

AGREEMENT
ON THE IMPLEMENTATION OF THE ENTITY OBLIGATIONS FROM THE
FINAL ARBITRAL AWARD FOR BRCKO
ON RETURNS, RECONSTRUCTION AND THE PROBLEMS OF DISPLACED
PERSONS.

The Government of the Brcko District of Bosnia and Herzegovina, , represented by
Mayor Sinisa Kisic

The Government of the Federation of Bosnia and Herzegovina, represented by
Prime Minister Edhem Bicakcic

The Government of Republika Srpska, represented by
Deputy Prime Minister Ostoja Kremenovic

Under the auspices of the Deputy High Representative and Supervisor of Brcko,
Ambassador Gary Matthews

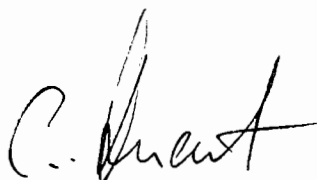
With a view to implementing the Final Award issued by the International Arbitration Tribunal for Brcko dated March 5, 1999 and establishing the Brcko District of Bosnia and Herzegovina (hereinafter: Brcko District) as a single administrative unit under the exclusive sovereignty of Bosnia and Herzegovina; supporting the implementation of Annex 7 of the Dayton Peace Agreement within the territory the Brcko District; recognizing the need to accelerate the process of return of Brcko District citizens to their own homes and the resolution of the situation of those who wish to remain in, but have no real property on, the Brcko District; and in accordance with the Memorandum of Understanding dated September 19, 2000 agree on the following:

1. The Government of the Republik of Srpska will provide construction materials, firstly, for 12 houses (Each to provide accommodation for 4 families in accordance with the Brcko District urban plan) at the site Ilicka for the benefit of qualifying displaced persons currently residing in the local community "Klanac." Delivery of such materials to be before 11 November 2000
2. The Government of the Federation of Bosnia Herzegovina will provide reconstruction assistance for 10 of those displaced persons currently residing in the local community "Bukvik," whose own houses are on the territory of the Brcko District and are unoccupied and damaged or destroyed. The Brcko District Government will provide the Government of the Federation of Bosnia and Herzegovina with details of the status of each of the properties in question.
3. The Government of the Federation of Bosnia and Herzegovina shall urgently resolve the cases of those DPs, currently residing in local community "Klanac," who wish to return to their own homes in the Federation of Bosnia and Herzegovina. Additionally, the Government of the Federation of Bosnia and Herzegovina undertakes to report on the status of those houses in the Federation of Bosnia and Herzegovina belonging to DPs currently resident in local

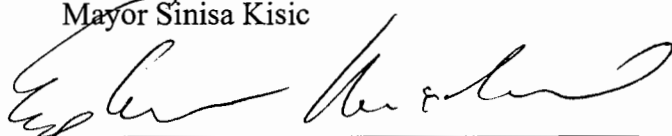
community "Klanac." A complete list of those DPs currently resident in local community "Klanac" will be provided, by OHR North.

4. The Government of the Republik Srpska shall continue to pay the salaries of those individuals formerly employed by the Brcko Department of the RS MRDP and now employed by the Brcko District Government. This arrangement shall continue until 31 December 2000.
5. Both entities will create a working group to analyse the proposals made in the Brcko 2000 plan, with a view to beginning partial implementation by February 2001. The RS MRDP is to initiate these proceedings.
6. All the parties to this agreement shall collectively investigate the feasibility of credit raised against the security of either, undamaged, occupied property or of destroyed property, wherever located, in order to finance reconstruction or construction of housing.
7. The Brcko District Government, in association with representatives from both entities shall produce a detailed plan for the implementation of Annex 7 of the Dayton Peace Agreement. This plan will form the basis for further work under this agreement.
8. The obligations, as well as all other technical details related to this agreement shall be specified and fulfilled within 30 days from the date of the signing of this agreement.

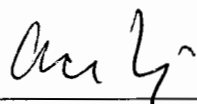
October 24, 2000



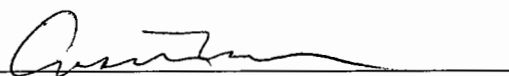
For the Brcko District Government
Mayor Sinisa Kisić



For the Government of the Federation of Bosnia and Herzegovina
Prime Minister Edhem Bicakčić



For the Government of Republika Srpska
Deputy Prime Minister Ostoja Kremenović



Deputy High Representative, Supervisor of Brcko
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