

No. 3551

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**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.*

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**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. 3551. EXCHANGE OF LETTERS CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN THE UNITED STATES OF AMERICA AND YUGOSLAVIA RELATING TO ECONOMIC AID TO YUGOSLAVIA. BELGRADE, 12 MAY 1955

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I

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

May 12, 1955

Dear Mr. Ambassador :

In accordance with legislative authority and under conditions agreed upon between our two Governments, my Government has made available to your Government \$35,000,000 under Section 550 of Public Law 118 of July 16, 1953, as amended, for the procurement of certain agricultural commodities which were available in the United States. It is the hope of my Government that this program will contribute to the achievement of our common objectives in strengthening the defensive capacity and independence of Yugoslavia.

Following official notification of the dollar disbursement for such goods, and deposit of the equivalent dinar value thereof to the credit of the United States at the official rate of exchange prevailing at the time of such disbursement, the dinars so deposited shall be expended by the Government of the United States for the following purposes :

- (a) \$5,000,000 equivalent for off-shore procurement in Yugoslavia. These funds may be expended, at the option of the U. S. Government, and in accordance with the terms of specific OSP contracts, in payment of any OSP contracted between the Government of the United States and the Government of the FPRY;
- (b) \$10,000,000 equivalent for the construction of the Ljubljana-Zagreb military road subject to mutual agreement on the specific project (covering the points cited in Annex A of the Counterpart Release Agreement dated April 16, 1954);<sup>2</sup> and
- (c) \$20,000,000 equivalent for the construction of port and other transportation facilities in Yugoslavia subject to mutual agreement on the specific projects

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<sup>1</sup> Came into force on 12 May 1955 by the exchange of the said letters,

<sup>2</sup> United Nations, *Treaty Series*, Vol. 237.

(covering the points cited in Annex A of the Counterpart Release Agreement dated April 16, 1954).

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 the 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