

DECISION ON COSTS OF PROCEEDINGS

1. GENERAL PROVISIONS

Article 1

This decision establishes rules on the costs of proceedings under the Kosovo Arbitration Rules, administered by the Permanent Tribunal of Arbitration (hereinafter referred to as "Permanent Tribunal").

Article 2

1 Parties who take part in proceedings before the Permanent Tribunal shall bear the costs of the proceedings.

2 The costs of the proceedings shall consist of:

- (a) The fees of the arbitral tribunal;
- (b) The administrative costs and fees of the Permanent Tribunal;
- (c) The reasonable travel and other expenses incurred by the arbitrators;
- (d) The reasonable costs of expert advice and of other assistance required by the arbitral tribunal;
- (e) The reasonable travel and other expenses of witnesses to the extent such expenses are approved by the arbitral tribunal;
- (f) The legal and other costs incurred by the parties in relation to the arbitration to the extent that the arbitral tribunal determines that the amount of such costs is reasonable;
- (g) Other material costs of the arbitration proceedings (costs of hearings, if held outside of premises of the Permanent Tribunal; costs of translation and interpretation and other costs).

3 The costs of proceedings under paragraph 2 (a), (b), (c), (e) and (g) are to be fixed by the Permanent Tribunal in accordance with the Tariffs set forth in article 8 of this Decision. The costs of proceedings under paragraph 2 (c), (d), (e), (f) and (g) are determined by the arbitral tribunal

4 In relation to interpretation, correction or completion of any award under articles 37 to 39, the Permanent Tribunal may charge the costs referred to in paragraphs 2 (b) to (g), but no additional fees.

Article 3

1 The costs of the arbitration shall in principle be borne by the unsuccessful party or parties. However, the arbitral tribunal may apportion each of such costs between the parties if it determines that apportionment is reasonable, taking into account the circumstances of the case.

2 The arbitral tribunal shall in the final award or, if it deems appropriate, in any other award, determine any amount that a party may have to pay to another party as a result of the decision on allocation of costs.

Article 4

1 When filing a statement of claim or counterclaim, the claimant (counter-claimant) shall pay the Permanent Tribunal the registration fee set forth in article 8 of this Decision.

2 If more than two parties are involved in the dispute as co-litigants, the registration fee shall be increased by 10% for each additional party.

3 The registration fee paid shall not be refundable.

4 The Permanent Tribunal shall not serve the statement of claim or undertake any other procedural action until the registration fee has been paid.

Article 5

1 Once the number of arbitrators in the proceedings has been established (i.e. one or three), the amount of the advance for the expected costs of the proceedings from Article 2, Paragraph 2 (a) to (g) shall be determined by the Permanent Tribunal.

2 The Permanent Tribunal shall request each party to deposit an equal amount as an advance for the costs determined under paragraph 1. Under certain circumstances, the Permanent Tribunal may elect to ask the full advance from the claimant only.

3 If the required deposits are not paid in full within 30 days after the receipt of the request, the Permanent Tribunal shall so inform the parties in order that one or another of them may make the required payment. If such payment is not made, the Permanent Tribunal may order the suspension or termination of the arbitral proceedings.

4 Before the sum in Paragraph 1 of this Article has been paid, the statement of claim shall not be forwarded to the arbitration tribunal.

5 In the course of the proceedings, insofar as there is any increase in the value of the subject of the dispute or the advance paid is not sufficient to cover the material costs, the Permanent Tribunal may request the parties to pay a supplementary deposit.

5 Until the supplementary deposit, charged due to the increase in the value of the subject of the dispute, has been paid, the increase shall not be taken into consideration.

6 If the supplementary deposit is sought to cover the material costs, the arbitration proceedings shall not continue until the supplementary deposit has been paid.

7 A decrease in the value of the subject of the dispute shall be taken into consideration in the calculation of the administrative costs and the costs of the fees of

the arbitrators; only if the Permanent Tribunal is notified of this before the file is handed over to the arbitration tribunal.

Article 6

1 If the deposit is not paid timely, the Permanent Tribunal shall render a decision to delete the statement of claim filed from the registry of disputes before the Permanent Tribunal.

2 A deleted statement of claim may be filed again subject to the repayment of the registration fee.

3 After a termination order or final award has been made, the arbitral tribunal shall render an accounting to the parties of the deposits received and return any unexpended balance to the parties.

Article 7

The parties shall pay the deposits to the account determined by the Permanent Tribunal.

I. TARIFFS

Article 8

ARBITRATION COSTS

Tariff no. 1

The registration fee for arbitration proceedings is:

- a.) 250 EUR, if the amount in dispute is less than 100.000 EUR;
- b.) 500 EUR if the amount in dispute is equal or more than 100.000 EUR.

ARBITRATORS' FEES

Tariff no. 2

If arbitration is carried out by a sole arbitrator, the costs of the arbitrator's fees shall be calculated in accordance with the following table:

Equivalent value of the subject of the dispute (from-to) in EUR		Amount of fees: base (C) and percentage (D) for the amount in excess over (A) – in EUR	
From (A)	To (B)	Base (C)	% (D)
	5,000	600	
5,000	20,000	600	7
20,000	50,000	1,650	5
50,000	100,000	3,150	3
100,000	500,000	4,650	1,5
500,000	2,000,000	10,650	1

2,000,000	5,000,000	25,650	0,5
5,000,000	10,000,000	40,650	0,3
10,000,000	20,000,000	55,650	0,1
over 20,000,000		65,650	0,05

Tariff no. 3

If the parties are to pay the deposit for administrative costs and the arbitrator's fees in equal parts, for the purpose of the calculation of the amount of these costs, the values of the subject of dispute from the statement of claim and the counterclaim shall be added together. If not, the deposit for these costs shall be calculated separately for the statement of claim and the counterclaim (separate calculations).

Separate calculations shall also be applied if the counterclaim is not related to the statement of claim.

If in the same proceedings, several statements of claim and counterclaims have been filed, the Permanent Tribunal may calculate the fees of the arbitrators separately for each claim.

Tariff no. 4

If a three-member arbitral tribunal is to be appointed, the amount from Tariff no. 2 shall be increased by two and half times. In particularly complex cases, the Permanent Tribunal may order that the amount from Tariff no. 2 be increased up to three times.

If more than two parties participate in the proceedings as co-litigants, the amount in Tariff no. 2 shall be increased by 10 percent for each additional party.

Tariff no. 5

If the arbitration proceedings are not concluded with an arbitration award, the Permanent Tribunal shall determine the amount of the arbitrator's fees and the administrative costs in an appropriate amount, and render a decision on the repayment to the parties of the amount of the deposit that has not been spent.

ADMINISTRATIVE COSTS

Tariff no. 6

If a sole arbitrator has been appointed, the administrative costs shall be 20 percent of the amount of the fees of the sole arbitrator.

If an arbitral tribunal has been appointed, the administrative costs shall be 10 percent of the amount of the fees of the arbitral tribunal.

II. TRANSITIONAL AND FINAL PROVISIONS

Article 9

This Decision shall come into force on 24 June 2011.