Herzegovina



Republic of
Croatia



Montenegro



Republic of
Serbia

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



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.

www.regionalhousingprogramme.org
