

**Fifty-eighth session**

Agenda item 41 (b) of the provisional agenda\*  
Special economic assistance to individual countries or regions

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**Economic assistance to the Eastern European States affected  
by the developments in the Balkans\*\***

Report of the Secretary-General

**Summary**

In its resolution 56/110 of 14 December 2001, the General Assembly expressed concern at the persistence of special economic problems confronting the Eastern European States affected by the developments in the Balkans, in particular their impact on regional trade and economic relations and on the navigation along the Danube and on the Adriatic Sea. The Assembly invited the relevant international organizations to take appropriate steps in order to broaden access for interested local and regional vendors and to facilitate their participation in the international assistance efforts for reconstruction, recovery and development of the region. The General Assembly requested the Secretary-General to report to the Assembly at its fifty-eighth session on the implementation of that resolution.

\* A/58/150

\*\* The report was submitted late due to late arrival of replies from some Members States and International Organizations.

During the period under review, with broad-based international support, the reconstruction and recovery process in South-Eastern Europe continued to advance. Capacity- and institution-building, rather than emergency relief initiatives, have become the centerpiece of both bilateral and multilateral assistance. This shift reflected the changing needs of the affected countries, moving towards economic, social and political stabilization. Bilateral and multilateral initiatives adhered, in general, to the framework of the Stability Pact for South Eastern Europe. The relevant components of the United Nations system, including the international financial institutions, continued to assist the affected countries. Specifically, and in response to changing needs, interventions focused on infrastructure development, environmental protection, rural development, curbing trafficking in human beings, macroeconomic and financial stability, trade, investment and private sector promotion.

Under the regional reconstruction and development strategy, the global and regional development partners were accorded lead roles in key sectors, such as infrastructure development and promotion of the private sector (EIB and EBRD), the investment compact and the anti-corruption initiative (OECD) and overall economic framework and donor coordination (European Union and the World Bank). Continued donor support, participation of regional organizations and involvement of the private sector will be essential for reconstruction, stabilization and development in the Balkans.

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### **I. Introduction**

1. In its resolution 56/110 of 14 December 2001, the General Assembly expressed concern at the persistence of special economic problems confronting the Eastern European States affected by the developments in the Balkans, in particular their impact on regional trade and economic relations and on navigation along the Danube and on the Adriatic Sea. The Assembly encouraged the affected States of the region to continue and enhance the process of multilateral regional cooperation in the fields of transport and infrastructure development, including the resumption of full navigation on the Danube, as well as to foster conditions favourable to trade, investment and private sector development in all the countries of the region. The Assembly invited the relevant international organizations to take appropriate steps in order to broaden access for interested local and regional vendors and to facilitate





