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Final Report

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USAID

from
MERCY CORPS

“Community Reintegration and Stabilization Program”

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1. Executive Summary

Mercy Corps' 2001 Community Reintegration and Stabilization Program (CRSP) in Bosnia-Herzegovina was designed to support the process of sustainable return to communities in north and east Republika Srpska (RS). With funding for the repair of their housing already secured, returnees have identified the lack of infrastructure and services as the largest remaining obstacle to their permanent return. In this context, Mercy Corps created a program to support and sustain returnee communities and to optimize the impact of housing reconstruction by rehabilitating infrastructure in returnee communities.

Mercy Corps and USAID signed a cooperative agreement in February 2001, totaling \$1,867,465.80, for the implementation of nine reconstruction projects in the municipalities of Bosanski Brod, Zvornik and Milici in Republika Srpska. The original agreement was signed for a 12-month period but a no-cost extension was signed extending the project to May 2, 2002.

Mercy Corps successfully completed the following activities under the CRSP agreement:

- In **Brod Municipality**: reconstruction of a school and ambulanta and restoration of the electrical and water distribution networks to serve the minority return communities of Novo Selo and Korace.
- In **Zvornik Municipality**: reconstruction of a school and ambulanta and restoration of the electrical distribution network in the Liplje, Sultanovici, Samari and Josanica return communities.
- In **Milici Municipality**: reconstruction of a school and ambulanta in the Bosniak minority return community of Skugrici.

In addition, Mercy Corps requested and received approval for a three-month no-cost extension in order to rehabilitate the electrical network in Bocinja village, Maglaj Municipality, Federation of BiH. The additional work completed under the no-cost extension was funded through project savings due to lower implementation costs and favorable exchange rates.

All infrastructure work was completed as scheduled and has contributed greatly to the consolidation and sustainability of the return process in the target communities. Mercy Corps also successfully met its objectives of increased sustained minority returnees and increased access to community education and health facilities for minority returnees.

Mercy Corps more than met the objective of a 25% increase in sustained minority returns. As the table below shows, the total increase in minority returnees for all villages, as of July 2002, was 103%.

Village	Number of minority returnee families			% Increase	
	February 2001	February 2002	July 2002	by Feb 2002	By July 2002
Novo Selo	23	39	39	70%	70%
Korace	48	88	96	83%	100%

Sultanovici/ Liplje/Josanica/ Samari	112	175	181	56%	62%
Skugrici	8	54	59	600%	638%
Bocinja	23 (Feb 02)	59 (May 02)	59	156%	156%
Total	214	416	434	94%	103%

Mercy Corps also successfully completed the rehabilitation of three educational and three health facilities in the target communities. These facilities serve a total population of approximately 1,496 minority returnees. Mercy Corps managed to leverage contributions from two Scottish charities that provided school and medical supplies for two of the schools and one ambulanta. All three schools are currently in use. Unfortunately, the Municipalities have been unable to staff the ambulantas so none are currently in operation.

The program made a profound impact on the targeted minority return communities in Bosanski Brod, Zvornik, Milici and Maglaj Municipalities. The provision of water and electrical supplies are prerequisites for sustaining communities and this program has ensured not only that the current return communities will remain but also that the absence of such basic utilities will not be an obstacle to further minority returns. The reconstruction of primary schools provides the community with local access to education and is further incentive to those who are considering returning to their pre-war homes, particularly families with children who a key factor in the sustainability of these communities. The reconstruction of ambulantas also supports stability of the minority return movement to a community. While the immediate impact of the program has been to encourage and support return movement to war-torn communities, the structures and facilities will serve the communities in the long-term and ensure the development and expansion of return movements to the targeted areas.

2. Objectives and Activities

Mercy Corps' objectives in the CRSP program were to:

1. Increase sustained minority returns by at least 25% within 12 months, where refugees and internally displaced minorities have spontaneously returned to their pre-war homes through a program of targeted community-based infrastructure and services restoration
2. Increase access to community education and health facilities for 1,228 minority returnees

Mercy Corps proposed to achieve the above objectives by carrying out the following activities:

1. Restoration of electrical distribution networks in return villages in the municipalities of Bosanski Brod (Novo Selo), Zvornik (Liplje, Sultanovici, Samari and Josanica) and Maglaj (Bocinja)
2. Restoration of water distribution system in Bosanski Brod (Novo Selo)
3. Rehabilitation of schools in Bosanski Brod (Korace), Zvornik (Liplje, Sultanovici) and Milici (Skugrici)

4. Rehabilitation of health centers (ambulantas) in Bosanski Brod (Novo Selo), Zvornik (one center to serve both Liplje and Sultanovici) and Milici (Skugrici)

3. Program Implementation

Mercy Corps has implemented the following activities in the municipalities of Bosanski Brod, Zvornik, Milici and Maglaj:

3.1. BOSANSKI BROD MUNICIPALITY

The Republika Srpska Municipality of Bosanski Brod (called Srpski Brod in the RS) lies on Bosnia's northern border with Croatia. A bridge connects the municipality with Slavonski Brod in Croatia, making it a major border crossing point. A diverse pre-war municipality, Bosanski Brod underwent a massive population shift during and after the conflict, with all ethnic groups displaced conflict. The return process is currently ongoing in the municipality and by May of 2002, 925 properties had been repossessed within Brod Municipality.¹

The majority of the displaced Bosnian Croats live as refugees across the River Sava in Slavonski Brod and over 15,000 Bosnian Serb IDPs reside throughout the municipality. Many of these Serbs come from destroyed villages within the municipality, and they currently occupy Bosniak or Bosnian-Croats housing units.

Korace and Novo Selo villages

Korace and Novo Selo are two of the largest villages in Bosanski Brod Municipality. Before the war there were 520 houses in Korace and 873 houses in Novo Selo, many of which were completely destroyed during the conflict. Both villages have been the focus of particularly intense return efforts. Demonstrating a commitment to multi-ethnic cooperation, representatives of these two communities have repeatedly emphasized their desire that their Bosnian Serb pre-war neighbors be assisted as well, in order that their villages be properly reintegrated.

Housing

To date, 114 houses have been reconstructed in Korace by a number of agencies, mostly in 2000 and 2001. Under a BPRM-funded program completed in June 2001, Mercy Corps reconstructed 46 houses in Novo Selo. By repairing 46 out of over 800 housing units and by making sure that those housing units were spread throughout the entire village, Mercy Corps has laid the foundation for spontaneous returns in the future.

Activities under CRSP in Novo Selo and Korace Villages

To complement the housing reconstruction and consolidate the return movement in Novo Selo and Korace, Mercy Corps undertook the following activities:

1. Rehabilitation of the electrical network in Novo Selo
2. Rehabilitation of the water supply system in Novo Selo
3. Reconstruction of the ambulanta in Novo Selo
4. Reconstruction of the school in Korace

¹ Source: Local Authorities/PLIP (Property Legislation Implementation Plan) Focal Points

In order to obtain all necessary permits and licenses for all reconstruction activities, Mercy Corps signed an agreement with the relevant parties within Brod Municipality.

Activity 1: Rehabilitation of the electrical network in Novo Selo

The electrical network in Novo Selo was destroyed during the war and was completely out of operation.



Figure 1: Destroyed electrical network, Novo Selo

Following the signing of the agreement with USAID, Mercy Corps intensified relations with the local municipal authorities and electrodistribution companies. The electrodistribution companies agreed to provide Mercy Corps with quality project documentation, which later on served as a basis for the specification of materials needed from suppliers and for the work carried out by contractors.

The tender procedure with pre-qualification was organized during March 2001. The rehabilitation of the electrical network was sub-divided into two separate components:

- Rehabilitation of the high-voltage transmission lines and transformer sub-stations.
- Repair of the low-voltage network and its connection to private homes.

This division was made in order to accelerate work by enabling a larger number of contractors to work on different locations simultaneously. Following the tender procedure Mercy Corps

selected the following two contractors for each technical component, based on the most favorable offers:

- ELBING (Banja Luka) for the rehabilitation of the high-voltage transmission lines and transformer sub-stations in Novo Selo.
- ELNOS (Banja Luka) for the repair of the low-voltage network and its connection to private homes in Novo Selo.

Rehabilitation of the high and low voltage network, transformer stations and connections to 30 houses in Novo Selo began in April 2001. In June 2001, technical acceptance was conducted, all workplans were approved and the network was activated.

Following the reconstruction of an additional 16 houses by Mercy Corps through BPRM funding, one by Caritas, one by Norwegian Refugee Council and one self-funded house in Novo Selo, the scope of work under CRSP was increased to include the additional 19 homes. On June 6, 2001, Mercy Corps signed an amendment to the contract with ELNOS Banja Luka, allocating an additional \$31,525.95 for the rehabilitation of an additional 3.2km of transmission lines and 19 house connections. Technical acceptance for these houses was conducted in July 2001.



Figure 2: Transformer station, Novo Selo



Figure 3: Installation of conductors, Novo Selo

Activity 2: Rehabilitation of the water supply system in Novo Selo

Prior to the war, Novo Selo was served by the municipal water system from Bosanski Brod, which was completely destroyed during the war. Mercy Corps planned to restore water distribution in the village for houses currently under reconstruction and to reconnect the village system with the municipal system.

The tender procedure for the rehabilitation of the water supply system was organized in February 2001. After preparing tendering materials, Mercy Corps issued a call for tender and pre-qualification of contestants in the daily newspapers of BiH Federation (Dnevni Avaz) and Republika Srpska (Glas Srpski). The pre-qualification documents and offers were publicly opened in the Mercy Corps Tuzla offices. Out of the 20 contestants, 3 were from the Federation BiH and 17 from the Republika Srpska. Sixteen passed the pre-qualification process (2 from the Federation and 14 from the Republika Srpska). Mercy Corps selected the company with the most favorable offer and awarded the contract to *Grmec-Gradnja*, from Derventa. The contract was signed in April 2001.



Figure 4: Laying of water pipelines, Novo Selo

An internal technical inspection was conducted in June 2001, during which the inspectors found more extensive damage to the water supply system than previously thought. Prior to the start of rehabilitation work, extensive assessment had been virtually impossible because a thick layer of earth and mud covered the water system. After the assessment, Mercy Corps engineers agreed further repairs were needed and prepared additional tendering documentation. Given that the approved budget allowed for extension of work with additional tasks, Mercy Corps tasked the same contractor with the execution of additional work. The terms remained the same.

On July 23, 2001, the project was examined by the inspection team, consisting of one Mercy Corps engineer, one representative from the Novo Selo Local Community, one representative of the contractor and one representative of the municipal water supply company from Brod Municipality. The team established that work had been carried out according to the relevant rules and regulations and the cost and materials used corresponded to those agreed in the initial contract. The inspection team also decided that the water pressure in the village needed to be increased. Accordingly, a new water pump was purchased which resolved all water pressure problems.



Figure 5: Reconstruction of water supply system, Novo Selo

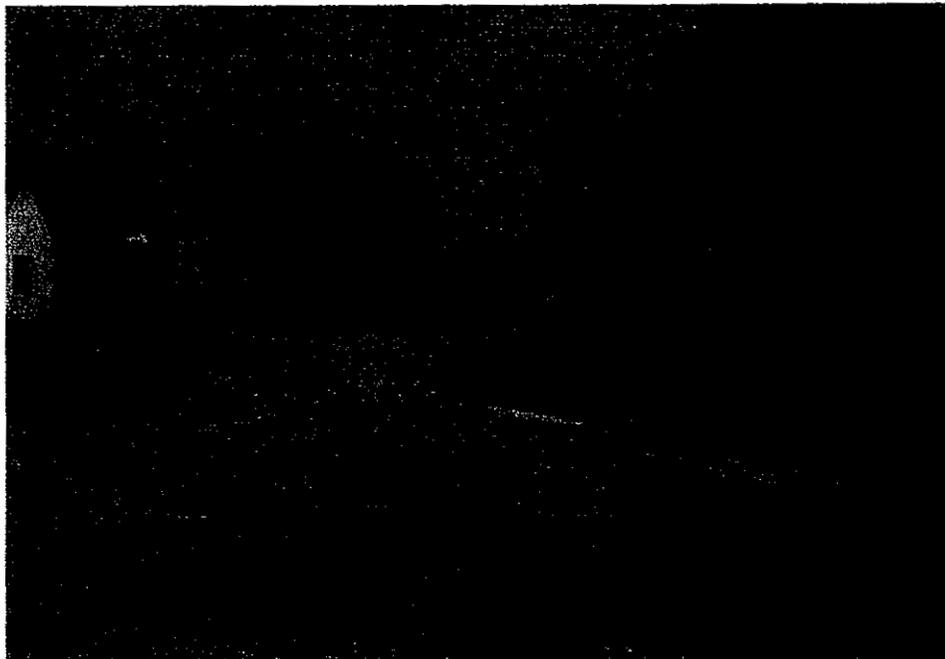


Figure 6: Completed pipeline with channel, Novo Selo

Activity 3: Rehabilitation of the Ambulanta in Novo Selo and a School in Korace

Pre-war, the health center in Novo Selo also covered the needs of Korace. Despite extensive damage to the building due to wartime fire and looting, the existing structure could still be rehabilitated for use.



Figure 7: Destroyed primary school in Korace

The villages of Novo Selo and Korace each had a school serving grades 1-8, both of which were destroyed during the war. However, the expected level of returns to the area did not justify the rehabilitation of both sites. Mercy Corps discussed the situation at length with representatives of both return communities, as well as with the municipal authorities in Bosanski Brod. All agreed to reopen a school in Korace to be used by both return communities and by children from the neighboring Serb villages of Donja and Gornja Barice and a part of Zboriste, providing the opportunity for a multi-ethnic school.



Figure 8: Reconstruction of school in Korace

The reconstruction of the school and ambulanta were carried out by the same company through a single tender procedure. An agreement was signed between Brod Municipality and Mercy Corps in June. According to this agreement, the municipality took responsibility for providing all necessary documentation for project development and all permissions for the building use after reconstruction.

A tender procedure to select the company that would prepare the technical documentation for the reconstruction of the ambulanta and school was carried out in July 2001. The company "GRADAPROMET Dobož" was selected to prepare documentation for both buildings.

The reconstruction work was put out to tender in mid-July 2001 to companies with previous experience on Mercy Corps projects. Five companies positively replied to this tender invitation, which was opened on July 24, 2001. Following a detailed audit of all tenders, Mercy Corps selected the most favorable offer from the company "SISKO Zivinice." On August 15, 2001, Mercy Corps signed a contract for the reconstruction of the school and the ambulanta, which began immediately. Reconstruction was completed by December 2001 with regular supervision and monitoring by the Mercy Corps team.

A final technical assessment by the technical team from Brod Municipality was completed on December 12, 2001. The buildings were approved and the assessment commission gave permission for their use. USAID conducted an assessment of both buildings in March 2002.



Figure 9: Interior of primary school, Korace

The primary school is located in the center of Korace village. The building has two floors with four classrooms rehabilitated on the ground floor. The rooms on the upper floor were not restored as classrooms but could be rehabilitated should the school roll increase. The building is served by local power and water supply systems.

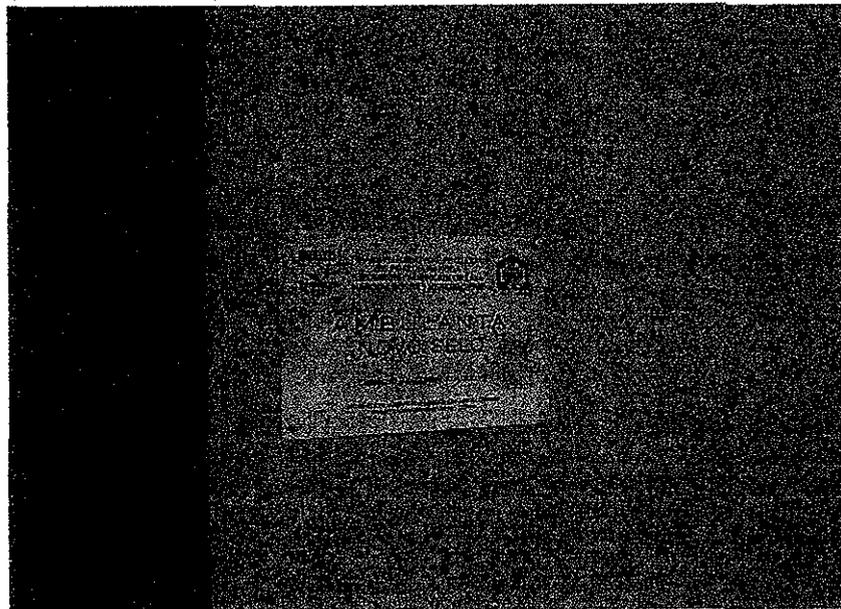


Figure 10: Plaque on reconstructed ambulanta, Novo Selo

The ambulanta will serve both Korace and Novo Selo as well as nearby Serb villages.

Results and Impact of the CRSP Program in Bosanski Brod Municipality

Mercy Corps' CRSP program aimed to produce the following two results in Novo Selo and Korace:

Objective 1: An increase in sustained minority returns by at least 25% within 12 months through a program of community-based infrastructure and services restoration.

In February of 2001, at the start of the CRSP program, there were 48 returnee families in Korace. By February of 2002, 88 families had returned, and by July of 2002 (latest monitoring conducted on July 5, 2002) 96 families had returned.

In Novo Selo, there were 23 returnee families living in the village at the start of the CRSP program in February 2001. Twelve months later, at the completion of the program, there were 39 families in Novo Selo. That figure remains the same (the latest monitoring was conducted on July 5, 2002).

Village	Number of minority returnee families			% increase over 12 months of CRSP program
	February 2001	February 2002	July 2002	
Novo Selo	23	39	39	70%
Korace	48	88	96	83%

The number of returnee families has clearly increased over the life of the CRSP program and can be attributed to a combination of extensive housing reconstruction, restoration of the electrical network and water supply system and reconstruction of the school and ambulanta.

The future of rehabilitation in Novo Selo remains uncertain. No further housing reconstruction programs are planned and the impetus for return has halted. In Korace, the situation is more positive and the return community continues to develop.

Objective 2: Increase access to community-based health and education facilities for 464 minority returnees.

The communities of Novo Selo and Korace, as well as surrounding villages, now have local access to education facilities through the primary school. Classes will begin in September 2002.

The ambulanta in Novo Selo however remains closed due to a lack of staff. Brod Municipality agreed to operate this facility but currently not doing so. The communities have been encouraged to actively pursue this issue with local authorities and demand their right to local health care. Currently residents of Korace and Novo Selo must travel to Brod town for medical attention.

Thus Mercy Corps accomplished its objective of providing educational and medical facilities for the 540 people living in the two villages. However, the lack of ambulanta staff means that residents are not currently able to make use of the reconstructed building.

3.2. ZVORNIK MUNICIPALITY

In 1991 the total population of Zvornik Municipality was approximately 75,000, composed primarily of Bosniaks and Bosnian-Serbs. The population currently is almost entirely Serb. UNHCR figures for July 1999 put the population at 58,135, including 29,185 Bosnian-Serb IDPs, 26,488 Bosnian-Serb residents and 2,462 Bosniaks who returned after 1997.

Between 1992 and 1995, most of Zvornik Municipality was under the control of the Bosnian-Serb Army. In early spring of 1992, all Bosniak villages were burned, the residents forced from their homes and many Bosniak civilians killed. The majority of these Bosniaks found temporary accommodation in the Federation, mainly in Tuzla, Zivinice and Srebrenik. A smaller number became refugees in western European countries such as Germany and Austria. Despite political obstacles, some security problems during initial returns in 1997, a lack of financial resources and the wide scale of destruction, the return process to Zvornik began in 1999 and has continued to accelerate since then.

Sultanovici, Liplje, Josanica, and Samari Villages

The villages of Sultanovici, Liplje, Josanica and Samari lie in a valley surrounded by hilly terrain, approximately 10km southwest of Zvornik. The community was well developed prior to the war, with an asphalt road, fully operational telecommunications and electrical systems, a school, an agricultural buying/selling point and a great deal of private agricultural activity. Unfortunately, all of the houses and infrastructure in these villages were heavily damaged or destroyed in 1992. Despite this fact, the majority of the pre-war residents have registered their intent to return and have displayed a strong commitment to the process.

Housing

Housing reconstruction activities have been quite extensive in this area. However the scale of the destruction leaves many houses still in need of repair. Throughout the four villages 272 houses have been reconstructed by a number of agencies (including 110 by Mercy Corps). A further 349 are still in need of some form of repair.

Activities under the CRSP in Sultanovici, Liplje, Josanica, and Samari Villages

To complement the reconstruction of housing and consolidate the return movement to Zvornik Municipality, Mercy Corps undertook the following activities:

1. Rehabilitation of the electrical network in Sultanovici, Liplje, Josanica, and Samari
2. Reconstruction of the ambulanta in Liplje/Sultanovici
3. Reconstruction of the school in Liplje/Sultanovici

On 15 February 2001, Mercy Corps signed an agreement with Zvornik Municipality to provide and issue all necessary permits and licenses to allow for an immediate start of work.

Activity 1: Rehabilitation of the electrical network in Sultanovici, Liplje, Josanica, and Samari

Mercy Corps undertook the restoration of 23km of the low voltage network (0.4 kV) in the villages of Liplje, Sultanovici, Josanica and Samari and approximately 7.5km of high voltage transmission lines needed to reconnect all 3 villages to the regional power company. The entire network was completely destroyed during the war, although some parts were repaired in an improvised fashion (see Figure 10 below).

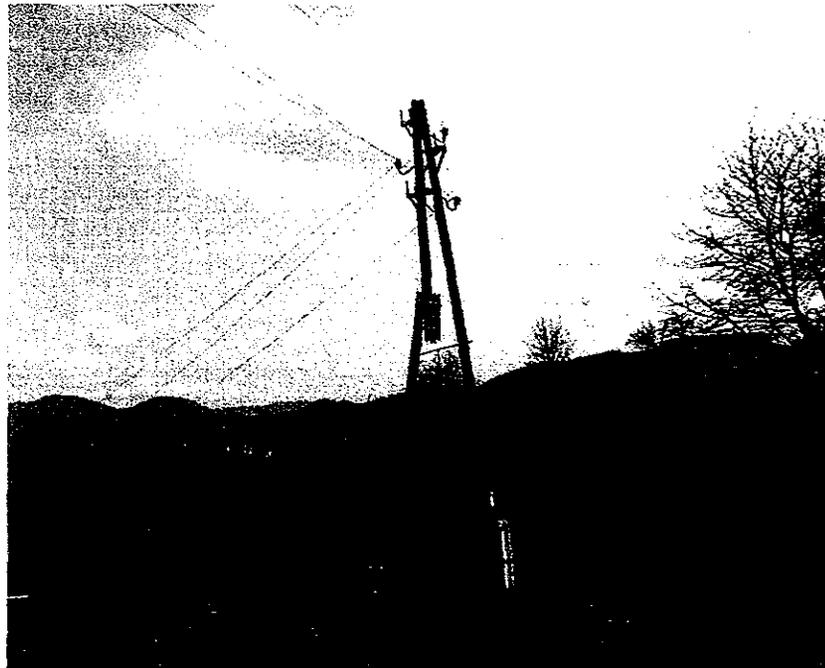


Figure 10: Improvised electrical network prior to repair, Liplje

Immediately after the signing of the agreement with USAID, Mercy Corps intensified relations with the municipal authorities and electrodistribution companies. The electrodistribution companies agreed to provide Mercy Corps with the necessary project documentation, which served as a basis for the specification of materials needed from suppliers and for the work to be carried out by the contractors.

A call for tender and pre-qualification of contestants was announced in March in Dnevni Avaz and Glas Srpski. A public opening of the pre-qualification offers took place on March 19, 2001 in the Mercy Corps office in Tuzla. Of the 16 applicants, 9 were from the Federation and 7 from the RS. All registered companies fulfilled the pre-qualification criteria.

The rehabilitation of the electrodistribution network was sub-divided into two separate components: (1) the rehabilitation of high-voltage transmission lines and transformer sub-stations and (2) the repair of the low-voltage network and its connection to private homes. This division was made to enable working to be completed at different locations simultaneously and therefore to speed up the process. The two contractors selected were:

- COMEL (Sarajevo) for the rehabilitation of the high-voltage transmission lines and transformer sub-stations.
- UMEL DALEKOVODMONTAZA (Tuzla) for the repair of the low-voltage network and the connection to private homes.

A contract was signed with COMEL Sarajevo for the rehabilitation of the high-voltage transmission lines and 7 transformer sub-stations in Zvornik Municipality on April 6, 2001. Mercy Corps signed a contract with UMEL DALEKOVODMONTAZA for the rehabilitation of 23km of low-voltage transmission lines and up to 400 home connections in Zvornik Municipality on May 5, 2001. Five days later Mercy Corps signed an amendment to the contract with COMEL Sarajevo, allocating additional funding for the construction of a steel lattice tower and new transformer sub-stations.

Work began immediately after the signing of the contracts. Mercy Corps engineers consistently monitored the project locations and carried out strict quality and quantity checks of materials, equipment and the actual work. All contractors completed engineering diaries that were subject to regular checks, observation and verification by Mercy Corps engineers.

The reconstruction of the high voltage network and transformer sub-station by the COMEL Company was completed on July 2, 2001. Mercy Corps carried out a technical inspection of all executed work on July 12. The work was approved without any objections except for some cleaning of the surrounding environment near the power network line. Based on this positive technical inspection, Zvornik Municipality released a license for the use of the network and sub-station and the system was activated on July 17, 2001.

The reconstruction of the low voltage transmission lines in the Zvornik area was completed and tested in full co-operation with the Zvornik Power Supply Company. A technical inspection of the repaired network was conducted on August 7, 2001, and without any objections the network was activated. The contractor then began reconnecting the reconstructed houses.

An additional 25 houses were reconstructed in Zvornik Municipality than anticipated and included in the original tender procedure; Mercy Corps decided to amend the low-voltage contract to connect the additional houses to the network. UMEL Company agreed to carry out the work at the same unit price as previously agreed and an annex to the original agreement was signed on August 14 to provide for this extra work. An additional 2.5km of low-voltage transmission lines and the power connection to the local water system were completed on September 24, 2001.

During the 'self-help' house reconstruction component of Mercy Corps' EC-funded project in Zvornik some homeowners installed electricity by themselves without any technical inspection.

After written approval was obtained from USAID, Mercy Corps agreed with UMEL Company to carry out technical inspections and issue certificates to these homeowners.

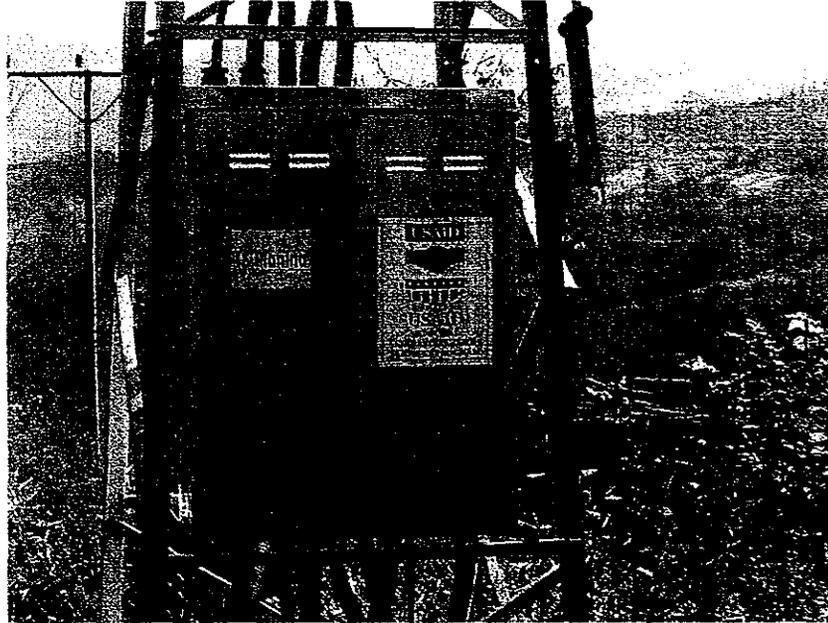


Figure 11: Rehabilitated electrical network, Liplje

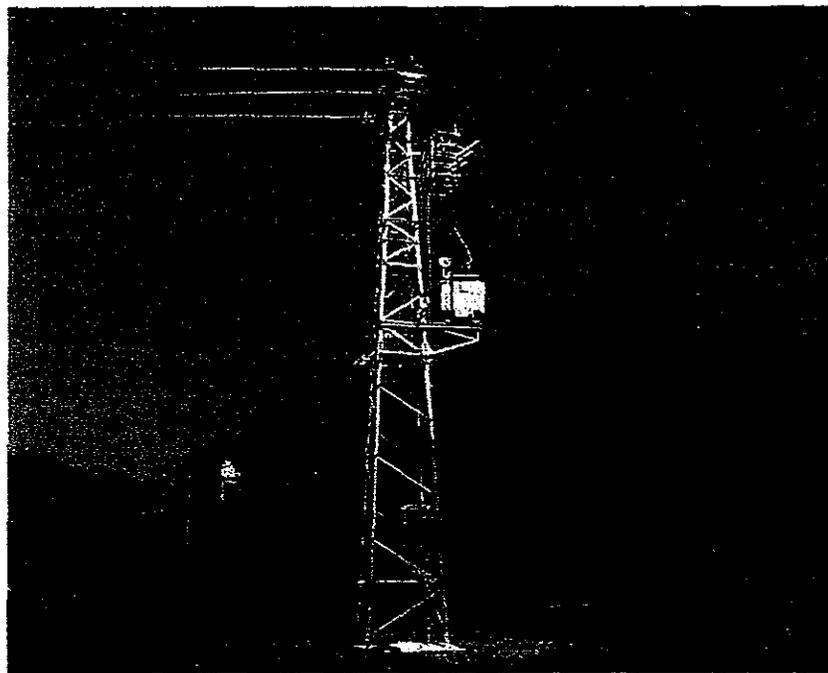


Figure 12: Transformer station, Čamlija

In total Mercy Corps reconnected 175 households, local water supply networks and the primary school and ambulanta to the electricity network. The electrical network is now in place and more houses can be reconnected at minimal cost when they are reconstructed.

Activity 2: Reconstruction of an Ambulanta and a School in Liplje/Sultanovici

The pre-war primary school in Sultanovici was almost totally destroyed by shelling and fire in 1992. Located on the border between Liplje and Sultanovici it also served the surrounding hamlets of Samari, Maricici, Josanica and a portion of Novo Selo.

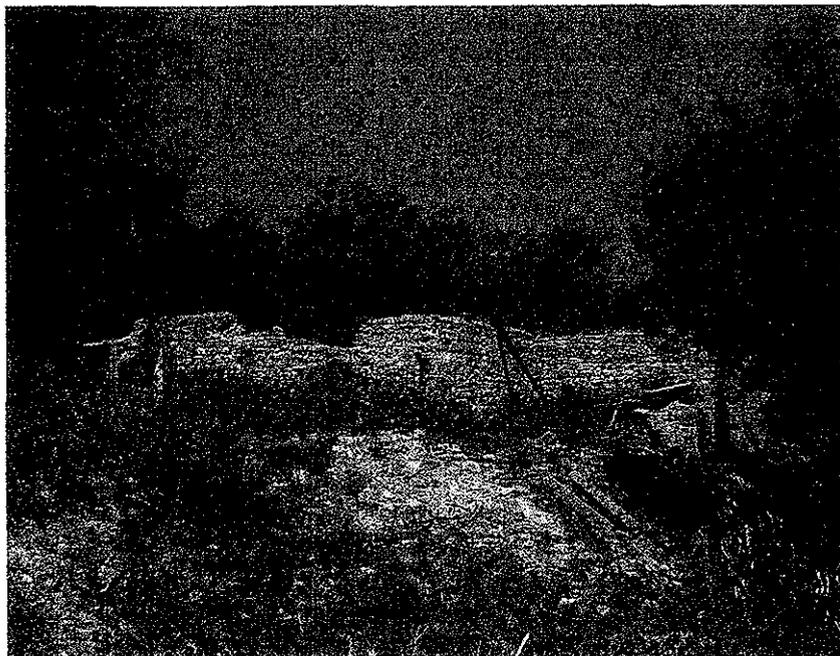


Figure 13: Destroyed school, Sultanovici

The construction of the ambulanta in Liplje had not been completed when its Bosniak inhabitants abandoned the village in 1992. The structure was reduced to its foundations in the burning and destruction that followed (see Figure 14 overleaf).



Figure 14: Destroyed ambulanta, Liplje

In June 2001 an agreement was signed between Zvornik Municipality and Mercy Corps to provide all documentation for project development and permission for the use of the one building which would contain the primary school and ambulanta following reconstruction.

Following the tender procedure in early July, the company OJDP ZAVOD ZA URBANIZAM I PROJEKTOVANJE (Bijeljina) was selected to prepare the technical documentation for the reconstruction of the school and ambulanta building. An invitation to bid on the reconstruction work was offered in mid-July to five companies that had proved their capability, quality and professionalism on previous Mercy Corps' projects. Tenders were opened on July 24 and Mercy Corps selected the company "TEHNOGRAD INZINJERING Tuzla." A contract for the work was signed on August 15, 2001.

Reconstruction work on the school and ambulanta building began immediately and continued through mid-December 2001. Mercy Corps engineers and project management staff regularly monitored and supervised all reconstruction activities. The final technical assessment of the school and ambulanta building was conducted on December 28 by the technical team from Zvornik Municipality. The building was approved and the assessment commission gave permission for its use. A technical assessment by USAID was conducted in March 2002.

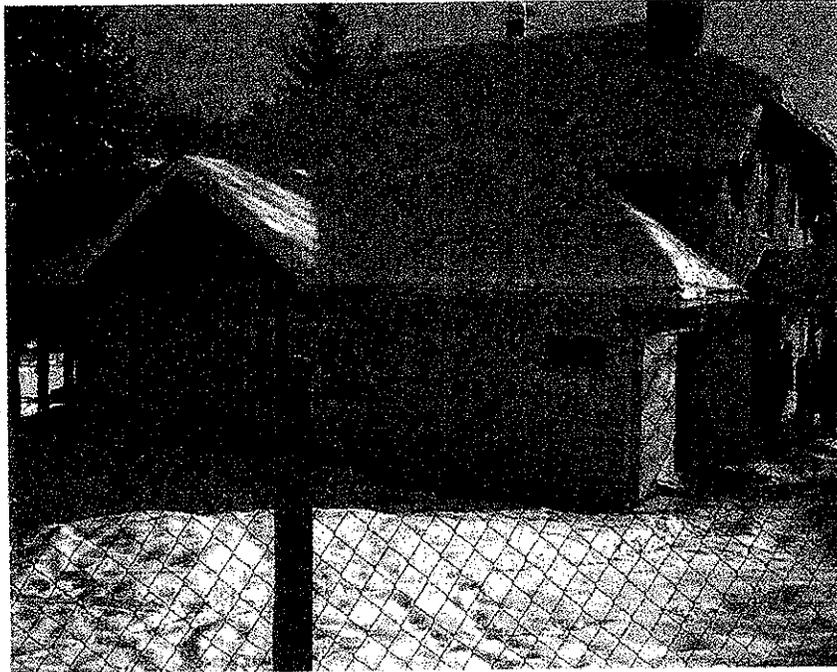


Figure 15: School and ambulanta building, Liplje/Sultanovici

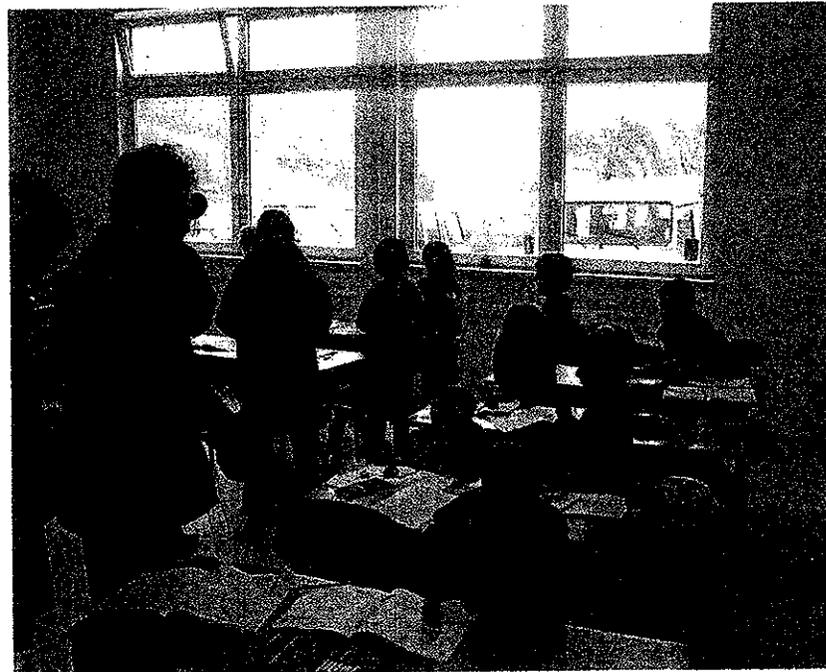


Figure 16: Schoolchildren from Liplje/Sultanovici in new classroom

Results and Impact of the CRSP Program in Zvornik

The following paragraphs list the achievements of the CRSP program, against stated objectives, in Zvornik Municipality:

Objective 1: An increase in sustained minority returns by at least 25% within 12 months through a program of community-based infrastructure and services restoration.

At the start of the CRSP program in February 2001 there were 112 Bosniak minority returnee families in the area. By February 2002, 175 families had returned and by July 2002 (latest monitoring conducted on July 3, 2002) 181 families had returned, clearly surpassing the expected results. The return movement is related to extensive housing reconstruction programs. However the restoration of the electrical network and the reconstruction of the school and ambulanta have created sustainability within the community. Occupancy rates in this area are particularly high as a result of the infrastructure and services that have accompanied the reconstruction of housing.

Village	Number of minority returnee families			% increase over 12 months of CRSP program
	February 2001	February 2002	July 2002	
Sultanovici/Liplje/Josanica/Samari	112	175	181	56%

Objective 2: Increase access to community-based health and education facilities for 488 minority returnees.

The villages in this part of Zvornik Municipality now have local access to education facilities through the primary school. One teacher began classes at the school in January 2002 and there currently are 8 children attending the school from grades 1-4 (ages 7-10). The school is fully equipped with furniture and supplies donated and delivered by Dumfries and Galloway Action, a Scottish charity (with assistance from Mercy Corps). The building has two large classrooms and plenty of open space with the capacity to hold 122 students. As more families return to the area the school roll will increase accordingly.

The ambulanta however remains closed. Zvornik Municipality, who accepted the responsibility to provide staff, is currently unable to do so. There is perhaps insufficient demand to justify a full-time employee at the present time. However the municipality is unable even to send a qualified medical practitioner one day per week. The community has been encouraged to actively pursue this issue with the local authorities and demand their right to local health care. Currently residents must travel to Zvornik town for medical attention.

The primary school and ambulanta building are located on the boundary of Sultanovici and Liplje villages and also serve Samari, Maricici, Josanica and a portion of Novo Selo. Community meetings are also held in the building.

Mercy Corps achieved its objective of providing educational and medical facilities for the approximately 720 people living in this. However, the inability of Zvornik municipality to staff the ambulanta means that residents cannot currently utilize the building for its intended purpose.

3.3. MILICI MUNICIPALITY

Formerly a part of Vlasenica Municipality, Milici applied for independent status before the war and has operated independently ever since. The area now recognized as Milici Municipality lies south of Zvornik, between Vlasenica, Bratunac, Srebrenica and Han Pijesak Municipalities. The first municipal elections were held in April 2000. Before the war, the population was approximately 50% Bosnian-Serb and 50% Bosniak. In June 1999, UNHCR put the current population at 9,650 resident Bosnian-Serbs, 2,874 Bosnian-Serb IDPs and 70 Bosniak returnees, all located in the village of Skugrici. Authorities in Milici were the first in the entire region to actively and publicly lend their support to the return of minorities.

Skugrici Village

Skugrici is an isolated, remote village located in a high valley about 10 km from the main road. Approximately 240 Bosniak families lived in Skugrici before the war. During 1992 and 1993, when Bosnian-Serb Army activities were most intense, all inhabitants abandoned the village, eventually finding temporary accommodations in Tuzla. All houses in Skugrici were destroyed.

Housing

Mercy Corps has been actively involved in Skugrici since 1999 and has implemented two housing reconstruction programs. An UNHCR-funded program facilitated the first minority returns to Skugrici. Nineteen houses were reconstructed but initially only five Bosniak families returned, mainly due to the lack of electricity. Mercy Corps' second program in Skugrici was to reconstruct 50 houses and restore the electrical network through funding from the European Union DG-1A. This program was successfully completed in September 2001.

Activities under the CRSP in Skugrici Village

To complement the reconstruction of housing in Skugrici, Mercy Corps undertook the following activities:

- Reconstruction of the ambulanta and school

Activity 1: School and Ambulanta Reconstruction in Skugrici

During the war, the building containing the primary school, ambulanta and social center in Skugrici were almost completely destroyed.

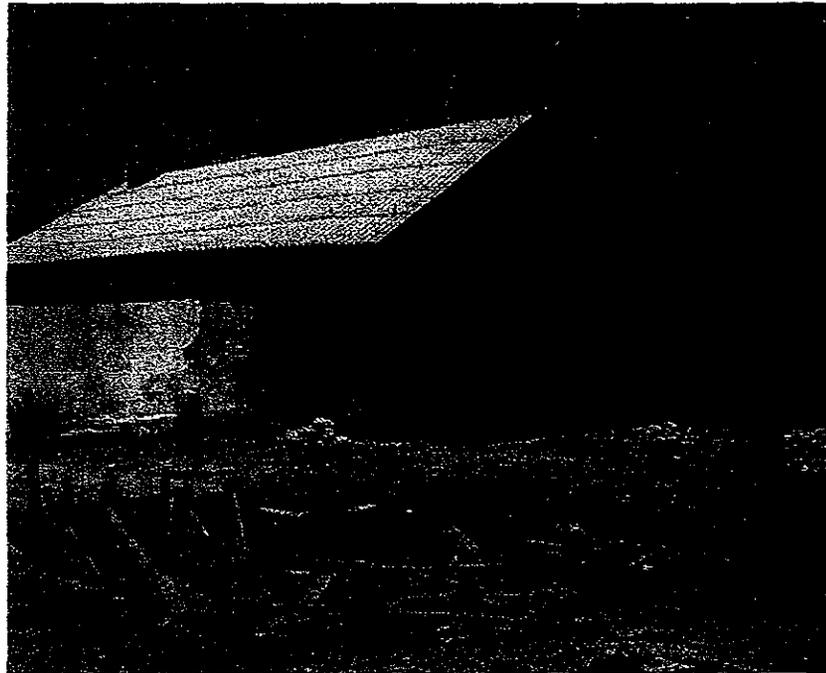


Figure 17: Destroyed school in Skugrići

Work on the building (the school and ambulanta comprise one building) began initially with the signing of an agreement between Milici Municipality and Mercy Corps. Under to the agreement the Municipality accepted responsibility for providing all necessary documentation and permissions for project development and for the use and administration of the school and ambulanta following reconstruction.

In June 2001, a tender procedure was organized to select a company to prepare the technical documentation and plan the reconstruction of the school and ambulanta. The company "GRADJENJE" AD Srpsko Sarajevo was selected for this component of the project. Technical documentation was produced within 30 days and tenders for the reconstruction of the building were invited in mid-July. Tender bids were publicly opened on July 24 and, following a detailed audit of all tenders received, Mercy Corps selected the company "Jedinstvo Bratunac" to carry out the work. Mercy Corps signed a contract with "Jedinstvo Bratunac" on August 15, 2001.

Reconstruction began in late August 2001 and continued through December 2001. Mercy Corps' team of engineers regularly monitored and supervised all reconstruction activities. The final technical assessment took place on January 10, 2002 and, as a result of the positive assessment, the commission gave permission to use the building.

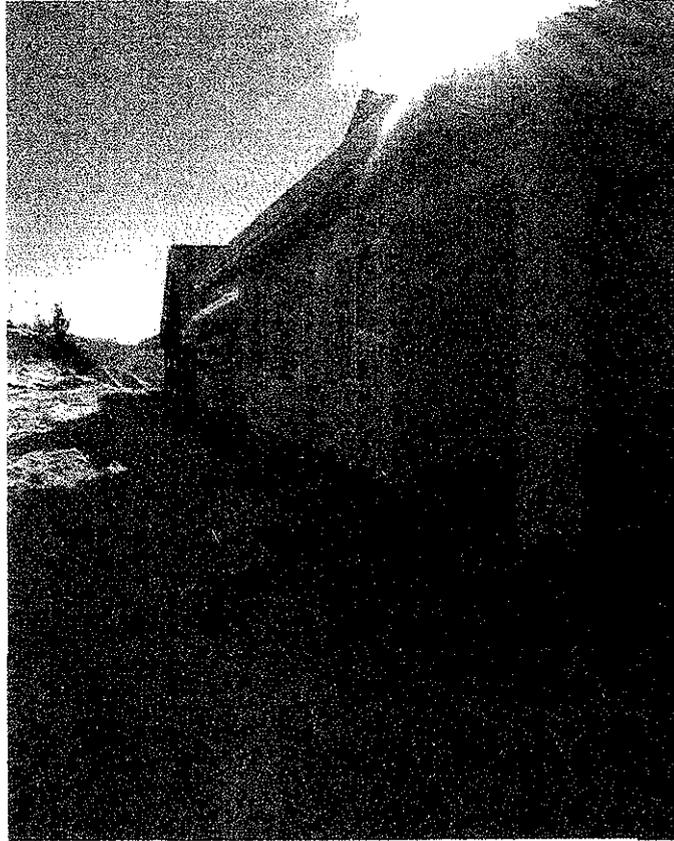


Figure 18: Completed school and ambulanta building, Skugrici

Within this building the school has two large classrooms and an office and the ambulanta has a reception area, treatment rooms and an office. The building is connected to the local power and water supply system.

Results and Impact of the CRSP Program in Skugrici

In Skugrici village, the following results were achieved against the stated objectives of the CRSP program:

Objective 1: An increase in sustained minority returns by at least 25% within 12 months through a program of community-based infrastructure and services restoration.

At the start of the CRSP program in February 2001 there were only 8 Bosniak minority returnee families in Skugrici. By February 2002 54 families had returned and by July 2002 (latest monitoring conducted on July 3, 2002) 59 families had returned, clearly surpassing the expected results. This dramatic influx of returnees can initially be attributed to the extensive housing reconstruction program in the village and the restoration of the electrical network. However, the

reconstruction of the school and ambulanta undoubtedly consolidated the return and enhanced its sustainability.

Village	Number of minority returnee families			% increase over 12 months of CRSP program
	February 2001	February 2002	July 2002	
Skugrici	8	54	59	600%

Objective 2: Increase access to community-based health and education facilities for 276 minority returnees.

The primary school and ambulanta building are located in the center of Skugrici village, providing a focal point for all community activities. Community meetings are also held in this building. There are approximately 236 people living in Skugrici at present. The school is also designed to serve the nearby hamlets of Kladrnica, Donja Mahala, Pobudjaci, Sadikovici, Podgaj, Musici, Dzelilovici and Gornja Mahala.

One teacher began teaching in the school in January 2002 and there are currently 8 children attending the school from grades 1-4 (ages 7-10). A further 7 students have enrolled to begin classes in September 2002. All 15 pupils are Bosniak returnees. Currently, older children attend high school in Konjevic Polje, 10 km away. The Skugrici school is fully equipped with furniture and supplies donated and delivered by Scottish International Relief (with assistance from Mercy Corps). The school has two large classrooms and plenty of open space with the capacity to hold up to 70 pupils. As more people return to Skugrici the school roll will increase accordingly.

The ambulanta is also fully equipped with medical supplies, beds and furniture donated by Scottish International Relief. Unfortunately there is currently no staff to offer health care to the community. Milici Municipality agreed to provide a doctor or nurse to visit the ambulanta on a part-time basis but so far this has not happened. The Municipality cites a lack of funding, rather than qualified personnel, as the reason for the inoperation of the ambulanta.

Mercy Corps met is objective of rebuilding the school and ambulanta in Skugrici. At the start of the new school year in September 2002, 15 students will attend classes at the school and more will enroll as returns increase. The ambulanta, however, remains closed due to a lack of staff. The community of Skugrici has been encouraged to actively pursue this issue with the local authorities and demand their right to local health care. Currently Skugrici residents must travel to Konjevic Polje for medical attention.

3.4. MAGLAJ MUNICIPALITY

The municipality of Maglaj covers an area of 385 km² and had (in according to the 1991 census) 43,292 inhabitants of mixed ethnic composition – 19,637 Bosniaks, 13,298 Bosnian Serbs, 8,366 Bosnian Croats, and 1,991 others. As a result of the war, many people of all ethnic groups were

displaced from their homes. Bosniaks found temporary accommodation within Maglaj municipality and in other parts of the Federation. Croats moved to Zepce while most Serbs lived in the neighboring RS municipalities of Doboje and Teslic.

Maglaj Municipality is burdened with a large number of Bosniak IDPs who occupy minority properties throughout the municipality and in the town of Maglaj itself. With the implementation of the Property Legislation Implementation Plan (PLIP), many of these IDPs face evictions and the municipal authorities are in no position to provide alternative accommodation for the evictees. In most cases, their houses are heavily damaged and they require significant investment to be reconstructed.

Bocinja Village

At the end of the Bosnian war Maglaj Municipality became known as one of the most rigid Islamic communities in the country. This was influenced by the decision of the Maglaj authorities at the time to give Bosnian citizenship to foreign volunteers (Mujahedin) who fought in the Bosnian war and to allow them to settle in the village of Bocinja, which before the war was populated by Bosnian Serbs.

Until 2000 Maglaj was a municipality closed to minority returns and thus was barred from receiving most avoided international community assistance. Local elections in 2000 generate a change in the political climate in Maglaj. The newly elected authorities decided to make a radical move and evict the Mujahedin from Bocinja in order to start the return of minorities to Maglaj municipality.

Housing

From December 2000 to March 2001, Mercy Corps reconstructed 23 houses for Bosnian Serb returnees to Bocinja, through a project funded by the Dutch Embassy. All 23 families returned. A second Mercy Corps program in Bocinja, which began in October of 2001 and is still ongoing, has reconstructed an additional 52 houses for Serb minority returnee families. The Dutch Government also funded this program.

Activities under the CRSP in Bocinja Village

To complement the reconstruction of the 75 houses in Bocinja Mercy Corps planned the following activities:

- Rehabilitation of the electrical network

Activity 1: Rehabilitation of the electrical network

Because of the well-organized tenders and favorable exchange rates, Mercy Corps completed the CRSP program under the budget codified in the Cooperative Agreement. On February 12, 2002, USAID approved a plan to use these savings to rehabilitate an electrical network to support Bosnian Serb minority return to Bocinja village, Maglaj Municipality. This network was completely destroyed during the war.

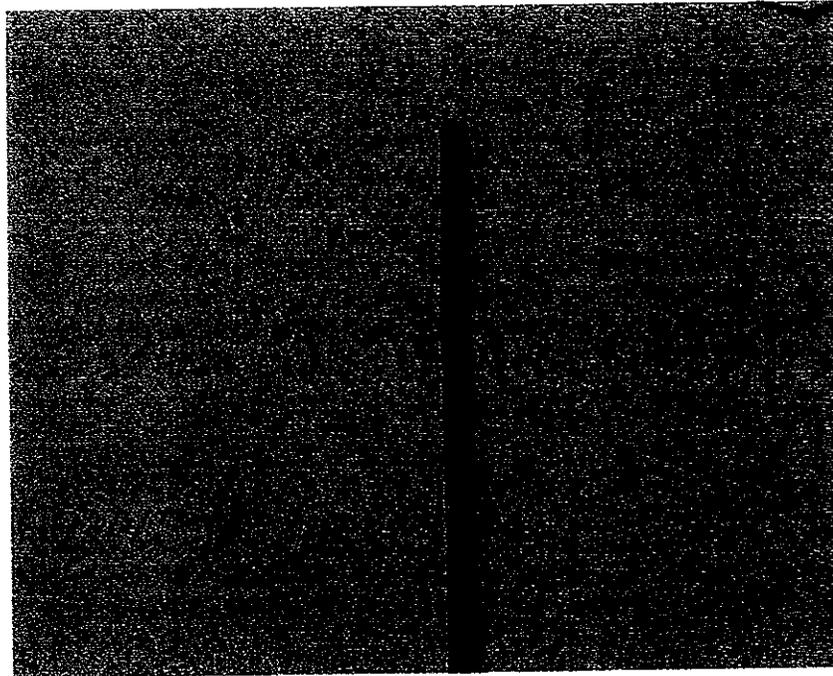


Figure 19: Damaged electrical network, Bocnija

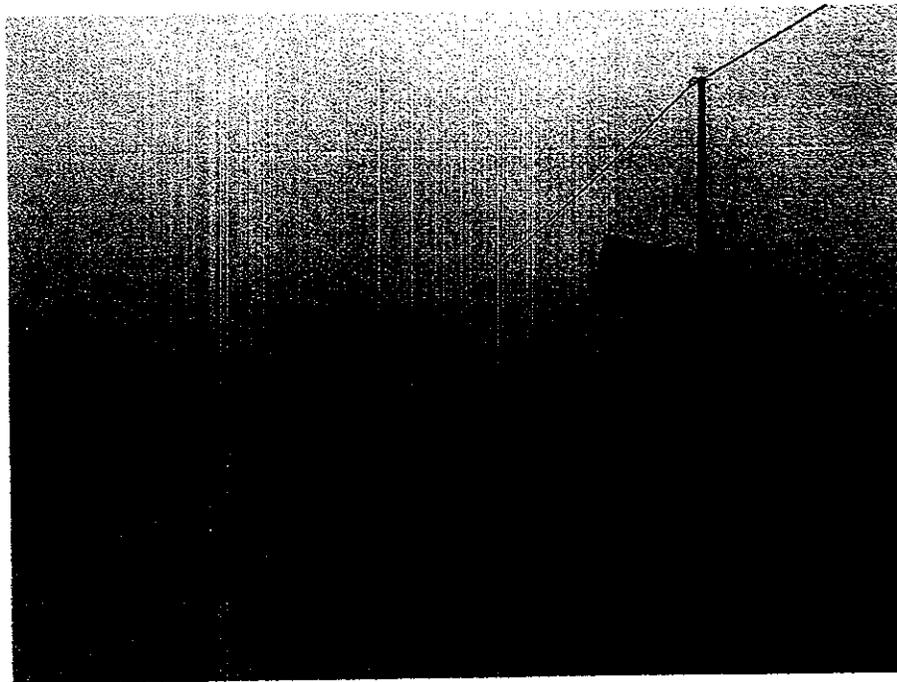


Figure 19: Electrical network, Bocnija

Based on the work estimate agreed with the authorized distribution company Elektro-Zenica, Mercy Corps conducted the tender. Mercy Corps invited five companies who had already pre-qualified within the CRSP project to bid and four submitted offers. Mercy Corps chose UMEL-Dalekovodmontaža Tuzla because their offered price and deadline for completion was most favorable. An agreement with Maglaj Municipality was then signed and a planning permit and license for the work was issued.

The project involved the rehabilitation of 6 transformation stations, 2 km of long-distance power lines, approximately 8 km of low voltage network and house connections for the dwellings that Mercy Corps reconstructed under Dutch Government project. Work commenced on March 15, 2002, and was completed on April 25. Elektrodistribucija Zenica the completed an internal technical acceptance of the newly rehabilitated network and gave permission to activate it.

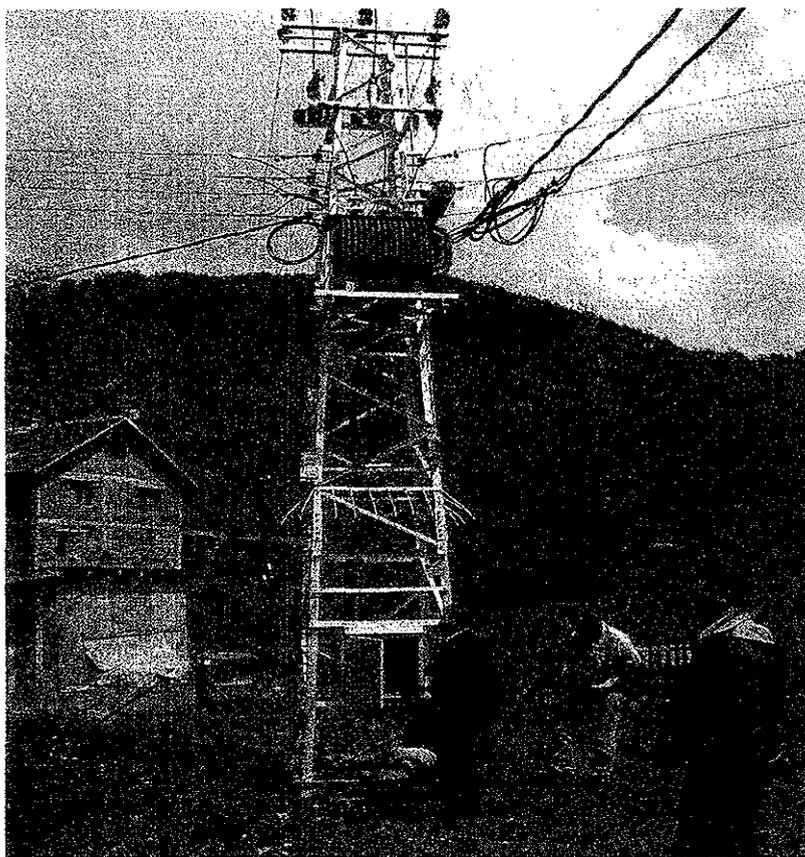


Figure 20: Rehabilitated electrical network, Bocnija

Results and Impact of the CRSP Program in Bocinja

Mercy Corps' activities in Bocinja aimed to address the first objective of the CRSP program:

Objective 1: An increase in sustained minority returns by at least 25% within 12 months through a program of community-based infrastructure and services restoration.

Village	Number of minority returnee families			% increase over duration of CRSP program
	Feb 2002*	May 2002*	July 2002	
Bocinja	23	59	59	156%

*This project was not included in the original CRSP program and was only initiated in February 2002, hence the calculation of the increase in returnee families over time.

The restoration of the electricity network in Bocinja has clearly consolidated and sustained minority return movement to the village. The Mercy Corps housing reconstruction program is still ongoing and it is envisaged that all houses will be occupied by September 2002 (totaling 75 families). Previous experience has shown that the lack of electricity hinders or delays return to reconstructed homes. The restoration of the electricity network at or before the completion of the house reconstruction will encourage returnees to move back to their homes as soon as possible. It will also encourage further returns to Bocinja.

4. Conclusion

All reconstruction activities planned under the Community Reintegration and Stabilization Program have been completed to a high standard. The program made a profound impact on the targeted minority return communities in Bosanski Brod, Zvornik, Milici and Maglaj Municipalities.

The provision of water and electrical supplies are prerequisites for sustaining communities and this program has ensured not only that the current return communities will remain but also that the absence of such basic utilities will not be an obstacle to further minority returns.

The reconstruction of primary schools provides the community with local access to education and consolidates the return movement. It also provides further incentive to those who are considering returning to their pre-war homes, particularly families with children who are a key factor in the sustainability of these communities. All three schools are operating and have dedicated teaching staff.

The reconstruction of ambulancias also supports stability of the minority return movement to a community. Unfortunately the three ambulancias built under this program remain closed because of a lack of staff. The municipal authorities must take the responsibility to address this issue and provide the local health care services as agreed. It is hoped that this is a short-term problem that will soon be resolved by the communities themselves.