

No. 1570

**YUGOSLAVIA
and
ROMANIA**

Agreement concerning the regulation of non-commercial payments (with related letter, additional protocol and protocol of liquidation). Signed at Bucharest, on 30 September 1947

Official text: French.

Registered by Yugoslavia on 27 November 1951.

**YOUGOSLAVIE
et
ROUMANIE**

Accord concernant la réglementation des paiements non commerciaux (avec lettre y relative, protocole additionnel et protocole de liquidation). Signé à Bucarest, le 30 septembre 1947

Texte officiel français.

Enregistré par la Yougoslavie le 27 novembre 1951.

[TRANSLATION — TRADUCTION]

No. 1570. AGREEMENT¹ CONCERNING THE REGULATION OF NON-COMMERCIAL PAYMENTS BETWEEN THE FEDERAL PEOPLE'S REPUBLIC OF YUGOSLAVIA AND ROMANIA. SIGNED AT BUCAREST, ON 30 SEPTEMBER 1947

In order to regulate reciprocal payments other than those relating to the exchange of goods between the Federal People's Republic of Yugoslavia and Romania, the two Governments have agreed upon the following provisions :

Article 1

The provisions of the present agreement shall apply to non-commercial payments between the Federal People's Republic of Yugoslavia and Romania, namely :

1. Payments for the maintenance of diplomatic representatives and other representatives 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. Payments for the use of industrial property and copyright, for example, licensing manufacturing and patent fees, authors' royalties and film rentals;
4. Payment of fees to journalists, professors, artists, writers, etc.;
5. Teachers' salaries and maintenance of schools;
6. Payments of pensions and allowances;
7. Payments of taxes and charges;
8. Travel costs and touring expenses, maintenance of students and treatment of sick persons;
9. Payments of subscriptions to newspapers, periodicals, etc.
10. Any other payment, subject to previous approval by the competent authorities of both countries, but excluding capital transfers, such as, for example, inheritances, donations, dowries, etc. and payments of the balances of settlements between the postal, telegraphic and telephonic authorities, railway authorities and river, sea and air transport companies.

¹ Came into force on 30 September 1947, as from the date of signature, in accordance with article 7.

Article 2

A non-interest bearing account in US dollars, to be known as the "Financial Account, Romania," shall be opened with the National Bank of the Federal People's Republic of Yugoslavia in the name of the National Bank of Romania.

This account shall be credited with the equivalent in US dollars of sums to be transferred from the Federal People's Republic of Yugoslavia to Romania in accordance with the provisions of article 1 of the present agreement.

Article 3

A non-interest bearing account in US dollars to be known as the "Financial Account Federal People's Republic of Yugoslavia," shall be opened with the National Bank of Romania in the name of the National Bank of the Federal People's Republic of Yugoslavia.

This account shall be credited with the equivalent in US dollars, of sums to be transferred from Romania to the Federal People's Republic of Yugoslavia in accordance with the provisions of Article 1 of the present Agreement.

Article 4

Payments to the National Bank of the Federal People's Republic of Yugoslavia and the National Bank of Romania shall be made on the basis of prior authorizations issued by the competent authorities of the country in which the payment is made.

Article 5

(a) The National Bank of the Federal People's Republic of Yugoslavia and the National Bank of Romania shall advise each other daily of the sums, in US dollars, placed to the credit of the accounts referred to in articles 2 and 3 above. The advices shall state the name of the person authorizing payment, the name and address of the payee, the type of payment, the sum to be credited to the account and any other particulars necessary to identify and effect the payment.

(b) The notified sums shall be paid to the account of the recipients of the transfers in each of the two countries within the limits of the funds available in the clearing account opened in the National Bank of the country of the payees and in the chronological order of the advices issued by the other country. The advices shall be regarded as orders for payment to be effected by debiting the clearing accounts provided for in articles 2 and 3 above.

Article 6

The balance in favour of one or other of the two countries on the expiry of the present agreement shall be liquidated by the debtor country by payments in free dollar or free Swiss franc within thirty days of the date of expiry.

Article 7

The present agreement shall enter into force on the date of signature and shall remain in force until 30 September 1948.

The two Governments, however, reserve the right to denounce the agreement, at any time, upon not less than one month's notice.

One month before the expiry of the present agreement, the two Governments may enter into consultations with a view to its prolongation.

DONE at Bucharest on 30 September 1947, in two copies, in French.

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

For the Romanian Government :

(Signed) Mihail MONCIU

THE CHAIRMAN OF THE ROMANIAN TRADE DELEGATION

Confidential

Sir,

In the course of the conversations which resulted in the conclusion of the agreement concerning the regulation of non-commercial payments between Romania and the Federal People's Republic of Yugoslavia, signed this day, the Yugoslav delegation expressed the wish that arrangements should be made to enable Yugoslav nationals working in Romania to transfer their savings in lei to Yugoslavia to assist their families.

I have the honour to inform you, on behalf of the Romanian Government, that we agree that a non-interest bearing account in lei, to be known as "the family assistance lei account," should be opened with the National Bank of Romania in the name of the National Bank of the Federal People's Republic of Yugoslavia.

The sums in lei to be transferred to Yugoslavia for the above-mentioned purpose shall be deposited in the said account on the basis of authorizations

issued by the Romanian Ministry of Commerce and Industry in accordance with the regulations in force in Romania.

The National Bank of Romania reserves the right to charge a commission of 1 per cent on all sums deposited in the said account to be borne by the persons making the deposits.

It is clearly understood, however, that the total amount of such sums in lei shall not exceed a sum in lei equivalent to US \$2,000 during the period of application of the above-mentioned agreement concerning the regulation of non-commercial payments, of which the present letter forms an integral part.

The equivalent in lei of the above-mentioned sum of US \$2,000 shall be calculated at the current official dollar rate of exchange applied by the National Bank of Romania on the date of deposit.

The sums in lei entered to the credit of the "family assistance lei account" may be used by the National Bank of the Federal People's Republic of Yugoslavia for the needs of the Yugoslav Embassy in Bucharest and of Yugoslav consulates in Romania.

I have the honour to be, etc.

(Signed) Mihail MONCIU

To H.E. Mr. D. Medakovic
Ambassador of the Federal People's Republic
of Yugoslavia in Bucharest
Chairman of the Trade Delegation of the Government
of the Federal People's Republic of Yugoslavia

ADDITIONAL PROTOCOL TO THE AGREEMENT CONCERNING
THE REGULATION OF NON-COMMERCIAL PAYMENTS
BETWEEN THE FEDERAL PEOPLE'S REPUBLIC OF YUGO-
SLAVIA AND ROMANIA. SIGNED AT BUCHAREST, ON
30 SEPTEMBER 1947

Article 1

Notwithstanding the provisions of article 5, paragraph (b) of the agreement signed this day, the two Contracting Parties agree that in the absence of sufficient funds in the clearing accounts provided for in articles 2 and 3 of the above-mentioned agreement, the National Banks of the two countries shall execute advices of payment issued under the agreement signed this day, up to an amount representing the equivalent of US \$50,000.

It is agreed that sums so paid shall be recovered from the first payments subsequently made into the account.

Article 2

The National Bank of Romania shall pay to the payees of the advices transmitted by the National Bank of the Federal People's Republic of Yugoslavia under the agreement signed this day, the equivalent in lei of the sums in United States dollars so notified at the current official rate for the purchase of United States dollars in Romania on the date of payment.

The National Bank of the Federal People's Republic of Yugoslavia shall pay to the payees of the advices transmitted by the National Bank of Romania under the agreement signed this day, the equivalent in dinars of the sums in United States dollars so notified at the current official rate of exchange for the United States dollar in the Federal People's Republic of Yugoslavia on the date of payment.

Article 3

The National Bank of the Federal People's Republic of Yugoslavia and the National Bank of Romania reserve the right to charge for each payment made into the accounts provided for in articles 2 and 3 of the agreement signed this day, a commission of 1 per cent to be borne by the persons making such payments.

Article 4

The present additional protocol shall form an integral part of the agreement concerning the regulation of non-commercial payments between the Federal People's Republic of Yugoslavia and Romania signed this day. The date of entry into force, the duration and the method of denunciation shall be those specified in the above-mentioned agreement.

DONE at Bucharest, on 30 September 1947, in duplicate, in French.

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

For the Romanian Government :

(Signed) Mihail MONCIU

PROTOCOL¹ OF LIQUIDATION. SIGNED AT BUCHAREST, ON
30 SEPTEMBER 1947

On proceeding, this day, to sign the agreement² concerning the regulation of non-commercial payments between the Federal People's Republic of Yugoslavia and Romania, the two Governments have agreed on the following :

Article 1

The two Contracting Parties shall proceed to the liquidation, under articles 2 and 3 below, of sums utilized under credits granted mutually, viz. :

I. The Romanian Government, sums utilized :

(a) under the credit of 7.5 million dinars, provided for under article 15 of the Agreement concerning commercial exchanges and the settlement of payments of 15 December 1945³;

(b) under the credit of 20 million dinars provided for under article 5 of the Agreement concerning the settlement of non-commercial payments, signed on 26 June 1946⁴.

II. The Government of the Federal People's Republic of Yugoslavia :

(a) the sums utilized under the credit of 150 million lei granted by the National Bank of Romania to the National Bank of the Federal People's Republic of Yugoslavia, on 12 September 1945;

(b) the sums utilized under the credit of 150 million lei provided for in article 15 of the Agreement concerning commercial exchanges, and the settlement of payment of 15 December 1945;

(c) under the credit of 400 million lei granted by the Romanian Government under article 5 of the Agreement concerning the settlement of non-commercial payments, signed on 26 June 1946;

(d) of the sum of 500 million lei placed at the disposal of the Embassy of the Federal People's Republic of Yugoslavia at Bucharest by the Romanian Ministry of Finance, on 8 February 1947, at the request of the said Embassy in the name of the Yugoslav Government.

Article 2

In liquidating the sums utilized under the credits referred to in article 1, the two Governments shall proceed as follows :

¹ Came into force on 30 September 1947, as from the date of signature, in accordance with article 4.

² See p. 73 of this volume.

³ See p. 3 of this volume.

⁴ See p. 21 of this volume.

(a) Immediately after the entry into force of the present protocol, the National Banks of the two countries shall balance their accounts of the sums in lei and dinars used by the two parties;

(b) The sums in dinars so established, shall be converted into US dollars at the official rate of exchange for the US dollar in force in the Federal People's Republic of Yugoslavia on the date of each payment;

(c) The sums in lei so established, shall be converted into US dollars at the official rate of exchange for the US dollar under Decree-Law No. 1456, of 2 May 1945, i.e., on the basis of the general premium in force in Romania, viz. :

(i) in the case of the credits referred to in article 1, paragraph 2, sub-paragraphs (a), (b) and (c), on the date of payment of each sum;

(ii) in the case of the sum of 500 million lei, referred to in article 1, paragraph 2, sub-paragraph (d) above, on 8 February 1947.

Article 3

The sums in US dollars established in accordance with article 2 above, shall be set off reciprocally.

The balance in US dollars resulting from this operation shall be liquidated by the debtor country as follows :

(a) by the export to the creditor country of the goods listed in the annex to the present protocol to the value of US \$176,450 within a period of six months following the date of the establishment of the balance in accordance with article 2 above and in accordance with the conditions mentioned in the said list.

(b) a sum of US \$100 thousand shall be placed to the credit of the " financial account, Federal People's Republic of Yugoslavia " with the National Bank of Romania in accordance with article 3 of the agreement concerning the regulation of non-commercial payments. This operation, which shall be carried out within fifteen days of the establishment of the balance, in accordance with article 2 of the protocol of liquidation, shall be without prejudice to the provisions of article 1 of the additional protocol to the agreement concerning the regulation of non-commercial payments.

(c) The amount remaining, pending the complete liquidation of the debit balance, shall be liquidated by the export of goods to be effected before 30 September 1948 in accordance with a list to be drawn up later by mutual agreement.

Article 4

The present protocol shall enter into force on the date of signature.

DONE at Bucharest, on 30 September 1947, in duplicate, in French.

For the Government of the
Federal People's Republic of Yugoslavia :

(Signed) Dr. Dane MEDAKOVIC

For the Romanian Government :

(Signed) Mihail MONCIU

ANNEXED LIST

of goods to be delivered to the Federal People's Republic
of Yugoslavia

1. Firewood	t.	10,000	at \$10 per t.	. . . . .	\$100,000
2. Timber	cu.m.	1,000	at \$37 per cu.m.	. . . . .	\$ 37,000
3. Medicinal oil	t.	50	at \$120 per t.	. . . . .	\$ 6,000
4. Naphtalenic acid	t.	18	at \$225 per t.	. . . . .	\$ 4,050
5. Spindle oil	t.	200	at \$ 34 per t.	. . . . .	\$ 6,800
6. Mineral oils	t.	100	at \$ 80 per t.	. . . . .	\$ 8,000
V 50° C 8-9 E					
7. Butane	t.	200	at \$ 73 per t.	. . . . .	\$ 14,600
<i>Total value :</i>					\$176,450

The prices listed above are free at frontier or f.o.b.