

No. 3135

**YUGOSLAVIA
and
AUSTRIA**

**Convention (with annexes) concerning water economy
questions relating to the Drava. Signed at Geneva,
on 25 May 1954**

Official texts: Slovene and German.

Registered by Yugoslavia on 31 January 1956.

**YUGOSLAVIE
et
AUTRICHE**

**Convention (avec annexes) concernant certaines questions
d'économie hydraulique intéressant la Drave. Signée
à Genève, le 25 mai 1954**

Textes officiels slovène et allemand.

Enregistrée par la Yougoslavie le 31 janvier 1956.

[TRANSLATION — TRADUCTION]

No. 3135. CONVENTION¹ BETWEEN THE GOVERNMENT OF THE FEDERAL PEOPLE'S REPUBLIC OF YUGOSLAVIA AND THE FEDERAL GOVERNMENT OF THE AUSTRIAN REPUBLIC CONCERNING WATER ECONOMY QUESTIONS RELATING TO THE DRAVA. SIGNED AT GENEVA, ON 25 MAY 1954

Desirous of strengthening good-neighbourly relations, of increasing co-operation in respect of water economy, and of developing the utilization of the waters of the Drava for hydro-electric purposes by both parties to the greatest possible extent, especially with a view to preventing any harmful effects resulting from the mode of operation of the Austrian power stations of Schwabeck and Lavamünd, and further, having regard to the diversion of water from the Drava basin, the Governments of the Austrian Republic and of the Federal People's Republic of Yugoslavia, in accordance with the decisions taken at the meetings held at Bled on 29 February 1952, at Velden on 10 May 1952 and at Opatija on 10 July 1953, have agreed as follows:

Article 1

The discharge of water below the Lavamünd power station shall be regulated in accordance with the following provisions :

(a) The Austrian Drava power stations shall be so operated that the discharge below the Lavamünd power station is as provided in annex A² for the various average daily inflow rates.

(b) Austria shall endeavour, as a rule, not to use the Schwabeck power station for maintaining the frequency. Where such use proves necessary in exceptional cases, however, it shall be so restricted as to comply with the provisions of Annex A or with any other provisions in force relating to discharge.

(c) In the event of any major alterations in the Yugoslav Drava power stations or in the Drava river regime, either party may apply to the Joint Drava

¹ Came into force on 15 January 1955 by an exchange of notes.

² See p. 134 of this volume.

Commission for amendment of the agreed conditions set forth in annex A, and the Commission shall deal with such applications in accordance with its Statute. In particular, the installation of a third machine set at the Dravograd or Vuzenica power stations shall be regarded as a major alteration.

Article 2

As agreed at the meeting held at Opatija, the Verbundgesellschaft Oesterreichische Elektrizitätswirtschafts A-G.) and the ELES (Elektroenergetski sistem Slovenije) have concluded the "Power and Equipment Supply Contract" of 15 April 1954.

Both governments note and approve this contract.¹

Article 3

The Federal People's Republic of Yugoslavia shall not press any claims for compensation which have arisen or may arise out of the manner in which the Schwabeck and Lavamünd power stations in Austria have hitherto been operated, or out of the quantities of water hitherto diverted from the Drava basin.

So long as the Dravograd power station remains in service with its present impounded water level, the Austrian Republic shall not press any past or future claims for compensation in respect of backing-up of water from the Dravograd power station into Austrian territory, or any other claims previously lodged in respect of the water economy of the Drava.

In the event of a clear breach of the contract referred to in article 2, both parties shall have the right to prosecute all claims referred to in the two preceding paragraphs, in which case the above provision shall be without prejudice to the respective legal positions previously adopted by the parties.

The Government of the Federal People's Republic of Yugoslavia further declares that it will not press any claims for compensation which may in future arise out of the mode of operation of the Austrian power stations of Schwabeck and Lavamünd, provided that the provisions of article 1 of this Convention are observed.

The quantities of water hitherto diverted from the Drava basin, as referred to in the first paragraph of this article, shall be understood to include only

¹ The text of this contract is appended to the Convention for information. (See p. 140 *et seq.* of this volume.)

water from the catchment area from which diversion is effected by installations erected up to the end of 1953.

Article 4

Should the Austrian authorities seriously contemplate plans for new installations to divert water from the Drava basin or for construction work which might affect the Drava river regime to the detriment of Yugoslavia, the Austrian Federal Government undertakes to discuss such plans with the Federal People's Republic of Yugoslavia prior to legal negotiations concerning rights in the water.

If no agreed settlement can be reached by discussion, either directly between the parties or in the Joint Drava Commission (art. 5), the matter shall be referred to the Court of Arbitration (art. 7) for a decision.

Article 5

The two Governments agree to establish a permanent Austro-Yugoslav commission (the Joint Drava Commission) for the exchange of information and the achievement of agreement on all questions of common interest relating to the water economy of the Drava in Austria and Yugoslavia, and to give the said Commission the Statute appended as annex B¹ to this Convention.

Article 6

The Summary Protocols of the meetings at Bled (29 February 1952), at Velden (10 May 1952) and at Opatija (10 July 1953), which have been noted and approved by both Governments, shall be used as supplementary material for the interpretation of this Agreement, in so far as they are not at variance with it or with the contract concluded between the Verbundgesellschaft and ELES on 15 April 1954 (art. 2).

Article 7

If the two Governments disagree on the interpretation or application of any of the provisions of this Convention, the question shall be referred to a Court of Arbitration.

Each Government shall appoint one member to the said Court of Arbitration. The Chairman, who shall not be a national of either Contracting State, shall be designated by agreement between the two Governments.

¹ See p. 136 of this volume.

The Court of Arbitration shall convene at the request of either Contracting State within three months of such request being made. If all the members of the Court have not been appointed within that time, the remainder shall, at the request of either Contracting State, be appointed by the Executive Secretary of the United Nations Economic Commission for Europe (ECE) at Geneva.

Article 8

This Convention cannot be denounced for the first ten years; thereafter, it may be denounced on one year's notice being given.

This Convention is done in the German and Slovene languages in two originals each, both texts being authentic.

This Convention shall enter into force as soon as it is approved by the Governments of both States.

DONE at Geneva on 25 May 1954.

For the Federal People's
Republic of Yugoslavia :
(Signed) Marjan TEPINA

For the Republic of Austria :
(Signed) Edmund HARTIG

ANNEX A

REGULATION OF THE FLOW OF THE DRAVA

(applicable until amended by the Joint Drava Commission in accordance with article 1)

- (a) For average daily inflows under 200 m³/sec and over 300 m³/sec, taken at the Schwabeck discharge point :

The Austrian Drava power stations shall be so operated that the maximum difference between the discharge per second below the Lavamünd power station and the natural flow is such that the discharge below the Dravograd power station can be fully made up by drawing not more than 1 million m³ of water from the Dravograd power station reservoir, a margin of 5 per cent being permitted.

- (b) For average daily inflows between 200 m³/sec and 300 m³/sec, taken at the Schwabeck discharge point :

The maximum permissible variations in the discharge per second below the Lavamünd power station are fixed as shown in the following table, intermediate values to be found by linear interpolation. Here, too, a margin of 5 per cent shall be permitted.

Average daily inflow m ³ /sec	Time of day						
	0—2	2—7	7—12	12—19	19—21	21—22	22—24
210	180	180	250	210	250	210	180
230	180	200	280	230	280	230	180
250	200	220	300	250	300	250	200
270	220	240	320	270	320	270	220
290	240	260	340	290	340	290	240

The beginning of the two-hour evening peak period, which has been set at 19.00 hours in the table, shall be agreed according to the season.

The provisions of paragraphs (a) and (b) above shall be applicable only when the natural flow of the Drava remains roughly constant throughout the day. When there are major fluctuations during the day the Austrian Drava power stations shall, as far as possible, keep the differences and variations within the limits agreed in paragraphs (a) and (b) above.

ANNEX B

STATUTE FOR A PERMANENT AUSTRO-YUGOSLAV COMMISSION FOR THE DRAVA (JOINT DRAVA COMMISSION)

Article 1

The Commission shall have as its object the exchange of information and the achievement of agreement on all questions of common interest relating to the water economy of the Drava in Austria and Yugoslavia.

Article 2

(1) The terms of reference of the Commission shall include, in particular :

(a) The exchange of information on questions relating to the water economy of the Drava;

(b) Consideration of proposals and complaints relating to the utilization of the Drava for power production;

(c) The amicable settlement of disputes;

(d) The exchange of views on the further hydro-electric development of the Drava.

(2) The two Governments remain free to negotiate direct on matters within the terms of reference of the Drava Commission.

Article 3

Each Contracting State shall appoint a delegation of four members to represent it on the Commission and shall provide an alternate for each member. Each party may call in experts when necessary.

Article 4

(1) The Commission shall hold a regular session twice yearly, unless it is agreed to dispense with one of the sessions. The sessions shall, as far as possible, be held in the spring and autumn.

(2) Either party may request the convening of a special session, on submission of the proposed agenda. Such a session shall be held within a period of one month.

Article 5

(1) Any decision of the Commission shall require the assent of at least three members of each delegation.

(2) A record of each meeting shall be drawn up in two copies and signed as approved by the representatives of both parties. These records shall be submitted to the two Governments.

Article 6

Decisions of the Commission shall be in no way binding on the two Governments. No decision of the Commission shall be put into effect if either of the Governments raises an objection thereto. If no objection to a decision by the Commission is raised by either Government within two months of its adoption, the decision shall be regarded as approved by both Governments.

Article 7

(1) The working languages of the Commission shall be German and Slovene.

(2) The delegations may also correspond with each other direct.

(3) Further rules of procedure shall be adopted by the Commission itself.

Article 8

(1) Unless otherwise agreed, the Commission shall meet on the territories of each of the Contracting States alternately.

(2) Each session shall be convened and presided over by a duly authorised member representing the State on whose territory it is to take place.

(3) Each State shall defray the expenses of its own delegation. Any other expenses raising out of the activities of the Commission shall, unless otherwise agreed, be equally shared by the two Contracting States.

Article 9

(1) This Statute shall enter into force when approved by the two Governments.

(2) It is drawn up in the German and Slovene languages, both texts being authentic.

The text of the Power and Equipment Supply Contract mentioned in article 2 of the inter-governmental Convention is given below for information:

POWER AND EQUIPMENT SUPPLY CONTRACT CONCLUDED BETWEEN THE ELEKTROENERGETSKI SISTEM SLOVENIJE AND THE OESTERREICHISCHE ELEKTRIZITÄTSWIRTSCHAFTS AKTIENGESELLSCHAFT (VERBUNDGESELLSCHAFT)

In pursuance of the proposal on pages 4 and 5 of the summary Protocol of the meeting held at Opatija from 8 to 10 July 1953, for a Power and Equipment Supply Contract between the Elektroenergetski sistem Slovenije, hereinafter referred to as "ELES", and the Oesterreichische Elektrizitätswirtschafts A.G. (Verbundgesellschaft), hereinafter referred to as "VG", it is hereby agreed as follows :

- (1) ELES shall purchase in Austria from Austrian supplies, for itself and its subsidiaries, industrial products selected from the attached list to a total value of not less than 50 million Schillings, such products to be supplied in the name of ELES.
- (2) In payment for the goods supplied by Austria under paragraph (1) above, ELES shall supply and VG shall accept such quantities of power as can be produced by the third machine sets at the Dravograd, Vuzenica and Vuhred or Mariborski Otok power stations, in accordance with the following reference schedule :
 - (a) In each of the calendar years 1954-59 : approximately 21.5 million kWh of summer power from the Dravograd power station;
 - (b) In each of the calendar years 1955-59 : approximately 30.5 million kWh of summer power from the Vuzenica power station; and
 - (c) In each of the calendar years 1956-59 : approximately 30.5 million kWh of summer power from the Vuhred or Mariborski Otok power station.
- (3) ELES shall provide for power supplies under paragraphs (2) (a), (b) and (c) using the existing flow of the Drava in such a way that the capacity corresponding to the quantities of water turbined in the third machine sets at any time, is fully available to and is taken up by VG. This capacity shall be used for chain operation as required by the flow of the Drava and in accordance with a time-table to be agreed.

With a view to punctual execution of this contract, ELES shall be entitled to substitute power from other sources for the supplies required under paragraph (2) above, without regard to the completion dates for the third sets or the existing flow of the Drava, up to the installed capacities of one machine set each at the Dravograd and Vuzenica plants and in accordance with the agreed time-table.

- (4) In addition to summer power under paragraphs (2) and (3) above, this contract shall also include a sustained base supply of, if possible, 3.75 MW from the power due under the supply contract of 4 August 1951.
- (5) For power supplies under paragraphs (2) to (4) above, the following time and accounting schedule is prescribed, prices in the contract of 4 August 1951 being taken as a basis :

(All sums in thousands of Austrian schillings)

<i>Year</i>	<i>Base supply</i>	<i>Dravograd III</i>	<i>Vuzenica</i>	<i>Vuhred or Mariborski Otok</i>	<i>Total</i>
1954	4,600	1,505	—	—	6,105
1955	4,600	1,505	2,135	—	8,240
1956	4,600	1,505	2,135	2,135	10,375
1957	4,600	1,505	2,135	2,135	10,375
1958	4,600	1,505	2,135	2,135	10,375
1959	4,600	1,505	2,135	2,135	10,375
	27,600	9,030	10,675	8,540	55,845

- (6) Both parties reserve the right to withdraw wholly or partly, according to their power position, their respective undertakings to supply and purchase the amounts of power indicated under "Vuhred or Mariborski Otok" in the above schedule.
- (7) ELES reserves the right also to make payments in fulfilment of its obligations under this contract from funds derived from other power deliveries to VG.
- (8) On the conclusion of this contract VG shall grant ELES a credit of 11.6 million schillings, free of interest, which shall be used by ELES for purchases in Austria under this contract.

As soon as the power supplied under this contract attains a value of 38.4 million schillings, the contract shall be regarded as fulfilled and VG shall waive its claim to repayment of the credit of 11.6 million schillings.

- (9) The accounts of the mutual liabilities of the parties shall be kept in a "Jugodrau" clearing account to be opened by VG.

The credit granted by VG, the amounts to be credited for power supplied and the payments for equipment supplied shall be entered in this account. ELES shall so use this account that the debit balance does not exceed 6.5 million schillings. Interest on the current debit balance shall also be charged at 4 per cent above the National Bank rate, including all commissions and expenses.

- (10) Both parties shall endeavour to increase the amount of equipment supplied by Austria against power supplies from Yugoslavia under this contract, beyond the minimum value stipulated in paragraph (1).
- (11) This contract shall take effect as from the date of entry into force of the Convention concerning the joint settlement of questions relating to the Drava, which is to be concluded between the Government of the Austrian Republic and the Government of the Federal People's Republic of Yugoslavia.
- (12) This contract is drawn up in the German and Slovene languages in two identical copies each, both texts being authentic.

Graz, 15 April 1954

Elektroenergetski
sistem Slovenije :
(Signed) BRELIH
KILLER

Oesterreichische
Elektrizitätswirtschafts-
Aktiengesellschaft :
(Signed) HINTERMAYER
KAHLIG

SPECIFICATION OF THE CLASSES OF GOODS TO BE COVERED BY YUGOSLAV PURCHASES OF AUSTRIAN PRODUCTS UNDER THE POWER AND EQUIPMENT SUPPLY CONTRACT OF 15 APRIL 1954

Electrical equipment and machinery for power station installations;
Boilers, pumps and equipment;
Cables, measuring instruments, electrical supplies for power stations;
Insulators;
Machine-tools, presses, stamps, tools;
Electrodes;
Chemical products for use in power stations;
Forgings and iron and steel castings for use in power stations;
Rolled products, iron goods, steel cylinders for use in power stations;
Magnesite, fireclay for use in power stations;
Optical instruments;
Printing supplies;
Office machinery;
Technical literature;
Trucks;
Products of the low-power electrical industry;
Constructional machinery.

The first items from this specification to be ordered in 1954 are :

- 1 Water-turbine for Dravograd, to the value of approximately 7.3 million schillings;
1 Tri-phase generator for Dravograd, to the value of approximately 4.6 million schillings.