The Ban on Disposal of State Property Remains in Force

The *Draft Law on the Status of State Property Situated on the Territory of the RS and under the Disposal Ban,* adopted today in the first reading by the RSNA, does not repeal the provisions of the High Representative's Decisions *Temporarily Banning Disposals of State Property*. The High Representative's Decisions expressly call for disputes over ownership of State Property between the state, entities and Brcko District to be settled through legislation adopted on the basis of agreed recommendations of the inter-governmental Commission for State Property.

The RS's proposed law is a unilateral move of the kind that the Steering Board of the Peace Implementation Council has repeatedly warned would undermine the possibility of reaching any sustainable settlement. Enacting this law would substantively complicate implementation of the 5+2 agenda, the consequence of which would be a delay in OHR's transition.

Even if this law is eventually adopted and enters into force, it would not lift the ban on temporary disposal of State Property. It would instead introduce even more legal uncertainty over the ownership of State Property in the RS, and all those who may attempt to acquire property rights through this law would be putting their investment at risk.

The High Representative's earlier Decisions state that attempted transfers in violation of the ban are null and void. Any transfer under the proposed law adopted by the RSNA today may expose the RS to legal action by potential buyers.

The PIC Steering Board will be kept updated on developments,

but the OHR will not enter into speculation about which possible future actions the High Representative might take should this Law come into force.