

**STATUTE ESTABLISHING THE
ASSOCIATION OF SERB-MAJORITY MUNICIPALITIES
IN KOSOVO**

With reference to the Framework Convention for the Protection of National Minorities; Article 10 of the European Charter of Local Self-Government; the Law on Ratification of the First Agreement of Principles Governing Normalization of Relations between the Republic of Kosovo and Republic of Serbia; the Law on Local Self-Government; the Law on Inter-Municipal Cooperation; the Law on Organization and Functioning of State Administration and Independent Agencies; UN Security Council Resolution 1244; and the Constitution of the Republic of Kosovo

And in respect of the independence, autonomy and territorial integrity of the Republic of Kosovo

The Government of the Republic of Kosovo approves the Statute of the Association of Serb-Majority Municipalities.

I. GENERAL PROVISIONS

Article 1 [definitions]

The below-listed terms used in this Statute shall have the following meaning:

- a) Kosovo – the Republic of Kosovo.
- b) Serbia – the Republic of Serbia.
- c) Association – the Association of Serb-Majority Municipalities.
- d) Central Authorities – the President, Assembly, Government and Auditor General of Kosovo.
- e) Applicable law – international treaties and conventions, Kosovo laws and other legislation applicable in Kosovo.
- f) Official Gazette – the Official Gazette of Kosovo.
- g) Constitution – the Constitution of Kosovo.
- h) Assembly – the Assembly of the Association of Serb-Majority Municipalities.

Article 2 [background and objectives]

1. The Kosovo Serb community is a traditional ethnic community with distinct linguistic, cultural, and religious features that has been residing in Kosovo for centuries alongside other traditional communities. In accordance with Article 57 of the Constitution, as a traditional community, the Kosovo Serb community is entitled to specific rights in addition to the human rights and fundamental freedoms provided in Chapter II of the Constitution.

2. The primary objective of this Statute is to create in Kosovo opportunities for the Kosovo Serb community to take advantage of the specific rights and municipal competencies already included in the Constitution and other applicable law.

3. The Association, established by this Statute, provides a self-management framework for the Kosovo Serb community within the existing municipal level of local self-government and shall not gain additional executive competencies compared to its member municipalities. The framework includes the support of coordinated service provision in specific areas, with the possibility for financial support by Serbia, and an effective direct communication channel for the Kosovo Serb community to the Government of Kosovo through the Ministry of Local Government Administration.

4. The Association has the overall objective of assisting its members to cooperate in partnership, within their areas of competence, in order to carry out functions of mutual interest.

Article 3 [statute]

1. This Statute regulates the competencies, scope of work, organization and functioning of the bodies, and all other affairs of the Association.

2. This Statute shall be submitted to the Constitutional Court for review of its constitutionality before it is established.

Article 4 [procedures for establishment]

1. After the conclusion of the Constitutional Court review conducted in accordance with Article 3 of this Statute, the municipalities wishing to become founding members of the Association shall inform the Ministry of Local Government Administration in writing of their intent to do so. This intent shall be based upon a decision by each respective municipal assembly, in accordance with the legal provisions regulating decision-making by municipal bodies, to endorse this Statute.

2. A member municipality shall provide to the Ministry of Local Government Administration with the list of delegates representing the municipality in the constituent session of the Assembly selected in accordance with Article 26 of this Statute.

3. The constituent session of the Assembly establishing the Association should convene no later than forty-five days after the conclusion of the Constitutional Court review.

4. The agenda of the constituent session shall include the following:

- a) Confirmation of member municipalities.
- b) Confirmation of the delegates of the Assembly.
- c) Adoption of the Statute.
- d) Establishment of the Association.
- e) Election of the Chairperson and Vice-Chairperson(s) of the Assembly.
- f) Election of the President and Vice-President of the Association.

5. After the Association is established by the member municipalities, according to the procedures set out in Article 4 of this Statute, the Statute shall be published in the Official Gazette.

Article 5 [membership]

1. Membership of the Association shall be based on the principle of voluntary participation. Founding membership of the Association will be open to the Serb-majority municipalities in Kosovo. Upon the establishment of the Association pursuant to the review of the Constitutional Court, membership will be open to any other municipality subject to a decision to accept a new member by a majority of two thirds of the delegates of the Assembly.
2. Voluntary participation implies the ability for every municipality to decide freely on joining the Association, the freedom to terminate membership, and the freedom to exclude itself from any decisions made by the Association.
3. Membership does not imply that the Association will replace or reduce the rights and powers of the member municipalities and shall not infringe on the exclusive powers of the member municipalities guaranteed by Article 40.2 of the Law on Local Self-Government.
4. Municipalities other than the founding members may apply to join the Association on the basis of a decision by their municipal assemblies in accordance with Art. 48.2 of the Law on Local Self-Government. In the process of joining the Association, each member must endorse its Statute.
5. Members of the Association may join other national, regional and international associations in accordance with the Constitution and applicable law with reference to Article 10.3 of the European Charter for Local Self-Government.
6. Members of the Association have the right to terminate their membership after a decision by their respective municipal assembly. A municipality that has terminated membership of the Association may request to re-join the Association in accordance with this Article.
7. A member may be expelled from the Association only after a decision of the Assembly adopted by a majority of two thirds of its delegates.
8. The Association may only be dissolved by a decision of the Assembly adopted by a majority of two thirds of its delegates. In case a dissolution decision is adopted, the dissolution of the Association shall be carried out by the Ministry of Local Government Administration.

Article 6 [amendments to the statute]

1. Only the bodies of the Association, and its member municipalities, shall have the right to propose amendments to this Statute. Upon adoption by the Assembly of a proposed amendment, the President of the Association shall submit the proposed amendment, through the Ministry of Local Government Administration, to the Constitutional Court for review. The Ministry of Local Government Administration can, as an interested party, submit an opinion on the proposed amendment for the consideration of the Constitutional Court.
2. Upon a positive review by the Constitutional Court, amendments shall enter into force upon their publication in the Official Gazette.

Article 7 [administrative issues]

1. The administrative boundary for the activities of the Association comprises the jurisdiction/administrative boundaries of its members.

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2. The City of Mitrovica North is the administrative centre of the Association, unless otherwise decided by the members of the Association, in accordance with the Statute.

Article 8 [official name]

1. The official name of the Association is the Association of Serb-Majority Municipalities.
2. The official name of the Association is without prejudice to other ethnic communities residing in member municipalities and does not imply any exclusion from the benefit of any activities or services provided by the Association to other ethnic communities.

Article 9 [legal status and proprietary rights]

1. The Association has legal personality, in accordance with the applicable law, and the legal capacity necessary under Kosovo law to perform its objectives, including the right to own movable and immovable property, to co-own companies that provide local services within the scope of the Association and to conclude contracts, including employment contracts, as well as to sue and be sued.
2. The members of the Association retain their legal, proprietary and financial status after obtaining membership of the Association.
3. Members of the Association cannot transfer ownership of their immovable property to the Association.

4. In the event of the dissolution of the Association, the assets of the Association shall be distributed equally among its last members.

Article 10 [rights of communities]

1. The Association shall not replace, supersede, or reduce the rights and interests of any communities residing in member municipalities.
2. The use of languages in the Association shall be regulated in accordance with the applicable law on the use of languages.
3. Other (non-Serb) communities should be represented in all bodies of the Association reflecting the ethnic diversity of member municipalities.

Article 11 [official symbols]

1. The Association shall establish its own official symbols, which may consist of a flag and a coat of arms, in accordance with the applicable law, including Art. 7.3 of the Law on Local Self-Government.
2. The Association shall endeavour to ensure that official symbols enhance efforts to support improved social relations, the inclusion of all communities and societal cohesion in accordance with the Constitution.
3. Upon adoption by the Assembly of the Association's proposed official symbols by a majority of all delegates, the President of the Association shall submit the proposed symbols, through the Ministry of Local Government Administration, to the Constitutional Court for review.
4. Upon a positive review of the Constitutional Court, and upon publication in the Official Gazette, the symbols of the Association shall be considered official.

5. Only the official symbols of the Association, along with the state symbols of Kosovo shall be used by the Association, in accordance with the Law on the Use of State Symbols.

Article 12 [cooperation]

1. In accordance with the applicable law, the Association shall be entitled to cooperate, within the areas of its members' own competencies, with municipalities and institutions, including government agencies, in Serbia.

2. Such cooperation may take the form of the provision by Serbian institutions of financial and technical assistance, including equipment, in the implementation of municipal competencies. Donations of goods and equipment from Serbia shall be exempted from any taxes or duties, in accordance with the applicable law. Any equipment or other commodities imported into Kosovo for use by the Association must conform with all other importation requirements as set down by the applicable law.

3. All financial or other support received by the Association shall be subject to the oversight and audit of the Central Authorities as set out in this Statute and the applicable law.

4. The Association may establish relations and enter into cooperation arrangements with other domestic and international associations of municipalities, local authorities, regions and other units of local self-government in other states, in accordance with the applicable law.

II. OBJECTIVES AND DUTIES/COMPETENCIES

Article 13 [general objectives and competencies]

1. In accordance with the applicable law, the Association shall act as a forum for inter-municipal cooperation and coordination through which its members shall examine matters of their common interests, promote, disseminate, and advocate issues of common interest, and support the delivery of public services within member municipalities.

2. The Association shall engage in promoting and protecting the rights and interests of the Kosovo Serb community in line with Chapter III of the Constitution. This engagement shall not replace, exclude, supersede, or reduce the rights and interests of other legal entities representing the Kosovo Serb community to pursue the same goals.

3. The Association shall coordinate, facilitate, and conduct research and development activities.

4. To facilitate the exercise of these competencies, the bodies of the Association have the right to adopt the following:

- a) Regulations.
- b) Decisions.
- c) Declarations.
- d) Rules of Procedure.
- e) Instructions.

5. The Association shall manage the education and healthcare institutions, which have been directly financed by Serbia, in accordance with the specific procedures outlined in this Statute, and in accordance with the applicable law.

6. The Association shall support the exercise, as set out in this Statute, of municipal responsibilities in the areas of its members' own and enhanced competencies with the exception of those listed under Article 40.2 of the Law on Local Self-Government.

7. The Association may exercise other additional competencies as may be delegated by the Central Authorities in accordance with the Constitution and applicable law.

Article 14 [Management of the education and healthcare institutions established and financed by Serbia]

The Association shall manage the education and healthcare institutions, which have been financed by Serbia, pursuant to the following steps:

a) In the spirit of Article 13 of the Framework Convention for the Protection of National Minorities, the "Kosovo Serb Education Network" and "Kosovo Serb Healthcare Network" shall be established as private education and healthcare providers under the responsibility of the Association, highlighting Serbia as the financial contributor, as well as the main offices of these providers currently located in Serbia.

b) In Kosovo, these providers shall endeavour to have the status of foreign private education and foreign private healthcare providers. The Association shall endeavour to register these providers and obtain operating licenses in accordance with the applicable law.

c) Issues related to the educational curriculum shall be regulated in accordance with the applicable law.

d) Upon licensing, the Association shall manage the functioning of these educational and healthcare providers.

e) The Association shall engage with the Kosovo government with the objective that these services shall be exempt from customs and all other duties for as long as they provide services in the public interest and in accordance with this Statute.

f) In the territory of the members of the Association, these providers may use the public premises established and co-funded by Serbia for the provision of health and education services.

g) The operation of these networks shall in no way limit or hinder the functioning of the existing Kosovo system of public schools and the Kosovo system of public healthcare.

h) These networks may also be authorized to provide their services in the territories of non-member municipalities. However, to use public premises (schools and healthcare centres), these providers must obtain permission from the respective municipal authorities and services provided must be within existing competencies of the municipality.

i) The "Kosovo Serb Education Network" shall issue double degrees. The design of the degree (the Kosovo awarded degree) awarded by the "Kosovo Serb Education Network", pursuant to the applicable law, shall be regulated by a separate agreement between the provider and the competent authorities. The founding institution in Serbia shall issue a duplicate degree (the Serbian degree). The

place of issuance of the duplicate degree is the city (Serbia) where the main offices are based. The Government of Kosovo shall treat the duplicate degree as a valid foreign degree.

j) The services provided by the "Kosovo Serb Education Network" and the "Kosovo Serb Healthcare Network" shall be accessible by all residents of the municipalities where they are located without any distinction as to ethnicity.

Article 15 [additional responsibilities relating to education]

The Association, in addition to and in conjunction with the responsibilities set out in Article 14 of this Statute and within its municipal competencies, shall exercise functions and full overview (regulates, organizes, coordinates and conducts affairs) related to education. The Association shall fulfil this objective through the conduct of the following functions:

- a) Facilitating cooperation among its members for the purposes of advancement of education standards at the local level.
- b) Representing the education policy interests of its members and their residents with the Central Authorities.
- c) Conducting research and following education trends among its members, in Kosovo and abroad, and providing guidance to advance education standards, policy and technical skills.
- d) Providing legal, scientific, financial, and secretarial support to its members in the implementation of their competences in the area of education, including higher education, as provided by law.
- e) Providing advice to the Central Authorities and its members with regard to the development and provision of Serbian-curriculum education as regulated by Kosovo law.
- f) Provide legal, subject-matter and research-based advice to the Central Authorities as regards the management of the education sector on the territory of member municipalities.
- g) Funding education-related initiatives – including scholarships, teacher training, research grants, IT solutions, academic exchanges, summer programs – for the benefit of education advancement among its member municipalities.
- h) Funding construction and infrastructure projects related to the provision of education among its member municipalities, as well as providing financial support for maintenance of education and related facilities (sports halls, IT labs, etc.).
- i) Facilitating and/or funding the transport and distribution of education textbooks related to the Serbian-curriculum education under Kosovo law.
- j) Liaising with other parties, including the education authorities of Serbia, for the fulfilment of this objective.
- k) Providing advice to the Central Authorities on amendments related to legislation on education.

Article 16 [additional responsibilities relating to health and social care]

The Association, in addition to and in conjunction with the responsibilities set out in Article 14 of this Statute, shall exercise functions and full overview (regulates, organizes, coordinates and conducts

affairs) within its municipal competencies related to improving local primary and secondary health and social care. The Association shall fulfil this objective through the conduct of the following functions:

- a) Facilitating cooperation among its members for the purposes of advancement of primary and secondary health and social welfare at the local level.
- b) Representing the health and social policy interests of its members and their residents with the Central Authorities.
- c) Conducting research and following health and social welfare trends among its members, in Kosovo and abroad, and providing guidance for the advancement of health and social welfare provisions, policy and research.
- d) Providing legal, scientific, financial, and secretarial support to its members in the implementation of their competences in the area of health and social welfare, as provided by the law.
- e) Providing legal, subject matter and research-based advice to the Central Authorities as regards the management of the health sector on the territory of member municipalities.
- f) Providing advice to the Central Authorities and its members with regard to any specific health and social welfare needs of their residents.
- g) Funding and facilitating capacity building and professional training of the medical and social welfare personnel of its members, for the benefit of improvement of health and social care.
- h) Funding construction and infrastructure projects related to the provision of healthcare and social welfare. The Association shall also provide financial support for maintenance of medical facilities.
- i) Funding social housing in the member municipalities, respecting the ethnic diversity of its population and provisions of the applicable law regarding the selection of beneficiaries.
- j) Funding the facilities, equipment and material expenses related to any specific health or social welfare needs in member municipalities, such as those related to mobile health provision, persons with disabilities, or elderly health care.
- k) Funding and/or raising funds for social welfare support of the residents of its member municipalities, respecting their ethnic diversity.
- l) Promoting, facilitating, and funding public health awareness campaigns and measures for improving public health standards, other than those regularly provided by the Kosovo government.
- m) At times of pandemics or other public health crises, the Association shall support the implementation by its members of government of Kosovo-provided public health measures.
- n) At times of pandemics or when otherwise needed, funding and/or facilitating the provision of medicines, vaccines and medical equipment for the needs of the residents of its members in line with the guidelines of the government of Kosovo.
- o) Liaising with other parties, including the health and social welfare authorities of Serbia, for the fulfilment of this objective.

- p) Funding the purchase of specialized medical equipment as may be needed by member municipalities and the 'Serbian Healthcare Network'.
- q) Advising the Central Authorities in terms of the primary and secondary health and social care in member municipalities, as well as in terms of amendments to the legislation on municipal primary and secondary health and social care.
- r) Through a joint commission established with the Central Authorities, facilitating the payment of social welfare financial assistance from Serbia for beneficiaries residing in member municipalities.

Article 17 [local democracy]

The Association exercises this function through facilitation of cooperation among its members, supporting members in the design of policies that advance local democracy, facilitating, funding or promoting activities that advance civic participation and democratic practices, and representing the interests relevant to local democracy with the Central Authorities.

Article 18 [culture]

1. The Association shall promote and protect the ethnic, linguistic, religious, and other forms of cultural identities represented among the population of its members. In the conduct of this function, the Association shall facilitate cooperation among its members and support them in the design of projects, policies and measures that uphold, promote, and protect cultural expression and identity represented among their residents. This may include facilitation and/or funding of projects related to culture and cultural heritage within the administrative boundary of the Association as well as related to maintenance, rehabilitation or construction of cultural heritage sites.

2. The Association may also fund or organize public events and outreach and awareness raising activities related to the promotion of the cultures and cultural diversity represented in member municipalities.

3. The Association may also provide technical, legal and professional advice to its members and to the Central Authorities regarding legislation, policies, activities and public engagement in the sphere of culture and cultural diversity.

4. In the conduct of these functions, the Association shall respect the cultural diversity represented among the residents of its members and the diversity norms contained in the Constitution and the legal system of Kosovo.

Article 19 [economic development]

1. The Association shall exercise functions and full overview (regulates, organizes, coordinates and conducts affairs) within its municipal competencies related to developing the local economy.

2. The Association shall exercise this function through facilitation of cooperation among its members, supporting them in the design of projects, policies and measures that develop their local economies and assisting in the engagement of financial and human resources relevant to economic services, funding and promoting activities that enhance economic development, investment and business connectivity.

3. The Association shall represent, within the limits of its support for the exercise of members' municipal competencies, the interests of members and economic actors located within the

administrative boundary of the Association in relations with the Central Authorities, as well as other state and economic operators in the region and beyond, including those from Serbia.

Article 20 [urban and rural planning]

The Association shall exercise functions and full overview (regulates, organizes, coordinates and conducts affairs) within its municipal competencies related to urban and rural planning. The Association shall fulfil this objective through the conduct of the following functions:

- a) Facilitating cooperation among its members for the purposes of inter-municipal urban and rural planning.
- b) Representing the interests of its members before the Central Authorities as regards inter-municipal urban and rural planning.
- c) Conducting research and other forms of technical support to its members in their application of legal competencies in urban and rural planning.
- d) Providing legal, scientific, financial, and logistical support to its members in the implementation of their competencies in urban and rural planning.
- e) Funding and/or facilitation of capacity building programs in the area of urban and rural planning.
- f) Providing advice to the Central Authorities with regards to inter-municipal infrastructure projects related to its members.
- g) Providing guidance to its members with regards to their legal competences on urban development and zoning maps.
- h) Providing guidance and support to its members for the protection and promotion of cultural heritage.
- i) Providing advice to the Central Authorities on amendments to legislation related to municipal urban and rural planning.
- j) Providing legal, subject-matter and research-based advice to the Central Authorities and its members with regard to expropriation processes within the administrative boundary of the Association.

Article 21 [returnees to Kosovo]

The Association shall adopt measures to support the sustainable return of displaced persons and refugees to Kosovo, within the limits of member competencies in full compliance with the 2018 Regulation on Return of Displaced Persons and Durable Solutions and the applicable law. The Association shall fulfil this objective through the conduct of the following functions:

- a) Facilitation of cooperation among members for the benefit of the returnee community.
- b) Implement the Ministry of Communities and Returns policies and measures on housing solutions for returnees to Kosovo. Liaison and cooperation with the Ministry for Communities and Return and other Central Authorities with regard to the implementation of relevant strategies and the applicable law relating to returns, as relevant for implementation by members.

- c) Providing advice and guidance to members in terms of policies and measures on the socio-economic integration of returnees.
- d) Co-funding socio-economic integration programs for returnees through members. The Assembly shall also provide other forms of financial and material assistance to returnees, including outside member municipalities, under the guidance of the Ministry of Communities and Returns.
- e) Providing advice and support to non-member municipalities relevant to their return-related policies and measures.
- f) Providing advice to the Central Authorities with regards to legislation, policies, strategies and measures in support of returns.

Article 22 [research and development]

1. The Association shall conduct, coordinate and facilitate research and development activities within its members' competencies. In the fulfilment of this objective and in addition to the research and development activities outlined above, the Association shall conduct any other research and development activity deemed necessary by its members, as may be relevant for their own individual needs or those related to inter-municipal cooperation.
2. The Association shall promote, disseminate and advocate issues of common interest of its members and represent them, including to the Central Authorities. In the fulfilment of this objective and in addition to the activities outlined under the objectives above, the Association shall promote and advocate issues of common interest of its members and, where relevant, represent them with the Central Authorities.

Article 23 [joint public enterprises]

To perform municipal services on behalf of its members, the Association may establish joint public enterprises in compliance with the applicable law.

III. ORGANISATIONAL STRUCTURE

Article 24 [bodies]

1. The Association is composed of the following bodies:
 - a) Assembly.
 - b) President and Vice-President.
 - c) Board.
 - d) Advisory Council.
 - e) Administration.
 - f) Complaints Office.
2. No person shall be permitted to exercise a position in more than one of the Association's bodies except in accordance with Article 30.1 where a Mayor is elected to serve in the Board.

ASSEMBLY**Article 25 [competencies]**

1. The Assembly is the supreme body of the Association.
2. The Assembly shall:
 - a) Adopt proposed amendments to this Statute in accordance with Article 6.
 - b) Decide to change the competences of any other body of the Association, if necessary through adoption of proposed amendments to this Statute in accordance with Article 6.
 - c) Adopt Regulations, Special Regulations, Rules of Procedure, decisions, statements, and declarations.
 - d) Appoint and dismiss the President and the Vice-President of the Association, the Chairperson and at a minimum two Vice-Chairpersons of the Assembly, the members of the Board of the Association, and any other official who is directly responsible to the Assembly, according to the procedures outlined in this Statute.
 - e) Review and adopt the budget of the Association.
 - f) Deliberate, review, and set policy priorities for the Association.
 - g) Review and approve cooperation agreements with third parties.
 - h) Regulate all affairs pertaining to the internal functioning of the Association.
 - i) Review and approval of construction, infrastructure and other investment projects to be undertaken by the Association valued at more than 50,000 Euro, upon proposal by the President and the Board of the Association.

Article 26 [election of the delegates]

1. Delegates of the Assembly shall be elected by member municipal assemblies, through the election of five delegates representing each municipality from among their fellow deputies. The ethnic diversity of member municipal assemblies should be reflected in the composition of their elected delegates to the Assembly.
2. The term of the Assembly delegates shall correspond to the terms of the municipal assemblies of their respective member municipalities. Upon local elections, within one month after the establishment of member municipal assemblies, the municipal assemblies established thereby shall elect their delegates in the Assembly under the procedures outlined above and in accordance with the law. The term of the Assembly delegates ends with the end of their term in their respective municipal assembly. All legally provided forms for the end of the term in office as a municipal assembly counsellor shall apply to the end of term in the Assembly.
3. The municipal assembly of each member municipality has the right to revoke the mandate of one or more of its delegates to the Assembly. Revocation of the mandate has to be justified in terms of respect for this Statute and the applicable law. Decisions on revocation of mandate and replacement of delegates shall be taken by the municipal assembly of the respective municipality in accordance with the legal provisions regulating decision-making by municipal bodies.

4. Delegates to the Assembly, as well as the Chairperson and the Vice-Chairpersons, are entitled to financial compensation for their work in the Assembly. The financial compensation shall be determined by the Assembly's Rules of Procedure and shall be in conformity with the financial standards of public service regulated by Kosovo law.

Article 27 [meetings of the Assembly and decision-making procedure]

1. Meetings of the Assembly shall be chaired by the Chairperson or, in their absence, by the most senior Vice-Chairperson.

2. Meetings of the Assembly shall be convened on the initiative of the Chairperson, Vice-Chairperson(s), President of the Association, or by one third of the delegates of the Assembly.

3. Within three months after the constituent meeting, the Assembly shall adopt its Rules of Procedure to govern its voting system and other procedural matters, in line with the Statute and Kosovo law.

4. The Assembly shall meet at least twice annually and may hold other regular and ad hoc meetings. The scheduling and other Assembly meeting procedures shall be regulated by the Rules of Procedure.

5. Decisions of the Assembly shall be adopted by a simple majority of the delegates registered as present and voting unless specified otherwise in this Statute.

6. All decisions of the Assembly shall be applicable to the members of the Association. When necessary and, in accordance with the Constitution and the laws of Kosovo, the members of the Association shall implement decisions of the Assembly through the legal, administrative, budgetary and other procedures pertaining to the scope of competences of municipalities in Kosovo. However, any member of the Association has the right to formally express a different opinion or not to implement decisions of the Assembly.

PRESIDENT AND VICE-PRESIDENT

Article 28 [election and mandate]

1. The Association shall have a President and Vice-President, elected by the Assembly, chosen from among the councillors of the municipal assemblies and the Mayors of the member municipalities. The procedure for electing the President and Vice-President shall be regulated by the Assembly Rules of Procedure.

2. The mandates of the President and Vice-President shall correspond to their respective mandates within their member municipalities. There are no restrictions on re-election to these two functions.

Article 29 [competencies]

1. The President shall represent, within the limits of the Association's support for the exercise of members' municipal competencies, the Association before the Central Authorities and third parties, domestic and foreign.

2. The President supervises the work of the Advisory Council, Board and Administration and manages the implementation of the Association's objectives and Assembly decisions.
3. Assisted by the Advisory Council, Board and Administration, the President manages the Association budget and spending, in line with the provisions of the Statute and legal norms of Kosovo.
4. Assisted by the Board, the President is the authorized entity of the Association for managing its bank account(s), property related documents, entering cooperation agreements in accordance with Art. 12.4 of this Statute, representation at court and other administrative matters, and other forms of formal correspondence necessary for the functioning of the Association. In the conduct of this authority, the President shall follow procedures outlined in this Statute and the applicable law.
5. The Vice-President assists the President in all functions described above, represents the Association in consultation with the President and replaces the President in the conduct of his/her duties when necessary. The President may temporarily delegate any of the functions above to the Vice-President.
6. The President and Vice-President of the Association are entitled to financial compensation for their work. The financial compensation is determined by the Assembly and is in line with the financial standards of public service regulated by Kosovo law.

ADVISORY COUNCIL**Article 30 [election and competencies]**

1. The Association shall have an Advisory Council composed of a maximum of 30 members that are residents of member municipalities, including all Mayors of the member municipalities. If a Mayor is elected as President or Vice-President of the Association, then they shall not be members of the Advisory Council. The composition of the Advisory Council should reflect the ethnic diversity of member municipalities and respect the constitutional and legal provisions on the representation of communities in Kosovo.
2. The Advisory Council is an advisory body, which shall provide guidance to the work of the Association.
3. The Advisory Council may provide advisory opinions on any aspect relating to the functioning, objectives and competencies of the Association.
4. The election and criteria for membership on the Advisory Council for its members who are not Mayors are determined by the Assembly through a special regulation in accordance with this Statute and the legal system of Kosovo. Membership in the Advisory Council for non-Mayors shall reflect the ethnic diversity of member municipalities and otherwise respect the constitutional and legally provided norms for the representation of communities in Kosovo. The term of Advisory Council members shall correspond to the terms of the municipal assemblies of their respective member municipalities and for those who are not Mayors the term shall not exceed 5 years.
5. Frequency and scheduling of meetings, decision-making and other matters, including remuneration for Advisory Council members in addition to regulating the Advisory Council's proceedings shall be determined by the Assembly through a special regulation in accordance with this Statute and the applicable law.

BOARD**Article 31 [election]**

1. The Association shall have a Board composed of seven members, including a Chairperson, elected by the Assembly from among the Mayors and residents of member municipalities on the proposal of the President of the Association.
2. Board members may be removed upon the decision of the President or by a decision of the Assembly.

Article 32 [competencies]

1. The Board of the Association is the managerial body of the Association.
2. The Board shall propose the annual budget.
3. The Board shall be responsible for the execution of the budget and for approving payments, and it shall manage the assets of the Association, and other daily affairs of the Association.
4. The Board shall prepare performance reports.
5. The Board shall report directly to the Assembly.
6. Under the supervision of the President, the Board shall manage the implementation of the Assembly's objectives, relevant Assembly decisions, and the Association's administration.
7. The Board members have the right to participate in meetings of the Assembly as observers and to present written proposals for the Assembly's consideration and approval.
8. In their work, the Board members shall be supported by professional staff composed of experts in the fields covered by the competencies of the Association.
9. Board members shall be entitled to financial compensation for their work. The financial compensation shall be determined by the Assembly in line with the financial standards of public service regulated by Kosovo law.

Article 33 [Chairperson of the Board]

1. The Chairperson of the Board is the Chief Executive Officer of the Association with the following responsibilities:
 - a) Management and coordination of the work of the Board and representation of the Board.
 - b) Management of the human resources of the Association.
 - c) Conclusion of contracts on behalf and for the Association.
 - d) Presentation of the performance report to the Assembly.
2. The Chairperson may delegate his/her tasks to any other member of the Board.

ADMINISTRATION

Article 34 [competencies]

1. The Association shall have an administration, headed by a Chief of Administration appointed by and reporting to the Board.
2. The administration shall support the work of the Association, in particular the Board and the President.

Article 35 [staffing]

1. The staff of the administration shall be composed of professional and accountable citizens of Kosovo, regardless of their municipal residence. The staff of the administration shall equitably reflect the multi-ethnicity and gender equality standards of member municipalities. The staff of the administration shall be recruited based on merit and upon passing selection procedures approved by the Board, in conformity with this Statute and the applicable law.
2. Representation requirements will be implemented in accordance with the provisions of the Law on Local Self-Government and the Regulation on Procedures for the Fair and Proportional Representation of Communities not in the majority in the Civil Service.
3. The staff of the administration shall be employed by the Association and enjoy the rights and protection afforded to employees by the Law on Labour. The staff of the Administration shall be entitled to financial compensation for their work. The financial compensation shall be determined by the Assembly and shall be in line with the financial standards of public service regulated by Kosovo law.
4. The staff of the administration shall be subject to the duties outlined for employees in the Law on Labour.
5. The Association shall respect all relevant provisions of the Law on Labour.
6. The Chief and staff of the administration shall not come from the ranks of elected Mayors or municipal assembly counsellors of the member municipalities nor shall they hold any other functions in the Association.
7. The bodies of the Association may engage employees of the member municipalities under special-expertise temporary contracts to conduct a particular task in support of the Board and the Association. In this regard, the members of the Association shall act in conformity with the Law on Labour and shall not undermine the capacity of member municipalities to provide services in conformity with the applicable law.

COMPLAINTS OFFICE

Article 36 [competencies]

1. The Association shall have a Complaints Office with the capacity to receive and deliberate upon complaints by the municipal authorities of member municipalities or by civic groups, commercial entities, or professional associations from the member municipalities. Complaints made to the Office are made without prejudice to other available judicial remedies in accordance with the applicable law.

2. The complaints that may be submitted to this Office are those pertaining to alleged violations by the Association against the rights and interests of its member municipalities, their residents, commercial entities or professional associations.
3. Decisions of this Office in relation to the complaints submitted to it are applicable to the relevant bodies of the Association. Decisions of this Office may be appealed in the Courts to the same extent as decisions of municipalities.
4. The internal structure and organization of this Office shall be regulated by the Assembly.
5. Staff of the Office shall be entitled to financial compensation for their work. The financial compensation shall be determined by the Assembly and be in conformity with the financial standards of public service regulated by Kosovo law.

LEGAL AID SERVICES

Article 37 [Legal Aid Office]

1. The Association shall establish a Legal Aid Office to provide free legal assistance.
2. Legal assistance shall be provided to all persons who cannot afford professional legal assistance without compromising their own existence, regardless of their background or place of residence.
3. The Assembly shall regulate the internal structure and organization of this Office.

IV. BUDGET AND SUPPORT

Article 38 [budget and funding]

1. The Association shall have its own budget, which shall be administered in accordance with principles of transparency and accountability.
2. To this end, the Association will hold a bank account in a financial institution licensed by and registered with the Central Bank of Kosovo.
3. The budget of the Association and its expenditures shall be subject to a five-year period of oversight by the European Union. After the initial period of five years, the European Union will make an assessment on whether the oversight should be continued or terminated. This assessment will be provided to the relevant Central Authorities – the Ministry of Finance and the Ministry of Local Government Administration – and the Association. If one of the two parties (i.e. the Central Authorities and the Association) require the oversight to be continued, the European Union will continue this function for another five years. After this additional period the European Union's oversight will be terminated.
4. The Association's expenditures shall also be subject to audit by the competent authorities, including by the Auditor General of Kosovo.
5. The Association is funded from:
 - a) Contributions from its members

- b) Income and revenue from the services provided by the Association, its companies or drawn from its movable or immovable assets.
- c) Transfers from the Central Authorities in accordance with the applicable law relating to budget contributions.
- d) Contributions, grants, donations, as well as financial support from other associations and organizations, domestic and international, including Serbia.
6. The Association shall be exempt from duties and taxes in the pursuit of its objectives, on the same basis as member municipalities.
7. The Association has an annual integrated budget proposed by its Board and approved by the Assembly. Its annual budget is proportional to, defined by and appropriate for the Association objectives and functioning of its bodies, as defined by this Statute.
8. The Auditor General of Kosovo shall perform external audits of the Association in accordance with the applicable law.
9. Any funding that the Association may be set to receive beyond its integrated annual budget, shall be for expenditures in line with this Statute and require specific approval by the government of Kosovo.
10. The Association provides annual reports to the government and Auditor General on the receipt and management of its funds. The Auditor General conducts a regular audit in accordance with Kosovo law.

V. OFFICIAL BULLETIN

Article 39 [Official Bulletin]

1. The Association shall have an Official Bulletin as an online resource where all decisions of the bodies of the Association shall be published.
2. All publications shall be published in three languages: Serbian, Albanian, and English.

VI. RELATIONS WITH THE CENTRAL AUTHORITIES

Article 40 [administrative oversight]

1. In the fulfilment of its objectives, the Association shall not undermine or circumvent the constitutional and legal authority and competences of its members nor in any way replace or undermine the constitutional and legal relationship between the central and local authorities in Kosovo.
2. The Association shall be subject to the same administrative review procedures as apply to municipalities in accordance with Chapter 10 of the Law on Local Self-Government.
3. The President of the Association shall coordinate, where appropriate, the application of Chapter 10 of the Law on Local Self-Government by member municipalities.

Article 41 [general principles]

1. The establishment and the initial two-year period of activity of the Association (i.e. the first two years after the Association starts operations) will be monitored by the European Union. After the initial two years, the European Union will continue to monitor the situation unless the Association and the Government of Kosovo decide otherwise.
2. The Association shall engage with the Central Authorities on the basis of mutual cooperation and information sharing, in the spirit of promoting democracy, multi-ethnicity and integration of society, and in line with the applicable law.
3. The Association shall promote the interests of the communities and residents of its member municipalities, in good faith and in the spirit of inclusive multi-ethnicity and integration of society.
4. The Association may provide guidance, technical and legal advice to its member municipalities with respect to their constitutionally and legally provided rights on proposing legislation.
5. In relations with the Central Authorities, the Association may also provide advice and technical expertise in the drafting of legislation under the established legal norms of Kosovo. The Association may participate in public hearings regarding new legislation or amendments to existing legislation. The Association shall, if invited by the Central Authorities, provide advice in the drafting of legislation pertaining to local governance, community rights, or any area covered by the Association's objectives.
6. The Association has the right to initiate or participate in proceedings before the competent Courts, including the Constitutional Court, as set forth in paragraph 7 of this article, against any acts or decisions of any institution affecting the exercise by the Association of its powers in accordance with this Statute.
7. The Association may initiate proceedings before the Constitutional Court only where the Association as a legal entity can claim to be a victim of a violation of its fundamental rights and freedoms guaranteed by the Constitution within the meaning of Article 113.7 of the Constitution.
8. The Association has the right to nominate representatives in the competent bodies of the Central Authorities, including the Consultative Council for Communities.
9. The Association has the right to have access to and information from Central Authorities in accordance with the applicable law.
10. The Association may adopt procedures to resolve disputes within the Association.

Article 42 [settlement of disputes between the Association and the Central Authorities]

1. Any dispute between the Association and the Central Authorities regarding the application or interpretation of this Statute, which cannot be resolved by direct negotiation or other means, shall, at the request of either party to the dispute, be referred for settlement to an arbitration commission. The arbitration commission shall be composed of one arbitrator to be nominated by each party to the dispute, and another arbitrator to be appointed as chairperson of the commission upon consensus of the parties to the dispute.
2. If, within three months, either party to the dispute fails to nominate the respective arbitrator or the parties to the dispute fail to agree on the appointment of the chairperson, this arbitrator or chairperson shall, at the request of either party to the dispute, be appointed by the European Union.

3. The arbitration commission shall establish its own Rules of Procedure and shall strive to decide its disputes within six months.

4. The arbitration commission shall decide the dispute by a two-thirds majority of arbitrators. This decision shall be accepted by the parties to the dispute as final and binding.

5. Either party to the dispute shall bear its own costs, including the expenses and remuneration necessary for its own arbitrator. The costs of the chairperson shall be shared in equal parts by all parties to the dispute.

Article 43 [policing]

Acting on behalf of the Association, the four Mayors of the northern Kosovo municipalities – as long as they are members of the Association – shall provide the Ministry of Internal Affairs with a list of candidates for nomination as regional Kosovo Police Commander, as specified in Article 9 of the First Agreement.

Article 44 [constitutional review]

In accordance with Article 113.4 of the Constitution, the Association may advise its members to contest the constitutionality of laws or acts of the Government allegedly infringing upon their responsibilities or diminishing their revenues when such law or act affects them.

VII. TRANSITIONAL AND FINAL PROVISIONS

Article 45

The members of the Association shall adopt their own procedures for the implementation of their membership whenever necessary and in conformity with the Constitution and the applicable law.