SEAT AGREEMENT

BETWEEN

THE INTERNATIONAL SAVA RIVER BASIN COMMISSION AND

THE GOVERNMENT OF THE REPUBLIC OF CROATIA

The International Sava River Basin Commission (hereinafter "Sava Commission") of the one part, and the Government of the Republic of Croatia (hereinafter "Government") of the other part (hereinafter both "Parties of the Agreement),

Having regard to the Framework Agreement on the Sava River Basin, signed at Kranjska Gora, Slovenia, on 3 December 2002 (hereinafter FASRB),

Noting the fact that Parties to the FASRB reached agreement that Seat of the Sava Commission shall be in Zagreb, the Republic of Croatia,

Desiring to regulate matters relating to or arising out of the establishment and proper functioning of the Sava Commission pursuant to the FASRB, and to settle their mutual relationships in a Seat Agreement;

Have agreed as follows:

I. GENERAL PROVISIONS

Article 1 DEFINITIONS

For the purposes of this Agreement:

- (a) FASRB means the Framework Agreement on the Sava River Basin, signed at Kranjska Gora, Slovenia, on 3 December 2002, including amendments stipulated within the Agreement on Amendments to the Framework Agreement on the Sava River Basin and Protocol on Navigation Regime to the Framework Agreement on the Sava River Basin, signed in Ljubljana on 2 April, 2004;
- (b) **Statute** means the Statute of the International Sava River Basin Commission as stipulated by Annex I of the FASRB;
- (c) **Sava Commission** means the International Sava River Basin Commission established by Article 15 of the FASRB:
- (d) **Secretariat** means the Secretariat of the Sava Commission, established by Article 19 of the FASRB;
- (e) Party means a State Party to the FASRB;
- (f) **Representatives** means a representatives of the Parties who are members and deputy members of the Sava Commission as defined by the FASRB, Article 1 paragraph 1 of the Statute:
- (g) **Officials** means the Secretary, his Deputies and Advisors in the Secretariat of the Sava Commission as defined by the FASRB, Article 7, paragraph 3 of the Statute.

Article 2 SEAT

The Government shall provide convenient and appropriate premises for the Sava Commission and its Secretariat in Zagreb, free of charge.

Article 3 APPLICABLE LAW

Except as otherwise provided in this Agreement, Croatian law shall apply within the premises of the Sava Commission at its seat. The Sava Commission may issue regulations applicable within its premises for the purpose of the fulfilment of its objectives. The Sava Commission shall notify the authorities of the Republic of Croatia of any regulations issued pursuant to the preceding sentence. The Sava Commission may exclude any person from its premises for violation of its regulations.

II. STATUS OF THE SAVA COMMISSION

Article 4 LEGAL PERSONALITY

Pursuant to the Article 15 of the FASRB, the Sava Commission shall have the international legal capacity and the legal personality within the Republic of Croatia, necessary for the exercise of its functions.

Article 5 FLAG, EMBLEM AND MARKINGS

The Sava Commission shall be entitled to display its flag, emblem and logo at its premises and on its vehicles and vessels used for official purposes. The vehicles belonging to the Sava Commission shall be entitled to "diplomatic corps" plates, and the corresponding status.

Article 6 FREEDOM OF ACTION OF THE SAVA COMMISSION

- 1. The Government shall guarantee to the Sava Commission the freedom of action to which it is entitled as an international organisation.
- 2. In particular, the Government shall grant to the Sava Commission, its Secretariat and other bodies, freedom to hold meetings, including freedom of discussion and decision.

Article 7 INVIOLABILITY

1. The premises of the Sava Commission shall be inviolable. The Croatian authorities may enter the Sava Commission premises to carry out their duties only with the consent of the Chairman of the Sava Commission, Secretary or their duly authorised representatives and under the conditions agreed by him or her. The Government shall take all appropriate steps to protect the premises against any intrusion or damage and to prevent any impairment of its dignity.

- 2. The records and archives of the Sava Commission and all documents and data media belonging to the Sava Commission or in its possession, shall be inviolable at all times and in all places.
- 3. The Sava Commission shall ensure that premises of the Sava Commission shall not become the refuge either of persons attempting to evade arrest under a warrant issued by the Croatian authorities or of persons seeking to avoid the execution of the legal process or against whom an order of extradition or deportation has been issued.

Article 8 IMMUNITY FROM JURISDICTION AND EXECUTION

- 1. The Sava Commission shall enjoy immunity from jurisdiction and execution of the host state, except:
 - (a) in respect of any contract for the supply of goods or services and any loan or other transaction for the provision of finance and any guarantee or indemnity in respect of any such transaction or of any other financial obligation, except in those cases in which provision for arbitration has been or shall have been made;
 - (b) in respect of a civil action by a third party for death, damage or personal injury arising from an accident caused by a vehicle and/or vessel belonging to, or operated on behalf of, the Sava Commission;
 - (c) in respect of a counter-claim directly connected with proceedings initiated by the Sava Commission.
- 2. The Sava Commission shall enjoy, in respect of its property and assets, wherever located and by whomsoever held, immunity from any measure of execution, including seizure, attachment, freeze or any other measure of execution, enforcement or sequestration, or of other attachment within the meaning of Croatian law, except:
 - (a) that vehicles and/or vessels belonging to or operated on behalf of the Sava Commission shall not be immune from administrative or judicial constraint when temporarily necessary in connection with the prevention of, and investigation into, accidents involving such vehicles and/or vessels;
 - in cases where execution is claimed on the basis of a final judgment rendered by a court which has jurisdiction over the Sava Commission in accordance with subparagraph (a) above;
 - (c) in cases of execution of an award made by an arbitral tribunal pursuant to Article 26 of this Agreement.

Article 9 COMMUNICATIONS

- 1. The Sava Commission shall benefit, in respect of its official communications, from treatment at least as favorable as that which is granted to diplomatic missions in the Republic of Croatia.
- 2. The Sava Commission may employ all appropriate means of communication, and shall have the right to use codes for its official communications. It shall also have the right to send and receive correspondence, including data media, by duly identified couriers or bags enjoying the same privileges and immunities as diplomatic couriers or bags.
- 3. Official correspondence and other official communications of the Sava Commission, when duly identified, may not be subject to censorship.

4. The use of telecommunications equipment shall be coordinated at the technical level with the Croatian telecommunications administration, if necessary.

Article 10 PUBLICATIONS AND DATA MEDIA

- The importation of publications for the Sava Commission's use and the exportation of the Sava Commission's publications and other information material imported or exported by the Sava Commission within the scope of its official activities shall not be subject to any restriction.
- 2. The provisions of the paragraph 1 of this Article shall also extend to data media of all kinds.

Article 11 PUBLIC SERVICES

- 1. The competent authorities shall secure at the request of the Sava Commission, on equitable terms, the public services needed by the Sava Commission to carry out its functions, including but not limited to, radio, postal, telephone, electricity, water, sewage, gas, waste collection and fire protection.
- 2. The rates for public services under paragraph 1 shall not exceed the lowest comparable rates accorded to diplomatic missions.
- 3. In the case of interruption or threatened interruption of the aforementioned public services, the Sava Commission shall, for the purposes of its official functions, be accorded the priority given to the diplomatic missions.
- 4. At the request of the competent authorities, the Secretary of the Secretariat of the Sava Commission shall make suitable arrangements to enable duly authorized representatives of public utilities to inspect, repair, maintain, and relocate services on the premises of the Sava Commission, at reasonable times and under conditions that do not interfere with the functioning of the Sava Commission.

Article 12 TAX EXEMPTIONS

- The Sava Commission, its assets, income and other property shall be exempt from direct national and local taxes. This exemption shall not apply to taxes and duties that are considered to be charges for public utility services, provided at a fixed rate according to amount of services rendered and which can be specifically identified, described and itemized.
- 2. The Sava Commission shall be exempt from all forms of national and local taxes. With regard to value added tax included in prices or separately charged, exemption shall apply only to articles purchased for the official use of the Sava Commission, goods acquired for the use of the Sava Commission for which exemptions hereunder have been obtained shall not be sold, given away, or otherwise disposed of except in accordance with conditions agreed upon with the Government.
- 3. The Sava Commission shall be exempt from all national and local dues or fees, except dues or fees charged as the price of actual services rendered.

Article 13 CUSTOMS EXEMPTIONS AND TREATMENT

- 1. The treatment by customs authorities of articles intended for the Sava Commission shall be at least as favorable as that which is granted to the diplomatic missions in the Republic of Croatia.
- Goods, including motor vehicles and vessels and spare parts thereof, imported or exported for the official use of the Sava Commission shall be exempt from custom duties, taxes and fees and from prohibitions and restrictions applicable to such goods on grounds of national origin.

Article 14 FREE DISPOSAL OF FUNDS AND FREEDOM TO CONDUCT OPERATIONS

The Sava Commission may receive, hold, convert and transfer all funds, currency, cash and other transferable securities, and dispose freely thereof and carry out without any restriction the operations, permitted by its regulations, both within the Republic of Croatia and in its relations with foreign countries, for the purpose of its regular activities.

Article 15 SOCIAL SECURITY

- 1. The Sava Commission, in respect of its Officials, and the Officials of the Sava Commission shall be exempt from the compulsory contributions to any social security scheme in the Republic of Croatia.
- 2. The officials shall have the right to participate in health, accident and pension insurance system in the Republic of Croatia in accordance with Croatian legislation.

III. STATUS OF THE REPRESENTATIVES AND OFFICIALS

Article 16 REPRESENTATIVES

The Representatives shall enjoy, while carrying out their duties in the Republic of Croatia and throughout their journey to or from the place where a meeting is held, the following immunities:

- (a) immunity from jurisdiction in respect of words spoken or written and all acts performed by them in their official capacity, even after they have ceased to be Representatives;
- (b) immunity from inspection and seizure of their official baggage;
- (c) inviolability of all official documents, data and other material;
- (d) exemption of visa requirements, where necessary.

Article 17 OFFICIALS

1. Officials shall enjoy, within and with respect to the Republic of Croatia, the following privileges and immunities:

- (a) immunity from jurisdiction in respect of words spoken or written and all acts performed by them in their official capacity, even after they have ceased to be officials of the Secretariat of the Sava Commission;
- (b) immunity from inspection and seizure of their official baggage;
- (c) inviolability of all official documents, data and other material;
- (d) exemption from taxation and contributions in respect of the salaries, emoluments and indemnities paid to them by the Sava Commission in connection with their service with it:
- (e) exemption from immigration restrictions and from registration formalities for themselves, their spouses and the dependent members of their family living in the same household;
- (f) same privileges in respect of exchange facilities as are accorded to the members of comparable ranks of diplomatic missions;
- (g) the same protection and repatriation facilities with respect to themselves, their spouses and dependent members of their family living in the same household, as are accorded in time of international crisis to members of comparable ranks of diplomatic missions;
- (h) the right to import for personal use, free of duty and other taxes or charges, provided these are not charges for public utility services, and exempt from economic import prohibitions and restrictions on imports and exports:
 - (i) their furniture and effects at the time of first taking up their post in one or more separate consignments; and
 - (ii) one automobile every four years.
- 2. Treatment of articles exempt from import duties shall be consistent with current regulations on customs, tax and other privileges granted to foreign diplomatic and consular missions in the Republic of Croatia.

Article 18 CROATIAN NATIONALS AND PERMANENT RESIDENTS

The Officials who are Croatian nationals or permanent residents of the Republic of Croatia, shall enjoy only the privileges and immunities specified in Article 15, and 17 paragraph 1 sub-paragraphs a, b, c and d.

Article 19 LOCAL STAFF

The Sava Commission can employ locally recruited support staff in accordance with Croatian legislation.

Article 20

EXCEPTIONS TO THE IMMUNITY FROM JURISDICTION AND EXECUTION

No immunities shall be granted to the Representatives and the Officials in any act involving traffic violations.

Article 21 EXPERTS

Experts who carry out temporary missions for the account of the Sava Commission shall, for the duration of such mission, shall enjoy the immunities specified in the Article 17, paragraph a, b and c.

Article 22 PURPOSE OF PRIVILEGES AND IMMUNITIES

The privileges and immunities provided for in the present Agreement are not established for the personal benefit of those persons in whose favor they are granted. Their purpose is solely to ensure, in all circumstances, the freedom of action of the Sava Commission and the complete independence of the persons concerned in the carrying-out of their duties with respect to the Sava Commission.

Article 23 NOTIFICATION

- 1. The Sava Commission shall communicate to the Diplomatic Protocol of the Ministry of Foreign Affairs and European Integration of the Republic of Croatia a list of the Officials and dependent members of their family.
- 2. Upon arrival, the Officials and dependent members of their family will be issued with an appropriate identification card by the Diplomatic Protocol of the Ministry of Foreign Affairs and European Integration of the Republic of Croatia.

IV. NON-RESPONSIBILITY OF THE REPUBLIC OF CROATIA AND SECURITY

Article 24

NON-RESPONSIBILITY OF THE REPUBLIC OF CROATIA

The Republic of Croatia shall not, on account of the Sava Commission's activities on its territory, assume any international responsibility for acts or omissions of the Sava Commission.

Article 25 SECURITY

- Nothing in this Agreement shall affect the right of the Government to apply all appropriate safeguards in the interests of the public security. Nothing in this Agreement prevents the application of Croatian laws necessary for health and quarantine or relating to public order.
- Should the Government consider it necessary to apply the provisions of the 1 paragraph
 of this Article, it shall, as promptly as circumstances permit, establish contact with the
 Sava Commission in order to decide jointly upon such measures as may be necessary to
 protect the interests of the Sava Commission.
- 3. The Sava Commission shall cooperate with the Croatian authorities to prevent any prejudice to the public security on account of any activity of the Sava Commission.

V. FINAL PROVISIONS

Article 26 SETTLEMENT OF DISPUTES

Any dispute concerning the application or interpretation of this Agreement which direct consultations between the Parties of the Agreement have failed to settle may be referred, by either Party, to an ad hoc arbitral tribunal consisting of three members. In this event, the Parties of the Agreement will each appoint one member of that tribunal, and the persons so appointed shall select a third as a president. Should the members of the arbitral tribunal be unable to agree upon who should be selected as president, he/she shall be appointed by the President of the International Court of Justice at the request of one members of the tribunal, or, if he is unable to exercise this function, by the Vice-President, or failing him by the most senior member of the Court. The said ad hoc tribunal shall fix its own rules of procedure. Each party in dispute shall bear its own expenses, and shall equally share the expenses of the arbitration proceedings.

Article 27 AMENDMENT OF THE AGREEMENT

This Agreement may be amended upon mutual consent of the Parties of the Agreement. Amendments shall entry into force in accordance with Article 28 of this Agreement.

Article 28 ENTRY INTO FORCE

This Agreement shall enter into force on the date when the Government of the Republic of Croatia has notified the Sava Commission in written that all internal legal requirements for its entry into force have been fulfilled, and shall be provisionally applied from the day of its signature.

Article 29 DURATION, DENOUNTIATION AND TERMINATION

This Agreement is concluded for indefinite period of time and either Party of the Agreement may denounce it by written notification to the other Party of the Agreement. In that case the Agreement terminates six (6) months from the day of receipt of such notification.

Done at Zagreb on 2nd November 2005 in two originals in the English and Croatian language, both texts being equally authentic.

FOR THE SAVA COMMISSION

FOR THE GOVERNMENT OF THE REPUBLIC OF CROATIA