

No. 3550

**UNITED STATES OF AMERICA
and
YUGOSLAVIA**

**Exchange of letters constituting an agreement relating to
economic aid to Yugoslavia. Belgrade, 12 May 1955**

Official text: English.

Registered by the United States of America on 9 October 1956.

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

**Échange de lettres constituant un accord relatif à une aide
économique à la Yougoslavie. Belgrade, 12 mai 1955**

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 9 octobre 1956.

No. 3550. EXCHANGE OF LETTERS CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND YUGOSLAVIA RELATING TO ECONOMIC AID TO YUGOSLAVIA. BELGRADE, 12 MAY 1955

I

The American Counselor for Economic Affairs to the Yugoslav Counsellor of State for Foreign Affairs

May, 12, 1955

Dear Mr. Ambassador :

The Government of the United States concurs in the proposal of the Government of the FPRY to expend the remaining economic assistance funds under Public Law 665 for the financing of wheat. My Government proposes that these funds, amounting to approximately \$6.4 million, be used to finance, on a local currency sale basis under the provisions of Public Law 665, Section 402, such amounts of wheat as may be obtained therewith.

It is understood that the Government of the FPRY will deposit to the appropriate account of the U.S. Treasury the dollar sales value of the wheat, including any freight and handling reimbursed or financed by the Government of the United States, and converted into dinars at the official rate of exchange in effect at the end of the period covered by each notification report. It is further understood that this local currency payment procedure is that applicable to all Section 402 goods which have been or are being provided Yugoslavia during the period from July 1, 1954 to June 30, 1955.

Our two Governments agree that pursuant to mutual agreement on specific projects in Yugoslavia to be financed therefrom the dinar proceeds which have been deposited to the account of the United States Treasury, as a result of Section 402 sales, constitute a grant by the Government of the United States to the Government of the Federal People's Republic of Yugoslavia. In this matter my Government is awaiting the submission of project proposals by your Government for the use of these funds and is favorably inclined towards their use on highway projects, i. e. the Jadranski Put and the Zagreb-Ljubljana highway.

¹ Came into force on 12 May 1955 by the exchange of the said letters.

If your Government is in accord with the proposals set forth above, I have the honor to suggest that this letter, together with your reply so indicating, constitute an agreement between our two Governments effective on the date of your reply.

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

James S. KILLEN
Counselor for Economic Affairs
Embassy of the United States of America
Belgrade

Ambassador Stanislav Kopčok
State Counsellor
Secretariat of State for Foreign Affairs
Federal People's Republic of Yugoslavia
Belgrade

II

The Yugoslav Counsellor of State for Foreign Affairs to the American Counselor for Economic Affairs

Beograd, May 12, 1955

Dear Sir,

I have the honor to acknowledge receipt of your letter as of today, reading as follows :

[See letter I]

I have the honor to inform you that my Government concurs in the foregoing.

Please accept, dear Sir, the assurance of my highest consideration.

Stanislav KOPČOK
Counsellor of State for Foreign Affairs

Mr. James S. Killen
Counselor for Economic Affairs
Embassy of the United States of America
Beograd