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Draft interim report on

ALBANIA

and the neighbouring region

SEMDOC

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affairs in the European Union

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PART I

ALBANIA

A. GENERAL INTRODUCTION

Historical background

1. Albania, proclaimed a "People's Republic" in 1946, was for more than forty years one of the most obscure and reclusive countries in the world. A totalitarian communist regime, led by party founder and first secretary Enver Hoxha from 1944 until his death in 1985, maintained strict control over every facet of the country's internal affairs. After World War II, Hoxha and his proteges imposed a Stalinist economic system, and turned alternately to Yugoslavia, the Soviet Union, and China for assistance, before denouncing each of these communist countries as "bourgeois" or "revisionist", and embarking on a course of economic self-reliance. Notwithstanding some accomplishments in education, health care, and other areas, Hoxha's policies of centralization, isolation, and repression hindered economic development, and relegated Albania to a position of technological backwardness unparalleled in Europe.

2. Ramiz Alia, Hoxha's handpicked successor, introduced a modicum of pragmatism to policy making, but his ambiguous stance toward reform did little to ameliorate a growing social and economic crisis. Alia's efforts at reform were prompted, and tempered, by a commitment to preserving the system that had facilitated his accession to power. The departure from traditional hard-line policies sufficed merely to unshackle the forces that would accelerate the collapse of the old system.

3. In December 1990, swayed by large-scale student demonstrations, strikes, and the exodus of thousands of Albanians to Italy and Greece, and fearing the prospect of a violent overthrow, Alia yielded to the popular demand for political pluralism and a multiparty system.

At this time two men came to prominence who for the subsequent eight years dominated Albanian politics: Sali Berisha emerged as leader of a new Democratic Party of Albania (DP); and Fatos Nano, a moderate in the communist Albanian Workers' Party (AWP), was made deputy prime minister in January 1991 and then prime minister on the eve of the first free election.

In March 1992 a parliamentary election was won by the Democratic Party. Its leader, Sali Berisha, became president. In May 1996 the Democratic Party claimed again victory at the parliamentary election, but the election procedures were not found free and fair by international monitors.

4. In January-May 1997 rioting broke out in the wake of the collapse of pyramid funds, into which much of the population had deposited their life savings. Large sections of the country descended into anarchy as army barracks were looted. In June 1997 a fresh parliamentary election was held and won by the reformed communist party, the Socialist Party of Albania (SPA). Its leader, Fatos Nano, becomes prime minister. Following the elections on 29 June and 6 July 1997, the parties represented in the majority coalition hold 116 of 155 seats in Parliament. The elections resulted in a clear majority for the Socialist Party, which obtained 52% of votes overall, compared with 25.7% for the Democrat Party of former President Berisha.

Political situation

5. The events of September 1998 - leading to the resignation of Prime Minister Nano – confirmed again the volatility and confrontational character of political life in Albania. Although the government is constitutionally accountable to the unicameral parliament, in practice, the role of the Albanian parliament has always been limited. Though the government has been in place since July 1997, its action has been limited by a boycott (renewed since early July 1998) by the main opposition party. This boycott ended on 21 July 1999 and Parliament should now become a more effective legislative body. The ongoing monitoring of Parliament by OSCE has recorded only minor irregularities and shortcomings with regard to legislative procedures.
6. Political and parliamentary life in Albania remains dominated by strong bipolarisation and confrontation between the political parties. This refers above all to the issues of corruption, public order, and the attitude towards the Kosovo crisis, which have introduced elements of vulnerability in the political, social, economic and institutional areas.
7. According to the major constitutional provisions and several laws adopted in cooperation with the Council of Europe, there is a legal separation of powers. However, given the traditionally weak role of Parliament, the poor state of the judiciary and a largely inefficient administration, these principles are only partially applied in practice.
8. Partial local elections held in June 1998 in order to fill the institutional vacuum resulting from the 1997 crisis in some areas, were marked by an unusually low turnout (less than 50%). This reflects a decreasing interest of the Albanian population in politics. The elections were considered by the OSCE as free and fair.
9. Following the resignation on 28 September 1998 of Mr. Fatos Nano, the former Prime Minister, a new Government took over on 2 October 1998. It is led by Pandeli Majko, the young Secretary of the Socialist Party, and includes the Socialist Party, the Social-Democrat Party, the Human Rights Party, the Democratic Alliance and the Agrarian Party. The Fatos Nano government was supported by the same majority, and resigned following a crisis triggered by disorders following the assassination on 12 September 1998 of Azem Hajdari, a member of Parliament representing the Democratic Party.
10. In the programme presented to Parliament, Majko said the priorities of the new Government were to develop democracy (dialogue with the opposition, approve the new Constitution and speed up reform of the public administration) while stepping up public order and the fight against corruption. On 22 November 1998, the new Constitution was approved by popular referendum, checked by international monitors.
11. The internal situation of the country is still difficult. The most obvious dysfunctional aspects concern public safety, law and order and corruption (it should be noted that on 24 January 1999 the Albanian authorities decided to accede to the Council of Europe Convention on corruption), in addition to a high level of unemployment. Under the new government in place since October 1998, a political extraparliamentary dialogue has begun in December 1998 between PM Majko and the Democratic Party (Mr. Berisha). This dialogue, which developed against the background of the situation in Kosovo and continued during the massive influx of refugees, contributed to an improvement of the political climate in Albania, and also to the return to Parliament of the Democratic Party.

Economic situation

12. Albania is the poorest country in Europe (the GDP per capita averages around 765 Euro). According to the World Bank, 30 % of its population of 3,4 millions are living under the poverty line. This makes the transition to a more open-market economy very difficult. The economy rebounded in 1993-95 after a severe depression accompanying the collapse of the previous centrally planned system in 1990 and 1991. Most agricultural land was privatized in 1992, substantially improving peasant incomes. However, a weakening of government resolve to maintain stabilisation policies in the election year of 1996 contributed to the renewal of inflationary pressures, spurred by the budget deficit which exceeded 12%. The collapse of financial pyramid schemes in early 1997—which had attracted deposits from a substantial portion of Albania's adult population - triggered severe social unrest which led to more than 1,500 deaths, the widespread destruction of property, and an 8% drop in GDP.

13. The new government installed in July 1997 initiated first measures to restore public order and to revive economic activity and trade. Unemployment is high, with large numbers of young people out of work and constituting a large, frustrated and volatile migration potential. Official figures indicate more than 20 % unemployment. The economy continues to be bolstered by remittances of some 20% of the labor force which works abroad, mostly in Greece and Italy. These remittances are equivalent to at least 25% of the GDP. The remittances – and development aid - supplement GDP and help offset the large foreign trade deficit.

14. Despite many difficulties, Albania continued to implement stabilisation policies agreed upon with the International Financial Institutions (IFIS). In May 1998, the authorities agreed a three year Enhanced Structural Adjustment Facility (ESAF) arrangement with the IMF in support of the medium-term economic programme. Annual inflation was 8.7% in 1998, down from 42% in 1997, a good performance largely attributable to the continued prudent stance of monetary and fiscal policies. The decreased inflation has allowed some easing of monetary policy. The Lek has remained fairly stable in 1998, without significant intervention by the monetary authorities. GDP growth for 1998 is expected to have reached 8% (-7% in 1997), which should be sufficient to raise output to its pre-crisis level. However growth is highly vulnerable to continuing political instability and civil strife, which discourage domestic and foreign investors.

15. The implementation of the budget is broadly on track with the objective of a domestically financed deficit equivalent to 6.5% of GDP for 1998. (1997: 11%). Fiscal revenues collected by customs (VAT, duties and excises) in the first seven months of 1998 were almost twice the amount collected in the same period in 1996, before the crisis. It should be noted that revenues from custom duties are one of the main sources of fiscal revenue, and tax revenues other from the VAT are very low due to the large size of the informal economy.

16. With regard to trade liberalisation, Albania has no quantitative restrictions on imports and maintains very few on exports. A further reduction in tariff rates and in the number of rates has been decided and is expected to be implemented in April 1999, while excise taxes on imported and domestically produced goods were harmonised in January 1999. The latest round of negotiations for WTO membership confirmed that Albania's accession to WTO can reasonably be expected by late 1999. The liberalisation of prices is more or less complete, with the exception of public transport, rail fares, postal tariffs, electricity and the rural water supply. Capital movements are largely liberalised.

Human rights

17. Albania is a member of the Council of Europe since 1994. Freedom of expression, including the printed media, is generally respected. Regarding the electronic media, national TV and radio seem to have established a more balanced coverage of events. With the adoption of the new Constitution on 28 November 1998, Albania made a big step forward especially with regard to respecting human rights and more particularly in respecting its obligation to the right of asylum stemming from the 1951 Convention. Thus the Constitution contains an article on the right to asylum (Article 40). It also provides that international instruments to which Albania has acceded supersede the national law (Article 5), the right of non refoulement (Article 39(3)) and freedom of movement (Article 38).

18. The right of assembly and demonstration is generally respected. Opposition rallies, in particular those organized regularly by the Democratic Party (DP) in Tirana's main square, normally take place without major incident, with the notable exception of the events of 14 September 1998 (following the killing of Mr. Hajdari) which led to temporary occupation of government buildings and TV. There has been increased police presence after this event, but normally with almost no enforcement of demonstration bans issued on several occasions by the Ministry of Interior for public order reasons. The right of association is generally assured. Political parties must apply to the Minister of Justice for official certification. Several officials of opposition parties continue to claim, however, that there are attempts at intimidation by the police.

19. The rights of minorities in Albania (besides small communities of Vlachs, Gypsies, Serbs, Bulgarians and Montenegrins, the main minority are ethnic Greeks) are guaranteed in the basic constitutional provisions. The Greek minority is well organised and politically represented by the Human Rights Party, which has access to the media like other parties or associations. Almost all Greek schools affected by the 1997 crisis have been rehabilitated. There is a right to use minority languages in court proceedings. While prejudice against the Roma minority persists, this is not officially sanctioned and manifestations of intolerance are less common than in other countries of the region.

20. Albania remains marked by a lack of public order in large parts of the country and widespread crime and arms trafficking. The judiciary and police operates generally under poor conditions. Against this background a right for seeking redress, a fair trial or protection against arbitrary arrest or detention, which legally exists, cannot apply in practice. It should also be noted that Albania's prisons remain in a very poor state, even if two were rehabilitated after the 1997 crisis. Since late 1997, all courts have reopened (40% had been completely destroyed during the 1997 crisis) but given the continuous lack of investigation by local prosecutors' offices and the police, their functioning remains limited.

21. Violence against women and spousal abuse still occur in this traditional male-dominated society, but the breakdown in police controls, coupled with the low level of concern that police showed in such cases in the past, means that most abuse goes unreported. No government-sponsored program protects the rights of women. Women and girls are often lured into prostitution rings, especially in Greece and Italy. According to an IOM report there were 3 600 cases of trafficking in Albanian women in Italy in 1996, as compared with 300 cases on average in other countries. Rigid notions of family honour make it extremely difficult for such women and girls to return to their communities.

B. STATISTICAL BASES AND INITIAL SITUATION

I Nationals of Albania in the Member States

22. Eurostat statistics (Annex I) show that Albanians represent the highest share of third-country nationals resident in Italy and Greece. Both countries issued in recent years the largest number of residence permits to Albanians (70 000 by Greece and 75 000 by Italy in 1998). Albanians represent also the highest share of legal immigrants in Italy (15% of all non-EU immigrants). Although there are no certain data on illegal immigration, the high number of Albanian citizens repatriated from Italy and Greece, or refused entry at the border, demonstrate that the illegal flux is consistent. A significant number of Albanian tertiary education students is registered in Italy, Germany and Greece.

II Analysis of the causes of migration and flight

23. Albania is a country of both origin and transit for migration flows directed to European countries. Since 1990 Albania has experienced massive migration. According to the Albanian Emigration Department, over 500 000 Albanians (about 15 % of the population) emigrated during the period 1990-1997. It is commonly acknowledged that one person per each Albanian family is living abroad and contributes to the family maintenance. Albanian economy currently relies heavily on emigratory remittances.

Historical view

24. Until 1989 - i.e. until the fall of the communist regime - migration was virtually non-existent, except as a clandestine operation, fraught with risks. The enthusiasm over the new possibilities brought with the freedom of movement, being able to freely leave a country that had been cut off for years from the outside world, swept over Albania like a wave, as the newly visible manifestation of newly-won democratic freedoms.

- The first political and economic opening of the country (late 1991/early 1992) was therefore marked by major unrest and massive migration: around 50 000 people to Italy (half of them were forced to return temporarily) ; around 30 000 to Greece ;

- 1992-late 1996 (process of economic and political reforms providing for relative stabilisation in Albania with the notable exception of the financial sector) was marked by regular " controlled " influx: migration to Italy amounting up to 200 000 ; to Greece reached 300 000. Official Greek figures (June 1996) only indicate 150 000 immigrants.

- 12/96-4/97 (crisis linked to the collapse of " pyramid schemes ") : Abrupt renewed influx, namely to Italy (up to 30 000) and to Greece (up to 40 000), partial return and noticeable reduction of influx following the deployment of a Multinational Protection Force led by Italy (April-August 1997).

- Since late 1997 : apparently continuous migration of Albanians to the EU (in particular to Italy, Greece, Switzerland and Germany via Italy), but also to other countries, particularly other developed countries like the USA, Canada and Australia) of around 5 000 per month.

The causes of migration

25. Apart from the specific period of political uncertainty and threat of famine during the first transition crisis (late 1991/early 1992), Albanians have left the country mainly for the following reasons:

- Economic reasons. Emigration is perceived by large part of the Albanian population as the only immediate response to the country's economic needs and social instability.

- A significant number of Albanians have left their homes because of the failure of the public authorities effectively to enforce law and order, and protect human rights. Albanian society after the long period of isolation still contains traditional elements, including the significant role of clans, blood-feud and revenge killings, which aggravate the social and political antagonisms and worsen the security situation in the country. Accordingly, additional reasons for Albanians to leave their homes are bad security conditions and violations of human rights. As a result of the state crisis of 1997, there have been serious shortcomings in maintaining public order and security in the country and a general increase of fraud, corruption and organised crime (already important prior to this crisis). Some areas are controlled by armed gangs, as the Government has not been able to assure protection and the rule of law. It should be noted, though, that recently the Government launched a new campaign to restore law and order and to fight the corruption, and the police have carried out visible anti-gang actions in various parts of the country. Antagonism between supporters of the socialist and democratic parties, and unwillingness to do military service are also reported as causes for migration.

- A number of pull factors are also in action: the presence of Albanian communities in some countries of destination (such as Italy and Greece), media programmes broadcasts and knowledge of language influence the decision to emigrate and the choice of the country of destination.

26. The policy of "containment" by the international community, including the presence of the Multinational Protection Force led by Italy deployed during 1997 and immediate wide-ranging humanitarian and other assistance (customs administration, prisons rehabilitation), resulted in a noticeable reduction of the influx since mid 1997. Elections in 1997, establishment of a new government and a comprehensive assistance package has reduced Albanian emigration to the levels registered in 1992-1996. But given the persisting social and economic scenario in Albania, and the continuation - at least in the near future - of current push and pull factors, immigration flows from and through Albania are likely to continue.

27. Migration movements out of Albania include well-trained professionals and skilled manpower. This constitutes a serious drain on the professional skill and manpower essential to assist and sustain the social and economic recovery on the country, adding further strains to the difficult situation facing Albania and its people.

Albania as a country of transit

28. In recent years large flows of immigrants of Kurd, Indian, Pakistani, Philippino and Chinese nationality reached Italy through Albania. The great majority of those immigrants have their travel organized clandestinely by rings of traffickers, transiting through the region of Vlora, which is considered the center for the illegal smuggling of those immigrants. The weakness of the Albanian Government, and its inability to assure acceptable security conditions, facilitate the flows.

Traffic of migrants

29. Among the enabling factors for the arrival in Albania of many clandestine immigrants of different nationalities and ethnic groups is the consolidation of the criminal organisations engaged in promoting clandestine immigration on a permanent footing. The people involved in the traffic are certainly not the poorest, but are those who can obtain access to the necessary information to attempt the journey, and who have the necessary financial resources to pay their passage to the countries of final destination. Often rings trafficking illegal migrants are also involved in drugs and weapons traffic.

30. It has been reported by OSCE that at least 25 criminal groups organize and manage the traffic of immigrants from Vlora. They have links with local authorities, and strong connections with Italian, Greek and Turkish rings. They use rubber boats with a capacity of 20-30 passengers, equipped with powerful engines. Sometimes illegal immigrants are embarked at sea, from a cargo ship outside the port of Vlora.

Flight of displaced persons from Kosovo

31. The aggravation of the Kosovo crisis marked by military operations in 1998 resulted in a first influx of Kosovars to Albania. The refugee crisis in Albania began in the North of the country in June 1998 when ethnic Albanians fled fighting in Kosovo between forces of the FRY and the Kosovo Liberation Army. By October 1998, it was estimated that a total of some 23 500 refugees from Kosovo had entered the country.

32. In the Spring of 1999 the conflict in Serbia and Kosovo marked a new phase. Hundreds of thousands of ethnic Albanians who fled or were expelled from their homes in Kosovo began pouring into Albania and FYROM. In a few days 450 000 persons found refuge in Albanian territory, mostly in the North. Most refugees found shelter in host families. As of 31 May 1999, 275 680 refugees were living with host families while 175 680 had found shelter in tented camps or collective centres.

33. Following the adoption of Security Council resolution 1244 and the entry of KFOR into Kosovo, a mass spontaneous return started from Albania to Kosovo. On 18 June 1999 a Repatriation Plan was presented which was the result of a collective planning exercise of the Emergency Management Group¹ and the NGO community.

34. As of mid July 1999, a total of 400 000 refugees had departed from Albania and returned to Kosovo, including spontaneous and organised return. Some 6 000 Kosovar refugees remain in Albania at the end of August. The principal reason for the rapid return of the refugees was a strong desire to reclaim their homes and reconstruct their lives. The Community and the Member States played a major role in assisting refugees in Albania and in preparing the conditions for their safe return.

¹ In order to strengthen the co-operation with the Albanian Government and other actors, an Emergency Management Group was created in April as the co-ordinating body which linked the Government, UNHCR and AFOR, OSCE and other actors in dealing with the emergency influx of refugees from Kosovo.

C. EXISTING MEASURES AND ACTIONS

I. Rundown of existing Member State measures and actions

(see also Annex II)

Politics

35. Some Member States have a diplomatic presence in Albania: Austria, Denmark, Germany, France, Greece, Italy and United Kingdom have Embassies in Tirana. The Netherlands Government is to open one later this year. There is a Commission Delegation in Tirana.

36. For diplomatic consultations with Albania various frameworks exist:

a) the bilateral political dialogue EU/Albania (normally once a year at ministerial level (GAC, Troikas) and several times at senior official level).

b) Since April 1997 an OSCE mission to Albania (Head of presence: Ambassador Ahrens) involved in political mediation and specific OSCE activities in the field of democratisation, media and judiciary. The OSCE mission is conceived as an "overall co-ordinating framework" for Albania.

c) " International Conferences " on Albania are convened periodically with involvement of all relevant states, organisations and institutions (all EU countries, Commission, US, Russia, Turkey, OSCE, Council of Europe, WEU, IMF, WB, EBRD) for discussion and concertation on the stabilisation process in Albania. These conferences were hosted by Italy in May, July and October 1997 and by Albania in October 1998.

d) A "Friends of Albania Group" was established in September 1998 in order to provide political coherence for assistance to the country. The Group is co-chaired by OSCE and EU Presidencies.

e) European Community Monitoring Mission (ECMM): around 10 observers in Albania

f) Albania fully participates in the Stability Pact for South-Eastern Europe.

Economics

37. Following the major state crisis in Albania, short and medium term economic assistance is provided to Albania in the framework of a "Recovery Programme" jointly established in 1997 by the World Bank, EBRD and the European Commission in consultation with IMF. This was endorsed at a Donor Conference (Brussels, 22 October 1997) co-chaired by the European Commission and the World Bank which has set up clear objectives and a division of tasks among donors in different sectors and allocated more than 600 MEURO. In parallel, an emergency programme of the IMF focusing on macro-economic stabilisation started which was followed by a medium-term economic programme (since May 1998), supported by an Enhanced Structural Adjustment Facility. Regular sectoral and general donor meetings took place since then organised mainly by the World Bank and/or the European Commission. Several sector meetings also were organised by the Friends of Albania Group under its local formation (by OSCE). A G24 donor meeting for Albania was organized in Brussels on 26 May 1999 to coordinate the provision of macroeconomic aid to Albania.

38. EU trade represents around 90 % of Albania's foreign trade. Albania's main trading partners are Italy, Greece and Germany. In 1998 exports amounted to USD 226,34 million; imports to USD 580,53 million and the trade balance was (-) USD 354,19 million.

39. EU cooperation in the Balkans – as well as in Albania - is aimed essentially at contributing to peace-keeping and economic and social stability in the region. In addition to the two primary objectives, measures to strengthen capacity-building and institution-building for the development of administrative and management structures as well as small businesses are being taken. Apart from the Community, Italy is the largest bilateral donor to Albania.

II. Rundown of existing EU/Community measures and actions

Politics

40. Within the framework of the existing bilateral political dialogue, the EU and Albania have already achieved a wide-ranging convergence in positions on international and regional issues. This dialogue has proved to be useful, in particular in the context of past conflicts in the Balkans, including the recent Kosovo crisis. Such dialogue will constitute an important instrument in the context of the Stability Pact for South-Eastern Europe.

41. Recently, the EU determined its position and took action on Albania as follows:

- On 30 October 1998 a global position was prepared for the International Tirana Conference setting out objectives for the process of stabilisation in Albania.
- On 6 March 1999 the Council approved a joint action concerning the contribution of the European Union for the re-establishment of a viable police force in Albania and invited the WEU to implement this joint action.
- On 10 May 1999, the Council approved a decision on an EU contribution collection and destruction of weapons in Albania.
- At the General Affairs Council of 21/22 June, the EU determined its position on the new Stabilisation and Association Process for South-Eastern Europe, including for Albania.

Economics and development cooperation

A) Contractual relations

42. An Agreement on trade and commercial and economic cooperation of non-preferential nature (only Community agreement, not mixed) is in force since December 1992. This agreement contains a classical human rights suspension clause. As early as 1995, Albania requested the opening of negotiations for an association agreement. The General Affairs Council of 29/30 January 1996 invited the Commission to submit formal proposals for a new agreement with a view to enhancing relations with Albania. However, these perspectives were blocked because the parliamentary elections of May 1996 cast a shadow on Albania's democratic record and were followed by a deep state crisis in early 1997 provoked by the breakdown of the pyramid schemes.

43. An upgrading of contractual relations has to be seen in the context of the EU's Regional Approach and on the basis of compliance with relevant conditionality (GAC conclusions of 29 April 1997) and real progress in terms of stabilisation and development in the country. In the framework of the new Stabilisation and Association Process endorsed by the GAC conclusions of 21/22 June 1999, the Commission is currently preparing a report on the feasibility of the opening of negotiations for a Stabilisation and Association Agreement.

44. As regards the trade regime, only the Community scheme of generalized preferences (GSP) was offered to Albania until very recently. On 29 July 1999, the Council adopted a Regulation concerning trade arrangements for imports from Albania. This new regime of autonomous trade preferences (comparable with the EC trade regime offered to Bosnia and Herzegovina and Croatia) comprises duty-free access to the Community for almost 80% of Albanian exports and has entered into force by 1 September 1999.

B) Assistance

45. There has been very substantial EC assistance to Albania since 1991: With Euro 733 million granted during the period 1991-98 Albania was offered so far the highest EC assistance per capita of all CEECs. Since the 1997 state crisis, key areas of PHARE intervention after the 1997 crisis (Euro 113 million in 1997/98) in the framework of a joint recovery programme (established together with IMF, the World Bank and EBRD) are the following:

(1) Public administration reform

This assistance concentrates on the reform of state institutions (key ministries) and the creation of an appropriate legal and institutional framework of an efficient public service. It includes specific support to the police (mainly equipment in cooperation with the WEU/MAPE mission in Albania), a joint programme with the CoE in favour of a reform of the judiciary and legal reform and a Customs Assistance Mission CAM-A, which focuses on improved revenue collection, on modernization of the customs services and on anti-fraud and anti-corruption actions.

(2) Infrastructure

Given the general poor status of infrastructures in Albania, the basic aim is the creation (and maintenance) of the main large scale road connections, also with a view to relevant North-South and East West Trans-European corridors. Furthermore, this assistance focuses on ports and water/sanitation.

(3) Agriculture

In this important sector which represents more than 50% of GDP, PHARE concentrates on the completion of a land-mapping survey and the improvement of the veterinary standards.

(4) Local community development

Activities range from rehabilitation of public buildings (including police stations; schools etc), construction or rehabilitation of local roads or other infrastructure) to basic environmental activities (cleaning). Designed as a programme for rural areas and local (low skill) job creation first, this programme has been extended recently to Tirana and other bigger towns and also comprises first elements of regional development planning.

Furthermore, PHARE assistance was given to:

- Statistical cooperation including preparation of future population census
- Support for the winding-up of the pyramid schemes (in cooperation with the World Bank)
- Education and training

46. In 1999, the PHARE programme amounted Euro 56,5 million (Euro 42,5 million national programme and Euro 14 million cross-border cooperation with Greece and Italy) in the same key areas. In the context of the state institutions and public administration programme, a PHARE special budgetary assistance (Euro 14,9 million as grant) is being implemented covering priority expenditures for the functioning of key ministries. This assistance is conditional upon compliance with general (IMF) and sector related conditionality determined by the Commission. Likewise, budgetary assistance is offered under the EC food-aid facility (Euro 10,5 million as grant) which is linked to reform efforts in the agricultural sector. In the context of the Enhanced Structured Adjustment Facility offered by the IMF in the context of the country's medium-term economic programme, the EC also decided in May 1999 to offer Albania a loan of up to Euro 20 million linked to the ESAF/IMF programme. Additional budgetary assistance for costs caused by the Kosovo refugee crisis was granted by the EC (Euro 62 million committed and of which Euro 40 million were paid which corresponds to the real costs).

Humanitarian aid

47. Humanitarian aid is provided by ECHO since early 1997, in particular food aid, health care and water distribution for most vulnerable groups of the Albanian population in general and, since May 1998, specifically for Kosovar refugees in cooperation with UNHCR (1998: 11 MECU). In the context of the massive refugee influx in 1999 (March-June), activities substantially stepped up for refugee camps and hosting families (more than Euro 100 million).

Justice and Home Affairs measures

48. The present Agreement on trade and commercial and economic cooperation with Albania does not contain a re-admission clause and no joint declaration on re-admission. Albania is mentioned on the list of countries whose nationals must be in possession of a visa when crossing the external border of the EU Member States (Council Regulation 2317/95). Comprehensive joint programme European Commission/Council of Europe for the reform of the judiciary in Albania in line with European standards. Albania is a Partner Country within the PHARE multi-beneficiary Drugs Programme and is participating actively in one drug demand reduction project to a reduced extent. In the field of supply reduction, Albania has expressed its intention to participate in the PHARE Drugs Police Exchange Project with 2 officers while there is no active participation so far in the field of drug policy development.

III. Measures and actions by UNHCR, IOM, ICRC and other inter-governmental and non-governmental organisations²

UNHCR

Institution/Capacity Building

49. To fill the gap in the Albanian legislation regarding asylum, UNHCR offered the Albanian Government expertise and funds to create its own asylum/refugee legislation and an appropriate implementing structure. For that purpose, a working group was set up and successfully finalized the work. The draft law was approved by the Cabinet of Ministers on 18 September 1998 and by the Albanian Parliament on 14 December 1998. Another aspect of UNHCR's support towards completing the relevant legislation was the contribution given by UNHCR on the draft Law on Citizenship, recommendations which were fully endorsed by the Government. This led to the adoption of the new Constitution on 28 November 1998: with that adoption Albania made a big step forward with regard to respecting its obligation to the right of asylum stemming from the 1951 Convention.

Assistance to refugees/asylum seekers

50. Given Albania's economic conditions and the impact the refugee caseload has on the economy and social life of the country, UNHCR established a project targeting the refugee caseload presently in the country. The project was implemented by international and local NGOs as well as the Albanian government. It also had (and continues to have) a Care and Maintenance Project to provide assistance to a small caseload of refugees/asylum seekers, in the form of monthly cash granted for shelter, food and health care. The Project is implemented by the Albanian Red Cross. Refugees/asylum seekers benefiting from this project are non-Kosovars, i.e. Kurds from Iraq, Pakistanis, Iranians and Syrians. The implementation of this project is in its fourth year and is continuing during 1999. In view of this situation, a multisectoral programme was established by UNHCR to support the refugee population through the Albanian government and some NGOs working in the country. Nine sub-agreements were signed under the multisectoral programme to cover the most basic sectors of assistance such as: food, transport, domestic needs, health, infrastructure, community services and education.

Mass Information programme

51. In an effort to dispel illusions on emigration and to allow Albanians to reach informed decision on their future, a mass information programme was launched during 1997 and continued in 1998 by UNHCR. It addressed in a comprehensive way the issue of illegal departure, asylum, refugee status, as well as related push factors, such as specific health and economic issues.

² The full text of the reports by UNHCR and IOM is in Annex III. Most of the described measures and actions were undertaken with the substantial support of the Community and the Member States.

52. Since the influx of refugees from Kosovo, reaching its peak during the period of the military intervention of NATO in the Federal Republic of Yugoslavia, some 450 000 refugees from Kosovo sought refuge in Albania. UNHCR expanded its operation accordingly and opened satellite offices in Kukes, Shkodra, Durres, Elbasan, Fier and Korce. In order to strengthen the co-operation with the government and other actors, the Emergency Management Group was created as the co-ordinating body which linked the government, UNHCR and AFOR, OSCE and other actors in dealing with the emergency influx of refugees from Kosovo.

53. Most refugees found shelter in host families. As of 31 May 1999, 275 680 refugees were living with host families. An agreement with the government was signed in support of the host families, providing for a cash grant to the host family based on the number of refugees sheltered. A registration of all host families was conducted by the government in co-ordination with UNHCR.

54. One of the major concerns of UNHCR throughout the crisis has been the security of the refugees, particularly women single heads of households, separated children, and men of fighting age in certain areas. No structures exist to respond effectively to security problems encountered by refugees in host families or in camps. While the Albanian authorities have acknowledged their responsibility for the protection of refugees and aid workers, the Albanian police force lacks the human and financial resources as well as training to provide adequate security. In addition, no alternative protective structures are available to refugees in cases where the police are not ready or able to act.

55. Camp security has been of great concern, including security related to the location of camps. All refugee camps in Kukes region were located in close proximity to the border with the Federal Republic of Yugoslavia, within reach of cross-border shelling. In the beginning of May 1999, the Government and UNHCR signed a Memorandum of Understanding relating to the relocation of refugees from all sites in Kukes to locations in southern and central Albania. A mass information campaign was launched to inform the refugees of the security threats and the need to move onwards. This resulted in a remaining caseload of less than 100 000 refugees in Kukes at the moment the withdrawal of the Yugoslav forces from Kosovo was agreed upon. All refugees leaving for central and southern Albania were registered, and their destination recorded, which enabled new arrivals from Kosovo to join their family members. An average of 2 000 refugees per week left Kukes in response to UNHCR's relocation efforts.

Return of Kosovar refugees

56. Following the adoption of Security Council resolution 1244 and the entry of KFOR into Kosovo, a mass spontaneous return started from Albania to Kosovo. On 18 June 1999 a Repatriation Plan was presented which was the result of a collective planning exercise of the EMG and the NGO community. On 28 June 1999 UNHCR started the organised return of refugees from neighbouring countries. Consequently, the UNHCR mass information campaign in Albania shifted its focus to organised repatriation and related issues, like registration, camp consolidation, winterization, and mine awareness.

57. As a result of the deteriorating security situation in Albania, especially since the return movement started, UNHCR's activities in Albania will continue to be focussed on ensuring the physical safety and protection of refugees in the camps, in staging areas and during organised return. UNHCR will continue to provide financial assistance to host families. It is anticipated that while the overall number of refugees in host families will considerably decrease with the accelerated rate of repatriation, a number of vulnerable refugees will stay behind in private accommodation and thus will require appropriate attention.

IOM

58. A number of programmes are carried out by IOM in Albania.

- IOM since years has been running an information campaign in Albania by means of radio and TV broadcasts. The target population of the IOM information programme are ethnic Albanians who wish illegally enter to EU Member States. The Radio and Television programme reaches weekly 2,5 million persons in Albania, Kosovo, Macedonia, Montenegro, Italy, Belgium, Germany, Switzerland, Austria etc. The main purpose of the IOM's Information Programme for Albania is to provide reliable information on regular migration procedures for entering a number of destination countries (in particular Italy and Greece) and resettling there, on migration realities in order to prevent irregular flows.
- IOM is working on introducing rapid information exchange systems and networks in order to prevent trafficking and protect its victims. A special programme financed by the EU and its Member States is being implemented by IOM under the European Commission STOP Programme ("Measures to Prevent and Combat Trafficking in Women and Children for Sexual Exploitation in Italy/Albania/Kosovo"). A new programme for protection of victims and witnesses and a public information campaign against trafficking is beginning with the Italian Government. This programme will also focus on stabilising self-help groups in Albania and co-operating with police, NGOs and victims.
- IOM assists in strengthening the capacity of selected hospitals and health centres taking care of displaced persons through temporary assignment of medical teams and the provision of emergency transportation.
- The IOM Technical co-operation in Albania aims at improving local structures to prevent illegal migration from Albania to EU Member States. IOM advises the Albanian Ministry of Labour and other entities on questions on employment, employment generation activities, exchange programmes for professionals, legal matters and short-term migration programmes between Albania and EU Member States.
- IOM implements a number of projects dealing with the return, economic reinsertion and local capacity building. In the last 5 years, IOM has returned more than 3 000 persons from Italy. One of the newest pilot undertakings especially targeted for ethnic Albanians DP's and Kosovar refugees, is a joint integrated programme named "Assistance to the Voluntary Return and Reintegration of DP's from the Balkan Region who have found temporary protection in Italy". The programme is funded by the European Commission and by Italy.

International Committee of the Red Cross (ICRC)

59. In 1998 ICRC:

- assessed conditions in 12 Albanian prisons and police stations and provided small scale material assistance to inmates
- gave 22 presentations on humanitarian principles, the Red Cross and mine awareness for members of the armed and police forces
- assisted the main hospitals of Northern Albania and the Central Military Hospital in Tirana with surgical supplies
- the names of 3276 refugees from Kosovo were broadcast on the radio to enable relatives who had stayed behind to receive news regarding their whereabouts and well-being.

During the Kosovo crisis the refugees living with host families were the focus of the Red Cross/Red Crescent Movement's efforts in Albania. ICRC had 60 officers in the country.

D. ASSESSMENT OF THE STATE OF PLAY

60. Albania is a country of both origin and transit for migration flows directed to European countries. Albania has still not recovered from the major crisis in 1997. In addition, during the first half of 1999, Albania was shaken by the biggest and yet hopefully shortest refugee crisis in Europe since World War II.

61. Since 1990 Albania has experienced massive migration. Since 1992 Albanians have left the country mainly for economic reasons. The country remains indeed the poorest country of Europe. Emigration is perceived by large part of the Albanian population as the only immediate response to the country's economic needs and social instability. Albanians are often bound to leave their homes due to lack of security and violations of human rights.

62. Despite major efforts of the government since late 1997, Albania remains marked by a serious lack of public order and security in large parts of the country and there is widespread crime, arms trafficking and corruption while the security forces and the judiciary operate under poor conditions. According to ECMM and other relevant sources, security conditions have further worsened during 1999, in the context of the massive influx of Kosovo refugees. The Albanian government is preparing draft basic laws for the functioning of its police forces and started to elaborate, in cooperation with WEU/MAPE, a strategic plan for the development of the police. These efforts and the ongoing assistance for the re-establishment of viable police forces by the WEU/MAPE as well as other bilateral assistance and the support for a strengthening of the judiciary, mainly through a joint programme EC/Council of Europe, will bring tangible results in term of improvement of public order only in the medium-term. In practice, the remaining insecurity continues to hamper cooperation and assistance, namely in the field of infrastructure, is still one of the factors responsible for the very low level of foreign direct investment and, more generally, constitutes a mortgage for the ongoing stabilisation process in the country.

63. Macro-economic stabilization has been confirmed but remains vulnerable in the light of the refugee problem and the continuing lack of public order while structural economic reforms (privatization, financial sector) still need to be tackled. All Albanian governments have pursued a moderate policy of self-restraint with respect to the situation of ethnic Albanians in neighbouring countries.

64. The Albanian people and Government have earned praise for their behaviour in the context of the Kosovar refugee crisis. This crisis, however, has somehow diverted the attention of the Government and the international public opinion from Albania's domestic problems:

- a) Little progress can be noted in the field of security: capital crimes such as robbery, abduction and murder are reported at any time, gang wars belong to the order of the day, large scale illicit trafficking of people, weapons and drugs are notorious, and several areas of the country still remain completely out of control of the Government. Most refugees camps have been looted before they could be dissolved. It should be noted, though, that recently the Government launched a new campaign to restore law and order and to fight the corruption, and the police have carried out visible anti-gang actions in various parts of the country.
- b) Rule of law: although a number of measures have been taken, corruption remains the cancer of the Albanian administrative and judiciary system;
- c) The internal political situation is still marked by confrontation outside of the democratic context, although the return to the Parliament of the Democratic Party is a positive sign in view of a functioning parliamentary democracy in Albania
- d) The capacity of the Albanian administration to absorb the considerable funds made available by the international community for the reconstruction of Albania is still not satisfactory.

65. Given the persisting social and economic scenario in Albania, and the continuation - at least in the near future - of current push and pull factors, immigration flows from and through Albania are likely to continue.

E. ACTION REQUIRED BY THE COMMUNITY/UNION

66. Foreign Policy

- a) Within the framework of the existing bilateral political dialogue, the EU and Albania have already achieved a wide-ranging convergence in positions on international and regional issues. This dialogue has proved to be useful, in particular in the context of past conflicts in the Balkans, including the recent Kosovo crisis. The continuation of such enhanced political dialogue should be an acknowledgement and a useful continuation of bilateral political dialogue meetings which took place so far. Such dialogue would also constitute an important instrument in the context of the Stability Pact for South-Eastern Europe.

- b) At present, there are two EU initiatives in place, which are specifically devoted to Albania.³ A careful monitoring of the implementation of these two EU Joint Actions in place - which both focus on an improvement of public order and security - would be a useful tool of stabilisation.
- c) The perspective of a Stabilisation and Association Agreement with Albania will be envisaged in accordance with the General Affairs Council Conclusions of 21/22 June 1999. In the interim, contractual relations with the Community, based on the 1992 Cooperation Agreement and the Declaration on Political Dialogue, should be continued.

67. Development cooperation

- a) Helping Albania to improve its economic situation and alleviating poverty should continue to be the main focus of European action in the region. More effective intervention in areas such as sound pro-poor economic policy, business finance and markets, access to land, health, education, environment, good governance, human rights, conflict prevention and resolution, gender equality, energy and water are widely accepted as the most effective measures to tackle poverty, in Albania and elsewhere.

Since insecurity and prospects for future crises are also an important cause for migration, the Albanian government should be supported in the restoration of security conditions and of the rule of law in the country, including the fight against the proliferation of small arms. Assistance and cooperation to Albania in justice and home affairs matters are therefore crucial to this effect.

- b) Economic and political development should go hand in hand. Sound macro-economies will need strong and democratically based institutions; and balanced prosperity will in turn reinforce the Albanian political systems. The Commission, in close cooperation with international financial institutions (IFIs), should continue to monitor macro-economic developments and deepen its macro-economic dialogue with Albania and the other countries of the region. Financial assistance should be focused on helping to build a strong, stable market-based economy, well integrated with its neighbours and with the European and global economies. In view of the needs of transition and reconstruction and of increasing infrastructure linkages, considerable investment will be needed. Attention therefore should be given to creating the right climate for private investment flows, in order to fill the gap between public sector capacity and funding.
- c) In this context Community assistance should be continued with a view to achieving further progress in stabilisation, recovery, economic reform and democratisation in this country as well as to enhancing regional co-operation. The EU should continue to support the reform of state institutions and public administration in Albania, in particular the re-establishment of a viable Albanian police in co-operation with the strengthened WEU police advisory mission and the enhancement of its Customs Assistance Mission.

³ (1) Joint Action concerning a contribution by the EU to the re-establishment of a viable police force in Albania (9.3.99; in cooperation with the WEU); (2) Decision on a European Union contribution to collection and destruction of weapons in Albania (10.5.99; in cooperation with UNDP).

68. Migration

- a) The EU and its Member States should finance or co-finance initiatives and programs in the area of preventing immigration flows. Complementing and integrating initiatives already in place at EU level, those initiatives could be used to
- strengthen local administration and infrastructures,
 - training and institutional capacity building;
 - support local labour migration policies;
 - training and exchange of officials between Albania and EU Member States in matters relating to migration;
 - assist border authorities, including in the area of false documents;
 - specific support to the border police in cooperation with the WEU's advisory mission;
 - increased statistical cooperation with Albania;
 - task ECMM closely to monitor migration flows in cooperation with international organisations active in this field.
- b) Illegal trafficking of migrants from Albania, and related crimes, are major concerns for the international community.
- The European Union and its Member States must therefore continue to put pressure on the Albanian authorities to make every effort to prevent and combat the traffic in illegal immigration.
 - Since the smuggling of illegal immigrants is often linked to traffic in arms and drugs, enhancing the fight against drug and arms trafficking could also be useful to curb immigration rings. A more intense participation of Albania in the PHARE multi-beneficiary Drugs Programme and the inclusion of Albania in the existing joint UNDCP/Phare programme on strengthening of the law enforcement capacity in the South Eastern Europe should be supported.
 - An international legal basis for the fight against trafficking of migrants could be useful. Based on a joint initiative by the Governments of Austria and Italy, a "Draft Protocol against the trafficking/smuggling and illegal transport of migrants by land, air and sea" is being drawn up by an ad hoc committee in Vienna in the wider context of a United Nations Convention on transnational organised crime. The EU and its Member States should fully support a quick finalisation of this proposal, with a view to its early implementation. It should be noted that a specific document (Circular 896) has been adopted by the International Maritime Organisation (IMO) in December 1998. It envisages "Interim Measures for Combating Unsafe Practices Associated with the Trafficking or Transport of Migrants by Sea", that States can already comply with on a voluntary basis. An early implementation of this recommendation could help in curbing the traffic of migrants.

- c) Prospects of better economic opportunities in Europe are often due to lack of first-hand, realistic information. The EU and its Member States should therefore continue to finance information campaigns in Albania by means of radio and TV broadcasts, aimed at Albanians who wish illegally to enter EU Member States. The purpose of such information programs should be to provide reliable information on regular migration procedures for entering destination countries and resettling there, and on migration realities in order to prevent irregular flows. IOM's expertise in this area could be usefully utilized.
- d) The EU and its Member States should exercise pressure on the Albanian authorities to fully enforce existing readmission agreements, including clauses relating to the obligation to readmit third-country citizens who have entered the other party's territory after transiting through Albania.
- e) The EU and Albania should conclude a general readmission agreement in the context of a future possible stabilisation and association agreement.
- f) Europol should increase its operational capacity to combat illegal trafficking in immigrants. Enhanced police cooperation for an exchange of information aimed at fighting criminal organizations involved in illegal immigration, drugs and prostitution should also be considered.
- g) To ease the difficulties with which the Albanian authorities may be confronted while caring for and supervising the journey home of third-country returnees, the Albanian authorities could be assisted in their efforts to give temporary accommodation.
- h) The EU and its Member States should support initiatives and programmes in the areas of return and reintegration, strengthening local authorities' capacities in reception and reintegration of returnees, including victims of sexual exploitation.
- i) The EU and its Member States should support programs to encourage voluntary return and for sustainable reintegration schemes.
They could, in cooperation with international organizations:
- identify possible reintegration assistance/capacity-building opportunities for potential returnees on the communal level, in cooperation with local and European NGOs, governmental agencies, international organizations based in the Balkans;
 - support measures aimed at developing the asylum system in Albania by promoting sustainable integration of refugees, facilitating the resettlement of appropriate cases, and supporting the return of rejected cases.
 - support the development of an entrepreneurial component (micro/small-scale enterprises);
 - set up a local employment observatory;
 - organize return travel.

- j) Look into ways to better coordinate the many initiatives that are currently underway by the EU, its Member States and various international organizations (OSCE, UNHCR, UNDP, WEU, Council of Europe) in Albania in the area of justice, migration and internal affairs. There is a need for a greater degree of coordination of such initiatives, in order to avoid overlapping and duplications, and for monitoring their results.
- k) Integration into society of Albanian nationals legally residing in Member States should be promoted.

PART II

NEIGHBOURING REGION: FR YUGOSLAVIA, PARTICULARLY KOSOVO

A. GENERAL INTRODUCTION

1. The Federal Republic of Yugoslavia (FRY) consists of the republics of Serbia and Montenegro; part of the Republic of Serbia are the provinces of Vojvodina and Kosovo and Metohija. Political life of the FRY is dominated by Federal President Slobodan Milosevic. He controls the country through his role as President of the Socialist Party of Serbia (SPS) and his domination of other formal and informal institutions. Although the SPS lacks majorities in both the Federal and Serbian Parliaments, it controls governing coalitions and holds the key administrative positions.

2. The international community does not recognise the claim of the FRY to be the sole successor state to the former Socialist Federative Republic Yugoslavia (SFRY). Accordingly, the FRY is not permitted to take the seat of the SFRY in the United Nations (UN), the Organisation for Security and Cooperation in Europe (OSCE), or other international organisations and financial organisations. Bilateral relations of the FRY with neighbouring countries are overshadowed by issues arising out of the dismemberment of the former SFRY.

3. The collapse of the SFRY in 1991 has been followed by highly destructive warfare, in particular in Bosnia and Herzegovina, the destabilisation of republic boundaries, and the break-up of important interrepublic trade flows. The output in FRY dropped by half in 1992-93. Hyperinflation ended with the establishment of a new currency unit in January 1994; prices have been relatively stable since then. The suspension of UN sanctions in December 1995, following the Dayton Agreement, has not stimulated economic growth to a considerable extent. Unemployment and underemployment remained high even before the Kosovo crisis, since the government was unable or unwilling to introduce necessary restructuring measures. The government also failed to implement needed sweeping economic reforms, including privatisation.

4. The developments in Kosovo since spring 1998 and the international community's response to Serb repression there have led to a further deterioration of economic conditions in the FRY. Additional taxes were imposed and a major devaluation in early 1998 was followed by renewed inflation. New economic sanctions by the EU were imposed and the FRY continues to be excluded from international financial institutions. According to estimates, GDP has fallen to about 1 000 Euro per capita per annum. Industrial and infrastructure damages incurred during Operation Allied Force amount to some 18 billion Euro, according to the German Bundeswehr University in Munich.

5. Kosovo, historic „heartland of Serbia“, became part of the Ottoman Empire after the battle on Kosovo Polje in 1389 and more than 500 years later, in 1913, part of Serbia again. It borders Serbia in the north and northeast, Montenegro in the northwest, Albania in the west and the Former Yugoslav Republic of Macedonia (FYROM) in the south. It covers a total of 10 887 square kilometres. According to the 1991 census the population of Kosovo numbered 1 930 000 people; of those were 1 608 000 Albanians (estimate of the Federal Statistical Office based on the previous 1981 census; Albanians boycotted the 1991 census), 195 000 Serbs, 57 000 Moslems (Serbian speaking), 43 000 Roma, 20 000 Montenegrins, 11 000 Turks and 6 000 people of other nationalities.

6. In 1981, in the immediate post-Tito era demonstrations in Pristina and a government crackdown took place. The suppression of the autonomy of the provinces of Vojvodina and Kosovo and Metohija in the late 1980's, early 1990's gave the signal for the break up of the former SFRY. In September 1990, a newly adopted Constitution of the Republic of Serbia revoked Kosovo's autonomy. The Kosovo Albanian population was gradually excluded from both the political and economic spheres of society. In reaction, the Kosovo Albanian community began setting up their own parallel structures of government (in September 1991, they organised an unofficial referendum which voted in favour of a sovereign and independent state of Kosovo; Dr. Ibrahim Rugova was elected as their president in 1992), economy, education, health and social care. Armed confrontation between the Kosovo Liberation Army (KLA or UCK) and Yugoslav police and security forces, especially since February/March 1998, contributed to an escalation of the crisis. The fighting resulted in massive displacements of people inside Kosovo and also across its borders. As a result over 80 000 Kosovars asked for asylum in Member States in 1998.

7. Even before the fighting started in early 1998, the economy in Kosovo was weak, with unemployment levels reaching estimated 75%, and with many families surviving on support from relatives abroad. Health and education services were provided through parallel channels, of which one was run by the Kosovo Albanian community. An important informal (grey) sector of the economy, largely run by the Albanian element had also developed. While before the crisis a considerable number of Kosovo Albanians were receiving humanitarian assistance by international NGOs, the 1998 clashes in Kosovo made a large part of the population totally dependent on external support even for the most immediate daily requirements. The ethnic cleansing drive of the Yugoslav army, security and paramilitary forces prepared in the beginning of 1999 and speeded up after March 24, 1999 devastated and depopulated major parts of Kosovo: 78 000 houses and apartments are destroyed, a further 120 000 are damaged; 500 schools and 240 medical institutions are destroyed or damaged. The population, including returnees, will remain dependent for quite some time on humanitarian assistance.

8. In October 1998 the international community managed to reach an agreement on the withdrawal of a part of the Yugoslav armed forces from the province and on the deployment of 2 000 unarmed verifiers, the Kosovo Verification Mission (KVM), under the OSCE banner. The agreement also foresaw that negotiations would start on the future status of Kosovo. As a result many displaced persons and refugees returned to their villages of origin in Kosovo; programmes of emergency rehabilitation allowed them to move back into their homes. At the same time a decline of asylum applications by Kosovars in most Member States was registered.

9. When the second round of the Rambouillet peace negotiations in France failed in March 1999, the OSCE Chairman in Office ordered the evacuation of the KVM on 19 March 1999. With the evacuation of the KVM, most aid organisations left Kosovo as well, including UNHCR. ICRC was the last organisation to leave on 24 March 1999.

10. In the Spring of 1999 the conflict in Serbia and Kosovo marked a new phase. Yugoslav security forces in Kosovo, which had been building up over several weeks, started burning, robbing, looting, raping and killing in order to systematically chase the Kosovo Albanian population of both rural and urban areas out of the province and across the borders with Albania and FYROM. Mass confiscation of identity papers, civil records and property deeds of Kosovo Albanian refugees by FRY authorities were also reported. Altogether, over one million Kosovo Albanians have been forced to leave their homes since the start of the crisis in spring of 1998, most of them (well over 800 000) since the last days of March 1999. At the end of the armed conflict roughly 450 000 displaced Kosovo Albanians were in Albania, 250 000 in FYROM, 21 700 in Bosnia and Herzegovina and 70 000 in Montenegro. As a result of the conflict, over 150 000 Kosovo Albanians came to the Member States between January 1998 and the end of May 1999 (see paras 15 and 18 below).

11. There has been a risk that the massive influx of refugees could destabilise neighbouring countries, in particular FYROM. To ease the burden on it about 92 000 have been evacuated from there to third countries (to Member States about 53 000). However, despite the flight of hundreds of thousands of people from Kosovo, an estimated half a million ethnic Albanians still remained in the province, in lamentable conditions, many of them internally displaced. With some time lag asylum applications of Kosovo Albanians in Member States have likewise started up again since May 1999.

12. The decision of the FRY Government and Parliament on 2 and 3 June 1999 to accept the conditions of the G-8 for an end of the air strikes and UN Security Council Resolution 1244/99 of 10 June 1999 opened the way for withdrawal of Yugoslav forces from Kosovo and the taking over of control in the province by KFOR, thus creating the necessary security for a return of the displaced Kosovars. The vast majority of displaced Kosovo Albanians in the region have returned to Kosovo spontaneously or with the help of the international community and have started reconstruction of their homes. Voluntary return of evacuees from farther afield, including Member States, has likewise begun. Since the massive return of Kosovo Albanians to Kosovo, members of minority ethnic groups, notably Serbs and Roma, are at a significant risk of severe forms of discrimination and persecution in the province including physical attacks, some resulting in death, arson and looting of their property. As a consequence Serbian and Roma civilians have fled in large numbers to Montenegro, Serbia and other countries. In the FRY there are already over half a million refugees from the earlier wars

B. STATISTICAL BASES AND INITIAL SITUATION

Kosovo Albanians in the Member States

13. Exact statistical data on the size of the resident Kosovar population and of the number of asylum seekers in Member States are not available because only citizenship and not nationality or mother tongue used to be recorded.

14. The Kosovar Albanian population is concentrated in those Member States that used to import labour force from SFRY temporarily.

15. The influx of asylum seekers since early 1998 has affected also other Member States. In 1998 71 360 citizens of the FRY (80 to 90% of whom are estimated to be Kosovo Albanians) applied for asylum in Member States, in the first five months of 1999 32 837.

16. After the end of March 1999, people displaced from Kosovo by the massive ethnic cleansing drive of the Yugoslav authorities were granted appropriate protection in Member States either in the framework of asylum procedures, through introduction of a system of temporary protection or through the granting of other forms of status.

17. Most displaced Kosovo Albanians showing up at Member States borders do not have identity documents. The crisis has had no adverse effect on the activity of human trafficking; on the contrary, the criminal organisations try to cash in on the situation.

18. In addition, about 53 000 Kosovo Albanians were brought to Member States through evacuation from FYROM.

Analysis of the causes of migration and flight

19. What appeared to begin in late February 1998 as a Serb government campaign against the separatist KLA evolved into a comprehensive, premeditated, and systematic program to ethnically cleanse the Serbian province of Kosovo of its roughly 1,7 million ethnic Albanian residents.

20. From around 24 March 1999 until 10 June 1999 there was no viable internal flight alternative for Kosovo Albanians within the FRY, except - to a limited degree - the Republic of Montenegro. With the armistice agreement and the withdrawal of Yugoslav forces from the province, Kosovo Albanians have not to fear persecution from government forces there any more. However, the security situation is not yet completely under control and minority groups are subject to pressure from both criminal bands and Kosovo Albanian nationalist groups.

21. Family links to members of the resident Kosovo Albanian communities in Member States is a decisive pull factor when deciding not to stay in the region and to which country to move. Family links were also used as a criterion when choosing the destination of evacuation.

C. EXISTING MEASURES AND ACTIONS

I. Rundown of existing Member State measures and actions

22. According to the international consensus that the Kosovo Albanians displaced from their home country, with the exception of the evacuations for humanitarian reasons and to alleviate the burden on certain states of the region, should be received and cared for in the region, all Member States have given substantial humanitarian aid in cash and kind to enable them to survive and stay there. Bilateral aid is now being redirected to delivering aid in Kosovo itself and to help the return and reconstruction process.

23. Heeding the appeal of UNHCR, most Member States have evacuated displaced Kosovo Albanians from FYROM and granted them temporary protection. An agreement on numbers and burden sharing could however not be reached. One Member State initiated also an evacuation programme for Kosovo Albanians who had fled to Albania and who had close family members in that Member State. Kosovo Albanians who arrived in Member States on their own during the crisis were also granted temporary protection, temporary possibility to stay, or were granted asylum.

II. Rundown of existing Community/Union measures and actions

Politics

24. The EU and the international community have multiplied their efforts to stabilise the situation in the Western Balkans. The EU initiative, the Stability Pact for South Eastern Europe was adopted on 10 June 1999 by the EU, South-Eastern European countries and other parties. The FRY is welcome to join the Pact once it has fulfilled its obligations. The EU is also an active partner in the United Nations Mission for Kosovo (UNMIK) and responsible for economic and social reconstruction in the region. EU relations to South-Eastern Europe are governed by the Stabilisation and Association Process in accordance with General Affairs Council Conclusions of 21-22 June 1999.

25. Up to 24 March 1999 all Member States except Ireland and Luxembourg had embassies in Belgrade. When the air strikes started FRY broke off diplomatic relations with the United Kingdom, France and Germany. Italy, Greece and Sweden maintained their presence in Belgrade while the others closed their embassies without breaking off diplomatic relations. The Commission Delegation in Belgrade was closed as well, but has reopened since. After the acceptance by the FRY of the conditions of the international community the following embassies have been reopened: Austria, Belgium, Denmark, Finland, Netherlands, Portugal and Spain.

26. Member States, who are also Members of NATO contributed their share to the efforts to bring by military action the authorities of the FRY and Serbia to end its policy of ethnic cleansing in Kosovo and to accept the conditions of the G-8 and the EU. The Council of the Union stated that "in the face of extreme and criminally irresponsible policies and repeated violations of the UNSC Resolutions, the use of severest measures, including military action, has been both necessary and warranted".

27. Since the outbreak of the crisis in Kosovo, the EU has gradually developed a sanctions regime against the FRY and Serbia. The regime covers:

- a confirmation of the arms embargo against the FRY (CP 926/98 of 27 April 1998)
- a ban on exports of equipment which might be used for internal repression or terrorism in the FRY (CP 240/98 of 19 March 1998 and Council Regulation 926/98 of 27 April 1998)
- a moratorium on government financed export credit support, including government financing of privatisation in Serbia (CP 240/98 of 19 March 1998 and Council Regulation 926/98 of 27 April 1998)
- a visa ban against those responsible for repressive action in Kosovo (CP 98/240 of 19 March 1998)
- a freeze of FRY and Serbian government funds held abroad (CP 98/326 of 7 May 1998 and council Regulation 1295/98 of 22 June 1998)
- a prohibition of new investments in Serbia (CP 98/374 of 8 June 1998 and Council Regulation 1607/98 of 24 July 1998)
- a ban of flights of Yugoslav carriers between the FRY and the EC (CP 98/426 of 29 June 1998 and Council Regulation 1901/98 of 7 September 1998)
- an oil embargo (CP 99/273 of 23 April 1999 and Council Regulation 900/99 of 29 April 1999).

28. An exemption of Montenegro and Kosovo from the flight ban, the oil embargo and financial sanctions is currently being implemented.

29. For the reconstruction of Kosovo, a total budget of Euro 46 million has been made available by the Community. and it is envisaged to mobilise a further Euro 92 million in September 1999. Actions identified with KFOR, UNMIK and UNHCR include demining, procurement of materials for reconstruction of housing and public buildings, support to public utilities, customs and a village employment and rehabilitation scheme. A Commission Task Force Kosovo was set up on 1 July 1999 which is implementing these projects and preparing the future setting up of an Agency for Reconstruction.

30. Within UNMIK, the EU is in particular responsible of for general economic, financial and fiscal matters (pillar IV). Activities focus on the establishment of a consolidated public sector budget including a budget management system, the establishment of a system for collecting customs duties and a central fiscal agency, banking and finance matters and the preparation of a medium-term investment framework, sector by sector.

31. EC assistance to Montenegro focusing on agriculture, education and public administration, halted due to air strikes, is currently in the process of revitalisation (Euro 5 million, additional Euro 7 million in preparation). Budgetary assistance for costs caused by the Kosovar refugee crisis was paid (Euro 6 million). Direct budgetary assistance under the EC food aid facility is envisaged (Euro 10,4 million).

32. According to data collected by ECHO, bilateral humanitarian aid of Member States in connection with the Kosovo crisis amounted to over Euro 40 million in 1998 and over Euro 294 million in 1999 (as per 1 July 1999).

33. The Community has made available substantial means for humanitarian aid in connection with the Kosovo crisis (1998: Euro 21,6 million, 1999: Euro 378 million), social support programmes for the neediest people in the most affected host countries in the region (1999: 100 MEURO) as well as budgetary and macroeconomic support for these countries. Humanitarian aid is implemented through international organisations and NGOs.

Justice and Home Affairs Measures

34. Existing bilateral re-admission agreements with FRY are ineffective, as long as FRY authorities insist that only JAT flights be used for repatriations; most of these agreements have been unilaterally suspended by the FRY authorities in reaction to Operation Allied Force.

III. Measures and actions by UNHCR, IOM, ICRC and other inter-governmental and non-governmental organisations

35. UNHCR, besides its statutory tasks, was also entrusted by the United Nations Secretary-General with the task of the lead agency for humanitarian assistance in Kosovo.⁴

36. The International Organisation for Migration (IOM) in cooperation with UNHCR managed the Humanitarian Evacuation Programme (HEP) of Kosovo Albanians from FYROM. IOM manages now the transportation of returnees and their personal belongings back to their homes. IOM also assists governments in the return of persons evacuated to other countries under HEP.

37. The International Committee of the Red Cross (ICRC) reopened its Pristina office on 24 May 1999. ICRC delegates are providing assistance for health facilities, carry out direct distributions to internally displaced persons and collect information on detainees.

D. ASSESSMENT OF THE STATE OF PLAY

38. The aim of military action against the FRY was to put an end to its ethnic cleansing policy in Kosovo and to undo its effects. The agreement on the basis of the G8 conditions and UNSC Resolution 1244/99 are an important step to reach this aim. Displacement of hundreds of thousand people across borders into neighbouring states by the FRY was felt to be a threat to the stability of the region. To assure that the ethnic cleansing policy does not reach its aim, an early, quick and as complete as possible return of the displaced people to Kosovo in safety and dignity is of the essence.

⁴ See also Annex III.

39. Also to the Kosovo Albanians given temporary protection in the Member States should have the opportunity to make their contribution to the reconstruction effort in Kosovo. Humanitarian evacuation programmes (HEP) are based on the concept of temporary protection and individual host countries apply to persons under those programs periods of varying length. Thus they do not include a right to stay in the host country after the expiry of the period. However, the HEP in no way infringes the right to seek asylum.

40. In creating conditions for orderly return, humanitarian assistance and reconstruction activities should pay sufficient attention to ensuring protection for returnees, to the need to tackle speedily and successfully the issue of personal and property documentation, to creating the necessary conditions for farming in the growing season in 2000, and to providing returnees with housing and basic health services, to providing children with continuity in schooling in an Albanian-speaking environment and culture

41. To make the return of the IDPs to their homes as a true beginning of the construction of a democratic and stable society there must be not only protection for returnees, but also the creation of a secure environment for all the people living in Kosovo, bridging the humanitarian aid to reconstruction phase with the aim of early achievement of self-reliance, reconstruction of infrastructure, creation of jobs and reactivation of economic activity.

42. The economic potential of the FRY which has been in the decrease for years, has been further hit by the air strikes. There are indications that especially better trained young Serbs see no economic future for themselves in the FRY and are willing to emigrate. To diminish pressures for the outflow of Serbs and other FRY citizens, ways should be urgently found to support the fulfilment of basic needs of the population and to activate the economy in the framework of the international sanctions régime.

E. ACTION REQUIRED BY THE COMMUNITY/UNION

43. The measures recommended below are built upon the existing EU sanctions regime and the UNSC Res 1244(99) and processes of the international community for the rehabilitation and stabilisation of South Eastern Europe and in particular the United Nations Mission for Kosovo (UNMIK). From the viewpoint of asylum and migration the following measures/considerations are of particular importance in achieving the objectives of the EU in these processes:

44. Foreign policy

- a) for dispelling fears of future persecution and for creating conditions for the orderly management of migration flows action should be supported in key areas for sustainable stabilisation and normalisation;

- b) strengthening of security of all people in Kosovo - irrespective of their national origin, language, race, colour, religion or creed - of their homes, holdings and places of worship and strengthening of public order, especially through disarmament of all armed groups and individuals; full compliance by the UCK with the Thaqi - Jackson demilitarisation agreement of 21 June 1999, to be verified by UNMIK and KFOR, is essential in this respect;
- c) building rule of law, respect for human rights and full rights of persons belonging to minorities;
- d) improvement of good governance and strengthening of law enforcement for all people living in Kosovo;
- e) support for freedom of opinion and expression, including free media;
- f) continued macro-economic stabilisation and accelerated structural reforms;
- g) taking into consideration the return process of the people displaced in Kosovo in 1998-99 and the related documentation needs when considering the lifting of sanctions against the FRY in accordance with the provisions of the Stability Pact for South Eastern Europe;
- h) regular cross-pillar monitoring of the progress of the return and the documentation process;
- i) invite UNMIK to take the necessary steps for the issuance of personal and property documentation in Kosovo;

45. Humanitarian aid and economic development

- a) mine clearance programmes, including raising awareness of the dangers of mines and booby traps;
- b) continuation of humanitarian assistance for building the infrastructure of daily life in order to ensure the safe and free return of all refugees and displaced persons to their homes;
- c) a coherent and flexible transformation from humanitarian aid to reconstruction of economy and society;
- d) continuation of humanitarian aid to the population most in need in the FRY, in particular the refugees and the IDPs;
- e) addressing environmental damages in Kosovo and the rest of the FRY;

46. Migration

In view of the great number of FRY citizens, especially Kosovo Albanians, who came to Member States as a result of the Kosovo conflict:

- a) conclusion as soon as possible transit agreements with Hungary, Slovenia, Croatia, Bosnia and Herzegovina, FYROM and Albania for FRY citizens, including Kosovo Albanians, under temporary protection or other form of status in a Member State returning or being returned to their home country by land, taking also into consideration the question of documentation;
- b) regulation of transit through Member States of Kosovo Albanians and FRY citizens under temporary protection or other form of status in a Member State returning or being returned to their home country by land, taking also into consideration the question of documentation;

In addition to that:

- c) intensify exchange of experiences and cooperation between countries which participate in the humanitarian evacuation of Kosovo Albanians and the relevant international organisations;
- d) consideration by the EU and the international community of
 - identifying reintegration assistance or capacity building opportunities for potential returnees, in cooperation with local and European NGOs and international organisations active in the Balkans;
 - supporting the provision of schooling for all children in Kosovo - irrespective of their national origin, language, race, colour, religion or creed - in their native tongue and culture;
 - supporting the development of the micro-entrepreneurial component;
 - supporting local migration policies and employment services;
 - training of officials in matters relating to migration;
 - assisting border authorities, i.a. in the field of detecting false documents;
 - supporting income-generating projects;
- e) initiating and continuing an exchange of information among Member States on methods to distinguish ethnic Albanians from Kosovo from Albanians from Albania;
- f) information campaigns directed to potential victims of human trafficking;

- g) as soon as conditions permit, conclusion between the EU and the FRY of a readmission agreement for persons who do not fulfil the conditions in force for entry or residence on the territory of the Member States which include an explicit reference to State obligations to respect the principle of non-refoulement and provide effective protection to all those in need of it;
 - h) as soon as conditions permit, putting pressure on the FRY authorities to make every effort to prevent and combat traffic in human beings.
-

ALBANIA⁽¹⁾

(Republic of Albania)

Capital: Tirana

Location: Southeastern Europe, bordering the Adriatic Sea and Ionian Sea, between Greece and Federal Republic of Yugoslavia

Border countries: Greece, the Former Yugoslav Republic of Macedonia, Federal Republic of Yugoslavia

Area: 28 750 km²

KEY FIGURES ON POPULATION⁽²⁾

Population: 3 330 800

Age structure: 0-14 years 33%, 15-64 years: 61%, 65 years and over: 6%

Density: 115.9 hab./km²

Total population increase: 9.7 per 1000 population

Net migration rate: -4.2 per 1000 population

Infant mortality rate: 45 infant deaths per 1000 live births

Life expectancy at birth: 68.6 years

Total fertility rate: 2.6 children per woman

Ethnic groups: Albanian 95%, Greeks 3%, other 2% (Vlachs, Gypsies, Serbs, and Bulgarians)

note: in 1989, other estimates of the Greek population ranged from 1% (official Albanian statistics) to 12% (from a Greek organization)

Religions: Muslim 70%, Albanian Orthodox 20%, Roman Catholic 10%

note: all mosques and churches were closed in 1967 and religious observances prohibited; in November 1990, Albania began allowing private religious practice

Languages: Albanian (Tosk is the official dialect), Greek

Literacy: 72% of population aged 9 years and over

OTHER KEY FIGURES⁽²⁾

GDP: purchasing power parity—\$4.5 billion (1997 est.)

GDP—real growth rate: -8% (1997 est.)

GDP—per capita: purchasing power parity—\$490 (1996)

GDP—composition by sector: agriculture: 62.6 % industry: 18.2% services: 19.2% (1997 World Bank)

Inflation rate—consumer price index: 40% (1997 est.)

Labour force: 1 692 000 (1994 est.) (including 352 000 emigrant workers and 261 000 domestically unemployed)

Unemployment rate: 15% (1997 UN/ECE Statistical Yearbook)

(1) The sources of data for this national portrait are mentioned at the bottom of each table/figure

(2) Data within this current summary (above) are mainly from the United Nations, the U.S. Bureau of the Census, World Bank and Eurostat. When not indicated data/estimates refer to 1998. Figures on population are mainly from the U.S. Bureau of the Census, International Data Base: further information is provided in Table 1 and Figure 1

Trade between Albania and the EU

Table A – Imports from ALBANIA into the EU: Principal goods ('000 EURO)⁽¹⁾



	1995	1996	1997	1998
TOTAL	151 143	197 602	191 101	216 110
Of which:				
PARTS OF FOOTWEAR	31 096	54 604	44 745	59 993
MEN'S OR BOYS' SUITS	8 117	12 364	15 156	15 062
FERRO-ALLOYS	8 730	7 862	9 643	11 414
WOMEN'S OR GIRLS' BLOUSES	6 012	5 397	7 406	9 823
PLANTS AND PARTS OF PLANTS	5 185	6 144	5 325	7 838
WOMEN'S OR GIRLS' SUITS	10 291	10 370	5 283	7 566
MEN'S OR BOYS' SHIRTS	2 665	3 857	4 608	5 986
T-SHIRTS, SINGLETS	1 207	2 915	2 847	4 943
WOMEN'S OR GIRLS' SLIPS	1 076	2 981	3 602	4 689
WOMEN'S OR GIRLS' BLOUSES KNITTED	2 652	1 849	1 931	4 592
Other	74 112	89 259	90 552	84 203

(1) Goods listed in descending order of 1998 value in euro

Source: EUROSTAT (Comext2)

Table B – Exports to ALBANIA from the EU: Principal goods ('000 EURO)⁽¹⁾



	1994	1995	1996	1997
TOTAL	425 552	518 048	744 323	563 932
Of which:				
PETROLEUM OILS	37 827	20 062	18 506	51 418
WHEAT OR MESLIN FLOUR	18 231	6 596	43 071	39 442
CIGARS, CHEROOTS	13 218	12 298	24 538	37 758
IRON / NON-ALLOY STEEL RODS	887	1 840	8 929	12 573
BEER MADE FROM MALT	16 834	16 959	21 732	11 903
PARTS OF FOOTWEAR	25 115	27 957	39 604	11 573
CANE OR BEET SUGAR	3 062	10 376	14 875	11 450
CEMENT, INCL. CEMENT CLINKERS	7 113	14 762	20 446	10 996
SUNFLWR/ SAFFLOWER/COTTON-SEED OIL	2 251	2 176	6 224	8 039
WHEAT AND MESLIN	790	26	14 079	7 545
Other	300 222	404 996	532 321	361 236

(1) Goods listed in descending order of 1998 value in euro

Source: EUROSTAT (Comext2)

Trade between Albania and the rest of the World (as declared by Albania)

Table C – Imports to Albania: Principal goods ('000 EURO)⁽¹⁾



	1994	1995	1996	1997	1994	1995	1996	1997	1994	1995	1996	1997
	Total				From the EU				% share of imports from the EU			
TOTAL	:	:	739 082	554 669	:	:	550 760	453 158	:	:	74.5	81.1
Of which:												
WHEAT OR MESLIN FLOUR	:	:	57 383	34 876	:	:	50 304	32 158	:	:	87.7	90.0
PARTS OF FOOTWEAR	:	:	41 068	28 306	:	:	41 021	28 271	:	:	99.9	99.9
CEMENT	:	:	17 532	23 958	:	:	17 018	22 103	:	:	97.1	91.8
WHEAT AND MESLIN	:	:	39 018	12 979	:	:	13 586	9 541	:	:	34.8	70.0
SUNFLOWER/SAFFLOWER/COTTON-SEED OIL	:	:	17 446	11 993	:	:	6 704	6 589	:	:	38.4	54.7
MOTOR CARS	:	:	17 395	11 912	:	:	16 129	10 914	:	:	92.7	91.5
CANE OR BEET SUGAR/SUCROSE	:	:	26 695	11 808	:	:	17 860	9 608	:	:	66.9	81.3
BOVINE OR EQUINE LEATHER	:	:	13 888	11 580	:	:	13 887	11 573	:	:	100.0	99.9
PETROLEUM OILS (EXCL. CRUDE)	:	:	12 552	10 082	:	:	12 124	9 946	:	:	96.6	98.7
MEAT AND EDIBLE FOWL OFFAL	:	:	13 988	9 504	:	:	12 411	8 359	:	:	88.7	86.9
Other	:	:	482 118	387 671	:	:	349 716	304 095	:	:	72.5	70.0

(1) Goods listed in descending order of 1997 value in euro
Source: EUROSTAT (Comext2)

Trade between Albania and the rest of the World (as declared by Albania)

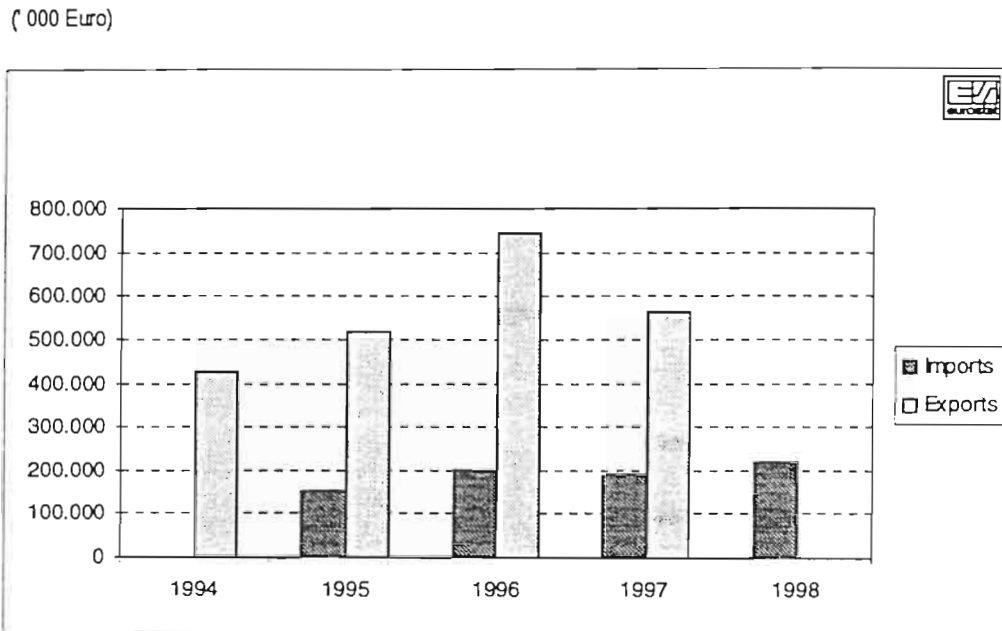
Table D – Exports from Albania: Principal goods ('000 EURO)⁽¹⁾



	1994	1995	1996	1997	1994	1995	1996	1997	1994	1995	1996	1997
	Total				To the EU				% share of exports to the EU			
TOTAL	:	:	166 289	121 405	:	:	141 150	103 890	:	:	84.9	85.4
Of which:												
PARTS OF FOOTWEAR	:	:	30 659	19 081	:	:	30 643	19 080	:	:	99.9	100.0
PLANTS AND PARTS OF PLANTS,	:	:	8 860	10 285	:	:	7 071	8 295	:	:	79.8	80.6
MEN'S OR BOYS' SHIRTS	:	:	2 955	5 172	:	:	2 934	5 077	:	:	99.3	98.2
OTHER MANUFACTURED TOBACCO	:	:	5 936	5 005	:	:	4 787	4 276	:	:	80.6	85.4
FERROUS WASTE AND SCRAP	:	:	780	4 522	:	:	780	4 521	:	:	100.0	100.0
MEN'S OR BOYS' SUITS	:	:	9 139	4 388	:	:	9 129	4 361	:	:	99.9	99.4
FERRO-ALLOYS	:	:	3 892	4 317	:	:	3 332	4 010	:	:	85.6	92.9
CHROMIUM ORES AND CONCENTRATES	:	:	6 953	4 009	:	:	3 176	1 503	:	:	45.7	37.5
BORING MACHINERY	:	:	24	3 792	:	:	24	19	:	:	100.0	0.5
WOMEN'S OR GIRLS' SLIPS	:	:	1 447	3 326	:	:	1 447	3 200	:	:	100.0	96.2
Other	:	:	95 645	57 508	:	:	77 826	49 349	:	:	81.4	85.8

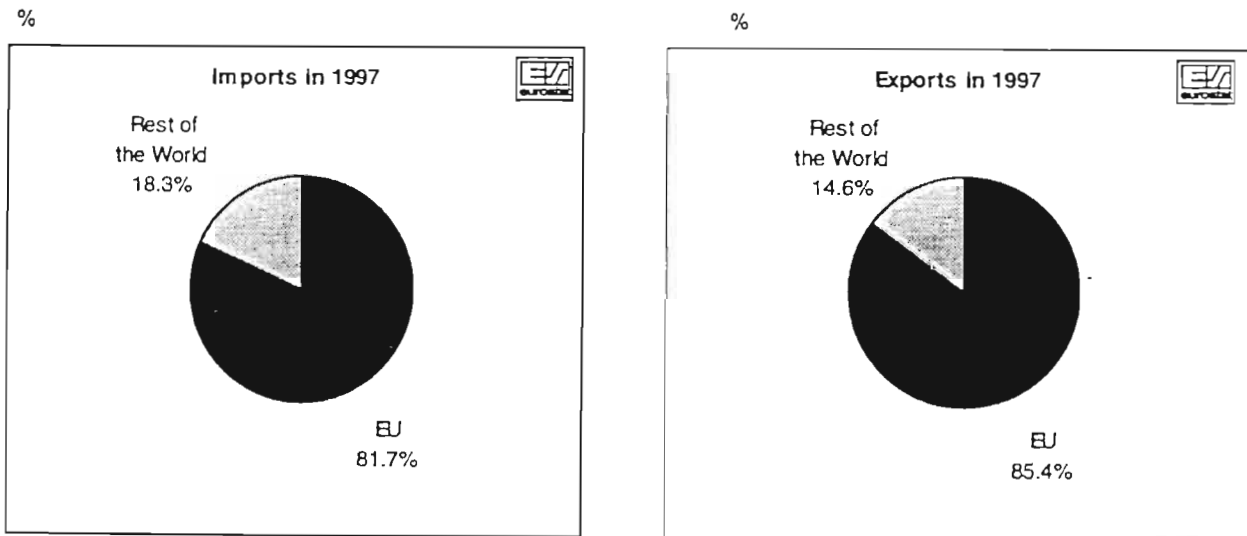
(1) Goods listed in descending order of 1997 value in euro
Source: EUROSTAT (Comext2)

Figure A - Trade between Albania and the EU



Source: EUROSTAT (Comext2)

Figure B - Trade between Albania and the rest of the World (as declared by Albania)



Source: EUROSTAT (Comext2)
100% = 0.6 million euro

Source: EUROSTAT (Comext2)
100% = 0.1 euro

Table 1 – Main demographic indicators for Albania

	Mid-year population	Live births	Deaths	Natural increase	Net migration	Total increase	Total fertility rate ⁽¹⁾	Life expect. at birth	Infant mortality rate ⁽²⁾	Age depend. ratio ⁽³⁾
	(1 000)	(per 1 000 population)								(%)
1960	1 607.3	43.4	10.4	32.9	-1.8	31.1	6.85	64.9	83.0	:
1970	2 135.6	32.5	9.3	23.3	1.9	25.1	5.16	:	97.9	:
1980	2 670.5	26.5	6.4	20.1	-0.2	19.9	3.62	69.7	51.9	:
1990	3 255.9	25.2	5.6	19.6	0.0	19.6	3.03	72.4	28.3	61.6
1995	<i>3 248.8</i>	22.2	:	:	:	<i>12.5</i>	<i>2.70</i>	:	:	:
1996	<i>3 283.0</i>	20.8	5.4	<i>15.5</i>	:	:	<i>2.70</i>	<i>72.0</i>	:	:

(1) Children per woman

(2) Infant deaths (under one year of age) per 1 000 live births

(3) Proportion of population aged 0-14 and 65 and over on the population aged 15-64

Data in italics are estimated

Source: EUROSTAT

Figure 1 - Evolution of the population of Albania

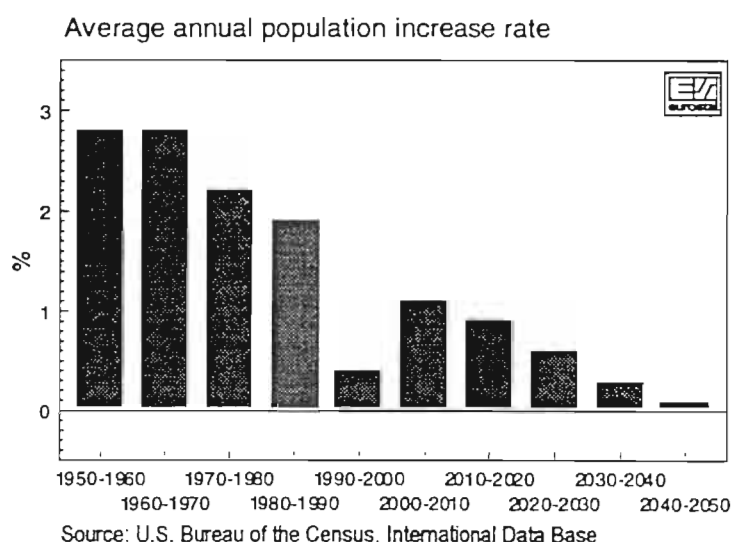
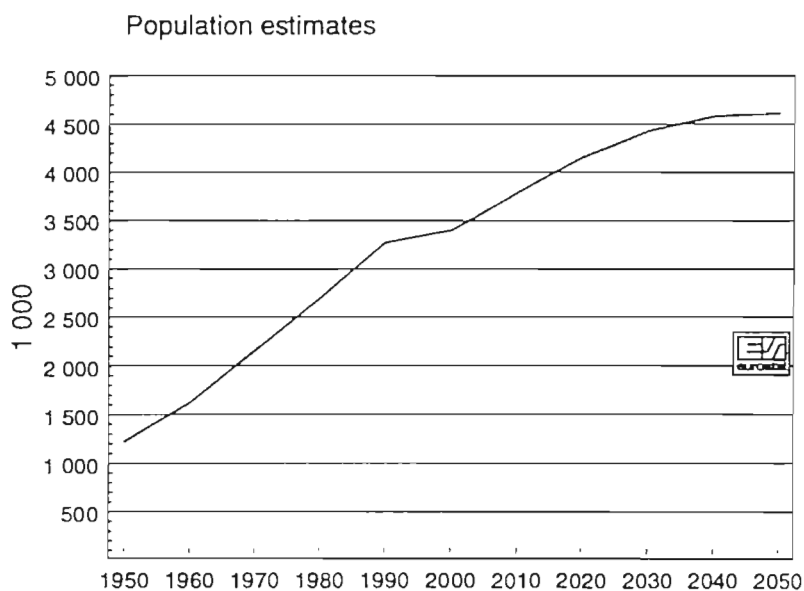


Table 2a - Resident population of Albanian citizens in EU Member States
(population on 1st January of each year) ⁽¹⁾



	1990 ⁽²⁾	1994	1995	1996	1997	1998	1999	1997 or before as % of	
								non-EU pop.	all non-nat. pop.
B	483	:	:	635	665	695		0.20	0.07
DK	0	10	23	38	38	62		0.02	0.02
D	297	14 045	11 182	10 528	10 467	11 343	11 619	0.19	0.14
EL ⁽³⁾	20 556	4 061	4 510	4 941	4 991	:		4.30	3.10
E	:	38	50	63	53	110		0.02	0.01
F	:	:	:	:	:	:		:	:
IRL ⁽⁴⁾	0	7	18	8	30	29		0.09	0.03
I	:	24 725	28 856	33 212	55 648	:		7.41	6.29
L	:	:	:	:	:	:		:	:
NL	:	:	413	490	452	445		0.09	0.07
A	856	327	936	:	:	:		0.20	0.17
P	:	3	4	5	3	3		0.00	0.00
FIN	:	13	13	21	19	26		0.03	0.03
S	23	96	127	128	132	133		0.04	0.03
UK ⁽⁵⁾	:	+	+	+	+	+		:	:

(1) The population is that on 1st January of each reference year. For some Member States, 31st December of the previous year is taken as the equivalent

(2) 1990/91 Census round results for some countries

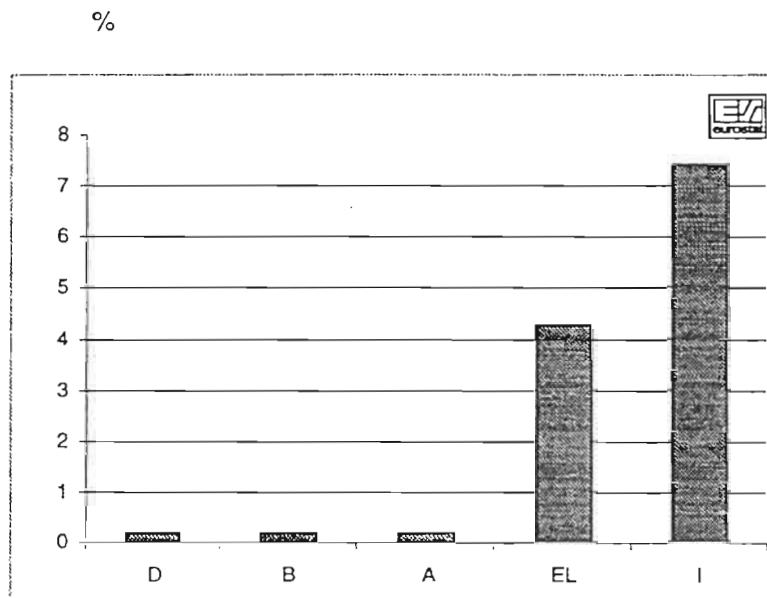
(3) Estimated resident "illegal" Albanian population in 1999 is 200 000

(4) Number of legal residents over age of 16 plus number of asylum applicants

(5) Labour Force Survey, Spring data, figures rounded to the nearest thousand

Source: EUROSTAT

Figure 2 - Resident population of Albanian citizens in EU Member States
as a percentage of the total non-EU population in 1997
(main countries of residence of those Member States for which data are available)



Source: EUROSTAT

Table 2b – Valid residence permits held by Albanian citizens in EU Member States by type of permit



	1996			1997			1998		
	Total	Long	Short	Total	Long	Short	Total	Long	Short
B	:	:	0	:	:	0	:	:	0
DK	:	:	:	:	:	:	:	:	:
D	7 824	2 718	5 106	8 183	2 929	5 254	9 257	3 128	6 129
EL ⁽¹⁾	68 920	:	:	69 746	:	:	70 024	:	:
E	:	:	:	:	:	:	:	:	:
F ⁽²⁾	1 326	932	394	1 724	971	753	:	:	:
IRL ⁽³⁾	5	:	:	15	:	:	18	:	:
I	57 103	:	:	67 321	:	:	75 850	:	:
L	:	:	:	:	:	:	:	:	:
NL	490	:	:	452	:	:	445	:	:
A	:	:	:	:	:	:	:	:	:
P	:	:	:	:	:	:	:	:	:
FIN	:	:	:	:	:	:	34	:	:
S	:	:	:	:	:	:	:	:	:
UK	:	:	:	:	:	:	:	:	:

(1) Residence permits are for a duration of more than three months up to five years

(2) Long term residence permits are for a duration of more than 1 year, short term and provisional permits are for a maximum of 1 year. Figures refer to the number of the valid residence permits held at the end of the year

(3) Number of Albanian citizens, over the age of 16, registered with the police and with permission to remain, excluding asylum seekers

Source: EUROSTAT, Ministries of the Member States

Table 2c - Residence permits issued to Albanian citizens in EU Member States by type of permit⁽¹⁾

	1996			1997			1998		
	Total	Long	Short	Total	Long	Short	Total	Long	Short
B	9	4	5	0	0	0	26	5	21
DK ⁽²⁾	23	:	:	44	:	:	37 ^P	:	:
D	:	:	:	:	:	:	:	:	:
EL ⁽³⁾	3 500	:	:	3 800	:	:	3 500	:	:
E	53	:	:	110	:	:	110	:	:
F ⁽⁴⁾	114	:	:	157	:	:	:	:	:
IRL ⁽⁵⁾	5	:	:	15	:	:	18	:	:
I	:	:	:	:	:	:	:	:	:
L	:	:	:	:	:	:	:	:	:
NL ⁽⁶⁾	5	0	5	46	46	0	4	4	0
A	:	:	:	:	:	:	:	:	:
P	:	:	:	:	:	:	:	:	:
FIN ⁽⁷⁾	2	2	0	6	4	2	8	8	0
S	27	:	:	44	:	:	27	:	:
UK	20	:	:	30	:	:	50	:	:

(1) This table shows how many permits have been issued during each year

(2) Number of residence permits issued to first time applicants. Includes asylum or other status in an asylum case, family reunification and other immigration residence permits including E.C. residence certificates

(3) In 1998 a total of 20 000 certificates of "Aussiedler" status were issued by Greece to Albanian citizens

(4) Number of first residence permits issued to Albanians born outside France

(5) Number of Albanian citizens, over the age of 16, registered with the police and with permission to remain, excluding asylum seekers

(6) Permanent residence permits for Long, temporary residence (including refugee status) permits for Short

(7) First issue residence permits

Source: EUROSTAT, Ministries of the Member States

Table 3a – Legal immigration of Albanian citizens into EU Member States⁽¹⁾

	1990	1994	1995	1996	1997	1998	1997 ⁽²⁾ as % of	
							non-EU imm.	all immigrants
B	:	:	:	:	:	:	:	:
DK	1	15	18	10	29	28	0.15	0.06
D	3 505	1 950	1 786	1 426	2 175	:	0.47	0.26
EL	456	459	407	649	589	:	3.23	:
E	:	6	5	3	19	:	0.09	0.03
F	280	87	53	48	53	:	0.09	:
IRL ⁽³⁾	:	:	2	3	15	11	0.23	0.03
I	:	:	3 411	20 508	:	:	15.31	11.93
L	:	5	4	2	64	:	5.98	0.61
NL	12	239	120	56	45	:	0.10	0.04
A	:	:	:	136	247	:	0.77	0.35
P	:	1	:	:	1	:	0.07	:
FIN	:	4	9	2	7	:	0.10	0.05
S	10	48	16	18	24	:	0.09	0.05
UK	:	:	+	+	+	:	:	:

(1) Asylum seekers are included in the figures for Portugal and partially included in the figures for all other Member States, according to national asylum procedures and recording systems

(2) 1996 for Italy

(3) Statistics on legal migration are not available. These figures are for asylum seekers only

Source: EUROSTAT

Table 3b – Albanian citizens granted permission to stay in EU Member States for reasons of family reunion

	1996	1997	1998
B	8	15	17
DK ⁽¹⁾	8	13	11 ^P
D	:	:	:
EL	:	:	:
E	1	2	3 ⁽²⁾
F ⁽³⁾	10	8	:
IRL ⁽⁴⁾	0	0	0
I	:	:	:
L	:	:	:
NL	2	1	4
A	:	:	:
P	:	:	:
FIN	1	1	:
S	11	20	23
UK ⁽⁵⁾	20	20	20

(1) Number of residence permits issued to first time applicants

(2) First semester

(3) Figures including family reunion of dependants are: 1996: 23, 1997: 25, 1998: n/a

(4) Figures are for family reunion with Convention refugees only. Statistics for other family reunions are not available

(5) Persons admitted as fiancé(e)s or spouses or dependants of work permit holders

Source: EUROSTAT, Ministries of the Member States

Table 4 – Albanian citizens repatriated from EU Member States

	1996		1997		1998				
	Repatriations ⁽¹⁾		Expulsions	Repatriations ⁽¹⁾		Expulsions			
	Vol.	Invol.		Vol.	Invol.				
B	:	30	:	:	60	:	:	108	:
DK ⁽²⁾	0	3	:	0	15	:	0	12	:
D	:	:	:	:	:	:	:	:	834
EL	:	272 747	:	:	182 059	:	:	129 444	:
E	:	3	:	:	24	:	:	7	:
F	:	:	142	:	:	213	:	:	188
IRL	0	0	0	0	0	0	0	0	0
I ⁽³⁾	:	:	9 415/2 322	:	:	9 518/5 278	:	:	8 947/6 214
L	:	:	:	:	:	:	:	:	:
NL ⁽⁴⁾	:	:	51	:	:	94	:	:	64
A ⁽⁵⁾	76		107		116				
P	:	:	1	:	:	3	:	:	1
FIN	:	8	:	:	17	:	:	8	:
S	:	:	11	:	4	4	:	2	1
UK ⁽⁶⁾	:	+	35	:	5	55	:	5	210

(1) Voluntary / Involuntary. Repatriations are back to the country of citizenship. Expulsions are forced removals to other countries

(2) Including monitored departures and removals of asylum seekers and refugees

(3) Notified / recorded (established, since 27.03.1998) expulsions

(4) Expulsions of asylum seekers

(5) Repatriations and expulsions

(6) UK Immigration enforcement removals. Includes voluntary departures following enforcement action. Removals may relate to action initiated in earlier years

Sources: EUROSTAT, CIREFI, Ministries of the Member States

Table 5 – Applications for short and long stay visas from Albanian citizens and numbers issued by EU Member States

	1996		1997		1998	
	Applications (S/L)	Visas issued (S/L)	Applications (S/L)	Visas issued (S/L)	Applications (S/L)	Visas issued (S/L)
B	52/7	34/7	84/3	27/3	10/1	6/1
DK	:	:	:	:	:	:
D	:	:	:	:	:	:
EL	:	40 955	:	49 333	:	46 704 ⁽¹⁾
E	:	:	:	:	:	:
F	5 420	4 501/107	4 762	2 941/92	5 063	2 663/144
IRL	:	:	:	:	:	:
I	:	:	:	:	:	:
L	:	:	:	:	:	:
NL	:/42	:/31	:/34	:/29	:/73	:/58 ⁽²⁾
A	:	:	:	:	:	:
P	:	:	:	:	:	:
FIN	:	:	:	:	:	:
S	264	267	269	265	246	243
UK	:	:	:	:	:	:

(1) For the period 1.01.1998-31.10.1998. Greece issued around 300 visas to Albanians from Kosovo during the period 7.09.98 – 26.02.99

(2) Long-term visas issued in 1998 until 26.11.1998

Table 6 – Albanian citizens refused entry at the borders of EU Member States



	1996	1997	1998
B	13	26	30
DK ⁽¹⁾	14	9	:
D ⁽²⁾	:	:	359
EL	1 058	2 343	1 954
E	0	16	0
F	445	658	292
IRL	:	0	1
I	3 443	3 922	6 411
L	:	:	:
NL ⁽³⁾	0	73	71
A	848	362	299
P	:	1	1
FIN	0	0	0
S	1	2	1
UK	:	:	:

(1) Covers refusals of entry into Denmark by an administrative decision.

Source: National Commissioner of the Danish Police

(2) Total number of refusals of entry

(3) Refusals of entry at Schipol airport

Sources: EUROSTAT, CIREFI, Ministries of the Member States

Table 7 – Asylum seekers and refugees from Albania



Table 7a – Asylum applications

	1990	1991	1992	1993	1994	1995	1996	1997	1998
B	:	:	:	:	:	:	415	1 209	1 147
DK	6	10	9	7	10	5	5	29	18
D	1 032	4 227	5 957	3 666	897	335	355	1 038	761
EL	937	499	3	0	1	2	0	9	6
E	:	:	:	:	:	:	3	50	38
F	:	:	:	:	:	:	89	350	239
IRL	:	:	:	3	:	2	3	15	11
I	:	:	:	:	:	:	6	729	:
L	:	:	:	:	:	:	:	143	:
NL	38	225	138	275	618	107	88	301	243
A	266	1 032	290	35	42	68	37	241	75
P	:	:	:	:	:	:	:	3	:
FIN	:	:	:	:	:	:	0	8	28
S	:	:	:	:	:	11	10	61	71
UK	:	:	:	:	:	:	105	445	560
EU-15	:	:	:	:	:	:	1 116	4 631	:

Table 7b – Total numbers granted Geneva Convention refugee status



	1990	1991	1992	1993	1994	1995	1996	1997	1998
B	:	:	:	:	:	:	14	5	:
DK ⁽¹⁾	0	0	0	0	0	0	0	0	0 ^P
D	:	:	:	:	:	:	0	4	3
EL	0	3	9	0	0	0	0	0	0
E	:	:	:	:	:	:	2	2	2
F	:	:	:	:	:	:	35	22	34
IRL	:	:	:	0	:	0	0	0	0
I	:	:	:	:	:	:	7	69	:
L	:	:	:	:	:	:	:	:	:
NL	0	0	0	20	15	0	11	0	0
A	1	6	25	15	14	12	4	19	4
P	:	:	:	:	:	:	:	:	:
FIN	:	:	:	:	:	:	0	0	0
S	3	1	:	:	:	:	:	5	:
UK	:	:	:	:	:	:	0	+	+

Table 7c – Total numbers granted humanitarian/de facto refugee status



	1990	1991	1992	1993	1994	1995	1996	1997	1998
B	:	:	:	:	:	:	:	:	:
DK ⁽¹⁾	0	0	0	0	0	0	0	0	0 ^P
D ⁽²⁾	:	:	:	:	:	:	2	6	2
EL ⁽³⁾	:	:	:	:	:	:	:	3	0
E	:	:	:	:	:	:	:	:	:
F	:	:	:	:	:	:	:	:	:
IRL	:	:	:	:	:	0	0	0	0
I	:	:	:	:	:	:	:	:	:
L	:	:	:	:	:	:	:	:	:
NL	0	0	0	10	9	5	24	46	4
A	:	:	:	:	:	:	:	:	:
P	:	:	:	:	:	:	:	3	:
FIN	:	:	:	:	:	:	0	0	0
S	12	4	5	2	4	3	:	6	:
UK	:	:	:	:	:	:	0	+	0

(1) First instance decisions only

(2) Recognition under Article 53 of the 1996 Constitution

(3) 1990-1998: 1057 asylum applications; 12 Geneva Convention granted, 3 humanitarian status granted (NB in 1997 and 1998)

Table 7d – Number of grants of refugee status as a percentage of the total number of asylum applications from Albanian citizens



	1996		1997		1998	
	Granted refugee status a/b	% ⁽¹⁾	Granted refugee status a/b	% ⁽¹⁾	Granted refugee status a/b	% ⁽¹⁾
B	:	:	:	:	:	:
DK ⁽²⁾	0	0.0	0	0.0	0 ^P	0.0 ^P
D ⁽³⁾	0	0.0	9	0.6	15	1.3
EL	0	:	0	:	14	:
E	2	:	2	:	2	:
F	35	24.3	22	10.3	34	9.4
IRL	0	0.0	0	0.0	0	0.0
I	:	:	:	:	:	:
L	:	:	:	:	:	:
NL	11	12.0	0	0.0	0	0.0
A	:	11.0	:	8.0	:	5.0
P	:	:	:	:	:	:
FIN	:	:	:	:	:	:
S	:	:	:	8.2	:	:
UK	:	:	:	:	:	:

(1) The percentages shown in this table are indicators only. Note that grants of Geneva Convention Status for each year often do not relate to applications made within that year. Also figures on applications usually include family members, whereas grants of Geneva Convention status may include only adult applicants

(2) Recognition rate includes Geneva Convention and de facto status refugees. First instance decisions only

(3) Recognition under Article 53 of the 1996 Constitution

Sources: EUROSTAT, CIREA, Ministries of the Member States

Table 7e – Rejected asylum applications

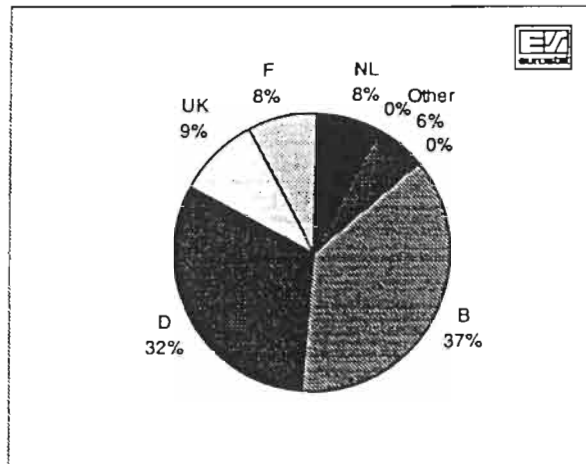


	1990	1991	1992	1993	1994	1995	1996	1997	1998
B	:	:	:	:	:	:	224	802	:
DK ⁽¹⁾	0	5	4	5	6	7	1	7	26 ^P
D	:	:	:	:	:	:	464	880	772
EL	39	827	92	2	0	2	0	0	14
E	:	:	:	:	:	:	2	:	:
F	:	:	:	:	:	:	120	193	328
IRL	:	:	:	1	:	1	2	8	2
I	:	:	:	:	:	:	3	644	:
L	:	:	:	:	:	:	:	:	:
NL	39	69	143	77	435	224	352	303	239
A	3	224	1 165	67	37	54	61	211	36
P	:	:	:	:	:	:	:	:	:
FIN	:	:	:	:	:	:	0	0	23
S	:	30	26	50	18	7	8	26	54
UK	:	:	:	:	:	:	45	175	260

(1) First instance decisions only

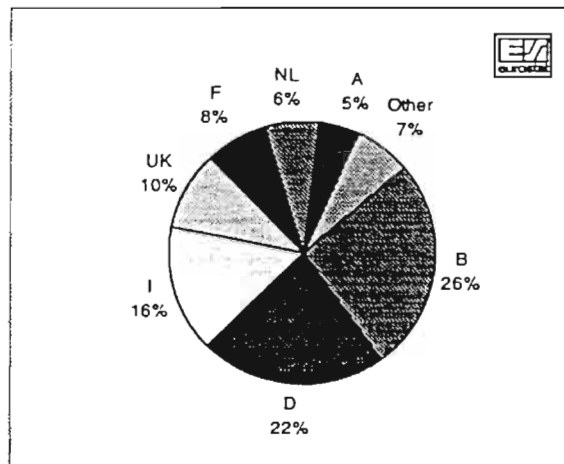
Figure 3 - Asylum applications of Albanian citizens in EU Member States

1996



100% = 1 116

1997



100% = 4 631
Source: Eurostat

Table 8 – Number of Albanian tertiary⁽¹⁾ education students in the EU Member States



	B	DK	D	EL ⁽²⁾	E	F	IRL	I	L	NL	A	P	FIN	S	UK
School-year															
1995/96	:	4	148	186	11	160	1	568	:	:	68	:	5	:	41
1996/97	:	5	207	174	:	191	0	771	1	:	66	:	4	:	52

(1) Tertiary education includes: higher education non-university (ISCED 5); university second stage (ISCED 7); university first stage (ISCED 6)

In Ireland and the UK, students are considered to be non-nationals if they have permanent residence in another country, while for the other Member States non-national students are those holding passports from another country

The data presented do not provide a precise measure of student mobility. On the one hand, the number of students enrolled in an EU Member State other than their own, is underestimated, partly because, in some countries, it is not possible to identify the citizenship of students in certain types of higher education, e.g., ISCED 5 in France. On the other hand, the data may overstate the degree of student mobility, as children of migrants are included

(2) Number of residence permits issued to students in 1996 and 1997

Source: Eurostat

Conventional Signs:

- P Provisional
- :
- + Indicates «below lowest level of recording»

**RUNDOWN OF
EXISTING MEMBER STATE MEASURES AND ACTIONS
FOR ALBANIA AND THE NEIGHBOURING REGION**

1. Politics

Belgium

- Albania

Belgium is eager to contribute to the political and social stability in Albania through contacts with government and opposition. Belgium is a member of the "Friends of Albania" group that monitors progress in Albania.

- Neighbouring region

Kosovo

Belgium is of the opinion that only a political settlement can bring a durable solution to the Kosovo crisis. It contributes volunteers to the KVM-mission and troops to KFOR (as it does to SFOR in Bosnia).

FYROM

Belgium regards FYROM as an island of stability in the region due to the relatively favourable treatment of the Albanian minority. Possible negative impact of the Kosovo crisis on the internal stability.

Denmark

On 1 September 1999 Denmark opened an Embassy in Tirana.

France

Preserving peace and stability have been central to French policy in the Balkans and special attention is paid to Albania, with which France has a longstanding relationship.

On two occasions France has intervened massively together with the international community to preserve stability in Albania : in 1997 the Alba operation to which France was the second most important contributor after Italy, and more recently the NATO Allied Harbour operation in which France participated actively having been attributed the control of the southern AFOR zone.

Aware of the need for strong and coordinated action, France actively participates in all actions undertaken in Albania by the EU, OSCE, the Council of Europe, WEU, NATO, etc. France is firmly attached to the success of the actions set in train by under the Stability Pact for South-East Europe. France maintains furthermore a continuing high level political dialogue with the Albanian authorities.

Germany

Bilateral relations with Albania are marked by Germany's interest in democratic development, political stability and market-oriented economic reform. This is reflected in intensive, ongoing support and greater political influence both via the OSCE, the Council of Europe, the EU and the WEU and also bilaterally. There is in addition a regional and security interest in keeping Tirana to a course of moderation on the Kosovo issue. Germany is a founding member of the Friends of Albania Group, established in 1998, which it is also currently co-chairing.

The most important measure at present to remove asylum-seeking and migration pressures is a successful settlement of the Kosovo conflict. This means an international presence in Kosovo to monitor implementation of the security and civilian aspects of a future status arrangement and thus ensure the necessary foundations for peace and stability in Kosovo. Germany is participating in this within both the European Union and NATO.

Greece

Greek-Albanian bilateral relations cover a wide range of issue, including diverse fields such as assistance in area of police training, education and cultural affairs, development assistance, provision of humanitarian aid, etc.. Greece participates in the Friends of Albania Group, as well as in the WEU/MAPE Mission in Albania.

Greece is also the country with the second largest - after Italy - Albanian immigrant population.

On 21 March 1996 Greece and Albania signed an "Agreement on friendship, cooperation, good neighbourliness and security". The treaty is in force since 1998.

Other bilateral agreements in the political and military area are: a Protocol on assistance and cooperation in relation to the armed forces (1997); a protocol on the incorporation of Albania into Euro-Atlantic structures.

Ireland

Sanctions are in place in accordance with EU policy in this regard and will stay in place until such time as FRY pursues a democratic path.

Ireland does not have close bilateral relations with Albania or FRY and trade with the region was negligible even before the war.

Diplomatic relations are handled through Ireland's Embassy in Greece.

Italy

Italy has played and is still playing a leading role in helping Albania to overcome its current political, economic and financial difficulties. Italy's objective, in the short term, was to help Albania to cope with the crisis it was facing and, in the longer term, to assist the country in rebuilding its political, economic and institutional infrastructure.

A particularly significant moment in bilateral relations with Tirana was the signing of a friendship and cooperation treaty in Rome on 13 October 1995 (ratified by Italy on 25 February 1998).

On 28 August 1997, an intergovernmental cooperation protocol on defence was signed (in accordance with the 1995 framework Agreement), which provides for a small group of Italian trainers and advisers to be stationed permanently in Albania.

United Kingdom

Diplomatic relations between the United Kingdom and Albania were restored on 29 May 1991. An Office of the Chargé d'Affaires was opened in Tirana in July 1992. It was upgraded to an Embassy in February 1996.

The United Kingdom participates actively in the international effort to assist Albania, under the co-ordinating framework of the OSCE, including advising on humanitarian, economic and political matters, support democratisation,, contributing to the WEU MAPE Police Advisory Mission and participating in expert visits to Albania as part of the NATO programme to assist in the reconstruction of the Albanian armed forces.

2. Economics

Following the major state crisis in Albania, short and medium term economic assistance is provided to Albania in the framework of a "Recovery Programme" jointly established in 1997 by the World Bank, EBRD and the European Commission in consultation with the IMF. This was endorsed at a Donor Conference (Brussels, 22 October 1997) co-chaired by the European Commission and the World Bank which has set up clear objectives and a division of tasks among donors in different sectors and allocated more than Euro 600 million. In parallel, an IMF emergency programme focusing on macro-economic stabilisation started which was followed by a medium-term economic programme (since May 1998), supported by an Enhanced Structural Adjustment Facility.

Regular sectoral and general donor meetings took place since then organised mainly by the World Bank and/or the European Commission. Several sector meetings also were organised by the Friends of Albania Group under its local formation (by OSCE).

At the last general progress review meeting in December 1998, the European Commission and the World Bank indicated their readiness to organise a new donor conference in 1999 contingent upon satisfactory progress under the ongoing recovery programme. An assessment will be carried out in June 1999 and such conference may then take place during the second half of 1999.

Austria

Austrian exports 1998: Euro 7,6 million.

Austrian imports 1998: Euro 3,4 million.

Belgium

- Albania

A bilateral investment protection agreement was signed to signal Belgian willingness to develop economic relations with Albania when stable conditions prevail. Moreover a bilateral convention on cooperation on employment has been signed. There are two small Belgian investments in the field of agriculture and textiles.

- Neighbouring region

Kosovo

Belgium will participate in a donor's conference for rebuilding Kosovo.

FYROM

A bilateral investment protection agreement has been signed, a customs cooperation agreement is being finalised.

Air transport and road transport agreements have been signed.

Denmark

Trade between Albania and Denmark is limited with export figures of Euro 2,96 million and Euro 4,58 million for 1997 and 1998 respectively and import figures of Euro 2,15 million and Euro 2,83 million for 1997 and 1998.

Finland

Bilateral agreements:

- 26.5. 1983. Agreement between the Government of the Republic of Finland and the Government of the People's Socialist Republic of Albania on the International Road Transport of Goods.
- 26.5.1983. Protocol referred to in article 15 of the "Agreement between the Government of the Republic of Finland and the Government of the People's Socialist Republic of Albania on the International Road Transport of Goods".
- 7.11.1991. Agreement on Economic, Industrial and Scientific-technological Cooperation between the Government of the Republic of Finland and Government of the Republic of Albania.

France

France and Albania signed in 1995 an agreement on the mutual encouragement and protection of investments. The volume of bilateral trade is at present somewhat limited being in the region of Euro 15,2 million.

French support on the economic and budgetary level in 1999 was shown by the postponement of Euro 4,1 million of "Paris club" debt.

Germany

Germany is Albania's third largest supplier and customer alike, after Italy and Greece. While trade in goods declined by 14,7% to Euro 57,3 million in 1997, an increase of 32,7% is reported for 1998 with a volume of business of Euro 76,7 million (Euro 20,9 million worth of imports from Albania and Euro 55,6 million worth of exports to Albania). German exports were dominated by vehicles and machinery, electrical goods, textiles and clothing, and tobacco products. Albania's exports to Germany consisted mainly of processed textile products, agricultural products and chromium ore. At the end of 1997, German direct investment comprised 11 projects (mostly in the textile trade) with a total value of Euro 7,16 million. There is no double taxation agreement. An investment promotion agreement has been in force since 18 August 1995.

Greece

In order to help Albania deal with the repercussions of the 1997 crisis, Greece offered Albania a loan amounting to Euro 61,17 million. Three protocols of economic cooperation have so far been signed between Greece and Albania, each concerning a part of the loan, which is targeted at a specific area (e.g. housing, infrastructure). One more protocol of economic cooperation remains to be signed for the last part of the loan.

Italy

On 12 January 1998 an Exchange of Letters was signed on increased cooperation between Italy and Albania in the field of work, employment and training policies.

On 12 March 1998, the following instruments were signed: a Memorandum of Understanding on consultation and assistance in reorganising the Albanian fiscal authorities, which was accompanied by a joint declaration by Italy, Albania and the EU Commission in the framework of a Memorandum of Understanding on the EU customs assistance programme "Cam-Albania", signed on 10 November 1997; a mutual administrative assistance agreement on the prevention, identification and eradication of customs infringements and an agreement on employment and naval assistance in the customs sector.

On the economic front, a Convention to avoid double taxation and fiscal evasion with respect to taxes on income and capital was signed on 12 December 1994 (ratified by Italy on 13 May 1998).

Sweden

Sweden has signed four bilateral agreements with Albania;

- 1984 Trade agreement
- 1995 Agreement on protection of investments
- 1995 Transport agreement
- 1998 Agreement on double taxation

United Kingdom

Bilateral trade statistics are:

Year	UK Exports Meuro	UK Imports Meuro
1996	9,68	0,19
1997	6,03	1,39
1998	4,77	0,33

Trade with Albania is still at a very low level due to the depressed economy. the four main UK export categories are specialised machinery, general industrial machinery, office machinery and chemical materials.

3. Development cooperation and humanitarian aid

Austria

Development cooperation: Albania is a major target country of Austrian development cooperation efforts. Major projects are the rehabilitation of the Drin power stations and of the water supply system for Shkodra, the rehabilitation of the hospital in Burrel. There is a host of other projects, including many in the educational and health sectors.

Belgium

- Albania

Mainly urgent and humanitarian medical assistance.

At the donors' Conference in Brussels in 1997, Belgium pledged aid of an amount of Euro 1,43 million, mainly in the field of urgent medical aid.

Two NGO's have projects for a global amount of Euro 525 000. Belgium also participates in NATO and UNDP demining schemes.

- Neighbouring region

Kosovo

Development aid/humanitarian aid is limited to humanitarian aid through NGOs.

FYROM

Belgium finances a waterpipe repair project as well as a cattle feed project.

Denmark

Danish transitional assistance for Albania totalled Euro 6,06 million in the period 1994-1998. The assistance was aimed at consolidating the democratisation process, promoting the rule of law and economic development in general.

For the period 1999-2001, the Government of Denmark has granted Euro 13,46 million. The programme period might be expanded for an additional year and an additional Euro 5,4-6,7 million. The assistance is aimed at supporting the reform of the justice system, the police and the promotion of the free press.

In addition, the Government of Denmark has granted Euro 0,15 million in support of the OSCE mission in Albania in 1998-1999 (secondment of monitors for the Albanian/FRY border), Euro 0,27 million in support of the WEU MAPE mission (deployment of senior Danish police personnel) in 1998-1999 and Euro 0,016 million in support of the Referendum on the Constitution in 1998.

Humanitarian Aid

The Danish Government has supported the relief efforts in Albania through Danish humanitarian organisations and international relief agencies. So far, Danish organisations have received approximately Euro 13,6 million for efforts in Albania. Danish humanitarian organisations have established and administered refugee camps, projects for delivery of relief packages to refugees living with host families, health projects, and activity projects, such as street sport and radioproduction. In addition, a total of Euro 13,9 million has been channelled through the UN-appeals to the Balkan region.

Finland

During the peak of the Kosovo refugee crisis Finland contributed Euro 2,3 million as directed budgetary support to Albania. The aim of this allocation was to support humanitarian activities derived from the refugee crisis.

Finland is in the early phase of its cooperation with Albania. A 2-3 year project in the social sector of a value of Euro 1,2 million is being prepared. The implementation of the project is scheduled to begin at the end of 1999.

France

In 1994 France and Albania signed a friendship and cooperation agreement.

France has granted humanitarian aid to the tune of Euro 17,8 million to help Albania cope with the direct and indirect consequences of the mass influx of Kosovar refugees and has also deployed on the ground civil security teams, fire brigades and doctors. 800 French soldiers present in the framework of the "Allied Shelter" operation have contributed to the establishment, sanitising, supply and medical surveillance of several refugee camps. France has also contributed the sum of Euro 4,57 million to the refurbishment of the central hospital in Tirana.

France has set up a fund aimed at financing small infrastructure projects and training programmes for local managers and politicians.

Germany

Albania has received financial assistance totalling over Euro 510 million by way of development cooperation since 1987. Particular mention should be made of technical cooperation projects for infrastructure (water supplies), job training and business creation (e.g. the FAFED credit scheme). An agreement on migrant workers, concluded between Germany and Albania in 1991, allowed Albanian nationals medium-length stays in Germany for work purposes. The agreement was implemented in cooperation with IOM. Since 1997, however, the agreement has ceased to be applied in practice owing to difficulties over selection of personnel.

Greece

Greece was one of the first countries to offer humanitarian assistance to Albania, to help it deal with the mass influx of refugees that have fled to Albania since March 1999. Humanitarian assistance projects concerning refugees from Kosovo have also been in place since 1998. There is also a number of development assistance projects targeting Albania, and realised through different ministries, concerning infrastructure, training in the field of police work, seminars for young Albanian workers, etc.

Ireland

Development cooperation

Albania: 1 project Euro 40 632 (cost provided by Ireland in respect of Non-Government Co-Financing projects)

Humanitarian aid

The Irish Government has given a total of Euro 3,30 million since the conflict in Kosovo began in 1998. In 1998, Euro 253 000 was given to the International Red Cross for its programmes for internally displaced persons in Kosovo and also for refugees in Albania.

On 29 March 1999 the Minister for Foreign Affairs approved Euro 507 000 for the UNHCR to meet immediate needs of refugees in the region..

On 3 April 1999 a further Euro 2,54 million was approved.

Italy

Italian cooperation in the Balkans is aimed essentially at contributing to peace-keeping and economic and social stability in the region.

In addition to the two primary objectives, measures to strengthen capacity-building and institution-building for the development of administrative and management structures as well as small businesses are being taken.

Italy has been active in Albania since 1991, first with extraordinary and emergency action, then in the form of ordinary cooperation from November 1991. Total commitments for cooperation activities in the period 1991-2000 amount to Euro 674 million, including grants, aid credits and emergency aid.

In 1998 a new Cooperation Programme for 1998-2000 was agreed, with an overall budget of Euro 210 million. The objectives and priority sectors of the Programme, which were agreed with Albanian authorities, concern the reconstruction of basic infrastructures, especially water supplies, roads and

electricity, urban regeneration, promotion of private-sector economic activities, including the production of goods and services, social measures, health, vocational training, education, and the safeguarding of environmental assets.

Italy is the largest bilateral donor to Albania.

Italian cooperation in Albania, which slackened considerably following the events of 1997, is currently in full expansion, according two directions: (i) quick-impact measures (e.g. equipment and transformers to reduce electricity blackouts in Tirana; (ii) impetus given to the "Task Force Albania" in order to remove obstacles to the rapid completion of work to restore basic services (water, sewerage, electricity, roads, basic health care).

Italian emergency relief assistance to the Kosovo refugees

In response to the plight of the Kosovo refugees, Italy has mounted a relief effort that is the largest ever undertaken by the Italian emergency infrastructure outside the Country.

In the framework of "Operazione Arcobaleno" (Operation Rainbow) in Albania, Italy has set up several refugee camps: Kukes 1 (5 000 refugees), Kukes 2 (6 000), Durres Rrashbull (2 000), Durres Shijak (1 500), Durres (600), Durres (40), Kavaje (5 000), Kavaje 2 (800), Tirana (800), Tirana (800), Tirana-Kinostudio (600), Lezha-Shengjin (1 000), Lezha-Fishta (2 200), Vlore (5 000), Shkoder (700), Sarande (700). Furthermore, a field hospital with 100 beds was set up in Durres.

Additional camps are being organised in Sarande (1 000) and Elbasan (2 000). Italy is also participating in the management of the UNHCR camps of Lac (2 600), Durres (300), Golem/Kavaje (300), Shkoder 1 and 2 (560).

Operation "Arcobaleno" also provided the logistics of emergency response: Navy ships, commercial vessels, and military aircraft have been mobilised in order to ferry supplies across the Adriatic sea. The priorities included direct assistance to the refugee camps as well as support to the Albanian Government. Donations by private Italian citizens to "Operation Arcobaleno" and to the UNHCR amount respectively to about Euro 61 and 12,7 million. Other donations from Italian private associations for the purchase of food, medicines and clothing also total over Euro 11 million.

Italy has now conceived a programme to deal with the "Second Phase" emergency in Albania. A total of about Euro 60 million is required for its implementation. Beneficiaries will be both the Kosovar refugees and the local population.

This "post-emergency" programme, which has been drafted keeping in mind the medium and long-term necessities of the refugees, can be outlined as follows:

1) about Euro 20 million for the rehabilitation of existing facilities (barracks, hotels, abandoned infrastructures), for the sheltering of up to 20 000 refugees. The project includes a one year direct health and food assistance to the refugees, the rehabilitation of social and medical services already existing in the area, restoration of the supply of water and electricity, transportation facilities, etc..

The programme has been conceived in full accordance with the emergency services of the European Commission (ECHO). Having been devised with a modular structure, the project has been submitted to other international donors.

2) some Euro 40 million for the reinforcement at the national level of essential services (water, electricity, health, municipal services) whose scarcity is made even more striking by the refugee emergency.

Netherlands

- Albania

Development cooperation

Several projects in the field of democratisation, such as a project for civic voters registration (Euro 600 000), support for the Albanian Helsinki committee, in a project for implementation of the new detention law (Euro 600 000), a workshop aimed at increasing the spirit of co-operation between Albanian Parliamentarians from all political parties and project in the field of strengthening local government institutions (part of a large-scale agricultural programme, which will be phased out). Also a large scale participation in election monitoring in co-operation with ODIHR.

Support for independent media through Press Now, for a total amount of Euro 1 million on a yearly basis.

Humanitarian aid

MSF Netherlands, water and sanitation in Tropoje (Euro 400 000)

Netherlands Red Cross Society, non-food items (Euro 100 000)

Dorcas, transport of clothing (Euro 100 000)

- Neighbouring region

Development cooperation

Independent Media

In 1998, the Netherlands supported independent media in Kosovo for a total amount of Euro 68 000, *inter alia*, the written media Kosova Sot, Bota, E Re, Zeri and Tuta, and Radio 21, radio Kontakt and Radio Koha (all through the Dutch NGO "Press Now").

In the same year the Netherlands supported independent electronic media throughout FRY, for a total amount of Euro 272 000, through "ANEM". Local radio stations in Kosovo take part in this association. For the years ahead the Netherlands government is planning to extend these support activities roughly at the same level of intensity.

Civil Society

The Netherlands support the Serb NGO "Humanitarian Law Centre", which is based in Belgrade and Pristina and is active in the field of promoting respect for human rights, monitoring human rights violations in Kosovo and promoting and giving publicity to the activities of ICTY (total amount of support in 1998: Euro 68 000).

Furthermore, through the Embassy in Belgrade the Netherlands have made available small funds for locally based NGO's in Kosovo (total amount: Euro 68 000). Due to the current security situation however, though initial contacts have been made, no concrete activities have been supported so far.

Humanitarian aid

The Netherlands contributions to UN-consolidated appeal 1998 in relation to the crisis in Kosovo:

UNHCR (Euro 453 000)

WFP (Euro 862 000)

UNICEF (Euro 453 000)

OCHA (Euro 25 000).

Netherlands contributions to various NGOs:

Kosovo

Mensen in Nood/Caritas: food and household goods (Euro 168 000)

MSF Belgium, medical assistance (Euro 210 000)

NOVIB/OXFAM, water and sanitation (Euro 135 000)

Montenegro

Netherlands Red Cross Society, food and hygiene parcels (Euro 279 000)

Mensen in Nood/Caritas: food, medicines, heating, hygiene (Euro 313 000)

Kosovo and Montenegro

World Vision non-food items (Euro 226 000)

FRY

ICRC (Euro 794 000)

Spain

- Albania

In Albania, Spanish cooperation encourages and supports the reconstruction efforts as a matter of priority through NGOs. In an attempt to defuse tensions which are rife throughout the country, Spanish cooperation will soon organise a seminar through CERI in Tirana involving many of the main protagonists and political leaders.

In the framework of assistance to NGOs in 1998, the funding of several projects was approved through the Spanish Red Cross, CESAL and Médecins du Monde, to the tune of Euro 502 623.

- Neighbouring region

In Yugoslavia Spain's cooperation efforts in 1998 went mainly through NGOs and through food aid to refugees from Kosovo. The total budget for Spanish cooperation with Yugoslavia was Euro 445 000 in 1998.

Euro 50 000 were granted to various projects and Euro 155 000 in medical cooperation in six different projects through the Spanish Red Cross. Euro 240 000 were granted in food aid for refugees from Kosovo. There is also a programme of study grants for Yugoslav nationals.

Sweden

Swedish assistance to Albania has focused on technical development co-operation. Sweden finances two projects in the field of environment and development of infra-structure. For 1998, Euro 1,16 million was allocated for projects in Albania of which a smaller part was used. For 1999, Euro 464 000 have been allocated.

It is important that development co-operation and reforms are targeted so that there is a real improvement for the Albanian people. Priorities for development co-operation are improvements of;

- the security situation,
- the corruption,
- the judicial system.

United Kingdom

The United Kingdom's assistance to Albania has focussed on four sectors: rural development, financial sector, development of the public administration, health sector. In light of the recent crisis in the region, a new country strategy paper is being drafted which may focus on the sectors of: public administration (aiming to enable sound policy development and improved service delivery); indigenous Civil Society (with the aim of increasing the capacity of people to exercise their rights); development of transparently regulated markets; promotion of incentives and strengthening the capacity of Government and civil society to bring about conflict reduction and peace building.

4. Justice and Home Affairs measures

Albania remains marked by a lack of public order and security in large parts of the country and widespread crime, arms trafficking, fraud and corruption while the judiciary and police operate under poor conditions. Against this background the right to seek redress, a fair trial or protection against arbitrary arrest or detention, which legally exist, cannot apply in practice. It should also be noted that Albania's prisons remain in a very poor state. Since 1997 all courts have reopened, (40% had been completely destroyed during the 1997 crisis) but given the continuous lack of investigation by local prosecutors' offices and the police, their functioning remains limited.

Following the adoption of the Constitution and of a framework law of the organisation of the judiciary, the Government envisages to undertake a number of measures and actions in accordance with a comprehensive action plan for the reform of the judiciary, signed on 12 January 1999 between Albania, the Council of Europe and the European Commission aiming at further strengthening of the judiciary. This action plan, which is underpinned by assistance provided under the third joint programme EC/Council of Europe, foresees *inter alia* a package of legislation on administrative matters, laws on the functioning of different judicial institutions and bodies such as the office of the public prosecutor and the Constitutional Court, training for judges, setting up of a State publication centre, etc. With regard to the reform of the executive branch and public administration, substantial progress is still required such as the adoption of different framework laws on the functioning of ministries and services (including the ministry of justice and public order, and police forces, the setting up of a Civil Service Commission and more generally the approval of an updated strategy for the reform of public administration and state institutions).

Belgium

- Albania

Benelux Convention on readmission will be negotiated.

- Neighbouring region

Benelux Convention on readmission under consideration.

Denmark

Albanians must have a visa in order to enter Denmark. Denmark does not have a readmission agreement with Albania.

France

An SCTIP (Service de coopération technique internationale de police) branch was opened in Tirana in September 1998.

France is also involved in active police cooperation: in the framework of the "Multinational Elément de Conseil" on police matters, set up in 1997 by WEU under the command of a French colonel..

Germany

There is no readmission agreement with Albania. As a rule there is no problem with repatriation of Albanian nationals. In obtaining travel documents for the return of Albanian nationals, however, all those to be repatriated have to appear at the embassy for a personal interview. Voluntary returnees to Albania receive financial reintegration aid, under the GARP programme, of Euro 180 per adult and Euro 90 per child, with a maximum of Euro 535 per family. Around 600 people have claimed such grants since 1994. Albania has been provided with both practical (trucks) and training facilities by way of police equipment and training assistance. Germany is also participating in the Multinational Advisory Police Element (MAPE) in Albania. There has in addition been a German document specialist working in Albania since 1998, advising airlines at Rinas airport and assisting the visa-issuing office at the German embassy.

Greece

On 9 March 1998 a Protocol on cooperation between Albania and Greece was signed, concerning the implementation of joint patrolling by border police and by the Greek coast guard for more effective policing of the maritime border between the two States. The protocol is in force since July 1998.

Italy

For some time now, migration, especially cooperation in the fight against illegal immigration, has been a key issue in Italo-Albanian relations. No opportunity has been neglected on the Italian side to ask the government in Tirana to make every effort to prevent and combat the flow of illegal immigrants, chiefly coming from the Vlore area, which has become the main collection and transit point for illegal migrants, including those from other countries, heading for the Italian coast.

Sea patrols, carried out by a contingent from the Italian Customs service which operates in a stretch of water facing the Bay of Vlore, intercept and return the dinghies used for that purpose. However, because of the restrictions on such action due to the essential need to avoid risking the lives of those on board such vessels, it is clear that the preventive action should principally be carried out on Albanian territory, by action aimed at preventing the activities of the boat owners and at eliminating the criminal organisations responsible for illegal trafficking.

By implementing the measures for integrated action on land and sea provided for in the Protocol signed on 10 November 1998 by the Italian and Albanian Prime Ministers, Italy is endeavouring to make up for the lack of resources and structures which the Albanians constantly use to justify the inadequate results. In the last few months our joint mission has been allocated rehabilitated buildings in which an operations room will shortly be installed. This will help considerably to increase the monitoring of maritime traffic, especially of the dinghies.

The Protocol also provides for the adoption of the following measures:

- setting-up of a "sea-borders team" on the island of Saseno.
- extension to the provinces of Vlore and Scutari of the territorial control devices already existing in other provinces through the Italian Interforces Mission, in agreement with the Albanian authorities.
- intensification of the work on reorganising and training the rapid intervention forces of the Albanian police.

A readmission agreement between Italy and Albania has been signed on 18 November 1997. Its implementation worked smoothly, thanks to the cooperation of the Albanian authorities. The readmission agreement include a clause which require the Albanian authorities to take back third-country citizens who have entered the Italian territory after transiting through Albania. The Albanian authorities seldom accept to readmit third-country nationals, quoting insufficient evidence of their passage through their territory.

Netherlands

The Netherlands do not have a readmission agreement with FRY concerning rejected asylum-seekers

Sweden

Sweden is currently involved in the following support or aid activities in Albania and the neighbouring region:

- 1 police officer at the VEU headquarters in Brussels for planning of the police advisory mission to Albania;
- 4 police officers in Albania within the framework of OSSE/MAPE mission;
- 23 police officers in the OSSE verification mission to Kosovo;
- 50 police officers in UNTTPITF to Bosnia-Herzegovina and;
- 5 police officers in UNIPITFs drug unit in Sarajevo.

United Kingdom

Eighteen British police officers are attached to the WEU MAPE Police Advisory Mission. The United Kingdom also contributed Euro 385 000 in 1998 to a bilateral police assistance programme focusing on forensic science.

CONTRIBUTIONS
FROM
UNHCR AND IOM



ALBANIA

Measures and actions by UNHCR in the area of institution- and capacity- building

Albania adopted a Law on Asylum on 14 March 1998, yet the Kosovo crisis has prevented so far the establishment of a satisfactory refugee status determination procedure as well as the development of the necessary institutional and professional capacities in the area of asylum. The development of a full-fledged functioning asylum system in Albania would be an important indicator of the country's commitment to adhere to European standards and practices. The authorities have indicated their willingness to set up an asylum system provided the consequences thereof do not become unmanageable and UNHCR will play a significant role in institution- and capacity-building in this field. UNHCR has undertaken an assessment of the needs and priorities for the implementation of such an asylum system in consultation with Government authorities, parliamentarians and NGOs.

A future asylum system, however, cannot operate in a vacuum, and its development needs to be part of a package of measures, including the protection of all human rights and the promotion of the rule of law through legal and judicial capacity-building. Provided these other measures are implemented simultaneously, the establishment of an asylum system could be an important element in efforts to reduce transit of illegal immigrants and asylum-seekers through Albania travelling onwards to EU Member States. The following elements should be an integral part of institution- and capacity-building in asylum:

- establishment of structures and procedures for refugee status determination (including appeal),
- training of staff and decision-makers in refugee status determination,
- dissemination of refugee law standards,
- promotion of the integration of recognised refugees,
- resettlement of appropriate cases in situations where the fragile system risks to be overburdened, and
- return of asylum-seekers determined not be in need of protection (although no specific role for UNHCR is envisaged here).

Given the lack of physical safety and legal security for refugees in Albania, the country cannot, at present, be considered to be a "safe third country" for the purposes of the return of rejected asylum-seekers. However, considering the recently increased level of cooperation with the Albanian authorities, joint efforts between the Albanian authorities, UNHCR and EU Member States for the strengthening of the rule of law, the establishment of functioning civil and judicial structures, and, at a second stage, the development of a full-fledged asylum system could result, in the longer term, in the realisation of the necessary conditions for the safe return of rejected asylum-seekers to Albania.

KOSOVO

Measures and actions by UNHCR

UNHCR has led the UN humanitarian response in the neighbouring countries since the start of the Kosovo emergency and the NATO intervention, and in the province itself following the massive refugee return. The crisis response produced novel arrangements of support and coordination between international and state actors as well as civilian and military-based organisations.

In response to the humanitarian crisis in FYROM, created by a mass influx of refugees from Kosovo, UNHCR organised a Humanitarian Evacuation Programme aimed at easing pressure on the host country and thereby ensuring that refugees continued to have access to FYROM. The Programme did not focus on individual protection needs, rather it focused on the protection requirements of whole groups. It moved groups of refugees so that all in need of protection could have access to safety. The status the evacuees received differed from country to country. In most countries they were granted some form of temporary protection, while in other countries they received a residence permit upon arrival.

Following the armistice and the suspension and subsequent termination of the NATO campaign, UNHCR re-established its presence in seven locations in Kosovo, and the relief supply chain was resumed on 14 June 1999. In Albania and the former Yugoslav Republic of Macedonia (FYROM), UNHCR continues to arrange for care and maintenance of refugees staying with host families and collective centres, it being understood that all refugee camps will be closed. UNHCR has conducted mass information campaigns, including mine awareness, among the refugees in neighbouring countries, to inform them about the continuing precarious security in Kosovo.

UNHCR started to facilitate organised returns to Kosovo from the immediate region on 28 June 1999, in close cooperation with IOM, followed by returns from third countries in mid-July. UNHCR's involvement in the organised returns is conditioned on the refugees' voluntary cooperation and their well-informed choice to return as well as the establishment of coordination mechanisms in transit countries (particularly FYROM).

UNHCR's mandate in Kosovo covers the internally displaced in addition to the returnees. The security situation for members of minority groups remains very tense and extremely volatile with significant numbers facing arson attacks, threats, house burning, and, in extreme cases, murder. Under UN Security Council Resolution 1244 of 10 June 1999 the UN Mission in Kosovo (UNMIK) is tasked with providing assistance and protection to minorities. The Deputy Special Representative of the Secretary General (DSRSG), who is also the UNHCR Special Envoy, has established an inter-agency Ad Hoc Task Force on Minorities. This Task Force has set up a monitoring, reporting and response mechanism, including on an emergency basis, as well as an emergency hotline between civilian humanitarian agencies and KFOR to launch a rapid response mechanism when needed.



IOM International Organization for Migration
OIM Organisation Internationale pour les Migrations
OIM Organización Internacional para las Migraciones

The following activities are perceived by IOM as priority measures to address migration-related problems resulting from the post-conflict situation in Kosovo, and are being performed as outlined below:

Transport assistance to returning Kosovars (KHRP) (ongoing)

Summary: To provide both primary and secondary movement assistance, allowing a facilitated return to Kosovo and onward transport to final destinations within Kosovo.

Following the reestablishment of a humanitarian presence in the province of Kosovo, IOM is working in close coordination with UNMIK and with UNHCR to assist returnees in moving to their final destinations on their return to Kosovo. IOM is also coordinating the return movement of refugees evacuated to third countries under the HEP program.

Direct assistance to Kosovar Returnees (ongoing)

Summary: To provide, on behalf of host governments, reinstallation and reintegration assistance to Kosovar returnees.

A number of countries hosting Kosovar refugees have indicated their interest to accompany the return of Kosovars with support mechanisms which will directly assist in their reintegration. In real terms, this requires a mechanism of providing reinstallation financial assistance, either as a one-time cash payment or through a more developed process of needs assessment in the areas of housing and basic survival and subsequent assistance.

Return of Qualified Nationals (RQN) to Kosovo (Project formulation)

Summary: To facilitate the return from third countries of semi-skilled Kosovar entrepreneurs into the private sector through micro-grant schemes as well as a limited number of skilled professionals into social infrastructure with initial focus on education.

While initially focusing on private sector/entrepreneurs start up through micro-grant scheme and employment placement into social infrastructure, Kosovo RQN will aim to co-operate with UNMIK and reconstruction agencies for possible job-matching scheme for some priority sectors such as communication and other public services.

Documentation and civil registry (*Project formulation*)

Summary: To register and provide identity documentation

The new civilian authorities of Kosovo, international and local, will need to issue identification documents and build up a database for use in planning the reconstruction and reordering of the political, social and economic life of the territory. Many Kosovars have lost what documentation they once may have had. IOM believes that the best approach is to aim for the construction of a new civil registry for the territory, using both fresh surveys and existing documentation in the hands of KFOR and UNMIK.

Measures to Counteract Trafficking in Migrants (*Project formulation*)

Summary: To assess the current trafficking climate and to set up early-warning and reporting mechanisms.

High unemployment rates, lack of effective identity documents and poor border control provide favorable conditions for traffickers. Experience in BiH suggest that a massive international presence might be a magnet for the coercion of women in prostitution from neighboring areas. IOM will assist international and local civil police, other civilian authorities, and NGOs in setting up early-warning and reporting mechanisms on trafficking, while implementing data gathering, awareness campaigns and training of law enforcement officers, civil administrators and community leaders will be conducted, drawing lessons learned from regional experiences on counter-trafficking activities.

Information Counseling & Referral Service (ICRS) (*ongoing*)

Summary: To assist former KLA combatants in their successful reintegration into civilian and economic life.

The Information Counseling & Referral Service (ICRS) is a program that will assist the unabsorbed demilitarized KLA combatants to reintegrate back into civilian life. This will be done through the provision of timely, accurate and unbiased information, at different levels, as to available reintegration opportunities, including access to counseling, referrals, training, capacity building, employment and other income-generating opportunities that are supporting overall on-going reconstruction efforts within Kosovo.

Kosovo Transition Initiative (KTI) (*ongoing*)

Summary: To facilitate community identified community rehabilitation programs.

The KTI program works with local communities in both larger towns and small villages throughout the Prizren and Urosevac (Ferizaj) districts, focusing on fostering participative processes through the formation of community-based groups that reflect a plurality of political and special interests in each municipality where they are active. The purpose of these community-based councils is to select and prioritize community needs and concerns, including improving the capacity of local NGOs as well as local media services.

Other activities of importance undertaken by IOM are the following:

Transitional Regional Management Program for Complex Medical and Surgical Cases (*ongoing*)

Summary: To assist Kosovars in obtaining medical and surgical treatment which is no longer available to them as a result of the recent conflict.

Intensive Training in Health Management and Health Administration (*ongoing*)

Summary: To train medical staff in health management and administration ("teacher training") and enable them to further provide the necessary training to other health care workers, in Kosovo.

Kosovo Technology Assistance Initiative (KTAI) (*Advanced Planning*)

Summary: To create seven internet access centers throughout Kosovo to provide reasonable priced internet access, computer training and media facilitation.

Psychosocial and Trauma Response in Kosovo (*Advanced Planning*)

Summary: To provide a rapid and timely response to emerging psychological needs related to the recent conflict through extra-curricula, inter-faculty University training course on psychosocial and trauma response.

Transitional Information Programme (*Advanced Planning*)

Summary: To facilitate the emergence of free and un-biased media in Kosovo through professional journalistic training and the creation of a media center.

IOM/UNFPA Socio-demographic survey (*Advanced Planning*)

Summary: To quickly design and execute a statistically correct Kosovo-wide survey to determine current socio-demographic, economic, population movement and health indicators.

**Draft action plan for
ALBANIA and neighbouring region
- Summary**

- A. General introduction**
- B. Statistical bases and initial situation**
 - I. Analysis of the causes of migration and flight**
- C. Country-by-country measures and actions**
 - I. Rundown of existing bilateral measures and actions**
 - 1. Politics
 - 2. Economics
 - 3. Development cooperation
 - 4. Humanitarian aid
 - 5. Justice and Home Affairs measures
 - II. Rundown of existing Community measures and actions**
 - 1. Politics
 - 2. Economics
 - 3. Development cooperation;
 - 4. Humanitarian aid
 - 5. Justice and Home Affairs measures
 - III. Measures and actions by UNHCR, IOM, ICRC and other inter-governmental and non-governmental organisations**
- D. Assessment of the state of play**
- E. Action required by the Community/Union**

A. GENERAL INTRODUCTION

1. Political situation

Albania is a country in transition, beset by serious social, political and economic difficulties.

The events of September 1998 - leading to the resignation of Prime Minister Nano - confirmed again the volatility and confrontational character of political life in Albania. Although the government is constitutionally accountable to the unicameral parliament, in practice, the role of the Albanian parliament has always been limited. Though the government has been in place since July 1997, its action has been limited by a boycott (renewed since early July 1998) by the main opposition party. The ongoing monitoring of Parliament by OSCE has recorded only minor irregularities and shortcomings with regard to legislative procedures.

Political and parliamentary life in Albania remains dominated by extreme bipolarization and confrontation between the political parties. This refers above all to the issues of corruption, public order, and the attitude towards the Kosovo crisis, which have introduced elements of vulnerability in the political, social, economic and institutional areas.

According to the major constitutional provisions and several laws adopted in cooperation with the Council of Europe, there is a legal separation of powers. However, given the traditionally weak role of Parliament, the poor state of the judiciary and a largely inefficient administration, these principles are only partially applied in practice.

Partial local elections held in June 1998 in order to fill the institutional vacuum resulting from the 1997 crisis in some areas, were marked by an unusually low turnout (less than 50%). This reflects a decreasing interest of the Albanian population in politics. The elections were considered by the OSCE as globally free and fair.

Recent developments

Following the resignation on 28 September 1998 of Mr. Fatos Nano, the former Prime Minister, a new Government took over on 2 October 1998. It is led by Pandeli Majko, the young Secretary of the Socialist Party, and includes the Socialist Party, the Social-Democrat Party, the Human Rights Party, the Democratic Alliance, the National Union and the Agrarian Party. The Fatos Nano government was supported by the same majority, and resigned following a crisis triggered by disorders following the assassination on 12 September 1998 of Hazen Hajdari, a member of Parliament representing the Democratic Party.

In the programme presented to Parliament, Majko said the priorities of the new Government were to develop democracy (dialogue with the opposition, approve the new Constitution and speed up reform of the public administration) while stepping up public order and the fight against corruption.

Following the elections on 29 June and 6 July 1997, the parties represented in the majority coalition hold 116 of 150 seats in Parliament. The elections resulted in a clear majority for the Socialist Party,

which obtained 52% of votes overall, compared with 25.7% for the Democrat Party of former President Berisha.

On 22 November 1998, the new Constitution was approved by popular referendum, checked by international monitors.

The internal situation of the country is still difficult. The most obvious dysfunctional aspects concern public safety, law and order and corruption (on 24 January 1999 the Albanian authorities decided to accede to the Council of Europe Convention on corruption), in addition to a high level of unemployment.

2. *Economic situation*

An extremely poor country by European standards, Albania is making the difficult transition to a more open-market economy. The economy rebounded in 1993-95 after a severe depression accompanying the collapse of the previous centrally planned system in 1990 and 1991. However, a weakening of government resolve to maintain stabilization policies in the election year of 1996 contributed to the renewal of inflationary pressures, spurred by the budget deficit which exceeded 12%. The collapse of financial pyramid schemes in early 1997—which had attracted deposits from a substantial portion of Albania's adult population - triggered severe social unrest which led to more than 1,500 deaths, the widespread destruction of property, and an 8% drop in GDP. The new government installed in July 1997 has taken strong measures to restore public order and to revive economic activity and trade. The economy continues to be bolstered by remittances of some 20% of the labor force which works abroad, mostly in Greece and Italy. These remittances and development aid - supplement GDP and help offset the large foreign trade deficit. Most agricultural land was privatized in 1992, substantially improving peasant incomes.

Recent developments

Unemployment is high, with large numbers of young people out of work and constituting a large, frustrated and volatile migration potential.

Despite many difficulties, Albania continued to implement stabilisation policies agreed upon with IFI. In May 1998, the authorities agreed a three year Enhanced Structural Adjustment Facility (ESAF) arrangement with the IMF in support of the medium-term economic programme.

Annual inflation was 16.9% in July 1998, down from 42% in January. This has allowed some easing of monetary policy. The implementation of the budget is broadly on track with the objective of a domestically financed deficit equivalent to 6.5% of GDP for 1998. (1997: 11%). Fiscal revenues collected by customs (VAT, duties and excises) in the first seven months of 1998 were almost twice the amount collected in the same period in 1996, before the crisis.

GDP growth for 1998 is expected to have reached 8%, which should be sufficient to raise output to its pre-crisis level. However growth is highly vulnerable to continuing political instability and civil strife, which discourage domestic and foreign investors.

3. *Human rights*

Albania is a member of the Council of Europe since 1994. Freedom of expression, including the printed media, is generally respected. Regarding the electronic media, national TV and radio seem to have established a more balanced coverage of events.

The right of assembly and demonstration is generally respected. Opposition rallies, in particular those organized regularly by the Democratic Party (DP) in Tirana's main square, normally take place without major incident, with the notable exception of the events of 14 September 1998 (following the killing of Mr. Hajdari) which led to temporary occupation of government buildings and TV. There has been increased police presence after this event, but normally with almost no enforcement of demonstration bans issued on several occasions by the Ministry of Interior for public order reasons.

The right of association is generally assured. Political parties must apply to the Minister of Justice for official certification. Several officials of opposition parties continue to claim, however, that there are attempts at intimidation by the police.

Albania remains marked by a lack of public order in large parts of the country and widespread crime and arms trafficking. The judiciary and police operates generally under poor conditions. Against this background a right for seeking redress, a fair trial or protection against arbitrary arrest or detention, which legally exists, cannot apply in practise. It should also be noted that Albania's prisons remain in a very poor state, even if two were rehabilitated after the 1997 crisis. Since late 1997, all courts have reopened (40% had been completely destroyed during the 1997 crisis) but given the continuous lack of investigation by local prosecutors' offices and the police, their functioning remains limited.

The rights of minorities in Albania (besides small communities of Vlachs, Montenegrins and Serbs, the main minority are ethnic Greeks) are guaranteed in the basic constitutional provisions. The Greek minority is well organised and politically represented by the Human Rights Party which has access to the media like other parties or associations. Almost all Greek schools affected by the 1997 crisis have been rehabilitated. There is a legal right to use minority languages in court proceedings.

Violence against women and spousal abuse still occur in this traditional male-dominated society, but the breakdown in police controls, coupled with the low level of concern that police showed in such cases in the past, means that most abuse goes unreported. No government-sponsored program protects the rights of women.

Women and girls are often lured into prostitution rings, especially in Greece and Italy. According to an IOM report on available statistical data on Albanian victims of trafficking, the number of cases has risen during 1991 and 1996 up to 3,566 crimes and 4,387 persons accused in year. The IOM report estimates that there were 3,600 cases of trafficking in Albanian women in Italy in 1996, as compared with 300 cases on average in other countries.

With the adoption of the new Constitution on 28 November 1998, Albania made a big step forward especially with regard to respecting human rights and more particularly in respecting its obligation to the right of asylum stemming from the 1951 Convention. Thus the Constitution contains an article on the right to asylum (Article 40). It also provides that international instruments to which Albania has

acceded supersede the national law (Article 5), the right of non refoulement (Article 39(3)) and freedom of movement (Article 38).

B. STATISTICAL BASES AND INITIAL SITUATION

B.1 Nationals of Albania and the neighbouring countries in the EU member States

B.II. Analysis of the causes of migration and flight

Albania is a country of both origin and transit for migration flows directed to European countries.

Since 1990 Albania has experienced massive migration. According to the Albanian Emigration Department, over 500.000 Albanians (out of a population estimated at 3.3 millions) emigrated during the period 1990-1997. It is commonly acknowledged that one person per each Albanian family is living abroad and contributes to the family maintenance. Albanian economy currently relies heavily on emigratory remittances.

Historical view

Until 1989 - i.e. until the fall of the communist regime - migration was virtually non-existent, except as a clandestine operation, fraught with risks. The enthusiasm over the new possibilities brought with the freedom of movement, being able to freely leave a country that had been cut off for years from the outside world, swept over Albania like a wave, as the newly visible manifestation of newly-won democratic freedoms.

- The first political and economic opening of the country (late 1991/early 92) was therefore marked by major unrest and massive migration: around 50.000 people to Italy (half of them were forced to return temporarily) ; around 30.000 to Greece ;

- 1992-late 1996 (process of economic and political reforms providing for relative stabilisation in Albania with the notable exception of the financial sector) was marked by regular " controlled " influx: migration to Italy amounting up to 200.000 ; to Greece reached 300.000. Official Greek figures (June 1996) only indicate 150.000 immigrants.

- 12/96-4/97 (crisis linked to the collapse of " pyramid schemes ") : Abrupt renewed influx, namely to Italy (up to 30.000) and to Greece (up to 40.000), partial return and noticeable reduction of influx following the deployment of a Multinational Protection Force led by Italy (April-August 1997).

- Since late 1997 : apparently continuous migration of Albanians to the EU (in particular to Italy, Greece, Switzerland and Germany via Italy), but also to other countries, particularly other developed countries like the USA, Canada and Australia) of around 5.000 per month.

- Since mid 1998, at least 30.000 Kosovo refugees arrived in Albania, of which around 25.000 (source : UNHCR) are still in the country but not only in the North (around 40% of Kosovars remained in the area close to the border, the rest have spread over the country, in particular Tirana and Durrës, also with a view to getting a chance to leave the country).

The causes of migration

Apart from the specific period of political uncertainty and threat of famine during the first transition crisis (late 1991/early 1992), since 1992 Albanians have left the country mainly for economic reasons. The country remains indeed the poorest country of Europe (the GDP per capita averages around 800 US\$). Emigration is perceived by large part of the Albanian population as the only immediate response to the country's economic needs and social instability.

The scale of Albania's domestic real economy (besides the commercial sector) remains low. Pyramid schemes, which developed during the nineties on the basis of remittances from abroad, created "artificial wealth" until their collapse by late 1996, but only worsened the economic and social situation.

Albanians are often bound to leave their homes due to unbearable security conditions and violations of human rights. As a result of the state crisis of 1997, there is a continuous lack of public order and security in the country and a general increase of fraud, corruption and organised crime (already important prior to this crisis). Many areas are controlled by armed gangs, as the Government is not able to assure protection and the rule of law. Organised crime has further developed in particular relating to smuggling of cigarettes and arms, kidnapping of women and girls (for prostitution), transit of refugees (mostly from Kurdistan) and drugs trafficking which thus contribute to insecurity and directly generate migration flows.

Antagonism between supporters of the socialist and democratic parties, and unwillingness to do military service are also reported as causes for migration.

A number of pull factors are also in action: the presence of Albanian communities in some countries of destination (such as Italy and Greece), media programmes broadcasts and knowledge of language influence the decision to emigrate and the choice of the country of destination.

The policy of "containment" by the international community, namely the Multinational Protection Force led by Italy deployed during 1997 and immediate wide ranging humanitarian and other assistance (customs administration, prisons rehabilitation), resulted in a noticeable reduction of the influx since mid 1997. Elections in 1997, establishment of a new government and a comprehensive assistance package (See also C.II) has reduced Albanian emigration to the levels registered in 1992-1996.

Migration movements out of Albania include well-trained professionals and skilled manpower next to unskilled and semi-skilled labour. This constitutes a serious drain on the professional skill and manpower essential to assist and sustain the social and economic recovery on the country, adding further strains to the difficult situation facing Albania and its people.

Given the persisting social and economic scenario in Albania, and the continuation - at least in the near future - of current push and pull factors, immigration flows from and through Albania are likely to continue.

Albania as a country of transit

In recent years large flows of immigrants of Kurd, Indian, Pakistani, Philippino and Chinese nationality reached Italy through Albania. The great majority of those immigrants have their travel organized clandestinely by rings of traffickers, transiting through the region of Vlore, which is considered the center for the illegal smuggling of those immigrants. The weakness of the Albanian Government, and its inability to assure acceptable security conditions, facilitate the flows.

Traffic of migrants

Among the enabling factors for the arrival in Albania of many clandestine immigrants of different nationalities and ethnic groups is the consolidation of the criminal organisations engaged in promoting clandestine immigration on a permanent footing.

The people involved in the traffic are certainly not the poorest, but are those who can obtain access to the necessary information to attempt the journey, and who have the necessary financial resources to pay their passage to the countries of final destination.

It has been reported by OSCE that at least 25 criminal groups organize and manage the traffic of immigrants from Vlore. They have links with local authorities, and strong connections with Italian, Greek and Turkish rings. They use rubber boats with a capacity of 20-30 passengers, equipped with powerful engines. Sometimes illegal immigrants are embarked at sea, from a cargo ship outside the port of Vlore.

Often rings trafficking illegal migrants are also involved in drugs and weapons traffic.

Flight of asylum-seekers from Kosovo

The aggravation of the Kosovo crisis marked by military operations in 1998 resulted in a massive influx of Kosovars to Albania. The refugee crisis in Albania began in the North of the country in June 1998 when ethnic Albanians fled fighting in Kosovo between forces of the FRY and the Kosovo Liberation Army. By October 1998, it is estimated that a total of some 23,500 refugees from Kosovo had entered the country. The refugee influx, as of mid-October, decreased somewhat, although an average of thirty people per day were still making at that time the difficult mountain crossing.

An additional difficulty is that the average Albanian, particularly in the North, is poorer than Kosovar Albanians. Kosovars generally do not like to stay in Albania for economic and cultural reasons with the exception of those having relatives in Northern Albania (but these generally have economic difficulties in ensuring continued hospitality).

It is to be expected that until the situation in Kosovo is stabilised, the influx of Kosovars into Albania and via Albania to other countries will continue, although it is worth recalling that the FRY army has been quite effective in the past few months in sealing off the border with Albania. This has prevented an increased influx of refugees.

C. Country-by-country measures and actions

Rundown of existing bilateral measures and actions

Politics

For diplomatic consultations with Albania various frameworks exist:

a) bilateral political dialogue EU/Albania (normally once a year at ministerial level (GAC, Troïkas) and several times at senior official level).

b) Since April 1997 OSCE mission to Albania (Head of presence: Ambassador Everts / NL) involved in political mediation and specific OSCE activities in the field of democratisation, media and judiciary. OSCE mission conceived as "overall co-ordinating framework" for Albania.

c) " International Conferences " on Albania with involvement of all relevant states, organisations and institutions (all EU countries, Commission, US, Russia, Turkey, OSCE, Council of Europe, WEU, IMF, WB, EBRD) for discussion and concertation on the stabilisation process in Albania. These conferences were hosted by Italy in May, July and October 1997 and by Albania in October 1998.

d) " Friends of Albania Group " established in September 1998 in order to provide political coherence for assistance to the country, co-chaired by OSCE and EU Presidencies including a local formation, headed by Amb. Everts (OSCE).

e) European Community Monitoring Mission (ECMM): around 10 observers in Albania (Input into the COREU reporting system)

Italy

Italy has played and is still playing a leading role in helping Albania to overcome its current political, economic and financial difficulties. Italy's objective, in the short term, was to help Albania to cope with the crisis it was facing and, in the longer term, to assist the country in rebuilding its political, economic and institutional infrastructure.

A particularly significant moment in bilateral relations with Tirana was the signing of a friendship and cooperation treaty in Rome on 13 October 1995 (ratified by Italy on 25 February 1998).

On 28 August 1997, an intergovernmental cooperation protocol on defence was signed (in accordance with the 1995 framework Agreement), which provides for a small group of Italian trainers and advisers to be stationed permanently in Albania.

France

Présence diplomatique de la France: réactivation de la représentation diplomatique à Tirana en 1945 (avant la guerre une légation). La France est le seul Etat occidental à avoir toujours entretenu une ambassade à Tirana, même au plus fort de l'isolement albanais.

Dialogue politique et action de la France en faveur de la promotion du respect des droits de l'homme et de l'Etat de droit: il s'exerce soit dans le cadre des entretiens bilatéraux (nombreux depuis 1997), soit

par le biais des institutions internationales: dialogue politique de l'Union européenne, Groupe des Amis de l'Albanie sous co-présidence UE et OCSE (cécé en septembre 1998, réuni pour la seconde fois à Vienne le 24 février, ouvert à 27 pays et 10 organisations internationales, forum de consultations s'efforçant de donner une cohérence politique au dispositif d'assistance internationale), OCSE, Conseil de l'Europe, ECMM (European Community monitoring mission - ECMM).

Germany

Bilateral relations with Albania are marked by Germany's interest in democratic development, political stability and market-oriented economic reform. This is reflected in intensive, ongoing support and greater political influence both via the OSCE, the Council of Europe, the EU and the WEU and also bilaterally. There is in addition a regional and security interest in keeping Tirana to a course of moderation on the Kosovo issue. Germany is a founding member of the Friends of Albania Group, established in 1998, which it is also currently co-chairing.

The most important measure at present to remove asylum-seeking and migration pressures is a successful settlement of the Kosovo conflict. This means an international presence in Kosovo to monitor implementation of the security and civilian aspects of a future status arrangement and thus ensure the necessary foundations for peace and stability in Kosovo. Germany is participating in this within both the European Union and NATO.

Economics

On 17 October 1997, a Ministerial Conference on Albania was held in Rome, attended by 50 countries and international organisations, which defined the broad outline of international action on Albania.

The Donors' Conference held in Brussels by the European Commission and the World Bank on 22 October 1997 allocated 600 MEURO for the reconstruction of Albania, on the condition that democracy be restored and that economic reforms be adopted.

Following the measures adopted by the Albanian authorities in consultation with the International Financial Institutions, which culminated in a law on the distribution of funds from the sale of assets from the pyramid schemes and the arrest of the chairman of Vefa, the IMF approved the three-year ESAF programme for Albania, worth 47 MEURO, on 13 May 1998. At the same time, the World Bank announced its decision to carry out projects worth 44 MEURO in Albania (port of Durazzo, urban infrastructure and support for health care).

On 30 October 1998, a new International Conference on Albania was held in Tirana, to assess the progress made and to decide on future international assistance in the priority sectors (democratisation and institutional development, the constitutional process, public order, the fight against corruption, economic stability and development, social matters).

On 30 September 1998, the first meeting of the "Friends of Albania" group was held in Brussels. The objectives of this group are to monitor the situation in the country on an ongoing basis, to serve as a

single point of reference for the Albanian authorities, to harmonise the positions of the various international players and to ensure that international recommendations are actually carried out.

Italy

On 12 January 1998 an Exchange of Letters was signed on increased cooperation between Italy and Albania in the field of work, employment and training policies.

On 12 March 1998, the following instruments were signed: a Memorandum of Understanding on consultation and assistance in reorganising the Albanian fiscal authorities, which was accompanied by a joint declaration by Italy, Albania and the EU Commission in the framework of a Memorandum of Understanding on the EU customs assistance programme "Cam-Albania", signed on 10 November 1997; a mutual administrative assistance agreement on the prevention, identification and eradication of customs infringements and an agreement on employment and naval assistance in the customs sector.

On the economic front, a Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and capital was signed on 12 December 1994 (ratified by Italy on 13 May 1998).

France

Accord de coopération économique existant: accord d'encouragement et de protection réciproques des investissements depuis 1995.

Mesures visant à développer les relations commerciales: pas de garanties cofacc, pas de protocoles financiers.

Compte tenu de l'importance des besoins et des risques de dilapidation de l'aide, l'assistance française transite via l'Union européenne. L'Albanie est le pays qui reçoit par tête d'habitant la plus importante aide de l'Union (700 millions d'Euros de 1991 à 1997).

Echanges économiques bilatéraux en 1997/1998 (chiffres sur 9 mois): exportations françaises: 39,5 MF (-48,4% par rapport à 1997), importations: 28,2 MF (+ 23,2%)

Sweden

Sweden has signed four bilateral agreements with Albania:

- 1984 Trade agreement
- 1995 Agreement on protection of investments
- 1995 Transport agreement
- 1998 Agreement on double taxation

Finland

Bilateral agreements:

26.5. 1983. Agreement between the Government of the Republic of Finland and the Government of the People's Socialist Republic of Albania on the International Road Transport of Goods.

26.5.1983. Protocol referred to in article 15 of the "Agreement between the Government of the Republic of Finland and the Government of the People's Socialist Republic of Albania on the International Road Transport of Goods".

7.11.1991. Agreement on Economic, Industrial and Scientific-technological Cooperation between the Government of the Republic of Finland and Government of the Republic of Albania.

Germany

Germany is Albania's third largest supplier and customer alike, after Italy and Greece. While trade in goods declined by 14.7% to DEM 112 million in 1997, an increase of 32,7% is reported for 1998 with a volume of business of DEM 150 million (DEM 40.8 million worth of imports from Albania and DEM 108.8 million worth of exports to Albania). German exports were dominated by vehicles and machinery, electrical goods, textiles and clothing, and tobacco products. Albania's exports to Germany consisted mainly of processed textile products, agricultural products and chromium ore. At the end of 1997, German direct investment comprised 11 projects (mostly in the textile trade) with a total value of DEM 14 million. There is no double taxation agreement. An investment promotion agreement has been in force since 18 August 1995.

Denmark

Trade between Albania and Denmark is limited with export figures of 2.96 million EURO and 4.58 million EURO for 1997 and 1998 respectively and import figures of 2.15 million EURO and 2.83 million EURO for 1997 and 1998.

Austria

Austrian exports 1998: EURO 7.6 million.

Austrian imports 1998: EURO 3.4 million.

Development cooperation and humanitarian aid

Italy

Italian cooperation in the Balkans is aimed essentially at contributing to peace-keeping and economic and social stability in the region.

In addition to the two primary objectives, measures to strengthen capacity-building and institution-building for the development of administrative and management structures as well as small businesses are being taken.

Italy has been active in Albania since 1991, first with extraordinary and emergency action, then in the form of ordinary cooperation from November 1991. Total commitments for cooperation activities in the period 1991-2000 amount to 674 MEURO, including grants, aid credits and emergency aid.

In 1998 a new Cooperation Programme for 1998-2000 was agreed, with an overall budget of 210 MEURO. The objectives and priority sectors of the Programme, which were agreed with Albanian authorities, concern the reconstruction of basic infrastructures, especially water supplies, roads and electricity, urban regeneration, promotion of private-sector economic activities, including the production of goods and services, social measures, health, vocational training, education, and the safeguarding of environmental assets.

Italy is the largest bilateral donor to Albania.

Italian cooperation in Albania, which slackened considerably following the events of 1997, is currently in full expansion, according two directions: (i) quick-impact measures (e.g. equipment and transformers to reduce electricity blackouts in Tirana; (ii) impetus given to the "Task Force Albania" in order to remove obstacles to the rapid completion of work to restore basic services (water, sewerage, electricity, roads, basic health care).

France

- Accords de partenariat et de coopération existant: un traité d'entente, d'amitié et de coopération, signé en 1994 (procédures de ratification achevées côté français en 1998).
- Montant de l'aide bilatérale: enveloppe de coopération culturelle, scientifique et technique: 4,2 Mli en 1999. Pas d'assistance financière à titre bilatéral.

Aide humanitaire

- Actions en faveur des réfugiés et des personnes déplacés: une aide humanitaire bilatérale de 22 tonnes de matériels et médicaments pour les populations réfugiées au nord de l'Albanie (juillet 1998).

Netherlands

Several projects in the field of democratisation, such as a project for civic voters registration (600,000 EURO), support for the Albanian Helsinki committee, in a project for implementation of the new detention law (600,000 EURO), a workshop aimed at increasing the spirit of co-operation between Albanian Parliamentarians from all political parties and project in the field of strengthening local government institutions (part of a large-scale agricultural programme, which will be phased out). Also a large scale participation in election monitoring in co-operation with ODHR.

Support for independent media through Press Now, for a total amount of 1 MEURO on a yearly basis.

HUMANITARIAN AID

MSF Netherlands, water and sanitation in Tropoje (400,000 EURO)

Netherlands Red Cross Society, non-food items (100,000 EURO)

Dorecas, transport of clothing (100,000 EURO)

United Kingdom

UK's Assistance to Albania has focused on four sectors: rural development programme (assistance for the establishment of farmer's associations and rural communes, including work to

encourage income generation); financial sector work (strengthening the regulatory and legislative frameworks associated with the stock exchange and securities commission, macroeconomic advice and insurance supervision); development of the public administration (providing assistance on legal regulation, particularly in the area of human rights, with the establishment of citizens advice bureaux and to undertake more work in the area of local administration reform); health sector (assistance with the World Bank to develop a system of regional health authorities). External to these sectors the UK is assisting with the integration into mainstream education of children with learning disabilities. UK is also assisting with a UNDP pilot programme for civilian disarmament in return for developmental aid.

Finland

Humanitarian Aid: 3 MEURO for a training center through Ngos; Fact finding on social development 6 MEURO.

Sweden

Swedish assistance to Albania has focused on technical development co-operation. Sweden finances two projects in the field of environment and development of infra-structure. For 1998, 10 million SEK was allocated for projects in Albania of which a smaller part was used. For 1999, 4 million SEK have been allocated.

It is important that development co-operation and reforms are targeted so that there is a real improvement for the Albanian people. Priorities for development co-operation are improvements of;

- the security situation,
- the corruption,
- the judicial system.

Spain

En Albanie, la Coopération espagnole encourage et soutient les efforts de reconstruction du Pays de façon prioritaire par le biais des ONG. Dans le but de contribuer aux efforts pour réduire les tensions qui se produisent souvent dans ce Pays, la Coopération espagnole va bientôt mettre sur pied un séminaire organisé par la CERFI à Tirana, avec la participation de certains protagonistes de cette période et des leaders des forces politiques les plus importantes.

A l'adjudication des subventions aux ONG pour 1998, le financement de plusieurs projets a été approuvé par le biais de la Croix Rouge espagnole, le CESAL et les Médecins du Monde, pour un montant de 83.629.404 pesetas.

Germany

Albania has received financial assistance totalling over DEM 1 billion by way of development cooperation since 1987. Particular mention should be made of technical cooperation projects for infrastructure (water supplies), job training and business creation (e.g. the FAFED credit scheme). An agreement on migrant workers, concluded between Germany and Albania in 1991, allowed Albanian nationals medium-length stays in Germany for work purposes. The agreement was implemented in

cooperation with the IOM. Since 1997, however, the agreement has ceased to be applied in practice owing to difficulties over selection of personnel.

Denmark

Danish transitional assistance for Albania totalled 6.06 million EURO in the period 1994-1998. The assistance was aimed at consolidating the democratisation process, promoting the rule of law and economic development in general.

For the period 1999-2001, the Government of Denmark has granted 13.46 million EURO. The programme period might be expanded for an additional year and an additional 5.4-6.7 million EURO. The assistance is aimed at supporting the reform of the justice system, the police and the promotion of the free press.

In addition, the Government of Denmark has granted 0.15 million EURO in support of the OSCE mission in Albania in 1998-1999 (secondment of monitors for the Albanian/FRY border), 0.27 million EURO in support of the WEU MAPE mission (deployment of senior Danish police personnel) in 1998-1999 and 0.016 million EURO in support of the Referendum on the Constitution in 1998.

Austria

Development cooperation: Albania is a major target country of Austrian development cooperation efforts. Major projects are the rehabilitation of the Drin power stations and of the water supply system for Shkodra, the rehabilitation of the hospital in Burrel. There is a host of other projects, including many in the educational and health sectors.

Justice and Home Affairs measures

Albania remains marked by a lack of public order and security in large parts of the country and widespread crime, arms trafficking, fraud and corruption while the judiciary and police operate under poor conditions. Against this background the right to seek redress, a fair trial or protection against arbitrary arrest or detention, which legally exist, cannot apply in practice. It should also be noted that Albania's prisons remain in a very poor state. Since 1997 all courts have reopened, (40% had been completely destroyed during the 1997 crisis) but given the continuous lack of investigation by local prosecutors' offices and the police, their functioning remains limited.

Following the adoption of the Constitution and of a framework law of the organization of the judiciary, the Government envisages to undertake a number of measures and actions in accordance with a comprehensive action plan for the reform of the judiciary, signed on 12 January 1999 between Albania, the Council of Europe and the European Commission aiming at further strengthening of the judiciary. This action plan, which is underpinned by assistance provided under the third joint programme EC/Council of Europe, foresees inter alia a package of legislation on administrative matters, laws on the functioning of different judicial institutions and bodies such as the office of the public prosecutor and the Constitutional Court, training for judges, setting up of a State publication center, etc. With regard to the reform of the executive branch and public administration, substantial progress is still required such as the adoption of different framework laws on the functioning of ministries and services (including the ministry of justice and public order, and police forces, the setting up of a Civil Service Commission and

more generally the approval of an updated strategy for the reform of public administration and state institutions).

Italy

For some time now, migration, especially cooperation in the fight against illegal immigration, has been a key issue in Italo-Albanian relations. No opportunity has been neglected on the Italian side to ask the government in Tirana to make every effort to prevent and combat the flow of illegal immigrants, chiefly coming from the Valona area, which has become the main collection and transit point for illegal migrants, including those from other countries, heading for the Italian coast.

Sea patrols, carried out by a contingent from the Italian Customs service which operates in a stretch of water facing the Bay of Valona, intercept and return the dinghies used for that purpose. However, because of the restrictions on such action due to the essential need to avoid risking the lives of those on board such vessels, it is clear that the preventive action should principally be carried out on Albanian territory, by action aimed at preventing the activities of the boat owners and at eliminating the criminal organisations responsible for illegal trafficking.

By implementing the measures for integrated action on land and sea provided for in the Protocol of Intent signed on 10 November 1998 by the Italian and Albanian Prime Ministers, Italy is endeavouring to make up for the lack of resources and structures which the Albanians constantly use to justify the inadequate results. In the last few weeks our joint mission has been allocated rehabilitated buildings in which an operations room will shortly be installed. This will help considerably to increase the monitoring of maritime traffic, especially of the dinghies.

The Protocol also provides for the adoption of the following measures:

- setting-up of a "sea-borders team" on the island of Saseno.
- extension to the provinces of Valona and Scutari of the territorial control devices already existing in other provinces through the Italian Interforces Mission, in agreement with the Albanian authorities.
- intensification of the work on reorganising and training the rapid intervention forces of the Albanian police.

A readmission agreement between Italy and Albania has been signed on 18 November 1997. Its implementation worked smoothly, thanks to the cooperation of the Albanian authorities. The readmission agreement include a clause which require the Albanian authorities to take back third-country citizens who have entered the Italian territory after transiting through Albania. The Albanian authorities seldom accept to readmit third-country nationals, quoting insufficient evidence of their passage through their territory.

France

- Actions ou programmes en faveur du renforcement de l'appareil d'Etat:
 - coopération administrative, judiciaire: dans le cadre du programme Phare.
 - coopération policière: dans le cadre de l'Elément de Conseil en matière de police, déployé en 1997 au lendemain de la Force Alba (EMCP, MAPE en anglais), il regroupe 90 policiers issus

d'une vingtaine de pays dont 15 Français. Ses effectifs seront prochainement augmentés de 35 personnels (dont 10 Français) et ses tâches (conseil, formation, évaluation) étendues aux ministères, directions et districts de police à faible risque. Un lieutenant colonel français dirige l'EMCP depuis sa création.

Ouverture à Tirana d'une antenne du SCTIP (Service de coopération techniques internationale de police) en septembre 1998.

Sweden

Sweden is currently involved in the following support or aid activities in Albania and the neighbouring region:

- 1 police officer at the VEU headquarters in Brussels for planning of the police advisory mission to Albania;
- 4 police officers in Albania within the framework of OSSE/MAPE mission;
- 23 police officers in the OSSE verification mission to Kosovo;
- 50 police officers in UNTPITF to Bosnia-Erzegovina and;
- 5 police officers in UNIPTFs drug unit in Sarajevo.

Germany

There is no readmission agreement with Albania. As a rule there is no problem with repatriation of Albanian nationals. In obtaining travel documents for the return of Albanian nationals, however, all those to be repatriated have to appear at the embassy for a personal interview. Voluntary returnees to Albania receive financial reintegration aid, under the GARP programme, of DEM 350 per adult and DEM 175 per child, with a maximum of DEM 1 050 per family. Around 600 people have claimed such grants since 1994. Albania has been provided with both practical (trucks) and training facilities by way of police equipment and training assistance. Germany is also participating in the Multinational Advisory Police Element (MAPE) in Albania. There has in addition been a German document specialist working in Albania since 1998, advising airlines at Rinas airport and assisting the visa-issuing office at the German embassy.

Denmark

Albanians must have visa in order to enter Denmark. Denmark does not have a readmission agreement with Albania.

II. Rundown of existing Community measures and actions

1. Politics

Commission Delegation in Tirana, Resident Envoy in Skopje (FYROM) Commission Delegation (but no Head of Delegation for the reason of political downgrading) in Belgrade (FRY).

Member States Embassies in Tirana (Albania): FR; IT; GR; D; UK; A;

The EU discusses its position on Albania frequently. On 30 October 1998 a global position was prepared for the Tirana Conference setting out objectives for the Process of Stabilisation in Albania.

On 6 March 1999 the Council approved un projet d'action commune relative a la contribution de l'Union Europeenne au retablissement d'une force de police viable en Albanie, envitant l'UEO a mettre en oeuvre l'action commune.

2 + 3: Economics and Development cooperation

Albania

Agreement on Trade and Commercial and Economic Cooperation in force since December 1992. EC agreement (not mixed), only MFN treatment as regards trade, no preferential trade regime with the exception of the Generalized Scheme of Preferences (GSP), no financial protocol) and separate declaration on political dialogue EU/Albania)

Classical human rights suspension clause exists in the agreement.

4. Humanitarian aid

ECIO: L'aide humanitaire octroyee en 1998 en faveur de l'Albanie s'est élevée à 11 MEURO. Outre l'assistance aux réfugiés du Kosovo (reception and protection facilities in the North and elsewhere: 1,5 MEURO), cette aide a permis à la Commission de poursuivre son soutien au système de santé, notamment par la réhabilitation des services les plus prioritaires dans les hôpitaux et les polycliniques, ainsi que l'assistance humanitaire à des institutions spécialisées ou à des groupes sociaux particulièrement vulnérables. Elle a enfin permis d'améliorer les réseaux de distribution d'eau potable dans des quartiers suburbains défavorisés de Tirana.

Other forms of assistance:

Comprehensive reform of the Albanian public administration including civil service reform, improvement of budget expenditure, organic budget law, Court of Auditors. Specific support to the Albanian police for equipment and training in cooperation with WEU (Multinational Advisory Mission to the Albanian police). Specific assistance to the customs administration including structural reform of these services in cooperation with Italy and Greece. Comprehensive action plan in favour of the Albanian judiciary (including implementation of the new constitution: legal reform and law enforcement; school of magistrates) in cooperation with the Council of Europe. Budgetary assistance for priority expenditures in key ministries, linked to conditionality under the medium-term economic programme/ESAF and sectoral conditions :

i) PHARE : 14.9 MEURO budgetary assistance linked to public administration reform in general

ii) food-aid facility : 10 MEURO provided by the Community as budgetary assistance in support of the ministry of agriculture and the agricultural sector in general.

Assistance was also given to:

- Statistical cooperation including preparation of future population census
- Support for the winding-up of the pyramid schemes (in cooperation with the WB)
- Macro-financial assistance (up to 20 MECU) envisaged in support of the ESAF provided by the IMF.
- Education and training
- Assistance provided by other organisations:

5. *Justice and Home Affairs measures*

The EC Agreement with Albania does not contain a re-admission clause and no joint declaration on re-admission.

Albania is mentioned on the list of countries whose nationals must be in possession of a visa when crossing the external border of the EU Member States (Council Regulation 23 17/95)

III. Measures and actions by UNHCR, IOM, ICRC and other inter-governmental and non-governmental organisations¹

UNHCR

In collaboration with the local authorities, other international agencies, local and international NGOs, UNHCR is implementing an emergency response programme providing assistance to newly arrived refugees, overcoming the logistical problems and security constraints, whilst at the same time, assisting those whose stay has become more prolonged.

Institution/Capacity Building

To fill the gap in the Albanian legislation regarding asylum, UNHCR offered the Albanian Government expertise and funds to create its own asylum/refugee legislation and an appropriate implementing structure. For that purpose, a working group was set up and successfully finalized the work. The draft law was approved by the Cabinet of Ministers on 18 September 1998 and by the Albanian Parliament on 14 December 1998. This coincided with the start of the influx of Kosovar refugees into Albanian territory in June 1998.

In view of the new situation and taking into account that there was no real government authority on asylum issues - although the Office for Refugees (OFR) had existed on paper since 8 June 1995 - UNHCR prepared a strategy to empower the OFR and enable it to respond to the new reality. The Albanian government agreed that a legal framework for the OFR be established, based on a decision of the Cabinet of Ministers taken on 5 June 1998. Thus confirming OFR's leading role as UNHCR's prime counterpart.

¹ The full text of the reports by OIM, UNHCR and other international organizations is annexed.

The OIR carried on the registration of refugees with UNHCR support, though with some shortcomings in providing refugees with ID cards. Freedom of movement of refugees was respected and no constraints were put on their location/accommodation.

Another aspect of UNHCR's support towards completing the relevant legislation was the contribution given by UNHCR on the draft Law on Citizenship, recommendations which were fully endorsed by the Government.

This led to the adoption of the new Constitution on 28 November 1998: with that adoption Albania made a big step forward with regard to respecting its obligation to the right of asylum stemming from the 1951 Convention.

Assistance of refugees/asylum seekers

Given Albania's economic conditions and the impact the refugee caseload has on the economy and social life of the country, UNHCR established a project targeting the refugee caseload presently in the country. The project was implemented by international and local NGOs as well as the Albanian government. It also had (and continues to have) a Care and Maintenance Project to provide assistance to a small caseload of refugees/asylum seekers, in the form of monthly cash granted for shelter, food and health care. The Project is implemented by the Albanian Red Cross. Refugees/asylum seekers benefiting from this project are non-Kosovars, i.e. Kurds from Iraq, Pakistanis, Iranians and Syrians. The implementation of this project is in its fourth year and is continuing during 1999.

In view of this situation, a multisectoral programme was established by UNHCR to support the refugee population through the Albanian government and some NGOs working in the country. Nine sub-agreements were signed under the multisectoral programme to cover the most basic sectors of assistance such as: food, transport, domestic needs, health, infrastructure, community services and education.

The distribution of humanitarian aid (food and non-food items) took place immediately after the arrival of thousands of refugees in the North of Albania, thanks to the goodwill of several national and international NGOs involved in this operation. However, due to the lack of security and the general conditions in the area, the movement of refugees to the central areas of Albania began very soon after their arrival in Albania, and many refugees left the Tropoje District looking for a better and safer place to live. UNHCR and NGOs alike, had enormous difficulties to assist them, since they were displaced in different sites in Central and Southern Albania.

Due to the excellent co-operation of NGOs, other UN agencies and the Albanian government, it was possible to increase the number of places available to shelter refugees, to carry out the distribution of food and hygienic parcels on a monthly basis and to ensure regular health support for those refugees in need.

Mass Information programme

In an effort to dispel illusions on emigration and to allow Albanians to reach informed decision on their future, a mass information programme was launched during 1997 and continued in 1998 by UNHCR. TV documentaries, Radio and TV question-and-answer programmes were produced and broadcast covering a wide range of subjects, ranging from questions of emigration and asylum issues to an

understanding of the new domestic political environment and the need for reconciliation of the various political actors in their own country. It addressed in a comprehensive way the issue of illegal departure, asylum, refugee status, as well as related push factors, such as specific health and economic issues.

* * *

The beginning of 1999 marks the start of a new strategy for UNHCR in the implementation of its programmes in support of refugees in general, and in particular Kosovar refugees.

With the situation becoming somewhat more stabilized in terms of refugee influx, the Office focused its attention in adjusting policies to needs in an efficient, people-oriented manner. Hence, from emergency response activities, the Office focused on a tailor-made strategy, finding effective approaches based on the assessment of refugee needs and refugee profile.

Taking stock of last year's experience and on the abovementioned factors, UNHCR is concentrating its efforts in four main areas, namely:

- re-deployment of refugees from the insecure border areas to other more friendly environments in the country, namely the Western coast area;
- addressing the accommodation issue, which inevitably requires increased attention by UNHCR and all other agencies operating in the programme;
- re-registration of the refugee population, as an important exercise which will yield not only accurate figures on the refugee population/movement but also other necessary data, such as age/sex, vulnerability and other relevant aspects;
- better coordination of the assistance, matched with an information campaign aimed at helping refugees to take advantage of existing services and other assistance provided.

OIM

A number of programmes are carried out by OIM in Albania.

- IOM since years has been running an information campaign in Albania by means of radio and TV broadcasts. The target population of the IOM information programme are ethnic Albanians who wish illegally enter to EU Member States. The Radio and Television programme reaches weekly 2,5 million persons in Albania, Kosovo, Macedonia, Montenegro, Italy, Belgium, Germany, Switzerland, Austria etc. The main purpose of the IOM's Information Programme for Albania is to provide reliable information on regular migration procedures for entering a number of destination countries (in particular Italy and Greece) and resettling there, on migration realities in order to prevent irregular flows. Programme activities - carried out in co-operation with the Albanian Television and Radio - consists of producing a TV documentary depicting life of Albanian immigrants in selected countries as well as to provide information on and strengthen the work of international organisations, and also a demographic survey. IOM Radio Program is also extended to Macedonia, Montenegro and Kosovo in order to face the challenges of the new situation occurring as a consequence of the events in Kosovo as well as for prevention of illegal migration and trafficking in human beings, in particular women.

- Measures to Prevent and Combat Trafficking in Women and Children for Sexual Exploitation in Italy/Albania/Kosovo. IOM is working since years on introducing rapid information exchange systems and networks in order to prevent trafficking and protect its victims. A special programme financed by the EU, EU Member States, in particular by Italy, Belgium, Germany, Finland and Switzerland is being implemented by IOM under the European Commission STOP Programme: "Rapid Information Transfer Aiming at Preventing and Combating Trafficking in Human Beings, in Particular Women and Children, for Sexual Exploitation in the European Union". This programme has defined Albania as one of the target countries describing and reporting on the forms of illegal migration, sexual exploitation of women and criminal organisations active in Albania and the EU Member States. Reporting and regular meetings are taking place to the EU and between EU Member States. A new programme for protection of victims and witnesses and a public information campaign against trafficking is beginning with the Italian Government. This programme will also focus on stabilising self-help groups in Albania and co-operating with police, NGOs and victims.

- Medical Aid and Health Sector. IOM assists in strengthening the capacity of selected hospitals and health centres taking care of displaced persons through temporary assignment of medical teams and the provision of emergency transportation. The strengthened medical treatment capacities on local and regional level will enable the appropriate treatment of Kosovars and Albanian local population.

- IOM Technical co-operation in Albania and Kosovo. The IOM Technical co-operation in Albania aims at improving local structures to prevent illegal migration from Albania to EU Member States. IOM advises the Albanian Ministry of Labour and other entities on questions on employment, employment generation activities, exchange programmes for professionals, legal matters and short-term migration programmes between Albania and EU Member States.

- Return, Economic Reinsertion and Local Capacity Building. IOM Rome/Tirana implements since years a number of projects dealing with the return, economic reinsertion and local capacity building. In the last 5 years, IOM has returned more than 3000 persons from Italy. One of the newest pilot undertakings especially targeted for ethnic Albanians DP's and Kosovar refugees, is a joint integrated programme named "Assistance to the Voluntary Return and Reintegration of DP's from the Balkan Region who have found temporary protection in Italy". The programme, funded by the European Commission, Italian Government and IOM focuses on the following:

International Committee of the Red Cross

In 1998 the ICRC:

- assessed conditions in 12 Albanian prisons and police stations and provided small scale material assistance to inmates
- gave 22 presentations on humanitarian principles, the Red Cross and mine awareness for members of the armed and police forces
- assisted the main hospitals of Northern Albania and the Central Military Hospital in Tirana with surgical supplies
- the names of 3276 refugees from Kosovo were broadcast on the radio to enable relatives who had stayed behind to receive news regarding their whereabouts and well-being.

Assessment of the state of play

E. Action required by the Community/Union

A. NEW INITIATIVES TO BE TAKEN

PREVENTIVE MEASURES

1. Since poverty is the main cause for migration flows from Albania, improving the economic situation of that country and alleviating its state of poverty should continue to be the main focus of the European action in the region.

International development cooperation, stronger intervention in sectors such as health, education, energy, environment, research and technological development, job generation, economic activities, employment and local initiatives are indeed widely believed to be the most effective measures to prevent legal and illegal migration, in Albania and elsewhere.

Since insecurity and prospects for future crises are also an important co-cause for migration, the Albanian government should be supported in the restoration of security conditions and of the rule of law in the country, including the fight against the proliferation of small arms.

Assistance and cooperation to Albania in justice and internal affairs matters are therefore crucial to this effect.

2. An European Fund for asylum and immigration could be set up to finance or co-finance initiatives and programs in the area of preventing immigration flows. Complementing and integrating initiatives already in place at EU level, the Fund could be used to
 - a) strengthen local administration and infrastructures;
 - b) training and institutional capacity building;
 - c) support local labour migration policies;
 - d) training and exchange of officials between Albania and EU member States in matters relating to migration;
 - e) assist border authorities, including in the area of false documents.

Through co-financing, the establishment of such a Fund could facilitate also the adoption of national programs. The extension of PHARE multi-beneficiary programs to Albania could be considered in this area.

3. Illegal trafficking of migrants from Albania, and related crimes, are major concerns for the international community.

- a) The European Union and its Member States must therefore continue to put pressure on the Albanian authorities to make every effort to prevent and combat the traffic in illegal immigration, especially in the area of Valona, which has become the hub for the collection and transit of illegal immigrants. Although the Albanian authorities did not deny their willingness in principle, the results on the ground are totally inadequate. Cooperation of EU countries in patrolling Albanian coasts has succeeded in preventing the departure of many motorboats, but it is primarily up to the Albanian authorities to adopt preventive measures aimed at putting a stop to the activities of the boatmen and to pursue the criminal organisations engaged in trafficking in illegal immigrants, arms and drugs. The Tirana authorities should make every effort to play their part, by tackling local conditions, and even political collusion with local criminals which grew up as a result of the substantial profits derived from illegal trafficking.
 - b) The European Union and its Member States should step up Europol's operational capacity to combat illegal trafficking in immigrants. Enhanced police cooperation for an exchange of information aimed at fighting criminal organizations involved in illegal immigration, drugs and prostitution should also be considered.
 - c) Since the smuggling of illegal immigrants is often linked to traffic in arms and drugs, enhancing the fight against drug and arms trafficking could also be useful to curb immigration rings. The EU and members States could therefore support the inclusion of Albania in the existing joint EC/UNDCP programmes on drugs.
 - d) An international legal basis for the fight against trafficking of migrants could be useful. Based on a joint initiative by the Governments of Austria and Italy, a "Draft Protocol against the trafficking/smuggling and illegal transport of migrants by land, air and sea" is being drawn up by an ad hoc committee in Vienna in the wider context of a United Nations Convention on transnational organised crime. The EU and its member States should fully support a quick finalisation of this proposal, with a view to its early implementation. It should be noted that a specific document (Circular 896) has been adopted by I.M.O. last It envisages "Interim Measures for Combating Unsafe Practices Associated with the Trafficking or Transport of Migrants by Sea", that States can already comply with on a voluntary basis. An early implementation of this recommendation could help in curbing the traffic of migrants.
4. It should also be acknowledged that prospects of better economic opportunities in Europe are often due to lack of first-hand, realistic information. The EU and its member States should therefore continue to finance information campaigns in Albania by means of radio and TV broadcasts, aimed at Albanians who wish illegally to enter EU member States. The purpose of such information programs should be to provide reliable information on regular migration procedures for entering destination countries and resettling there, and on migration realities in order to prevent irregular flows. OIM's expertise in this area could be usefully utilized.
- This applies to all groups of potential migrants, but mostly to women. Female migrants from Albania are often unaware, firstly, of the link between illegal migration and exploitation of women as well as coercive prostitution and, secondly, of the danger that their own relatives might compel them to prostitution.

CONTAINMENT MEASURES

5. The EU and its Member States should exercise pressure on the Albanian authorities to enforce the clauses, included in several readmission agreements already signed, which require the Albanian authorities to take back third-country citizens who have entered the other party's territory after transiting through Albania
Such an option for example exists in the readmission agreement between Italy and Albania but the Albanian authorities seldom accept to readmit third-country nationals, quoting insufficient evidence of their passage through their territory.
6. Since some Member States are not bound by readmission agreements with Albania, the European Union and its Member States should negotiate a general readmission agreement. The agreement negotiated with Poland constitutes a good example to that effect.
7. To ease the difficulties which the Albanian authorities may be confronted to while caring for and supervising the journey home of third-country returnees, the EU could finance "transit camps" on the Albanian territory where these people could be given temporary accommodation.
The setting-up of such camps, which would obviously remain under the absolute control of the Albanian authorities, would indeed help in maintaining law and order in Albania itself and would act as a deterrent for illegal immigrants seeking to cross into Europe. Cooperation with UNHCR is essential in this area.
8. An European Fund for asylum and immigration could be set up to finance initiatives and programs in the areas of return and reintegration. The Fund could be used to strengthen local authorities' capacities in reception and reintegration of returnees, including victims of sexual exploitation; The extension of PHARE multi-beneficiary programs to Albania could be considered in this area.
9. The EU and its Member States should support programs to encourage voluntary return and for sustainable reintegration schemes. Voluntary return proved more successful if associated with a realistic hope for better conditions. If conditions are to be improved at an economic level, individual migrants returned to their countries of origin could be trained and subsequently supported with a view to new job opportunities.
The EU and its member States could, in cooperation with international organizations:
 - identify possible reintegration assistance/capacity-building opportunities for potential returnees on the communal level, in cooperation with local and European NGOs, governmental agencies, international organizations based in the Balkans;
 - contacts with the private entrepreneurial sectors for the development of the micro-entrepreneurial component (micro/small scale enterprises);
 - set up a local employment observatory;
 - organize return travel.
10. Many initiatives by the EU, its Member States and various European international organizations (OSCE, UNHCR, Council of Europe) are currently going on in Albania in the area of justice, migration and internal affairs. There is a need for a greater degree of coordination of such initiatives, in order to avoid overlapping and duplications. Monitoring activities are also required.

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that every entry should be supported by a valid receipt or invoice. This ensures transparency and allows for easy verification of the data.

SECTION C

The second section details the procedures for handling discrepancies. It outlines the steps to be taken when there is a mismatch between the recorded amounts and the actual physical counts. This includes identifying the source of the error and implementing corrective measures to prevent future occurrences.

The final part of the document provides a comprehensive overview of the reporting requirements. It specifies the frequency of reports, the format to be used, and the individuals responsible for reviewing and approving the information. This section aims to ensure that all stakeholders have access to the most current and accurate financial data.