

**ADDITIONAL PROTOCOL
BETWEEN THE REPUBLIC OF CROATIA AND BOSNIA AND HERZEGOVINA
ON AMENDMENTS TO THE AGREEMENT BETWEEN THE REPUBLIC OF
CROATIA AND BOSNIA AND HERZEGOVINA
ON THE PROMOTION AND RECIPROCAL PROTECTION OF INVESTMENTS**

The Republic of Croatia and Bosnia and Herzegovina (hereinafter referred to as “the Contracting Parties”),

Conscious of the obligations of the Republic of Croatia arising from the negotiations on membership on the European Union,

Affirming that compliance with these obligations requires amendments to the Agreement between the Government of the Republic of Croatia and the Government of the Republic of Bosnia and Herzegovina on the Promotion and Reciprocal Protection of Investments, concluded in Split on 26th February 1996, which was amended by the Agreement between the Republic of Croatia and Bosnia and Herzegovina on amendments to the Agreement between the Government of the Republic of Croatia and the Government of the Republic of Bosnia and Herzegovina on the Promotion and Reciprocal Protection of Investments concluded in Zagreb on 23rd July 2002 (hereinafter referred to as “the Agreement”),

Have agreed as follows:

Article 1

In Article 1 of the Agreement, after paragraph 5, a new paragraph 6 is added, which reads as follows:

„6. The term "freely convertible currency“ means a currency that the International Monetary Fund determines, from time to time, as a freely usable currency in accordance with the Articles of Agreement of the International Monetary Fund and Amendments thereto.”

Article 2

In Article 3 of the Agreement, paragraph 3 is erased and it is replaced by new paragraphs 3 to 5, which read as follows:

„3. The National Treatment and Most-Favored-Nation Treatment provisions of this Article shall not apply to advantages accorded by a Contracting Party pursuant to its obligation as a member of a customs, economic or monetary union, a common market or a free trade area.

4. The provisions of this Agreement shall not be interpreted as obliging one Contracting Party to extend to the investors of the other Contracting Party the benefit of any treatment, preference or privilege which it has accorded to investors of any third state due to the

obligations of that Contracting Party as a member of a customs, economic or monetary union, common market or free trade area and which arise on the basis of an international agreement or arrangements of reciprocity and customs, economic or monetary union, common market or free trade area.

5. The provisions of this Agreement shall not be interpreted as obliging one Contracting Party to extend to the investors of the other Contracting Party, or to the investments or returns of such investors, the benefits of any treatment, preference or privilege which may be extended by the Contracting Party by virtue of any international agreement or arrangement relating wholly or mainly to taxation."

Article 3

In Article 5 of the Agreement, after paragraph 3, new paragraphs 4 and 5 are added, which read as follows:

"4. The provisions of paragraphs 1, 2 and 3 of this Article shall apply without prejudice to the measures adopted by the European Union. Such measures will not be used for longer than 6 months.

5. The provisions of paragraphs 1, 2 and 3 of this Article shall apply without prejudice to the emergency measures adopted in the framework of the common foreign and security policy of a customs, economic or monetary union, a common market or free trade area of which the Contracting Party is member."

Article 4

This Additional Protocol shall constitute an integral part of the Agreement.

This Additional Protocol shall enter into force on the thirtieth day after the date of receiving of latter written notification by which either Contracting Party notifies the other through the diplomatic channels that its internal legal requirements for the entry into force of this Additional Protocol have been fulfilled.

Done in Sarajevo on 12 March 2013 in two originals, in Croatian and official languages of Bosnia and Herzegovina, all texts being equally authentic.

For the Republic of Croatia

Denis Čajo

For Bosnia and Herzegovina

Mirko Šarović