

HEADQUARTERS AGREEMENT

BETWEEN

THE KINGDOM OF BELGIUM

AND

THE REGIONAL CO-OPERATION COUNCIL SECRETARIAT

**HEADQUARTERS AGREEMENT
BETWEEN
THE KINGDOM OF BELGIUM
AND
THE REGIONAL CO-OPERATION COUNCIL SECRETARIAT**

THE KINGDOM OF BELGIUM,
(hereinafter referred to as "Belgium")

and

THE REGIONAL CO-OPERATION COUNCIL SECRETARIAT,
(hereinafter referred to as "the RCC Secretariat")

HAVING regard to the Agreement between the Council of ministers of Bosnia and Herzegovina and the governments of the other SEECP participating states, the United Nations Interim Administration Mission in Kosovo on behalf of Kosovo in accordance with the United Nations Security Council Resolution 1244 on the Host Country Arrangements for the Secretariat, of the Regional Co-operation Council, signed in Plovdiv on 14 September 2007, hereinafter referred to as "the Agreement";

HAVING regard to Article 3.2 and to Article 17.1 d of the Agreement;

RESPONDING to the desire of the RCC Secretariat to establish a Liaison Office in Belgium, hereinafter referred to as "the Office" ;

WISHING to conclude an agreement to determine the privileges and immunities necessary for the functioning of the Office and for the successful accomplishment of the mission of its staff;

HAVE AGREED as follows :

CHAPTER I

Personality, privileges and immunities of the Liaison Office of the RCC Secretariat

ARTICLE 1

The Office shall have international legal personality and capacity. The Office will have such legal capacity as is necessary for the exercise of its functions, including the capacity to conclude contracts, to acquire and dispose of movable and immovable property and to institute and participate in legal proceedings.

ARTICLE 2

The Office shall enjoy an exemption from court proceedings and execution, except in case of:

- a) any agreement on purchase of goods and services, any loan or other transaction to provide financing, as well as any guarantee relationship or indemnification related to any such transaction or any other financial obligation, except in cases in which conciliation has been or will be agreed;
- b) counter-claims in direct connection to procedure initiated by the Office;
- c) lawsuits under Labour Law.

ARTICLE 3

1. The properties and assets of the RCC Secretariat used for the exercising of the official functions of the Office may not be subject to any form of requisition, confiscation, sequestration nor to any other form of seizure or constraint.
2. Should any form of expropriation be necessary, all appropriate action will be taken to prevent the exercising of the functions of the Office being impeded in any way. In this case Belgium will give its assistance to enable relocation of the Office.

ARTICLE 4

The archives of the Office, and, in a general way, all documents of the Office or those held by it shall be inviolable.

ARTICLE 5

1. The premises used exclusively for the exercising of the official functions of the Office are inviolable. Permission by the representative of the Office shall be required for access to its premises.
2. This permission, however, shall be assumed to be given in case of emergencies requiring prompt protective action.
3. Belgium shall take all appropriate measures to prevent invasion or damage to the Office premises, to prevent the peace of the Office being disturbed or its dignity being diminished in any way.

ARTICLE 6

1. Without prejudice to the international provisions and to the relevant provisions of the European Community the Office may hold in Belgium currency of any kind and operate accounts in all currencies insofar as necessary for the execution of operations corresponding to its aim.
2. Belgium undertakes to grant the Office all authorisations necessary to freely transfer, according to the modalities provided for in the applicable national regulations and international agreements, funds necessary for the setting up and operation of the Office.

ARTICLE 7

1. The Office, its properties, its incomes and other goods destined for its official use shall be exempt from all direct taxes.
2. No exemption from direct taxes shall be granted for incomes of the Office which originate from an industrial or commercial activity exercised by the Office or by one of its members for the Office.

ARTICLE 8

When the Office makes substantial purchases of movable or immovable goods or has substantial services performed that are strictly necessary for the exercising of its official activities and where the price includes indirect taxes or value added tax (VAT), appropriate measures shall be taken whenever possible with a view to the remission or reimbursement of the amount of these taxes.

ARTICLE 9

The Office shall be exempt of all indirect taxes regarding goods imported, acquired or exported by it or in its name for its official use.

ARTICLE 10

Without prejudice to the obligations arising for Belgium from the treaties concerning the European Union and the application of legal and regulatory provisions regarding public order, security, health or morals, the Office may import all goods and publications destined for its official use.

ARTICLE 11

The Office shall be exempt from all indirect taxes regarding the official publications that it receives or sends abroad.

ARTICLE 12

The goods belonging to the Office cannot be disposed of in Belgium except under conditions provided by Belgian laws and regulations.

ARTICLE 13

The Office shall not be exempt from taxes and duties that are, in fact, no more than charges for public utility services.

ARTICLE 14

Freedom of communication for its official purposes shall be guaranteed to the Office. Its official correspondence shall be inviolable.

ARTICLE 15

Without prejudice to the obligations arising for Belgium from the treaties concerning the European Union and the application of laws and regulations, the conditions and procedures for the application of Articles 7, 8, 9, 10, 11 and 12 and the fiscal exemptions resulting from article 17.1 a) shall be determined by the competent Minister of Finance.

CHAPTER II

Legal position of staff members

ARTICLE 16

1. The Head of the Office and one additional staff member who will replace the Head of the Office in case of his absence shall enjoy the immunities, privileges and facilities granted to the members of the diplomatic personnel of diplomatic missions. Their spouse and their dependent minor children, living under the same roof, shall enjoy the privileges granted to the spouses and to the minor children of the diplomatic personnel.
2. For the application of taxes on income and taxes on capital, it is understood that, in accordance with article 17.1 d of the Plovdiv Agreement, the staff members mentioned in paragraph 1 of this article shall be taxable in their country of origin, in line with the legislation of their respective countries.

ARTICLE 17

1. All officials and other servants of the Office shall enjoy:
 - a) exemption from all taxes on salaries, emoluments and indemnities paid to them by the RCC Secretariat, from the date on which their incomes are subject to taxation for the benefit of the RCC Secretariat, subject to recognition by Belgium of this internal taxation system; Belgium reserves for itself the right to take into account the said salaries, emoluments and indemnities for calculating the amount of tax to be levied on the taxable income originating from other sources;
 - b) the facilities accorded to officials of international organisations in respect of currency or exchange regulations.
2. All officials and other servants of the Office shall enjoy:
 - a) legal immunity for acts performed in their official capacity, including words written or spoken; such immunity shall apply even after they have left the service;
 - b) inviolability of all official papers and documents.
3. All officials and other servants of the Office, as well as their legal spouse and their dependent minor children, living under the same roof, shall enjoy exemption from measures restricting

immigration and from aliens registration formalities. This exemption shall be given in accordance with Belgian legislation on the matter.

The Office shall notify the Protocol Service of the Federal Public Service Foreign Affairs of the arrival and final departure of its officials and other servants and shall also provide the following specific information about all its officials and other servants:

- a) surname and first name
- b) place and date of birth
- c) sex
- d) nationality
- e) permanent residence (town, street, number)
- f) civil status
- g) composition of the family
- h) the social security scheme chosen by the staff member.

The Protocol Service of the Federal Public Service Foreign Affairs shall be notified, within two weeks, of any changes to the above-mentioned data.

ARTICLE 18

The provisions of article 17.1 a) shall not apply to pensions and annuities paid by RCC Secretariat to its former officials and servants in Belgium or to their successors nor to salaries, emoluments and indemnities paid by RCC Secretariat or by the Office to its servants engaged for a period of less than one year or who do not occupy a permanent position at RCC Secretariat considering the mission and the statutory regulations of that Organization.

ARTICLE 19

1. Without prejudice to the obligations arising for Belgium from the treaties concerning the European Union and to the application of laws and regulations, the officials and other servants of the Office, except the persons referred to in Article 16, shall enjoy the right, during a period of twelve months following their first taking up their duties in Belgium, to import or purchase, in exemption of import duties and value added tax (VAT), furniture and a motor vehicle for their personal use in Belgium.
2. The competent Minister for Finance shall determine the limits and conditions under which this Article applies.

ARTICLE 20

Belgium shall not be bound to extend to its own nationals or to permanent residents the advantages, privileges and immunities granted under this Agreement, except for those provided for in Article 17.1 a) of this Agreement.

ARTICLE 21

For the exercising of their official functions within the Office, the officials and other servants of the Office shall not be subject to Belgian legislation on employment of foreign workers and on the exercising of professional self-employed activities by foreigners.

ARTICLE 22

The Office shall issue, before the 1st of March of each year, to all beneficiaries a form specifying, besides their names and addresses, the amount of the salaries, emoluments and indemnities, pensions or annuities paid to them by RCC Secretariat or by the Office during the course of the previous year.

Regarding salaries, emoluments and indemnities liable to taxation for the profit of RCC Secretariat, this form shall also mention the amount of this tax.

Besides, the Office shall send before the same date a duplicate of this form directly to the competent Belgian Fiscal Administration.

ARTICLE 23

1. The officials and other servants of the Office who are not Belgian nationals or who are not permanently residing in Belgium and are not exercising in Belgium any other gainful activity except that required by their functions, can choose to be covered by the social security schemes applicable to the officials and other servants of RCC Secretariat under the rules provided for by those schemes. This right of option must be exercised by the official or servant within two weeks of his first taking up his duties, and must be notified, within the same delay, in accordance with Article 17.4.
2. The Office will ensure coverage by the Belgian social security system of its Belgian officials and other servants or permanent residents, as well as of its officials and other servants who have not opted for coverage by the social protection schemes provided by RCC Secretariat itself.

3. RCC Secretariat undertakes to guarantee its officials and other servants posted in Belgium who are covered by its own social security schemes, as well as their legal spouse and their dependent children, living under the same roof, referred to in Article 17.3, advantages equivalent to those provided by the Belgian social security system.
4. Servants engaged by the Office who do not occupy a permanent position at RCC Secretariat considering the mission and the statutory regulations of that Organization will be covered by the Belgian social security system.
5. Belgium can obtain from the Office or from RCC Secretariat the repayment of costs incurred for any aid having a social character it may have to provide to officials of RCC Secretariat and other servants posted to the Office who are covered by the social security schemes applicable to officials of RCC Secretariat and other servants.

CHAPTER III

General provisions

ARTICLE 24

The privileges and immunities are granted to the officials and other servants of the Office only in the interest of RCC Secretariat and not for their personal advantage. The Head of the Office shall waive all immunity whenever the immunity would impede the course of justice and such waiver does not prejudice the proper functioning of the Office.

ARTICLE 25

Without prejudice to the rights conferred upon the Office and its officials and other servants by this Agreement, Belgium reserves the right to take all necessary precautions in the interest of its security.

ARTICLE 26

1. The persons referred to in articles 16 and 17 shall not enjoy any legal immunity regarding motor traffic offences or damages caused by a motor vehicle.
2. The Office and its officials and other servants shall comply with all obligations imposed by Belgian legislation concerning civil liability insurance for the use of any motor vehicle.

ARTICLE 27

The Office and all its officials and other servants shall co-operate at all times with the appropriate Belgian authorities to facilitate the proper administration of justice, to ensure observation of police regulations and to prevent the occurrence of any abuse in connection with the immunities and privileges provided for in this Agreement.

ARTICLE 28

The RCC Secretariat, the Office and all their officials and other servants shall comply with Belgian laws and regulations and with judgments rendered against them.

ARTICLE 29

Belgium shall have no international responsibility whatsoever for the activities of the Office on its territory as regards the acts or omissions of the Office or of its officials and other servants acting or failing to act in the exercise of their functions.

ARTICLE 30

1. Any difference of views regarding the application or interpretation of this Agreement, which cannot be resolved through direct negotiations between the Parties, may be submitted, by one of the Parties, to an arbitral tribunal composed of three members.
2. The Parties shall each appoint one arbitrator.
3. The third arbitrator shall be appointed by both Parties upon consultation.
4. The third arbitrator shall be the President of the arbitral tribunal.
5. In case of disagreement on the choice of the third arbitrator, the third arbitrator shall be appointed by the President of the International Court of Justice at the request of the Parties.
6. The dispute shall be brought to the arbitral tribunal upon application of either Party.
7. The arbitral tribunal shall determine its own procedure.

CHAPTER IV

Final provisions

ARTICLE 31

Both Parties shall notify each other of the completion of the internal constitutional and legal procedures required for the entry into force of this Agreement.

The Agreement shall enter into force on the first day of the second month following the date of exchange of the last notification.

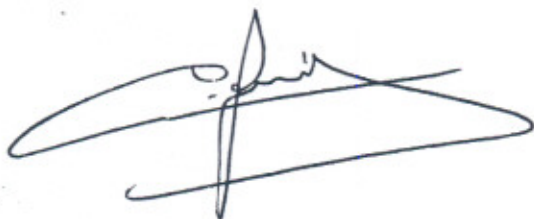
This Agreement may be amended by mutual consent of the Parties to it. Amendments shall enter into force in accordance with Par. 1 of this Article.

IN WITNESS WHEREOF, the Representatives of the Kingdom of Belgium and of the RCC Secretariat have signed this Agreement.

DONE in Brussels, on *29th August*, in duplicate, in the English language.
2008

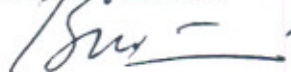
FOR THE KINGDOM OF BELGIUM:

FOR THE RCC SECRETARIAT:



Michel GODFRIND
Ambassador,
President of the C.I.P.S./I.C.Z.

Hidajet BISCEVIC
Secretary General



"This signature engages also the German-speaking Community, the Flemish Community, the French Community, the Walloon Region, the Flemish Region and the Brussels-Capital Region"