

No. 3289

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**UNITED STATES OF AMERICA  
and  
YUGOSLAVIA**

**Exchange of notes constituting an agreement relating to  
economic aid. Belgrade, 4 and 5 January 1954**

*Official text : English.*

*Registered by the United States of America on 25 April 1956.*

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

**Échange de notes constituant un accord relatif à l'aide  
économique. Belgrade, 4 et 5 janvier 1954**

*Texte officiel anglais.*

*Enregistré par les États-Unis d'Amérique le 25 avril 1956,*

No. 3289. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN THE UNITED STATES OF AMERICA AND YUGOSLAVIA RELATING TO ECONOMIC AID. BELGRADE, 4 AND 5 JANUARY 1954

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I

*The American Ambassador to the Yugoslav Secretary of State for Foreign Affairs*

THE FOREIGN SERVICE OF THE UNITED STATES OF AMERICA  
AMERICAN EMBASSY

Belgrade, January 4, 1954

Excellency :

I have the honor to inform you that, having, jointly with the Governments of the United Kingdom and France, reviewed the state of Yugoslavia's economy, particularly her balance of payments position, the Government of the United States offers to extend economic assistance to Yugoslavia for the period beginning July 1, 1953, and ending June 30, 1954. In providing assistance, it continues to be the broad aim of the Government of the United States to help Yugoslavia to maintain her ability to defend and preserve her national independence, and the Government of the United States fully appreciates the determination of the Yugoslav Government and the Yugoslav people in this regard. The granting of this aid is subject to the following understandings.

*Balance of Payments*

2. The Governments of the United States, the United Kingdom, France, and Yugoslavia (hereinafter referred to as the "four governments") recognize the importance to Yugoslavia of achieving a balance of payments in the shortest possible time. The Yugoslav Government will utilize economic aid in such a way as to make the greatest possible contribution to this objective, and to this end will follow the procedures set forth in Paragraph 8 below.

*Investment*

3. The four governments agree that the rate, magnitude, and nature of investment will be influenced by the supply of resources, both domestic and foreign,

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<sup>1</sup> Came into force on 5 January 1954, with retroactive effect from 1 July 1953, by the exchange of the said notes.

available to Yugoslavia, with due regard for the current and future needs of the economy. The Governments of the United States, United Kingdom, and France (hereinafter referred to as the "three governments") note that the Yugoslav Government will continue its policy of insuring that the rate of investment will be consistent with the maintenance of necessary stocks of essential food and raw materials, (or foreign exchange availabilities needed for the purchase of these items). The three governments also view with interest the increasing investment by Yugoslavia in agriculture, light industry, and maintenance of plant.

#### *Agriculture*

4. The four governments agree that an increase of agricultural production in Yugoslavia is of prime importance. The three governments note that the Government of Yugoslavia is taking steps to bring this about. The three governments are prepared to continue their collaboration with the Yugoslav Government in its efforts to expand the production of all agricultural commodities.

#### *External Debts*

5. The four governments agree that the amelioration of Yugoslavia's present schedule of debt payments is essential to ensure the maximum effectiveness of tripartite aid, and the three governments will support such measures to this end as may be agreed between them and the Government of Yugoslavia.

#### *Future Loans*

6. The four governments agree that the three governments should be kept informed concerning the external debts of Yugoslavia. The Yugoslav Government will provide such information to the three governments by quarterly statements in an agreed form.

#### *Technical Assistance*

7. The four governments agree that the provision of technical assistance to Yugoslavia is an important aspect of their economic cooperation and that they will arrange to the fullest extent possible for the sending of foreign technicians to Yugoslavia and for the training of Yugoslav technicians abroad, both of the higher and lower grades.

#### *Exchange of Views and Information*

8. The four governments agree that, in order to give effect to the fullest extent possible to the understandings set out in Paragraphs 2-7 above, they will

continue, during the period covered by this exchange of notes, the policy of exchange of views and information which has proved to be of mutual benefit in the past.

I should be grateful if your Excellency would inform me whether your Government concur in the foregoing.

Accept, Excellency, the assurances of my highest consideration.

JAMES W. RIDDLEBERGER

His Excellency Koca Popovic  
Secretary of State for Foreign Affairs of the  
Federal People's Republic of Yugoslavia  
Belgrade

## II

*The Yugoslav Secretary of State for Foreign Affairs to the American Ambassador*

Beograd, January 5, 1954

Excellency :

I have the honor to acknowledge receipt of your letter of January 4, 1954, in the following terms :

[See note I]

I have the honor to inform you that my Government concurs in the terms of this letter.

Accept, Excellency, the assurances of my highest consideration.

Koca POPOVIC

[SEAL]

His Excellency James Riddleberger  
Ambassador of the United States of America  
Beograd

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