REPORT OF THE SECRETARY-GENERAL ON THE UNITED NATIONS
PREVENTIVE DEPLOYMENT FORCE PURSUANT TO SECURITY
COUNCIL RESOLUTION 1186 (1998)

I. INTRODUCTION

1. The present report is submitted pursuant to Security Council resolution
increase in the troop strength of the United Nations Preventive Deployment Force
(UNPREDEP) up to 1,050 and to extend its mandate for a period of six months
until 28 February 1999, including to continue by its presence to deter threats
and prevent clashes, to monitor the border areas, and to report to the
Secretary-General any developments which could pose a threat to the former
Yugoslav Republic of Macedonia, including the tasks of monitoring and reporting
on illicit arms flows and other activities that are prohibited under resolution
1160 (1998). The present report covers developments in the mission area since

II. COMPOSITION, STRENGTH AND MANDATE OF THE UNITED NATIONS
PREVENTIVE DEPLOYMENT FORCE

2. During the period under review, the mandate of UNPREDEP has remained
unchanged. The mission is headed by my Special Representative,
Fernando Valenzuela Marzo, who succeeded Henryk J. Sokalski on 9 January 1999
(see S/1998/1191 and S/1998/1192). The military component is headed by the
Force Commander, Brigadier-General Ove Strømberg (Norway).

3. The increase in UNPREDEP’s military component by 300 all ranks, authorized
by the Security Council in resolution 1186 (1998), was completed by the
beginning of January 1999, thus bringing its strength to 1,050 troops (see
annex). At the same time, the total number of observation posts and patrol
bases has been increased from 8 to 16, all of which are situated at strategic
locations and sensitive points along the borders with Albania and the Federal
Republic of Yugoslavia. Reconfiguration of the augmented military component and
the increase in the number of observation posts and patrol bases have enabled
UNPREDEP to fulfil its mission in the entire area of responsibility.
4. The military component consists of two mechanized infantry battalions: a Nordic composite battalion and a United States Army task force, with 650 and 350 personnel respectively, supported by a 50-strong heavy engineering platoon from Indonesia. In addition, there are 35 military observers and 26 civilian police monitors. The authorized strength of the civilian component, including the local staff, is 203. The international civilian and military personnel are drawn from 50 countries.

5. During the past six months, the military units of UNPREDEP have actively patrolled their respective areas of operation, while the military observers and civilian police monitors have continued their community and border patrols. On average, UNPREDEP military personnel have conducted some 400 patrols per week, including 300 border and community patrols, established 80 temporary observation posts (from 3 to 24 hours), and conducted 15 helicopter patrols. In addition, the civilian police monitors conduct approximately 100 patrols per week.

6. Pursuant to Security Council resolution 1186 (1998), UNPREDEP has undertaken the new task of monitoring and reporting on illicit arms flows and other activities that are prohibited under resolution 1160 (1998). UNPREDEP has developed new techniques to enhance its capacity to ascertain whether arms smuggling is actually taking place in its area of operation. Mobile reaction teams have been established, which, while paying due attention to safety, respond to sighted smuggling activities by moving quickly to continue observation at a closer distance, thus providing more accurate information on whether arms, ammunition or explosives are involved. However, it should be underlined that while UNPREDEP, within its current mandate, can monitor and report, it does not have the authority to interdict and inspect cross-border traffic. Although smuggling incidents have been observed, UNPREDEP has so far not detected any direct evidence of arms smuggling across the borders of the former Yugoslav Republic of Macedonia with Albania or the Federal Republic of Yugoslavia.

7. The civilian component of UNPREDEP has been effectively monitoring and reporting on developments in the country that could affect its peace and stability. It has continued to implement the good offices mandate vested in my Special Representative by conducting an active dialogue with the authorities and all other major political forces in the country; encouraging cross-party dialogue and a better understanding among the various segments of the population with a view to easing inter-ethnic tensions; and promoting the application of international standards of human rights.

8. In pursuing a comprehensive model of preventive action, UNPREDEP has also been involved in a wide range of programmes related to good governance and the rule of law, strengthening of national capacity and infrastructure, institution-building and human resources development in the governmental and civil sectors. The mission has worked with many groups in the society to encourage them to contribute to the country’s development and to serve as agents of conflict prevention and promoters of democracy and human rights. International expertise has been made available to the host country through long-term programmes and activities aimed at enhancing social peace and stability. These programmes have been funded from extrabudgetary resources mobilized by the office of the Special Representative, which have now reached nearly US$ 8 million in cash and kind.

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9. UNPREDEP has continued its close cooperation with the Spillover Monitor Mission to Skopje of the Organization for Security and Cooperation in Europe (OSCE) and the European Commission Monitoring Mission in the country. It has also established a working relationship with the North Atlantic Treaty Organization (NATO) Kosovo Verification Coordination Centre and the NATO Extraction Force recently deployed in the host country.

III. INTER-AGENCY COOPERATION AND ACTIVITIES OF OTHER UNITED NATIONS ORGANIZATIONS, AGENCIES AND PROGRAMMES

10. Several agencies, organizations and programmes of the United Nations system are engaged in various forms of assistance to the former Yugoslav Republic of Macedonia. Seven of them have already established permanent offices in Skopje and regular coordination meetings are convened by my Special Representative. Many others have been encouraged by UNPREDEP to give priority to the host country in their ongoing programmes and links have also been established with new agencies in an effort to strengthen the international presence in the country and to promote greater political, socio-economic and cultural stability. The consultative meeting of the entities of the United Nations system convened by UNPREDEP in Skopje in 1998 (see S/1998/454, para. 9) contributed considerably towards this goal.

International Monetary Fund

11. As indicated in my report of 20 November 1997 (see S/1997/911, para. 9), in April 1997, a total of special drawing rights (SDR) 54.6 million (1 SDR=US$ 1.5) was made available to the host country for the period 1997-1999 by an arrangement under the International Monetary Fund’s concessional Enhanced Structural Adjustment Facility. To date, SDR 27.3 million have been disbursed. The total fund credit and loans outstanding at the end of June 1998 amounted to SDR 74.4 million. The Fund has provided the host country with technical assistance and training in a number of areas, including public expenditure, tax and customs, monetary accounting, bank supervision, monetary policy and statistics, external sector policies, public finance, macroeconomic analysis and balance of payments. Seminars and courses have also been held on comparative experience of market economies, social safety net policies and reform in administration.

Office of the United Nations High Commissioner for Human Rights

12. The main focus of the Office of the United Nations High Commissioner for Human Rights has been on human rights promotional activities aimed, in particular, at encouraging initiatives within civil society. The host country was included in the Office’s Assisting Communities Together project (ACT), which was established to provide small grants to individuals and organizations for local human rights projects. The project, launched as part of the commemoration of the fiftieth anniversary of the Universal Declaration of Human Rights, was implemented in cooperation with the United Nations Development Programme (UNDP). The implementation of three selected local projects will largely be completed by March 1999. Based on this experience, the Office of the United Nations High Commissioner for Human Rights hopes to expand this programme in the future.
Office of the United Nations High Commissioner for Refugees

13. In response to the crisis in Kosovo, the host Government granted the status of "humanitarian assisted persons" to people from that region who entered the country legally and now desire to stay longer. Following a request from the Government to the Office of the United Nations High Commissioner for Refugees (UNHCR) to assist the most vulnerable groups of persons coming from Kosovo, an inter-agency assistance programme was created involving both the International Federation and the International Committee of the Red Cross, the United Nations Children’s Fund (UNICEF) and UNHCR. To date, the national Red Cross Society has registered approximately 1,000 persons and delivered assistance to some 700 of them. In 1999, UNHCR will continue its assistance to the 1,200 Bosnian refugees still in the country. It will reinforce its efforts in capacity-building activities, especially in the asylum and refugee determination systems, and will expand its programme for persons coming from Kosovo who are eligible to receive assistance from UNHCR.

United Nations Children’s Fund

14. The programmes of the United Nations Children’s Fund (UNICEF) continue to be implemented primarily through the three Ministries of Health, Education and Labour and Social Policy, as well as, increasingly, through local non-governmental organizations (NGOs). Other partners include multilateral and bilateral organizations and international agencies working in the country. An annual programme review conducted by UNICEF and its implementing partners in December 1998 examined the performance and endorsed the overall programme direction. There has been encouraging progress in the field of education and early-childhood development. The interactive learning project, which aims to improve the quality of teaching and learning at the primary level, expanded its coverage to 18 per cent of the schools in the country. An innovative early-childhood development project has shown promising early results. In the field of health, the host country has achieved the virtual elimination of iodine deficiency disorder and the eradication of poliomyelitis is on track for official certification by the year 2000. Immunization coverage has been sustained at over 90 per cent for all antigens. Special attention is being paid to polio immunization owing to the risks of outbreak posed by refugees arriving from Kosovo, where immunization levels are low. The promotion of alternatives to institutional care gained momentum with the enactment of legislation on fostering. This was accompanied by training and social mobilization campaigns to give substance to the new legal provisions. In addition, emergency preparedness measures focusing on enhancement of health and education services have been initiated in the event of a refugee influx from Kosovo.

United Nations Development Programme

15. The United Nations Development Programme (UNDP) liaison office, established in Skopje in June 1998, will manage the programmes formulated within the structure of its first country cooperation framework (CCF) for 1998-2001. These programmes, which started in June 1998, will focus on four major approved thematic areas - environment, private sector development, education and social transfers. In the field of environment, UNDP supports the implementation of the national environment action plan through capacity-building in environmental...
management by the Government, civil society organizations and local authorities. The plan includes provision for technical training in environmental policy design, investments and valuation of natural resources, as well as industry, water management and energy monitoring and inspection. Technical support to sectoral ministries will be provided in the elaboration of environmental impact related policies and cross-sectoral strategies. Assistance to municipalities will focus on the preparation and implementation of a local environment action plan and assistance to civil society organizations on environmental advocacy and public awareness campaigns. UNDP also supports the Government’s efforts in preparing a plan for the establishment of a national commission for sustainable development to promote national sustainable development according to the principles agreed upon in Rio de Janeiro for Agenda 21. Other ongoing programmes by UNDP include support to the consolidation of national aid coordination and foreign debt management, capacity-building in social development and strengthening of the national machinery for women’s advancement in the country.

United Nations Office for Drug Control and Crime Prevention

16. In August 1998, the United Nations Office for Drug Control and Crime Prevention opened a project office in Skopje staffed by a national programme officer. This has facilitated the launching and implementation of a multisectoral technical cooperation project in drug control. Several activities were organized during the period from August to December 1998. The drug detection and investigative capacities of police and customs administration were strengthened through the provision of specialized equipment. Technical assistance and equipment for drug identification was also supplied to the Laboratory for Criminal Investigation of the Ministry of the Interior and to the Forensic Medicine Institute of the Ministry of Health. Forensic experts also participated in training courses and study tours abroad. A workshop for NGOs working in drug prevention, as well as lectures for students, were held in Skopje. Planned activities include support to the Ministry of Education in designing a drug abuse prevention curriculum for school children and an advanced training course on drug law enforcement techniques for the Ministry of the Interior. A new subregional joint United Nations International Drug Control Programme-European Union PHARE drug law enforcement programme will be launched shortly and the country will benefit from activities aimed at the coordination of land border controls with Bulgaria, the strengthening of controls at Skopje airport and the development of computerized drug intelligence analysis systems in cooperation with the International Criminal Police Organization (Interpol).

17. In May and June 1998, the Centre for International Crime Prevention, in cooperation with the Government and with the assistance of UNPREDEP, organized three training courses on methods of modern police management with implications for civil liberties and human rights. Follow-up action has focused on the preparation of teaching materials and the translation of the United Nations standards on criminal justice in the national language for law enforcement officials, examining current penal and banking legislation and creating an effective implementing mechanism, strengthening analytical and operational capabilities, improving inter-ministerial cooperation and enhancing international mutual assistance. A law review committee, established with experts from three ministries, has drafted new legislation currently under
review by the Government. Plans are also under way for creating a cadre of financial police to combat economic and financial crime.

World Bank

18. To date, the World Bank has supported the reform programme in the former Yugoslav Republic of Macedonia with 15 operations totalling over US$ 400 million. Most recently, the Bank approved a US$ 29 million social sector adjustment credit, a US$ 1.17 million pension reform technical assistance credit and a DM 61.5 million power system improvement project. The Bank has adopted the new country assistance strategy for 1999-2001, which outlines a programme of support for three priority areas: promoting private sector growth and job creation; enhancing the efficiency of the State and alleviating poverty; and developing human capital. In the area of continued macroeconomic stability and progress in reform, the World Bank's lending programme will total US$ 200 million in this three-year period. In addition, the Bank has prepared a number of analytical documents, including a country economic memorandum entitled "Enhancing Growth", a foreign investment advisory service report and a poverty assessment report. In January 1999, a World Bank team held a joint workshop with the Government to discuss priorities for reform and development. During the workshop, the newly elected Government broadly endorsed the priority areas outlined in the Bank's country assistance strategy. In February 1999, approval is expected for a second transport sector project, valued at US$ 32 million, which will be aimed at continuing road rehabilitation along the east-west corridor and restructuring the railways. A dialogue has also begun on the preparation of a second financial and enterprise sector adjustment loan aimed at eliminating constraints to private sector investment and growth.

World Health Organization

19. The activities of the World Health Organization (WHO) during the last six months were mainly focused on the priorities set out in the collaborative agreement with the Ministry of Health. Those were aimed at the strengthening of the pharmaceutical sector, the eradication of poliomyelitis in the country, the enhancement of the professional capacity of doctors working on reproductive health issues, the prevention and case management of tuberculosis, the finalizing of the national environmental and health action plan and at further support to the development of the national health policy. The new strategy, "Health 21 – Health for all for the twenty-first century", adopted during the fifty-first World Health Assembly in May 1998, will also have strong impact on implementing the priorities of the EUROHEALTH programme.

IV. RECENT DEVELOPMENTS

21. The bilateral relations of the former Yugoslav Republic of Macedonia with some of its neighbours have strengthened during the reporting period. Relations with Albania have improved significantly following the recent parliamentary elections in the host country and the inclusion, at the invitation of the winning coalition, of a coalition of the ethnic Albanian Party for Democratic Prosperity of Albanians and the National Democratic Party (PDPA/NDP) in the new Government. High-level bilateral visits and agreements on mutual cooperation between the two countries, as well as efforts by the new Government to improve inter-ethnic relations, have had a further positive impact on bilateral relations.

22. The steady increase in trade and collaborative ventures with Greece, as well as official visits by that country’s leadership, reflect improved bilateral relations between the two neighbours despite the still unresolved name-related dispute. Relations with Bulgaria are also strengthening, with both countries expressing a renewed determination to overcome the language dispute while simultaneously increasing economic and other forms of cooperation.

23. Relations between the former Yugoslav Republic of Macedonia and the Federal Republic of Yugoslavia have been strained owing to the host country’s decision to authorize the deployment of the NATO Extraction Force on its territory. This decision prompted a strong protest by the Federal Republic of Yugoslavia. There has also been no progress on the issue of demarcation of the border between the two countries and the Joint Border Commission, after a hiatus of six months, has yet to resume its deliberations.

24. The most significant positive development on the domestic political scene during the reporting period was the holding of the third parliamentary elections in October and November 1998. The elections, which were held in a peaceful atmosphere, resulted in a change of Government. The new Government represents a coalition of three parties, including the ethnic Albanian coalition (PDPA/NDP). The elections were held in accordance with the new electoral laws, which enjoyed wide political consensus when adopted by the Parliament. They were monitored by international observers from the Office for Democratic Institutions and Human Rights (ODIHR) of OSCE, the Parliamentary Assembly of the Council of Europe and international NGOs, all of whom assessed the overall electoral process to be well conducted and in accordance with OSCE and Council of Europe standards.

25. The new Prime Minister, Ljubco Georgievski, in his policy statement before assuming office, underlined that the fostering and development of inter-ethnic relations will be one of the fundamental tenets of his Government. The formation of a new inclusive Government has been a demonstration of that commitment and has eased inter-ethnic relations in the country.

26. In keeping with this declared policy of seeking inter-ethnic harmony, the first legislative act of the newly constituted Parliament was to adopt the law on amnesty to pave the way for the release of the ethnic Albanian mayors and chairmen of the municipal councils of Gostivar and Tetovo. The trial and heavy sentencing, in particular of the then mayor of Gostivar, Rufi Osmani, in September 1997, had heightened inter-ethnic tensions in the country (see S/1997/911, para. 20). Despite President Gligorov’s initial veto of the promulgation of the law, owing to his objections to some aspects of it, the
Parliament adopted it at its second reading on 4 February 1999. The subsequent immediate release of the imprisoned ethnic Albanian local government officials is expected to contribute further to the easing of inter-ethnic tension in the country.

V. FINANCIAL ASPECTS

27. The General Assembly, in its resolution 53/20 of 2 November 1998, appropriated an amount of $29 million (gross) for the maintenance of UNPREDEP for the period from 1 July 1998 to 30 June 1999, in addition to the amount of $21,053,745 (gross) already appropriated for this period under the provisions of its resolution 52/245 of 26 June 1998. The assessment of $16,684,582 (gross) for the period from 1 March to 30 June 1999 at a monthly rate of $4,171,145 (gross) is subject to the decision of the Security Council to extend the mandate of the Force.

28. Should the Security Council decide to extend the mandate of UNPREDEP beyond 28 February 1999, as I recommend in paragraph 34 below, the cost of maintaining the Force until 30 June 1999 would be limited to the above-mentioned resources.

29. As at 31 January 1999, unpaid assessed contributions to the UNPREDEP special account amounted to $20.3 million. The total of outstanding assessed contributions for all peacekeeping operations at that date amounted to $1.7 billion.

VI. OBSERVATIONS

30. Peace and stability in the former Yugoslav Republic of Macedonia continue to depend largely on developments in other parts of the region, in particular in Kosovo. In my report to the Council of 30 January 1999 (S/1999/99), I expressed my increasing concern that the spread of violence and the nature of the attacks in Kosovo could lead to a situation of all-out civil war in the province, which might have unpredictable repercussions for the entire region. It is a matter of satisfaction that, until now, the former Yugoslav Republic of Macedonia has not been adversely affected by the conflict in Kosovo. However, the potential serious repercussions that continued violence in Kosovo could have upon the external and internal security of the country cannot be ignored given the large proportion of ethnic Albanians in the population of the former Yugoslav Republic of Macedonia.

31. As stated in my report to the Council of 1 June 1998 (S/1998/454, para. 21), the presence of UNPREDEP has so far contributed successfully to preventing the spillover of conflicts elsewhere in the region to the former Yugoslav Republic of Macedonia. By contributing significantly to promoting dialogue among the various political forces and ethnic communities in the country, UNPREDEP continues to have a stabilizing effect. The confidence inspired by its presence has been useful in defusing tensions that could have arisen as a result of the continued crisis in Kosovo.
32. The Minister for Foreign Affairs of the former Yugoslav Republic of Macedonia, in a letter addressed to me on 29 January 1999 (S/1999/108), presented his Government’s arguments for an extension of the mandate of UNPREDEP for an additional six months, with its existing composition and structure. In his letter, the Minister for Foreign Affairs pointed, in particular, to his Government’s concern over the danger of a spillover of the conflict in Kosovo into neighbouring countries, the increase in tensions on the Albanian-Yugoslav border, the still unstable situation in Albania, which has burdened his Government’s efforts to prevent arms trafficking to Kosovo, and the lack of progress in the demarcation of the country’s border with the Federal Republic of Yugoslavia.

33. As the present report is being written, the Contact Group on the former Yugoslavia is actively engaged in seeking a political solution to the Kosovo crisis. At the same time, discussions are continuing within the framework of NATO concerning the possible deployment of an international military presence in the region. The outcome of such deliberations and the medium- to long-term impact they will have on the former Yugoslav Republic of Macedonia, and on UNPREDEP itself, cannot be foreseen at this time.

34. Against the backdrop of developments in and relating to the region, and taking into account, in particular, the arguments adduced by the Government of the former Yugoslav Republic of Macedonia, the Security Council may wish to consider extending the presence of UNPREDEP, with its existing mandate and composition, for a further period of six months until 31 August 1999, on the understanding that it would review its decision should the discussions referred to in paragraph 33 above result in developments which would affect UNPREDEP’s role and responsibilities.

35. Finally, I should like to thank my Special Representative, Fernando Valenzuela Marzo, and his predecessor, Henryk J. Sokalski, as well as the Force Commander, Brigadier-General Ove Strømberg, and all the military and civilian personnel under their command for their dedication and perseverance in carrying out the tasks entrusted to them by the Security Council.
**Annex**

Composition and strength of the military and civilian police elements of the United Nations Preventive Deployment Force - February 1999

<table>
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<th>Country</th>
<th>Contingent strength</th>
<th>Military observers</th>
<th>Civilian police</th>
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* The number of military personnel and civilian police monitors may vary owing to rotations.