AGREEMENT BETWEEN THE REPUBLIC OF SERBIA AND THE TRANSPORT COMMUNITY REGARDING THE SEAT OF THE PERMANENT SECRETARIAT OF THE TRANSPORT COMMUNITY

The Republic of Serbia represented by Ms Zorana Mihajlovic, Deputy Prime Minister and

The Transport Community represented by Mr Alain Baron, (interim) Director of the Permanent Secretariat of the Transport Community (Hereinafter referred to as the Parties)

HAVING REGARD to the Treaty establishing the Transport Community signed 9 October 2017 and in particular Article 21(d) and Article 33 thereof;

DESIRING to conclude an agreement for the purpose of implementing Decision no. 2017/1 of the Ministerial Council of the Transport Community providing that the seat of the Permanent Secretariat of the Transport Community shall be located in Belgrade;

DESIRING to define the status, privileges and immunities of the Transport Community in the Republic of Serbia as well as any further matters as necessary so as to enable the Permanent Secretariat of the Transport Community to fulfil its purposes and functions efficiently, in accordance with the Treaty;

TAKING INTO ACCOUNT the assistance provided by the Republic of Serbia for the establishment of the Transport Community;

HAVE AGREED as follows:

Article 1 DEFINITIONS

For the purpose of this Agreement:

- (a) 'the Treaty' means the Treaty establishing the Transport Community;
- (b) 'Contracting Parties' means the contracting parties to the Treaty which are the European Union and the South East European Parties (the Republic of Albania, Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia, Kosovo*, Montenegro and the Republic of Serbia);
- (c) 'Observers': means European Union Member States in accordance with Article 22 and Article 24(2) of the Treaty;
- (d) 'Competent authorities' means such state and self-government bodies or other authorities in the Republic of Serbian charge of the matters subject of this Agreement in accordance with the laws applicable in the Republic of Serbia;
- (e) 'Secretariat' means the Permanent Secretariat of the Transport Community established under Article 28 of the Treaty;
- (f) 'Director' means the person appointed as the Director of the Secretariat in accordance with Article 30 of the Treaty;
- (g) 'Officials of the Secretariat' means the Director, Deputy Directors and all other staff from the Contracting Parties, working permanently at the Secretariat in accordance with the Staff Regulations of the Secretariat, and seconded experts;

^{*}This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

- (h) 'Local staff means persons, other than officials of the Secretariat, who are recruited by the Secretariat in the Republic of Serbia for the purposes of technical work such as maintenance, cleaning, driving etc.;
- (i) 'Official activities' means any activities necessary for carrying out the purposes of the Transport Community as set forth in the Treaty;
- (j) 'Official visitors' means all persons participating at the meetings of the bodies of the Transport Community and other meetings convened by the Transport Community.
- (k) 'Assets of the Transport Community' means the total assets, including financial assets, income and other assets as well as any other moveable or immoveable property owned, held or managed by the Transport Community in order to carry out its official activities;
- (l) 'Archives' means all records, correspondence, documents, manuscripts, computer records, stationary and mobile images, audiovisual records as well as any other records owned or held by the Transport Community in order to carry out its official activities;
- (m) 'Family members' means the spouse of an official of the Secretariat and dependent children of free marital status aged 26 and below, who live in the joint household with the official of the Secretariat and who are notified to the competent authorities in the same manner as the official of the Secretariat; and

(n) 'Residence' means the place where a person usually lives, that is for at least 185 days in each calendar year, because of personal and occupational ties, or, in the case of a person with no occupational ties, because of personal ties which show close links between that person and the place where he or she is living. The residence of a person whose occupational ties are in a different place from his or her personal ties and who consequently lives in turn in different places situated in two or more countries shall be regarded as being the place of his or her personal ties, provided that such person returns there regularly. This last condition need not be met where the person is living in a country in order to carry out a task of a definite duration. Attendance at a university or school shall not imply transfer of residence.

Article 2 LEGAL PERSONALITY

The Republic of Serbia recognizes the international juridical personality of the Transport Community, deriving from the Treaty establishing the Transport Community, and its legal capacity within the Republic of Serbia, in particular its capacity to:

- (a) make contracts;
- (b) acquire and dispose of immovable and movable property;
- (c) institute and respond to legal proceedings; and
- (d) take such other actions as may be necessary or useful for its purpose and official activities.

Article 3

SEAT

- (1) The seat of the Secretariat shall be located in Belgrade and shall comprise the land, buildings or part of buildings, installations, offices and parking places that the Secretariat occupies permanently or temporarily for its official activities.
- (2) Any premises in or outside Belgrade to the extent used by the Secretariat, with the agreement of the competent authorities, for official meetings shall be deemed temporarily to form part of the seat of the Secretariat. Any such temporary premises shall be provided by the Secretariat.(3) The Republic of Serbia shall provide the seat premises and related equipment in accordance with the Annex to this Agreement. The Parties shall review every three years from the entry into force of this Agreement whether the seat premises and related equipment are appropriate for the purpose and official activities of the Secretariat and amend the Annex to this Agreement as necessary.

Article 4 INVIOLABILITY OF THE SEAT

- (1) The seat of the Secretariat shall be inviolable.
- (2) No officer or official of the Republic of Serbia, or other person exercising any public authority within the Republic of Serbia, may enter the seat to perform any duties except with the consent of and under conditions approved by the Director. However, in the event of fire or other such emergency, such consent shall be deemed to have been given if immediate protective measures are required.
- (3) The Director may lay down internal regulations, operative within the seat of

the Secretariat, for the purpose of establishing therein conditions in all respects necessary for the full execution of its official activities. Unless otherwise stipulated by this Agreement, the regulations of the Republic of Serbia shall apply to all matters not regulated by the aforementioned internal regulations.

- (4) Legal instruments issued by the competent authorities may be delivered at the seat premises.
- (5) The seat shall not be used in any manner incompatible with its function.

Article 5

IMMUNITY FROM JURISDICTION AND OTHER ACTIONS

- (1) The Transport Community shall have immunity from jurisdiction and enforcement in the Republic of Serbia except:
 - (a) To the extent that the Transport Community shall have expressly waived such immunity in a particular case;
 - (b) In the case of civil action brought by a third party in relation to the death, personal injuries or material damages resulting from an accident caused by a motor vehicle belonging to or operated on behalf of the Transport Community;
 - (c) In the case of attachment, pursuant to a decision by the administrative or judicial authorities, of the salary, emoluments or indemnities owed by the Transport Community to a staff member, unless the Transport Community informs the Serbian authorities within 14 days of the date on which it is notified of the said decision that it does not waive its immunity. In all cases, the Transport Community engages to encourage its staff members to comply with their legal obligations;

- (d) In the case of counterclaims in direct relation with legal action initiated by the Transport Community; and
- (e) In the case of claims made by local staff in accordance with the labour legislation of the Republic of Serbia.
- (2) Without prejudice to paragraphs (1) and (3), the assets of the Transport Community, wherever situated and by whomsoever held, shall be immune from any form of execution including search, seizure, confiscation, freezing, expropriation and sequestration or any other deprivation of such assets.
- (3) The assets of the Transport Community shall also be immune from any form of administrative or provisional judicial restraint.

Article 6 INVIOLABILITY OF ARCHIVES

The archives of the Transport Community shall be inviolable at any time wherever they may be.

Article 7 PROTECTION OF THE SEAT

(1) The competent authorities shall take all necessary measures to ensure that the tranquillity of the seat is not disturbed by any person or group of persons attempting unauthorized entry into the seat or by disturbances in its immediate vicinity and shall provide such protection as is required for these purposes. They shall take security measures to protect the personnel of the Secretariat and their properties and to protect the facilities of the Secretariat in the same manner as

they take measures for personnel of diplomatic missions in Belgrade.

(2) If so requested by the Director or the official of the Secretariat replacing him or her, the Serbian authorities shall ensure appropriate intervention for the preservation of law and order within the seat, and for the removal therefrom of persons as requested or necessary for these purposes.

Article 8

PUBLIC SERVICES IN THE SEAT PREMISES

- (1) The competent authorities shall take all appropriate measures to ensure that the seat premises are supplied with the necessary public services at all times.
- (2) In case of interruption or threatened interruption of public services, including communications and transport, the Republic of Serbia shall consider the needs of the Transport Community as being of equal importance with the similar needs of its essential agencies and shall attempt to ensure that the work of the Transport Community is not prejudiced.

Article 9 COMMUNICATIONS

- (1) The Republic of Serbia shall ensure that the Transport Community is at all times able to send and receive communications, in whatever form, in connection with its official activities without censorship or other interference.
- (2) The Transport Community shall enjoy in the Republic of Serbia, for its official communications and the transfer of all its documents, in whatever form,

treatment not less advantageous than the most favourable treatment accorded by the Republic of Serbia to any diplomatic missions or international organisations, in the matter of priorities, rates and fees on electronic communication, cable communication, radiograms, telegraph, telephone and other forms of communication.

Article 10

EXEMPTIONS FROM TAXATION AND CUSTOMS DUTIES

- (1) The Transport Community and its assets shall be exempt from all forms of taxation in accordance with this article.
- (2) The Transport Community as the owner, beneficiary or lessee of movable or immovable property shall be exempt from any state, regional or communal taxes, charges and fees, provided that it is not a tax, charge or fee levied in return for specifically rendered services. The exemption provided for in this paragraph shall not apply to taxes, charges and fees if, according to the legislation of the Republic of Serbia, the ultimate burden thereof shall be borne by the contractor of the Transport Community.
- (3) The price of goods and services supplied to the Transport Community, including leasing and rental charges, shall be exempt from value added tax, excise duties and other similar taxes and fees.
- (4) The Transport Community shall be exempt from all administrative charges, court fees and other similar pecuniary obligations regarding all transactions concerning the acquisition or purchase of property, goods and services to which the Transport Community is a party including in respect of all documents recording such transactions.
- (5) Goods, including motor vehicles and spare parts thereof, imported or

exported by the Transport Community, required for its official activities, shall be exempt from customs duties, value added tax, excise duties and other similar taxes and fees and from economic prohibitions and restrictions on imports and exports.

- (6) The Secretariat shall be exempt from paying any taxes, charges or fees in relation to the use of motor vehicles with the exception of taxes, charges or fees payable for traffic licence documents, registration stickers and diplomatic licence plates issued by the competent authorities in accordance with paragraph (2) of Article 15.
- (7) Goods exempted from payment of customs duties, taxes and other charges in accordance with this Article may not be alienated or given for use to another person within three years from the day of their importation, except for the purposes for which it was exempted. Such goods may not be pledged, lent or given as collateral for performing other obligations.

Article 11

FINANCIAL FACILITIES

The Republic of Serbia shall take all necessary measures to ensure that the Transport Community may at all times:

- (a) purchase and receive through authorised channels, hold and dispose of any currencies or securities;
- (b) open and operate bank accounts in any currency; and
- (c) transfer its funds, securities and currencies to, from or within the Republic of Serbia.

Article 12 SOCIAL SECURITY

- (1) The Transport Community and the officials of the Secretariat shall be exempt from all compulsory contributions to any social security insurance of the Republic of Serbia.
- (2) The officials of the Secretariat and their family members shall have the right to participate in any social security insurance of the Republic of Serbia (health, unemployment, or pension and disability).
- (3) Local staff shall be subject to the social legislation of the Republic of Serbia.

Article 13 TRANSIT

- (1) The Republic of Serbia shall take all necessary measures to facilitate the entry into and temporary stay in the Republic of Serbia of the persons listed in paragraph (2) of this Article. The Republic of Serbia shall allow them to leave the Republic of Serbia without interference and shall ensure that they can travel unimpeded to or from the seat.
- (2) Paragraph (1) shall apply to the following persons:
 - (a) the representatives of all Contracting Parties and the observers to the Ministerial Council of the Transport Community;
 - (b) the representatives and alternate representatives of all Contracting

Parties and the representatives of the observers to the Regional Steering Committee of the Transport Community;

- (c) the officials of the Secretariat and their family members; and
- (d) official visitors.
- (3) Visas which may be required by persons referred to in paragraph (2) shall be issued free of charge as promptly as possible.
- (4) No activity performed by any person referred to in paragraph (2) in his or her official capacity shall constitute a reason for preventing his or her entry into, temporary stay in or departure from the Republic of Serbia.
- (5) The Republic of Serbia shall be entitled to require reasonable evidence to establish that persons claiming the rights granted by this Article fall within the categories described in paragraph (2) and to require compliance in a reasonable manner with quarantine and health regulations.
- (6) In accordance with the principle of equal treatment, the Republic of Serbia shall guarantee the application of the provisions of this Article at all times to all persons referred to in paragraph (2) related to their capacity under this Agreement.

Article 14 OFFICIALS OF THE SECRETARIAT

Officials of the Secretariat shall enjoy, within and with respect to the Republic of

Serbia, the following privileges and immunities:

- (a) immunity from jurisdiction in respect of words spoken or written and all acts performed by them in their official capacity which shall continue to apply even after the persons concerned have ceased to be officials of the Secretariat. Such immunity shall not apply to civil litigation initiated by a third party due to death, material damage or personal injury caused by a traffic offense by a motor vehicle caused by an official of the Secretariat;
- (b) immunity from the seizure of their personal and official baggage and, without prejudice to the applicable European Union and international rules in the field of aviation security, from inspection of their official baggage and, if the persons fall within the scope of Article 15, immunity from inspection of their personal baggage;
- (c) inviolability of all official documents, data and other material;
- (d) exemption from taxation in respect of all their salaries, emoluments including other types of income, allowances, remunerations, indemnities and pensions paid to them by the Secretariat in connection with their employment with it. This exemption shall extend also to any assistance given to the families of officials of the Secretariat;
- (e) exemption from any form of taxation on income derived by them or by their family members from sources outside the Republic of Serbia;
- (f) exemption from inheritance and gift taxes, except with respect to immovable property located in the Republic of Serbia;
- (g) exemption from immigration restrictions and registration formalities for themselves and their family members;

- (h) freedom to acquire or maintain within the Republic of Serbia foreign securities, foreign currency accounts, other movable property and, under the same conditions for all officials of the Secretariat, immovable property excluding agricultural land, and upon termination of their employment with the Secretariat, the right to transfer out of the Republic of Serbia, without interference, their funds in the same currency and up to the same amounts as they had brought them into the Republic of Serbia;
- (i) the right to import goods, including motor vehicles, for personal or family use, free of duties, value added tax, excise tax, and other charges and taxes and exempt from economic import prohibitions and restrictions on imports and exports. Goods exempt from customs duties, value added tax, excise tax and other such fees, within three years from the date of import cannot be alienated or given for use to another person, except for the purposes for which it was exempt from import duties. Lien cannot be imposed on these goods, the goods cannot be given on loan or as collateral for performing other obligations;
- (j) exemption from paying any taxes, charges or fees in relation to the use of motor vehicles with the exception of taxes, charges or fees payable for traffic licence documents, registration stickers and diplomatic licence plates issued by the competent authorities in accordance with paragraph (2) of Article 15;
- (k) the same protection and repatriation facilities with respect to themselves and their family members as are accorded in time of international crises to members of the staffs of diplomatic missions accredited to the Republic of Serbia; and

(l) the opportunity for their family members to have access to the labour market in accordance with the applicable legislation of the Republic of Serbia laying down the conditions and procedures for the employment of foreigners provided that, insofar as they engage in gainful occupation, privileges and immunities under this Agreement shall not apply with regard to such occupation. Any restrictions imposed by the Republic of Serbia on the employment of foreigners such as quotas shall not apply to family members and employers employing or wishing to employ family members applying for work permits.

Article 15

DIPLOMATIC PRIVILIGES AND IMMUNITIES

- (1) In addition to the privileges and immunities specified in Article 14, the Director and the Deputy Directors of the Secretariat and their family members shall be accorded the privileges and immunities, exemptions and facilities accorded to heads of diplomatic missions or members of such missions having comparable rank.
- (2) The competent authorities shall issue for each motor vehicle of the Secretariat a diplomatic license plate by which it can be identified as an official vehicle of an international organisation. Diplomatic license plates shall also be issued for motor vehicles owned or used by the officials of Secretariat.

Article 16 OFFICIAL VISITORS

- (1) Official visitors during the performance of their functions and during their journeys to, from and within the Republic of Serbia shall enjoy the following privileges and immunities to the extent necessary for the efficient performance of their functions:
 - (a) immunity from jurisdiction in respect of all words spoken or written, and all acts performed by them in the exercise of their duties. Official visitors shall continue to enjoy this immunity even after they have ceased to be official visitors of the Secretariat;
 - (b) inviolability of all their official documents, data and other material;
 - (c) immunity from seizure of their personal and official baggage; and
 - (d) the exchange facilities necessary for the transfer of their emoluments and expenses.
- (2) Days spent by persons referred to in paragraph 1 in the territory of the Republic of Serbia for performing their duties shall not be counted as days that are necessary for having residence in the Republic of Serbia for tax purposes. In particular, such persons shall be exempt from the taxation of their emoluments and expenses paid by the Secretariat during the given periods of duty.
- (3) The Secretariat shall promptly notify the competent authorities of the Republic of Serbia of the names and status of the persons to whom this Article applies.

Article 17

NOTIFICATION OF APPOINTMENTS, IDENTIFICATION DOCUMENTS

- (1) The Transport Community shall notify the General Secretariat of the Government of the Republic of Serbia of the appointment of the Director, to the extent possible, thirty days before his or her taking office.
- (2) The General Secretariat of the Government of the Republic of Serbia shall issue identification documents to the officials of the Secretariat and their family members. Such identification documents shall serve to identify the holders to the competent authorities.
- (3) The Transport Community shall submit the list of officials of the Secretariat to the General Secretariat of the Government of the Republic of Serbia as well as a revised list in accordance with any changes.

Article 18

PURPOSE AND SCOPE OF PRIVILEGES AND IMMUNITIES

- (1) Privileges and immunities guaranteed by this Agreement shall be granted in the interests of the Transport Community and to ensure that the Secretariat is able to perform its official activities unimpeded at all times and that the persons to whom they are accorded have complete independence. They shall not be granted for the personal gain of persons who benefit from such privileges and immunities.
- (2) The Transport Community shall waive immunity where it considers that such immunity would impede the normal course of justice and that it can be waived without prejudicing the interests of the Transport Community.

Article 19 COMPLIANCE WITH THE RULES OF THE HOST COUNTRY

Without prejudice to their privileges and immunities conferred by this Agreement, it is the duty of all persons enjoying such privileges and immunities to comply with the laws and regulations of the host country and not interfere with the internal affairs of the host country.

Article 20 COOPERATION WITH THE COMPETENT AUTHORITIES

The Transport Community shall cooperate with the competent authorities at any time to enable proper law enforcement and to prevent the occurrence of any abuse in connection with the privileges and immunities accorded to the persons referred to in this Agreement.

Article 21 OBLIGATIONS OF THE GOVERNMENT

Wherever this Agreement imposes obligations on the competent authorities, the Government of the Republic of Serbia shall have the responsibility for the fulfilment of such obligations.

Article 22

EXEMPTION FROM LIABILITY

The Republic of Serbia shall be exempt from international responsibility for any action carried out on its territory by the Transport Community or an official of the Secretariat.

Article 23 PROHIBITION OF DISCRIMIMATION

Within the scope of the application of this Agreement, any discrimination on the grounds of sex, racial or ethnic origin, nationality, language, religion or belief, disability, age or sexual orientations shall be prohibited.

Article 24 DISPUTE SETTLEMENT

- (1) The Parties shall endeavour to settle any dispute concerning the interpretation or application of this Agreement or any question affecting the seat premises or their relations through negotiations or other agreed mode of settlement.
- (2) If the dispute is not settled by negotiation or other agreed mode of settlement within a period of six months, either Party may refer it for final decision to a tribunal of three arbitrators: one to be chosen by the Transport Community, one to be chosen by the Minister of Foreign Affairs of the Republic of Serbia, and the third, who shall be the chair of the tribunal, to be chosen by the first two arbitrators. Should the first two arbitrators fail to agree upon the third one within six months of their appointment, he or she shall be chosen by the

President of the International Court of Justice at the request of either Party.

- (3) The meetings of the tribunal shall take place in Belgrade, and the language of the arbitration shall be English. Except as otherwise agreed between the Parties, the rules for the arbitration shall be laid down by the tribunal with a view to facilitating a timely procedure with reasonable costs to the Parties.
- (4) The Transport Community shall ensure appropriate means of dispute settlement arising out of private law disputes to which the Transport Community is a party.

Article 25

FINAL PROVISIONS

- (1) This Agreement shall enter into force on the day following the last notice by which the parties have informed each other of the completion of all internal procedures required for the entry into force of this Agreement.
- (2) This Agreement shall cease to be in force upon the termination of the activities of the Transport Community in the Republic of Serbia. In such case, the Parties shall cooperate in order to ensure the orderly termination of the operations of the Secretariat at its seat in the Republic of Serbia and the disposition of the assets of the Transport Community therein.
- (3) This Agreement may be amended by written consent of the Parties. Amendments shall enter into force in accordance with paragraph (1) of this Article. The Annex to this Agreement may be amended by exchanging letters between the parties.
- (4) Subject to paragraph (2) of this Article, until the fifth anniversary of the date upon which the Treaty enters into force, this Agreement may be terminated

only by written agreement between the Parties. Thereafter, this Agreement may be terminated by either Party by written notice through diplomatic channels to the other Party and shall terminate six months following the receipt of such notice.

Done in Belgrade on 30 January 2019 in two original copies, each in the Serbian and English languages, both being equally authentic.

For the Republic of Serbia

For the Transport Community

ANNEX

PROVISION OF THE SEAT PREMISES AND RELATED EQUIPMENT AND CONDITIONS FOR THEIR USE

The seat premises of the Secretariat and related equipment are provided by the Republic of Serbia subject to Article 3(3) of this Agreement.

The seat premises are located at Masarikova Street 5, floor 18 (entire floor).

The rooms have an area of 603 m2 and include:

- 480 m2 of office space
- 1 men's toilet
- 1 women's toilet
- 1 kitchenette
- 2 pantries

The Republic of Serbia shall provide the Director with a **parking space** in the garage in Masarikova Street 5, free of charge.

Refurbishment: before handing over the seat premises to the Transport Community, the Republic of Serbia shall carry out an overall refurbishment of the entire office space which includes the following and any other necessary refurbishment measures:

- adaptation of the electric system in accordance with the highest norms currently available;
- adaptation/replacement if necessary of the lighting system;
- adaptation/installation of fire/smoke detectors and automatic fire extinguishers in all offices and common spaces (including the kitchen and the toilets);
- adaptation of windows and thermic insulation of the offices;
- adaptation of the men and women's toilets and installation of the kitchenette;
- creation of a meeting room for at least forty (40) persons. The room shall be pre-cabled for potential installation of computer screens and projectors for

presentations. Mobile walls should leave the possibility to divide the room in two or three separated spaces;

- creation of a video-conference room for at least 12 persons. The room shall be pre-cabled in view of the installation of video-conference equipment;
- installation of two security/alarm doors with cameras and key codes to separate the offices from the space devoted to the lift/stairs to prevent access of the offices by unauthorised persons;
- painting of the overall space, replacing floors and ceiling.

The Republic of Serbia shall also equip the space with office furniture (tables, chairs, cupboards, wardrobes, desk lamps). The costs of maintenance, any damage and repairs that must be made (on installations, sanitary ware and carpentry) during further use, after the handover, shall be borne by the Transport Community.

Any subsequent furnishing of the space with furniture shall be the responsibility of the Transport Community.

Procurement of computers, printers and other necessary accompanying technical equipment as well as the maintenance of the server and the internet network shall be the responsibility of the Transport Community.

During the period of use of the seat premises, the Republic of Serbia shall pay:

- 1. Costs of heating and cooling
- 2. Costs of consumed electricity
- 3. Costs of water consumed
- 4. Costs of cleaning
- 5. The cost of private security service relating to the protection of the facility in which the seat premises are located.

The Transport Community shall cover the following costs:

- 1. Monthly telephone bills
- 2. Monthly bills for internet use and its maintenance

The Transport Community shall ensure the regular maintenance of the seat premises until the termination of this Agreement.

In case of additional office space needed following the increase of the number of officials of the Secretariat, the Republic of Serbia shall be responsible for finding other appropriate seat premises satisfying the needs of the Transport Community, and for covering the costs of the removal to the new seat premises.

Upon the completion of its activities in the Republic of Serbia, the Transport Community shall return the seat premises to the Republic of Serbia in the same state in which the premises were when they were handed over to the Transport Community.