



ITF Annual Report 2006

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RESULT OF LANDMINE/UNEXPLODED ORDNANCE (UXO) CONTAMINATION. MINE ACTION IS NOT SO MUCH ABOUT LANDMINES, THOUGH, AS ABOUT PEOPLE AND THEIR INTERACTIONS WITH A MINE-CONTAMINATED ENVIRONMENT. IT AIMS TO RECREATE AN ENVIRONMENT IN WHICH PEOPLE CAN LIVE SAFELY, IN WHICH ECONOMIC AND SOCIAL DEVELOPMENT CAN OCCUR FREELY AND TO ENCOURAGE PEOPLE TO BEHAVE IN A WAY THAT REDUCES THE RISK TO PEOPLE, PROPERTY AND THE ENVIRONMENT. HUMANITARIAN DEMINING DEMINING ACTIVITIES WHICH LEAD TO THE REMOVAL OF LANDMINE AND UXO HAZARDS, INCLUDING TECHNICAL SURVEY, MAPPING, CLEARANCE, MARKING, POST-CLEARANCE DOCUMENTATION, COMMUNITY MINE ACTION

ARTICLE 4 OF THE MINE BAN TREATY (MBT) REQUIRES THAT SIGNATORIES UNDERTAKE TO DESTROY OR ENSURE THE DESTRUCTION OF ALL STOCKPILED ANTI-PERSONNEL LANDMINES IT OWNS OR POSSESSES, OR THAT ARE UNDER ITS JURISDICTION OR CONTROL, AS SOON AS POSSIBLE BUT NOT LATER THAN FOUR YEARS AFTER THE ENTRY INTO FORCE OF THE MBT FOR THAT S

Foreword

There is a significant public and political awareness of the mine problem in South East Europe (SEE) and the enormous impact that landmines have on safety, as well as on the humanitarian, economic and environmental development of the region. Slovenian Government has recognized its role in the SEE region 9 years ago by establishing the International Trust Fund for Demining and Mine Victims Assistance (ITF). With its contribution of more than 4,9 million USD, Slovenia has greatly contributed to the increased stability and safer environment in the region of SEE.

Since the start ITF has grown into an internationally recognized organization, supported by donations by more than 27 governments around the world and many other organizations, companies and individuals. ITF is now firmly set on the path to its main goal – South East Europe free of mines. With full cooperation of the local authorities in all the countries of South East Europe, as well as international organizations and donors, ITF is optimistic that the maintenance of peace, reintegration of refugees/returnees and internally displaced persons, revitalization and economic development of SEE can become a reality.

Extensive experience and practice in Mine Action that has been accumulating in ITF for the past 9 years on one hand and successful operations and progress in the countries of SEE on the other, carried to decision to expand its activities also into other mine affected countries and regions. Lessons learned from regional cooperation through South East Europe Mine Action Coordination Council (SEEMACC) are being presented also to the representatives from other mine affected regions in order to apply positive approaches and to contribute to effectiveness, transparency, better use of resources and finally to confidence building between neighbouring countries.

Finally, 2006 was a good year for ITF, not only in terms of fundraising, where ITF succeeded to raise more than 30 million USD, but also on the national, regional and international level. Therefore, I would like to express my deepest gratitude for all the contributions and stakeholders' cooperation with the ITF. And at the end, even though it probably goes without saying, allow me to express my gratitude to the *arduous and enthusiastic* ITF team for all their efforts. Only together the goals set can become a reality.

Roman Kolar

Chairman of ITF Managing Board



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Free affected land...
reconstruct and develop.

Introduction

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The International Trust Fund for Demining and Mine Victims Assistance (ITF) is a humanitarian, non-profit organization devoted to the eradication of landmines and their impact in South-East Europe and other mine-affected regions in the world.

Established by the Government of the Republic of Slovenia in March 1998, the initial purpose of ITF was to help Bosnia and Herzegovina in the implementation of the peace agreement and to provide assistance and support in relation to post-conflict rehabilitation.

Since its inception, ITF has augmented its activities to include the rectification of landmine problems and helping landmine survivors with physical and socio-economic rehabilitation across the region, i.e. in Albania, Croatia, Macedonia, Montenegro and Serbia. As the European Commission acknowledged ITF as the reference model of regional organization in mine action, ITF was asked by mine-affected countries and donors to expand operation to other mine-affected regions and countries as well, e.g. Cyprus, the South Caucasus and Central Asia.

Vision

ITF aspires to free the region of South-East Europe from the impact of landmines and unexploded ordnance (UXO), and actively contribute to the eradication of the mine problem in other mine-affected parts of the world.

Mission

ITF's mission is to raise funds and administer donations made by public and private donors for the implementation of mine action related activities by addressing the needs of mine-affected communities in accordance with donor's interests, as follows:

- Mine/UXO clearance and technical survey to reduce mine-suspected areas;
- Mine victims assistance programs ranging from physical to psycho-social rehabilitation;
- Mine risk education programs;
- Support to the national mine action agencies;
- Cooperation and coordination with international organizations involved in mine action and development projects;
- Mine action related training;
- Promoting and facilitating regional cooperation through joint projects and the South-Eastern Europe Mine Action Coordination Council (SEEMACC);
- Assisting in the destruction of stockpiled anti-personnel mines;
- Interfacing mine action with development projects.

Principles

ITF's approach in addressing the mine and UXO problem is based on the following principles:

- **Holistic approach** enables mine-affected countries to effectively and efficiently confront and address the mine problem.
- **Regional approach** involves interstate and regional mine action cooperation to ensure a cost-effective and the most efficient use of donations.
- **Transparent approach** by employing a tendering system in mine action.
- **Sustainable approach** by implementing those mine action projects, which address the humanitarian and safety concerns as well as the reconstruction and development needs of the affected communities.
- **Community-centered approach** enables working closely with the authorities responsible for mine action programs in order to ensure that help and assistance provided are in fact needed and that the programs being implemented are consistent with the national plans.
- **Partnership approach:** working together with donors, mine-affected countries, national governments, international and regional organizations, local and international non-governmental organizations, research centers and commercial enterprises to ensure mutual cooperation and communication, which is the key to the eradication of the landmine threat.
- **Matching fund mechanism for South-East Europe** whereby every dollar raised by ITF is matched by an additional dollar provided by the US government.

Year 2006 In Figures

30.750.883 USD worth of donations raised

28.864.167 USD worth of donations implemented

10.009.088 square meters cleared in South-East Europe

399.000 visits on ITF web page

37.629 children and adults directly included in mine risk education projects

5.501 mines and UXO found and destroyed

1.013 mine survivors included in mine victims assistance projects

83 rehabilitation specialists and mine victims assistance professionals received training

56 percent of humanitarian demining program in Bosnia and Herzegovina funded through ITF

46 public and private donors

22 MDD teams trained

7 beneficiary countries

6 countries received funds for structure support

1 mine action regional body - South-Eastern Europe Mine Action Coordination Council

1 country – Macedonia achieved mine free status



Dignity and ordinary life...
integrate into society.

I. ITF Management and Organization

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Organization of ITF

ITF's Headquarters is stationed in Ig, just on the outskirts of Slovenia's capitol Ljubljana. In addition there are also two Implementation Offices, namely in Sarajevo, Bosnia and Herzegovina, and in Sisak, Croatia. Another ITF's temporary office is active in Baku, Azerbaijan for the region of South Caucasus.

The ITF Headquarters is responsible for the coordination of all ITF activities as well as for the financial management of donations. In addition, Headquarters manages contracts and the awarding of contracts, carries out project reporting and evaluation, and organizes workshops, conferences and meetings. The Headquarters staff also performs monitoring and evaluation of operations in the field, on average twice per each project.

The two ITF implementation offices, which are based locally in Bosnia and Herzegovina and Croatia respectively, facilitate ITF operations in the mine contaminated countries and enable efficient coordination with the national Mine Action Centres and other relevant stakeholders to achieve better results as well as ensure smooth implementation of ITF activities.

The implementation offices evaluate mine clearance projects before they are put to tender, carry out on-site supervision during the actual mine clearance and liaise with local donors. They are also involved in the technical evaluation of tenders for demining projects executed by ITF.

Subject to requirements, ITF has also an option of opening a Temporary Implementation Office. Typically, a Temporary Implementation Office is managed by a member of the existing ITF permanent staff while clerical staff is hired locally if/as required.

Altogether, 19 people were employed at ITF in 2006: 14 in Slovenia, four in Bosnia and Herzegovina, and one in Croatia.

ITF Address

ITF Headquarters in Slovenia

Zabrv 12
1292 Ig
Slovenia
Phone: +386 1 479 6580
Fax: + 386 1 479 6590
E-mail: ljubljana@itf-fund.si

ITF Implementation Office in Bosnia and Herzegovina

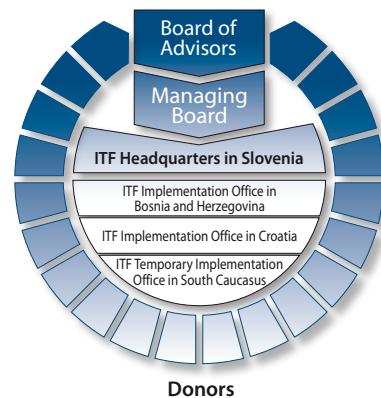
Tešanjaska 1/19
71000 Sarajevo
Bosnia in Herzegovina
Phone: +387 33 261 180
Fax: +387 33 261 182
E-mail: itfio-sa@bih.net.ba

ITF Implementation Office in Croatia

Ante Kovačića 10, P.P. 8
44 000 Sisak
Croatia
Phone: +385 44 534 606
Fax: +385 44 534 608
E-mail: itf-fund@zg.htnet.hr

ITF Structure

ITF Managing Board



The ITF Managing Board consists of 9 members, as follows:

- **Roman Kolar**, representative of Slovenia, Chairman of the Managing Board;
- **Mustafa Alikadić**, representative of Bosnia and Herzegovina, Member;
- **Kory Golob**, representative of Slovenia, Member;
- **Dragiša Mekić**, representative of Bosnia and Herzegovina, Member;
- **Dijana Pleština**, representative of Croatia, Member;
- **Zvezdana Veber - Hartman**, representative of Slovenia, Member;
- **Stanislav Vidović**, representative of Slovenia, Member;
- **Darko Vidović**, representative of Bosnia and Herzegovina, Member;
- **Bojan Žmavc**, representative of Slovenia, Member;

The Managing Board oversees the work of the ITF and ensures that the activities are implemented in a transparent and effective manner.

In 2006 the Managing Board conducted two regular sessions and one correspondence session. On its 29th session, which was held on 10th November 2006, the Managing Board adopted the decision and appointed Mr. Roman Kolar, Head of Military Affairs Agency at Ministry of Defence of the Republic of Slovenia, as the new Chairman of the ITF Managing Board. The Managing Board also approved and adopted the ITF Annual Report 2005, Plan for 2006 and the ITF Intermediate report for 2006.

ITF Board of Advisors

ITF's Board of Advisors (BoA) actually represents the ITF's Board of Donors. It has 32 members:

- | | |
|--|---------------------------------|
| 1. Austria | 25. Serbia |
| 2. Belgium | 26. <i>SPeM</i> |
| 3. Bosnia and Herzegovina | 27. <i>Survey Action Center</i> |
| 4. Canada | 28. Sweden |
| 5. Croatia | 29. Switzerland |
| 6. <i>Croatia Without Mines</i> | 30. <i>UNDP</i> |
| 7. Czech Republic | 31. United Kingdom |
| 8. Denmark | 32. United States of America |
| 9. European Union | |
| 10. France | |
| 11. Germany | |
| 12. <i>Geneva International Center for Humanitarian Demining</i> | |
| 13. <i>Institute for Rehabilitation of Republic of Slovenia</i> | |
| 14. Ireland | |
| 15. Japan | |
| 16. Korea | |
| 17. Kuwait | |
| 18. Luxembourg | |
| 19. Norway | |
| 20. <i>Red Cross of Slovenia</i> | |
| 21. Qatar | |
| 22. Slovenia | |
| 23. Slovak Republic | |
| 24. Spain | |

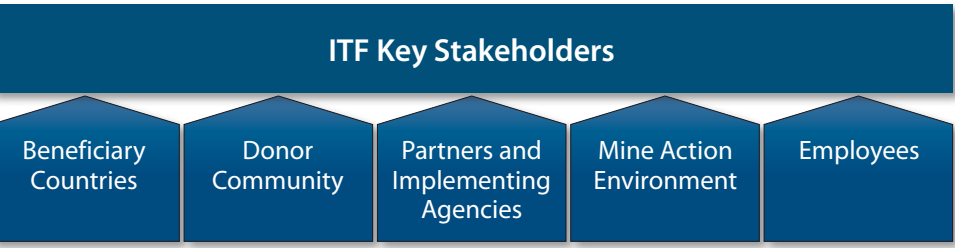
BoA represents a very important forum, particularly in terms of its advisory role in determining ITF's activities and future orientation. BoA draws attention to the matters, which are important to the donors, and to their desire and willingness to provide further assistance in relation to future humanitarian projects in Mine Action.

In 2006 the BoA conducted two regular meetings and was highly involved in the provision of guidance to ITF with respect to mine victims' assistance, mine clearance in the region of SEE and other mine action related activities. BoA also approved the ITF Annual Report 2005, Plan for 2006 and the ITF Intermediate Report for 2006.

Relationships with Stakeholders

The success of ITF's mine action activities depends on ensuring the participation and successful coordination of various stakeholders, whose interests are aligned with the common goal of making the region of SEE and other parts of the world free from the impact of mines. For this reason, ITF has been working intensively on developing and maintaining close as well as sound working relationships with beneficiary countries, the donor community, implementing partners and agencies, mine action milieu and employees.

By introducing a tendering system for mine action activities in SEE as well as resources for their implementation, quality of service, customized projects, efficient management of activities, reliability in business relations and a clearly defined vision has enabled ITF to deliver a high level of satisfaction to the stakeholders.



Beneficiary Countries

The region of SEE is one of the most densely mined regions in the world. Mines and explosive remnants of war constitute one of the most significant problems for the international community as well as local communities in the region in terms of safety, humanitarian issues, the environment, economy and development.

ITF's cooperation and coordination with local authorities in mine contaminated areas, national mine action authorities and governments of mine affected countries ensures that the needs of mine-affected communities are properly addressed. Furthermore, by supporting the South-Eastern Europe Mine Action Coordination Council, ITF promotes regional cooperation and joint projects in the mine affected region of SEE and the world.

In 2006, ITF supported programs in Albania, Bosnia and Herzegovina, Croatia, Macedonia, Montenegro and Serbia (incl. the province of Kosovo), and in the region of South Caucasus.

Additionally, ITF established communication and cooperation with mine action authorities from the following countries: Algeria, Colombia, Jordan, Lebanon (UNMAS), Sudan and Vietnam.

Donor Community

The donor community, through their solidarity and willingness to help, contributes to the solution of the mine problem in mine contaminated countries of SEE and the world. The mandate for fund raising and fund management is year by year again entrusted to ITF, as ITF is constantly proving to be a reliable and trustworthy partner in fulfilling its obligations to the donors.

Since the inception of ITF, over 100 donors have made donations to ITF for mine action activities. Almost 95 % of the donations originate from public donors- including 27 governments, the EU and UNDP, and many local authorities; the rest of the funds have been contributed by private donors: non-government and humanitarian organizations, businesses and individuals. Some donors make recurring donations to ITF. In total, ITF received funds from 46 donors in 2006 alone (see Managing of ITF Funds 2006, page 16).

Donors, as members of the BoA, actively participate in ITF's Board of Advisors meetings where they determine guidelines for future humanitarian projects in the region of SEE and the world. They also voice their proposals for mine action activities in the countries of their particular interest.

The Government of the United States has instituted the Matching Fund Mechanism for SEE by matching every dollar raised by ITF with additional dollar provided by the US Government, thus accomplishing two-fold results in mine action projects.

Partners and Implementing Agencies

During 2006, ITF collaborated with more than 50 partners and implementing agencies involved in mine action – UN bodies, regional organizations, international and local NGOs and other implementing agencies.

ITF pursues the belief of building long-term partnerships and relationships with implementing bodies based on the quality of their performance and reliability in mine action activities. In the field of humanitarian demining in particular, ITF uses a tendering system, which is aimed at selection of monitoring and demining agencies/organizations based on their competitive advantages.

ITF worked together with the following partners and implementing agencies in 2006: Adopt-A-Minefield, Akcija Protiv Mina, Albanian Mine and Weapon Victims Association, Amphibia, Bembo, C.I.D.C., Croatian Mine Victims Association, DanishChurchAid, Deminka, Demira, Detektor, Dinamit, Dok-ing Razminiranje, Eco-sport Group, Eksploring, ELS, Enigma, Faculty of Social Work (University of Ljubljana), Foundation Together, GICHD, Handicap International, Heksogen, Landmine Survivors Network, Marshall Legacy Institute, Mine Detection Dog Center in Konjic (BiH), MECHEM, MKA Demining, Mustela, National Mine Action Centers in the areas of ITF operations, N&N Ivša, Norwegian People's Aid, OSCE, PMC Inženjering, Provita, RCUD Montenegro, REASEURO, Institute for Rehabilitation of the Republic of Slovenia, ROEHLL, Rumital, Scanjack, Spirit of Soccer, STOP MINES, Terra-Firma, Tornado, TT-KA, Udružavanje za eliminaciju mina, UG ZOM, UNA Trust, UNDP, UNMIK, UXB Balkans, VILAKOL.

Mine Action Environment

ITF has been actively involved in the work of the Mine Action Support Group, a UN mechanism for the coordination and monitoring of donor activities in relation to mine action.

In addition to being engaged in activities related to the implementation of Ottawa Convention process and taking an active role at the Intersessional meetings and Seventh Meeting of States Parties in Geneva.

At the regional level, ITF has been playing an active role in SEEMACC meetings.

Furthermore, ITF has been working on the integration of mine action into the framework of other international organizations and associations whose work overlaps with the mine problem (e.g. the Organization for Security and Cooperation in Europe (OSCE)).

ITF also follows mine action activities of the United States of America, the European Union, the Organization of American States and other entities.

ITF Employees

ITF has a small and flexible team consisting of 19 employees. ITF is committed to ensuring all-round employee development, ongoing training and education, good working conditions, stimulation of individual capabilities and employee creativity in order to promote and facilitate team work and provide a positive environment favourable to sustainable long-term relationships and an adaptive organization.



Children are the most vulnerable
group in population...

educate them.

II. Management of ITF Funds

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Financial Management and Internal Control

ITF has established efficient internal controls regarding financial management and administration of donations by applying the following procedures:

- **Donations Receiving procedures** ensuring that all acquired donations are in fact received and accurately recorded;
- **Matching Fund procedures** to ensure that all valid claims for matched funds are made and that no ineligible claims are submitted;
- **Banking and Reconciliation procedures** to ensure safe custody of received donors' funds, by means of banking and reconciliation controls to prevent loss occasioned by error or fraud;
- **Disbursement procedures** to ensure that all disbursements of donors' funds are actually made, that they are made only for such purposes as stipulated by the donors, and that the disbursements are accurately recorded.

Above mentioned procedures are subject to regular external control.

Furthermore, in 2002 ITF introduced 'hedging', i.e. the donation transfer policy where donations are being transferred to implementing agencies in the original donation currency in order to minimize losses arising from currency rate fluctuations.

External Audit

ITF's financial accounts are subject to annual external audits. The 2006 ITF Auditors' Report is enclosed in this Annual Report under the "Statutory Annual Statements for the Financial Year 2006" section.

The accounts are audited in accordance with the International Auditing Standards. The auditing is carried out by UHY Revizija in svetovanje d.o.o., a Slovenian audit firm, which is a member of the UHY international association of independent accounting and consultancy firms, established and coordinated by Urbach Hacker Young International Limited from UK.

Donations in 2006

ITF raised a total of USD 30.750.883,38 of donations in 2006. These funds were contributed by 25 public donors (including 15 governments, the EU and UNDP, and many local authorities and government organizations) and 14 private donors (private companies, foundations and organizations).

The overall number of donors reached 46 in comparison to 38 in 2005. This clearly demonstrates ITF's efforts directed towards attracting new donors as well as retaining the active ones.

The total amount of donations raised in 2006 has increased by 10,7 % in comparison to 2005. ITF's primary goal is to ensure a stable and continuous inflow of funds for mine action, which will help the mine affected countries in the region of SEE to become free from the impact of landmines in the designated timeframes.

Private donations accounted for 6,5 % of the total donations (see Chart 2). Raising private donations remains to be a challenge for ITF in the future. The essential aim will also be to increase the interest of the private sector in supporting mine action activities in the mine-contaminated countries of SEE.

In 2006 ITF secured USD 9.900.000,00 through the matching funds mechanism instituted by the Government of the United States of America. Donations by other donors amounted to USD 20.850.883,38. In order to secure sufficient funding for the mine contaminated countries of SEE to become free from the impact of mines by 2010, the donations should remain at the present level at the very least.

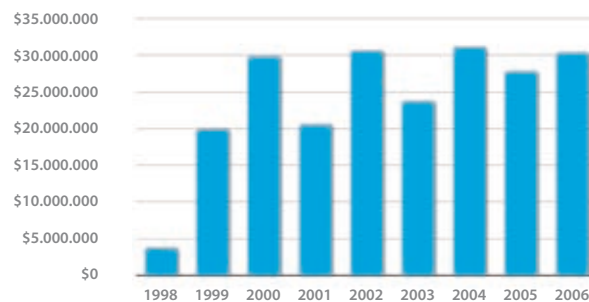


Chart 1:
ITF donations raised since 1998



Chart 2:
ITF donations raised in 2006 by origin

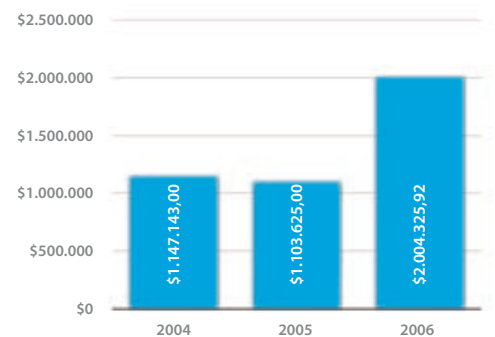


Chart 3:
ITF private donations raised in period 2004-2006

Donor report 2006

Adopt-a-Minefield	2006	269.231,86 USD	Demining activities in BiH and Croatia
	2006	281.407,19 USD	Demining activities in BiH and Croatia
		550.639,05 USD	
Arne Hodalič	2006	0,00 USD	In-kind donation-photo material for SEE
		0,00 USD	
Austria	2006	597.824,92 USD	Demining activities in Bosnia and Herzegovina
	2006	26.472,00 USD	Mine Victims Assistance Workshop in Bosnia and Herzegovina
		624.296,92 USD	
Austrian Airlines	2006	0,00 USD	In-kind donation-rehabilitation of Mine Survivor from Azerbaijan
		0,00 USD	
Belgium	2006	49.636,01 USD	Demining activities in Bosnia and Herzegovina
	2006	52.704,01 USD	Demining activities in Bosnia and Herzegovina
		102.340,02 USD	
Bosnia and Herzegovina	2006	2.200.000,00 USD	Structure support in Bosnia and Herzegovina
		2.200.000,00 USD	

Brčko District Government	2006	426.726,37 USD	Demining activities in Bosnia and Herzegovina
		426.726,37 USD	
Canada	2006	87.109,20 USD	Demining activities in Bosnia and Herzegovina
	2006	11.586,21 USD	Mine Action Program in BiH
	2006	763.358,60 USD	Mine Action Program in BiH
	2006	44.901,61 USD	Demining activities in Bosnia and Herzegovina
		906.955,62 USD	
Canton Bosansko-Podrinjski Goražde	2006	16.255,25 USD	Demining activities in Bosnia and Herzegovina
		16.255,25 USD	
Canton Central Bosnian	2006	62.658,82 USD	Demining activities in Bosnia and Herzegovina
	2006	67.464,96 USD	Demining activities in Bosnia and Herzegovina
		130.123,78 USD	
Canton Sarajevo - Ministry of Urban Planning and Environmental Protection	2006	110.813,83 USD	Demining activities in Bosnia and Herzegovina
		110.813,83 USD	

Cimermqic Zdenka	2006	35,78 USD	Rehabilitation of Mr. Nikola Klepič
		35,78 USD	
Community Goražde	2006	13.536,97 USD	Demining activities in Bosnia and Herzegovina
		13.536,97 USD	
Community Ilidža	2006	64.565,94 USD	Demining activities in Bosnia and Herzegovina
		64.565,94 USD	
Czech Republic	2006	87.633,26 USD	Mine Victims Assistance activities in Croatia
		87.633,26 USD	
DanChurchAid	2006	61.551,61 USD	Demining activities in Albania
		61.551,61 USD	
EC Delegation in Croatia	2006	212.803,90 USD	Demining activities in Croatia
		212.803,90 USD	
European Union	2006	39.261,33 USD	Landmine Impact Survey in Bosnia and Herzegovina
		39.261,33 USD	
Foundation World Without Mines	2006	46.060,00 USD	Demining activities in Bosnia and Herzegovina
		46.060,00 USD	

Germany	2006	256.100,02 USD	Demining activities in Albania
	2006	252.079,99 USD	Demining activities in Serbia
	2006	378.119,98 USD	Demining activities in Bosnia and Herzegovina
	2006	843.942,06 USD	Demining activities in Bosnia and Herzegovina
	2006	1.159.061,10 USD	Demining activities in Bosnia and Herzegovina
Handicap International	2006	250.740,03 USD	Demining activities in Bosnia and Herzegovina
		3.140.043,18 USD	
	2006	69.280,00 USD	Access to Physical and Medical Rehabilitation in Albania
		69.280,00 USD	
	2006	0,00 USD	In-kind donation-rehabilitation of Mine Survivor from Azerbaijan
Herakel Baku		0,00 USD	
		0,00 USD	
Hungary	2006	20.000,00 USD	Demining activities in Bosnia and Herzegovina
		20.000,00 USD	
Ireland	2006	147.083,97 USD	Demining activities in Bosnia and Herzegovina
		147.083,97 USD	
Kampos Iztok	2006	247,00 USD	Rehabilitation of Mr. Nikola Klepič
		247,00 USD	

Landmine Survivors Network	2006	450.000,00 USD	Mine Victims Assistance in BiH
		450.000,00 USD	
Maraska d.d.	2006	247.598,92 USD	Demining activities in Croatia
	2006	115.209,75 USD	Demining activities in Croatia
	2006	16.550,29 USD	Demining activities in Croatia
		379.358,96 USD	
Marshall Legacy Institute	2006	19.456,13 USD	Training of Mine Detection Dogs
	2006	35.788,77 USD	Training of Mine Detection Dogs
	2006	1.708,60 USD	Training of Mine Detection Dogs
	2006	36.132,40 USD	Training of Mine Detection Dogs
		93.085,90 USD	
Mobitel d.d.	2006	1.986,31 USD	Support of ITF activities
		1.986,31 USD	
Music Gallery Baku	2006	0,00 USD	In-kind donation-rehabilitation of Mine Survivor from Azerbaijan
		0,00 USD	
Night of A Thousand Dinners	2006	48.970,72 USD	Night of A Thousand Dinners
		48.970,72 USD	

Norway	2006	4.975.619,13 USD	Demining activities in Croatia and Bosnia and Herzegovina/Mine Victims Assistance
	2006	621.222,62 USD	Demining activities in Serbia
		5.596.841,75 USD	
Panalpina Baku	2006	0,00 USD	In-kind donation-rehabilitation of Mine Survivor from Azerbaijan
		0,00 USD	
Raiffeisen Krekova Banka d.d.	2006	5.265,20 USD	Support of ITF activities
		5.265,20 USD	
Rotary Club International Calvia	2006	7.112,40 USD	Rehabilitation
		7.112,40 USD	
Rotary Club Wien-Nordost	2006	285.360,49 USD	Demining activities in Croatia
		285.360,49 USD	
Serbia	2006	628.549,87 USD	Demining activities in Serbia
		628.549,87 USD	
Slovenia	2006	460.437,43 USD	Support of ITF activities
	2006	152.906,39 USD	Support of ITF activities
	2006	77.017,99 USD	Support of ITF activities
	2006	94.093,98 USD	Demining activities in Lebanon
	2006	0,55 USD	Support of ITF activities
		784.456,34 USD	

T ADDITION, LANDMINES HINDER INFRASTRUCTURE AND ECONOMIC DEVELOPMENT, THEY INCREASE A COUNTRY'S DEPENDENCY ON INTERNATIONAL AID, BLOCK THE DELIVERY OF RELIEF GOODS TO AREAS MOST IN NEED, PREVENT THE RETURN OF REFUGEES AND HAMPER THE PROCESS OF PEACE AND RECONCILIATION. LANDMINES HAVE A KNOCK ON EFFECT TO OTHER HUMANITARIAN ACTIVITIES. IN THE NUBA MOUNTAINS, WERE TASKED TO CLEAR THE ROAD FROM THE VILLAGE OF EL HAMRA TO THE VILLAGE OF UMM SERDIBA. THERE HAD BEEN TWO MINE STRIKES ON THIS ROAD, ONE DESTROYED A TRACTOR KILLING A NUMBER OF PEOPLE; THE SECOND VEHICLE TO BE HIT BELONGED TO THE JMC, THE INTERNATIONAL BODY MONITORING THE 'NUBA CEASEFIRE' BETWEEN ISRAEL AND SYRIA. NUBA MOUNTAINS; LEADING TO PROLONGED SUFFERING FOR THOUSANDS OF PEOPLE. DCA DEPLOYED A NUMBER OF DOG TEAMS ONTO THE ROAD, AND THE SUBSEQUENT CLEARANCE NOW PROVIDES THE LOCAL PEOPLE A SAFE ROUTE TO TRAVEL, THE JMC WITH SAFE PASSAGE AND THE DEVELOPMENT OF A 'HUMANITARIAN HIGHWAY' TO ALLOW OTHER ORGANISATIONS SAFE

Slovenian Table Tennis Association	2006	5.372,50 USD	Mine Risk Education in Bosnia and Herzegovina
		5.372,50 USD	
Spain	2006	380.280,09 USD	Demining activities in Serbia and Croatia
		380.280,09 USD	
Studio Moderna Azerbaijan	2006	0,00 USD	In-kind donation-rehabilitation of Mine Survivor from Azerbaijan
		0,00 USD	
Switzerland	2006	118.920,20 USD	Demining activities in Bosnia and Herzegovina
	2006	281.985,81 USD	Demining activities in Bosnia and Herzegovina
		400.906,01 USD	
United Kingdom	2006	762.167,87 USD	Mine Action projects in Albania, Azerbaijan, Bosnia and Herzegovina, Serbia
		762.167,87 USD	
United Nations Association of the USA (UNA-USA)	2006	1.000,00 USD	Rehabilitation
		1.000,00 USD	

United Nations Development Program	2006	508.868,00 USD	Demining activities in Albania
	2006	244.257,00 USD	Demining activities in Albania
	2006	407.095,00 USD	Demining activities in Albania
	2006	26.769,00 USD	Demining activities in Bosnia and Herzegovina
	2006	407.095,00 USD	Demining activities in Albania
	2006	48.736,19 USD	Demining activities in Bosnia and Herzegovina
	2006	407.095,00 USD	Demining activities in Albania
		2.049.915,19 USD	
United States of America	2006	9.900.000,00 USD	Support of Mine Action Activities
		9.900.000,00 USD	
TOTAL		30.750.883,38 USD	

Allocation of Donations in 2006

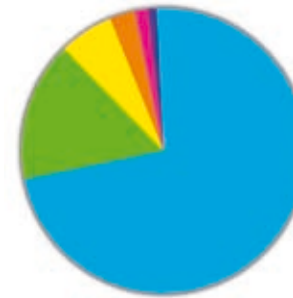


Chart 4:
Distribution of funds by purpose in 2006

Overall, 2006 was the most successful year in terms of funds implementation since the inception of ITF. The amount of implemented funds in 2006 was increased by 4,25% in comparison to the funds implemented in 2005.

The level of expenditure for all ITF supported activities remained equal to the level in 2005. ITF is pleased to report that support for Mine Victims Assistance in 2006 increased compared to 2005 from 4,12% to 6,3% of overall expenditure. However, it still remains below the targeted 15% of all expenditure. ITF is striving to increase the funding for this component of mine action in the future, as there are still close to 7.500 mine victims in SEE and over 3.000 in the South Caucasus.

Allocation of donations by purpose in 2006

In 2006, USD 28.864.167,03 was spent on the following ITF mine action activities:

- **USD 21.383.372,29** on Demining and Technical Survey (74,1 percent);
- **USD 4.717.152,01** on the local Mine Action Structure Support (16,3 percent);
- **USD 1.809.196,35** on Mine Victims Assistance (6,3 percent);
- **USD 548.719,37** on Regional and other activities (1,9 percent);
- **USD 252.319,53** on Mine Risk Education programs (0,9 percent);
- **USD 153.407,48 USD** on Training (0,5 percent).

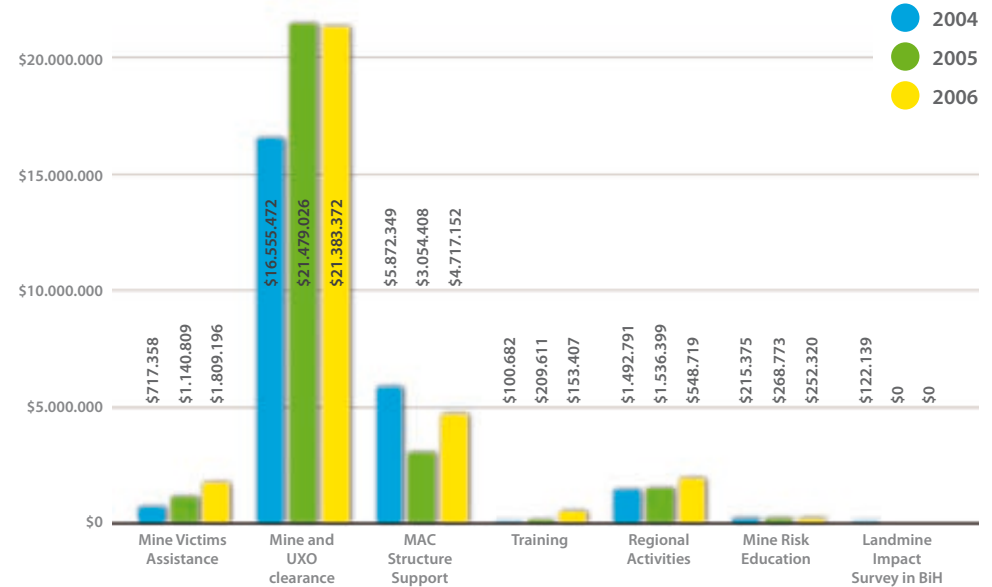


Chart 5: Comparison of funds allocation by purpose (in USD) in period 2004-2006

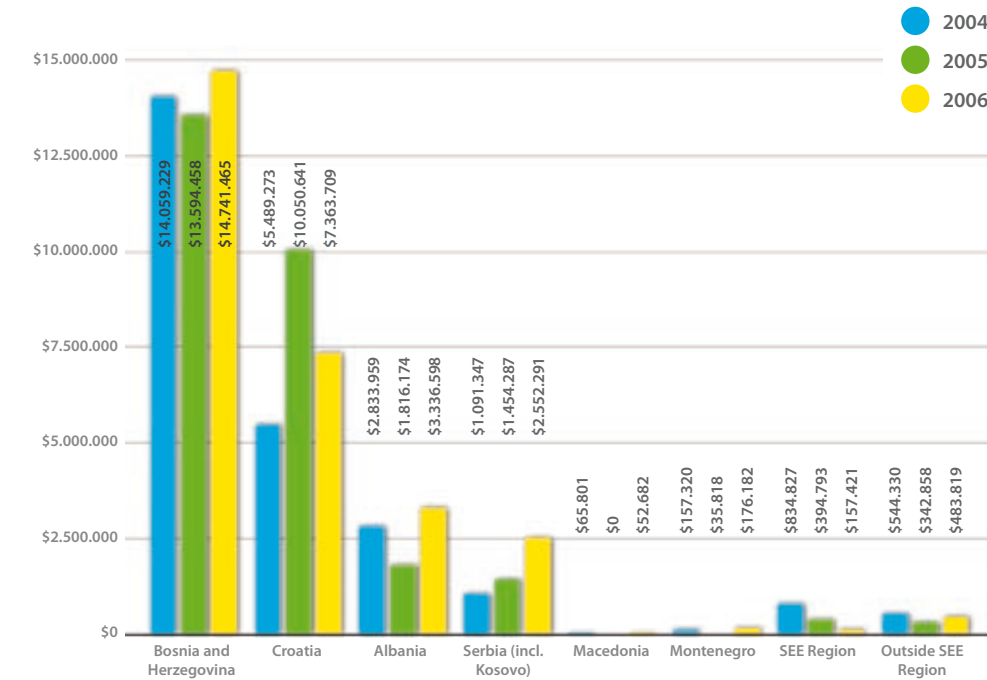
Allocation of donations by country/region in 2006

In 2006 the distribution of funds implemented (USD 28.864.167,03) by country/region was as follows:



Chart 6:
Use of donations by countries in year 2006

- USD 14.741.465,45 on Mine Action activities in Bosnia and Herzegovina (51,1 percent).
- USD 7.363.708,82 on Mine Action activities in Croatia (25,5 percent).
- USD 3.336.598,13 on Mine Action activities in Albania (11,6 percent).
- USD 2.552.290,88 on Mine Action activities in Serbia (incl. Kosovo) (8,8 percent).
- USD 483.818,87 on Mine Action activities outside the region of SEE (1,7 percent).
- USD 176.182,28 on Mine Action activities in Montenegro (0,6 percent).
- USD 157.420,63 on regional Mine Action activities in SEE (0,5 percent).
- USD 52.681,97 for Mine Action activities in Macedonia (0,2 percent)



ITF aspires to meet the needs of mine contaminated countries in SEE and the South Caucasus in order to enable them to achieve the goals set in their national strategic plans. For an overview of distribution of implemented funds by country/region in period 2004-2006 see Chart 7.

Chart 7: Comparison of funds allocation by country/region (in USD) in period 2004-2006

GROUND INTO THE AIR NORMALLY AT ABOUT HEAD HEIGHT. THEN THE MAIN CHARGE EXPLODES AND SMALL FRAGMENTS OF METAL ARE FORCED . A TRIPWIRE USUALLY ACTIVATES THESE LANDMINES. WHAT ACTUALLY MAKES THE MINE EXPLODE? LANDMINES ARE USUALLY INITIATED BY PRESSURE OR TRIP WIRE. PRESSURE: DIRECT DOWNWARD PRESSURE ON THE LANDMINE WILL INITIATE THE LANDMINE. TRIPWIRE: A TRIPWIRE IS ATTACHED TO THE FUSE. WHEN PRESSURE IS APPLIED TO THE TRIPWIRE, A PIN IS NORMALLY PULLED OUT OF THE FUSE INITIATING THE LANDMINE. SOME LANDMINES MAYBE SET UP WITH MORE THAN ONE TRIPWIRE. HOW IS A LANDMINE LAID? LANDMINES CAN BE DEPLOYED IN A NUMBER OF DIFFERENT WAYS: BY HAND, WHERE A LANDMINE IS USUALLY BURIED IN THE GROUND. BY MECHANICAL DEPLOYMENT, SPECIALLY DESIGNED VEHICLES ARE ABLE TO LAY LANDMINES. BY REMOTE DEPLOYMENT, MANY MODERN LANDMINES CAN BE DEPLOYED BY REMOTE METHODS SUCH AS BY AIRCRAFT, HELICOPTER, ARTILLERY OR ROCKET. LANDMINES DEPLOYED BY THIS MANOR WILL USUALLY BE SURFACE

ITF administration and project costs

The standard ITF operational fee amounts to 3 percent of the donated funds. The fee is set to cover all ITF costs related to individual donations, i.e. the tender process, contract awarding procedures, contract monitoring and supervision, project evaluation and reporting. The administration and project costs covered by the fee also include the operating expenses of the ITF Headquarters in Slovenia and Implementation Offices in Bosnia and Herzegovina and in Croatia, monitoring visits by ITF staff in the field, conferences, seminars, ITF publications and related activities.

In addition, the fee covers the organization of meetings of the Board of Advisors and all generated reports and corresponding materials.

The overview of the administration and project costs is presented in the chart 9.

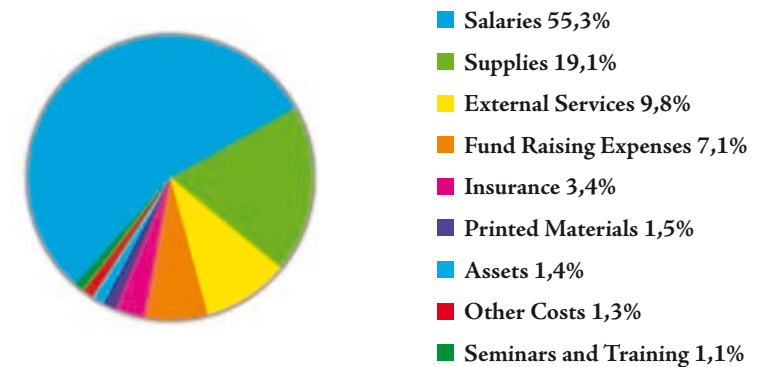


Chart 9:
Distribution of ITF administration and project costs in 2006



Knowledge and skills through
trainings needed...

deliver them.

III. ITF Operational Overview

III.a. South-East Europe

- Albania
- Bosnia and Herzegovina
- Croatia
- Macedonia
- Montenegro
- Serbia (including Kosovo)



III.a. Region of South-East Europe	26
III.b. Other Countries and Regions	51
III.c. Other ITF Activities	57

Albania



Chart 10:
Distribution of funds in Albania
by purpose in 2006

Mine and UXO Clearance	86,8%
Mine Victims Assistance	10,9%
Mine Risk Education	1,9%
Structure Support	0,4%

Demining and Battle Area Clearance

Donors for Demining and Battle Area Clearance in Albania:

DanChurchAid – private donors,
EC Delegation in Albania, Germany,
UK Department for International Development
(DFID) and the United States of America.

Demining and Battle Area Clearance (BAC) activities in 2006 in Albania were executed by a single demining organization, namely DanChurchAid (DCA). Demining operations were performed along the Albanian/Serbian (Northern Albania/Kosovo) border, i.e. in the regions of Tropoje, Has and Kukes. Clearance activities are crucial in these regions in order to provide minimum of subsistence to people whose lives depend mostly on activities such as farming, herding and wood collection. The execution of these daily activities is still being hindered by mines in some parts of the border region. Clearance activities also contribute towards better border control of the area, where trafficking and other cross border crimes take place on daily basis.



In 2006 the clearance program was divided into two parts, namely Humanitarian Mine Action (HMA) and National Clearance Capacity (NCC).

Until the end of 2006, DCA cleared a substantially larger area compared to the same period of last year. During 2006 clearance season DCA cleared 252.023 square meters of land under HMA program with 514 mines and 415 UXO and another 223.093 square meters of land under NCC program with 373 mines and 781 UXO found and destroyed.

Consequently, through clearance of 475.116 square meters and destruction of 887 mines and 1.196 UXO, 1.380.928 square meters of land was released and returned into use by the local population.



Mine Victims Assistance

Project "Improvement of Community Based Medical and Social Services for Mine survivors, Phase II"

The project strives to improve access to social and medical services for mine survivors in mine affected communities of Northeast Albania. It is empowering local structures to provide social and medical services to mine survivors and other people with disabilities through the establishment of a proper referral network system, including a physiotherapist, orthopaedist, psychotherapist and 30 trained nurses.

The project provides basic services like physiotherapy, counselling and orthopaedic services to mine/UXO survivors, with activities consisting of logistic support to mine/UXO survivors (orthopaedic, physiotherapy and counselling) at the regional hospital of Kukes, regular home visits to mine survivors from MWVA project team to

alleviate survivors stress and trauma, support village nurses to conduct regular visits and to enable a "follow up" of mine survivors health situation, training of amputee mine survivors on the maintenance of prosthesis, organization of a "round table" discussions on rights and responsibilities of mine survivors, conducting counselling sessions and recreational activities with traumatized survivors.

The main activities in 2006 encompassed logistic support to 221 survivors - physiotherapy sessions/services to 72 survivors, orthopaedic services to 48 survivors, a prosthesis repair workshop (Kukes Hospital), counselling sessions to 48 survivors, 61 home visits, 53 survivors training and knowledge improvement on the maintenance of prosthesis. 2.100 leaflets were distributed to mine survivors on physiotherapy exercises and prosthesis maintenance.

Project is being implemented by Albanian NGO Mine and Weapons Victim Association (MWVA).



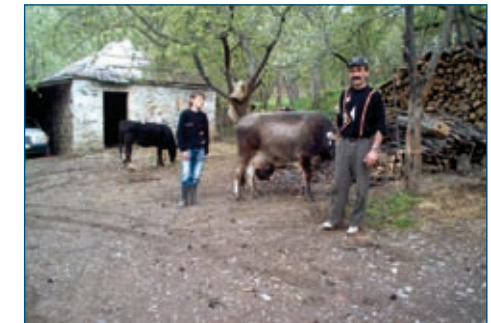
Donors for Mine Victims Assistance in Albania:

Handicap International,
Night of A Thousand Dinners-Albania,
Slovenia and the United States of America.

Project "Social-Economic Re-integration of Mine survivors, through Animal Husbandry, Phase II"

During the second year of the project, (September 2005 – August 2006) 31 beneficiaries were assisted with interest-free loans, which enabled them to purchase cows in order to establish household economies. Beneficiaries are required to pay back interest-free loans within a two year timeframe.

The main activities of this project were to conduct simple training of household economies for marketing issues, conduct community based vocational training on the management of household economies and revolving fund, collect instalments of the first phase project and keep financial track of the returned loans, procure and distribute cows to new beneficiaries and to provide veterinary and technical support to newly established household economies.



The main achievements/results in 2006 were the establishment of the revolving fund, facilitation of small scale economic opportunities for mine survivors through the formation of revolving fund operation, distribution of 55 cows to 31 beneficiaries, the establishment of 31 households, economic re-integration of 31 mine survivors, the achieved increase of incomes for families of mine survivors (by approximately 1.000 USD per year).

So far, 104 cows were distributed to 63 mine survivors in two phases of the project.

The program is being partially self-sufficient and is expected to become fully self-sufficient in the following 5 years time. The monthly repayment instalments are interest free. The main obstacles to quality integration include poverty, access dif-

ficulties in very remote areas as well as lack of education, poor infrastructure, social and health services for persons with disabilities.

Project is being implemented by Albanian NGO
Mine and Weapons Victim Association.

Project "Support to Land Mine/ UXO Survivors through Medical Treatment for the Sight Impaired"

In 2005, the fund-raising event “Night of a Thousand Dinners” was organized in order to collect funds for the implementation of the Project “Support to Landmine/UXO Survivors through Medical Treatment for Sight Impaired”. The collected funds were matched by funds provided by the United States of America.

The overall objective of this project was to support the social and physical reintegration of sight impaired mine survivors into their communities.

The MWVA and AMAE organized screening for 26 sight impaired mine survivors at the private Russian IGLI clinic.

The main activities included the provision of logistic support to mine sight impaired survivors, which were screened, planning and organization of meetings with Russian IGLI clinic for medical interventions, support for sight impaired survivors prior to operations and post-operation follow up of treated survivors.

Consequently, the activities resulted in screening of 29 sight impaired survivors, operations of 8 sight impaired survivors with their vision significantly improving, periodical post medical follow-up of 12 sight impaired survivors and four mine survivors supported with medication and equipment, providing information to sight impaired survivors regarding various available services and eye-injury care procedures, periodical ophthalmologist post medical check-ups of 12 sight impaired survivors, providing medication for one mine survivor for his trachea injuries and his epilepsy - a result of the mine accident.



Project "Triage of Mine Victims for Rehabilitation Treatment in Slovenia"

In November 2006 Slovenian Rehabilitation Institute (IRRS) implemented triage in Kukes and Tropoje, Albania. From those examined 31 were selected for further treatment at IRRS in Ljubljana, Slovenia, in 2007.

Project “Access to Physical & Medical Rehabilitation in Albania - phase I”

The physical and medical rehabilitation (PMR) system in Albania is inadequately developed. The lack of adequate services indicate, which injured persons and persons with physical disabilities (including landmine survivors) are unable to fully benefit from proper treatment that could prevent further complications or even aggravation of existing impairments.

The project aims to support the Albanian public authorities to develop a proper PMR system on the national level, while developing a sustainable response to the PMR needs of landmine survivors in the mine affected region of Kukes.

In 2006, the PMR referral person was nominated by the Ministry of Health; workshops comprising of PMR experts were implemented; a study visit for the working group members in Belgium was carried out and a conference by MoH (with participation from the Ministries of Education / Sciences, Defence and Labour / Social Affairs) was carried out in order to present the draft PMR strategy.

The Nursing Faculty in Tirana implements a sustainable program for the development of physiotherapy training (20 students enrolled, support of two Belgium nursing schools). The quality of existing prosthetics services are improving and the training capacities for prosthetics of the Albanian health sector developing. The rehabilitation unit of the Kukes hospital has been established and now delivers basic rehabilitation services particularly addressing the needs of landmine survivors. Ortho-prosthetic facilities are to be improved with equipment and qualified staff at the regional hospital level in Kukes. Regulatory mechanisms for rehabilitation as well as prosthetics and orthotics services delivery have been defined and are being enforced.

The two year project (from April 2006 to March 2008) is being carried out by Handicap International in close collaboration with the Ministry of Health (MoH). The level of cooperation between HI, the MoH, AMAE and other organisations offers quite an optimistic view regarding the success of the project.

Mine Risk Education

Project “Mine Risk Education (MRE) in Northeast Albania”

“Mine Risk Education in Northern Albania” project was executed by local NGO Mine and Weapon Victims Association from May until December of 2006. The main purpose was to keep 30.000 mine affected community members in 39 villages continuously informed about mine and UXO threat.

The communities supported by MWA team, organized regular monthly meetings within their communities to disseminate MRE information and MRE materials (posters, leaflets and other prints). Field teams help to plan and organize school based activities related to MRE. These activities consist of contests among classes for the best poster, leaflet or song with mine threat awareness, including role plays, providing information on remaining mine-fields, mine-signs, environmental issues, violence and participation of women. A mobile theatre with comedians travels from village to village on a regular basis to disseminate safety messages through comedies and parodies.

Donor for Mine Risk Education
in Albania:
United States of America.



From May to December of 2006 the MRE team conducted 92 field visits by MRE field monitors, 78 MRE sessions/meetings with school children and the village communities, 37 MRE school activities conducted regarding the selection of best poster and/or verse, 2,350 MRE leaflets and 3,100 MRE booklets distributed in 39 villages, 16

handover ceremonies of cleared/de-mined land carried out, MRE messages disseminated by a mobile theatre (consisting of 7 local comedians). 21 out of 30 planned mobile theatre performances were conducted, attended by 5,400 school children and 15,800 community members.



Structure Support

Project "Quality Management Team Support"

At the end of February 2006 a four-month support of the Quality Management AMAE team completed. The project objectives were to secure conditions under which mine and UXO clearance activities are carried out in a safe and effective manner, to ensure that the area cleared is safe for use by the community and that the area cleared is returned back to the people for productive use. The QMT support contributed to better Quality Assurance and Quality Control of the AMAE Quality Management Team.

Donors for Structure Support in Albania:
Czech Republic and
the United States of America.

Bosnia and Herzegovina



Chart 11:
Distribution of funds in Bosnia and Herzegovina by purpose in 2006

Mine and UXO Clearance	63.4%
Structure Support	26.5%
Mine Victims Assistance	6.7%
Other	2.0%
Mine Risk Education	1.1%
Training	0.4%

Demining and Technical Survey

By 31 December 2006, 1,498.455 square meters of mine suspected land was cleared in Bosnia and Herzegovina; additionally 4,259.757 square meters of land was released through technical survey operations. Consequently, the total figures amount to over 5,758.212 square meters of cleared land with 2,105 mines and 495 UXO found and destroyed.

Furthermore, demining projects totalling to 142.000 square meters with additional 417.000 square meters of technical survey projects have been contracted in 2006, for which works and services are presently in progress.

There were 4 Community Integrated Mine Action Plans (CIMAP) implemented with total surface of 1.115.403 square meters released. Additional CIMAP project in total surface of 176.845 square meters continues to be implemented in 2007.

Donors for Demining and Technical Survey in Bosnia and Herzegovina:

Adopt-A-Minefield®, Austria, Belgium,
Bosnia and Herzegovina, Brčko District, Canada,
Central Bosnian Canton, Bosnian –Podrinje
Canton, Community Goražde, Canton
Sarajevo – Ministry of Urban Planning and En-
vironmental Protection, Community Stari grad,
Community Ilidža, Germany, Norway, Slovenia,
Switzerland, United Nations Development
Program in Bosnia and Herzegovina,
UK Department for International Development
(DFID), World Without Mines and
the United States of America.

In 2006, 20 tender procedures for commercial companies and NGOs were carried out by ITF Implementation Office in Bosnia and Herzegovina (4 open and 16 restricted). Tenders included demining projects that were selected from BH MAC priority list and in accordance with Landmine Impact Survey results. Project priorities were verified by ITF coordinators prior to their publication. ITF also implemented a project financed with Irish donation - support to Entity Armed Forces through EUFOR. EUFOR executed the mechanical ground preparation of more than 220.000 square meters of land while Entity Armed Forces performed the follow-up activities by manual demining and monitoring. In addition, Norway, Switzerland and Germany supported activities of NGO Norwegian People's Aid.

Implementation of demining and technical survey activities in Bosnia and Herzegovina was greatly



affected by the introduction of Value Added Tax (VAT) in 2006. This has been pointed out in the opinion stated in UHY Revizija and svetovanje d.o.o. Auditor's Report:

»The Fund has outstanding receivables from VAT in Bosnia and Herzegovina in amount 159,4 millions SIT (ITF remark: USD 873.879,32) at the 2006 yearend. The VAT system in Bosnia and Herzegovina has been introduced in 2006. At the beginning the tax authorities in Bosnia and Herzegovina have refunded VAT claims to the Fund, but the last VAT claim has not successfully processed. The Ministry for Foreign Affairs of Bosnia and Herzegovina has issued a written explanation that the Fund is not entitled for VAT refunds. Therefore there is certain degree of uncertainty when and in what amount VAT receivables could be collected.«(Please refer to page 66.)



Mine Victims Assistance

**Donors for Mine Victims Assistance
in Bosnia and Herzegovina:**
Landmine Survivors
Network and the United States of America.

Program "Landmine Survivors Network in Bosnia and Herzegovina"

Support to the program "Landmine Survivors Network in Bosnia and Herzegovina" (LSN) continued in 2006. LSN offers assistance to survivors in their recovery, increases support to survivors assistance and changes the overall perception of persons with disabilities through raising awareness and community outreach. In 2006, 190 mine survivors were treated and LSN expanded its activities to 9 new municipalities.

In 2006, 97 survivors received economic assistance with the aim of facilitating the start-up, 32 expanding and 64 survivors starting new businesses. one survivor was supported in education. Four groups of survivors were organized in order to implement a project of economic integration with goal to develop entrepreneurial skills of mine survivors and educate them in business planning. Another 21 landmine survivors and LSN BiH staff members participated in the "Greenhouse Vegetable Production and Marketing" training program. LSN BiH arranged the participation of 26 survivors at the agriculture fair held in northeast BiH. 26 participants were able to display agricultural products, which they cultivated themselves (fruits and vegetables) as well as other goods (wood products, steel fences, etc).

LSN also focused on offering psychological support for landmine survivors/amputees through group work. Three support groups were organized, each group comprising of 8 survivors with the aim of social re-integration (with special attention to female amputees). The first survivor advocacy/rights group was organized in Banja Luka with active participation of 13 survivors/amputees.

The 4th Survivors Art/Artisan work Exhibition was opened on 18 April 2006 in the BiH Art Gallery in Sarajevo. Art and artisan work by 29 landmine survivors/amputees from different regions was exhibited, with participation of guest exhibitors from the Art Colony for people with disabilities. The Art Colony had a Regional character and was a five-day gathering of 15 artists from Bosnia and Herzegovina, Croatia, Macedonia, Montenegro and Serbia.



LSN participated at the meetings of the 7th and 8th UN “ad hoc” committee on Convention for the Rights of Persons with Disabilities, where LSN played an important role in the negotiations talks, including the last meeting when the Convention text was finalised and adopted for submission to the UN General Assembly. LSN also continues to participate at the BH MAC coordination meetings related to development/implementation of the State MVA 2006 operational plan based on recommendations from Nairobi Action Plan.

Between 26th February and 2th March 2006, LSN assisted ITF in implementing a 5-day assessment visit to Azerbaijan with goal to assess the needs / situation of landmine survivors in Azerbaijan and available services for mine survivors. The aim was also to look for the possibilities of potential capacity building trainings that LSN could provide to strengthen the MVA component in ANAMA Mine Action program. Based on recommendations by LSN, ITF together with ANAMA co-shaped National MVA program in Azerbaijan.

With the aim of reaching and assisting more survivors in 2006, LSN appointed a Regional Coordinator for SEE who would in cooperation with the Network Director, spearhead LSN activities in the neighbouring countries of Albania, Croatia, Macedonia, Montenegro, Serbia and possibly, Azerbaijan.



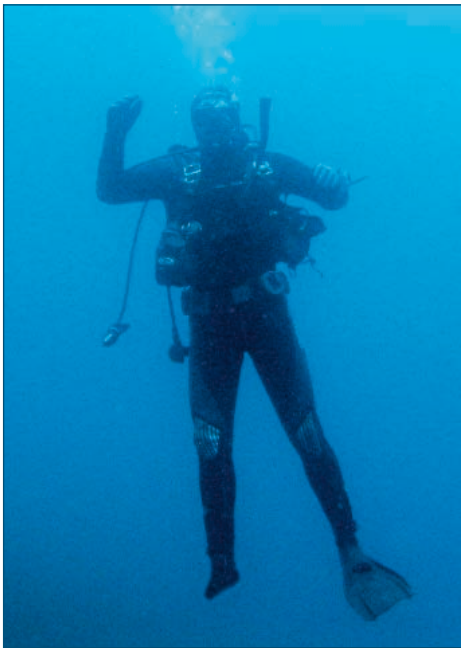
Program “Sustainable Professional Rehabilitation for Landmine Survivors in Bosnia and Herzegovina”

Adopt-A-Minefield® UK started with the implementation of the program “Sustainable Professional Rehabilitation for Landmine Survivors in BiH” together with NGO Stop Mines in September 2004. The project addressed and fulfilled the needs of landmine survivors in order to demonstrate significant client and institutional sustainability. Due to revolving fund established, project program continued in 2006 supporting 10 projects. The initial donation in 2004 was provided by the Adopt-A-Minefield® UK and United States of America.



Project “Sport-Psychological Rehabilitation of Mine Victims in Bosnia and Herzegovina”

The implementation of the project “Sport - Psychological Rehabilitation of Mine Victims in Bosnia and Herzegovina” started in May 2006. The aim of this project was to improve quality of civilian mine survivors’ life and to offer new possibilities of their physical and mental engagement in their social surroundings.



Project “Sponsorship of International Sitting Volleyball Tournament”

In May 2006, 21 survivors from BiH took part in diving activities on an Island of Krk, Croatia. All together 232 diving expeditions were performed on different locations. A course in underwater photography was also held during their stay on Krk. In June 2006 two survivors took part in special training course to obtain necessary skills for diving and escorting the persons with disabilities. Another four participants took part in a 3-day in the underwater first aid course. In July 2006, a diving camp was organized for 7 mine survivors at Jablaničko Lake. In August 2006, two survivors were trained in proper handling with diving bottles and three survivors participated in training organized by BiH Police diving team. During training, different rescue underwater search techniques were performed and exercised. In October 2006, diving in Pliva Lake was also organized for 16 participants. Project attracted wide media coverage.



ITF sponsored a 2-day International Sitting Volleyball Tournament held from 27th May to 28th May 2006 with donor support provided by the United States of America. 8 teams with approximately 150 disabled persons from Croatia, BiH, Egypt and Slovenia participated in the tournament.

Mine Risk Education

**Donors for Mine Risk Education
in Bosnia and Herzegovina:**
Austria, Brčko District Government
and the United States of America.



Project “Spirit of Soccer”

Spirit of Soccer’s project in 2006 underwent two major transformations. In the first half of 2006, the organization transformed from an international organization, with an expatriate project leader presenting direct MRE in the English language, to a Bosnian registered organization, consisting largely of Bosnian field staff presenting MRE in local language(s). In the second half of 2006, the project transformed further, which resulted in structural changes of the organization. During this second transformation, Spirit of Soccer halved the number of staff and adopted new methodologies aimed at utilizing the trainers as the spearhead to spread positive MRE messages to young athletes throughout Bosnia and Herzegovina.

A total number of beneficiaries for the period from 1 April to 30 November 2006 was 7.429. In reported period the total number of posters distributed was 8.452. Moreover 137 sport clubs individually benefited from the provision of 620 footballs, handballs, volleyballs and basketballs through participation in the Spirit of Soccer scheme. Additional equipment was donated to karate and judo clubs.

Program “Mine Risk Education through Community Integrated Mine Action Plans”

There were four CIMAP projects concluded in 2006 and one CIMAP will continue throughout 2007. Beside demining and technical survey components, CIMAP projects include Mine Risk Education component, by addressing the mine problem in the affected community through the holistic approach. Altogether over 3.000 people from four local communities were included in CIMAP’s Mine Risk Education activities.

Training

Conference “Rehabilitation within the Employment Process of Persons with Disabilities in Tuzla”

The conference was organized by Institute for Rehabilitation Republic of Slovenia (IRRS) in April 2006 in Tuzla, BiH. 61 experts and participants from rehabilitation and education institutions, social and health service authorities, governmental and non governmental organizations dealing with disability issues in BiH and Slovenia attended.

The aim was to provide an overview on situation and efforts made in dealing with disability issues in Tuzla, to present good practice from Slovenia, and to provide possible guidelines for the future.

Project “Prosthetics and Orthotics Course for Rehabilitation Specialists from Bosnia and Herzegovina”

As a follow-up to the above-mentioned conference, three rehabilitation specialists from Rehabilitation Faculty of University of Tuzla attended a 7-day Prosthetics and Orthotics course at Slovenian Rehabilitation Institute in Ljubljana, Slovenia in June 2006. Aim of the project was to enhance the capacity of rehabilitation institutions in Tuzla in treating of the landmine survivors and other disabled persons.

Donors for Training in
Bosnia and Herzegovina:
Slovenia and the United States of America.



Structure Support

Bosnia and Herzegovina Mine Action Center

Sustainability of Bosnia and Herzegovina Mine Action Center’s program is being enabled by donation of Bosnia and Herzegovina.

Regional Mine Detection Dog Center (MDDC) in Konjic, BiH

ITF continued to support activities of the Regional Mine Detection Dog Center in Konjic with funds provided by the United States of America. During 2006, MDDC completed the training of 22 mine detection dogs (MDD). The scope of work of MDDC includes the selection of dogs as well as complete integration process of both dog and handler, so they could work as a team in the later stage. As a direct result, 14 MDD teams completed training courses for demining needs in SEE, with another 8 MDD teams completing training courses in order to assist Azerbaijan National Agency for Mine Action (ANAMA) demining efforts.

Donor for Bosnia and Herzegovina Mine Action Center: Bosnia and Herzegovina.

Donors for Regional Mine Detection Dog Center in Bosnia and Herzegovina: Slovenia and the United States of America.



Croatia



Chart 12:
Distribution of funds in Croatia
by purpose in 2006

Mine and UXO Clearance	93.0%
Mine Victims Assistance	5.5%
Other	1.2%
Mine Risk Education	0.2%
Training	0.1%

Demining and Technical Survey

In 2006, ITF surveyed and cleared more than 2,5 million square meters of land in Croatia with more than 590 mines and 35 UXO found and destroyed during mine clearance activities at various project sites. In total 26 projects were completed (19 demining and 7 technical survey projects).

In total 8 tenders were published (three open and five restricted procedure tenders with projects including more than 1.8 million square meters of mine suspected areas), with 17 projects tendered (11 demining and 6 technical survey projects).



The program “Town of Karlovac without mines” was successfully concluded with the donations from the Rotary Club Vienna Nord-Ost and the US matching funds. The technical survey project “Cherry plantations Maraska” was finalized with the matching fund contribution from the US.

“Support of demining program in Eastern Slavonia” financed with Austrian donation was also successfully concluded with more than 390.000 square meters of land surveyed and cleared as a result of the project implementation.

The implementation of a joint borderline project of the Croatian Mine Action Center and Mine Action Center of Serbia, funded by the European Union donation, concluded in 2006 with 269.493 square meters of land being cleared in Croatia alone.



Mine Victims Assistance

In accordance with the project proposal that was submitted to the Norwegian Embassy, the US Embassy in Zagreb, Croatia and ITF, the Croatian Mine Victims Association (CMVA) and Norwegian People's Aid (NPA) implemented the project Winter and Summer Workshops for Young Landmine and UXO Survivors in Kranjska Gora (Slovenia) and Rovinj (Croatia). The workshops were oriented towards psychosocial rehabilitation of young mine survivors from Croatia and Bosnia and Herzegovina.

Project "The Winter Workshops for Psycho-social Rehabilitation of Young Landmine and UXO Survivors"

The winter workshop project was implemented in Kranjska Gora (Slovenia) in March 2006. 38 children – young mine survivors attended the workshop (12 of them from Bosnia and Herzegovina). Participants from Bosnia and Herzegovina were identified through Landmine Survivors Network (similar to previous years).

The workshop activities included ski lessons, music, photo and IT lessons (including MS Word, Excel and Outlook programs). Ski instructors and trainers helped mine-survivors with their first ski lessons. 6 instructors (four from Croatia and two from Switzerland) gave the skiing lessons.



Project "The Summer Workshops for Psycho-social Rehabilitation of Young Landmine and UXO Survivors"

The summer workshop was carried out in Rovinj (Croatia) in July 2006. 43 participants - young mine survivors attended the workshop (10 from Bosnia and Herzegovina). Again, participants from Bosnia and Herzegovina were identified through Landmine Survivor Network. The program was divided into 7 main thematic workshops: cycling, music, photography, sport, English language, IT and journalism. Swiss para-olympic cyclist Armin Kohli (double amputee) and Croatian para-olympic cyclist, a mine survivor with one amputation Tomo Zadro ran the cycling workshop. Sports workshop included activities related to swimming, table tennis, badminton, basketball and football designed to improve self-confidence and motorical capabilities of young survivors. Most of the participants enthusiastically participated in the sports activities workshops.



Donors for Mine Victims Assistance

in Croatia:

Czech Republic, Dijana Pleština and
the United States of America.

Project “South-East European Center for Psycho-social Rehabilitation of Children and Young Landmines and UXO Survivors in Rovinj”

ITF also financed equipping of hospital “Dr. Martin Horvar” in Rovinj, Croatia in cooperation with the US State Department and Czech Republic. Once opened and fully functional the hospital will represent a regional center offering psychosocial rehabilitation of young mine-survivors from South East Europe.

Due to a favorable Mediterranean climate, the Regional Center will work all year round. The participants will be offered the following programs: psycho-social support, medical rehabilitation, diagnostics, kinesis-therapy, electro-therapy, heat-therapy, hydro-therapy, breathing exercises, educational workshops such as IT, foreign languages, music, video, photo, sport activities and entertainment.



Project “Support to Education of Young Mine Survivors”

Additional 7 young mine survivors have received funds from Dijana Pleština in order to facilitate their education and allow them to attain possibilities of leading a normal life.

Mine Risk Education

Project »WATCH OUT – MINES!«
- Education of Children About the Dangers of Mines Through Story-book and Creative Workshops”

US State Department and ITF financed a story-book project, which was submitted by “Center for Neo-humanistic studies” from Karlovac, Croatia. The project comprised of printing and distribution of 10.000 storybooks relating to the subject of mine risk education that were used for disseminating crucial message of presence of mine-threat by distributing them throughout elementary schools in different parts of Croatia that have not yet been cleared from mines. With this project, through pictures and stories, the problem of mines would be made more comprehensible to children.



Donors for Mine Risk Education in Croatia:
United States of America.

Project “The Theatre Play »Bembo and Friends Against Mines«”

US State Department also financed the production of theatre play and DVD dedicated to schoolchildren in numerous elementary schools throughout Croatia. The aim of the theatre play performed by artistic NGO group “Bembo” is to convey the mine awareness message to young children through interesting and educational interactive theatre play. Total number of schoolchildren attending the MRE shows reached 6,000 (the play was organized for audiences in 34 schools throughout mine affected regions in Croatia).

The main character in the project is one of the most popular TV characters in Croatia “Bembo” impersonated by a famous actor, singer and dancer. The play is an educational and funny mélange of music, pantomime, dance and acting scenes. The audience (children and parents) is actively engaged in the play. Goal of the project is to raise mine awareness and promote safe behaviour of target groups with the aim of preventing mine-incidents.

The final results achieved by the implementation of the production of theatre play and DVD were:

- 34 plays presented in 24 venues with an audience exceeding 6,000 children and adults,
- 5,000 picture books distributed to children,
- educational films produced and 500 DVD copies distributed to children.



Training

Project “From Accident to Reintegration – Capacity Building in the Republic of Croatia”

In July 2006 a workshop “From Accident to Reintegration – Capacity Building in the Republic of Croatia” took place in hospital “Dr. Martin Horvat” in Rovinj, Croatia. The aim of the workshop was to educate the mine survivors in the field of mine action and to create and maintain networking among young mine survivors and other sectors including non-commercial, commercial and state institutions.



Donor for Training in Croatia:
United States of America.

Macedonia

Structure Support

Project "Sustainability of Macedonian Demining Program and Implementation of Technical Survey Operations"

ITF supported implementation of the project in period from July to September 2006. Republic of Macedonia Protection and Rescue Directorate, which is the responsible body in the field of humanitarian demining in Macedonia, implemented this project. Within the project a refreshment training course was organized for 10 deminers as a preparation phase for the clearance of last three mine suspected areas in Macedonia. After the implementation of the course, deminers took part in clearance operations. ITF provided, to Macedonian Directorate, the demining equipment and part of funds earmarked for operational expenses stemming from clearance operations. ITF also provided the operations supervisor. Consequently, 47.226 square meters of mine suspected land was released and handed over to local population.

In addition to this, Macedonia fulfilled it's obligations of Article 5 of Ottawa convention by clearing last three mine suspected areas, thus, achieving, the status of a mine free country.



Chart 13:
Distribution of funds in Macedonia
by purpose in 2006

■ Structure Support	73,4%
■ Training	11,0%
■ UXO Survey	9,8%
■ Other	5,7%

Donor for Structure Support in Macedonia:
Slovenia and the United States of America.



UXO Clearance

Project "Assessment of UXO Problem in Lake Ohrid"

ITF supported implementation of the project »Assessment of UXO Problem in Lake Ohrid« in Macedonia. The project was implemented from 21st October to 24th October 2006 by two divers of P.E.D. SAVA Kranj (Slovenia) and two members of ITF. Furthermore, the local police authorities and Republic of Macedonia Protection and Rescue Directorate provided logistical support.

Assessment confirmed the presence of underwater AXO/UXO problem in Lake Ohrid on three selected locations in close proximity to settlements with approximately 60.000 inhabitants – Town of Ohrid, village of Peštani and Kalište. As the Lake Ohrid itself is the favourite domestic tourism destination in Macedonia and taking into account the rising interest of foreigners in this tourist destination, the assessment results pose a great concern to the locals. Moreover, local authorities on several other locations, which have not been surveyed yet, have also indicated the presence of underwater AXO/UXO. Taking into consideration that AXO/UXO problem directly impacts public safety (local and tourist population) and the fact that lake Ohrid is under UNESCO protection, the clearance of the underwater AXO/UXO appears to be necessary.

Donor for UXO Clearance in Macedonia:
Slovenia and the United States of America.



Montenegro



Chart 14:
Distribution of funds in Montenegro
by purpose in 2006

■ Structure Support	60,4%
■ General Survey	37,1%
■ Other	2,4%

General Survey

Donor for General Survey in Montenegro:
Slovenia and the United States of America.

Project “General Survey on the Border Area between Montenegro and Albania”

ITF supported the implementation of the General Survey, which was executed jointly by CROMAC and RCUD along the border of Montenegro and Albania, and in the area of Besnik and Njeguši settlements. The clearance of projects created (app. 470.000 square meters) shall be implemented in 2007.



Structure Support

Donor for Structure Support in Montenegro:
Slovenia and the United States of America.

Project “Adaptation and Equipping of Diving Ship for Support of Humanitarian Underwater Demining and Divers Training”

Through ITF the implementation of the project of adaptation and equipping of humanitarian underwater demining and diver's training support ship of the Regional Center for Underwater Demining (RCUD) in Bijela has been supported (it continues in 2007). The goal of this project is to enable adequate preconditions for the use of the ship for the underwater demining operations, training of divers for underwater demining as well as for sea bottom and naval routes surveys.



Structure Support

Project "Procurement of Technical Equipment for Mine Action Center of Serbia"

In the beginning of 2006, Mine Action Center of Serbia was equipped with terrain vehicle, computer and GIS equipment, mine detectors and personal protection equipment with the donation from Department for International Development/United Kingdom. With this donation of the much needed equipment, substantially better conditions for work were established. Mine Action Center of Serbia can, thus, successfully and effectively tackle the mine and UXO problem in Serbia and can also offer better support and cooperation with other mine action centers in SEE region.



Donor for Structure Support in Serbia:
UK Department for International
Development (DFID).

Training

Project "Prosthetics and Orthotics Course for Rehabilitation Specialists from Serbia"

A training for four rehabilitation specialists from Institute for Prosthetic Belgrade, Serbia, was organized in June 2006. A 5-day Prosthetics and Orthotics course was implemented at Slovenian Rehabilitation Institute in Ljubljana, Slovenia. Aim of the project was to enhance the capacities of rehabilitation institutions in Serbia to treat landmine survivors and other disabled persons.

Donor for Training in Serbia:
Slovenia.

Province of Kosovo (Serbia)



Chart 16:
Distribution of funds in Kosovo (Serbia)
by purpose in 2006

■ Demining and Technical Survey	24,7%
■ Structure Support	54,6%
■ Mine Victims Assistance	20,7%

Structure Support

Project “Provision of Metal Detectors and Personal Protective Equipment”

Through ITF, United States Department of State ensured funds for the support of the Explosive Ordnance Demining Section (EOD) of Kosovo Protection Corps/UNMIK with demining equipment for humanitarian mine clearance in Kosovo. Thus the EOD section was equipped with 24 new sets of Personal Protective Equipment, 24 “Schonstedt” and 24 “Vallon” detectors. The project will enhance the capacity of local demining authorities to address remaining mine and UXO problem in province of Kosovo (Serbia).



**Donor for Structure Support in the province
of Kosovo (Serbia):**
United States of America.

ITF Regional Activities in South-East Europe



Chart 17:
Distribution of funds in SEE region in 2006

Other	48,6%
Region	25,0%
Mine Risk Education	13,7%
Structure Support	12,7%

South-Eastern Europe Mine Action Coordination Council (SEEMACC)

Donor for the SEEMACC:
United States of America

Regional approach represents a vital dimension of ITF's activities. We believe, that the regional co-operation is essential, as different important issues can be addressed more efficiently and more cost-effectively, if the countries in the region are prepared to help each other in reaching their common goal of mine-free land. The exchange of experience and information, excellence in work and know-how, and co-ordination of activities in the field of mine action are crucial components in achieving their objectives, not to mention the process of confidence building through mine action activities in the long run.

On 25th October 2006, the 16th SEEMACC meeting took place in the town of Ohrid, Macedonia. The purpose of the meeting was the continuation of cooperation in the field of mine action in the region of South East Europe in accordance with the Agreement on the Establishment of SEEMACC. At the beginning of the meeting members pronounced to officially accept the Republic of Macedonia as a member of SEEMACC.

Members of SEEMACC presented the insight of mine action activities in their own countries. As the Lake Ohrid is facing underwater UXO threat, some emphasis was given to underwater EOD. Members of SEEMACC came to conclusion that the underwater UXO and mine problem should be addressed properly by consolidating priorities and harmonizing approach for SEEMACC members. They also agreed that in the spirit of continuous and strengthened cooperation between national capacities members will set up a directory of different mine action experts for expeditious and prompt response for the future needs and activities within the region of SEE as well as in other mine affected regions. Moreover, the role of technical secretary and coordinator for SEEMACC was assigned to ITF.

For more information about SEEMACC please visit www.see-demining.org.



International Conference “Prevention of Violence Against Children and Human Security” implemented by Foundation “Together”

The international conference “Prevention of Violence Against Children and Human Security” was organized by Foundation Together in Brdo, Slovenia (30th November to 2nd December 2006).

The conference was one of the contributions of the Republic of Slovenia in the frame of its presidency of the Human Security Network (HSN) in 2006 and was besides ITF co-financed by the Ministry of the Foreign Affairs of the Republic of Slovenia and the Embassies of the United States of America and the Netherlands in Slovenia.

The main goal of the conference was to present the results of the study on violence against children by an independent expert for the UN general secretary, to present theoretical topics dealing with mental health protection and prevention of violence against children in the frame of human security and to enable exchange of information among participating organisations. The 140 participants at the Conference were high level representatives from the ten member countries of the Human Security Network and representatives of the Together Network partner organisations from the region of SEE and wider.

Donor for the Conference:
Slovenia

Rehabilitation of Mine Survivors at the Institute for Rehabilitation of the Republic of Slovenia

Donors for Rehabilitation Program at Institute for Rehabilitation of Republic of Slovenia:

Austrian Airlines, Cordinamenti Donne, Herakel Baku, humanitarian contribution “Nikola Kepić”, IRRS, Korea, Music Gallery Baku, Norway, Panalpina Baku, Rotary Club International Calvia, Slovenia, Studio Moderna Azerbaijan and the United States of America.



Institute for Rehabilitation of the Republic of Slovenia (IRRS) provides treatment for mine survivors, who are not able to receive treatment in their own countries, due to severity of their condition, unsuitable local facilities or limited experience of local professional specialists.

IRRS provided rehabilitation treatment, in 2006 in Ljubljana, Slovenia, for 31 mine survivors from SEE and 1 from Azerbaijan.



Chart 18:
Number and origin of patients rehabilitated at
IRRS in 2006

■ Bosnia and Herzegovina	22
■ Kosovo (Serbia)	6
■ Albania	1
■ Azerbaijan	1
■ Croatia	1
■ Serbia	1

Regional Training Program

Capacity building is crucial for mine-affected countries of SEE in order to be able to cope more effectively with the landmine problem. Numerous trainings and seminars on technical assistance are organized by the IRRS related to rehabilitation of mine survivors.

List of programs implemented by IRRS, which are have been described in detail in previous chapters:

- Prosthetics and Orthotics Course for Rehabilitation Specialists from SEE,
- Program for Prosthetics and Orthotics Technologist at School of Health Studies, University of Ljubljana,
- International conference “Rehabilitation within the Employment Process of Persons with Disabilities in Tuzla Canton”.

Donors for Regional Training Program:
Slovenia and the United States of America.

South Caucasus

In 2006 ITF also focused its attention to Mine Action activities in Azerbaijan. However, the operations were temporarily brought to a standstill in other two South Caucasus countries, i.e. Armenia and Georgia. Nevertheless, ITF anticipates re-suming Mine Action activities in the near future.

III.b. Other Countries and Regions

South Caucasus

Other Mine-Affected Countries



Azerbaijan



Chart 19:
Distribution of funds in Azerbaijan by purpose in 2006

■ Structure Support	72,9%
■ Training	16,6%
■ Other	9,3%
■ Mine Victims Assistance	1,2%

Structure Support

Project "Support to Azerbaijan National Agency for Mine Action (ANAMA) 10-men Emergency Response Team (ERT) and Operational Coordination and Control"

Throughout 2006, ITF continued to support a 14-month project, which started in December 2005 and contributed to ANAMA capabilities on different levels:

- sustainable capability to react to emergency threats from landmines and UXO ensured with the support to ERT ANAMA,
- clearance operations have been significantly enhanced with the purchase of subsurface bomb locator,
- mobility of ANAMA demining teams has been improved with the purchase of transport vehicle,
- continuing operational coordination and control has been ensured through support, which has been provided to ANAMA headquarters and both regional offices.

Operations activities have been implemented in the following regions of Azerbaijan: Aghdam, Aghjabedi, Aghstafa, Fizuli and Terter. Results are listed as follows:

- ERT had provided support to ANAMA UXO disposal team on Saloglu site, Aghstafa region. Together both teams have cleared 681.498 square meters of UXO affected land and removed 2.280 UXO,
- ERT has also been involved in clearance of hazardous sites on several occasions such as removal of BM 21 rocket from house basement in Mahri-zli village, Aghdam region,
- ERT has cleared 159 houses and 315.244 square meters of surrounding land from mine and UXO threat in regions of Aghjabedi, Aghdam, Fizuli and Terter,
- ERT has cleared 4 local schools from mine and UXO threat in Terter district,

Donors for Structure Support in Azerbaijan:
Marshall Legacy Institute, Slovenia,
and UK Department for International
Development (DFID).

Project "Support of Azerbaijan National Mine Action 8 – men Training and Quality Assurance Team (TQAT)"

- To prepare the ERT for house clearance operations a training course in the field of "booby traps" and house clearance was carried out separately in March and in July 2006,
- ERT has removed 24.220 UXO from an outdoor depot (an area of 18.824 square meters) in town of Aghstafa, Aghstafa district,
- A sub-surface bomb locator (purchased through this project) has been used on the Zobjug site, Fizuli. There is an estimated 19 million square meters of mine and UXO contaminated land on the Zobjug site. This land is foreseen as a settling site on which 2,104 houses would be built for the returnees and IDP's originating from the 1988-1994's war.



TQAT element of ANAMA is of vital importance as it executes quality control (QC) and quality assurance (QA) operations on the ground, thus verifying if operations are in accordance with Azerbaijan standards on humanitarian demining and in accordance with clearance certificates procedures, which are the basis for the return of cleared areas back to local communities. Beside implementing regular monitoring tasks, TQAT also issued certificates for 42 cleared sites for the 14.487 beneficiaries that have received land for use as residential, agricultural or pasture areas. Furthermore, in the same period TQAT implemented training courses such as "UXO Operators Course", "Basic Demining Course", "Team/Section Leader Course", "Paramedic Course" and number of refreshment training courses for deminers coming from ANAMA and from two Azerbaijan NGO's working in the field of humanitarian demining. Implementing training courses enables ANAMA to maintain and upgrade their national capacity in the field of humanitarian demining. TQAT also conducted two emergency General Surveys, which identified approximately 28 square kilometers of land as mine and UXO suspected.



Project "Training of 6 Mine Detection Dogs' (MDD) teams for ANAMA"

The training of 6 MDD teams was implemented from March 2006 to October 2006. In addition to the training of MDDs and handlers the project included purchase of 6 untrained, so called "green" dogs. Project has significantly increased ANAMA clearance capacities as mine detection dogs are able to process a daily average area of up to 50 times larger than the area processed by a single deminer.



Training

Project "Prosthetics and Orthotics course for rehabilitation specialists from Azerbaijan"

Five Azeri specialists in the field of rehabilitation attended a 3-week rehabilitation training course at the IRRS in September 2006. The specialists - one rehabilitation team (Physician, Therapist and Technician) and Director from the Prosthetics and Orthopedic Rehabilitation Centre in Baku, Azerbaijan, and one Orthopaedic Field Officer from ICRC in Azerbaijan - attended the course. Aim of the project was to enhance the capacity of rehabilitation institutions in Azerbaijan in order to effectively treat landmine survivors and other disabled persons.



Donor for Training in Azerbaijan:
Slovenia.

Other Mine-Affected Countries

Based on ITF good work in the regions of SEE and South Caucasus, support of Slovenian diplomatic network and the fact that ITF has been intensively present in mine action for the past 8 years, ITF was approached / invited by several mine affected countries to support different aspects within their national mine action programs.

ITF visited and carried out assessment in Colombia and Jordan. Based on identified needs of both mine affected countries ITF is planning to sign Memorandum of Understanding with Colombia and Jordan, which will enable legal basis for future ITF operations in the field of mine action in respected countries.

ITF also continued discussions in 2006 with representatives of Sudan, Egypt, Yemen and Tajikistan with the aim to identify »weak« spots in their mine action programs. Once the requirements are clearly identified, ITF will make every effort to prepare efficient and sustainable mine action projects and conduct extensive fund raising activities to secure funding and start the projects.

ITF activities in above mentioned countries will focus primarily on mine victims assistance, mine risk education and support to local/national mine action capacities.

Donor:
Slovenia.

Colombia

In beginning of July 2006, representatives of ITF and Slovenian Institute for Rehabilitation (IRRS) visited Colombia based on invitation from Colombian Vice-president H.E. Mr. Santos. Purpose of the visit was become introduced to victims assistance (VA) program and see the situation on the spot. Representatives met in Bogota with all relevant national and international VA stakeholders in Colombia and observed situation in cities Cali and Medellin situated in two of most affected regions of Colombia.

ITF prepared initial recommendations regarding the further steps / support in victim assistance program. Joint preparation of projects between Observatory for Mine Action as Colombian national authority, ITF and IRRS is being planned in order to start with the VA activities in 2007.

Donor:
Slovenia.



Jordan

In beginning of September 2006 ITF representatives visited Norwegian Peoples Aid - NPA / National Committee for Demining and Rehabilitation - NCDR demining activities in Wadi Araba and minefields on the border with Syria. Several meetings with all major mine action stakeholders and mine affected communities were organized. ITF and NCDR agreed that major support from ITF is needed on the field of psychological rehabilitation and socio-economic reintegration of mine survivors. ITF is already preparing project proposals in the field of victims assistance and demining to support efforts of National Committee for Demining and Rehabilitation to meet obligations of Kingdom of Jordan under the Mine Ban Treaty.

Donor:
Slovenia.



Lebanon

ITF has made arrangements in Autumn 2006 for deployment of one mine action expert for Quality Assurance (QA) within the United Nations Mine Action Center South Lebanon (UNMAC SL) with the donation of the Republic of Slovenia. QA adviser will be deployed to South Lebanon in early 2007 for the period of six months working as supervisor of mine clearance and cluster bombs clearance teams in Lebanon.

ITF is already liaising with other interested donors to extend support to mine and cluster bombs clearance activities and thus enable rehabilitation and reconstruction of South Lebanon.

Donor:
Slovenia.



ITF Public Relations and Other Events

III.c. ITF other activities

Public Relations and other Events

ITF Publications

ITF Web Page

Media appearances

Humanitarian efforts of ITF activities are often accompanied by public and media attention. There were 117 appearances of ITF in Slovenian media and 107 appearances of ITF in Croatian media in the 2006.

ITF also hosted a press event “Breakfast with Journalists» in October 2006 in Ljubljana, Slovenia where the main ITF activities and mine action efforts in SEE were presented to attending representatives of Slovenian media.

Humanitarian Event “Night of A Thousand Dinners 2006”

Humanitarian Event “Night of A Thousand Dinners”⁸ took place on 9th March 2006 at Grand Hotel Union in Ljubljana, Slovenia and gathered more than 290 guests from different spheres, diplomats, business partners, economists and cultural work. The main goal of the event was to spread mine awareness and raise means for landmine eradication. Altogether, nearly USD 48.970,72 were raised. Proceeds from the “Night of A Thousand Dinners” 2006 will be earmarked for two demining projects in Bosnia and Herzegovina as part of the USA-UNA, Adopt-A-Minefield clearance program. Hosts of the dinner were H.E. Mr. Thomas Robertson, Ambassador of the United States of America, H.E. Mr. Robert Hage, Ambassador of Canada and Mr. Goran Gačnik, Director ITF. Honorary guest at the dinner was Mr. Martin Raguž, Chairman of the House of the Representatives of Bosnia and Herzegovina Parliamentary Assembly. ITF would like to thank all contributors for their donations, and especially to Ms. Živa Vadnov who donated the proceeds from her Miss Slovenia 2004 crown auction to these humanitarian projects.



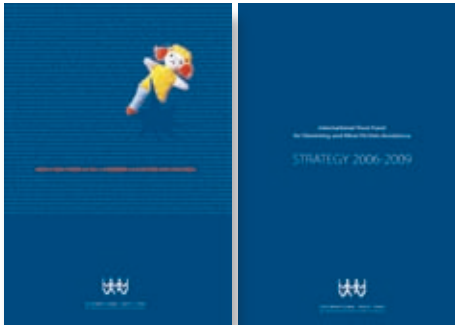
ITF Publications

ITF issues various publications, either in hard copy or in electronic version with aim of providing information to donor community and general public on ITF activities and on the problem of landmines in the region of SEE and other mine affected regions.

In 2006, ITF published the following publications:

- **ITF Annual Report 2005: A Step Closer**, March 2006
- **ITF Strategy 2006-2009**, March 2006;
- **ITF Brochure: About One Third of All Landmine Casualties are Children**, September 2006;
- **ITF Intermediate Report 2006**, October 2006;
- **ITF e-TRUST No.14, No.15, and No. 16** - an electronic newsletter issued respectively in April, July, and November 2006.

All ITF publications can be obtained on ITF web site www.itf-fund.si.



ITF Web Page www.itf-fund.si

The purpose of the web page is to provide access to ITF mine action operations and activities for all interested stakeholders and wider public. The web-site features the following main pages:

1. Presentation,
2. Activities,
3. Donors,
4. Help!,
5. News and
6. Links.

ITF web site is updated on a weekly basis and enables viewing of all demining projects as well as other mine action projects that have been implemented with different donor funds. In 2006 over 399.000 visits of the ITF website were recorded, showing a huge interest of general public as well as professionals regarding the mine problem in general and ITF activities in particular.



Chart 20:
Distribution of visit of ITF Web Page by
Region

European Union	56,0%
North America	32,9%
Other Regions	8,9%
Other European Countries	2,2%





Regional cooperation of
mine action stakeholders...
confidence gained.

IV. Conclusion

ITF Strategy 2006-2009 will serve as the basis for the development of annual action plans, which will include a detailed outline of specific activities and measurable performance targets.

Our primary concern still remains focused on SEE mine-affected countries, where ITF will remain the vital link between the stakeholders in mine action. Efforts of donor community helped countries in SEE to rise from post conflict into development phase. The fact can be seen in growing participation of local communities with their own funds invested into demining process. We encourage donor community to recognize efforts of local communities and further support Mine Action activities until we reach the final goal of mine free /safe region.

We will also keep sharing our experience and 'best practice' with other mine-affected regions as our contribution to the global eradication of the mine problem.

On behalf of the people living in the mine-contaminated areas we would like to thank all donors, Mine Action Centers, relevant authorities in the mine-contaminated countries and implementing agencies that have been working with us towards our common goal of mine-free land. Thank you!

Statutory Annual Statements for
the Financial Year 2006

Report on Procedures and Controls from 01 January 2006 to 31 December 2006

REPORT BY THE REPORTING ACCOUNTANTS TO THE DIRECTOR OF THE INTERNATIONAL TRUST FUND FOR DEMINING AND MINE VICTIMS ASSISTANCE ("THE FUND")

In order that you may comply with article 5.5 of the Trust Fund Administrative Agreement between the Fund and the United States Government acting through the Department of State, Bureau of Political - Military Affairs, Office of Humanitarian Demining Programs (the "Donor") you have asked us to report on the report you have prepared on the performance of the procedures and controls used by the Fund in administering trust funds.

Your report, dated 9 February 2007, which covers the period 1 January 2006 to 31 December 2006 is referred to as "the Report by the director".

We have performed the procedures described below solely to prepare this report to assist your donors in evaluating your assertions regarding the performance of procedures and controls used by Fund in administering trust funds.

Use of this report

This report is intended solely for the use of the director of the Fund and the Managing Board and Board of Advisors. Without giving rise to any liability or duty to them on our part, it is also for the information of the Donor and its auditors and other donors. The attention of the Donor and other donors to the Fund and their auditors is drawn to the engagement letter dated 5 February 2007 which includes the limitations of liability, a copy of which is appended at attachment 2.

Scope

This report covers solely the trust fund administration operations of the Fund carried out in its offices located at Ig and its implementation offices as described in the Report by the director and does not extend to any other operations of the Fund.

Respective responsibilities of the director and reporting accountants

Your responsibilities as director are set out in the attached engagement letter and on page 1 of the Report by the director. It is our responsibility to form an independent opinion, based on the work we have carried out, and to report our opinion to you as director of the Fund.

Basis of opinion

Our review was conducted in accordance with the framework for reporting set out in FRAG 21/94 (revised) issued by the Institute of Chartered Accountants in England and Wales. Our work was based upon obtaining an understanding of the control procedures in operation by enquiry of management and review of documents supplied to us. Our work included tests of certain specific control procedures, as set out in attachment 1 to our report, to determine whether they operated as described.

We have not performed an assessment of the adequacy or completeness of the control objectives in relation to the risks they are designed to address nor have we assessed whether the control procedures achieve the control objectives, which were set, and consequently express no opinion on the director's assertion on the effectiveness of performance of the procedures and controls used by the Fund in administering the trust funds. Our opinion relates solely to the control procedures, which we tested, and not to any others.

Our tests did not include tests of transactions in respect of any particular donor. They were restricted to the procedures of the Fund's trust fund administration carried out at the specified offices and their relevance to any individual donor is dependent on their interaction with the particular procedures and other circumstances of that donor.

Control procedures designed to address specified control objectives are subject to inherent limitations and, accordingly, errors or irregularities may occur and not be detected. Such procedures cannot guarantee protection against fraudulent collusion especially on the part of those holding positions of authority or trust. Furthermore, this opinion is based on historical information and the projection of any information or conclusions in the Report by the director to any future periods would be inappropriate because of the risk that systems and control procedures may become inadequate as a result of changes in conditions or because the degree of compliance with the procedures may deteriorate.

Opinion

Based on the above, in our opinion:

1. the Report by the director, except for the assertion regarding the performance of the procedures and controls, on which we express no opinion, describes fairly the control procedures in place as at 31 December 2006; and
2. the specific control procedures that we tested as set out in attachment 1 to this report operated as described in the period from 1 January 2006 to 31 December 2006.

Yours faithfully


UHY Hacker Young
Chartered Accountants
St Alphage House
2 Fore Street
London EC2Y 5DH

20 February 2007

Attachments:

1. Tests performed by the reporting accountants.
2. Reporting accountants' engagement letter dated 5 February 2007.

Tests performed by the Reporting Accountants

Attachment 1

Section A – Donations received procedures

- A1 Inspected a sample of bank receipt acknowledgements signed by the director and tested evidence of validation against donor agreements: *No exceptions*
- A2 Checked sample of receipts to entry in individual donor accounts and checked sample of disbursements from individual donor accounts to supporting documentation: *No exceptions*
- A3 Checked two of the monthly reconciliations between the donors' subledger and the general ledger restricted funds accounts: *No exceptions*
- A4 Checked eight reconciliations of the donor funds balances maintained by ITF staff with the records maintained by the bookkeepers and agreed a sample of transactions recorded in both records: *No exceptions*

Section B – Matched funding procedures

- B1 Inspected a sample of claims made to US Government and agreed details of related donor receipts with supporting evidence: *No exceptions*

Section C – Banking and reconciliation procedures

- C1 By inspection checked use of NLB during the period in accordance with the bank mandates: *No exceptions*
- C2 Inspected the reconciliation of all bank accounts on two dates: *No exceptions*

Section D – Disbursement procedures

- D1 Inspected a sample of evaluation committee reports awarding contracts to confirm individuals involved: *No exceptions*
- D2 Inspected a sample of disbursements and checked documentation to support payments including invoices, quality control confirmations and mine action centre certificates and evidence of checking and approval procedures recorded by appropriate signature on the liquidation sheet: *No exceptions*
- D3 Inspected a sample of invoices and approval signatures for payments for victim rehabilitation: *No exceptions*
- D4 Inspected a sample of copy disbursement orders and forms 1450 and checked signatures and related supporting documentation: *No exceptions*
- D5 Inspected a sample of reports to donors and checked details of donations and disbursements reported to the accounting records: *No exceptions*

UHY Revizija in svetovanje d.o.o. Revizijska družba / Certified Auditors

February 5, 2007

Mr. Goran Gačnik
International Trust Fund
lg 212
1293 IG
Slovenia

Attachment 2

UHY Revizija in svetovanje d.o.o.
Vurnikova ulica 2
1000 Ljubljana, Slovenia

tel.: +386 1 300 00 40
fax: +386 1 300 00 50
e-mail: uhy@uhy.si
internet: www.uhy.si

Dear Mr. Gačnik,

REPORTING ACCOUNTANTS ENGAGEMENT LETTER TO THE INTERNATIONAL TRUST FUND FOR DEMINING AND MINE VICTIMS ASSISTANCE ("THE FUND")

The purpose of this letter is to set out the basis on which we are to act as reporting accountants in order to report on the director's report on the performance of the procedures and controls during the year ended 31 December 2006 used by the Fund in administering trust funds. We are writing to set out the respective areas of responsibility of management and of ourselves, our understanding of the work to be performed and the terms and conditions under which we will perform such work.

Engagement summary

Under the terms of this engagement letter UHY Hacker Young, St. Alphage House, 2 Fore Street, London EC2Y 5DH (Hacker Young) with UHY Revizija in svetovanje d.o.o., Vurnikova ulica 2, 1000 Ljubljana (UHY d.o.o.), on the basis of mutual agreement, is appointed to report on director's report on the performance of the procedures and controls used by the Fund in administering trust funds, as required under article 5.5. of the Trust Fund Administrative Agreement concluded between the Fund and the United States Government.

Our report will be issued in the English language.

Respective responsibilities of the director and reporting accountants

The responsibility for safeguarding the assets of the Fund, the maintenance of adequate internal controls and the prevention of fraud, error and non-compliance with law or regulations rests with you.

As director of the above Fund, you are responsible for establishing and maintaining effective internal controls ensuring that administration of trust funds is performed in accordance with criteria defined in the Trust Fund Administrative Agreement concluded between the Fund and US Government. In particular you are responsible for:

- a) the design, implementation and maintenance of control procedures that provide adequate levels of protection of funds received from donors, of the use of those funds in accordance with donors' requirements and of records to ensure that all transactions are properly recorded;

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ID za DDV / VAT No.: SI62702679
SI: transakcijski računa / Bank account: Abanka Vipra d.d., 05100-8011974836
SI: registrirana uložba / No of Court registration: 145215/00 pri Okrožnem sodišču v Ljubljani
SI: vpis v register revizijskih družb / No of registration at the Slovenian Institute of Auditors: RO-A-073/05

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b) the definition of adequate levels of protection in terms of control objectives and for ensuring that these objectives are achieved by the control procedures in place.

c) the preparation of a report where you will describe the control objectives and the related control procedures and you will present your assertion regarding the performance of the procedures and controls used by the Fund in administering trust funds, and you will retain sole responsibility for your report.

It is our responsibility to form an independent opinion on whether you have fairly described the control procedures and whether the specific control procedures which we tested operated as described, and to report to you. We shall not report on any opinions or assertions by you on the effectiveness of your control objectives and procedures.

You agree to give us access, as and when required, to such information and explanations which we consider necessary to complete our report and that such information and explanations will not be misleading and that we can rely on them.

Scope of the work

The work we shall perform will be conducted in accordance with the framework set out in technical release, Audit 4/97 (FRAG 21/94 (revised)), issued by the Institute of Chartered Accountants in England and Wales. Our work will include enquiries of appropriate management and personnel, together with tests of certain specific control procedures, which will be set out in the attachment to our report.

We shall not be responsible for a review of changes to control procedures beyond the period reported upon or for the identification of changes that have not been disclosed by management to us.

USE OF REPORT

Our report will be addressed to you as director of the Fund and will be available to the Managing Board and Board of Advisors. Our report will be for the purpose of reporting to you on the tests we have carried out on specific control procedures and may not be relied upon for any other purpose. We understand that you wish to make the report available to United States Government, Department of State, Bureau of Political Military Affairs Office of Humanitarian Demining Programs and its auditors, and we consent to the report being provided to them but on the basis the full report is issued and it is without liability to them on our part. You agree not to use our report, or references to it, in material disseminated to the general public without our express written permission. In any case where marketing literature is prepared which will refer either to us or our report, you will seek our consent to those references in advance and we reserve the right to refuse. We understand that you wish to include your report, on the control objectives and procedures together with our report to you in the annual report for 2006, and we consent to our report being included but we accept no duty or responsibility to any party, other than you, who may read our report.

LIMITATIONS OF WORK

Control procedures designed to address specified control objectives are subject to inherent limitations and, accordingly, errors or irregularities may occur and not be detected. Such procedures cannot guarantee protection against fraudulent collusion especially on the part of those holding positions of authority or trust. Our work is not designed to, and therefore can not be relied upon to disclose any such irregularities or fraud which may exist. Furthermore, our opinion will be based on historical information and the projection of any information or conclusions, contained in our opinion or the attached report, to any future periods is subject to the risk that changes in procedures or circumstances may alter their validity. We shall not assess whether the control procedures achieve the control objectives, which were set.

Additional reports to management

In addition to our report, described above, we shall report to the Managing Board in writing following the completion of our work on any weaknesses in the Fund's systems or other business matters which come to our notice during the course of our work and which, in our view, require management's attention.

No such report may be provided to a third party without our prior written consent. Such consent will be granted only on the basis that such reports are not prepared with the interests of anyone other than the Managing Board of the Fund in mind and that we accept no duty or responsibility to any other party.

Our review of internal financial control systems is only performed to the extent required to express an opinion on the directors' report on the performance of the procedures and controls used by the Fund in administering trust funds and therefore our comments on these systems will not necessarily address all possible improvements which might be suggested as a result of a more extensive special examination.

Fees

Our fees are computed on the basis of the time spent on your affairs by our partners and staff and on the levels of skill and responsibility involved. Our fees are dealt with in a separate letter.

Timing

We expect that our final report will be issued in mid-February 2007.

The exact timing of our work will be mutually agreed upon.

Applicable law and liability limitation

In no event shall UHY Hacker Young, its partners, or employees be liable for any loss damage, cost or expense arising in any way from (or in connection with) fraudulent acts or omissions,

misrepresentation or wilful default on the part of International Trust Fund for Demining and Mine Victims Assistance, its directors, employees or agents.

Any liability of UHY Hacker Young, its Partners and staff from actions found against us to pay damages for losses arising as a direct result of breach of contract or negligence on our part in respect of services provided in connection with or arising out of the engagement set out in this letter (or any variation of addition thereto), whether in contract, negligence or otherwise shall in no circumstances exceed two (2) times the amount paid in respect of fees charged for this engagement: such amount including all legal and other costs which we may incur in defending any actions against us.

Any oral opinions (unless confirmed by a partner of the firm in writing), reports and any draft reports which may be given in the course of our work will not constitute definitive opinions and conclusions. Unless otherwise indicated, these will be contained solely in our final written product. This agreement may only be amended in writing under sanction of nullity.

Matters not covered in this agreement are governed by Slovene Civil Law. All disputes and controversies arising out of, or in connection with, this agreement, which we fail to settle amicably shall be submitted by either party to the Arbitration Court at the Slovene Chamber of Commerce and Industry for final settlement. The Arbitration Court shall proceed in accordance with its rules. The decision and award of the arbitrators shall be final and binding and non-appealable, and shall be enforceable in any court of competent jurisdiction.

Confidentiality and Independence

We require strict adherence by the members of our staff to the ethical rules of our firm. As such, in all aspects of our practice, the firm and its employees maintain a strict standard of confidentiality as regards information obtained during the conduct of professional assignments. Furthermore the firm and its employees maintain independence of interest and mental attitude in their relationships with client personnel.

Acknowledgement and acceptance

We shall be obliged if you will confirm in writing your agreement to the terms of this letter by signing one copy in the space provided and returning it to us.

Yours faithfully,

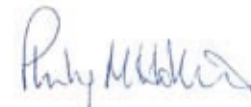
Matjaž Trebše
Partner
UHY d.o.o.

I have read the above letter and accept the terms and conditions set out therein.

Signed:

Goran Gačnik

for and on behalf of:
International Trust Fund for Demining and
Mine Victims Assistance



Philip M. Hollins
Partner
UHY Hacker Young

14.12.2007

Date

Our file number: 050-8/1-07/06

Statutory Annual Statements for the Financial Year 2006

1. Auditor's Report
2. Balance Sheet as at 31 December 2006
3. Profit and Loss Statement for the
Financial Year 2006
4. Cash Flow Statement for the Financial
Year 2006
5. General Information and Summary of
Accounting Policies

UHY Revizija in svetovanje d.o.o. Revizijska družba / Certified Auditors

To the Managing Board of
The International Trust Fund for Demining and
Mine Victims Assistance
lg
Slovenia

UHY Revizija in svetovanje d.o.o.
Vurnikova ulica 2
1000 Ljubljana, Slovenija

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internet: www.uhy.si

1. Report on the Financial Statements

We have audited the accompanying financial statements of The International Trust Fund for Demining and Mine Victims Assistance, lg, which comprise the balance sheet as at December 31, 2006, and the income statement and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

The Fund has outstanding receivables from VAT in Bosnia and Herzegovina in amount 159,4 millions SIT at the 2006 yearend. The VAT system in Bosnia and Herzegovina has been introduced in 2006. At the beginning the tax authorities in Bosnia and Herzegovina have refunded VAT claims to the Fund, but the last VAT claim has not been successfully processed. The Ministry for Foreign Affairs of Bosnia and Herzegovina has issued a written explanation that the fund is not entitled for VAT refunds. Therefore there is certain degree of uncertainty when and in what amount VAT receivables could be collected.

In our opinion, except for the provisions of the receivables from the preceding paragraph that might be necessary, the financial statements give a true and fair view of the financial position of The International Trust Fund for Demining and Mine Victims Assistance, lg, as of December 31, 2006, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

UHY Revizija in svetovanje d.o.o.

Certified Auditor
Matjaž Trebše



Ljubljana, 16 February 2007

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ID za DDV / VAT No: S62702470
SI: transakcijskega računa / Bank account: Abanka Vipva d.d., 05100-8011974836
SI: registrirani vložnik / No of Court registration: 1/41213/06 pri Okrožnem sodišču v Ljubljani
SI: upis v register revizijskih družb / No of registration at the Slovenian Institute of Auditors: RD-A-073/05

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2. Balance Sheet as at 31 December 2006

	Note	2006	2005
in 000 SIT			
ASSETS (A+B+C)		3.451.910	3.216.393
A. LONG-TERM ASSETS (I+II+III)		57.777	58.748
I. INTANGIBLE ASSETS	1	12.995	2.464
II. TANGIBLE FIXED ASSETS	2	44.782	56.284
III. LONG-TERM FINANCIAL ASSETS		0	0
B. CURRENT ASSETS (I+II+III+IV)		3.393.962	3.157.645
I. INVENTORIES		0	0
II. Short term receivables	3	229.622	58.145
1. Accounts receivable		0	240
2. Sundry debtors		229.622	57.905
III. SHORT-TERM FINANCIAL ASSETS	4	1.773.815	1.427.467
IV. CASH AND BANK	5	1.390.525	1.671.602
C. PREPAID EXPENSES		171	431
TOTAL LIABILITIES AND NET ASSETS (A+B+C+D)		3.451.910	3.216.393
A. Unrestricted Net Assets	6	82.251	43.844
B. Permanently Restricted Net Assets	7	3.019.805	2.970.647
C. Temporarily Restricted Net Assets	8	46.025	45.019
D. Short term liabilities from Operating Activities		303.829	156.883
1. Accounts payable	9	295.052	145.637
2. Accrued salaries		7.376	9.012
3. Sundry creditors		1.401	2.234

3. Profit And Loss Statement for the Financial Year 2005

	Note	2006	2005
in 000 SIT			
+ A. Revenues / Donations	10	5.665.368	5.496.043
+ B. Income from financing	11	613.513	537.755
+ C. Extraordinary income		16	1.095
= D. Total revenues		6.278.897	6.034.893
- E. Costs of materials and services	12	5.498.924	5.338.975
- F. Labour expenses	13	120.155	120.950
- G. Depreciation		17.395	25.577
- H. Provisions for current assets		0	0
- I. Other expenses	14	1.098	407
- J. Costs of financing	15	597.896	512.233
- K. Extraordinary expenses		5.022	1.432
= L. Total Expenses		6.240.490	5.999.574
= M. Surplus/loss before taxation		38.407	35.319
- N. Corporate income tax		0	0
= O. Net surplus (loss) after taxation	16	38.407	35.319

4. Cash Flow Statement for the Financial Year 2006

	In 000 SIT	
	2006	2005
Cash at the beginning of the year	1.671.602	526.406
+ Revenues	6.278.897	6.034.893
- Expenses (less depreciation cost and cost of long-term provisions)	(6.223.095)	(5.973.997)
- Corporate tax and distributions of profit	0	0
= Net cash flow from operating activities before adjustments	1.727.404	587.302
- Decrease in current liabilities and deferred income	146.946	85.534
- Increase in accounts receivable and prepaid expenses	(171.217)	11.009
+ Decrease in inventories	0	0
= Adjusted net cash flow from operating activities	1.703.133	683.845
+ Net decrease in intangible fixed assets	(11.113)	37
+ Net decrease in tangible fixed assets	(5.311)	(2.964)
+ Net decrease in short-term financial assets	(346.348)	790.778
= Net cash flow from operating and financing activities	1.340.361	1.471.696
+ Increase in restricted net assets	50.164	199.906
= Cash at year end	1.390.525	1.671.602

5. General Information

The International Trust Fund for Demining and Mine Victims Assistance was founded by the Republic of Slovenia, as such represented by the Slovene Government, on July 21, 1998. The establishment of the International Trust Fund was approved by the Minister of Foreign Affairs under the approval No. ZML-326/98 dated 22 July 1998. The International Trust Fund was entered in the Register of Foundations.

The headquarters of the International Trust Fund is located at Ig, Slovenia, and its implementation offices in Bosnia and Herzegovina and Croatia. The Fund has a staff of 14 at its Ig headquarters, 4 in its office in Bosnia and Herzegovina and 1 in its office in Croatia.

The main activities of the International Trust Fund:

- Organising the removal and disposal of mines and other unexploded ordnance;
- Organising assistance and rehabilitation of mine victims.

The bodies of the International Trust Fund:

- Managing Board,
- Board of Advisors,
- Director,
- Honouree Board.

The members of the Managing Board as at 31 December 2006:

- **Roman Kolar**, Chairman,
- **Mustafa Alikadić**, member,
- **Kory Golob**, member,
- **Dijana Pleština**, member,
- **Dragiša Mekić**, member,
- **Zvezdana Veber Hartman**, member,
- **Darko Vidović**, member,
- **Stanislav Vidović**, member,
- **Bojan Žmavc**, member.

The Advisory Board includes representatives of donors and founders of the International Trust Fund.

The statutory Annual Statement of the International Trust Fund for Demining and Mine Victims Assistance, Ig, for the year 2006 was prepared in accordance with International Financial Reporting Standards.

The financial year is equal to the calendar year.

5.1 Summary of Accounting Policies and Practices

The financial statements for the financial year 2006 comply with the International Financial Reporting Standards and basic accounting conventions i.e. considering the occurrence of business events, ongoing concern and fair and true presentation.

The policies and practices the Management applies in preparing and presenting financial statements are in compliance with the above stated basis whereas certain accounting policies are optional and the management decides independently to apply one of available variants. The summary of general accounting policies and practices applied by the company in reference to valuing separate items as follows:

- The intangible and tangible fixed assets are at the beginning valued at their purchase value. The purchase value consists of purchase price, import and irredeemable purchase duties and costs needed to put them into use. The tangible fixed assets are individually depreciated pursuant to straight-line method.
- The quantity units of inventories of material and merchandise are initially valued at their actual purchase price, which includes buying prices, import and other irredeemable duties and direct purchase costs. The purchase price is decreased for given discounts. The inventories of materials and merchandise are written down, if the book value exceeds the higher of market or net realisable value.
- The receivables are initially shown as amounts based on relevant documents and assumption that they will be paid. The receivables are written down, if their book value exceeds their fair or realisable value. The receivables are revalued by reversal of writedowns if their fair or realisable value exceeds their book value. The receivables in foreign currencies are in the financial statements stated at the mid exchange rate of the Bank of Slovenia for individual currency as at the balance date. The exchange rate differences represent regular financial income or regular financial expenses.

- The short-term investments in equity and debt securities of other companies or state are initially valued at their purchase value whereas the short-term loans are valued at paid amounts. The revaluation of short-term financial investments presents the change of their book value and occurs as a revaluation due to improvement of assets, impairment of assets or reversal of impairment. The information on fair value and main characteristics of individual short-term financial investment shall be disclosed.
- The short-term deferrals include debtors and other assets and liabilities presumed to occur within one year and the occurrence of which is possible and the size reliably estimated. The deferred charges include current deferred costs or current deferred expenses and current uncharged revenues, which are shown separately and broken down into more significant ones. The short-term accruals and deferred income include short-term accrued costs and deferred income shown separately and broken down into more significant ones.
- The unrestricted net assets consist of the founding capital, retained earnings, revaluation of the capital and net surplus/loss of the year.
- Donations for specific purposes are presented as the permanently restricted net assets. Foreign donations are translated at the middle exchange rate of the Bank of Slovenia in effect at the balance date. Donations are used for covering the costs of activities, for which they were granted.
- Temporarily restricted net assets present the value of donated intangibles and fixed assets and are used for covering the depreciation cost of donated intangible and tangible fixed assets.

- The long and short-term debts are shown liabilities with reference to financing of the Trust Fund’s assets. The debts are financial liabilities, if lenders are lending the company money, or operating, if suppliers are sending to the Trust Fund inputs for performing its services. The financial debts present granted credits based on loan agreement, investment agreement or issued securities. The operating debts are supplier borrowings for purchased goods or services, debts for financial leases, short-term liabilities owed to staff, financiers and to the state. The long-term debts have to be paid back or settled within the term of over one year and the short-term debts within one year. The revaluation of the long and short-term financial investments presents the change of their book value and occurs as impairment of assets or improvement of debts. The information on fair value or main characteristics of individual debt shall be disclosed.
- The revenues are broken down into operating revenues, financial income and extraordinary income. Operating revenues and financial income are reckoned as regular revenues. The operating revenues present the utilization of permanently restricted net assets, fixed percentage of donated funds, granted for covering the Trusts Fund’s administrative and operating costs, revenues from utilization of temporarily restricted net assets for covering the amortization and depreciation of fixed assets and other revenues. The financial income arises from long and short-term financial investments and receivables. The financial income consists of interest and exchange rate differences. The extraordinary revenues consist of irregular items that mark influence on the increase of regular results in the respective business year.
- The expenses are sorted into operating expenses, financial expenses and extraordinary expenses. Operating expenses and financial expenses present regular expenses. The operating expenses equal the costs of the period. The revaluating operating expenses (writedowns) occur in reference to tangible fixed assets, intangible long-term assets and current assets due to their impairment. The financial expenses present the expenses for financing and expenses for investing. The extraordinary expenses consist of irregular items that mark influence on the decrease of regular results in the respective financial year.

5.2 Notes to the Accounts

The notes relate to annual statements for 2006 unless otherwise specified in the text.

		2006	2005
1. Intangible Assets	In 000 SIT	12.995	2.464

The intangibles consist of long term accrued office space renal costs (11.481 thousand SIT), leasehold improvements (715 thousands SIT) and other intangibles (799 thousand SIT).

The depreciation of leasehold improvements was calculated as to expected service life of the improvements. Other intangibles were amortized on individual basis using the straight-line method. The amortization rate at 20% was applied to amortise other intangibles.

Donated intangibles equalled 12.163 thousand SIT.

The amortization cost of donated intangibles (491 thousand SIT) debit temporarily restricted net assets (Note 8).

Changes in Intangibles in 2006:

Item	In 000 SIT		
	Intangibles owned	Donated intangibles	Total
1. Purchase value			
Balance as at 1 January 2006	7.045	80.700	87.745
Increase – new purchases	41	11.481	11.522
Increase – other	0	0	0
Decrease – sales, disposals	0	(40.499)	(40.499)
Balance as at 31 December 2006	7.086	51.682	58.768
2. Accumulation depreciation			
Balance as at 1 January 2006	(5.700)	(79.581)	(85.281)
Increase – depreciation	(500)	(491)	(991)
Increase – other	0	0	0
Decrease – sales, disposals	0	40.499	40.499
Balance as at 31 December 2006	(6.200)	(39.573)	(45.773)
3. Book value			
Balance as at 1 January 2005	1.345	1.119	2.464
Balance as at 31 December 2005	886	12.109	12.995

2. Tangible Fixed Assets

	In 000 SIT	2006	2005
		44.782	56.284

Fixed assets are shown with their book value. The base value for depreciation equals the acquisition cost.

The depreciation rates applied for separate types of tangible fixed assets:

- Computers and computer equipment	33,00 %
- Office equipment	12,50 %
- Vehicles	15,50 %
- Other equipment	10,00 – 50,00 %

Changes in Fixed Assets in 2006:

Item	In 000 SIT		
	Intangibles owned	Donated intangibles	Total
1. Purchase value			
Balance as at 1 January 2006	43.000	141.206	184.206
Increase – new purchases	3.631	4.372	8.003
Increase – other	0	0	0
Decrease	(5.804)	(5.437)	(11.241)
Balance as at 31 December 2006	40.827	140.141	180.968
2. Accumulated depreciation			
Balance as at 1 January 2006	(31.903)	(96.019)	(127.922)
Increase – depreciation	(4.225)	(12.178)	(16.403)
Increase – other	(0)	(0)	(0)
Decrease	4.880	3.259	8.139
Balance as at 31 December 2006	(31.248)	(104.938)	(136.186)
3. Book value			
Balance as at 1 January 2006	11.097	45.187	56.284
Balance as at 31 December 2006	9.579	35.203	44.782

The depreciation cost of donated tangibles (12.178 thousand SIT) debit temporarily restricted net assets (Note 8).

3. Short term receivables

	In 000 SIT	2006	2005
		229.622	58.145

This item comprises receivables for VAT in Bosnia and Hercegovina (159.437 thousand SIT), receivables from donors for (64.748 thousand SIT) and receivables for bank deposits interests (4.257 thousand SIT), advance payments (373 thousand SIT), advance payments for travelling expenses (98 thousands SIT) and other (709 thousand SIT).

4. Short-term Financial Assets	In 000 SIT	2006 1.773.815	2005 1.427.467
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This item comprises short-term deposits with the domestic bank:

Assets	Interest rate (p.a.)	Currency	In thousand SIT
Donors assets	4,95%	USD	1.491.837
Donors assets	3,00%	EUR	167.748
Donors assets	3,15%	SIT	44.114
Donors assets	3,25%	SIT	14.037
Own assets	3,15%	SIT	20.052
Own assets	3,15%	SIT	26.000
Own assets	3,25%	SIT	10.027
Total			1.773.815

All deposits have the maturity in January 2007.

5. Cash and Bank	In 000 SIT	2006 1.390.525	2005 1.671.602
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Foreign currency accounts	1.349.715	1.647.634
Slovene Tolar accounts	34.377	18.697
Petty Cash	6.433	5.271

6. Unrestricted Net Assets	In 000 SIT	2006 82.251	2005 43.844
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Founding capital	1.000	1.000
Retained earnings	42.835	7.160
Adjustment	0	365
Net Result for the Year	38.407	35.319

The founding capital of 1.000 thousand SIT was transferred to the International Trust Fund for Demining and Mine Victims Assistance on 22 July 1998, when the Ministry of Foreign Affairs approved the Founding Act.

Summary of Changes in Unrestricted Net Assets in 2006:

Item	Founding capital	Retained earnings	Net result for the year	Total
Balance as at 31.December 2005	1.000	7.525	35.319	43.844
Transfer to unrestricted net assets	0	0	38.407	38.407
Surplus transfer	0	35.319	(35.319)	0
Balance as at 31 December 2006	1.000	42.835	38.407	82.251

7. Permanently Restricted Net Assets	In 000 SIT	2006 3.019.805	2005 2.970.647
--------------------------------------	------------	-------------------	-------------------

Donations for demining and mine victims rehabilitation and other specific purposes	3.019.730	2.970.244
Deferrals	0	60
Other	75	343

Summary of Changes in Permanently Restricted Net Assets (in 000 SIT):

	Donations (cash)	Donated advances	Total
Balance as at 31 December 2005	2.970.244	60	2.970.304
Donations received	5.926.752	0	5.926.752
Donations returned	(21.838)	0	(21.838)
Interest credited	93.929	0	93.929
Use of donations	(5.491.797)	0	(5.491.797)
- Demining	(4.068.369)	0	(4.068.369)
- Rehabilitation	(900.418)	0	(900.418)
- Mine victims assistance	(391.965)	0	(391.965)
- Training	(29.032)	0	(29.032)
- Financing of the Trust Fund	(86.723)	0	(86.723)
- Other	(15.290)	0	(15.290)
Trust Fund's Revenues	(156.165)	0	(156.165)
Other	0	(60)	(60)
Exchange rate differences	(312.566)	0	(312.566)
Changes in balance of donors pledging for activities temporarily financed by the Trust Fund	11.171	0	11.171
Balance as at 31 December 2006	3.019.730	0	3.019.730

Summary of Changes in Permanently Restricted Net Assets in 2006 (in 000 SIT):

Donor	Opening balance	Donations received	Revenues	Demining	Structure	Mine victims assistance	Other	Training	Financing of the Trust Fund	Returned donations	Interests Credited	Reallocation	Exchange gains/losses	Donor pledge/settlement of donors pledge	Balance as at 31.12.2006
ADOPT-A-MINEFIELD	77.736	105.684	(3.574)	(60.656)	0	0	0	0	0	0	4.205	0	(10.714)	0	112.681
AMWAY	3.534	0	0	0	0	0	0	0	0	0	0	0	(358)	0	3.176
AUSTRIA	199.593	107.835	(3.235)	(163.622)	0	0	0	0	0	(3.684)	3.849	0	36	0	140.772
AUSTRIA – MFA	0	4.792	(144)	0	0	0	0	0	0	0	0	0	0	0	4.648
BELGIUM	37	19.167	(575)	(15.842)	0	0	0	0	0	0	0	0	(2)	0	2.785
BH MAC	118	0	0	0	0	0	0	0	0	0	0	0	0	0	118
CANTON BOSANSKO-PODRINJSKI GORAŽDE	0	3.063	(92)	0	0	0	0	0	0	0	0	0	1	0	2.972
BRČKO DISTRICT GOVERNMENT	0	79.448	(2.383)	(58.846)	0	(5.012)	0	0	0	0	0	0	8	0	13.215
COORDINAMENTI DONNE	1.193	0	0	0	0	(1.193)	0	0	0	0	0	0	0	0	0
CROATIA WITHOUT MINES	198	0	0	0	0	0	0	0	0	0	0	0	(20)	0	178
CZECH REPUBLIC	0	16.672	(500)	0	0	(10.605)	0	0	0	0	0	0	(336)	0	5.231
DAN CHURCH AID	0	11.542	(346)	(11.196)	0	0	0	0	0	0	0	0	0	0	0
DIANA PLESTINA	1.795	0	0	0	0	0	0	(926)	0	0	0	0	0	0	869
ĐURĐA OTRŽAN	2.001	0	0	0	0	0	0	0	0	0	82	0	(204)	0	1.879
ELEKTROPRIVREDA HERCEG BOSNE	100	0	0	0	0	0	0	0	0	0	0	0	0	0	100
ELEKTROPRIVREDA HZ HB MOSTAR	621	0	0	0	0	0	0	0	0	0	0	0	0	0	621
EUROPEAN AGENCY FOR RECONSTRUCTION	271	0	0	0	0	0	0	0	0	0	0	(271)	0	0	0
EUROPEAN AGENCY FOR RECONSTRUCTION - A	51	0	0	0	0	0	0	0	0	0	0	(51)	0	0	0
EUROPEAN COMMISSION - EC ZAGREB	0	39.879	(1.347)	0	0	0	0	0	0	0	0	4.100	(9)	(42.623)	0
EUROPEAN UNION - 2003 –A	120.583	0	0	(181.569)	0	0	(2.396)	0	0	0	0	0	1	63.381	0
EUROPEAN UNION - 2003 –B	0	7.929	0	0	0	0	308	0	0	0	0	2.091	0	(10.328)	0
EUROPEAN UNION 4- Interests	12.363	0	0	0	0	0	0	0	0	0	904	(5.869)	3	0	7.401
FOUNDATION WORLD WITHOUT MINES	5.397	8.386	(252)	(4.648)	0	0	0	0	0	0	0	0	2	0	8.885
FRANCE	119	0	0	0	0	0	0	0	0	0	3	0	0	0	122
GLOBAL CARE UNLIMITED	3	0	0	0	0	0	0	0	0	0	0	0	(3)	0	0
HANDICAP INTERNATIONAL	0	13.008	0	0	0	(12.911)	0	0	0	0	0	0	(97)	0	0
NIGHT OF A THOUSAND DINNERS	6.747	9.770	(293)	0	0	0	(3.584)	0	(90)	0	0	0	0	0	12.550
KAMPOS IZTOK AND CIMERMQCIC ZDENKA	0	57	(2)	0	0	(55)	0	0	0	0	0	0	0	0	0
INSTITUTE FOR REHABILITATION, REP. OF SLOVENIA	0	0	0	0	0	(815)	0	0	0	0	0	195	(13)	741	108
IRELAND	6.062	28.750	(862)	(18.799)	0	0	0	0	0	0	0	0	5	0	15.156
JAKI AND ŠČETININ ARHITEKTA (ARHEdo) 252	0	0	0	0	0	0	0	0	0	0	0	0	0	252	0
CANADA	276	181.717	(3.089)	(25.192)	(153.437)	0	0	0	0	0	59	0	(40)	0	294
COMMISSION FOR DEMINING	4.123	0	0	0	0	(3.883)	0	0	0	0	0	0	1	0	241
KOREA	607	0	0	0	0	(591)	0	0	0	0	0	0	(16)	0	0
LANDMINE SURVIVORS NETWORK	0	86.275	(2.588)	0	0	(83.592)	0	0	0	0	0	0	(95)	0	0
LIONS CLUB ZRINJEVAC	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HUNGARY	0	3.763	(113)	0	0	0	0	0	0	0	0	0	(120)	0	3.530
MARASKA	0	73.844	(2.215)	(68.988)	0	0	0	0	0	(2.305)	0	0	(336)	0	0
MARSHALL LEGACY INSTITUTE	0	17.248	(517)	0	0	0	0	(16.809)	0	0	0	0	78	0	0
BOSNIA AND HERZEGOVINA	0	412.799	(12.384)	0	(401.486)	0	0	0	0	0	0	0	1.071	0	0
SLOVENIA- MINISTRY OF DEFENSE	0	17.100	(498)	0	0	0	0	0	0	0	0	0	0	0	16.602

Donor	Opening balance	Donations received	Revenues	Demining	Structure	Mine victims assistance	Other	Training	Financing of the Trust Fund	Returned donations	Interests Credited	Reallocation	Exchange gains/losses	Donor pledge/ settlement of donors pledge	Balance as at 31.12.2006
CANTON SARAJEVO - MINISTRY OF URBAN															
PLANNING AND ENVIROMENTAL PROTECTION	0	20.827	(625)	(11.977)	0	0	0	0	0	0	0	0	1	0	8.226
SLOVENIA – MINISTRY OF FOREIGN AFFAIRS 2003	3.007	0	0	0	0	0	0	0	0	0	0	0	0	0	3.007
MOBITEL d.d.	0	400	0	0	0	0	(400)	0	0	0	0	0	0	0	0
GERMANY	54.970	592.335	(17.770)	(480.946)	0	(4.421)	0	0	0	(10.528)	0	0	(3)	0	133.637
NORWAY	0	1.090.777	(8.112)	(1.077.820)	0	(4.324)	0	0	0	0	0	0	(272)	0	249
NOVA LJUBLJANSKA BANKA	2	0	0	0	0	0	0	0	0	0	0	0	0	0	2
COMMUNITY GORAŽDE	0	2.450	(74)	0	0	0	0	0	0	0	0	0	0	0	2.376
COMMUNITY ILIDŽA	0	12.251	(368)	0	0	0	0	0	0	0	0	0	4	0	11.887
COMMUNITY STARI GRAD	39.669	0	0	(36.269)	0	0	0	0	0	0	0	0	5	0	3.405
RAIFFEISEN KREKOVA BANKA	0	1.000	0	0	0	0	(1.000)	0	0	0	0	0	0	0	0
SLOVENIA - MINISTRY OF FOREIGN AFFAIRS 2005	6.647	0	0	0	0	(794)	0	(3.478)	(860)	0	0	0	0	0	1.515
SLOVENIA - 2004	3.883	0	0	0	0	(3.190)	(108)	(372)	0	0	0	0	0	0	213
SLOVENIA - 2005	22.372	0	0	0	0	(3.356)	(6.379)	(1.840)	(1.328)	0	0	0	0	0	9.469
SLOVENIA - 2006	0	90.000	0	0	0	(3.640)	0	0	(76.736)	0	0	0	0	0	9.624
SLOVENIA - 2006	0	43.000	0	0	(4.078)	(4.000)	0	0	(7.709)	0	0	0	0	0	27.213
ROOTS OF PEACE	2.906	0	0	(2.849)	0	0	0	0	0	0	0	0	(57)	0	0
ROTARY CLUB INTERNATIONAL CALVIA	0	1.437	(43)	0	0	(1.394)	0	0	0	0	0	0	0	0	0
ROTARY CLUB WIEN - NORDOST	0	56.303	(1.689)	(54.617)	0	0	0	0	0	0	0	0	3	0	0
SLOVENIAN TABLE TENNIS ASSOCIATION	0	1.023	(33)	0	0	(941)	0	0	0	0	0	0	(49)	0	0
SPAIN	0	71.890	(2.157)	0	0	0	0	0	0	0	0	0	2	0	69.735
SWEDEN	8	0	0	0	0	0	0	0	0	0	0	0	0	0	8
SWITZERLAND	445	76.202	(2.286)	(74.030)	0	0	0	0	0	0	0	0	100	0	431
UNITED KINGDOM	182.075	142.309	(3.986)	(133.137)	(167.831)	0	0	0	0	0	1.532	0	803	0	21.765
SERBIA	0	119.809	(3.594)	(116.212)	0	0	0	0	0	0	0	0	(3)	0	0
UNITED KINGDOM	6	0	0	0	0	0	0	0	0	0	0	0	(1)	0	5
UNITED NATIONS DEVELOPMENT PROGRAM - BiH	84.332	13.911	(417)	(82.806)	0	0	0	0	0	(5.321)	0	0	199	0	9.898
UNITED NATIONS DEVELOPMENT PROGRAM - ALBANIJA	0	369.630	(11.089)	(357.388)	0	0	0	0	0	0	0	0	182	0	1.335
United Nations Association of the United States of America (UNA-USA)	0	201	(6)	0	0	0	0	0	0	0	0	(195)	0	0	0
CANTON CENTRAL BOSNIAN	0	24.501	(735)	(11.883)	0	0	0	0	0	0	0	0	3	0	11.886
WALNUT CREEK	495	0	0	0	0	0	0	0	0	0	0	0	(50)	0	445
USA-10-ALBANIA	1.433	0	0	0	(1.329)	0	0	0	0	0	0	0	(104)	0	0
USA-10-MACEDONIA	496	0	0	0	0	0	(456)	0	0	0	0	0	(40)	0	0
USA-10-MVA	13.694	0	0	0	0	(3.261)	0	0	0	0	0	0	(1.123)	0	9.310
USA-10-REGION	3.321	0	0	0	0	0	(18)	0	0	0	0	0	(336)	0	2.967
USA-10-SERBIA AND MONTENEGRO	76.046	0	0	0	(6.388)	0	0	0	0	0	0	0	(7.504)	0	62.154
USA-10-CAUCASUS	1.018	0	0	0	0	0	0	0	0	0	0	0	(103)	0	915
USA-10/2004-ALBANIA	13.650	0	0	(8.400)	(2.507)	(1.662)	0	0	0	0	0	0	(708)	0	373
USA-10/2004-BOSNIA AND HERZEGOVINA	224.161	0	0	(86.117)	(66.667)	(9.484)	(1.111)	0	0	0	0	0	(13.500)	0	47.282
USA-10/2004-REGION	37.637	0	0	0	(26.516)	0	0	0	0	0	0	0	(3.084)	0	8.037
USA-10/2004-REHABILITATION	116.986	0	0	(882)	0	(61.151)	(1.806)	(3.800)	0	0	0	0	(8.437)	0	40.910

Donor	Opening balance	Donations received	Revenues	Demining	Structure	Mine victims assistance	Other	Training	Financing of the Trust Fund	Returned donations	Interests Credited	Reallocation	Exchange gains/losses	Donor pledge/ settlement of donors pledge	Balance as at 31.12.2006
USA-10/2004-SERBIA AND MONTENEGRO	91.292	0	0	(12.775)	0	0	0	0	0	0	0	0	(8.367)	0	70.150
USA-10/2005-ALBANIA	163.480	0	0	(58.547)	0	0	0	0	0	0	0	0	(16.401)	0	88.532
USA-10/2005-BOSNIA AND HERZEGOVINA	530.017	0	0	(197.831)	0	0	0	0	0	0	0	0	(46.668)	0	285.518
USA-10/2005-CROATIA	192.091	0	0	(172.439)	0	0	0	0	0	0	0	0	(10.373)	0	9.279
USA-10/2005-REGION	80.972	0	0	0	(41.277)	0	(841)	0	0	0	0	0	(6.963)	0	31.891
USA-10/2005-REHABILITATION	293.256	0	0	(1.469)	0	(148.168)	0	0	0	0	0	0	(21.550)	0	122.069
USA-10/2005-SERBIA AND MONTENEGRO	134.381	0	0	(78.310)	0	0	0	0	0	0	0	0	(10.648)	0	45.423
USA-14- BOSNIA AND HERZEGOVINA	2.067	0	0	(287)	0	0	0	0	0	0	0	0	(201)	0	1.579
USA-14- CROATIA	16.335	0	0	(997)	(2.022)	0	0	0	0	0	0	0	(1.520)	0	11.796
USA-14- YUGOSLAVIA	12	0	0	0	(12)	0	0	0	0	0	0	0	0	0	0
USA-14- REGION	19.933	0	0	0	(976)	0	0	(1.807)	0	0	0	0	(1.922)	0	15.228
USA-2006-ALBANIA	0	203.880	(7.136)	0	0	(10.164)	0	0	0	0	0	0	(14.446)	0	172.134
USA-2006-BOSNIA AND HERZEGOVINA	0	672.804	(23.548)	(86.124)	0	(5.412)	0	0	0	0	0	0	(46.289)	0	511.431
USA-2006-CROATIA	0	468.924	(16.412)	(306.150)	0	(2.587)	0	0	0	0	0	0	(26.302)	0	117.473
USA-2006-KOSOVO	0	22.427	(785)	0	(11.166)	0	0	0	0	0	0	0	(1.247)	0	9.229
USA-2006-MACEDONIA	0	10.194	(357)	0	0	0	0	0	0	0	0	0	(741)	0	9.096
USA-2006-REGION	0	62.897	(2.201)	(983)	0	0	0	0	0	0	0	0	(4.526)	0	55.187
USA-2006-REHABILITATION	0	302.762	(10.597)	0	0	(5.359)	0	0	0	0	0	0	(21.808)	0	264.998
USA-2006-SERBIA AND MONTENEGRO	0	203.880	(7.136)	(7.766)	(2.625)	0	0	0	0	0	0	0	(14.565)	0	171.788
USA-BIH-2	0	0	0	0	(2.415)	0	2.415	0	0	0	0	0	0	0	0
USA-ML-1	6.140	0	0	0	(3.754)	0	0	0	0	0	0	0	(529)	0	1.857
USA-INTERESTS	89.344	0	0	0	0	0	0	0	0	0	83.295	0	(10.690)	0	161.949
USA-UNILATERAL	9.227	0	0	0	(5.932)	0	86	0	0	0	0	0	(716)	0	2.665
USA-US Technical Assistance	8.658	0	0	0	0	0	0	0	0	0	0	0	(865)	0	7.793
TOTAL	2.970.244	5.926.752	(156.165)	(4.068.369)	(900.418)	(391.965)	(15.290)	(29.032)	(86.723)	(21.838)	93.929	0	(312.566)	11.171	3.019.730

The donation balances were presented according to the mid exchange rate of the Bank of Slovenia in effect as at 31 December 2006.

8. Temporarily Restricted Net Assets	In 000 SIT	2006 46.025	2005 45.019
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Summary of Movements in Temporary Restricted Net Assets in 2006:

	2006	2005
	In 000 SIT	In 000 SIT
Balance as at 01. January	45.019	62.322
Donation received	15.853	2.238
Differences (disposals, sales, reconciliation)		
- Depreciation	(12.669)	(19.918)
- Disposals	(2.178)	(103)
- Reconciliation	0	480
Balance as at 31. December	46.025	45.019

9. Accounts payable	In 000 SIT	2006 295.052	2005 145.637
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Accounts payable to foreign vendors	291.074	116.231
Accounts payable to domestic vendors	3.978	29.406

Accounts payable to foreign vendors in amount of 291.074 thousand SIT and accounts payable do domestic vendors in amount of 392 thousand SIT debit temporarily restricted net assets.

10. Revenues / Donations	In 000 SIT	2006 5.665.368	2005 5.496.043
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Utilization of permanently restricted net assets – main activities of fund	5.493.371	5.326.074
Operating revenues, fixed percentage of donated funds	156.125	147.274
Depreciation/amortisation of donated assets	12.669	19.918
Other revenues	3.203	2.777

Other revenues of the Trust Fund consist of sales of tender documentation (2.811 thousand SIT) and other (392 thousand SIT).

11. Income from Financing	In 000 SIT	2006 613.513	2005 537.755
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Exchange rate gains	499.112	482.146
Interest received	114.401	55.590
Others	0	19

12. Costs of Materials and Services	In 000 SIT	2006 5.498.924	2005 5.338.975
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Materials	16.414	10.947
Services	5.482.510	5.328.028

The total of costs of materials and services debits permanently restricted net assets in amount 5.444.282 thousand SIT.

Cost of services consist of (in thousand SIT)

	2006	2005
production services (de-mining, rehabilitation, others)	5.388.318	5.227.067
reimbursement of travelling expenses to employees	25.410	30.220
costs of professional fees	23.657	21.326
cost of marketing, advertising, fairs	8.500	9.071
insurance costs	7.119	6.682
lease rental charges	5.483	9.022
maintenance costs	3.064	594
other	20.959	24.046
total	5.482.510	5.328.028

13. Labour Expenses	In 000 SIT	2006 120.155	2005 120.950
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Payroll expenses	88.567	87.918
Social security contributions and benefits	12.242	12.505
Other labour costs	19.346	20.527

Payroll expenses consist of payments to employees of the Trust Fund's Headquarters (72.234 thousand SIT) and payments to employees of implementation offices (16.333 thousand SIT).

Social security contributions and benefits include pension fund payments in the amount of 2.362 thousand SIT.

Other labour costs consist of payroll tax (4.982 thousand SIT), employee travel and meal costs reimbursement (8.791 thousand SIT), extra vacation payment (2.876 thousand SIT), and other (2.697 thousand SIT).

Labour costs in the amount of 44.810 thousand SIT debit permanently restricted net assets.

		2006	2005
14. Other Expenses	In 000 SIT	1.098	407

Other expenses, in the amount of 37 thousand SIT, debit permanently restricted net assets.

		2006	2005
15. Costs of Financing	In 000 SIT	579.896	512.233

This item consists of exchange rate losses (503.956 thousand SIT), interest costs (93.931 thousand SIT) and other (9 thousand SIT).

The Trust Fund increased its permanently restricted net assets for the amount of interest (93.931 thousand SIT) on donated funds, pursuant to underlying agreements with individual donors (Note 7).

16. Allocation of Operating Results for the Year

	In 000 SIT	2006	2005
Retained earnings as at 1 January		42.844	7.160
Operating surplus (loss)		38.407	35.319
Reconciliation		0	365
Retained earnings as at 31 December		81.251	42.844

17. Potential Liabilities

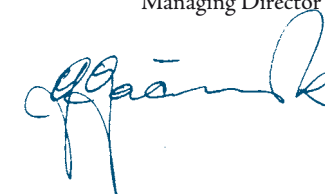
The Trust Fund is the defendant in a lawsuit at the Ljubljana court of law. Claim amount to total of 8,5 millions SIT. The ultimate outcome of the lawsuit cannot presently be determined, and no provision for any liability that may result has been made in the financial statements for the year 2006.

18. Post-Balance Sheet Events

In the period since the balance sheet date to the date of this report no events that would take effect on the fair view of the financial statements for the year 2006 have occurred.

Ig, 16 February 2007

Goran Gačnik
Managing Director



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