

No. 1566

YUGOSLAVIA
and
ROMANIA

Agreement concerning the settlement of non-commercial payments (with protocol of signature). Signed at Bucharest, on 26 June 1946

Official text: French.

Registered by Yugoslavia on 27 November 1951.

YOUGOSLAVIE
et
ROUMANIE

Accord concernant le règlement des paiements ne provenant pas du trafic des marchandises (avec protocole de signature). Signé à Bucarest, le 26 juin 1946

Texte officiel français.

Enregistré par la Yougoslavie le 27 novembre 1951.

[TRANSLATION — TRADUCTION]

No. 1566. AGREEMENT¹ CONCERNING THE SETTLEMENT OF NON-COMMERCIAL PAYMENTS BETWEEN THE FEDERAL PEOPLE'S REPUBLIC OF YUGOSLAVIA AND THE KINGDOM OF ROMANIA. SIGNED AT BUCHAREST, ON 26 JUNE 1946

In order to regulate reciprocal non-commercial payments between the Federal People's Republic of Yugoslavia and the Kingdom of Romania the two Governments have agreed upon the following provisions :

Article 1

The provisions of this agreement shall apply to the following non-commercial payments between the Federal People's Republic of Yugoslavia and the Kingdom of Romania :

1. Payments for the maintenance of diplomatic missions and other official missions of the two Contracting Parties;
2. Payments for the requirements of the crews of Yugoslav and Romanian vessels engaged in inland navigation on the Danube and for strictly necessary minor repairs;
3. Teachers' salaries and maintenance of schools;
4. Travel costs and touring expenses, maintenance of students and treatment of sick persons;
5. Payments for the use of industrial property and copyright, for example, licensing, manufacturing and patent fees, licences, author's royalties, film rentals;
6. Payments of pensions and annuities;
7. Payments of duties and taxes;
8. Payments of fees to journalists, professors, artists, writers, etc.;
9. Payments of subscriptions to newspapers, periodicals, etc.;
10. Any other payment subject to previous approval by the competent authorities of the two countries, but excluding payments of the balances of settlements between the postal, telegraphic and telephonic authorities, railway authorities and river, sea and air transport companies, and capital transfer.

¹ Came into force on 26 June 1946, as from the date of signature, in accordance with article 11.

Article 2

Payments specified in article 1 of this agreement shall be made from funds created by exporting goods specially earmarked by the country desirous of creating funds in the other contracting country.

The two Governments have agreed to accept as special exports for the purpose set forth in the preceding paragraph the goods specified in schedules "A" and "B" annexed to and constituting an integral part of this agreement.

Subject to agreement in each case by the competent authorities of the two countries, goods other than those specified in schedules "A" and "B" may be exported for the said purpose.

Article 3

Each of the Contracting Parties shall be allowed to make export of goods to the other country under this agreement to a value not exceeding the sums it requires. To this end, the two Governments undertake to grant import licences for the products and quantities to be exchanged and utilized for the payments mentioned in article 1 of this agreement.

Article 4

(a) The goods mentioned in article 2 of this agreement shall be licensed for importation at prices calculated free at the frontier or free at the port of entry of the importing country, not cleared from customs, and on the basis of the official domestic prices in force in the importing country.

(b) The value of goods imported shall be deposited in the National Bank of the importing country in the currency of that country to the credit of the account of the National Bank of the other contracting country.

(c) For this purpose, the National Bank of the Federal People's Republic of Yugoslavia shall open a non-interest bearing account in dinars in the name of the Romanian National Bank, and the Romanian National Bank shall open a non-interest bearing account in lei in the name of the National Bank of the Federal People's Republic of Yugoslavia, Belgrade.

Article 5

The National Bank of each contracting country shall undertake to effect payments on the order of the other Bank without taking into account the funds

created in the manner described in articles 2 and 4 of this agreement, provided that such payments shall not exceed the amount of 400 million lei or 20 million dinars respectively.

It is understood that the sums so advanced shall be refunded to the National Bank having granted the advance from the first deposits subsequently made in the account kept with that Bank.

Article 6

The amount of the credit extended pursuant to article 5 of this agreement shall not be taken into account if and when the rate of exchange between the leu and the dinar is fixed and cannot therefore be considered as in any way prejudging the rate in the event of the establishment of a rate of exchange between the above-mentioned currencies.

Article 7

The payment orders to be issued by the National Bank of Romania and the National Bank of the Federal People's Republic of Yugoslavia under this agreement shall be made out in the currency of the country where the payments are to be made and must also include all the particulars necessary for identifying and making the said payments.

Article 8

Within 15 days of the expiry of this agreement, the two contracting countries shall establish a balance of accounts referred to in article 5 of this agreement.

Reciprocal debts resulting from the above-mentioned accounts shall be liquidated entirely by exports of goods from the debtor country under the terms and conditions laid down in articles 2, 3 and 4 of this agreement within three months from the date of establishment of the balance.

Article 9

Each Government undertakes to clear, within three months after this agreement comes into effect, under the conditions laid down in articles 2, 3 and 4 of the agreement, the sums used from credits granted by the other Party namely :

(1) In the case of the Romanian Government, the sums used from the credit of 7.5 million dinars opened by the Government of the Federal People's Republic of Yugoslavia in accordance with article 15 of the agreement on commercial exchanges and the settlement of payments of 15 December 1945¹.

¹See p. 3. of this volume.

(2) In the case of the Government of the Federal People's Republic of Yugoslavia, the sums used :

(a) from the credit of 150 million lei opened by the Romanian Government in accordance with article 15 of the agreement on commercial exchanges and the settlement payments of 15 December 1945;¹

(b) from the credit of 150 million lei extended by the National Bank of Romania on 15 September 1945 to the National Bank of the Federal People's Republic of Yugoslavia.

If, on the expiry of the three months' period the sums referred to in paragraphs 1 and 2 above have not been cleared, the credit shall be repaid by drawing on any funds available in the accounts mentioned in article 4, and, in the absence of any such funds, by using the first payments credited to those accounts.

If, on the expiry of this agreement, the sums used from the above-mentioned credits have not been entirely cleared, the debit balance shall be settled not later than three months after the date of expiry under the conditions laid down in the last paragraph of article 8.

Article 10

The sums available on the expiry of this agreement in the accounts mentioned in the above-mentioned article 4 shall be used until exhausted for the payments referred to in article 1 of this agreement.

Article 11

This agreement shall enter into force on the day of signature and shall remain in force until 31 December 1946. The two Governments reserve, however, the right to denounce it at three months notice.

One month before its expiry, the two Governments shall enter into consultation regarding the possibility of prolonging it.

DONE at Bucharest, on 26 June 1946, in duplicate, in French.

For the Government of the Federal
People's Republic of Yugoslavia :
(Signed) Dr. D. MEDAKOVIC

For the Government of Romania :

(Signed) Mihail MONCIU

¹ See p. 3 of this volume.

SCHEDULE " A "

YUGOSLAV EXPORTS

Specification of goods :

Iron-ores
Chrome-ores
Copper sulphate

SCHEDULE " B "

ROMANIAN EXPORTS

Specification of goods :

Rock-salt
Mineral oil

PROTOCOL OF SIGNATURE

Notwithstanding the provisions of article 2 of the agreement signed this day, the two Governments have agreed that payments in lei or dinars respectively representing " family assistance " remittances may also be paid into the accounts mentioned in article 4 of the said agreement.

The said payments shall be made on the basis of authorizations issued by the competent authorities of the country concerned.

It is understood that payments so made may in no case exceed the amount of 50 million lei or 2 million dinars respectively during the period of validity of the agreement on non-commercial payments.

For the Government of the Federal
People's Republic of Yugoslavia :
(Signed) Dr. D. MEDAKOVIC

For the Royal Government of
Romania :
(Signed) Mihail MONCIU