
WHEREAS the International Centre for Theoretical Physics (hereinafter referred as the "Centre") is governed by the Agreement between the International Atomic Energy Agency and the Government of the Republic of Italy Concerning the Seat of the International Centre for Theoretical Physics (hereinafter referred to as the "Seat Agreement") which entered into force on 15 June 1968; the Agreement between the International Atomic Energy Agency and the United Nations Educational, Scientific and Cultural Organization Concerning the Joint Operation of the International Centre for Theoretical Physics at Trieste (hereinafter referred to as the "Joint Operation Agreement") which entered into force on 1 January 1970; and the Exchange of Letters between the International Atomic Energy Agency (hereinafter referred to as the "Agency") the United Nations Educational, Scientific and Cultural Organization (hereinafter referred to as "UNESCO") and the Government of the Republic of Italy (hereinafter referred to as the "Italian Government") concerning the financing of Centre signed on 11 December 1990;

WHEREAS pursuant to the Joint Operation Agreement the administration of the Centre is carried out by the Agency on behalf of UNESCO and itself;

WHEREAS the Agency and UNESCO consider that it is desirable, having regard to their respective mandates, to transfer the administration of the Centre from the Agency to UNESCO;

WHEREAS the Agency, UNESCO and the Italian Government desire to make permanent arrangement for the financing of the Centre;

WHEREAS pursuant to the foregoing it is necessary to effect consequential amendments to the Seat Agreement and to the Joint Operation Agreement;

BEARING IN MIND the outstanding contribution that Professor Abdus Salam, the Nobel-prize-winner, has made to the creation and development of the Centre;

NOW, THEREFORE, the Agency, UNESCO and the Italian Government have agreed as follows:

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ARTICLE 1

Seat Agreement

UNESCO shall replace the Agency as a party to, and shall take over all rights and obligations of the Agency under the existing Seat Agreement on the understanding that the relevant provisions of the Agreement on the Privileges and Immunities of the Agency shall continue to be applicable, mutatis mutandis, with regard to the Centre after its transfer to UNESCO. Accordingly, the words "the Agency" are replaced as appropriate with "UNESCO" in the existing Seat Agreement.

ARTICLE 2

Organization

The Centre shall have an organizational framework consisting of the following:

(a) the Steering Committee,
(b) the Director
(c) the Scientific Council

ARTICLE 3

The Steering Committee

1. Steering Committee shall be composed of the following members:

(a) (i) one high level representative designated by the Director-General of UNESCO;

(ii) one high level representative designated by the Director General of the Agency;

(iii) one high level representative designated by the Italian Government;

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(b) such other members as may be appointed by the Steering Committee in order to ensure appropriate representation of those countries or institutions having made particularly important contributions to or having a particular interest in the activities of the Centre;

(c) the Director who shall also be ex officio Chairperson of the Steering Committee.

2. The representatives mentioned in paragraphs 1(a) and (b) of this Article, may be accompanied by experts.

3. The Chairperson of the Scientific Council shall attend meetings of the Steering Committee in an advisory capacity.

ARTICLE 4

Functions of the Steering Committee

The functions of the Steering Committee shall be:

(a) to formulate the general guidelines for Centre's activities, taking into account its objectives as specified in the Joint Operation Agreement;

(b) subject to the budgetary appropriation by the respective competent organs, to determine:

(i) the annual level of the budget;
(ii) the level of respective contributions;
(iii) the financial plans;
(iv) how the funds available for the operation of the Centre are to be used;

(c) to consider the proposals of the Director for the programme, work plans, financial plans, and budget proposals of the Centre and to take decisions thereon;
(d) to consider the annual and other reports of the Director on the activities of the Centre;

(e) to submit a report on the Centre's activities to UNESCO and the Agency;

(f) to recommend to the Director General of UNESCO the names of candidates for the post of the Director of the Centre;

(g) adopt its own rules of procedure, which shall include the following provisions: the Steering Committee shall normally meet twice a year; the decisions of the Steering Committee shall be taken by a two third majority except in cases concerning the level of contributions in which case decisions shall require the consent of each contributor concerned.

ARTICLE 5

The Director

1. The Director-General of UNESCO shall, in consultation with the Director General of the Agency and the Italian Government, appoint from among the candidates recommended by the Steering Committee the Director of the Centre for a period of five years, renewable.

2. The Director shall be the chief academic and administrative officer of the Centre. In this capacity, the Director shall, inter alia:

(a) administer the Centre;

(b) prepare proposals for the general activities and work plans of the Centre taking into account the advice of the Scientific Council for submission to the Steering Committee for its approval;

(c) prepare the financial plans and budget proposals of the Centre for submission to the Steering Committee for its approval.
(d) execute the work programmes of the Centre and make payments within the framework of general guidelines and specific decisions adopted by the Steering Committee in accordance with the provisions of Article 4.

3. The Director shall have such other functions and powers as may be prescribed by the provisions of the present Agreement, the Joint Operation Agreement, the Seat Agreement and other relevant instruments or as may be entrusted to him/her pursuant to the authority delegated to him/her by the Director-General of UNESCO.

ARTICLE 6

The Scientific Council

1. There shall be a Scientific Council, established on a broad geographical basis, composed of up to 12 distinguished specialists in the disciplines relevant to the Centre's activities and sitting in a personal capacity.

2. The Chairperson of the Scientific Council shall be appointed jointly by the Directors General of UNESCO and the Agency, after consultations with the Steering Committee and the Director of the Centre. He or she shall be appointed for four years and shall be eligible for reappointment.

3. The remaining members shall be appointed by the Director of the Centre after consultations with the Chairperson of the Scientific Council for four years and shall be eligible for reappointment.

4. UNESCO, the Agency and the Italian Government may send specialists in scientific programmes to attend meetings of the Scientific Council.

ARTICLE 7

Functions of the Scientific Council

1. The Council shall advise the Centre on its programme of activity having due regard to major academic, scientific, educational and cultural trends in the world relevant to the Centre's objectives.
2. The Steering Committee and the Director may request the Scientific Council for advice on more specific issues.

3. The Council shall adopt its own rules of procedure. The Council shall normally meet once a year.

ARTICLE 8

Financial Commitments

1. UNESCO, the Agency and the Italian Government agree to contribute to the Centre's budget as specified in this Article.

2. The level of contributions of UNESCO and the Agency to the Centre shall, subject to the budgetary appropriation approved by their competent organs, be not lower than that agreed in the Exchange of Letters dated 11 December 1990, augmented by the respective inflation factor employed by each organization in the calculation of its budget.

3. The Italian Government shall maintain its financial contributions to the Centre at a level not lower than that specified in the same Exchange of Letters or any higher contribution decided upon by the Steering Committee in accordance with Article 4(g).

4. The Exchange of Letters dated 11 December 1990 shall be terminated on the date of the entry into force of this Agreement.

ARTICLE 9

Special Account

1. The funds set aside for the operation of the Centre shall consist of the allocations determined by the General Conference of UNESCO, the General Conference of the Agency, the contributions of the Italian Government, and of such subventions, gifts and bequests as are allocated to it by other United Nations agencies, governments, public or private organizations, associations or individuals.
2. Funds allocated for the operation of the Centre shall be paid into a special account to be set up by the Director-General of the UNESCO, in accordance with the relevant provisions of the organization's Financial Regulations. This special account shall be operated and the Centre's budget administered in accordance with the above-mentioned provisions.

**ARTICLE 10**

**Transfer of assets and liabilities**

Upon the entry into force of the present Agreement, UNESCO shall take over from the Agency all assets, including property, and liabilities pertaining to the Centre, in accordance with arrangements to be made between the two Parties.

**ARTICLE 11**

**Transfer of staff**

1. The transfer of the Agency's staff members posted at the Centre to UNESCO shall be carried out by arrangement between the two organizations, taking into account the present Agreement, the Joint Operation Agreement and, for all matters not expressly agreed between UNESCO and the Agency, the relevant provisions of the Inter-organization Agreement Concerning Transfer, Secondment or Loan of Staff Among the Organizations Applying the United Nations Common System of Salaries and Allowances, it being understood that the transfer in itself should not adversely affect the conditions of employment of the said staff members posted at the Centre, including the duration of their contracts and fringe benefits, subject to the availability of the funds for the operation of the Centre.

2. Agency staff members posted at the Centre, transferred pursuant to paragraph 1 of this Article, shall be staff members of UNESCO.

3. Arrangements in respect of the contractual status of other persons, besides those referred to in paragraphs 1 and 2 of this Article, posted at the Centre, such as consultants, visiting scientists, course participants, and fellows, shall be agreed between the two organizations.
ARTICLE 12

Joint Operation Agreement

The Joint Operation Agreement shall be amended as between the Agency and UNESCO taking into account the relevant provisions of the present Agreement.

ARTICLE 13

Entry into force, amendment and duration

1. This Agreement shall be signed by the duly authorized representatives of the Contracting Parties.

2. The present Agreement is subject to acceptance or ratification by the competent organs of each Contracting Party. Each Contracting Party shall inform in writing and without delay the other Contracting Parties of the acceptance or ratification of the present Agreement by its competent organ.

3. The present Agreement shall enter into force upon 1 January of the year following that during which the Parties exchange notifications concerning the acceptance or ratification of the present Agreement by their respective competent organs.

4. The Agency, UNESCO and the Italian Government shall, at the request of one or more of them, consult about amending this Agreement.

5. The present Agreement may be amended by mutual consent of UNESCO, the Agency and the Italian Government.

6. This Agreement shall remain in force for indeterminate period. However, if after consultation with the other Contracting Parties, a Contracting Party decides to denounce this Agreement, it shall address a notification to this
effect to the other Contracting Parties. The denunciation shall take effect twenty-four months after the date on which the above mentioned notification was made.

For the UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION:

[Signature]

15.3.73.

For the INTERNATIONAL ATOMIC ENERGY AGENCY:

[Signature]

Vienna, 15th March 1973

For the GOVERNMENT OF THE REPUBLIC OF ITALY:

[Signature]

Vienna, 15th March 1973