

Agreement on Special Relations

The Agreement on Special Relations between the Republic of Croatia and the Federation of Bosnia and Herzegovina

Translation

Convinced that a consistent, full and expedited implementation of the General Framework Agreement on Peace in Bosnia and Herzegovina and its Annexes (hereinafter: the Peace Agreement) makes the basis for creation of conditions for the lasting coexistence of the Croat and Bosniak peoples, as well as others, and all citizens of the Federation of Bosnia and Herzegovina (hereinafter: the Federation of BiH), and also for the establishment of close special relations and development of cooperation between the Republic of Croatia and the Federation, initiated by the Washington Agreements, in the interest of ensuring lasting peace and stability in this part of Europe;

Starting from the sovereignty, territorial integrity and political independence of Bosnia and Herzegovina, and bearing in mind the Peace Agreement, in particular Article V and Annex 4 thereof;

Affirming the readiness to regulate the relations between the Republic of Croatia and the Federation through special institutionalized and other forms of cooperation, in conformity with the commitments of the signatories of the Peace Agreement;

Convinced that the strengthening of cooperation and links between the Republic of Croatia and the Federation contributes to their lasting overall social, democratic, and economic development, as envisaged by the Washington Agreements;

Wishing to establish the aforementioned principles and objectives, in accordance with the Washington Agreements of 18 March 1994 and the Peace Agreement signed in Paris on 14 December 1995, the Republic of Croatia and the Federation have reached

The Agreement on Establishment of Special Relations

Article 1

The Republic of Croatia and the Federation hereby establish their special relations, the objective of which is to gradually build up an ever developing institutionalized cooperation, as well as other forms of mutual cooperation, depending upon general political and economic conditions, and upon the respect for special interests of the Republic of Croatia and the Federation.

Article 2

The special relations under Article 1 of this Agreement refer to the promotion of the fully transparent cooperation of executive, legislative and other institutions of the Republic of Croatia and the Federation, in accordance with the Peace Agreement and the Constitutions of the Federation and of Bosnia and Herzegovina in the following fields:

1. economic cooperation and trade, promotion of joint investments, particularly in the fields of traffic infrastructure, communications and telecommunications, construction, and cooperation in the exploitation of industrial, energy, agricultural and other potentials

and capacities;

2. promotion and cooperation in the field of planning and economic policy, and cooperation in development and reconstruction;
3. cooperation in the field of legislation;
4. cooperation in the field of privatization and denationalization;
5. cooperation in the field of science and technology, education, culture and sport;
6. cooperation in the field of social policy and health;
7. cooperation in the field of tourism, environmental protection and exploitation of natural resources;
8. cooperation in the field of information;
9. cooperation in the development of regional and local administration and self-rule;
10. cooperation in resolving legal property issues;
11. cooperation in the field of internal affairs;
12. cooperation in the field of defense (education, equipping, joint production, etc.), to an extent which shall be in accordance with the territorial integrity and sovereignty of Bosnia and Herzegovina and the with the Peace Agreement;
13. promotion of cooperation between the non-governmental organizations;
14. in accordance with the provisions of Washington and Peace Agreements, the Parties, within the limits of their authority, shall strive towards the establishment of a European traffic corridor from the Ploce port to the northern border of Bosnia and Herzegovina, and support the need to construct a road Dubrovnik-Ploce-Bihac-Zagreb (through Neum). The Parties shall establish joint associations for the harmonization of infrastructure construction and the flow of land traffic in terms of connecting the Republic of Croatia and the Federation.

Article 3

For the purpose of implementing the special relations between the Republic of Croatia and the Federation, a joint Council for Cooperation between the Republic of Croatia and the Federation (hereinafter: the Council) shall be established.

The Council shall prepare and adopt proposals and recommendations for the relevant executive, legislative, scientific, cultural and other institutions of the Republic of Croatia and the Federation.

Article 4

The Council shall consist of the President of the Republic of Croatia, and the President and Vice-President of the Federation. The Council shall appoint the Standing Committee composed of six (6) members. The Republic of Croatia shall be represented in the Standing Committee by the Prime Minister, one of the Deputy Prime Ministers and one relevant Minister, while the Federation shall be represented by the Prime Minister, Deputy Prime Minister of the Federation and one relevant Minister.

The Council and the Committee shall adopt proposals and recommendations by consensus.

The Council shall adopt its Rules of Procedure.

The Parties shall appoint the Standing Committee members within fifteen (15) days following the signing of this Agreement.

Article 5

For the purpose of ensuring the harmonization and efficiency in its work, the Council shall appoint two Secretaries, one from the Republic of Croatia, and another from the Federation.

The Secretaries shall be responsible for their work to the

Council. They shall harmonize the preparations for the Council sessions and ensure the efficient implementation of its proposals and recommendations, in cooperation with the relevant bodies of the Republic of Croatia and the Federation.

Pursuant to a Council decision, the Secretaries shall prepare a proposal of the Rules of Procedure.

Article 6

The sessions of the Council shall be held, as a rule, once every three months, alternately in the Republic of Croatia and in the Federation.

The Standing Committee shall meet as necessary.

Article 7

The Council shall regularly inform the public by means of press statements, on its proposals and recommendations.

Article 8

The Parties shall work towards implementing the cooperation foreseen in this Agreement at the level of regions, cantons, cities and municipalities, economic entities and various non-governmental organizations.

Article 9

For the purpose of extending the cooperation in the legislative field, there shall be regular contacts between the relevant bodies of the Croatian State Parliament and the Parliament of the Federation.

Article 10

The Parties shall conclude the Annexes to this Agreement, by 1 July 1999, for the purpose of working out in detail the implementation and taking the steps necessary for the implementation of the cooperation in the fields from Article 2

of this Agreement.

The Parties welcome the assistance of the Office of the High Representative in facilitating the completion of Annexes from Paragraph 1 of this Article.

The Annexes from paragraph 1 of this Article shall enter into force on the day of its signing, but no later than 1st of July 1999.

Article 11

The Parties agree to initiate the activities aiming to harmonize the agreements signed so far between the Republic of Croatia and the Republic of Bosnia and Herzegovina which are being implemented on the territory of the Federation, with the Peace Agreement and this Agreement, or to replace them.

For any existing agreement from Paragraph 1 of this Article which may be found by any of the Parties as not being in accordance with the Peace Agreement, the Constitution of Bosnia and Herzegovina, or the Constitution of the Federation, the process of harmonization, or of drafting appropriate annexes to this Agreement, will be initiated no later than three months after the signing of this Agreement.

If the process of harmonizing the agreements, or of replacing them, is not finished within that time-frame, and if the reason for disagreement are the differences between the Croat and Bosniak representatives in the Federation, the Parties shall agree that the representatives of the Federation will accept the assistance and arbitration of the Office of the High Representative in resolving these differences, in order to finish the process of harmonization of the existing agreements, or of drafting the annexes, at the latest by 1 July 1999.

If the process of harmonization, or of drafting the annexes is not completed by that date, the Parties shall agree that the

existing agreements may remain in force at the latest by 1 September 1999.

Article 12

The Parties confirm their readiness to resolve the questions of vital interest by consensus of the Croat and Bosniak peoples, through the relevant institutions in accordance with the provisions of the Federation Constitution, for the purpose of ensuring an effective functioning of the Federation and effective implementation of the Agreement on Special Relations between the Republic of Croatia and the Federation of Bosnia and Herzegovina.

Article 13

After being signed by the Parties, this Agreement shall be applied temporarily, and shall enter into force thirty (30) days after the reception of the last notification that all conditions foreseen by the internal legal systems of each of the Parties for the entering into force of this Agreement have been met.

The Parties shall be obliged to finalize the process of ratifying this Agreement within three (3) months from the day of its signing.

Concluded in Zagreb, on 22 Nov. 1998, in two originals, each in Croatian for the Republic of Croatia, and in the official languages of the Federation, Bosnian and Croatian, for the Federation, whereby all texts are equally authentic.

For the Republic of Croatia Franjo Tudjman President of the Republic of Croatia (signed)	For the Federation of Bosnia and Herzegovina Ejup Ganic President Federation of Bosnia and Herzegovina (signed) Vladimir Soljic Vice President Federation of Bosnia and Herzegovina (signed)
---	---

Office of the High Representative