

**No. 2134**

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**UNITED STATES OF AMERICA  
and  
YUGOSLAVIA**

**Exchange of notes constituting an agreement relating to  
mutual defense assistance. Belgrade, 17 April 1951**

*Official text: English.*

*Registered by the United States of America on 21 March 1953.*

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**ÉTATS-UNIS D'AMÉRIQUE  
et  
YOUGOSLAVIE**

**Échange de notes constituant un accord relatif à l'aide pour  
la défense mutuelle. Belgrade, 17 avril 1951**

*Texte officiel anglais.*

*Enregistré par les États-Unis d'Amérique le 21 mars 1953.*

No. 2134. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN THE UNITED STATES OF AMERICA AND YUGOSLAVIA RELATING TO MUTUAL DEFENSE ASSISTANCE. BELGRADE, 17 APRIL 1951

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I

*The American Ambassador to the Yugoslav Deputy Minister of Foreign Affairs*

EMBASSY OF THE UNITED STATES OF AMERICA

Dear Mr. Minister :

I have the honor to refer to the request submitted to the Secretary of State of the United States of America by the Ambassador of the Federal People's Republic of Yugoslavia for further assistance to meet the emergency in Yugoslavia resulting from the recent drought.

Particular reference is made to that part of your country's shortage of raw materials and other supplies which affects the continued ability of the Government of the Federal People's Republic of Yugoslavia to support the material requirements of its military forces. It is understood that the shortage of such raw materials and supplies results from the recent drought that depleted Yugoslavia of those agricultural commodities by export of which Yugoslavia normally acquires these raw materials and supplies, and that such shortage is now, in consequence, so drastic as seriously to impair the ability of the Government of the Federal People's Republic of Yugoslavia to defend itself against aggression.

Our two governments are both desirous of fostering international peace and security within the framework of the Charter of the United Nations through measures which will further the ability of nations dedicated to the purposes and principles of the Charter to participate effectively in arrangements for individual and collective self-defense in support of those purposes and principles.

Accordingly, I am pleased to inform you that the Government of the United States of America is prepared, pursuant to the provisions of Public Law 329, 81st Congress,<sup>2</sup> as amended,<sup>3</sup> to extend immediate assistance in the form of raw

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<sup>1</sup> Came into force on 17 April 1951, by the exchange of the said notes.

<sup>2</sup> United States of America : 63 Stat., Pt. 1, p. 714.

<sup>3</sup> United States of America : Public Law 621, 81st Cong.; 64 Stat., Pt. 1, p. 373.

materials and other supplies in amounts and kinds equivalent to certain consumption needs for supporting the armed forces of the Federal People's Republic of Yugoslavia on the following mutually agreed basis :

1. The Government of the Federal People's Republic of Yugoslavia will use the assistance exclusively for the purpose for which it is furnished, namely, in furtherance of the purposes of the Charter of the United Nations and to strengthen the defenses of the Federal People's Republic of Yugoslavia against aggression ;

2. The Government of the Federal People's Republic of Yugoslavia agrees not to transfer to any other nation the assistance furnished pursuant to this agreement without the prior consent of the Government of the United States of America ;

3. The Government of the Federal People's Republic of Yugoslavia will provide the United States of America with reciprocal assistance by continuing to facilitate the production and transfer to the United States of America in such quantities and upon such terms and conditions as may be agreed on, of raw and semi-processed materials required by the United States of America as a result of deficiencies or potential deficiencies in its own resources, and which may be available in Yugoslavia. Arrangements for such transfers shall give due regard to requirements of Yugoslavia for domestic use and commercial export ;

4. The Government of the Federal People's Republic of Yugoslavia will permit and facilitate in every way the freedom of representatives of the Government of the United States of America, duly designated for this purpose by the United States Ambassador to Yugoslavia, without restriction, to observe, supervise and report on the receipt and distribution in Yugoslavia of commodities and other assistance made available pursuant to this agreement, and to cooperate fully with them by permitting them to have full access to communication and information facilities. The Government of the Federal People's Republic of Yugoslavia will afford to such representatives of the Government of the United States of America opportunity to make their observations known to, and to discuss the necessary supply and transportation arrangements with, the appropriate officials of the Federal People's Republic of Yugoslavia. The Government of the Federal People's Republic of Yugoslavia is prepared to provide periodical reports concerning the use made of this assistance ;

5. The Government of the United States of America and the Government of the Federal People's Republic of Yugoslavia recognizes that it is in their mutual interest that consistent with the requirements of security, full publicity be given to the objective and progress of the assistance being rendered pursuant to this agreement and that all pertinent information be made available to the people of Yugoslavia ;

6. The Government of the Federal People's Republic of Yugoslavia will take appropriate measures to enable it to become independent of extraordinary outside assistance ;

7. A. The Government of the Federal People's Republic of Yugoslavia will establish a special account in the Central Bank of Yugoslavia in the name of the Govern-

ment of the Federal People's Republic of Yugoslavia (hereinafter called the special account) and will make deposits in dinars to this account in amounts commensurate with the indicated dollar cost to the Government of the United States of America of commodities and services (including any cost of processing, storing, transporting, repairing or other services incident thereto) made available to the Federal People's Republic of Yugoslavia pursuant to this agreement. The Government of the United States of America shall from time to time notify the Government of the Federal People's Republic of Yugoslavia of the indicated dollar cost of any such commodities and services, and the Government of the Federal People's Republic of Yugoslavia will thereupon deposit in the special account a commensurate amount of dinars computed at a rate of exchange which shall be the par value agreed at such time with the International Monetary Fund. The Government of the Federal People's Republic of Yugoslavia may at any time make advance deposits in the special account which shall be credited against subsequent notifications pursuant to this paragraph ;

B. The Government of the United States of America will from time to time notify the Government of the Federal People's Republic of Yugoslavia of its requirements for administrative and operating expenditures in dinars within Yugoslavia incident to the assistance herein, and the Government of the Federal People's Republic of Yugoslavia will thereupon make such sums available out of any balances in the special account in the manner requested by the Government of the United States of America in the notification ;

C. Five percent of each deposit made pursuant to this paragraph in respect of the assistance herein shall be allocated to the use of the Government of the United States of America for its expenditures in Yugoslavia and sums made available pursuant to part B of this paragraph shall first be charged to the amounts allocated under this five percent ;

D. The Government of the Federal People's Republic of Yugoslavia may draw upon any remaining balance in the special account for such purposes as may be agreed from time to time with the Government of the United States of America consistent with the objectives of this agreement ;

8. The Government of the United States of America reserves the right at any time to terminate its assistance to Yugoslavia made available pursuant to this agreement, including termination of deliveries of all supplies scheduled but not yet delivered.

Your Excellency will note that with the exception of paragraph 7 above the foregoing constitutes a reiteration, with appropriate changes having been made, of the assurances contained in the exchanges of notes on November 17, 20 and 21, 1950,<sup>1</sup> regarding supplies furnished to Yugoslavia under the Mutual Defense Assistance Act and of the Agreement signed on January 6, 1951,<sup>2</sup> regarding

<sup>1</sup> United Nations, *Treaty Series*, Vol. 93, pp. 39 and 45.

<sup>2</sup> United Nations, *Treaty Series*, Vol. 122, p. 137.

the provision of foodstuffs by the United States Government in accordance with the provisions of the Yugoslav Emergency Relief Assistance Act of 1950.<sup>1</sup>

If the Yugoslav Government, after considering the foregoing proposals, is in accord with them, I have the honor to propose that this note, together with the reply of the Government of the Federal People's Republic of Yugoslavia so indicating, constitute an agreement, effective on the date of your reply.

I take this occasion, Mr. Minister, to renew the assurances of my highest consideration.

Belgrade, April 17, 1951

George V. ALLEN

Mr. Joza Vilfan  
Deputy Minister of Foreign Affairs  
Federal People's Republic of Yugoslavia  
Belgrade

## II

*The Yugoslav Deputy Minister of Foreign Affairs to the American Ambassador*

April 17, 1951

Dear Mr. Ambassador,

I have the honour to acknowledge receipt of your Note dated April 17, 1951 which reads as follows :

[See note I]

I have the honour to inform you that the Government of the Federal People's Republic of Yugoslavia is in full agreement with the above text.

I take this occasion, Mr. Ambassador, to renew the assurances of my highest consideration.

Jozà VILFAN

Mr. George Allen  
United States Ambassador  
Beograd

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<sup>1</sup> United States of America : Public Law 897, 81st Cong. ; 64 Stat., Pt. 1, p. 1122.