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AGREEMENT
BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA
AND THE GOVERNMENT OF THE REPUBLIC OF BOSNIA AND HERZEGOVINA
CONCERNING ECONOMIC, TECHNICAL AND RELATED ASSISTANCE
FOR THE FEDERATION OF BOSNIA AND HERZEGOVINA

The Government of the United States of America and the
Government of Republic of Bosnia and Herzegovina

- recognizing that the Government of the United States of America is undertaking, in consultation and cooperation with the Government of the Republic of Bosnia and Herzegovina a program of assistance for the Federation of Bosnia and Herzegovina in support of peace, and economic and political reform;
- ~~recognizing the important role played by United States private organizations in implementing such assistance programs;~~
- desiring to consolidate and confirm certain arrangements and to establish a framework to govern and facilitate the provision of assistance which has been provided to date and which may be provided in the future by the Government of the United States of America, subject to the applicable laws and regulations of the United States of America.

Hereby agree as follows:

Article 1

The diplomatic mission of the United States of America to the Republic of Bosnia and Herzegovina is authorized to carry out and discharge the responsibilities of the Government of the United States of America under this Agreement.

Article 2

The Government of the Republic of Bosnia and Herzegovina shall:

(a) Make such contribution as may be appropriate and as mutually agreed, permitted by its personnel, resources, facilities, and general economic condition in furtherance of the purposes for which assistance may be provided;

(b) Take appropriate steps to ensure the effective use of such assistance;

(c) Provide the Government of the United States of America with full and complete information concerning the implementation of assistance provided by the Government of the United States of America as well as other relevant information which representatives of the Government of the United States of America may need in order to assess the nature, scope and effectiveness of such assistance programs, projects, and operations; and

(d) Upon reasonable notice, permit observation and review by representatives of the Government of the United States of America of any assistance programs, projects, and operations, and records pertaining thereto.

Article 3

In order to assure the maximum benefit to the people of Bosnia and Herzegovina from the assistance to be furnished hereunder and except as may be mutually agreed:

(a) Services, commodities, supplies, equipment or other property, including real property, utilized in connection with United States assistance programs may be imported, exported, purchased, used or disposed of in Bosnia and Herzegovina free from any tariffs, customs duties, import taxes, export taxes, value-added taxes (VAT), taxes on purchase or disposition of property and other taxes or similar charges. Any such commodities, supplies, equipment or other property later disposed of in Bosnia and Herzegovina to parties which are not entitled to receive such items free from such taxes or charges may be subject to such taxes or charges.

(b) Any public or private organization that has responsibility for implementing United States assistance programs in Bosnia and Herzegovina shall be exempt from any income, social security or other taxes imposed by the Government of the Republic of Bosnia and Herzegovina, or any subdivision thereof, with respect to income derived from the implementation of United States assistance programs. Income derived from other activities in Bosnia and Herzegovina is not exempted by this Agreement from taxation under the laws of the Republic of Bosnia and Herzegovina.

(c) All personnel (and their families), except nationals or permanent residents of Bosnia and Herzegovina, who are under contract with, or are employees of, any public or private organization that has responsibility for implementing United States assistance programs, and who are present in Bosnia and Herzegovina to perform work in connection with United States assistance programs, shall be:

1) Exempt from any income, social security or other taxes levied under the laws of the Republic of Bosnia and Herzegovina with respect to income derived from United States Assistance Programs; and

2) Exempt from any tariffs, customs duties, import taxes, VAT and other similar taxes and charges upon personal or household goods imported into Bosnia and Herzegovina within a period of six months from the date of their arrival in Bosnia and Herzegovina for the personal use of such personnel and members of their families, and such personal or household goods may be used in and exported from Bosnia and Herzegovina free from any such taxes; and

3) Exempt from any taxes on rent or other taxes on leases for the personal residences of such personnel and their families.

(d) Employees of the Government of the United States of America (and their families), except nationals or permanent residents of Bosnia and Herzegovina who are present in Bosnia and Herzegovina to perform work in connection with United States assistance programs and who are not members of the diplomatic mission shall be accorded status equivalent to that accorded to administrative and technical staff personnel under the Vienna convention on diplomatic relations.

(e) In the event that the Government of the Republic of Bosnia and Herzegovina does not have procedures to exempt payment of VAT, pursuant to Article 3, at the point of sale or importation, the Government of the Republic of Bosnia and Herzegovina agrees to rebate the payment of such taxes pursuant to a reasonable rebate system.

(f) Nothing in this Agreement shall be construed to derogate from the privileges and immunities to which personnel are otherwise entitled.

Article 4

Funds brought into Bosnia and Herzegovina for assistance programs shall be:

(a) Convertible into any currency used in Bosnia and Herzegovina at the rate providing the largest number of units of such currency per United States dollar which, at the time the conversion is made, is not unlawful; and

(b) Exempt from any currency controls or investment or deposit requirements which may be in effect in Bosnia and Herzegovina.

Article 5

The Government of the United States of America and the Government of the Republic of Bosnia and Herzegovina may from time to time enter into implementing arrangements to assist in the implementation of this Agreement.

Article 6

(a) This Agreement shall enter into force upon signature. The provisions of this agreement shall apply to organizations and individuals as of the date of their arrival in Bosnia and Herzegovina in connection with U.S. assistance programs, whether before or after the date this agreement enters into force and shall also apply to assistance provided before or after such date. This Agreement may be amended or revised by written consent of the parties.

(b) This Agreement shall remain in force until thirty (30) days after the receipt by either party of written notification of its intention to terminate the Agreement. Notwithstanding any such termination, this agreement shall be applicable to assistance furnished before the termination.

IN WITNESS WHEREOF, the undersigned, duly authorized for this purpose, have signed this Agreement.

Done at Sarajevo on the day of, 1994.

For the Government of the
United States of America:

For the Government of
the Republic of
Bosnia and Herzegovina:

Clearances:

USAID:

DAA/ENI:CPascual via e-mail Date 11/10/94
ENI/ECA:WERdhal oral clearance Date 11/10/94

State:

S/EEA:RJohnson _____ Date _____
State/L:TBuchwald _____ Date _____

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