Annex I to Sarajevo Agreed Measures – Geneva, 15/5/96

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I. **General Provisions**

a. In the organizational structures of all ministries and other institutions of the Federation of Bosnia and Herzegovina all positions will be filled in an ethnically-balanced manner in accordance with the Constitution of the Federation by August 31, 1996. Either side will propose the nominations.
b. For the purposes of this Annex, when the words “Ministry” or “Ministries” are used in various fields, these terms refer to an agreed stance or action of the Minister and his Deputy.
c. The Federation partners agree that the Federation Assembly shall be convened no letter than August 27, 1996 and shall remain in session until all its legal obligations arising from the August 15, 1996 Sarajevo Agreed Measures are fulfilled.
d. Proper delineation of responsibilities in areas of common competencies between the Bosnia and Herzegovina and the Federation requires that no legislation prejudicing the allocation of competencies shared by Bosnia and Herzegovina and the Federation will be proposed by the central government without an agreement between the governments of Bosnia and Herzegovina and the Federation. Disputes over legislation will be referred to the Special Group before enactment into law.

1. **Foreign Affairs**
    1. The Government of Bosnia and Herzegovina will propose appointments of ambassadors and consuls general and will appoint other diplomatic and consular employees from its jurisdictions from the territory of the Federation in an ethnically-balanced manner by August 31, 1996.
    2. The Presidency will appoint ambassadors and consuls general in an ethnically-balanced manner from the territory of the Federation by September 10, 1996.
2. **Defense**
    1. Publish defense law by August 20, 1996.
    2. Publish regulations on internal organization of the Federation Defense Ministry by August 31, 1996.
    3. Make ethnically balanced appointments of personnel for Federation Defense Ministry by September 10, 1996.
    4. Adopt decision on withdrawal and appoint all military attaches by August 31, 1996.
    5. As reflected in the Agreed Measures, any ministry of defense that exists in Federation territory apart from the Ministry of Defense of the Federation will be fully dismantled by September 10, 1996.
3. **Internal Affairs**
    1. The Government of the Federation will appoint the remaining leadership in the Federation Ministry of the Interior in accordance with existing Federation regulations on internal organization of the Ministry of Interior by August 24, 1996. At the same time the Ministry of Interior and his deputy will ensure ethnic balance with respect to

officials and employees of the Federation Ministry of Interior and complete these appointments by August 31, 1996. On the basis of the procedures specified in Articles 77 through 82 of the Federal Law on Internal Affairs, as of August 31, 1996, only the Federal Ministry of Interior shall operate in the territory of the Federation.

2. The cantonal interior ministries will be established by August 31, 1996. The remaining cantonal interior minister will be appointed an all managerial and working-level positions filled in a ethnically balanced manner by August 31, 1996.
3. Upon establishment of the cantonal interior ministries, all police personnel and resources will be transferred as specified in the Petersberg Agreement to the cantonal police on a canton-by-canton basis. This will be done in accordance with the Guidance on Police Restructuring issued by the Commissioner of the United Nations International Police Task Force (UNIPTF). Only those police personnel who have been approved for service by the UNIPTF will be appointed to the police. Those police will receive provisional appointments until January 1, 1997, at which time they may receive permanent appointments. Upon establishment of the police in a canton, all other police in the territory of that canton will be disbanded immediately. Any individuals not certified to join the Federation police at either the cantonal or Federal level will be demobilized. Full establishment of the police in the Federation will be completed no later than October 1, 1996.
4. As of August 31, 1996 only the insignia of the Federation and cantonal police will be used by police operation in the territory of the Federation.

5. The Co-chairmen note the high priority the Federation partners attach to the unresolved issue concerning the Agency for Investigation and Documentation. In view of the complexity of this issue, the Co-chairs are deferring an immediate decision on this matter, and will communicate their findings on the issue directly to the parties in the immediate future.

4. Transport and Communications

1. The headquarters of the Ministry of Transport and Communications will be established in Mostar no later than September 10, 1996.
2. Immediately seek the assistance of the EBRD and its consultants in preparing legislation for Bosnia and Herzegovina and the Federation that divides responsibilities in the areas of transportation and communications. Such Federation legislation will displace any conflicting laws in the territory of the Federation.
3. By September 15, 1996, the Federation legislature will enact a law concerning transportation and communications, consistent with point six of the Agreed Measures.
4. In the transitional period from August 31, 1996 until necessary Federation Laws concerning Transportation and Communications are adopted, all public enterprises in this field, operating in the territory of the Federation, will be under the supervision of the Federal Ministry of Transportation and Communications.

5. Finance

1. Ensure ethnic balance is achieved with respect to all leadership positions and all employees of the Customs Administration by September 10, 1996.

2. A Federation law on tax administration and a Federation law on taxation will be enacted by August 31, 1996. By August 31, 1996, tax administrations of both Bosnia and Herzegovina and of the Administrative Arrangements in the territory of the Federation under HVO control will cease to function, and from August 31, 1996, taxes will be collected on Federation territory only in accordance with the Federation law on tax administration. By August 31, 1996, a law will be adopted by the Assembly of Bosnia and Herzegovina concerning interim financing of Bosnia and Herzegovina, the basis of which will be agreed by the governments of the Federation and Bosnia and Herzegovina, and in accordance with Annex IV (8) of the Dayton Agreement, and with the November 10, 1995 Federation Agreement.
3. By August 31, 1996, a Federation law on games of fortune will be enacted, and from that date no other law concerning games of fortune will be in force on the territory of the Federation.
4. By August 31, 1996, the transfer of responsibilities will be done according to the Law on Accountancy and Revision of the Federation, and from that date only the Federation Law on Accountancy and Revision will be in force on the territory of the Federation, except for institutions of Bosnia and Herzegovina which will be subject to regulations issued by Bosnia and Herzegovina.
5. By August 31, 1996, all authority in the field of insurance of property and persons will be transferred to the Federation and from that date in the territory of the Federation only the Federation Law on Insurance of Property and Persons will apply. The international competencies of the state of in the field of insurance of

property and persons, and its ability to legislate and regulate in this field within its competencies defined by the Constitution of Bosnia and Herzegovina, will not be affected by this transfer.

6. The Special Group will seek the advice of international financial experts in resolving questions regarding the competencies of the central government and the Federation in the field of customs. The decision of the Special Group will be taken on the basis of the response to this request for advice, and in no event later than August 31, 1996.

6. Reconstruction

1. To the extent required by the donor or lender, international contracts for reconstruction projects will be concluded at the level of Bosnia and Herzegovina. Except to the extent precluded by language in existing contracts, all present and new reconstruction projects that exclusively concern Federation territory will be managed and implemented by the appropriate Federation ministry.

7. Justice

1. By September 1, 1996, each canton will enact a law on judicial administration, which will provide for cantonal and municipal courts, prosecutorial bodies, offices of district attorneys, and criminal courts.
2. Establish the Federation Supreme Court, cantonal and municipal courts, prosecutorial bodies, offices of district attorneys, and criminal courts by September 10, 1996. Transfer all judicial and prosecutorial functions, employees, and cases of

the Administrative Arrangements in the territory of the Federation under HVO control to counterpart Federation bodies by September 10, 1996. In accordance with this provision, judicial and prosecutorial bodies of the Croat Republic of Herceg-Bosna will cease to exist. Transfer all judicial and prosecutorial functions, employees, and cases of Bosnia and Herzegovina to counterpart Federation bodies by September 10, 1996. In accordance with this provision, Bosnia and Herzegovina judicial and prosecutorial bodies will cease to exist.

3. Apart form functions expressly assigned to Bosnia and Herzegovina under Article I (7) and Article III (1.f and 1.g) of Annex IV of the General Framework Agreement, transfer all responsibilities and functions of the Bosnia and Herzegovina Ministry of Justice to the appropriate Federation Ministries by September 14, 1996. Transfer all responsibilities and functions of the Herceg-Bosna Ministry of Justice by September 10, 1996. As of that date, the Herceg-Bosna Ministry of Justice will cease to exist.

8. Trade

1. Amend the Federation Constitution as necessary to conform to the agreed allocation specified in paragraph 8.2. of this Annex, and to the Constitution of Bosnia and Herzegovina with respect to foreign trade policy.
2. The Ministry of Trade of Bosnia and Herzegovina and the Ministry of Trade of the Federation have reached a written agreement on the allocation of responsibilities in the field of trade. The Ministries of Trade of Bosnia and Herzegovina and the Federation will meet and issue coordinated

guidance on implementation of this agreement by August 31, 1996.

9. **Energy, Mining and Industry**
    1. The headquarters of the Ministry of Energy, Mining and Industry will be established in Mostar no later than September 10, 1996.
    2. All employees of the Bosnia and Herzegovina Ministry of Energy, Mining and Industry and the Herceg-Bosna Ministry of Energy, Mining, and Industry will be incorporated into the Federation Ministry of Energy, Mining and Industry by August 31, 1996 in accordance with the regulations on internal organization of the ministry.
    3. By September 15, 1996 a Federation Law will be adopted on power utilities and the existing public enterprises will be organized in accordance with paragraph 6 of the Agreed Measures. In the interim period, the public enterprises will be under the supervision of the Federal Ministry of Energy, Mining, and Industry.
    4. The Institute for Standardization, Surveying, and Patents shall remain at the level of the central government. The precise organizational structure and mechanism through which policy and resource decisions are made concerning the Institute for Standardization, Surveying, and Patents will be restructured as necessary in cooperation with the other entity. The Directorate of Commodity Reserves of Bosnia and Herzegovina shall be transferred from the level of the central government to the Federation by August 31, 1996.
10. Agriculture, Forestry, and Water Management
    1. By September 15, 1996, adopt a Federal law on water, forests, forestry and agricultural land, and veterinary questions.

2. Effective August 31, 1996, all offices, institutions, public enterprises or other bodies relating to agriculture and forestry that operate in the name of the Administrative Arrangements in the territory of the Federation under HVO control or Bosnia and Herzegovina will operate in the name of the Federation, at the Federal or cantonal level as appropriate, or until the establishment of appropriate public corporations in accordance with Annex IX of the Dayton General Framework Agreement.

11. Urban Planning and Environmental Protection

1. By September 10, 1996, establish Federation Administration for Surveying, in accordance with the Federation law on administrative organizations, and transfer all staff and competencies of the Administrative Arrangements in the territory of the Federation under HVO control and Bosnia and Herzegovina surveying administrations to the Federation administration.
2. By September 15, 1996, the Federal Ministry of Urban Planning and Environmental Protection will submit to the Federation Government draft basic laws on construction, urban planning, and housing policy.

12. Health Care

1. By August 31, 1996, the Bosnia and Herzegovina Government will halt implementation of all Bosnia and Herzegovina laws relating to health care as being beyond the constitutional powers of the central government. By August 31, 1996, the Federation Ministry of Health will submit a draft law on Health Care and Insurance to the Federation Government.

2. As soon as possible, the Federation Ministry of Health will consult with appropriate cantonal authorities with respect to their joint responsibility for health.
3. The Federation Law on Health Care and Insurance, to be adopted by September 10, 1996, will regulate financing and organization of health care funds operating on the territory of the Federation. As of that date, only those funds operating in accordance with that law will exist on the territory of the Federation. Prior to that date the Federation Minister of Health and his deputy will agree on the Director and members of the Executive Board of the Federation Health Care Fund proposed in the draft of that law.
4. The responsibilities of the Government of Bosnia and Herzegovina in the area of foreign policy regarding international conventions and organizations concerning health care will be specified by the Special Group established under paragraph 10 of the Agreed Measures no later than September 10, 1996.

13. Education, Science, Culture, and Sport

1. The headquarters of the Federation Ministry of Education, Science, Culture, and Sport will be established in Mostar no later than September 10, 1996.
2. In accordance with Chapter III, Article 4 (b),(c) , and (i) of the Federation Constitution, which provides that the cantons shall have all responsibility for education, the Federation Government will use its best efforts to facilitate establishment of cantonal education authorities as rapidly as possible. Pending the establishment of such cantonal authorities, effective August 20,

1996, all educational institutions in Federation territory will operate under the agreed guidance and authority of the Federation Minister of Education, Science, Culture, and Sport, and his deputy.

14. **Media and Information**

    1. The Assembly of the Republic of Bosnia and Herzegovina will achieve ethnic balance in the membership of the governing boards, programming council, leadership positions, and all other posts of TV BiH and Radio BiH by August 31, 1996.
    2. In accordance with Chapter III, Article 4(i) of the Federation Constitution, the Federation Government will use its best efforts to facilitate establishment of cantonal radio and television regulatory authorities by September 10, 1996.
    3. Remaining questions concerning ownership and operation of radio and television facilities in the territory of the Federation will be resolved by the Special Group established under paragraph 10 of the Agreed Measures.

15. **Social Welfare, Refugees and Displaced Persons**

    1. The Government of Bosnia and Herzegovina will be responsible for foreign policy, immigration, refugees, and asylum policy and regulation, and for relations with international organizations dealing with such matters. Effective August 20, 1996, the Federation Ministry of Social Welfare, Refugees and Displaced Persons will have authority for the expenditure of donations received from such international organizations and for all other matters relating to refugees and displaced persons within the territory of the Federation. As of that

date, all functions of the Herceg-Bosna Bureau for Expelled Persons will be transferred to the appropriate Federation and/or cantonal authority.

2. By September 10, 1996, a Federation law with respect to pension funds, disability insurance, employment funds, and related matters, will be enacted. As of that date, no fund will operate in the territory of the Federation which is not foreseen by this law.

16. **Chamber of Commerce**

    1. By September 10, 1996 a Federation law will be passed establishing a Federation Chamber of Commerce. As of that date, the Chamber of Commerce established by this law will be the only Chamber of Commerce functioning exclusively on the territory of the Federation.

Office of the High Representative