Inventory of State Property in Bosnia and Herzegovina

Compiled Under the Auspices of

The Office of the High Representative

December 2009

FINAL REPORT

I. Introduction

This report outlines the process and results of the inventory of State Property in Bosnia and Herzegovina (BiH) compiled under the auspices of the Office of the High Representative. The Office of the High Representative (OHR) provided the technical assistance for this inventory to facilitate the efforts of BiH authorities towards achieving a sustainable resolution of State Property apportionment between the State and other levels of government, which is the first of five objectives and two conditions necessary for the closure of OHR and its transition into the Office of the European Union Special Representative.¹ The inventory encompasses real property apportioned to Bosnia and Herzegovina in accordance with the international treaty on succession issues of the former Socialist Republic of Yugoslavia, and property registered on 31 December 1991 in the name of the Socialist Republic of Bosnia and Herzegovina and its organs. OHR conducted the inventory in conjunction with the cadastres, land registries and other public registries throughout the country and with respect to State Property situated outside of the territory of BiH, through cooperation with the BiH Council of Ministers.

Section II outlines the framework within which OHR undertook activities compiling an inventory of State Property, Section III explains the methodology by which OHR compiled the data domestically and abroad, and Sections IV, V and VI review the manner by which the resultant data was processed, including with respect to the quality of the data sources for each identified property unit and its presentation within the database that accompanies this report. Finally, Section VII provides a brief overview of the compiled inventory results, including assessment regarding the quality and completeness of the data. A statistical summary of the compiled inventory is attached as Annex A.

II. Background

Since the break up of Yugoslavia in 1992, a myriad of laws and decisions regulating either the nature of property in BiH or the privatization of public assets were adopted². Legislation adopted by the authorities in BiH after entry into force of the Dayton Peace Agreement³ only partially resolved the respective ownership rights of the State and other levels of government in Bosnia and Herzegovina over preexisting public property - including property held by former Federal level SFRY bodies and the former Socialist Republic of Bosnia and Herzegovina (SRBiH).⁴

¹ See Declaration of the Peace Implementation Council of 27 February 2008 at <u>http://www.ohr.int/pic/default.asp?content_id=41352</u>.

² See the *Decree on Taking-Over Assets of the Former Socialist Federal Republic of Yugoslavia by the Republic of Bosnia and Herzegovina*, 15 June 1992, no. 1199/92 which provides that socially owned assets of the former SFRY which were used by the federal bodies and organizations and by the former JNA shall become property of the Republic of Bosnia and Herzegovina (see art. 1).

³ General Framework Agreement for Peace in Bosnia and Herzegovina.

⁴ See the Framework Law on Privatization of Enterprises and Banks in Bosnia and Herzegovina (BiH O.G. no.19/99, 2 August 1999); see also Law on the Purpose and Usage of the Part of Property Received by Bosnia and Herzegovina under the Succession Agreement (O.G. no. 11/02, 30 May 2002).

The Succession Agreement identified and resolved the distribution of rights, assets and liabilities between SFRY successor states, which included a portion of real property assigned by the treaty – on an international level- to Bosnia and Herzegovina. With the signing of the Agreement on Succession Issues of the former SFRY in 2001 and the treaty's entry into force in June 2004, the BiH authorities renewed their efforts to comprehensively settle ownership issues related to preexisting public property. However, what emerged from the settlement of BiH property interests vis-à-vis other SFRY successor states was an internal dispute as to the ownership distribution of these assets between the State and other levels of government. In this context, on 24 September 2004, the Peace Implementation Council Steering Board called upon the authorities of BiH to find "lasting solution" to "the issue of State Property" in BiH.⁵

A. State Property Commission

On 16 December 2004 the BiH Council of Ministers (CoM) established by Decision a Commission for State Property (Commission)⁶ to "develop criteria for the identification and distribution of state property among Bosnia and Herzegovina, the Entities and Brcko District of BiH, and for the adoption of regulations on the management of that property, and for proposing draft legislation on the rights of ownership and management of State Property."⁷ For the purposes of the Commission's work, the decision generally defines State Property as moveable and real property that belongs to the State of BiH pursuant to the International Agreement on Succession Issues, moveable and real property over which the Socialist Republic of Bosnia and Herzegovina (SRBiH) and any of its bodies held as a right of disposal or management before 31 December 1991, and property deemed subject to apportionment following an analysis of land registries and cadastres. Moreover, for the purposes of identifying State Property that is owned by the Institutions of BiH, the Entities and Brcko District of BiH, the decision identifies property as falling within the above categories

"... regardless of whether, on the day of adoption of this Decision, the said property is considered to be owned or possessed by, or is registered as the property of any level of government or public organization in Bosnia and Herzegovina and regardless of whether the said property has, since the cessation of the existence of the Socialist Federal Republic of Yugoslavia, been disposed of in any manner or form by any legal person or body either private or public."⁸

⁵ See Declaration of the Peace Implementation Council Steering Board adopted at the level of Political Directors in Sarajevo of 24 September 2004.

⁶ Decision of the BiH Council of Ministers on "Establishment of 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-Herzegovina in the Management of State Property," Official Gazette of Bosnia and Herzegovina, No. 10/05, 18/05, 69/05, 70/05).

⁷ Ibid. at Article 1.

⁸ Ibid. at Article 2 (b) and (c).

On 18 March 2005, the High Representative enacted legislation at State and Entity level temporarily prohibiting the transfer of State Property to ensure that delays developing a sustainable settlement of State Property ownership issues did not result in the sale and/or encumbrance of these public assets.⁹ These laws temporarily prohibiting transfers of State Property were accompanied by a separate decision of the High Representative supplementing the Commission's mandate to include the authority to exempt certain State Property from the prohibition on transfers.¹⁰

Notwithstanding the Commission's mandate to propose a broad range of legislative and regulatory solutions, including through an analysis of cadastre, land registry records and other public registries, the commission did not initiate an inventory of State Property.¹¹ Instead, the Commission's efforts – since its formation until today - have focused primarily on the development of criteria for ownership of State Property by BiH, entities and the Brcko District of BiH, the development of draft legislation for the implementation of the criteria, and the resolution of requests for exemptions from the prohibition on State Property transfers.

Although the Commission made little progress developing unified draft legislation to settle State Property ownership issues, its protracted efforts did highlight the need for an inventory and led to the formation of a Working Group to compile it. After failing to reach agreement on either the criteria for apportioning State Property or legislation to implement it during its original mandate, new members were appointed on 19 July 2007. On 23 October 2007 the reconstituted commission adopted compromise criteria.¹² Despite its adoption, for more than a year the commission remained deeply divided and was unable to translate the compromise criteria into draft legislation. It referred many disputed issues, initially in 2007, to the Council of Ministers, and subsequently in November 2008, to parallel discussions between political party leaders.¹³ However, neither the Council of Ministers nor the political party leaders reached agreement on the practical meaning of the compromise criteria or mechanisms by which the Commission

⁹ See High Representative Decisions of 18 March 2005: 1. Decision Enacting the Law on the Temporary Prohibition of Disposal of State Property of Bosnia and Herzegovina (HRD 343/05); 2. Decision Enacting the Law on the Temporary Prohibition of Disposal of State Property of the Federation of Bosnia and Herzegovina (HRD 344/05); 3. Decision Enacting the Law on the Temporary Prohibition of Disposal of State Property of Republika Srpska (HRD 342/05).

 ¹⁰ See the High Representative's Decision Amending the Decision 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 –Herzegovina in the Management of State Property, Official Gazette of BiH no. 10/05.

 ¹¹ Ibid. See CoM CSP Decision at Article 2 (c) and 3 (a) – (e). However, some members believed that the Commission's mandate did not include the authority to initiate an inventory process.
 ¹² See "Proposed Criteria for Establishment and Distribution of State Property," adopted by the CSP Sub-

¹² See "Proposed Criteria for Establishment and Distribution of State Property," adopted by the CSP Sub-Working Group on 23 October 2007 and considered at its 5th plenary session on 23 October 2007. Under this compromise criteria, which was adopted by a sub-commission and considered at the Commission's 5th plenary session, state level institutions would own the entire foreign State Property and the portion of the domestic State Property that is either used by Institutions of BiH or is necessary for the fulfillment of their competences. All other immovable State Property would be owned by either one of the entities or Brcko District, depending on the location of the specific property.

¹³ See "Agreement reached by the Political Party Leaders of SNSD, SDA and HDZ" and the Annex thereto respectively reached on 8 November and 22 December 2008.

should translate it into draft legislation. However, what emerged from these efforts was a broad agreement among stakeholders on the need to compile an inventory of state property as a core element of a sustainable state property settlement.

B. Inventory Working Group

On 9 April 2009, the Council of Ministers adopted the *Decision Establishing the Working Group for Property Inventory* (IWG Decision). The decision tasked the working group, comprised of experts drawn from State, Entity and Brcko District institutions, to prepare an inventory with the technical support of the General Secretariat of the Council of Ministers. The decision provides that the inventory "includes the property referred to in Article 2 of the Decision on Establishing the Commission for State Property," and further prescribes a six-month period marking 30 September 2009 as the deadline for the Working Group to compile the inventory.

The BiH Council of Ministers confirmed the nominations to the Working Group on 29 April 2009, and convened its inaugural session on 19 May 2009. Thereafter, the working group met six (6) times, each time considering proposals on the mechanisms by which inventory would be conducted. The Working Group informally agreed that it lacked sufficient resources to conduct an inventory through their own direct review of land registers and cadastres and that therefore the inventory data should be compiled through direct written requests to land registries and cadastres throughout the country. However, members differed markedly on the form and scope of the data that should be included in requests to public property registers. By its last regular session, which was held on 7 July 2009, the Working Group had proved unable to reach consensus on a single proposal with the effect of initiating the process of compiling an inventory of State Property.

Recognizing the absence of any decision by the Working Group to initiate the process of compiling inventory data, on 12 August 2009 the High Representative wrote the Chairman of the Council of Ministers, the Entity Prime Ministers, and the Mayor of Brcko District of BiH informing them of his intention to provide "technical assistance in compiling a State Property Inventory and auditing of the results." The High Representative took this initiative in response to the Political Directors' and the Steering Board Ambassadors' of the Peace Implementation Council's call for such assistance, respectively, on 30 June¹⁴ and 7 August 2009.¹⁵ He indicated that his Office would compile data on immovable State Property falling within the scope of assets defined by the Council of Minister's decision establishing the State Property Commission through specialized staff that would be recruited to gather data from cadastres, land registries and other public registers, and that upon completion, the results would be delivered to the BiH, entity and Brcko District governments. He further indicated that the results of the completed inventory would serve as the basis of continued discussions towards a

¹⁴ See the Communiqué of the Steering Board of the Peace Implementation Council of 30 June 2009 at <u>http://www.ohr.int/pic/default.asp?content_id=43665</u>.

¹⁵ See Statement by the Ambassadors of the Peace Implementation Council's Steering Board of 7 August 2009 at <u>http://www.ohr.int/pic/default.asp?content_id=43799</u>.

sustainable settlement of State Property ownership issues without prejudice as to how such assets will be apportioned between the state and other levels of government.

On 13 August 2009, the High Representative wrote to all cadastre offices¹⁶ and land registers ¹⁷ requesting that each office begin reviewing the public records maintained by their offices, to begin preparing specific data on those properties falling within the scope of Article 2 of the decision establishing the State Property Commission, and to return all appropriate forms and documentation by 15 September 2009.¹⁸

In parallel, the Office of the High Representative began its recruitment of specialized staff to compile and process the inventory data. The governments of Germany, Italy, Sweden and United States of America provided donor support for OHR's recruitment of 20 consultants with expertise in real property rights and its registration in public registers, geodetic affairs, property-legal relations, and project management.¹⁹ OHR completed recruitment of inventory project consultants on 14 September and began compiling data under the auspices of the Department of Legal Affairs and in cooperation with cadastre offices, land registry offices and with other institutions maintaining public property records.

The High Representative's Decision On the Inventory of State Property In and Outside Bosnia and Herzegovina of 11 September 2009²⁰ provided the legal and operational framework for conducting the inventory under OHR auspices. The inventory was compiled over the course of approximately 13 weeks.

III. Inventory Scope & Methodology

A. Scope of the Inventory

The scope of State Property data compiled by OHR includes immovable property situated domestically and abroad. The High Representative's Decision On the Inventory of State Property In and Outside Bosnia and Herzegovina incorporates the legal definition of State Property prescribed by the 9 April 2009 Council of Ministers' decision establishing the Working Group for Property Inventory but excludes moveable property from the inventory compiled under OHR auspices.²¹ Article 1 of the latter aforementioned decision incorporates by reference the definition of State Property encompassed by the Council of

¹⁶ High Representative's Letter to all Cadastre Offices of 13 August 2009 http://www.ohr.int/popisdrzavneimovine/docs/HR%20to%20Cadasters%2013%20Aug%202009.pdf.

¹⁷ High Representative's Letter to Land Registries of 13 August 2009 http://www.ohr.int/popisdrzavneimovine/docs/HR%20to%20Land%20Registries%2013%20Aug%202009.pdf.
 ¹⁸ Forms for completion by land registries and cadastre offices were attached to the High Representative's

letter, examples of which may be found at http://www.ohr.int/popisdrzavneimovine.

¹⁹ Eighteen (18) consultants were citizens of Bosnia and Herzegovina, and two (2) were citizens of the United States of America, 1 advisor was hired directly by OHR.

²⁰ Decision On the Inventory of State Property In and Outside Bosnia and Herzegovina http://www.ohr.int/decisions/plipdec/default.asp?content_id=43935.²¹ Ibid. High Representatives Decision no. 07/09 of 11 September 2009.

Ministers' decision establishing the Commission for State Property (Official Gazette of BH 10/05), article 2 of which defines the following categories of assets as state property:

- Property that belongs to the State of Bosnia and Herzegovina pursuant to the international Agreement of Succession Issues of the former SFRY²²
- Property for which the right of disposal or management belonged to the former Socialist Republic of Bosnia and Herzegovina (SRBiH) and any of its organs before 31 December 1991;²³
- Other property falling under the distribution based upon an analysis of the cadastre, land registry records and other public registries.²⁴

B. Domestic State Property Methodology

In accordance with the relevant regulations, OHR issued guidelines to all public registries of real property and related rights thereto (hereinafter public registers) on the form and substantive content of the property data requested.²⁵ Specifically, officials were asked to

- "General public (or people's) property"
- "Socially owned property" but also as
- "State Property"

²² Pursuant to Article 2(a) of the CSP Decision, the Commission shall consider "state property" as:

[&]quot;Property consisting of movable or immovable properties, money, monetary and property claims which belongs to the state of Bosnia and Herzegovina (as an internationally recognized state) pursuant to the international Agreement on Succession Issues signed on 29 June 2001 by the states of Bosnia and Herzegovina, Croatia, the Former Yugoslav Republic of Macedonia, Slovenia and the Federal Republic of Yugoslavia, regardless of whether, on the day of adoption of this Decision, the said property is considered to be owned or possessed by, or is registered as the property of any level of government or public organization in Bosnia and Herzegovina and regardless of whether the said property has, since the cessation of the existence of the Socialist Federal Republic of Yugoslavia, been disposed of in any manner or form by any legal person or body either private or public; or

²³ Pursuant to Article 2(b) of the CSP Decision, the Commission shall consider "state property" as: "Property consisting of movable or immovable properties, money, monetary and property claims, for which the right of disposal and management belonged to the former Socialist Republic of Bosnia and Herzegovina and any of its subdivisions (hereinafter SRBiH) before 31 December 1991, regardless of whether the said property is, on the day of adoption of this Decision, considered to be owned or possessed by, or registered as the property of any level of government established by the Constitution of Bosnia and Herzegovina or any other level of government or public organization in Bosnia and Herzegovina and regardless of whether the said property has, since the cessation of the existence of the SRBiH been disposed of in manner or form by any legal person or body either private or public;"

²⁴ Pursuant to Article 2(c) of the CSP Decision, the Commission shall consider "state property" as "Any property which the Commission, after analyzing the cadastre, land registry records and other public registries, finds to fall under the distribution as referred to in Article 3, paragraph 1, item a) of this Decision"

²⁵ Relevant regulations include, inter alia, the Law on Registration of Socially Owned Real Property (SRBiH OG, 28/77); Law on Registration of Socially Owned Real Properties (SFRJ OG, 12/65); Decree on the Registration of Ownership Right to the State Real Properties (FNRJ OG, 58/47).

According to then applicable regulations, State Property appears in the land and other public books as:

 [&]quot;Bosnian-Herzegovinian Land Erar"

^{• &}quot;State Erar"

submit data and documentation on socially owned and state-owned property where SRBiH, and any of its organs, were registered as the titleholders on 31 December 1991. Public Registry officials were further asked to submit data on property where the former SFRY, and any of its bodies, were registered as the titleholders on the same date. Accordingly, the inventory includes property not only where the registered titleholder is SFRY or SRBIH, but also their organs including such as the Federal Secretariat for People's Defense (SSNO), the Republic Secretariat for Internal Affairs (SUP), the Federal and Republic Executive Councils (IV), as well as categories such as sociopolitical organizations (DPO)²⁶ or self-management communities of interests (SIZ)²⁷.

In addition to the inclusion of property registered to SRBiH and SFRY and their organs within the inventory data, some property registered to titleholders that either pre-exist the former SFRY or were disposed of by former SRBiH level bodies but not registered as such are also encompassed by the inventory (such as "erar", for example). Further, a review of the land registers and cadastres revealed certain properties registered in a rather general way (such as "General People's Property" for example), without a specified titleholder. In all of these circumstances, the property was included in the inventory only where SFRY or SRBiH organs where specifically registered as titleholders.

C. Methodology for State Property Situated Abroad

The inventory of foreign State Property was not compiled on the basis of written requests to property registers in foreign countries. Instead, the inventory took as its starting point data previously compiled and reported to the BiH Council of Ministers in December 2008 by the Working Group for the Identification of State Property Outside of Bosnia and Herzegovina.²⁸ This data was then supplemented by information about additional potential foreign State Property provided by representatives of the Working Group for State Property Abroad,²⁹ the State Property Commission, the BiH Ministry of Finance

²⁶ Socio-political organizations (DPOs) were established as "a form of free political organization of working people based on socialistic principles" at the level of the former SFRY/SRBiH, were financed via public funds, and were typically registered as titleholders of State Property:

^{• &}quot;Communist Party / Communist Alliance" (KPJ/SKJ)

^{• &}quot;Socialist Alliance of Working People" (SSRN)

^{• &}quot;Federation of Trade Unions" (Savez sindikata)

^{• &}quot;Socialist Youth Alliance" (SSO)

^{• &}quot;Alliance of the WWII Veteran Associations" (SUBNOR)

^{• &}quot;Alliance of Women Associations" (SŽD/AFŽ)

²⁷ Self-management communities of interests (SIZs) were established and organized as legal entities by working people "in order to satisfy their personal and common needs and interests and to harmonize the work" in the respective fields such as "material production" (communal waste collection, energetics, traffic, etc.), housing (construction and management of apartments and apartment buildings), "social activities" (education, science, culture, health and social care, etc.)...

²⁸ See the Decision of the BiH Council of Ministers Appointing the Working Group for the Identification of State Property Situated Outside of the Territory of Bosnia and Herzegovina, Official Gazette of BiH, no. 10/08. The CoM adopted the list with an instruction to continue to inventory such properties.

²⁹ See Decision of the BiH Council of Ministers "Appointing the Working Group for the Identification of the State Property Situated Outside of the Territory of Bosnia and Herzegovina," O.G. of BiH No. 10/08.

and Treasury (MoFT), the Office of the BiH Attorney General, and the BiH Ministry of Foreign Affairs.

In Particular, the Office of the Attorney General of BiH submitted to OHR a memorandum containing general information regarding a few additional immovable properties situated in the Republic of Croatia, and one property in Serbia. The memorandum also mentions "other real properties" that may belong to BiH, but provides no specific land registry information or other supporting documentation for which OHR was instructed to contact the BiH Ministry of Treasury and Finance.

The BiH Ministry of Treasury and Finance submitted property records for 14 property units in Croatia, as well as 7 units located in countries outside the former SFRY territory. However, OHR received no supporting documentation for other foreign State Property units identified in the BiH Attorney General's memorandum. Because the database developed in conjunction with this report was designed to include only properties supported by public records, all other property units listed in the Attorney General memorandum that unsupported by documentation have been excluded from the database.

Because the Inventory of State Property compiled under OHR auspices focused primarily on domestic public property registries, the authorities of BiH are urged to continue its own efforts to fully identify and document property of BiH situated abroad.

IV. Inventory Data Collection and Processing

The initial identification of State Property parcels rested primarily with the 48 Courts' Land Registries³⁰ and the 142 municipal cadastral offices. Inventory consultants visited every one of these public registers throughout the country. In cases where these public registers failed to respond to information requests, or expressed a lack of understanding about the information sought, inventory consultants contacted each office directly, by phone, by written correspondence and by field visits, to answer questions and to clarify document requests. Inventory teams also visited responsive public registers to collect documents and in come cases, to obtain supplemental data.

In practice, Inventory Teams obtained possessory and topographical information from cadastre offices first, which then was matched against ownership data and other *in rem* rights data from land registry offices. The inventory captures data that includes, inter alia, 1991 holder of *in rem* rights, current possessor, the property unit location,³¹ and copies of cadastral plans with land registry and cadastral parcels ("k.č.") identification numbers. After receiving both land registry and cadastral data, Inventory Teams analyzed the data to ensure that the property unit fell within the scope of the inventory and to ensure that supporting documentation was as complete as possible.

³⁰ Some Court Land Registers have multiple offices within their jurisdiction and therefore consultants visited and worked with a total of 56 land registry offices.

³¹ Each political municipality is divided into several "cadastral municipalities".

Many operational and technical challenges were overcome in the process of compiling the inventory, including the varying quality of records between public registers, the level of cooperation from land registry and cadastre officials, and the completeness and accuracy of the data submitted to OHR. In a number of municipalities, the land books were destroyed, either in whole³² or in part. Even where the public registers are intact, records were sometimes not updated regularly in relation to possessory and other data maintained in cadastral records. However, the greatest obstacle to completing the inventory was the level and quality of cooperation from land registry and cadastral offices throughout the country.

By 15 September, the date by which the High Representative initially requested the public registries to forward State Property data to OHR, only 20% of the 186 public property registers had submitted the requested data. Moreover, public registers often submitted incomplete or inaccurate data, at least initially. However, almost all land registry offices in both entities and Brcko District provided the requested data thereafter, although not always in a timely manner. Some land registers forwarded the requested data after the final data acceptance deadline of 30 November.

In contrast to the majority of public registers, the 58 cadastral offices in Republika Srpska refused to provide the requested data to OHR for many weeks. Cadastral offices cited a directive from the RS Administration for Geodetic and Property Legal Affairs restricting cooperation with OHR until such time as general instructions are issued on the mechanism by which cooperation with the inventory were determined.³³ On 9 November, the Geodetic Administration authorized local cadastre offices throughout Republika Srpska to cooperate with the inventory and to submit the requested data.³⁴ However, their initial refusal substantially delayed the ability to collect and analyze data against land registry information, and consequently delayed completion of the Inventory well beyond the initial target date of 31 October 2009.³⁵

V. Data Analysis & Follow-up

Upon receiving initial data from land registers and cadastres, Inventory Teams analyzed the data to ensure that the submitted property data fell within the scope of the inventory, checked the data against secondary sources to ensure inclusion of all State Property units for the particular cadastral municipality, and to the extent required, requested additional or clarifying information.

³² The 20 (of 109) pre-war municipalities wherein land registries were destroyed are: 1.Bosanski Petrovac, 2. Bosanska Krupa, 3. Sanski Most, 4. Kljuc, 5. Zavidovici, 6. Drvar, 7. Mrkonjic Grad, 8. Sipovo, 9. Skender Vakuf, 10. Kotor Varos, 11. Derventa, 12. Rogatica, 13. Gorazde, 14. Cajnice, 15. Zepce 16. Ljubinje, 17. Prozor, 18. Posusje, 19. Glamoc, 20. Bosanska Gradiska.

³³ See RS Administration for Geodetic Affairs Letter No. 21.01/052-308/09 of 18 August 2009 to all local RS Cadastre offices.

³⁴ See RS Administration for Geodetic Affairs Letter No. 21.01/052-308-09 of 09 November 2009 instructing cooperation with the State Property Inventory.

³⁵ As a consequence of these delays the target date for completing inventory data collection was moved to 30 November 2009.

As its secondary source for identifying parcels of state property, the Inventory Teams relied primarily on the database created by the Commission for Real Property Claims (CRPC), which was originally developed to facilitate implementation of its mandate under Annex VII of the Peace Agreement. Although the CRPC database was originally developed in 1997 to help resolve individual property claims, it contains all cadastral information in BiH as of 1991, whether possessed by private citizens or public bodies.³⁶ The database also served to verify official data collected from the competent cadastres. Finally, in circumstances where OHR did not receive any requested documentation for a particular property unit in by 1 December 2009, the CRPC excerpt represents the only supporting documentation reflected in the State Property Inventory database.³⁷

VI. Data Processing and Database Development

Following the review of all documentation received for each property unit identified as State Property, the inventory teams established a separate file for each municipality, evaluated the quality of the supporting documentation, and upon final verification, entered the data into a database developed by OHR.

The quality of data for each property unit is determined by whether the property is registered or recorded in the land register, with respect to in rem rights, or in the land cadastre, with respect to property possession. Data are deemed "Complete and Matching" where the land registry and cadastre information fully match with respect to titleholders and size,³⁸ "Very Good" where the registered possessor and titleholder match the definition of State Property but lack information on titleholders of disposal management and use rights, and "Good" where the registered users in the land cadastre match the definition of state-owned property with respect to the size and boundaries, but where either the land register data was destroyed³⁹ or where the registered user in the land-cadastre matches the definition of State Property but without blueprints and precise data on the size and boundaries. Property units categorized as "Satisfactory" reflect recorded but unenforced rulings and decisions of competent authorities that fall within the definition of State Property⁴⁰ or Property units s for which the data was taken over from other sources of information such as the CRPC's Cadastral Database, and "Poor" where the Property units do not exist in existing property registers but appear on verified lists of managing institutions.⁴¹ Each unit of property has been assigned one of these classifications on a scale of 1-5 in the State Property database, with "1" corresponding to poor and "5" to Complete and Matching.

³⁶ OHR obtained an official copy of the CRPC database from the FBiH Geodetic Administration.

³⁷ Such circumstances reflect approximately 5% of the data, and for some of these circumstances, the documentation submitted to OHR thereafter is included in the original files submitted to the BiH Council of Ministers.

³⁸ This categorization includes units with minor discrepancies with respect to the size.

³⁹ In these cases where land registers were destroyed (inventory-based land cadastre) entity-level land registry laws allow property possessors to request the identification and registration of ownership over the location in separate proceedings.

 $^{^{40}}$ E.g.: where the process of implementing an expropriation decision is incomplete.

⁴¹ E.g.: properties of the Payment Operations Bureau, i.e. the former Social Accounting and Auditing Service of SRBiH.

For each State Property unit, all supporting documentation was scanned and linked electronically to its corresponding entry in the database. However, supplemental documentation for each database entry submitted to OHR after 1 December 2009 by 13 municipalities have not been digitized and linked to their respective entries in the database due to their late arrival. These supplemental documents have been marked and will be transmitted to the BiH Council of Ministers with all other original inventory documentation.

VII. <u>Summary of Inventory Results</u>

A total of 1000 State Property units were identified through the inventory process, of which 979 are situated within the territory of Bosnia and Herzegovina and 21 abroad. Domestically, the 979 units of State Property are situated across 123 municipalities, 552 of which are situated in the Federation of BiH, 404 in Republika Srpska and 23 in Brcko District. The municipalities where the largest numbers of State Property units were identified are Mostar with (46) units, Banja Luka with (41) and Prijedor with (37). Sarajevo, as a city with its four constituent municipalities, has a total of 78 property units. No State Property units were identified in 20 municipalities,⁴² whereas at least 1 unit of State property was identified in all other municipalities.

The 21 foreign State Property units situated abroad are located in 7 Countries, with 14 units in the Republic of Croatia. Although information on potential units of BiH State Property situated in Serbia, Montenegro, FYROM and Slovenia were identified, OHR received no documentation supporting this information and therefore these units are not included in the database.

Structurally, over 30% represents "defense property," registered as property of the former SSNO (former Yugoslav Ministry of Defense)⁴³ and 20% represents property of former "socio-political organizations," such as the Communist Alliance, Alliance of Trade Unions and Socialist Alliance of Working People. The third biggest category of the compiled data refers to the property of the former Secretariat, i.e. the Ministry of Internal Affairs of SRBiH, which is approximately 12%. Summary Statistics on all State Property units encompassed by this inventory are attached to this report as Annex A.

In conclusion, it must be highlighted here that the State Property Inventory compiled under OHR auspices reflects the documentation submitted by public registers throughout Bosnia and Herzegovina, and that the inventory's accuracy and completeness reflects the efforts of the officials working in theses offices reviewing their records and submitting

⁴² 1. Berkovici; 2. Celic; 3. Citluk; 4. Doboj Jug; 5. Dobretici; 6. Donji Zabar; 7. Gornje Vakuf-Uskoplje;
8. Istocni Drvar; 9. Istocni Mostar; 10. Jezero; 11. Knezevo; 12. Krupa Na Uni; 13.Kupres (RS); 14. Osmaci; 15. Ostra Luka; 16. Ravno; 17 Sekovici; 18. Sipovo; 19. Teocak; 20. Vukosavlje.

⁴³ Property data regarding six out of 69 so-called "perspective" defence property locations is not included in the inventory, i.e. the database (in most cases due to records not being found in respective property registers): "Josip Krimovic-Grabo" Barracks in Zepce, "Cubren" in Kiseljak, "Velika gomila" in Cazin, "Velika Mahnjaca" in Zepce, "Lisina" in Prijedor. Also, the data on one additional perspective defence property location ("Sinovi Posavine" Barracks in Orasje) is listed in the separate folder containing "new" State Property.

the requested data. The compiled inventory represents a commendable collective effort of all involved to provide a detailed snapshot of these public assets. Notwithstanding this collective effort, the onus remains the authorities of Bosnia and Herzegovina to identify all State Property and settle all associated ownership title issues. This inventory should be used to further those efforts.

+++ END