

UNMIK/REG/1999/4

2 September 1999

REGULATION NO.1999/4

ON THE CURRENCY PERMITTED TO BE USED IN 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, Taking into account United Nations Interim Administration Mission in Kosovo (UNMIK) Regulation No. 1999/1 of 25 July 1999 on the Authority of the Interim Administration in Kosovo, For the purpose of regulating the use of currencies in Kosovo, Hereby promulgates the following:

Section 1

Freedom of Contact

Parties to a contract or any other voluntary transaction may denominate such transaction in any currency agreed upon by the parties. Unless proven otherwise, such an agreement shall be deemed to exist with regard to any foreign currency that is widely accepted in the territory of Kosovo.

Section 2

Removal of Restrictions

2.1 Any restriction, under the laws applicable in the territory of Kosovo prior to 24 march 1999, including any applicable foreign exchange controls, on the possession, use, or disposition of any currency, whether in specie or in a bank or any other type of account, whether situated inside or outside the territory of Kosovo, is hereby removed.

2.2 In this Section, "restrictions" include those punishable under Articles 114-119 or otherwise provided for or indicated in any other provision of the Law on Foreign Currency Operations, Official Gazette of the Federal Republic of Yugoslavia 12/95, 28/96, 29/97, 35/97.

Section 3

Budgets, Financial Records and Accounts

The budgets, financial records and accounts of all physical and legal persons, including private enterprises, public bodies, agencies or institutions and UNMIK shall be made in a currency or currencies designated in accordance with an

administrative direction promulgated by the Special Representative of the Secretary-General pursuant to section 5.

Section 4

Compulsory Payments

4.1 Compulsory payments may be assessed and required to be paid in a currency or currencies, as designated in the administrative direction referred to in Section 3 above.

4.2 A person wishing to pay in Dinars a compulsory payment that is required under Section 4.1 to be paid in another currency, may do so at the reference exchange rate applicable on the day of payment but shall be charged an additional fee to cover handling and transactions costs.

4.3 In this Section:

i. "Compulsory payment" means any payment, other than under a contract or any other voluntary transaction, made to a public authority and includes the payment of taxes, customs and excise duties, levies, fees, charges and penalties, as well as any payment to public utilities or pursuant to a court order;

ii. "Dinars" means the official currency of the Federal Republic of Yugoslavia issued by the National Bank of Yugoslavia under the Law of the National Bank of Yugoslavia, Official Journal of the Federal Republic of Yugoslavia Nos. 32/93, 35/93, 41/94, 61/95, 38/96, and 29/97, effective as of 3 July 1993, and in its current version as of 5 July 1997; and

iii. "Reference exchange rate" means the exchange rate between the Dinar and the designated currency quoted from time to time on the basis of market conditions.

Section 5

Implementation

The Special Representative of the Secretary-General shall have the power to give administrative directions and orders in relation to the implementation of this Regulation.

Section 6

Applicable Law

Article 49 of the Law of the National Bank of Yugoslavia, Articles 8-10 of the Regulation on the New Dinar, Official Journal of the Federal republic of Yugoslavia Nos. 6/94, 12/94 and 57/94, and any other limitation or restriction on the use of a foreign currency as a money of either account or payment under the laws applicable in the territory of Kosovo prior to 24 March 1999 shall cease to apply in Kosovo insofar as it conflicts with any provision of this Regulation.

Section 7

Entry into Force

This Regulation shall enter into force on 2 September 1999.

Dr. Bernard Kouchner

Special Representative of the Secretary-General