Decision amending the Framework Law on Privatisation of Enterprises and Banks in BiH by introducing a clause protecting investors

In the exercise of the powers vested in me by Article 5 of Annex 10 to the General Agreement for Peace in Bosnia and Herzegovina, according to which the High Representative is the final authority in theater regarding interpretation of his mandate; and considering in particular Art. II.1.(d) of the same Agreement, entrusting on the High Representative the power to facilitate, as he judges necessary, the resolution of any difficulties arising in connection with civilian implementation; recalling the interpretation of such a power given in paragraph XI.2 of the Conclusions of the Peace Implementation Conference held in Bonn the 10 December 1997, particularly sub-paragraph (b) thereof, in terms of which the High Representative is entitled to make binding decisions, as he judges necessary, on the adoption of measures aiming at ensuring implementation of the Peace Agreement throughout Bosnia and Herzegovina, including "*interim measures to take effect when parties are unable to reach agreement …*";

Considering the agreement among the authorities of Bosnia and Herzegovina that a process of restitution of nationalized and confiscated property is appropriate;

Bearing in mind that the Parliament of Bosnia and Herzegovina has neglected to discuss the Draft Law on Restitution in Bosnia and Herzegovina which was submitted to the Parliament

of Bosnia and Herzegovina by the Council of Ministers of Bosnia and Herzegovina in December 1999, and that the House of Representatives of Bosnia and Herzegovina has failed to adopt the Proposed Law on Amendments to the Framework Law on Privatization of Enterprises and Banks in Bosnia and Herzegovina during its 19th session on April 19, 2000;

Noting that the lack of clarity with regards to ownership titles caused by the absence of restitution legislation forms a considerable impediment to economic development in general and to the ongoing privatization process in particular;

All this considered, born in mind and noted, I hereby issue the following:

DECISION

on The Law on Amendments to the Framework Law on Privatization of Enterprises and Banks in Bosnia and Herzegovina

Article 2, paragraph 3 of the Framework Law on Privatization of Enterprises and Banks in Bosnia and Herzegovina, published in the Official Gazette of Bosnia and Herzegovina (number 12/99) on 2 August 1999, is hereby amended to read:

“In any process of restitution, privatization of enterprises and banks will not prejudice restitution claims that may be brought in accordance with applicable restitution laws; provided, however, that any Entity Restitution Law shall exclude enterprises and banks that are subject to privatization, and their land, assets and buildings from restitution in kind, and shall stipulate that the competent authorities shall provide fair compensation to all legitimate claimants.”

In all other aspects, the Framework Law on Privatization of Enterprises and Banks in Bosnia and Herzegovina is unchanged.

This Decision shall enter into force as law on May 12, 2000

and shall be published without delay in the Official Gazette of Bosnia and Herzegovina and in the Official Gazettes of the Federation of Bosnia and Herzegovina and of the Republika Srpska.

Sarajevo, 11 May 2000	Wolfgang Petritsch
	High Representative

Office of the High Representative