<u>Decision Amending the Law on the Temporary Prohibition of</u> <u>Disposal of State Property of Bosnia and Herzegovina</u>

In the exercise of the powers vested in the High Representative by Article V of Annex 10 (Agreement on Civilian Implementation of the Peace Settlement) to the General Framework Agreement for Peace in Bosnia and Herzegovina, according to which the High Representative is the final authority in theatre regarding interpretation of the said Agreement on the Civilian Implementation of the Peace Settlement; and considering in particular Article II.1.(d) of the last said Agreement, according to the terms of which the High Representative shall "Facilitate, as the High Representative judges necessary, the resolution of any difficulties arising in connection with civilian implementation":

Recalling paragraph XI.2 of the Conclusions of the Peace Implementation Conference held in Bonn on 9 and 10 December 1997, in which the Peace Implementation Council welcomed the High Representative's intention to use his final authority in theatre regarding interpretation of the Agreement on the Civilian Implementation of the Peace Settlement in order to facilitate the resolution of any difficulties as aforesaid "by making binding decisions, as he judges necessary" on certain issues including (under sub-paragraph (c) thereof) "measures to ensure implementation of the Peace Agreement throughout Bosnia and Herzegovina and its Entities";

Recalling further that the Declaration of the Peace Implementation Council Steering Board, adopted at the level of Political Directors in Sarajevo on 24 September 2004, called for a "lasting solution" to "the issue of State Property";

Noting that pursuant to the aforesaid declaration, a Commissionfor State Property, for the Identification and Distribution of State Property, the Specification of Rights and Obligations of Bosnia and Herzegovina, the Entities and the Brcko District of Bosnia-Herzegovina in the Management of State Property (hereinafter: Commission), comprised of expert representatives from both Entities of Bosnia and Herzegovina, the Brcko District of Bosnia and Herzegovina, and the Institutions of Bosnia and Herzegovina, was formed in December 2004 by a Decision of the Council of Ministers of Bosnia and Herzegovina (Official Gazette of Bosnia and Herzegovina no. 10/05, 18/05, 69/05, 70/05, hereinafter: "Decision");

Considering that, in accordance with the aforementionedDecision, the Commission is tasked, among other things, with proposing legislation that regulates the identification of which property is owned by Bosnia and Herzegovina, the Federation of Bosnia and Herzegovina, Republika Srpska and Brcko District of Bosnia and Herzegovina, and that specifies their respective rights of ownership and management of State Property";

Recalling, that the Law on the Temporary Prohibition of Disposal of State Property of Bosnia and Herzegovina, (Official Gazette of Bosnia and Herzegovina 18/05, 85/06, 32/07) temporarily prohibits disposals of a State Property until the earlier of either the entry into force of the above-mentioned legislation on ownership rights and management of State Property or on 31 May 2007;

Considering further, that pursuant to Article 4a of the aforementioned Decision, the Commission is additionally tasked with deciding upon requests for "exemption(s) of certain state property from the ban imposed by the laws on temporary prohibition of disposal of State Property at the level of Bosnia and Herzegovina, Federation of Bosnia and Herzegovina and Republika Srpska;"

Regretting that, the temporary prohibition of disposals of State Property will expire on 31 May 2007, in accordance with the Decision of the High Representative Amending the Law on Temporary Prohibition of Disposal of State Property of Bosnia and Herzegovina (Official Gazette of Bosnia and Herzegovina no. 85/06, 32/07), prior to the enactment of the aforementioned legislation on the ownership rights and management responsibilities of Bosnia and Herzegovina, the Federation of Bosnia and Herzegovina, Republika Srpska and Brcko District of Bosnia and Herzegovina over State Property;

Regretting further, the failure of the initiative of the Parliamentary Assembly of Bosnia, in the House of Representatives at its 5th session, held on 22 May 2007, to urgently enact amendments to extend the application of the Law on the Temporary Prohibition of Disposal of State Property of Bosnia and Herzegovinabeyond 31 May 2007;

Bearing in Mind, the conclusion of Council of Ministers of Bosnia and Herzegovina, adopted at its 11th session held on 24 May 2007, by which it requested that the Commission be reconstituted, by which it called for negotiations with Entity and Brcko District governments towards an intergovernmental agreement on State Property, and by which it called upon the Public Attorney of Bosnia and Herzegovina to undertake measures to ensure the protection of State Property, including through the preparation of appropriate legislation;

Recognizing that the protection of the interests of Bosnia and Herzegovina, and its subdivisions, from the potential prejudice posed by further disposals of State Property prior to the enactment of appropriate legislation requires an extension of the laws temporarily prohibiting the disposal of State Property by Bosnia and Herzegovina, the Entities or any of its subdivisions;

Having considered, borne in mind and noted all the matters aforesaid, the High Representative hereby issues the following:

DECISION

Amending the Law on the Temporary Prohibition of Disposal of State Property of Bosnia and Herzegovina

which is hereby attached as an integral part of this Decision.

The said Law shall enter into force as a law of Bosnia and Herzegovina on the date provided for by Article 2 therein.

The Decision of Council of Ministers of Bosnia and Herzegovina on Establishing the Commission for State Property, for the Identification and Distribution of State Property, the Specification of Rights and Obligations of Bosnia and Herzegovina, the Entities and the Brcko District of Bosnia and Herzegovina in the Management of State Property, (Official Gazette of Bosnia and Herzegovina no. 10/05, 18/05, 69/05, 70/05) shall be amended to conform with this Law.

This Decision shall enter into force forthwith and shall be published without delay in the "Official Gazette of Bosnia and Herzegovina".

Sarajevo, 30 May 2007.

Dr. Christian Schwarz-Schilling High Representative

Law Amending the Temporary Prohibition of Disposal of State Property of Bosnia and Herzegovina

Article 1

In Article 4 of the Law on the Temporary Prohibition of Disposal of State Property of Bosnia and Herzegovina, Official Gazette of Bosnia and Herzegovina, no. 18/05 and 29/06, 85/06 and 32/07 the words "31 May 2007" shall be replaced with the words "30 September, 2007."

Article 2

