

No. 3405

**UNION OF SOVIET SOCIALIST REPUBLICS
and
YUGOSLAVIA**

**Payments Agreement (with exchange of letters). Signed
at Moscow, on 5 January 1955**

Official texts: Russian and Serbo-Croat.

Registered by the Union of Soviet Socialist Republics on 9 May 1956.

**UNION DES RÉPUBLIQUES SOCIALISTES
SOVIÉTIQUES
et
YOUGOSLAVIE**

**Accord de paiements (avec échange de lettres). Signé à
Moscou, le 5 janvier 1955**

Textes officiels russe et serbo-croate.

Enregistré par l'Union des Républiques socialistes soviétiques le 9 mai 1956.

[TRANSLATION — TRADUCTION]

No. 3405. PAYMENTS AGREEMENT¹ BETWEEN THE UNION OF SOVIET SOCIALIST REPUBLICS AND THE FEDERAL PEOPLE'S REPUBLIC OF YUGOSLAVIA. SIGNED AT MOSCOW, ON 5 JANUARY 1955

The Government of the Union of Soviet Socialist Republics and the Government of the Federal People's Republic of Yugoslavia have agreed that payments between the USSR and Yugoslavia shall be governed by the following provisions :

Article 1

The State Bank of the USSR and the National Bank of Yugoslavia shall each open for the other a special non-interest bearing account in United States dollars as the currency of account.

These accounts shall be used for effecting payment in respect of goods exported from the USSR to Yugoslavia and from Yugoslavia to the USSR, costs connected with the delivery of goods (costs of transport, forwarding insurance, checking of quantity and quality on delivery etc.), charges for transportation in Soviet and Yugoslav ships, costs incurred by Soviet ships in Yugoslav ports and Yugoslav ships in Soviet ports, including port dues, and charges for bunkering and minor repairs, and also costs incurred in the assembly and repair of equipment and in the processing and finishing of goods.

Article 2

The State Bank of the USSR and the National Bank of Yugoslavia shall notify each other of each sum credited to the accounts referred to in article 1 of this Agreement.

Upon receipt of such notice, the bank concerned shall immediately make payment of the sums in question to the persons to whom they are due. Should the balance of the accounts referred to in article 1 of this Agreement exceed 3 million United States dollars, the Contracting Parties shall take measures to adjust the balance of payments between the two countries. The creditor Party shall, in that case, be entitled to suspend further deliveries of goods until the balance is reduced to a sum not exceeding the prescribed figure. The debit balance shall be determined after every change in the account referred to in article 1 of this Agreement.

¹ Came into force provisionally on 5 January 1955, the date of signature, and definitively on 23 July 1955 by the exchange of the instruments of ratification at Belgrade, in accordance with the provisions of the exchange of letters (see p. 238 of this volume).

Article 3

All accounting operations under this Agreement shall be effected in United States dollars as the currency of account.

Payments relating to contracts of purchase and sale concluded under this Agreement shall be made by means of credits opened in the State Bank of the USSR and in the National Bank of Yugoslavia respectively.

Article 4

For the purpose of effecting non-commercial payments between the two countries, the State Bank of the USSR shall open in the name of the National Bank of Yugoslavia a non-interest-bearing account called the "Non-Commercial Payments Account", expressed in United States dollars as the currency of account.

This account shall be used for effecting payments in respect of the maintenance costs of the diplomatic and consular establishments of the two Contracting Parties, the expenses of official delegations and of trade or other missions and settlements of account between railway, postal and telegraphic services; other payments may also be made through this account by agreement between the Banks.

The State Bank of the USSR and the National Bank of Yugoslavia shall effect payment immediately on receipt of the orders of the other Party, whether or not funds are available in the account concerned.

At the end of the calendar year during which this Agreement is in force, the debit balance outstanding against the State Bank of the USSR or the National Bank of Yugoslavia, as the case may be, shall be liquidated by transferring the debit balance to the accounts referred to in article 1 of this Agreement.

Article 5

The State Bank of the USSR and the National Bank of Yugoslavia shall jointly determine the technical methods of effecting accounting operations under the terms of this Agreement.

Article 6

After the expiry of this Agreement, the State Bank of the USSR and the National Bank of Yugoslavia shall continue to accept payments for the credit of the accounts referred to in article 1 and to make payments in accordance with the provisions of this Agreement in respect of all contracts concluded during the period of its validity.

The debtor Party shall liquidate the balance within a period of six months from the date of expiry of this Agreement by deliveries of goods specified in the applicable schedules of the Trade Agreement for which the quotas are not exhausted, or by deliveries of other goods agreed between the Contracting Parties.

On the expiry of the said period of six months, the Parties shall agree on the manner of liquidating the remaining balance.

Article 7

This Agreement shall enter into force simultaneously with the Trade Agreement¹ between the Union of Soviet Socialist Republics and the Federal People's Republic of Yugoslavia signed this day, and shall remain in force throughout the period in which the Trade Agreement is in effect.

DONE in duplicate at Moscow, on 5 January 1955, in the Russian and Serbo-Croat languages, both texts being equally authentic.

By authorization
of the Government
of the Union of Soviet
Socialist Republics :

I. KABANOV

By authorization
of the Government
of the Federal People's
Republic of Yugoslavia :

M. TODOROVIĆ

EXCHANGE OF LETTERS

I

Moscow, 5 January 1955

Sir,

In connexion with the signature this day of the Trade Agreement¹ and the Payments Agreement² between the Union of Soviet Socialist Republics and the Federal People's Republic of Yugoslavia, I have the honour to confirm the agreement reached between us that the said Agreements would enter into force provisionally from the date of signature.

At the same time, it was stipulated that the said Agreements would enter into force definitively from the date of the exchange of the instruments of ratification, which is to take place at Belgrade as soon as possible.

I have the honour to be, etc.

I. KABANOV

Mr. Miyalko Todorović
Member of the Federal Executive Council
Chief of the Government Trade Delegation of the
Federal People's Republic of Yugoslavia
Moscow

¹ See p. 216 of this volume.

² See p. 234 of this volume.

II

Moscow, 5 January 1955

Sir,

[See letter I]

I have the honour to be, etc.

M. TODORVIĆ

Mr. I. G. Kabanov
Minister of Foreign Trade of the
Union of Soviet Socialist Republics
Moscow