

# HPG Background Paper

**Needs and vulnerability in the  
Balkans**

The case of Serbia

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Background research for HPG Report 15

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**List of acronyms**

CRS	Catholic Relief Services
ECHO	European Community Humanitarian Office
EU	European Union
FAO	Food and Agriculture Organisation
FRY	Federal Republic of Yugoslavia
HRA	Humanitarian Risk Analysis
ICRC	International Committee of the Red Cross
ICVA	International Council of Voluntary Agencies
IDP	Internally displaced person
IFI	International financial institution
IFRC	International Federation of the Red Cross and Red Crescent
IRC	International Rescue Committee
MIER/DACU	Ministry of International Economic Relations/Development and Aid Coordination Unit
NATO	North Atlantic Treaty Organisation
NGO	Non-governmental organisation
OCHA	Office for the Co-ordination for Humanitarian Affairs
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
WFP	World Food Programme
WHO	World Health Organisation
YRC	Yugoslav Red Cross

# 1. Introduction

This study reviews needs assessment practice and its influence on resource allocation in Serbia (excluding Kosovo and Montenegro).<sup>1</sup> It is part of a wider research project by the Humanitarian Policy Group at the Overseas Development Institute (ODI). It covers the period from the end of NATO's air campaign in June 1999 to March 2003.

The fall of Slobodan Milosevic's regime in October 2000 led to significant changes in the international aid architecture in Serbia, from one of restricted humanitarian aid to a massive foreign recovery and economic development programme. Before October 2000, humanitarian aid was the only vehicle for international engagement with Serbia, addressing acute humanitarian needs together with social safety-net issues. After the defeat of Milosevic and the resumption of international cooperation, the main preoccupation of humanitarian agencies shifted towards lobbying and advocacy for the needs of the poorest people. Arguably, the type and level of needs did not drastically change in this period. Yet the form of humanitarian engagement went through distinct phases as the political isolation of the Serb regime gave way to large international aid.

This study explores the extent to which the 'developing-country paradigm' was adapted to the particular context of Serbia. For instance, were the indicators and standards used in developing countries adjusted? Generally, the humanitarian community is ill-equipped to deal with environments such as Serbia, where acute malnutrition, epidemics or food shortages did not constitute the principal threats to the population. Humanitarian agencies had to revise their definition of humanitarian needs; needs were not so much spelled out as 'a lack of something', but in terms of vulnerability to future threats.

The omnipresence of the political dimension and the particular role of humanitarian aid raise the question of impartiality. Was impartiality possible, and at what cost? Was the humanitarian response to Serbia proportionate to the needs, and appropriate in its form? This study attempts to answer these questions, with a closer look at how 'humanitarian needs' were defined in the first place, and the level of humanitarian response.

The study, conducted in February–March 2003, is based on a review and analysis of primary and secondary literature, complemented by interviews with personnel from the UN, the Red Cross movement, non-governmental organisations and officials from the Serb government.

## 2. The humanitarian situation

### 2.1 Politics and aid under Milosevic

In the aftermath of NATO's air campaign of 24 March to 9 June 1999, enormous volumes of humanitarian aid went to assist Kosovar refugees in Albania, Macedonia, Bosnia and Montenegro. Serbia (excluding Kosovo) remained isolated, and subject to economic sanctions from the UN, the US and the European Union (EU). Consequently, it received less humanitarian support than its neighbours, and humanitarian agencies had to make a strong case for funding. There were fewer humanitarian agencies in Serbia than in the rest of the region.

Serbia was excluded from the EU Stability Pact for South-Eastern Europe, approved on 10 June 1999. The pact promised massive reconstruction aid for the Balkans. The conditions that Serbia would have to meet were stated clearly: 'Get rid of Milosevic, get a democratic regime and you can be part of this new reconstruction'.<sup>2</sup> There was a general concern, however, that there were significant needs in Serbia, as a result of the destruction of the infrastructure wrought by NATO's bombing campaign.

Under the sanctions regime, humanitarian assistance was the principal channel through which aid could reach Serbia. There were debates about what constituted humanitarian aid, as opposed to reconstruction or development assistance, and various interpretations of the fine line dividing these different forms of aid. In this 'aid vacuum', humanitarian assistance was pushed to its limits, addressing issues that fell beyond its core functions. It was caught between the scrutiny of donors, who were in favour of a strict application of the sanctions, and internal pressure to do more in the face of large and multifaceted needs.

There was also pressure for humanitarian assistance to be used as a political or diplomatic tool to destabilise Milosevic's regime. This was the case with the EU's controversial 'energy for democracy' programme, for example, which provided heating oil to municipalities run by opposition parties (Macrae 2000; Skuric-Prodanovic 2001). The 'focus initiative', a consortium of the Austrian, Greek, Russian and Swiss governments, was involved in distributing relief items in the region from March 1999 to 2000. Although it was not used as a source of political leverage, the project was criticised for having too wide a definition of humanitarian needs, and therefore not respecting the sanctions.

## 2.2 Politics and aid after Milosevic

Milosevic's regime collapsed following elections in September 2000, in which opposition candidate Vojislav Kostunica claimed victory. Following attempts to have the results declared invalid, massive demonstrations in Belgrade forced Milosevic to stand down.

The fall of Milosevic's regime rapidly led to the lifting of all international sanctions against Serbia. On 9 October, the EU lifted all its sanctions, followed by the UN on 12 October. The last sanction was lifted in January 2001. The Federal Republic of Yugoslavia returned to most international organisations and institutions: it re-entered the UN on 1 November, nearly a decade after its dismissal, and to the Organisation for Security and Cooperation in Europe (OSCE) on 10 November. It also committed itself to the Dayton framework for Bosnia, and to UN Security Council Resolution 1244 of 1999, which had called on Yugoslavia to pull its forces out of Kosovo.

At a donor meeting in Brussels on 12 December 2000, \$509 million in aid was pledged to meet the most urgent needs; at a donor conference on 29 June 2001, 44 countries and 30 international organisations committed \$1.28bn. Although massive, this international assistance was not unconditional. The continuation of US assistance and support for Yugoslav loan requests to international financial institutions was made dependent on the fulfilment of three conditions:

- (i) full cooperation with the war crimes tribunal in The Hague;
- (ii) the cessation of assistance to military forces in Republika Srpska; and
- (iii) the establishment of the rule of law (Group 17 2001).

The European Commission adopted a similar position.

The new government of Serbia embarked on a programme of structural adjustment, one of the consequences of which was a dramatic increase in unemployment. The economic transition was characterised by increased poverty. The situation today is still politically unstable, with no sustainable solution found for Kosovo, and rampant instability in Montenegro. The assassination of Serb Prime Minister Zoran Djindjic on 12 March 2003 has only aggravated the situation.

## 2.3 Anatomy of the humanitarian crisis

### *The economy*

The socio-economic situation in the summer of 1999 was disastrous. This was the result of a combination of interrelated factors: NATO's air campaign; the economic and political sanctions

imposed by the international community from the early 1990s; the collapsing economy under Milosevic's regime; and the effects of the post-communist transition. These problems were aggravated by the fact that social and economic infrastructures were extensively subsidised by the government in order to maintain social and political stability – a policy that imposed a heavy burden on Serbia's resources. Serbia's indirect involvement in the two Balkan wars, and the large number of refugees in Serbia (reaching almost 10% of the population) also contributed to the weakening of the economy.

An inter-agency needs assessment conducted in May 1999 identified unemployment as the key problem faced by the population in Serbia. This was before the sudden displacement of people into Serbia that followed the cease-fire between Yugoslavia and NATO on 9 June 1999. The Serbian government estimates that 600,000 employees were made redundant by the damage or destruction of industrial facilities. Another two million dependants were also affected. The economic breakdown and its social consequences have dominated the humanitarian situation.

#### *Refugees, IDPs and 'social cases'*

Humanitarian agencies generally consider three groups to be most vulnerable: refugees, internally-displaced people (IDPs) and 'social cases'<sup>3</sup>. Approximately 350,000 refugees – the largest refugee population in Europe – and 205,000 IDPs live in Serbia.<sup>4</sup> The refugees include people from Bosnia and Croatia. Most of the IDPs are Serbs or Roma, who fled Kosovo in the weeks following the cease-fire between NATO and Yugoslavia. (See Annex 1 for an estimated number of refugees and IDPs in South-Eastern Europe.)

Refugees and IDPs live either in centres, or with host families. Very few have their own accommodation, and shelter has been a major issue. According to a survey conducted by WFP Belgrade in April 2001, about 72% of WFP beneficiary refugee households in Serbia lived in sub-standard housing without toilets, hot water or adequate flooring (UNHCR, WFP, & ICRC 2001).

Whereas refugees have received assistance from UNHCR and the Serb government, little attention has been paid to the IDP population; Roma in particular have tended to be ignored by the government. According to an OCHA official interviewed for this study, IDPs constituted the 'real' humanitarian problem.

**Table 1: Number of IDPs**

	<b>August 2000</b>	<b>March 2003</b>
Serbia	187,129	205,391
Montenegro	31,967	29,435
<b>Total</b>	<b>219,096</b>	<b>231,100</b>

**Source:** Humanitarian Risk Analysis No. 18 and UNHCR

In May 2002, the government established the 'National Strategy for Solving the Problems of Refugees and Internally Displaced Persons' (Government of the Republic of Serbia 2002). The strategy encompassed three main areas: the gradual closing of collective centres; the provision of housing; and the provision of employment. The emphasis is on social housing and programmes for extremely vulnerable refugees requiring support from social welfare/healthcare institutions. Employment for extremely vulnerable refugees will be assisted by in-kind grants, scholarships and retraining programmes.

The National Strategy offers two possibilities to refugees: to return to their places of origin, or to integrate with the surrounding population. Return of refugees and IDPs to their country/region of origin is generally slow for refugees, and nearly impossible for IDPs. The Serb government estimates that 43% and 17% of refugees have returned to Bosnia and Croatia respectively. Minimal numbers of IDPs have returned to Kosovo: according to UNHCR, less than 2% of the total IDP population. For the majority of IDPs, return is not an option, mainly due to insecurity. There are also other obstacles to return, such as the lack of progress on the repossession and reconstruction of property, access to basic services (such as health and education) and lack of employment. The strategy does not contemplate possibilities for integration. Even the government has admitted that a separate strategy should be developed for IDPs.

#### *Food aid*

The three groups of vulnerable people – refugees, IDPs and 'social cases' – are all food recipients. WFP is assisting refugees (337,000 since July 1999) and some 360,000 social cases. ICRC assisted 100,000 social cases through soup kitchens, as well as some 200,000 IDPs. IFRC and ECHO have also run food aid programmes. Although there were difficulties around local food purchase during the Milosevic period, which meant that WFP favoured the import of food items, under the new regime WFP has increased its local procurement.

According to UNICEF, there was a decline in access to calories in the 1990s, from above 3,000 Kcal per day in 1991 to slightly under 2,500 Kcal per day in 1999. Acute malnutrition among under-fives rose from 0.5 to 1.9 between 1996 and 2000, and chronic malnutrition from 2.1 to 5.1 (UNICEF & OCHA 2001). These levels of acute and chronic malnutrition do not *per se* justify a humanitarian response; indeed, 'the major problem continued to be a high rate of obesity among children' (UNICEF & OCHA 2001). The problem was more to do with poverty of diet than with lack of food.

### Health

The health system requires investments and reforms that fall beyond the scope of humanitarian assistance. The war had damaging consequences for the health of the population, and for the healthcare system. Power cuts and an energy crisis made it difficult for some health facilities to function; public water systems were damaged, increasing the risk of waterborne diseases; preventive and curative healthcare decreased, and damage to the chemical industry reduced drug production.

Infant and/or child mortality rates declined during the 1990s. This is believed to be associated with improved household sanitation and treatment for diarrhoeal and acute respiratory diseases. At the same time, mortality has risen among most adult age groups during most years since 1995 (UNICEF & OCHA 2001). A household survey conducted by WHO and UNICEF in August 2000 indicated that medicines and sanitary materials available to the population from state pharmacies met just 15% of needs (OCHA 2000b). According to the government, access to primary health care for women and children dropped by 70%, and access to referral structures by 90% (UN 1999). Serbia's Institute of Public Health has shown that 62.5% of households cannot afford healthcare and medicines (OCHA 2002c), and the state Health Insurance Fund is in debt. Government health spending dropped sharply, from \$200 per capita per year in 1990 to \$85 in 1999, and an estimated \$35 in 2000 (OCHA 2000b). In parallel with the progressive deterioration of the state system private practice has expanded. However, only the better-off can afford private health services.

### The energy crisis

OCHA re-established its presence in Serbia in July 1999. Its first preoccupation was the electricity and heating situation for the winter of 1999–2000. OCHA Belgrade produced an initial assessment report, and took a leading role in the UN's so-called winterisation programme. OCHA predicted that winter shortages would have serious humanitarian consequences in increased morbidity and mortality, particularly among the most vulnerable, such as the elderly, the very young, the sick and the urban poor. OCHA estimated that, in 2000, the energy system met only 75% of domestic electricity needs (OCHA 2000b).



The energy disaster predicted in the summer of 1999 did not in fact happen, partly because of the humanitarian intervention, the resumption of gas supplies from Russia and a grant from China (Macrae 2000). The Swiss government in particular was influential in addressing the energy crisis, supporting an in-depth technical assessment of the energy sector in the summer of 1999, and providing spare parts to rebuild the infrastructure. In addition, many families survived that winter by keeping their usage to minimum, or by using other sources of heat, such as firewood.

## **2.4 The significance of humanitarian aid in Serbia**

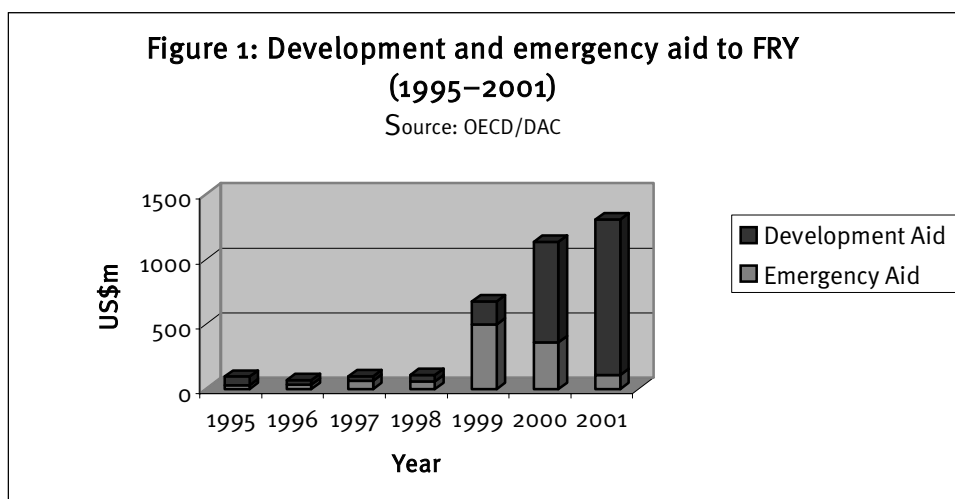
### *Humanitarian actors*

Although some international NGOs, including Oxfam and MSF, have been present since the early 1990s, the number of humanitarian agencies in Serbia has remained relatively small compared to the number of agencies operating in Kosovo and the Balkans. Before NATO's air campaign, there were an estimated 24 international NGOs in Serbia. During the bombing, most international staff left the country, but most international agencies were kept open by local staff. Many, including CARE, IRC, Oxfam and CRS, continued to provide humanitarian assistance. In 1999–2000, the number of international NGOs in Serbia rose to 33, compared with 160 in Montenegro; by the end of 2002, there were around 80. The limited presence of humanitarian organisations stemmed partly from the difficult working environment under the previous government, and from the limited sources of funds available.

Serbian NGOs have become more significant after the fall of Milosevic. Before 2000, local NGOs like Bread of Life had some operational capacity, but donors and international organisations had little capacity to influence the government to allow aid to be distributed through these networks. Most international relief was distributed through agencies and parastatals accused of being aligned with the regime.

### *Financial trends*

By the end of 2003, humanitarian assistance to Serbia will have been terminated: donors have reduced their humanitarian budgets, and the UN has decided not to launch a Consolidated Appeal (CA) for 2003. UN agencies and NGOs are scaling down their activities, and some projects have been closed. Many NGOs will have to leave the country.



Humanitarian aid flows to South-Eastern Europe peaked sharply in 1999, during the Kosovo crisis, and have since steadily decreased, while overall ODA has increased (Graph 1). Although existing financial information do not always distinguish between funds for Kosovo and Serbia, it seems nonetheless clear that Serbia received far less than Kosovo and other countries in the region. The 2000 CAP indicated that ‘slow pledging and provision of funds in the first part of 1999 gave way to a situation of donor reticence in the second half of the year. In contrast to this tendency, the Agency resource needs in the Federal Republic of Yugoslavia grew faster than in other parts of the region’ (OCHA 1999).

#### *Humanitarian aid in perspective*

Humanitarian interventions in Serbia are often described as an additional support to existing resources, secondary to the government’s own provisions, as well as to people’s own coping mechanisms. Humanitarian aid is more significant in sectors where government support is weaker, such as for refugees and IDPs. Table 2 shows the urgent needs as conceived by the government, and compares donor contributions with the government’s own resources.

Similarly, humanitarian aid appears to have played a relatively minor role when compared to remittances. A UNICEF/OCHA study on sanctions estimated that at least \$100m entered the country each month through remittances (UNICEF & OCHA 2001).

**Table 2: Urgent needs, December 2000–May 2001 (US\$m)**

Sector	Needs	Donor contribution	Expected government support	Deficit
Energy	828.7	108.9	457.9	261.9
Food	81.0	48.0	0	33.0
Health	125.8	36.4	26.6	62.8
Education	49.9	15.4	0	34.5
Social Welfare	312.3	5.9	263.8	42.5
Refugees/IDPs	50.4	25.2	0	25.2
<b>Total</b>	<b>1448.0</b>	<b>239.8</b>	<b>148.4</b>	<b>459.8</b>

**Source:** (OCHA 2000b).

In financial terms, the significance of humanitarian aid, alongside other sources such as the government's own resources, remittances and other coping mechanisms, has been moderate. However, humanitarian assistance was targeted at areas where the government had no capacity and/or willingness to bring its own resources. In that sense, it probably made a difference.

### 3. The concept of humanitarian need: adapting the ‘developing country paradigm’?

#### 3.1 The crisis of the welfare system

By the summer of 1999, the welfare system had suffered from nearly ten years of mismanagement and clientelism. Recipients of the social welfare system represented only a fraction of those in need. OCHA identified the payment of arrears as an urgent need (OCHA 2000b). Overall, the situation generally deteriorated during the period 1999–2002, as a result of the transition to a market economy. People who were living from the grey economy lost their revenue because of stricter measures from the new government against the informal sector.

Today, the capacity of the government to care for people through the welfare system has improved thanks to international assistance. However, the nature of needs has not significantly changed: a large population of IDPs and refugees still rely on aid, and the number of ‘social cases’ dependent on the welfare system has increased. Yet needs which were described in 1999 as ‘humanitarian’ are now described in terms of ‘poverty’. They are on the agenda of development agencies or fall under the responsibility of the government. The language and the aid architecture has changed, but the needs and living conditions remain similar.

To a large extent, humanitarian agencies have been addressing just such poverty issues related to the collapse of the welfare system. There is little question about the actual needs of the impoverished Serb population. A major poverty study conducted in 2001 concluded that close to one million people in Serbia were poor, and another million close to the poverty line (WFP & Center for Economic Studies 2001). Half of this population is not covered by the social welfare system. The question is whether humanitarian agencies are best-equipped to address poverty issues.

Despite the structural and economic nature of the crisis, the humanitarian response remained mainly focused on food aid. In 1999, WFP used a broad definition of humanitarian needs, and expanded its programmes beyond refugee assistance to meet the needs of social cases. While in Montenegro pensions and social assistance continued to be paid thanks to donor support, social assistance payments had stopped in Serbia. Payments were up to 26 months in arrears, and provided only 40% of the assistance required (WFP & UNHCR 2001). In the absence of any other form of international aid, humanitarian assistance was used to maintain a social safety net. Food assistance was described as a ‘valuable instrument for strengthening the social safety net in this time of acute crisis’ (WFP,

UNHCR, & IFRC 1999). The 2001 Joint Food Needs Assessment Mission described the role of humanitarian aid in the transition period as offering 'fiscal breathing room', allowing the government to meet its social obligations while carrying out reforms (WFP & UNHCR 2001).

Despite the return of the major bilateral agencies and international financial institutions, most humanitarian actors interviewed for this case study expressed concern about the capacity and willingness of the government and the international aid mechanisms to care for vulnerable groups. While they would no longer define these issues as 'humanitarian', humanitarian actors have become increasingly involved in advocacy for these groups, especially for IDPs.

### **3.2 Phasing out humanitarian interventions: a harmonious transition?**

By the end of 2003, most humanitarian projects will have been closed down. WFP is phasing out its work, and the FAO is playing a more important role. OCHA is reducing its presence, and will concentrate on legal issues, an information campaign and coordination with other agencies on IDP issues. UNDP is taking over some of OCHA's responsibilities. ICRC will withdraw from food assistance in September, but will continue with other forms of assistance that will give opportunities to IDPs to become more self-sufficient, such as through income-generation programmes providing grants, loans, micro-credit or vocational training.

The number of beneficiaries receiving food assistance dropped from one million to 700,000 in 2001, and around 350,000 in 2002. The refugee caseload has decreased for several reasons: some refugees have returned, others have improved their situation, and some have taken Serb nationality. However, the principal explanation for the reduction in the caseload is a stricter application of criteria. As a result, the number of refugee beneficiaries receiving assistance from UNHCR dropped from 380,000 in 2000 to 122,000 in 2002. Beneficiaries for ICRC fell from 180,000 to 50,000.

Commenting on the phasing out of humanitarian assistance, most interviewees insisted on the role the government should play. There is general concern that the government is not in a position to take over humanitarian programmes. Humanitarian aid is decreasing in a situation that is described as getting worse. It is acknowledged that the economic transition will lead to a temporary worsening of the situation. Concerns are greatest for the IDP population. The health status of the IDP population has deteriorated over the past three years. This is partly due to the fact that IDPs being registered in Kosovo had no formal right to healthcare in Serbia.

There is scepticism that the structural assistance brought by bilateral government aid, the EU and the IFIs is capable of addressing the problems of these groups. For these reasons, humanitarian agencies are engaging in advocacy and lobbying as part of their phasing-out process. The government has been approached to take over soup kitchens and general food aid. There is increased pressure from the donor community for the government to take more responsibility for the vulnerable sectors of the population.

There is no agreement among agencies about whether the timing for reducing humanitarian aid is appropriate. The phasing down of humanitarian assistance is partly donor-driven: financial flows are decreasing, and humanitarian projects are consequently diminishing. The government itself has exerted pressure for reduced humanitarian assistance since it is not seen as a sustainable option. The government's view is that Serbia has moved from an emergency humanitarian and political situation to one of recovery and development. The government has been pushing donors for a fast move from humanitarian assistance to reconstruction and development aid. One reason for this, mentioned by an interviewee, is that the government can exert greater control over development aid.

### **3.3 New humanitarian approaches?**

The crisis faced by the Serbian population after the war and the multitude of needs that existed constituted a strong case for an inclusive definition of humanitarian needs. In the absence of any other form of aid, humanitarian agencies were pushed into areas that they had rarely explored before and which are not traditionally considered as 'humanitarian'. OCHA included energy and social welfare in the list of humanitarian issues. In the 1999 Consolidated Appeal, the UN referred to such non-traditional sectors as heating systems, electricity supply/distribution systems and fuel availability. OCHA took a leading role in addressing the energy crisis until the end of 2001, and many other humanitarian agencies were involved in social welfare-related programmes. CAFOD argued that 'the humanitarian aid on offer has largely been restricted to "life-saving" aid including food and water, but ... in the freezing cold of a central European winter, warmth and heating are essential for saving lives – especially for the very young and the elderly'.

Why was the definition of humanitarian needs enlarged in this way? As described above, this was partly a function of Serbia's isolation; in the absence of other forms of aid, the 'humanitarian' label became extensively used. Yet this was not the only explanation. The particular context of Serbia pushed humanitarian agencies to redefine the type and scope of their interventions, and when necessary to introduce new modes of intervention, based on the identification of the actual needs of the population. The concept of 'winterisation' is a clear example of this kind of adaptation. It has

been used in other countries and regions, such as Chechnya. Some NGOs are investigating more 'invisible' and harder-to-measure needs; MSF, for instance, is looking at mental health problems, which are considered an important issue in Serbia. As one interviewee for this study put it: 'People may have access to health, sufficient clothes, have enough to eat, but that is not enough. When one talks to people, other needs come to the surface'. Thus, protection needs were believed to be at least as important as assistance, with some NGOs becoming involved in judicial aspects as well as relief distribution. The lobbying on behalf of vulnerable groups carried out by humanitarian agencies - in particular for the Roma population - is a clear example of how protection issues are being addressed.

Although humanitarian agencies enlarged their definition of humanitarian needs, their response remained largely similar to the approaches used in developing countries. The first inter-agency needs assessment described Serbia as presenting 'an entirely new and complex pattern of humanitarian emergency occurring in a comparatively developed environment, involving causes, actors and factors, and affecting geographical areas that exceed the experience, knowledge and capacity of humanitarian institutions alone' (UN 1999). Yet despite the recognition that the humanitarian situation was new and different, food aid has been the main source of humanitarian assistance.

The focus on food aid has been criticised as a blunt response in a country where lack of food was not the most important need. The fact that this aid was largely imported, in a country which was producing excess food, was also questioned. There are several reasons for this. One is related to the political difficulties WFP faced in promoting local purchase. Another stems from the fact that a large portion of humanitarian aid was provided in kind, rather than in cash. Furthermore, humanitarian agencies have tended to use standardised approaches, and have found it difficult to adapt and change their modes of operation from one context to another. WFP's 2000 Joint Food Needs Assessment mission listed a number of other humanitarian needs requiring other types of interventions, such as employment micro-credit, housing and self-reliance schemes (WFP, UNHCR, & ICRC 2000). These interventions do not appear possible for WFP or for most other agencies.

Importing food meant that the humanitarian intervention was at a high-cost. WFP's justification for food aid was that it represented an 'income transfer' that was 'freeing up a portion of vulnerable groups' limited resources which then can be used to cover essential non-food expenses such as rent, electricity and medical care' (WFP, UNHCR, & IFRC 1999). Rather than alleviating suffering, food aid has always been used in a political way in Serbia, as income-substitution or more generally as a way of creating political stability in the country.

Another set of criticisms of the humanitarian enterprise is related to the logistics of assistance. The delivery mechanism put in place (trucking systems, warehousing, etc.) appears to have been created in parallel to existing infrastructures. This critique is not new, and does not apply only to Serbia. Humanitarian agencies may argue that, though their interventions may be more expensive, they are also more efficient, and more accountable.

### **3.4 Humanitarian standards**

The question of humanitarian standards has generated debate within the humanitarian community in Serbia, and more generally across the Balkans. Minimum standards, defined as the minimum upon which human survival depends, have been generally met; indeed, minimum standards were probably reached before humanitarian interventions took place. There were extremely rare occasions where the absence of food, shelter, water, health or sanitation posed a direct threat to the survival of a group. The most manifest exception is the Roma population, which was almost without exception in need of shelter, water and sanitation, health and even food, as a result of social discrimination. In general, standards were high when compared with other humanitarian situations. For instance, hygiene kits funded by ECHO and distributed to social cases included products such as shampoo, toothpaste, toilet cleaner, dishwashing liquid and washing powder. Food aid provided a much more balanced diet than is usually the case.

The question of standards goes beyond the notion of survival needs. A definition of humanitarian needs must include the elements that are required to live a safe and dignified life. The difficult question humanitarian actors faced was: how far is it possible to go beyond a minimum-standard approach? The Sphere standards do not give satisfactory answers to this complicated set of questions. Thus, the question of shelters posed a real problem for many IDPs and refugees. Although probably above the standards of many refugee camps around the world, the existing shelters for displaced and refugee populations represented a significant obstacle to a dignified life, especially for those living in collective centres. Each agency had to define their own criteria, and provide their own answers.

Determining where the limits of humanitarian need lay was often a function of the availability of resources and willingness of donors, rather than of an enlightened definition of what was needed. This was complicated by the fact that 'non-traditional actors' became involved for political purposes. These actors did not attempt to use any standards. In these situations, standards are even harder to define and maintain.



## 4. The theory and practice of needs assessment in Serbia

### 4.1 A vulnerability model

In Serbia, most needs assessment use a vulnerability model. ACF describes vulnerable individuals as 'people who don't have the means for self sufficiency or those who have poor prospects for maintaining self sufficiency' (ACF 2001). This definition implies a condition that makes a particular group of the society more prone to threats.

Unlike needs assessments that focus on directly observable phenomena (such as the nutritional status of a population, the food basket or access to water), assessing the vulnerability of a particular group requires the construction of a model based on a series of assumptions. Whereas the absence of food or water, or the presence of a measles epidemic, represents a direct risk of death, the loss of employment or displacement are not as such life-threatening events. However, the vulnerability approach shows that a series of events can increase the risks that eventually lead to premature death.

The first UN Inter-Agency Needs Assessment identified a series of problems that, if not addressed quickly, would result in a grave humanitarian crisis. The predictive nature of humanitarian needs is a special feature of humanitarian aid in Serbia. Most of the assessments interpreted needs in terms of vulnerability to a future event (UN 1999). Humanitarian agencies predicted 'a widespread human tragedy' if no international support was provided (WFP, UNHCR, & IFRC 1999). WFP expanded its food aid programme in anticipation of a general collapse of the social welfare and pension systems.

Assessing needs on the basis of predicted events is a more difficult exercise than assessing needs in situations where they are directly observed. In the event, and contrary to expectations, food shortages were avoided, and major increases in the cost of food did not occur (WFP, UNHCR, & ICRC 2000). Serious energy shortfalls were also avoided. That the expected tragedy did not happen was probably due as much to factors unrelated to the humanitarian intervention, such as an unexpectedly easy winter. The argument that intervention in the energy sector was necessary to prevent excess mortality in the coming months is difficult to demonstrate. It is never possible to say how much worse the situation would have been had nothing been done. The predictive argument is based on trust rather than on any strong evidence. As Marina Skuric-Prodanovic has noted, it is not certain whether the same argument would have led to a similar intervention in places such as the Caucasus (Skuric-Prodanovic 2001).

## 4.2 The practice of needs assessment

### *The different functions of needs assessment*

The humanitarian interventions in Serbia were marked by an abundance of needs assessments. These ranged from initial assessments in the aftermath of NATO's air campaign to more recent work accompanying the scaling down of humanitarian programmes. These assessments have generally been lengthy, high-quality products, often conducted through or in conjunction with local institutions. Unlike in some other humanitarian contexts, reliable data and technically strong local support were available through research institutions or individuals. This allowed quite sophisticated assessments to be conducted.

From 14 to 27 May 1999, the Under-Secretary-General for Humanitarian Affairs and Emergency Relief Coordinator, Sergio Vieira de Mello, led the high-profile Inter-Agency Needs Assessment Mission to the Federal Republic of Yugoslavia. Its primary objective was to provide an initial assessment of the emergency needs of civilian populations and of the medium-term rehabilitation requirements in the light of the approaching winter (UN, 1999). This initial assessment suggested the dispatch of an urgent inter-agency mission, including FAO, ILO, UNDP, UNHCR, UNICEF, WFP, and WHO, to conduct an evaluation of categories, numbers, needs and other assistance criteria. This mission never took place. This initial assessment was not so much about assessing needs in quantitative terms, than about assessing access, the type or response needed, setting up a broader agenda for aid in the region, and probably testing what was possible in terms of collaboration with local governments. It helped to re-establish the political credibility of the UN, and gave an impressionistic picture of humanitarian needs.

Arguably, the primary function of needs assessment is to help in the design of the humanitarian response. Assessment identifies the vulnerable groups and potential target populations, assesses their particular needs at a particular point in time, and sometimes analyses the feasibility of the intervention, given the external environment. This category of needs assessment is part of the project cycle. Apart from this classic function, needs assessments in Serbia have played other roles which are not necessarily contradictory.

Under the sanctions regime and the international scrutiny of aid going to Serbia, humanitarian needs assessments have been crucial in advocating for impartial and needs-based humanitarian assistance. In that sense, needs assessments were used to counter-balance political pressures from the international community and the tendency to impose conditions on humanitarian aid. Prior to

October 2000, there was a deep divide between the political and humanitarian agendas, with very little constructive dialogue.

In the period following the fall of Milosevic's regime, needs assessments were used to advocate for the needs of specific vulnerable groups, targeting both the government and the donor community. Thus, ACF's detailed vulnerability assessment, carried out at the end of its project in Serbia, had as its main purpose advocating for specific vulnerable groups whose needs had not been properly addressed. ACF clearly wanted the government to shoulder its responsibilities towards social cases and institutions.

#### *Identifying and targeting the most vulnerable*

The identification and targeting of vulnerable groups has been a permanent concern of humanitarian agencies in Serbia. Targeting becomes harder when needs are defined in terms of vulnerability. This difficulty is one of the reasons for the large number of needs assessments carried out in Serbia between 1999 and 2002. The existence of multi-layered categories (IDPs/refugees, living in host families/in collective centres, living in urban/rural areas, employed/unemployed) makes targeting even more difficult: is a 25-year-old single IDP mother working in the grey economy in Belgrade and living in a collective centre more vulnerable than a 65-year-old native widow with no assets living in southern Serbia? The answer is probably no. These different categories do not represent a scale of the needs *per se*. At best, they give an indication of the probability of finding increased vulnerability.

Donors' interests, humanitarian organisations' mandates and the government's own policies further complicate the problem. Some humanitarian agencies decided to follow the criteria for determining the beneficiaries of social welfare as decided by the Serb government or the Yugoslav Red Cross, while reinforcing the monitoring system. Others used their own criteria, and were more concerned with the gaps in the existing governmental system.

The selection criteria for receiving aid varied considerably over the period 1999–2002, for several reasons. After the end of Milosevic era, there was pressure from some donors not to be too strict in the definition of beneficiaries. Some donors were concerned not to create disharmony between communities. This coincided with a period where humanitarian aid budgets were relatively important in Serbia. For example, ICRC provided material assistance to 180,000 IDPs in the initial phase; it then introduced beneficiary selection criteria to identify the most vulnerable, which resulted in a target population of 50,000 IDPs as of April 2002. Beneficiary identification became

more focused, while funding for humanitarian programmes started to decline (OCHA 2002b). The scaling-down of most humanitarian programmes has been accompanied by narrowed beneficiary selection criteria. WFP's estimated needs for Serbia and Montenegro have been consistently reduced over the period 1999–2003, and consequently its number of beneficiaries has also been reduced.

It was argued that the systems in place excluded large segments of the vulnerable population, as many of the criteria used were artificial (Skuric-Prodanovic 2001). For example, some IDPs were excluded from the social welfare system because they had property (which they could not sell) or 'paper employment' back in Kosovo (OCHA 2002b).

The main categories used across the humanitarian community in Serbia and elsewhere (IDPs, refugees and, for the particular case of Serbia, social cases) were criticised by some humanitarian agencies, and there were advocates for a more flexible approach. There is a danger that categories that are too fixed will exclude some parts of the population, whose needs are as great, if not greater, than those of the targeted group. For instance, ACF considered that the needs of other significant vulnerable categories were not adequately covered, and therefore concentrated its efforts on these categories, leaving other actors to work with refugees and IDPs. Similarly, WFP's 2001 Joint Food Needs Assessment mission recommended moving away from an approach looking at beneficiary caseloads by specific categories to one that focused on vulnerability across all groups facing similar difficulties.

#### *Humanitarian Risk Analysis*

OCHA launched the Humanitarian Risk Analysis (HRA) tool in August 1999. HRA, initially dubbed a 'vulnerability index', followed OCHA's initial assessment of the energy sector. HRAs are composed of two parts: assessments of a particular group or sector; and a 'shopping basket' analysis, which gives trends over time, including inflation and access to food. The latter part is abandoned once the HRAs become less regular. Progressively, the HRA has included more specific themes, such as health, sanctions and humanitarian principles, water and sanitation. More recently, the HRA assessed the particular needs of specific populations, such as Roma and IDPs.

Humanitarian Risk Analysis played a strong role as an advocacy instrument. While attempting to focus attention on non-traditional sectors such as energy, it highlighted specific problems and pointed to particular vulnerable groups requiring attention. In analysing areas that were not typically humanitarian in nature, it contributed to enlarging the definition of humanitarian need. HRA was thought to be a useful tool, supporting the advocacy efforts of some humanitarian agencies for

particular vulnerable groups, sometimes creating momentum for addressing needs that were neglected. The initial idea to develop a systematic indicator of vulnerability was not, however, pursued.

## 5. Decision-making and prioritisation

### 5.1 Prioritisation mechanisms

#### *The Consolidated Appeals*

In its 1999 revision, the Consolidated Appeal changed its title, referring to 'South-Eastern Europe' rather than specific countries (Bosnia, Croatia, the Federal Republic of Yugoslavia, the former Yugoslav Republic of Macedonia and Albania). This change conformed to the EU Stability Pact, which promoted a regional approach. One disadvantage of this approach was that financial figures were consolidated at the regional level. This made it difficult to analyse the level of financial requirements and response for Serbia. The only distinction made in the 1999 CA is between post-Dayton and Kosovo-related emergencies.

The 2000 CAP reintroduced a breakdown by country. It noted that, despite an unprecedented donor response to the revised CAP, there were some discrepancies in resource allocation. Agencies such as UNESCO, UNHCHR and FAO received very little funding (3.5%, 17% and 18.2% respectively) compared to other UN agencies; post-Dayton programmes received 57.7% of needs, whereas Kosovo-related programmes received 85% (as of 29 October 1999). The 2000 CAP noted that donors were reluctant to fund programmes in Serbia in 1999, whereas agencies' resource needs grew faster than in other parts of the region. The 2000 CAP insisted on the need for 'donors to respond with an equitable approach to funding the integrated, regional Appeal' (OCHA 2000a).

**Table 3: Funds requested and received through the CAPs (in US\$m)**

	FYR excl. Kosovo		Kosovo		Region	
	requested	received	requested	received	requested	received
1999	249*	n/a	689	n/a	939	721
2000	167	36	267	101	629	305
2001	148	83	134	46	413	214
2002	75	37	28	n/a	103	n/a

Source: CAP 1999–2002

\* As post-Dayton programmes, e.g. BiH, Croatia and FRY

The level of humanitarian assistance funds for Serbia more than doubled in the year following the fall of Milosevic. In the years before, it had remained significantly lower than the response for Kosovo (Table 3).

Donors play an influential role in prioritising humanitarian needs through their resource allocation. As noted in the CAP 2002, most of the donor response 'was directed at core humanitarian objectives such as food distribution and urgent assistance to refugees and IDPs. Therefore, objectives, including durable solutions, promoting human rights and building social cohesion, suffered' (OCHA 2002a). It appears that some 'innovative' approaches that were not perceived as core humanitarian activities, such as work in the energy sector and support to social cases, although carried out by humanitarian agencies, were not included in the CAP. One of the reasons for this was that these areas were not expected to be fundable through the CAP, and so funding was negotiated bilaterally with particular donors, outside the Consolidated Appeal framework.

The CAP for South-Eastern Europe, as for other contexts, does not give a full picture of the humanitarian funding situation, as NGOs and the Red Cross are not included in the financial figures. It is difficult to provide a comprehensive representation of the funding channelled through NGOs. ICVA tried to conduct a survey, but some NGOs were reluctant to share information on their level of funding.

#### *Donor conferences*

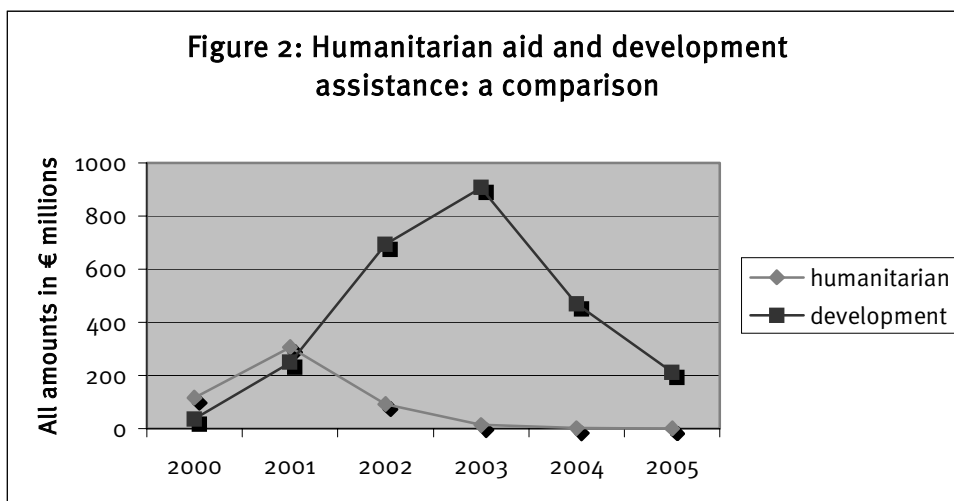
The donor conferences organised for the Balkans were another mechanism for prioritising financial resources. The first donor conference on Kosovo was organised on 28 July 1999 in Brussels. This evaluated immediate needs in Kosovo as amounting to \$500m, though commitments of \$2bn were recorded. This conference excluded Serbia as donors were extremely reluctant to support the Milosevic regime.

On 12 December 2000 – two months after the fall of Milosevic – a Donor Coordination Meeting took place in Brussels, convened by the European Commission and the World Bank. The primary focus of the meeting, which was attended by 41 donor countries and 19 international organisations, was to discuss urgent needs, and the ongoing and planned donor assistance to meet these needs. Serbia was recognised as having the most urgent needs in the region. The meeting was followed by a donor conference on 29 June 2001, where progress was assessed. Pledges of \$1.28bn were made, above the \$1.2bn required. Actual disbursements were much lower, according to the Ministry of International Economic Relations / Development Aid Co-ordination Unit (MIER/DACU) figures. The presence of the major financial institutions opened the door to new financial sources.

A further donor conference set for 2002 was postponed, largely due to political instability in Serbia.

## 5.2 The impartiality of humanitarian assistance in Serbia

The humanitarian response to Serbia has generated significant debate about the impartiality of humanitarian assistance. To what extent was the humanitarian response in Serbia based on needs? This question is always difficult; in Serbia, the enlargement of the definition of humanitarian to encompass such non-traditional sectors as energy is a further complication. Two criteria determine the impartiality of humanitarian assistance: the *proportionality* of assistance, and its *appropriateness*. Whereas the latter is difficult to assess, given the complexity and variety of needs and the specific constraints of humanitarian agencies, proportionality seems slightly easier to evaluate. The financial figures for humanitarian aid suggest that humanitarian assistance to Serbia was not entirely proportionate to the level of needs. The important variations in funding between 1999 and 2002 cannot be explained purely by varying needs. A graph from MIER/DACU with projections of international aid until 2005 clearly shows these variations (Figure 2).





## 6. Conclusion

In Serbia, humanitarian assistance was initially provided in the absence of any other source of aid. It was expected to address (but not necessarily to resolve) a large number of issues not traditionally considered humanitarian, such as unemployment, the reconstruction of infrastructure following NATO's air campaign, or environmental damage. Defining needs in humanitarian terms was also a way to use the humanitarian exemption, in the context of international sanctions. The UN CAP for 2001 clearly defined the problem: 'Humanitarian assistance was not forbidden by the sanctions regimes, but it was under extreme scrutiny and the need for it may have been inflated due to the unavailability of other forms of assistance' (CAP, 2001: 29).

The role and limits of humanitarian assistance in Serbia has been much debated by agencies. If its purpose is understood in its narrower sense as being the prevention of excess mortality, it would have a very limited justification in Serbia. Most humanitarian interventions in Serbia have indeed a remote and indirect effect on the preservation of life, if at all. For instance, it is extremely difficult to demonstrate which effect the intervention on the energy sector had on the prevention of excess mortality. If one takes a broader definition of humanitarianism that includes the restoration of dignity, the protection of populations and the return to certain normality, then the justification of humanitarian interventions in Serbia leaves little doubt.

The study highlighted a number of innovative approaches in analysing humanitarian needs. The Humanitarian Risk Analysis and the series of in-depth assessments conducted in the period 1999-2003 contributed to a better understanding of the actual needs and risks faced by particular groups of the population. In that sense, humanitarian agencies have demonstrated a capacity to adapt their 'developing countries' paradigm with thorough and appropriate assessments. However, as signalled by several interviewees, the actual humanitarian responses remained relatively inflexible, based on standardised approaches rather than on the recommendations of the above in-depth analysis. The capacity of the humanitarian system to adapt to a new environment has proven limited.

Arguably, the primary objective of needs assessment is to ensure needs-based humanitarian responses, e.g. to preserve the impartiality of humanitarian action. Was it the case in Serbia? An important element that partly explains the limits and constraints placed on the humanitarian actors is the highly politicised environment in which humanitarian interventions took place. The

politicisation of humanitarian aid is illustrated by the sharp increase in humanitarian funding after the fall of Milosevic. This increase is not matched by similar changes in the level of humanitarian needs, as the study showed. This phenomenon clearly indicates the renewed interest of Western government in this country rather than an endeavour to a needs-based humanitarian response. In this context, needs assessment played a crucial role in preserving the impartiality of humanitarian aid and counter-balancing these political agendas. For some persons interviewed, using a 'needs-based' approach was a way of distancing themselves from politics. Humanitarian assistance in Serbia, and in the Balkans more generally, has generated intense debate on the impartiality of humanitarian aid.

**List of interviewees**

Richard Allen, Organisational Development Delegate, IFRC, Belgrade

Seamus Dunne, Economic Security Unit Coordinator, ICRC, Belgrade

Pierre Gallien, Deputy General Director, ACF, Paris

Thomas Gonnet, Director of Operations, ACF, Paris

Paul Hebert, Senior IDP Advisor, OCHA, Belgrade

Fabrizio Hochschild, Deputy Representative, UNHCR, Belgrade

Borka Jeremic, Programme Officer, WFP, Belgrade

Simon Junker, Deputy Head of Mission for Humanitarian Affairs, Swiss Cooperation Office, Belgrade

Vera Kovacevic, Head of Management Unit, PRSP Management Unit, Ministry of Social Affairs, Republic of Serbia

Mary Jane Meierdiercks Popovic, Assistant Representative/Programme, UNHCR, Belgrade

Ann Pesic, Director, International Council of Voluntary Agencies, Belgrade

Oliver Petrovic, ECD Project Officer, UNICEF Belgrade

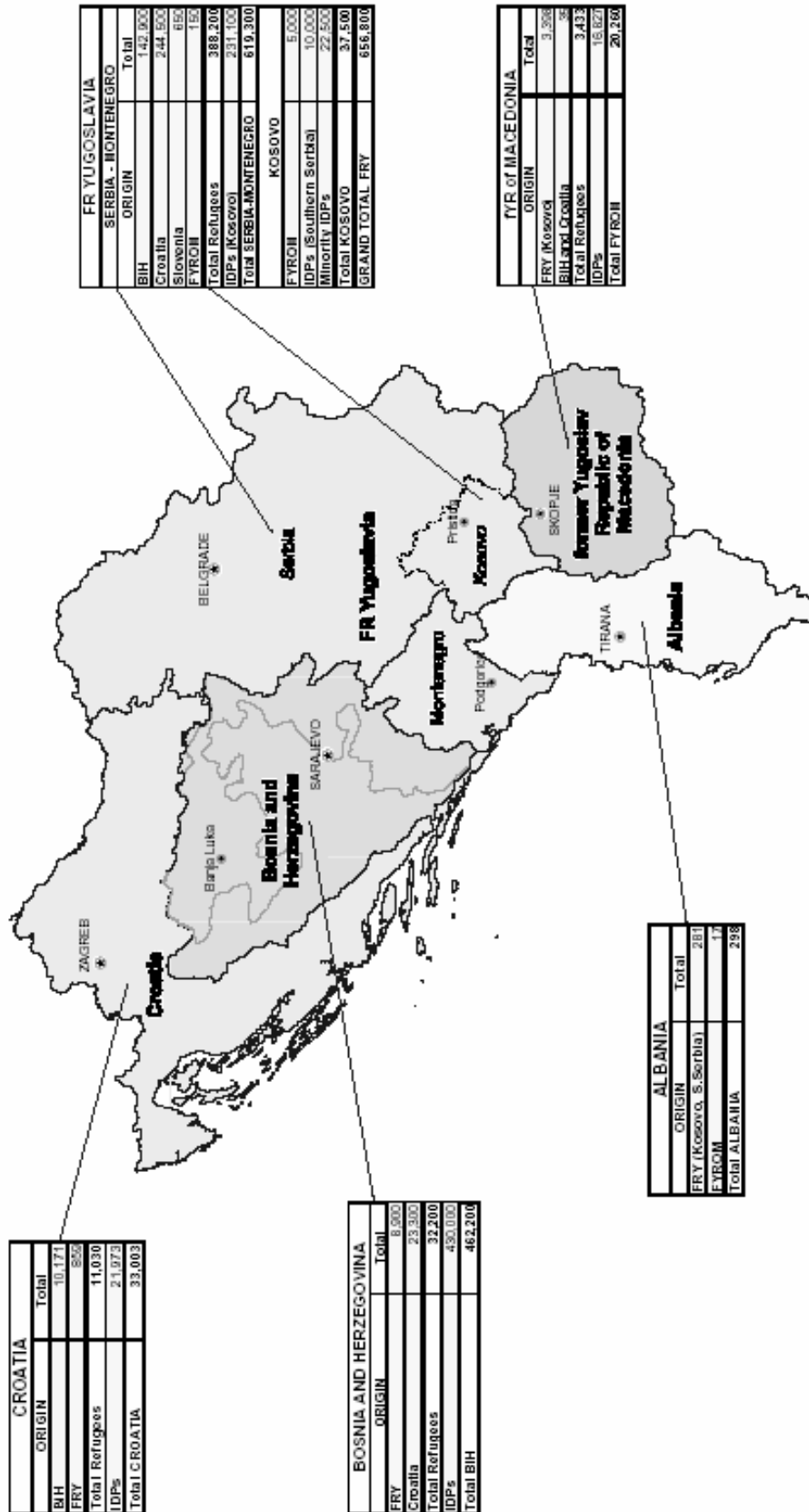
Bastien Vigneau, Programme Manager, MSF, Geneva

Rene de Vries, Head of Mission, MSF, Belgrade

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## ESTIMATE OF REFUGEES AND DISPLACED PERSONS still seeking solutions in South-Eastern Europe



Updated to reflect the situation as of 15 April 2002

These statistics are based on information currently available to UNHCR, and should be regarded as estimates only. They do not include refugees/asylum-seekers from countries outside the region. The boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by the United Nations.

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## Notes

<sup>1</sup> A new state union of Serbia and Montenegro was proclaimed on 4 February 2003, and the Federal Republic of Yugoslavia formally ceased to exist.

<sup>2</sup> Tony Blair quoted in Black, I., 'Summit Warning to Serbs', *The Guardian*, 31 July 1999.

<sup>3</sup> Social cases (elderly, invalids, disabled, children with special needs) are theoretically receiving support from the social welfare system. However, payments of social benefits had fallen into more than 12 months arrears after the war.

<sup>4</sup> UNHCR, as of 1<sup>st</sup> March 2003.