

2. Associates may participate as observers in the meetings of the Conference of the Parties.

3. Associates shall be entitled collectively to nominate one member of the Scientific Advisory committee, on the basis of a procedure to be agreed among them.

4. Each Associate shall conclude with the Institute, through the Director, an Agreement of Association which shall specify the area or areas of the Scientific Agenda that will be supported by the Associate, and the modalities of such support.

Article XII National Jurisdiction

Research undertaken, managed or sponsored by the Institute shall be conducted in accordance with the laws of the Parties in their respective areas of national jurisdiction and shall not be conducted against the wishes of a Party in its area of national jurisdiction.

Article XIII Financial Provisions

1. A budget of operational expenses for the Institute, consisting of salaries for the Directorate and basic support for the Directorate, Scientific Advisory Committee, and Executive Council, shall be supported by voluntary contributions pledged annually for a three-year period by the Parties in accordance with the interests of the Parties. Such pledges shall be in increments of US \$5,000. The adoption of the annual budget shall be by consensus of the Parties. The Parties recognize that regular contributions to the operational budget are essential to the success of the Institute and that such contributions shall take into account the research resources of the contributing parties.

2. Major research programs and specific projects, to be sponsored by the Institute, shall be supported from voluntary financial contributions pledged by the Parties and by the Associates of the Institute, or donated by other States outside the region, regional or international intergovernmental organizations, and industries and other non-governmental and private organizations interested in supporting the Scientific Agenda and programmatic activities of the Institute.

3. The Executive Council, with the assistance of the Director, will propose to the Conference of the Parties, for its approval, the establishment of an endowment fund which would generate income through an interest-bearing arrangement, as well as options to obtain resources through other means.

Article XIV Privileges, Immunities and Other Provisions

1. A Party in which the Directorate is located shall accord privileges and immunities to the Director and non-national staff of the Directorate, consistent with those privileges and immunities customarily accorded to international governmental organizations, and as appropriate to allow the Director and staff to carry out their functions.

2. The Party in which the Directorate is located shall enter into an appropriate host agreement with the Institute to provide for these privileges and immunities, taking into account international law.

3. Each Party shall facilitate, to the maximum extent possible in accordance with its national laws and regulations, the entry into and exit from its territory of personnel