REGULATION NO. 2001/17

ON THE REGISTRATION OF CONTRACTS FOR THE SALE OF REAL PROPERTY IN SPECIFIC GEOGRAPHICAL AREAS OF KOSOVO

The Special Representative of the Secretary-General,

Pursuant to the authority given to him under United Nations Security Council resolution 1244 (1999) of 10 June 1999,


For the purpose of ensuring a safe and secure environment, sustainable living conditions for all communities in Kosovo, and the right to return of all refugees and displaced persons to their homes in Kosovo,

For the purpose of monitoring the sale of residential property in specific geographical areas of Kosovo,

Hereby promulgates the following:

Section 1
Designation of Specific Geographical Areas

1.1 The Special Representative of the Secretary-General (hereinafter "the SRSG") may, after consultations with the Municipal Administrator, designate specific geographical areas within Kosovo where all contracts for the sale of residential property located in the designated area shall be registered with the Municipal Administrator prior to court verification.
1.2 In designating the specific geographical areas, the SRSG shall take into consideration the recommendation of the Municipal Administrator which shall be based on the following criteria:

   (a) security concerns arising from the sale of minority-owned property;

   (b) evidence of an existing pattern of systematic sales of minority-owned property at prices which are unrealistic; and

   (c) sale of residential property in areas where property rights of minority communities are of special concern.

Section 2
Registration of Contracts for the Sale of Residential Property

2.1 Contracts for the sale of residential property located in areas designated pursuant to section 1.1 shall be registered with the relevant Municipal Administrator.

2.2 Requests for the registration of contracts for the sale of residential property shall be made in writing to the Municipal Administrator who shall confirm the date of receipt of the request for registration.

2.3 The Municipal Administrator shall review the property-related documentation and may demand an explanation regarding the sale of the property and its intended future use. The Municipal Administrator is authorized to request the purchaser to establish the source of the funds for the purchase of the property in question.

2.4 Except where it is determined in accordance with section 3 that registration be refused, the Municipal Administrator shall register the contract for the sale of residential property no later than 30 days after the receipt of the request for registration. The Municipal Administrator shall immediately notify the parties of his/her determination.

2.5 In making his/her determination whether or not to register the contract of sale, the Municipal Administrator may seek advice and guidance from the Housing and Property Directorate (hereinafter "the HPD").

2.6 Where necessary, the Municipal Administrator may extend the period for registration of the contract for a further 60 days to ensure a proper examination of the property related documents and shall notify the parties to the contract of sale accordingly. Thereafter, the contract shall be registered unless registration is refused pursuant to section 3.

2.7 Once registered, the contract of sale shall be officially stamped with the seal of the municipality. A contract shall not be considered as having been duly registered unless it has been officially stamped by the Municipal Administrator.
Section 3
Refusal of Registration

3.1 Following examination of the documentation and explanations provided pursuant to section 2.3, the Municipal Administrator may, within the same time limits referred to in sections 2.4 and 2.6, refuse to register the contract for the sale of the residential property if he/she has reasonable grounds to believe that:

(a) the transaction is directly or indirectly carried out or fostered by an organization or structure with the aim to systematically buy minority-owned properties in order to change the ethnic balance within the designated area;

(b) the transaction was carried out under duress;

(c) the sale price of the property in question is unrealistic;

(d) that the source of the funds for the purchase of the property is questionable and the bona fide nature of the transaction is not established; or

(e) the transaction is objectively deemed, on the basis of reports of law enforcement authorities, to affect the security situation in a designated area in a way that would be of serious detriment to other minority owners of residential property in that area.

3.2 The Municipal Administrator shall keep a written record of his/her determination and shall immediately notify the parties as well as the competent Municipal Court in the municipality where the property is located, of the determination which shall include the grounds for such determination.

Section 4
Court Verification

A competent court in the area where the residential property is located shall only verify a contract for the sale of the property in accordance with the applicable law where proof of registration by the Municipal Administrator pursuant to section 2.7 is provided.

Section 5
Prevention of Access

5.1 The SRSG may, where necessary, after consultations with the Municipal Administrator, authorize the responsible law enforcement authorities to prevent access by the purchaser or other person to the property subject to any decision that may be taken by a competent court.

5.2 Pending final judicial determination, an order preventing access shall be valid for an initial period of 90 days which may be extended for additional periods of 90 days. Prior to the end of each 90 day period there shall be a review of the situation after which the SRSG, taking into consideration all relevant factors, shall determine whether or not the deprivation of access shall continue.
5.3 This section shall be without prejudice to the authority of the SRSG to take such action as is necessary to ensure public order, safety and security in Kosovo.

Section 6
Reconsideration

6.1 The parties to a contract for the sale of residential property may, within 30 days of the Municipal Administrator’s refusal to register the contract, request in writing that the Municipal Administrator reconsider his/her decision made pursuant to section 3. Such request may be supported with additional evidence or information indicating that the circumstances justifying the prior decision were wrongly assessed or no longer exist.

6.2 The Municipal Administrator shall make his/her decision whether or not to register the contract of sale within 30 days of the receipt of the application for reconsideration.

6.3 Where the Municipal Administrator determines that the parties have satisfied the criteria for registration, he/she shall record such determination and shall register the contract of sale accordingly. In addition, the Municipal Administrator shall immediately notify the parties as well as the competent Municipal Court of his/her determination.

Section 7
Appeal Against the Decision of the Municipal Administrator

7.1 Within 60 days from the date on which the Municipal Administrator’s decision not to register the contract of sale becomes final, the parties may appeal to a panel of three judges specifically designated by the SRSG on the recommendation of the Department of Judicial Affairs. The panel shall include at least two international judges.

7.2 The panel shall conduct judicial review of any appeal submitted to it. Such appeals shall be reviewed on a priority basis.

Section 8
Role of the Housing and Property Directorate

8.1 The HPD shall, pursuant to its mandate under section 1 of UNMIK Regulation No. 1999/23 of 15 November 1999 on the Establishment of the Housing and Property Directorate and the Housing and Property Claims Commission, provide guidance to UNMIK on specific issues related to property rights.

8.2 The HPD shall, where appropriate, use its best efforts to promote the rental of residential property as an option to the sale of such property.

Section 9
Regional Review Committees

9.1 A Regional Review Committee shall be established in each region to review the designation of geographical areas and to monitor the registration process with a view to safeguarding a uniform registration practice in all designated areas. The Regional Review
Committee shall be headed by the Regional Administrator and shall include representatives of the municipality, UNMIK, HPD, OSCE, and UNMIK Police. The Regional Review Committee shall establish its own rules of procedure.

9.2 The Regional Review Committee may make recommendations to the Municipal Administrator in respect of the criteria for the designation of specific geographical areas and the related registration practice regarding contracts for the sale of residential property in its respective region.

Section 10
Effect of Registration Requirement

10.1 The registration requirement shall not imply, confer or confirm any ownership right, right to use or any other right in the residential property that is the subject of the registered contract, nor shall it constitute a determination of claims as to ownership rights or any other rights in the property.

10.2 Nothing in this regulation shall be taken to limit or prejudice the right to claim compensation for or repossession of residential property pursuant to section 1.2 (c) of UNMIK Regulation No. 1999/23.

Section 11
Implementation

The Special Representative of the Secretary-General may issue administrative directions for the implementation of the present regulation.

Section 12
Applicable Law

The present regulation shall, for the time it is in effect, supersede any provision in the applicable law, which is inconsistent with it.

Section 13
Entry into Force

The present regulation shall enter into force on 22 August 2001.

Hans Haekkerup
Special Representative of the Secretary-General