Annex B

Diplomatic and Consular Properties

Article 1

(1) As an interim and partial distribution of SFRY diplomatic and consular properties, the successor States have selected the following properties for allocation to each of them:

Bosnia and Herzegovina	London (Embassy)
Croatia	Paris (Embassy)
Macedonia	Paris (Consulate General)
Slovenia	Washington (Embassy)
Federal Republic of Yugoslavia	Paris (Residence)

(2) Any action which may be necessary to enable each successor State to enter into possession of the property allocated to it shall be completed within six months of the date of signature of this Agreement.

Article 2

(1) SFRY diplomatic and consular properties shall be distributed in kind (i.e. as properties) rather than by way of monetary payments.

(2) In that distribution, Bosnia and Herzegovina and Macedonia, are receiving a greater share than they would receive under the IMF key, or any other more favourable criterion for Bosnia and Herzegovina and Macedonia for the distribution of such properties.

Article 3

Diplomatic and consular properties other than those acquired by States in accordance with Article 1 of this Annex shall be distributed in such a way that the total and final distribution in kind of diplomatic and consular properties (including those acquired in accordance with Article 1) reflects as closely as possible the following proportions by value for each State:

Bosnia and Herzegovina	15%
Croatia	23.5%
Macedonia	8%
Slovenia	14%
Federal Republic of Yugoslavia	39.5%

Article 4

(1) SFRY diplomatic and consular properties are set out in the list appended to this Annex. That list groups properties according to their geographical regions. Each successor State shall, within each geographical region, be entitled to its proportionate share as set out in Article 3.

(2) The distribution of properties shall be by agreement between the 5 States. To the extent that agreement on the distribution of properties cannot be reached, the

successor States shall adopt a procedure whereby any property selected by only one State will be acquired by that State, and where two or more States have selected the same property, those States will consult together as to which of them will acquire that property.

(3) The basis for the proportionate distribution of properties is the valuation in the "Report dated 31 December 1992 on the valuation of the assets and liabilities of the former Socialist Federal Republic of Yugoslavia as at 31 December 1990."

(4) Movable State property of the SFRY which forms part of the contents of diplomatic or consular properties shall pass to whichever successor State acquires the diplomatic or consular properties in question.

(5) Movable State property of the SFRY which forms part of the contents of diplomatic and consular properties and which is of great importance to the cultural heritage of one of the successor States shall pass to that State.

Article 5

The successor States shall establish a Joint Committee composed of an equal number of representatives from each State to ensure the effective implementation of Articles 3 and 4 of this Annex. The functions of the Joint Committee shall include:

(a) verifying and as necessary amending the List referred to in Article 4(1);

(b) assessing the legal status of each property, its physical condition, and any financial liabilities attaching to it; and

(c) considering the valuation of property as the need arises.

Article 6

The Joint Committee shall commence its work on a provisional basis within 3 months of the date of signature of this Agreement.

Article 7

Whichever successor State is in a position to maintain and keep under repair any diplomatic or consular properties of the SFRY shall take the necessary steps to that end, bearing in mind in particular

(a) the principle that it must at all times take the necessary measures to prevent loss or damage to or destruction of such properties, and

(b) the requirement to pay compensation for any loss, damage or destruction resulting from failure to take such action.