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Other matters

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PROGRESS REPORT ON THE PROPOSED WORLD MARITIME UNIVERSITY

Report of the Administrator

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1. Members of the Governing Council will recall the exchange of views which took place during the Special meeting in May 1982 regarding the proposed World Maritime University. On that occasion, there were statements by the Secretary-General of the International Maritime Organization and by the Deputy Administrator of UNDP. A large number of countries spoke in favour of the creation of a World Maritime University. In this regard, reference should be made to the summary record which contains a detailed account of those discussions, document DP/1982/SR.11, dated 3 June 1982.

2. It will also be recalled that the Governing Council, at its Special meeting starting in May 1982 took note of the various statements made by the parties concerned and authorized the Administrator "to undertake further detailed consultations with the International Maritime Organization and, as appropriate, the Government of Sweden, in order to clarify further a number of policy, technical and financial issues on the basis of which the nature and level of possible UNDP involvement in the establishment of the World Maritime University can be ascertained and appropriate action taken,..."1/ UNDP was also requested to submit a progress report to the Special meeting of the Governing Council in February 1983.

3. Pursuant to the Council's wishes, close consultations were held among the three principal parties, notably, between IMO and UNDP, with a view to formulating a preparatory assistance activity which would, <u>inter alia</u>, seek to address the various issues raised by the Deputy Administrator in his statement before the Governing Council. These consultations were concluded in August 1982 and resulted in the approval by UNDP on 31 August 1982 of a preparatory assistance project. This project, which formally commenced on 1 October 1982 for a duration of nine months, involves a total UNDP contribution of \$215,750 - the costs of which are being shared between the various intercountry programmes of UNDP - and a contribution of \$100,000 from the Government of Sweden. The latter amount has been channelled through UNDP under third-party costsharing arrangements.

4. The preparatory assistance project calls upon the two organizations to take all necessary steps, in consultation with the Government of Sweden and other interested parties, including both developed and developing countries, in order to bring the proposed World Maritime University into being on 1 July 1983. The main thrust of the preparatory assistance project is placed upon the identification of candidates for the initial course period and the preparation of detailed syllabi and material for the various courses to be conducted at the University. At the same time, steps are being taken, in consultation with the Government of Sweden, to ensure the formal "internationalization" of the existing maritime training facility in Malmö, including the setting up of an International Board of Governors, consisting of representatives of developing and developed countries, as well as those from the shipping industry itself.

5. An equally important activity to be carried out during the preparatory phase will be the mobilization of financial resources in sufficient quantities to cover the difference between the Government of Sweden's pledge of an annual contribution of \$1 million to the University's running costs and the total requirement in this respect. To this end the Administrator of UNDP and the Secretary-General of the

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International Maritime Organization have agreed to initiate joint approaches to Governments of developed countries, to all interested parties in the maritime industry, to development banks, to philanthropic foundations, to developing countries which may be in a position to contribute, and to other donor agencies and institutions.

At the time of the writing of this report, a probable scenario by which the 6. total estimated annual costs of operating the University could be covered would be as follows. Apart from the Government of Sweden's contribution of \$1 million, it is hoped that an additional \$1 million can be raised from or on behalf of the developing countries, it being understood that for each trainee from a developing country an amount of \$10,000 is made available either from funds contributed to the University especially for this purpose, by drawing upon the country's IPF, by tapping funds provided to the country under bilateral or other multilateral aid programmes or from the country's own resources. An amount of \$800,000 per year will be required to be made up from UNDP intercountry funds and a further \$800,000 per year in voluntary contributions is expected to be secured from donor countries. The contribution from UNDP central funds is, of course, predicated upon the satisfactory obtainment of the necessary support from the other contributors. Moreover, a formal budgetary commitment by UNDP from its intercountry funds will naturally depend upon the satisfactory implementation of the preparatory assistance phase, upon the securing of the requisite number of Government endorsements as per UNDP's policies and procedures governing the utilization of intercountry funds and, of course, upon the actual availability of resources.

7. As of December 1982, the preparatory assistance activity was well under way. In particular, progress had been achieved in a number of key respects and these are described below. First, and on the basis of negotiations carried out between the Secretary-General of IMO and the Municipality of Malmö, Sweden, detailed agreements concerning the utilization of the premises and related facilities by the University have been concluded. Copies of the said agreements are attached to this report as annexes I and II. It is now anticipated that the University will operate at a full capacity of 143 places beginning in 1984, at a cost to the University of approximately \$25,000 per student, per year.

8. Second, consultations have been concluded with the Government of Sweden in respect of the "internationalization" of the former Merchant Marine Academy in Malmö. Under the terms and conditions of this agreement, the usual privileges and immunities will be extended to all internationally-recruited staff attached to the World Maritime University in a manner similar to that which would apply were the University to be an integral part of the United Nations system, generally, and of IMO more specifically. That having been said, it needs to be stressed that the University will in fact have a legal and institutional status which is distinct from the United Nations system, but will maintain, of course, a special relationship with IMO. A copy of the aforementioned Agreement between the Government of Sweden and IMO with respect to the "internationalization" of the University is also attached as annex III. DP/1983/3 English Page 4

9. Other preparatory activities which were well under way at the time this report was drafted include the preparation of a prospectus, outlining the aims and objectives of the University, as well as details of course offerings, etc. This prospectus will serve, <u>inter alia</u>, as the basic document guiding IMO and UNDP in their approaches to potential sources of funding in both developed and developing countries. Consultants in various disciplines such as curriculum development and planning and administration have also been recruited. In this latter regard, mention should be made of a decision by the Administrator to make available to the Secretary-General of IMO the services of a senior UNDP official, as the consultant in planning and administration.

10. In accordance with the provisions of the preparatory assistance project, five of the core administrative staff of the University, including the Rector, took up their duties in mid-October 1982 in order to fully prepare the ground for the commencement of the initial round of courses of study at the University by mid-1983. Moreover, consultants have also been despatched to a number of developing countries which have expressed an interest in sending their trainees to the University in order to assist those countries in the selection of students, taking into account the high standards and technical qualifications which will be required for admission. Although every effort will be made to ensure that trainees are drawn from as representative a sample of developing countries as is possible, only those applicants possessing the requisite mix of education and experience will be considered for possible selection.

11. Steps have also been taken leading to the appointment of the international Board of Governors. Appointments to the Board will be made by the Secretary-General of IMO, following both formal and informal consultations with members of IMO Council and, as and when appropriate, with other interested parties.

12. UNDP will continue to work closely with IMO and, through IMO, with the Government of Sweden, in order to ensure that everything possible will be done to bring the World Maritime University into being during 1983. However, these efforts can only bear fruit to the extent that the international community as a whole is in a position to provide the kind of support to the University which will enable it initially, to be established and, subsequently, to be nurtured and sustained over time. Nevertheless, a very good start has already been made and UNDP has every reason to believe that, with the support of the international community, the University will open its doors to the first group of entrants sometime later this year.

Notes

1/ See Official Records of the Economic and Social Council, 1982, Supplement No. 6 (E/1982/16/Rev.1), decision 82/4 C:

ANNEX I

Agreement between the Secretary-General of the International Maritime Organization (IMO) and the Municipality of Malmö, Sweden, concerning premises and related facilities for the World Maritime University

In connection with the establishment in Malmö of the World Maritime University (hereinafter referred to as "the University"), the Municipality of Malmö (hereinafter referred to as "the Municipality") and the Secretary-General of IMO (hereinafter referred to as "the Secretary-General") have agreed as follows:

1. In accordance with the decision of 22 February 1982 (subparagraph 153) of its municipal board the Municipality agrees to lease to the Secretary-General the premises in the former Merchant Marine Academy in Malmö indicated in the attached plans and facilities connected with those premises (hereinafter referred to as "the premises and related facilities") for use by the Secretary-General for the purposes of the University or in connection with such purposes.

2. The lease is for such period of time as the premises and related facilities are required and used for or in connection with the purposes of the University.

3. At the request of the Secretary-General, the Municipality shall make available such additional premises and related facilities (including the extension or adaptation of buildings, building parts, facilities, and auxiliary devices) as are reasonably required for the legitimate needs of the University.

4. The lease is granted free of charge. The Municipality shall bear all the costs of maintenance, repairs and operations.

5. Subject to any exemptions, privileges, immunities, special benefits or rights accorded to or otherwise available to the University, the Secretary-General shall take reasonable steps to ensure the observance of applicable Swedish laws and local regulations in the use of all premises and related facilities of the University.

6. The Secretary-General or any other person or body duly authorized by or under the statute of the University shall have the power to establish regulations and rules for application in the premises and related facilities of the University.

7. Official or other persons acting under the authority of the Swedisl Government or the Municipality shall be admitted to the premises and relate facilities of the University only on terms and conditions agreed with the Secretary-General.

8. Upon termination of the lease, the Secretary-General shall have the right to remove any furniture, articles and equipment which have been brought into the premises and related facilities by or on behalf of the University, provided tha unreasonable damage to buildings or building parts shall be avoided in removing an such furniture, articles and equipment. DP/1983/3 English ANNEX I Page 2

9. The premises and related facilities made available under this agreement shall not be used for any purposes which are not reasonably connected with or needed for the purposes of the University except with the prior approval of the competent authorities of the Municipality.

10. Any dispute as to the interpretation or application of this agreement which is not settled by negotiation or in some other way agreed upon, shall be submitted for final decision to a tribunal of three arbitrators. One of the arbitrators shall be chosen by the Secretary-General, one by the competent authorities of the Municipality, and the third, who shall act as chairman of the tribunal, shall be chosen by the first two arbitrators. If the first two arbitrators fail to agree upon the choice of the third within one year from the time when they are appointed, the third arbitrator shall, at the request of either the Secretary-General or the authorities of the Municipality, be chosen by the President of the International Court of Justice.

Done in the city of Malmö, this fourteenth day of October 1982

For and on behalf of the Muncipality of Malmö The Chairman of the Municipal Board The Secretary-General of the International Maritime Organization

(signed)

(Nils Yngvesson)

(signed)

(C. P. Srivastava)

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ANNEX II

Agreement between the Secretary-General of the International Maritime Organization (IMO) and the Municipality of Malmö, Sweden, concerning the rental of flats and related facilities for students and other personnel of the World Maritime University

In connection with the establishment in Malmö of the World Maritime University (hereinafter referred to as "the University"), the Municipality of Malmö (hereinafter referred to as "the Municipality") and the Secretary-General of IMO (hereinafter referred to as "the Secretary-General") have agreed as follows:

1. The Municipality agrees to make available to the Secretary-General for the use of students and other personnel of the University, flats situated in the building called Henrik Smith's house at number 6 Disponentgatan in Malmö. These flats are to be equipped with supplies of electricity, water and installations for toilet, hygiene and sewage disposal.

2. The Municipality shall bear all costs of maintenance and repairs.

3. Persons using the flats under this agreement shall have access to related services in the form of catering, cleaning and laundry, including access to a common laundry, and the right to visit the Kockum's recreation establishment situated near the former Merchant Marine Academy at such hours and for such reduced charges as may be specified by the Authorities of the establishment.

4. A rent of US \$80 per month per one-room flat should be payable in respect of each student or other personnel of the University using the flats. This amount shall be exclusive of agreed service charges. One-half of the above-mentioned rent shall be adjusted annually on the basis of changes in the cost-of-living index of the Swedish Central Bureau of Statistics.

5. The authorities of the Municipality undertake to take the necessary measures to ensure that the students and other personnel of the University using the flats are supplied with all above-mentioned facilities and services and are able to utilize such facilities and services without disturbance or interruption.

6. The Secretary-General shall take reasonable steps to ensure that the students and other personnel of the University using the flats keep the premises and the equipment and material therein in good order and condition. The cost incurred in making good any damage to the premises or installations caused by the students or other personnel of the University, except damage arising from reasonable wear and tear, shall be borne by the University.

7. Subject to any exemptions, privileges, immunities, special benefits or rights which may be accorded or otherwise available to the University, the Secretary-General and the students or other personnel of the University using the flats shall take all reasonable steps to observe all relevant laws and regulations (whether national or local).

8. Where the flats or facilities referred to in this agreement are insufficient to satisfy the reasonable requirements of the University, the authorities of the Municipality shall, on the request of the Secretary-General, take the necessary measures to provide the additional flats or facilities necessary on the same terms and conditions as specified in this agreement.

9. This agreement shall remain in force for the period during which the facilities under the agreement are required in Malmö for the students or other personnel of the University.

10. Any dispute as to the interpretation or application of this agreement which is not settled by negotiation or in some other way agreed upon, shall be submitted for final decision to a tribunal of three arbitrators. One of the arbitrators shall be chosen by the Secretary-General, one by the competent authorities of the Municipality, and the third, who shall act as chairman of the tribunal, shall be chosen by the first two arbitrators. If the first two arbitrators fail to agree upon the choice of the third within one year from the time when they are appointed, the third arbitrator shall, at the request of either the Secretary-General or the authorities of the Municipality, be chosen by the President of the International Court of Justice.

Done in the city of Malmö, this fourteenth day of October 1982

For and on behalf of the Muncipality of Malmö The Chairman of the Municipal Board The Secretary-General of the International Maritime Organization

(signed)

(signed)

(Nils Yngvesson)

(C. P. Srivastava)

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ANNEX III

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AGREEMENT BETWEEN THE INTERNATIONAL MARITIME ORGANIZATION AND THE COVERNMENT OF SWEDEN REGARDING THE WORLD MARITIME UNIVERSITY

The International Maritime Organization and the Government of Sweden:

<u>Recalling</u> that Sweden undertook on 1 February 1960 to apply to the International Maritime Organization the provisions of the Convention of the Privileges and Immunities of the Specialized Agencies of the United Nations, including its Annex XII;

<u>Noting</u> that the World Maritime University is to be established in Malmö, Sweden, by the International Maritime Organization in pursuance of its purposes and objectives and operated within the administrative framework of the Organization;

<u>Considering</u> that the World Maritime University will accordingly be covered by the provisions of the Convention as applicable to the Organization;

<u>Desiring</u> to ensure, by means of a supplemental agreement, as foreseen in Article X, Section 39, of the Convention that the University's legal status in Sweden, as well as the content of certain privileges, concessions and courtesies and the measures for their implementation should be defined;

Have agreed as follows:

Part I

Definitions and interpretation

Article 1

In this Agreement:

(a) "the IMO Convention" means the Convention on the International Maritime Organization, as amended;

(b) "the Convention" means the Convention on the Privileges and Immunities of the Specialized Agencies of the United Nations adopted by the General Assembly of the United Nations on 21 November 1947, including its Annex XII, the text of which was received by the Secretary-General of the United Nations on 12 February 1959, and any subsequent revision of that Annex approved by the Organization and acceded to by Sweden;

(c) "Organization" means the International Maritime Organization;

(d) "Government" means the Government of Sweden;

(e) "Secretary-General" means the Secretary-General of the Organization and, during his absence, any other official specially designated to act on his behalf;

(f) "the Rector" means the Rector of the University and, during his absence, the Vice Rector and, in the absence of both of them, any other official specially designated to act on his behalf, to be notified to the Government by the Rector or by the Secretary-General;

(g) "appropriate authorities" means the national, regional or local authorities of Sweden, as the context may require, in accordance with the law of Sweden;

(h) "law of Sweden" includes Acts of Parliament and all subordinate legislation;

(i) "emoluments" means all sums in respect of employment in connection with the World Maritime University paid to, vested in or accruing to an official's benefit in any form whatsoever;

(j) "University" means the World Maritime University;

(k) "premises of the University" means land, buildings and parts of buildings normally occupied by the University for the fulfillment of its official functions;

(1) "Member states" means Members of the Organization as defined in the IMO Convention;

(m) "The Board" means the Board of Governors of the University as established under the Charter of the University;

(n) "officials of the University" means members of the staff of the University specified by the Secretary-General as officials under Article VI, Section 18 of the Convention;

(o) "experts" means persons appointed by or for the purpose of the University, other than officials coming within the scope of Article 1(n) of this Agreement.

Article 2

1. This Agreement shall be interpreted in the light of its primary objective of enabling the Organization to discharge fully and efficiently its responsibility in respect of the University.

2. To the extent that they deal with the same subject matter, this Agreement and the Convention or any treaty conferring immunities and privileges upon the Organization shall be complementary.

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Part II

Premises and Property of the University

Article 3

1. For the purpose of Article III of the Convention, but not as a condition of its application, the location of the premises and the archives of the University shall be made known to the appropriate authorities by the Secretary-General or the Rector who shall also inform the appropriate authorities of any change in the location or extent of such premises or archives and of any temporary occupation of premises for the fulfillment of its official functions. Where premises are temporarily used or occupied by the University for the fulfillment of its official functions, these premises shall with the agreement of the appropriate authorities, be accorded the status of premises of the University.

2. The inviolability conferred by Article III, Section 6 of the Convention extends to all archives, correspondence, documents, manuscripts, photographs, films and recordings belonging to or held by the University and to all information contained therein.

3. The immunity conferred by Article III, Section 5, of the Convention extends to the means of transport of the University. Means of transport which the University hires or borrows shall be immune from search, requisition, confiscation or expropriation. However, the immunity conferred by Article III, Section 5, of the Convention does not extend to administrative or police action which may be temporarily necessary in connection with the prevention and investigation of accidents involving a motor vehicle belonging to, or operated on behalf of, the University, nor in case of damage caused by a motor vehicle belonging to, or operated on behalf of, the University. The University shall identify as such, means of transport being used for official purposes.

4. The Government shall do their utmost to ensure the premises of the University shall be supplied with necessary public services, including electricity, water, sewerage, gas, post, telephone, telegraph, drainage, collection of refuse and fire protection and that such public services shall be supplied on reasonable terms. In the case of any interruption or threatened interruption to any such services, the Government shall consider the needs of the University as being of equal importance with those of diplomatic missions and shall accordingly take all reasonable steps to ensure that the University is not prejudiced.

Article 4

The University shall be entitled to display its flag or emblem, or the flag and emblem of the Organization, on the premises and means of transport of the University.

Article 5

The Government are under a special duty to take all reasonable steps to protect the premises of the University against any intrusion or damage and to prevent any disturbance of the peace of the University or impairment of its dignity.

Article 6

1. The premises of the University shall be under the control and authority of the Board which may establish any regulations necessary for the execution of its functions therein.

2. Except as otherwise provided in this Agreement, or in the Convention, the law of Sweden shall apply within the premises of the University, provided that the Organization or the University may establish any regulations necessary for the execution of its functions including rules of international administrative law and the terms of contracts of employment governed by that law. These regulations shall be operative within the premises of the University and no law of Sweden which is inconsistent shall be enforceable within those premises. Any dispute between the Organization and the Government as to whether a regulation of the former is authorized by this paragraph or as to whether a law of Sweden is inconsistent with any regulation authorized by this paragraph shall be promptly settled as provided in Article 19 of this Agreement.

3. No official of the Government or persons exercising any public authority, whether administrative, judicial, military or police, shall enter the premises of the University except with the express consent of and under conditions approved by the Secretary-General or the Rector. No service of execution of any legal process whatsoever, irrespective of whether the Organization is named as defendant, or any ancillary act such as the seizure of private property, shall take place within the premises of the University except with the express consent of and under conditions approved by the Secretary-General.

4. Notwithstanding the applicable terms of this Agreement, the University shall not permit its premises to become a refuge from justice for persons who are avoiding arrest or service of legal process or against whom an order of extradition or deportation has been issued by the appropriate authorities.

5. Nothing in this Agreement shall prevent the reasonable application by the appropriate authorities or measures for the protection of premises against fire.

Part III

Access and communications

Article 7

1. The appropriate authorities shall impose no impediment to the transit to and from the premises of the University of persons having official business at those premises.

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2. The Government undertake to authorize the entry into Sweden without charge for visas of the following persons for the terms of their business with the University:

(a) Members of the Board;

(b) Officials designated by Member states to represent them on any official business of the University;

(c) Officials of the University;

(d) Experts within the meaning of Article 1(o) of this Agreement;

(e) Officials of the Organization or of the United Nations and its organs, the Specialized Agencies and the International Atomic Energy Agency who are on official business of the University;

(f) Members of the families of the above-mentioned persons forming part of their respective households;

(g) Persons admitted to the University to undertake courses of instruction or to participate in activities or events organized by the University in accordance with its Charter and related Regulations and Rules; and

(h) Persons invited to the University at the direction of the Board.

3. The provisions of the preceding paragraphs shall be applicable irrespective of the relations existing between the Government of the persons referred to and the Government of Sweden and are without prejudice to any special immunities to which such persons may be entitled. They shall not prevent the requirement of reasonable evidence to establish that persons claiming the afore-mentioned rights come within the classes described, nor the reasonable application of international quarantine and public health regulations.

4. The Secretary-General or the Rector shall as far as possible inform the Government, in advance of their arrival in Sweden, of the names of persons within the categories set out in paragraph 2 of this Article to assist the Government to implement the provisions of this Article as well as Article 16 of this Agreement.

Article 8

1. The Government shall permit and protect unrestricted communication on the part of the University for all official purposes. The University may employ all appropriate means of communication, including couriers and messages in code or cypher. However, the University may install and use a wireless transmitter only with the consent of the appropriate authorities. Subject to these qualifications the University may employ the United Nations telecommunication network in accordance with limitations prescribed by the International Telecommunication Convention.

2. The University shall enjoy the treatment provided in Article IV, Section 11, of the Convention in respect of its official communications to the extent that such treatment is compatible with any other international conventions, regulations and arrangements to which the Government are a party.

3. Sealed bags containing documents or articles intended for official use and bearing external marks of their character shall in particular be accorded the immunity of Article III of the Convention and shall not be detained.

4. A courier shall be provided with an official document indicating his status and the number of packages constituting the sealed bag. The appropriate authorities shall assist him in the performance of his functions, in which he shall enjoy personal inviolability and shall not be liable to any form of arrest and detention.

5. A sealed bag may be entrusted to the captain of a commercial aircraft scheduled to land at an authorized port of entry. He shall be provided with an official document indicating the number of packages constituting the bag, but he shall not be considered to be a courier. The University may send an official who shall be considered to be a courier to take possession of the bag directly from the captain of the aircraft.

Part IV

Members of the Board, officials and experts

Article 9

Members of the Board at meetings convened by the University shall, while exercising their functions and during their journeys to and from the place of meeting, enjoy the privileges and immunities specified in Article V of the Convention with respect to representatives of members, subject to the terms specified in that article and in Article VII, Section 25 of the Convention.

Article 10

Article VI of the Convention does not extend immunity from jurisdiction to the Rector or the Vice Rector, if they are citizens of Sweden, or other officials in case of a motor traffic offence committed by any of them, nor in case of damage caused by a motor vehicle belonging to or driven by any of them.

Article 11

Experts within the meaning of Article 1(0) of the Agreement shall be considered as experts defined in paragraph 2 of Annex XII to the Convention. However, they shall not enjoy immunity from jurisdiction in case of a motor traffic offence committed by any of them, nor in case of damage caused by a motor vehicle belonging to or driven by any of them.

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Part V

Financial

Article 12

1. Without prejudice to the exemptions accorded by Article III, Sections 9 and 10, of the Convention and without any limitation of these exemptions, the Organization shall in respect of the University be exempt from:

(a) Tax on income ("statlig inkomstskatt" and "kommunal inkomstskatt");

(b) Value added tax and other indirect taxes on articles purchased or services rendered for the official use of the University, to the extent accorded under the law of Sweden to foreign diplomatic missions in Sweden;

(c) Social security contributions.

2. The exemption conferred by Article III, Section 9(b), of the Convention extends to customs duties and any taxes or charges imposed upon or by reason of importation and the procedures in connection therewith, excepting charges for storage, cartage and similar services; the certification by the University that any import or export is for its official use shall be accepted as conclusive.

3. In the event of the introduction of taxes other than those referred to in this Article, the Organization and the Government shall determine the applicability of the Convention to such taxes.

Article 13

1. The Rector and other officials of the University shall be exempt from income tax on their emoluments.

2. The Rector and the Vice Rector of the University and members of their families forming part of their respective households, provided that they are not citizens of Sweden, shall be exempt from:

(a) Tax on income arising outside Sweden;

(b) All customs duties and any taxes or charges (excepting charges for storage, cartage and similar services) imposed upon or by reason of the importation of articles (including motor cars) for their personal use.

3. Other officials of the University and members of their families forming part of their respective households, provided that they are not citizens of Sweden, shall be exempt from customs duties and any taxes or charges (excepting charges for storage, cartage and similar services) imposed upon or by reason of the importation of articles (including one motor car each) in their ownership or possession or

already ordered by them and intended for their personal use or for thei establishment at the time of first taking up their post in Sweden. Such article shall normally be imported within a reasonable period of first entry of suc persons into Sweden.

Article 14

1. Officials of the University and members of their families forming part of their respective households shall be covered by appropriate social security arrangement made by the Organization and shall be exempt from any social security scheme established by the law of Sweden.

2. However, members of the family of an official shall be entitled to Swedisl social security benefits, other than children's allowances, if such family member; were resident in Sweden immediately prior to the employment of the official by the University.

3. The provisions of paragraph 1 of this Article shall not apply to social security contributions and benefits related to income from gainful occupation in Sweden outside the University.

Article 15

1. In implementation of the financial provisions of Article III, Section 7, of the Convention, to the University, the Organization shall be treated as non-resident for the purposes of exchange control and may accordingly hold funds in the form of gold or in any currency and in any country. Any of the gold or currency or bank balances held in Sweden by the Organization for the University may be freely transferred within Sweden or to any other country. The Organization shall not require exchange control consent to use funds for the purposes of investment for the University either in Sweden or elsewhere.

2. In accordance with Article V, Section 13(e), of the Convention a Member of the Board shall be entitled to the treatment in matters of exchange control which is accorded to a diplomatic agent in Sweden of the State of which he is a national. Where diplomatic relations with such a State do not exist or have been broken off the treatment shall be no less than that accorded to a diplomatic agent of any third State.

3. In accordance with Article VI, Section 19(d), of the Convention, an official of the University shall be permitted by the appropriate authorities to receive and hold his official emoluments in an account denominated in any currency and shall in addition be accorded the treatment in matters of exchange control which is accorded to a diplomatic agent in Sweden of the State of which he is a national. Where diplomatic relations with such a State do not exist or have been broken off, the treatment shall be no less than that accorded to a diplomatic agent of any third State.

4. The Government shall not levy estate duty, on or in respect of movable property of officials of the University and members of their families forming part of their households, provided that in either case they were not citizens of Sweden at the time of death and provided that the presence of the property in Sweden was due solely to the presence of the deceased as an official of the University or as a member of the family of an official of the University. The Government shall impose no impediment to the repatriation of the movable property of a deceased official of the University or member of his family with the exception of property whose export was prohibited at the time of death.

Part VI

Identification

Article 16

1. Any official of the University who presents a valid United Nations laissez-passer issued in accordance with Article VIII, Section 26 of the Convention and identifying him as an official of the University shall, subject to paragraph 3 of Article 7 of this Agreement, be immune from Swedish immigration restrictions and requirements and from alien registration. Members of the family forming part of the official's household who travel with him and present satisfactory evidence of identity shall be similarly treated. No such official shall require a visa for entry into Sweden.

2. Officials of the University who do not present a United Nations laissez-passer shall not be exempt from the laws of Sweden regarding passports and visas. They shall, however, subject to paragraph 3 of Article 7 of this Agreement, be immune from immigration restrictions and requirements and from alien registration provided that:

(a) They produce a valid travel document; and

(b) They produce evidence of the official capacity issued by their Government or the University or the Organization, or the appropriate authorities are notified of their arrival.

3. The persons described in paragraph 2 of Article 7 of this Agreement shall, subject to paragraph 3 of that Article, be immune from immigration restrictions and requirements and from alien registration provided that:

(a) They produce a valid travel document; and

(b) They produce evidence of their official capacity issued by their Government or by the University or by the Organization, or the appropriate authorities are notified of their arrival.

Article 17

1. The Secretary-General shall from time to time send to the Government a list of all officials of the University, indicating in each case whether the individual is a citizen of Sweden. The Secretary-General may inform the Government of the appointment of officials of the University individually for addition to the list.

2. The Government shall issue to all officials, on notification of their appointment, a card bearing the photograph of the holder and identifying him as an official of the University. This card shall be accepted by the appropriate authorities as evidence of identity and appointment.

Part VII

General provisions

Article 18

At the request of the Organization or of the Government consultations shall take place respecting the implementation, modification or extension of this Agreement. Any understanding, modification or extension may be given effect by an Exchange of Notes between the Secretary-General and a duly authorized representative of the Government.

Article 19

Any dispute between the Organization and the Government concerning the interpretation or application of this Agreement or any question affecting the relations between the Organization and the Government which is not settled by negotiation or by some other agreed method shall be referred for final decision to a panel of three arbitrators. One of these arbitrators shall be chosen by the Secretary-General, one shall be chosen by the Government and the third, who shall be the Chariman of the Tribunal, shall be chosen by the first two arbitrators. Should the first arbitrators fail to agree upon the third within one year of their own appointment, the third arbitrator, at the request of the Organization or of the Government shall be chosen by the President of the International Court of Justice.

Article 20

1. This Agreement shall be approved by the Parties in accordance with their own procedures. It shall enter into force on an agreed date when the Parties have notified each other that the procedures necessary to this end have been completed.

2. This Agreement may be terminated by agreement between the Organization and the Government. In the event of the University being moved from the territory of Sweden, this Agreement shall, after the period reasonably required for such transfer and for the disposal of the property of the University in Sweden, cease to be in force.

IN WITNESS WHEREOF the respective representatives have signed this Agreement.