

Permanent Mission of Austria

to the United Nations - New York

FAX

823 United Nations Plaza, 8th floor New York, NY, 10017
Tel.: (212) 949 1840 Fax.: (212) 953 1302
E-Mail: austria@un.int <http://www.un.int/austria>

To:	DESA	Faxnr.:	(212) 963-1010
		Date:	1 August 2003
From:	Elisabeth Kögler	Pages:	3

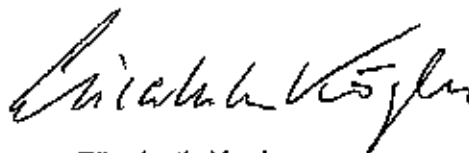
Reference: DESA/03/153

GA Res. 56/110 of 14 December 2001 "Economic assistance to the Eastern European States affected by the developments in the Balkans"

Please find enclosed the relevant section of the Austrian Foreign Policy Report 2002 which has just been issued by the Ministry for Foreign Affairs of the Federal Republic of Austria.

South Eastern Europe, particularly Albania, Bosnia and Herzegovina, Croatia, Macedonia and Serbia and Montenegro inc. Kosovo, is a focal area for the Austrian development cooperation in Central and Eastern Europe. 80% of the funds dedicated to Central and Eastern Europe go to these countries. This focus will remain in place for the coming years. The enclosed text further illustrates that the projects financed by Austria have been designed to be part of the activities of the Stability Pact.

With best regards,



Elisabeth Kögler
Counsellor

IV. Assistance for Central and Eastern Europe and Central Asia

Austria's programme of assistance covers 27 reform countries of Central and Eastern Europe (CEEC) as well as the successor states of the former Soviet Union. Its central aims are sustainable democratic, economic, social and ecological development, and the integration of those countries into the world economy.

Bilateral aid projects cover environmental issues, predominantly water and energy supply; education, training and youth; employment and social matters; administrative reform; democratisation; human rights; and combating poverty. The promotion of women's rights is a horizontal issue that runs through all the sectors. Austria's support for these states covers the development of appropriate strategies within the framework of international organisations (e.g. at the World Bank's Balkan Forum, held in Austria in October 2002) as well as the implementation of specific projects together with the partner country and other bilateral and multilateral donors.

Geographically, there was a special emphasis on Bulgaria and Romania, but also on Albania, Bosnia and Herzegovina, Croatia, the Former Yugoslav Republic of Macedonia and the Federal Republic of Yugoslavia. These states are also the core members of the Stability Pact for South-Eastern Europe, with which the programmes and projects are closely coordinated. The focus of the aid programme here is consistent with Austria's activities within the Stability Pact, in which Austria holds the chairs of the task force on education and youth and the task force on trafficking in human beings, as well as the co-chairmanship of the Investment Compact Initiative for the promotion of the private sector.

In 2002 Austria provided support for a network of business schools in Albania, Macedonia and Romania. Each of these schools has its own private commercial company organised on Austrian lines, in which the students can learn what will later be their daily practice. In view of its considerable success, this project is to be extended to all the countries of South-Eastern Europe. The task force on trafficking in human beings set up a women's refuge in Belgrade to provide victims with legal, psychological and medical support. At the end of 2002 a start was made with the development and implementation of training modules for law enforcement officers in South-Eastern Europe who are engaged in combating trafficking in human beings. The task force on women under the Stability Pact was given support for its efforts to provide women with a stronger position in public life. In the three years since the establishment of the task force on women the proportion of women elected to the parliaments of the South-Eastern European countries has risen from 7 to 15 per cent on average. Austria also provided support for cross-border projects for the benefit of networking and regional integration in the CEECs countries as well as in Central Asia and the Caucasus.

Investment promotion is another important element of Austria's aid programme. It comprises technical assistance in the form of training and advice on the preparation and monitoring of projects, but also on safeguarding the long-term effect of investment measures. The projects place particular value on the creation of local employment and added value, but also on acting on a basis of joint partnership, whereby the partner is encouraged to assume functions and responsibility. Within the framework of the Investment Compact Initiative under the Stability Pact, with Austrian co-chairmanship, a statement was issued in Vienna on 18 July on the swift implementation of measures for the improvement of the overall conditions for direct investment in South-Eastern Europe.

Examples of Austria's aid projects in South-Eastern Europe include a fund to provide machines and production facilities for small businesses in Romania; in partnership with a Romanian organisation, this has created or sustained around 3,000 jobs over the past 6 years. In Albania, Austrian know-how was used to update the water supply and sanitation system of the provincial capital Shkodra; clean drinking water is now available round the clock instead of only two or three hours daily. In the Posavina region of north-eastern Bosnia, the rebuilding of houses destroyed in the war will enable up to 140 families of all ethnic groups to return home from the collective centre in Zenica. It is particularly gratifying that this project is being supported by all three refugee authorities in Bosnia and Herzegovina.