

ANNEX VI INTERNATIONAL DEBT

Article 1 General Provisions

1.1 Kosovo shall assume its share of the international debt of the Republic of Serbia. International debt to be apportioned includes *inter alia* debt to the World Bank, Paris Club and London Club creditors. Kosovo's share shall be determined through negotiations between Kosovo and the Republic of Serbia taking into account the principles used for the allocation of sovereign debt in the case of the succession to the Socialist Federal Republic of Yugoslavia, in agreement with the relevant creditors.

Article 2 Debt Servicing Obligations

2.1 As long as the debt is not fully reconciled and re-apportioned in agreement with creditors, the Republic of Serbia shall, according to its responsibility as sovereign borrower/guarantor, ensure the continuity of debt servicing. Kosovo shall refund to the Republic of Serbia Kosovo's duly established share of the debt servicing that the Republic of Serbia has paid pending the completion of the debt reconciliation process.

Article 3 Arbitration

3.1 If, within one year after this Settlement has entered into force, Kosovo and the Republic of Serbia have not agreed to debt reconciliation and allocation, the International Steering Group shall nominate an international arbitrator after consultation with the parties, to apportion the international debt of the Republic of Serbia between the Republic of Serbia and Kosovo, or that part of the international debt which has not been agreed upon by the parties, in agreement with the relevant creditors.

3.2 The arbitrator's debt allocation shall be irrevocable and shall decide which debts are to be transferred to Kosovo.