



UNMIK/DIR/2001/01
21 March 2001

ADMINISTRATIVE DIRECTION NO. 2001/01

**IMPLEMENTING UNMIK REGULATION NO. 2000/24
ON THE ESTABLISHMENT OF THE ADMINISTRATIVE
DEPARTMENT OF LABOUR AND EMPLOYMENT**

The Special Representative of the Secretary-General,

Pursuant to the authority given to him under section 5 of United Nations Interim Administration Mission in Kosovo (UNMIK) Regulation No. 2000/24 of 21 April 2000 on the Establishment of the Administrative Department of Labour and Employment,

For the purpose of making provision for severance payments for early separation effected under certain conditions,

Hereby issues the following Administrative Direction:

Section 1

Early Separation and Severance Payment

1.1 Any enterprise, regardless of its ownership status, may effect the separation from an employee otherwise entitled to continue employment (early separation), provided that:

(a) the separation is made within the context of a reorganization or other business plan;

(b) the employee has reached the age of 60 years; and

(c) a severance payment is made to the employee pursuant to the following schedule:

(i) from 2 to 4 years of service – 1 month's salary;

(ii) from 5 to 9 years of service – 2 months' salary;

(iii) from 10 to 19 years of service – 3 months' salary;

(iv) from 20 to 29 years of service – 4 months' salary; and

(v) 30 years of service or more – 5 months' salary.

1.2 Any decision on separation under section 1.1 above shall be taken on the basis of criteria established in the reorganization or other business plan.

1.3 The severance payment shall be made in a lump sum within two weeks from the date of separation under section 1.1 above. The sole exception allowing for a severance payment to be made otherwise than in a lump sum shall be where doing so would cause a demonstrable hardship on the enterprise. Such hardship must be documented and demonstrated by the enterprise through the presentation of its present and projected income and its cash flow situation. In such an event, payment shall be made on a monthly basis for each month owed pursuant to the scale set out in section 1.1(c) above.

1.4 Any payment which an employee might have received from an enterprise in relation to termination of his or her employment, even if such termination is deemed to be valid by a court, shall be credited against the entitlement under section 1.1(c) above.

1.5 Any severance payment made under the present Administrative Direction shall be without any derogation of or prejudice to any entitlement which the employee concerned might have to pension, health care or other benefits.

Section 2 Alternative Arrangements

Notwithstanding the discretion accorded to an enterprise under section 1.1 to effect the separation of its employees, the present Administrative Direction shall in no way limit the freedom of an enterprise to agree with employees on alternate arrangements in relation to staff redundancy should the enterprise so choose. Arrangements mutually agreed between an enterprise and employees concerned shall take precedence over the present Administrative Direction.

Section 3 Entry into Force

The present Administrative Direction shall enter into force on 21 March 2001.

Hans Haekkerup
Special Representative of the Secretary-General