<u>High Representative Extends Temporary Prohibition on Disposal</u> of State Property

The High Representative, Christian Schwarz-Schilling, has extended the temporary prohibition on the disposal of state property, originally enacted on 18 March 2005, until 31 May 2007, by amending the BiH, Federation and RS Laws on Temporary Prohibition of the Disposal of State Property.

The High Representative has acted to extend the provisional ban since the State Property Commission has not yet completed the necessary legislation governing rights and obligations to state property at each level of government. Until this legislation is enacted, it is necessary to ensure that ownership rights to public property are not diminished by prior sale.

The provisional ban now includes an exemption for property transferred to the BiH Institutions for defence purposes in accordance with procedures set forth in the BiH Defence Law.

The High Representative's Decision will ensure that these assets are only sold within the framework of proper regulations, and will enable the State Property Commission to conduct its work safe in the knowledge that those assets will not be sold off. The Decision will also ensure the continued implementation of defence reform.

The OHR urges the State Property Commission to fulfil the terms of its mandate and draft appropriate legislation, to be enacted by the relevant parliamentary assemblies within the next six months.