



**ADMINISTRATIVE DIRECTION NO. 2005/12**

**IMPLEMENTING UNMIK REGULATION NO. 2003/13 ON THE  
TRANSFORMATION OF THE RIGHT OF USE TO SOCIALLY-OWNED  
IMMOVABLE PROPERTY, AS AMENDED**

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,

In conformity with United Nations Interim Mission in Kosovo (UNMIK) Regulation No. 2001/9 of 15 May 2001, On the Constitutional Framework for Provisional Self-Government in Kosovo,

Having promulgated UNMIK Regulation No. 2003/13 of 9 May 2003 on the Transformation of the Right of Use to Socially-Owned Immovable Property, as amended by UNMIK Regulation 2004/45 of 19 November 2004,

Taking into account UNMIK Regulation No. 2002/12 of 13 June 2002 on the Establishment of the Kosovo Trust Agency, as amended by UNMIK Regulation 2005/18 of 22 April 2005 (the KTA Regulation),

For the purpose of establishing procedures to be followed by the Kosovo Trust Agency in implementing its authority with respect to the determination of entitlements of employees of Socially-Owned Enterprises privatized pursuant to section 8 of the KTA Regulation or liquidated pursuant to section 9 of the KTA Regulation,

Hereby issues the following Administrative Direction:

Section 1  
Scope of Application

This Administrative Direction sets forth the procedures to be followed and actions to be taken by the Kosovo Trust Agency (the Agency) in connection with the determination of entitlements of employees of Socially-Owned

Enterprises from privatization and liquidation of such enterprises in accordance with section 10 of UNMIK Regulation 2003/13 of 9 May 2003, on the Transformation of the Right of Use to Socially-Owned Immovable Property, as amended (the Land Use Regulation).

## Section 2 Socially-Owned Enterprises

For the purposes of implementing the Land Use Regulation and this Administrative Direction, “Socially-owned Enterprise” pursuant to section 1 of the Land Use Regulation shall include such enterprises, entities and related assets over which the Agency has administrative authority pursuant to section 5.1 of the KTA Regulation, but shall exclude Publicly-owned Enterprises and their assets.

## Section 3 Registration of Socially-Owned Land

A Leasehold for Property shall be established in accordance with the provisions of the Land Use Regulation, even if the right of use to the Property in question was registered in the name of a legal predecessor of a Socially-owned Enterprise or in the name of any entity created as a result of a Transformation in accordance with Section 3 of the KTA Regulation, where such Transformation has to be disregarded pursuant Section 5.4(a) of the KTA Regulation.

## Section 4 Eligible Employees

4.1 If the Agency disposes of the assets of a Socially-owned Enterprise through both the sale of shares of a subsidiary corporation of the Socially-owned Enterprise pursuant to section 8 of the KTA Regulation and the sale of assets in the liquidation process pursuant to section 9 of the KTA Regulation, eligible employees shall be entitled pursuant to section 10.1 of the Land Use Regulation to a 20 per cent share of the proceeds resulting from both processes.

4.2 If the Agency disposes of the assets of the Socially-owned Enterprise through both the sale of shares of a subsidiary corporation of the Socially-owned Enterprise in the privatization process pursuant to section 8 of the KTA Regulation and the sale of assets in the liquidation process pursuant to section 9

of the KTA Regulation, it shall issue a single official list of eligible employees of the Socially-owned Enterprise concerned pursuant to section 10.3 of the Land Use Regulation. The eligibility requirements of employees shall be determined based on the earlier of the time of privatisation or the initiation of the liquidation procedure for such Socially-owned Enterprise.

4.3 The time of privatisation of a Socially-owned Enterprise referred to in section 10.4 of the Land Use Regulation, is the date and time of the conclusion of an agreement for the sale of shares in a subsidiary corporation established pursuant to section 8 of the KTA Regulation, and if the Agency has created more than one subsidiary corporation, the date and time of the conclusion of the first agreement for the sale of shares in a subsidiary corporation.

4.4 The time of initiating the liquidation procedure referred to in section 10.4 of the Land Use Regulation, is the date and time of a formal decision of the Agency to initiate a liquidation procedure with respect to a Socially-owned Enterprise pursuant to section 9 of the KTA Regulation.

#### Section 5 Entry into Force

The present Administrative Direction shall enter into force on 26 July 2005.

Søren Jessen-Petersen  
Special Representative of the Secretary-General