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Host Country Agreement

between the Government of the United Kingdom of Great Britain and Northern Ireland
and the Bank for International Settlements

Basel and London on 12 and 29 April 2021

[The Agreement entered into force on 29 April 2021]

*Presented to Parliament
by the Secretary of State for Foreign, Commonwealth and Development Affairs
by Command of Her Majesty
June 2021*



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HOST COUNTRY AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE BANK FOR INTERNATIONAL SETTLEMENTS

Preamble

The United Kingdom of Great Britain of the one part, and the Bank for International Settlements (hereinafter referred to as the “BIS”) of the other part;

Having regard to the Convention of 20th January 1930 respecting the Bank for International Settlements, the Constituent Charter and Statutes of the Bank for International Settlements, and the Protocol of 30th July 1936 regarding the immunities of the Bank for International Settlements;

Taking into account that the BIS has decided to establish an office of the BIS in the United Kingdom for the operations of the BIS Innovation Hub which will be known as the BIS Innovation Hub London Centre (the “BISIH London Centre”);

Desiring to define the status, privileges and immunities in the United Kingdom of the BIS, including its BISIH London Centre, and of its personnel and affiliated persons;

Have agreed upon the following provisions:

ARTICLE 1

Use of Terms/Definitions

For the purposes of this Agreement:

- a) The “*Archives of the BIS*” means all records, correspondence, papers, documents, manuscripts, photographs, films, recordings, computer programmes, video tapes, discs and data, including in electronic form, or held in any other media, belonging to or held by the BIS where related to BIS activities and all information therein contained.
- b) The “*BIS*” means the Bank for International Settlements; including the BISIH London Centre, which is a unit of the BIS.
- c) The “*BISIH London Centre*” means the Bank for International Settlements Innovation Hub London Centre in the United Kingdom.
- d) “*Experts*” means the experts designated by the BIS and notified to FCDO Protocol prior to their arrival, other than its Staff Members and Secondees, such as short term seconded staff from member central banks, seconded staff from non-member central banks, academics or private sector specialists in financial technology, to perform tasks in connection with Official Activities or to carry out missions for the BIS.

- e) “*FCDO Protocol*” means the Foreign, Commonwealth and Development Office’s Protocol Directorate.
- f) The “*Head of the BISIH London Centre*” means the Head of the BISIH London Centre appointed by BIS.
- g) The “*Official Activities*” of the BIS includes all activities undertaken pursuant to the Statutes of the Bank for International Settlements and all activities appropriate (such as those of the BISIH London Centre) to fulfil its purpose and functions under Article 3 of those Statutes.
- h) “*Premises*” means the land, building(s) and parts of building(s) made available to, maintained, occupied and/or used by the BISIH London Centre in the United Kingdom on a permanent or temporary basis, in order to carry out Official Activities, as defined within the Secretary of State Consent.
- i) “*Secondee*” means an individual, including a member of staff from a central bank member of the BIS, seconded by such member central bank to the BISIH London Centre and notified to FCDO Protocol prior to taking up their secondment to the BISIH London Centre, and who will be physically resident in the United Kingdom for 183 days or more in a tax year.
- j) “*Staff Member*” means a member of the staff of the BIS who has been appointed under the provisions of the BIS Staff Regulations.
- k) “*Staff Member of the BIS appointed to the BISIH London Centre*” means a Staff Member appointed by the BIS to the BISIH London Centre and notified to the FCDO Protocol prior to taking up their appointment to the BISIH London Centre and who will be physically resident in the United Kingdom for 183 days or more in a tax year.
- l) The “*UK*” means the Government of the United Kingdom of Great Britain and Northern Ireland (the “United Kingdom”).

ARTICLE 2

Legal personality

1. The BIS shall have a legal personality on the territory of the United Kingdom.
2. The BIS shall have the capacity to conclude contracts, to acquire and dispose of immovable and movable property; and to institute and be a party to legal proceedings.

ARTICLE 3

Freedom of Action of the BIS

1. The UK shall guarantee to the BIS, including its BISIH London Centre, the autonomy and freedom of action necessary to carry out its Official Activities.
2. The UK shall grant to the BIS, as well as to the members of the BIS and other institutions in their relations with the BIS, freedom to hold meetings in the United Kingdom in connection with the BIS's objectives and functions (including freedom of discussion and decision).
3. The UK shall facilitate access to the BISIH London Centre for any person, irrespective of nationality, who fulfils functions for the BIS or who is invited by the BIS in connection with any Official Activities.
4. The BIS shall have the power to make rules and regulations operative within the BISIH London Centre for the full and independent exercise of its activities and performance of its functions.
5. The BIS shall not be subject to any form of financial or banking supervision or obliged to comply with any form of licensing or registration requirement to the extent necessary to carry out its Official Activities.

ARTICLE 4

Establishment of the BISIH London Centre

1. The BISIH London Centre shall be headed by a Head of the BISIH London Centre, and shall be staffed with Staff Members of the BIS appointed to the BISIH London Centre, as well as Secondedes and Experts.
2. The BIS shall be entitled to lease or acquire movable or immovable property for the BISIH London Centre, as well as such other facilities (including services and utilities) as may be necessary for the Official Activities of the BIS, its Staff Members, Secondedes and Experts.
3. The BIS shall be entitled to display its flag and emblem, if any, on the Premises.

ARTICLE 5

Inviolability of the Premises

1. The Premises shall be inviolable. No official of the UK or person exercising any public authority, whether administrative, judicial, military, or police, shall enter

the Premises unless permission to do so has been given by the General Manager of the BIS, the Deputy General Manager of the BIS, the Head of the BISIHLondon Centre or their duly authorised representative notified to FCDO Protocol.

2. Such permission may be presumed in the event of fire or other emergencies requiring prompt protective action. Any person who has entered the Premises without the presumed permission of the General Manager of the BIS, the Deputy General Manager of the BIS, the Head of the BISIHLondon Centre or their duly authorised representative notified to FCDO Protocol shall, if so requested by them, leave the Premises immediately.

3. The BIS shall not permit the Premises to become a refuge from justice for persons who are avoiding arrest or service of legal process under the law of the United Kingdom or against whom an order of extradition or deportation has been issued by the appropriate authorities.

4. All Archives of the BIS shall be inviolable at any time.

5. The BIS shall exercise supervision of and security control within the boundaries of the Premises.

6. The appropriate authorities shall take such measures as they consider necessary for the protection of the Premises and for the maintenance of order in its vicinity. In addition, the appropriate authorities may, at the request of the General Manager of the BIS, the Deputy General Manager of the BIS, the Head of the BISIHLondon Centre or their duly authorised representative notified to FCDO Protocol take such measures inside the Premises.

ARTICLE 6

Immunities from Jurisdiction and Execution

1. Within the scope of its Official Activities the BIS shall enjoy immunity from jurisdiction, except that the immunity of the BIS shall not apply:

- a) to the extent that the BIS shall have expressly waived any such immunity in any particular case or in any written document;
- b) in respect of civil action arising out of banking or financial transactions with contractual counterparties of the BIS;
- c) in respect of civil action relating to death or personal injury caused by an act or omission in the United Kingdom, without prejudice to Article 25;
- d) in respect of the enforcement of an arbitration award made against the BIS as a result of an express submission to arbitration by or on behalf of the BIS; or

- e) in respect of any counter-claim directly connected with court proceedings initiated by the BIS.

2. Save in respect of a final judgment or arbitral award issued by a court or arbitral tribunal which has jurisdiction over BIS in accordance with paragraph 1(b) or (d) of this Article, all BIS property and assets, and all claims against the BIS, shall, without the express prior agreement of the BIS, wherever located in the United Kingdom and by whomsoever held, be immune from any form of seizure, attachment, sequestration, execution, requisition, confiscation, expropriation, freeze, inhibition or any other form of seizure, taking or foreclosure by executive, judicial or legislative action.

ARTICLE 7

Communications

1. All official correspondence and communications to or from the BISI London Centre, as well as between the BIS and third parties, by whatever means and in whatever form transmitted or received, shall be immune from censorship and any other form of interception or interference.

2. The BIS shall be entitled to use codes and encryption for its official communications. The BIS shall also be entitled to send and receive official correspondence and communications in any form of data media, including by duly identified couriers or in sealed bags. The BIS shall in particular be entitled to unfettered access to world-wide telecommunication links of its choice. The BIS may, with the consent of the relevant authority regarding technical requirements, use a wireless transmitter in the United Kingdom and install and operate in the United Kingdom point-to-point telecommunication facilities and such other telecommunications and transmission facilities as may be necessary to facilitate communications with the BISI London Centre both from within and outside the United Kingdom.

ARTICLE 8

Publications, Data and Data Media

The importation of publications and all kinds of data or data media for the BIS's Official Activities, and the exportation of the BIS's publications and all kinds of data or data media, shall not be subject to any restriction.

ARTICLE 9

Tax Exemptions

1. Within the scope of its Official Activities, BIS shall be exempt from all direct taxation on its assets, property, income, gains, operations and transactions.
2. The BIS shall have relief under arrangements made by the UK, by way of a refund of Value Added Tax paid on the purchase of any goods or services which are of substantial value and which are necessary for the exercise of its Official Activities, such relief to be subject to compliance with such conditions as may be imposed in accordance with the arrangements.
3. The BIS shall have relief under arrangements made by the UK, by way of a refund of insurance premium tax, in the course of activities which are necessary for the exercise of its Official Activities, such relief to be subject to compliance with such conditions as may be imposed in accordance with the arrangements.
4. The BIS shall have relief under arrangements made by the UK, by way of a refund of customs duty or Value Added Tax paid on the importation of any hydrocarbon oil (within the meaning of the Hydrocarbon Oil (Customs and Excise) Act 1979), which is purchased in the United Kingdom and which is used for the Official Activities of the BIS, such relief to be subject to compliance with such conditions as may be imposed in accordance with the arrangements.
5. The BIS shall not be liable for the collection or payment of any tax, due, duty or rates except for the proportion of any rates being charged for specific public services rendered.

ARTICLE 10

Customs Treatment

The BIS shall be exempt in the United Kingdom from all customs duties, taxes and other levies, and from economic restrictions on imports and exports, on all goods and articles, including motor vehicles, spare parts, publications, data and data media, which are imported or exported by the BIS for its Official Activities, and from any obligation for the payment, withholding or collection of any customs duty. Goods or articles imported into the United Kingdom by the BIS under such exemptions can be disposed of locally in accordance with applicable laws or administrative regulations.

ARTICLE 11

Free Disposal of Funds and Freedom to Conduct Operations

1. The BIS may receive, hold, convert and transfer all funds, gold, currencies, cash and other transferable securities, and dispose freely thereof, and generally carry out without any restriction all operations permitted by its Statutes within the United Kingdom and in the BIS's relations with other financial markets.
2. The BIS shall have the unrestricted right to transact business with any financial or other institution located inside or outside of the United Kingdom, subject to compliance with any sanctions administered or enforced by the UK, including but not limited to sanctions and other measures pursuant to the Sanctions and Anti-Money Laundering Act 2018, the Terrorism Act 2000 and the Anti-Terrorism Crime and Security Act 2001.

ARTICLE 12

Social Security and Welfare

1. The BIS, including its BISIH London Centre, shall be exempt from any social security and welfare legislation, and from all compulsory contributions to domestic social security bodies, applicable in the United Kingdom regarding old-age and surviving-dependents insurance, or incapacity insurance, or unemployment insurance, or insurance for health care or against accident, or occupational pension schemes, or welfare systems of any kind, from the date on which a BIS internal social security system is applied.
2. The BIS shall ensure that all of its Staff Members, Secondees and their dependants are covered by adequate social security protection.

ARTICLE 13

Members of the Board of Directors, and Representatives of the BIS's Member Central Banks and Monetary Authorities

Members of the Board of Directors of the BIS, and representatives of the central banks and monetary authorities which are members of the BIS shall enjoy the following privileges and immunities while carrying out Official Activities and throughout their journey to or from the place where a meeting is held by the BIS:

- a) immunity from suit and legal process in the United Kingdom with respect to things done or omitted to be done in connection with Official Activities, including words spoken and writings, even after their mission has been accomplished;

- b) immunity from inspection or seizure of official baggage;
- c) inviolability of all official papers, documents, data or data media; and
- d) be exempt, together with their dependant family members forming part of the household, from immigration restrictions and alien registration and from registration formalities for the purposes of immigration control, unless they are nationals or permanent residents of the United Kingdom.

ARTICLE 14

Staff Members of the BIS

All Staff Members, as well as the General Manager and Deputy General Manager of the BIS, shall enjoy the following privileges and immunities while carrying out Official Activities:

- a) immunity from suit and legal process in the United Kingdom with respect to things done or omitted to be done in connection with Official Activities, including words spoken and writings, even after their mission has been accomplished and when such persons are no longer employed by the BIS;
- b) be exempt from national taxation on the salaries and emoluments paid by the BIS (but such salaries and emoluments may be taken into account by the UK for the purpose of assessing the amount of taxation to be applied to income from other sources) unless they are nationals or permanent residents of the United Kingdom; this exemption shall not apply to pensions and annuities paid by the BIS;
- c) be exempt, with respect to their employment with the BIS, from all compulsory contributions to domestic social security bodies, unless they are nationals or permanent residents of the United Kingdom; and from the date of such exemption, they shall also not be entitled to any benefits paid by domestic social security bodies;
- d) be exempt, together with dependant family members forming part of the household, from immigration restrictions and alien registration and from registration formalities for the purposes of immigration control, unless they are nationals or permanent residents of the United Kingdom;
- e) immunity from inspection or seizure of official baggage; and
- f) inviolability of all official papers, documents, data or data media.

ARTICLE 15

Staff Members of the BIS appointed to the BISIH London Centre and Secondees

1. Staff Members of the BIS appointed to the BISIH London Centre and Secondees shall enjoy the following privileges and immunities while carrying out Official Activities:

- a) immunity from suit and legal process in the United Kingdom with respect to things done or omitted to be done in connection with Official Activities, including words spoken and writings, even when such persons are no longer employed by or seconded to the BIS;
- b) be exempt from national taxation on the salaries and emoluments paid by BIS (but such salaries and emoluments may be taken into account by the UK for the purpose of assessing the amount of taxation to be applied to income from other sources); this exemption shall not apply to pensions and annuities paid by the BIS;
- c) be exempt, with respect to their employment or secondment with the BISIH London Centre, from all compulsory contributions to domestic social security bodies; and from the date of such exemption, they shall also not be entitled to any benefits paid by domestic social security bodies;
- d) be exempt from any obligation relating to national service of any kind except to undertake jury service if called to do so;
- e) be exempt, together with dependant family members forming part of the household, from immigration restrictions and alien registration and from registration formalities for the purposes of immigration control;
- f) be given, together with their dependant family members forming part of the household, the same repatriation facilities in time of international crises as officials of comparable rank of diplomatic missions;
- g) immunity from inspection or seizure of official baggage;
- h) inviolability of all official papers, documents, data or data media; and
- i) have the right, for their personal use, to import duty-free, their furniture and personal effects (including one motor vehicle) at the time of first taking up their post (within the first six months) and the right on the termination of their functions to export duty-free their furniture and personal effects, subject in both cases to the conditions governing the disposal of goods imported into the United Kingdom duty-free and to the

general restrictions applied in the United Kingdom to imports and exports.

2. The privileges and immunities set out in sub-paragraphs (b), (c), (d) (e), (f), and (i) of paragraph 1 of this Article shall not apply to Staff Members and Secondees who are nationals or permanent residents of the United Kingdom.

ARTICLE 16

Experts

Experts shall enjoy the following privileges and immunities while carrying out Official Activities:

- a) immunity from suit and legal process in the United Kingdom with respect to things done or omitted to be done in connection with Official Activities, including words spoken and writings, even when such persons are no longer engaged by the BIS; and
- b) inviolability of all official papers, documents, data or data media.

ARTICLE 17

Purpose of, Waiver of, and Exceptions to, Immunity

1. The privileges and immunities granted under the provisions of this Agreement are conferred in the interests of the BIS (including the BSIH London Centre) and not for the personal benefit of the Members of the Board of Directors of the BIS, representatives of the central banks and monetary authorities which are members of the BIS, the General Manager, the Deputy General Manager, Staff Members, Secondees, or Experts themselves.

2. Without prejudice to the privileges and immunities conferred by this Agreement, it is the duty of the BIS and all persons enjoying such privileges and immunities to respect the laws and regulations in force in the United Kingdom.

3. The Chairman of the Board of Directors of the BIS shall have the right to waive any immunities conferred under this Agreement of Members of the Board of Directors of the BIS, or of the General Manager or Deputy General Manager of the BIS, as well as of representatives of the central banks and monetary authorities which are members of the BIS.

4. The General Manager of the BIS shall have the right to waive any immunities of a Staff Member, Secondee or Expert.

5. Where immunity is not waived in accordance with this Article, the BIS shall do its best to ensure the satisfactory settlement of disputes involving the BIS or any Staff Member, Seconded or Expert who benefits from immunity under this Agreement.

6. The BIS and the UK shall co-operate to facilitate the satisfactory administration of justice, to ensure the observance of the laws and regulations in force in the United Kingdom.

7. Where a serious offence or repeated minor offences are alleged to have been committed by a Staff Member, Seconded or Expert, and immunity has not been waived in accordance with this Article within a reasonable period of time, the UK may notify the General Manager of the BIS or Head of BISIH London Centre, that the aforementioned Staff Member, Seconded or Expert is no longer acceptable. In any such case, the General Manager of the BIS shall, as appropriate, either recall the person concerned or terminate their functions with the BISIH London Centre.

8. Any immunity conferred on any person by this Agreement shall not apply to liability arising from a road traffic accident or offence.

ARTICLE 18

Non responsibility of UK

The UK shall not, as a result of the BIS's activities in the United Kingdom, assume any responsibility for any act or omission by the BIS, its Staff Members, Seconded or Experts.

ARTICLE 19

Security of the United Kingdom

1. Nothing in this Agreement shall affect the right of the UK to apply all appropriate safeguards in the interests of the national security of the United Kingdom. If any such safeguard is considered necessary, the UK shall immediately contact the BIS in order to determine jointly with the BIS appropriate measures to protect the interest of the BIS.

2. The BIS shall cooperate with the authorities of the United Kingdom to prevent any prejudice to the national security of the United Kingdom as a result of any activity of the BIS.

ARTICLE 20

Scope and Implementation

1. All commitments undertaken and privileges and immunities, facilities, assurances and other rights provided for in this Agreement shall, as the case may be, apply to the BIS and the BISIH London Centre.
2. For the purpose of the implementation of this Agreement, administrative arrangements shall be made where necessary between the UK and the BIS, in the form of a memorandum of administrative arrangements or otherwise.

ARTICLE 21

Settlement of Disputes

1. Any dispute between the UK and the BIS concerning the interpretation or application of this Agreement, which is not settled by negotiation or other agreed mode of settlement, shall be referred for final decision to an arbitral tribunal of three arbitrators, to be constituted for each individual case in the following way. Within two months of the receipt of the request for arbitration, the BIS and the UK each shall appoint one member of the tribunal. The two members so appointed shall then select a third arbitrator. That third arbitrator shall be President of the tribunal.
2. If within three months from the date of notification of the request for arbitration, the necessary appointments have not been made, either the UK or the BIS may, in the absence of any other agreement, invite the Secretary General of the Permanent Court of Arbitration to make the appointments.
3. The decisions of the tribunal shall be final and binding. The tribunal shall adopt its own rules of procedure, and in this respect shall be guided by the Permanent Court of Arbitration's Arbitration Rules 2012.

ARTICLE 22

Existing Privileges and Immunities

This Agreement shall in no way affect the privileges and immunities granted to the BIS pursuant to the Hague Convention of 20th January 1930 respecting the Bank for International Settlements, the Constituent Charter and Statutes of the Bank for International Settlements, and the Brussels Protocol of 30th July 1936 regarding the immunities of the Bank for International Settlements.

ARTICLE 23

Amendment/Modification

This Agreement may be amended/modified at the request of either party. Following any such request, the parties shall jointly examine and agree on appropriate changes to the provisions of this Agreement.

ARTICLE 24

Interpretation of Agreement

This Agreement shall be interpreted in the light of the primary objective of enabling the BISIH London Centre to fully and efficiently discharge its responsibilities and fulfil its objectives.

ARTICLE 25

Disputes between the BIS and its Staff Members

Disputes between the BIS and its Staff Members shall be settled in accordance with the statute of the Administrative Tribunal of the BIS.

ARTICLE 26

Termination

1. Either party may terminate this Agreement upon giving the other party one year's written notice of termination.
2. Relevant provisions of this Agreement shall continue to be applied for up to 12 months from the time reasonably required for the settlement of the affairs of the BIS and the disposal of its property in the United Kingdom, as well as, for the repatriation of Staff Members from the United Kingdom.

ARTICLE 27

Entry into Force

This Agreement shall enter into force upon its signature.

IN WITNESS WHEREOF, the undersigned duly authorised thereto by their respective authorities have signed this Agreement.

DONE at Basel and London, on this twelfth and twenty-ninth day of, April 2021 in the English language.

**For the Government of the United
Kingdom of Great Britain and
Northern Ireland:**

LAURA MOUNTFORD

**For the Bank for International
Settlements:**

AGUSTÍN CARSTENS
BENOÎT COEURÉ

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