

No. 3309

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**UNITED STATES OF AMERICA  
and  
YUGOSLAVIA**

**Exchange of notes constituting an agreement relating to  
economic aid. Belgrade, 11 October 1952**

*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, 11 octobre 1952**

*Texte officiel anglais.*

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

No. 3309. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN THE UNITED STATES OF AMERICA AND YUGOSLAVIA RELATING TO ECONOMIC AID. BELGRADE, 11 OCTOBER 1952

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I

*The American Ambassador to the Yugoslav Vice Premier and Minister for Foreign Affairs*

THE FOREIGN SERVICE OF THE UNITED STATES OF AMERICA  
AMERICAN EMBASSY

Belgrade, October 11, 1952

Excellency :

I have the honor to inform you that on the basis of the memoranda exchanged on July 10 and 28, 1952,<sup>2</sup> and of the conversations held on August 16 and 22 at Bled, between the representatives of the Governments of the United States, United Kingdom, France and Yugoslavia my Government intends to continue tripartite economic aid to Yugoslavia during the period July 1, 1952 to June 30, 1953, subject to the following understanding.

*Balance of Payments*

The four Governments recognize the importance to Yugoslavia of achieving a balance of payments in the shortest possible time. It is noted that the Government of Yugoslavia has firmly decided to make the best use of economic aid and to exert internal economic efforts in order to achieve this end. The four Governments agree to exchange full information and views in these matters.

*Investment*

The four Governments recognize that the rate of investment must depend in part upon the availability of foreign exchange. In view of the uncertainties of foreign exchange availability, a system of priorities for the completion of the Yugo-

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<sup>1</sup> Came into force on 11 October 1952, with retroactive effect from 1 July 1952, by the exchange of the said notes.

<sup>2</sup> Not printed by the Department of State of the United States of America.

slav investment program is particularly important. The Governments of the United States, the United Kingdom and France note the statement made on behalf of the Government of Yugoslavia that, in the planning of the current investment program, due regard is being and will continue to be paid to the establishing of priorities based primarily on the following criteria : the extent to which a project will contribute to an improvement in the balance of payments and the extent to which the project has already been completed. Other criteria, where appropriate, include the extent of development of related industries, the length of time required to complete a project and the ability of an industry to compete in world trade. The four Governments agree to exchange information in order to develop cooperation in this field.

#### *Agriculture*

The four Governments agree that an increase of agricultural production in Yugoslavia is of prime importance. The Governments of the United States, the United Kingdom and France understand that the Government of Yugoslavia is ready to furnish information concerning its efforts in this field and to exchange views in order to facilitate assistance by the Governments of the United States, United Kingdom and France.

#### *External Debts*

The four Governments are agreed that amelioration of Yugoslavia's present schedule of debt payments is essential. They further agree that an effective method of obtaining such amelioration must be sought. One possibility which has been suggested is a conference of creditors. Other methods may emerge from joint consideration of the problem. The four Governments will therefore undertake prompt consultation with a view to arriving at an effective means of achieving amelioration of Yugoslavia's debt position.

#### *Future Loans*

The four Governments agree that the International Bank for Reconstruction and Development should be regarded, to the fullest extent possible, as the source of future loans for the Yugoslav investment program. They recognize that cooperation among them is necessary to achieve this end.

The four Governments are further agreed that the contracting of loans outside the International Bank for Reconstruction and Development is also of concern to the Governments contributing economic aid to Yugoslavia and that the four Governments will exchange views whenever occasion for such loans arises.

*Raw Materials*

The Governments of the United States, United Kingdom and France desire to obtain certain raw materials and products from Yugoslavia, and the Government of Yugoslavia agrees to use its best endeavor to satisfy the reasonable needs of the Governments of the United States, the United Kingdom and France in this field.

*Technical Assistance*

The four Governments are agreed that the provision of technical assistance to Yugoslavia is an important aspect of their economic co-operation, and that to the fullest extent possible they will arrange for sending foreign technicians to Yugoslavia and for training Yugoslav technicians abroad, both of the higher and lower grades.

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

Accept, Excellency, the assurances of my most distinguished consideration.

George V. ALLEN

His Excellency Edvard Kardelj  
Vice Premier and Minister for Foreign Affairs  
of the Federal People's Republic of Yugoslavia  
Belgrade

## II

*The Yugoslav Vice Premier and Minister for Foreign Affairs to the American Ambassador*

Excellency :

I have the honor to acknowledge receipt of your letter of October 11, 1952, 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 most distinguished consideration.

Beograd, October 11, 1952

[SEAL] E. KARDELJ

His Excellency George V. Allen  
Ambassador Extraordinary and Minister Plenipotentiary  
Beograd