

No. 5551

**YUGOSLAVIA
and
ITALY**

**Trade Agreement (with annexes and exchange of letters).
Signed at Rome, on 31 March 1955**

Official text: French.

Registered by Yugoslavia on 18 January 1961.

**YOUGOSLAVIE
et
ITALIE**

**Accord commercial (avec annexes et échange de lettres).
Signé à Rome, le 31 mars 1955**

Texte officiel français.

Enregistré par la Yougoslavie le 18 janvier 1961.

[TRANSLATION — TRADUCTION]

No. 5551. TRADE AGREEMENT¹ BETWEEN THE FEDERAL PEOPLE'S REPUBLIC OF YUGOSLAVIA AND THE ITALIAN REPUBLIC. SIGNED AT ROME, ON 31 MARCH 1955

The Government of the Federal People's Republic of Yugoslavia and the Government of the Italian Republic, reaffirming their desire to promote and facilitate the development of trade between the two countries to the greatest possible extent, have agreed on the following provisions :

Article 1

The two Contracting Parties shall extend to each other the most liberal treatment possible in respect of imports and exports.

The competent authorities of the two countries shall accord every possible administrative facility for the import into each of the two countries of products originating in and coming from the other country and the export of products originating in and coming from each of the two countries to the other.

Article 2

The two contracting Parties shall encourage and facilitate reciprocal trade to the greatest possible extent, having due regard to the traditional exchanges of goods between the two countries as shown in annexed schedules A² and B³ which are intended to serve as a guide.

For this purpose, the Joint Commission provided for in article 7 of this Agreement shall study the question of the practical development of trade between the two countries and shall adopt the necessary measures to ensure the greatest possible volume of trade.

Article 3

The two Contracting Parties undertake to apply the provisions of this Agreement in such a way as to ensure that trade between the two countries develops on the basis of sound international competition, particularly with regard to prices and terms.

¹ Came into force on 1 April 1955 by an exchange of notes, in accordance with article 8.

² See p. 323 of this volume.

³ See p. 325 of this volume.

Article 4

In the event of adverse developments on the market of either Party affecting the sectors concerned with trade between the two countries, the Joint Commission provided for in article 7 of this Agreement may be convened as a matter of urgency at the request of either Party in order to consider what measures should be taken to restore the normal flow of reciprocal trade.

Article 5

For the purposes of this Agreement Italian and Yugoslav products shall be deemed to be products originating in or coming from Italy and Yugoslavia.

Article 6

The settlement of payments relating to trade between the two countries shall be effected in accordance with the provisions of the Payments Agreement signed at Rome this day.

Article 7

The two Contracting Parties agree to set up a Joint Commission composed of representatives of the two Governments. Its function shall be to follow the development of trade between the two countries, having due regard to guiding schedules A and B attached to this Agreement.

The Joint Commission shall meet twice a year and, in any case, whenever a meeting is requested by either Contracting Party.

Article 8

This Agreement together with its annexes shall enter into force by an exchange of notes and shall remain in force for a period of one year. Unless denounced not less than two months before its expiry it shall be deemed to be renewed from year to year by tacit agreement.

DONE in duplicate at Rome in the French language, on 31 March 1955.

For the Federal People's Republic
of Yugoslavia :

(Signed) Osman KARABEGOVIĆ

(Signed) Dr. Stane PAVLIČ

For the Italian Republic :

(Signed) M. MARTINELLI

(Signed) Enzo STORONI

SCHEDULE A

YUGOSLAV EXPORTS TO ITALY

- | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ol style="list-style-type: none"> 1. Beef and veal. 2. Bovine cattle. 3. Pork. 4. Pigs. 5. Preserved meat. 6. Draught horses. 7. Horses for slaughter. 8. Small livestock. 9. Meat of small livestock. 10. Fish, fresh and salted. 11. Fish, preserved in oil. 12. Alcohol. 13. Prunes, edible. 14. Mushrooms. 15. Vetch. 16. Dried chicory root. 17. Hops. 18. Beer. 19. Potatoes. 20. Starches, glucose, dextrin, fecula. 21. French beans and other dried vegetables. 22. Poultry, live and slaughtered. 23. Game, live and slaughtered. 24. Eggs. 25. Oysters, crayfish and rock lobster. 26. Dried morello cherries. 27. Sorghum straw. 28. Hay and straw. 29. Guts. 30. Building wood roughly-squared with the axe (U.T.), 31. Sawn wood, conifer. 32. Sawn wood, oak, elm, ash and other broad-leaved species. 33. Sawn wood, beech. 34. Firewood. 35. Beechwood for cellulose. 36. Friezes, beech and oak. 37. Wood for the manufacture of musical instruments. 38. Plywood. 39. Veneer. 40. Charcoal. 41. "Istra" bauxite. 42. Chrome ore, including concentrates. 43. Zinc concentrates. | <ol style="list-style-type: none"> 44. Refined lead. 45. Antimony. 46. Cast Iron. 47. Zinc. 48. Zinc powder. 49. Super-refined ferro chromium. 50. Stone for the manufacture of lime and cement. 51. Quartz stone in blocks. 52. Cement. 53. "Istrabrand" cement. 54. Silicious, quartz and foundry sand. 55. Alumina. 56. Magnesite. 57. Refractory materials. 58. Fuel oil, gasoil. 59. "Arsa" coal. 60. Carbon black. 61. Crude opium. 62. Opium powder. 63. Alkaloids. 64. Sulphite Cellulose. 65. Horns, claws and hooves. 66. Feathers and down. 67. Hog bristles and cattle hair. 68. Sponges. 69. Pyrethrum. 70. Essential oils, other than essences of citrus fruits. 71. Medicinal plants. 72. Undressed lamb, kid, goat, sheep, pig and boar skins. 73. Tanned skins. 74. Natural silk waste. 75. Cocoon waste. 76. Raw wool, washed and unwashed. 77. Extracts of various plants. 78. Bismuth and organo-therapeutic substances. 79. Exposed film. 80. Handicraft articles. 81. Crude glycerine. 82. Window glass. 83. Crystals. 84. Tanning extracts. 85. Miscellaneous (see letter 4).¹ |
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¹ See letter VII, p. 333 of this volume.

SCHEDULE B

ITALIAN EXPORTS TO YUGOSLAVIA

1. Citrus fruits.
2. Rice.
3. Rayon, cellulosic fibres (*fibranne*), synthetic wool and synthetic fibres.
4. Cotton yarns.
5. Woollen yarns and fabrics.
6. Fabrics of synthetic textile fibres.
7. Natural silk yarn and fabrics; other yarns, fabrics and textile articles and manufactures; felt hat bodies and hats.
8. Chemical fertilizers, anti-cryptogamic products and insecticides.
9. Organic and inorganic dyes, including aniline dyes; varnishes, enamels and lacquers; plastic materials; synthetic resins and articles thereof.
10. Accelerators for the rubber industry.
11. Pharmaceutical products and proprietary medicines including antibiotics.
12. Other chemical products.
13. Tyres and inner tubes.
14. Electric and telephone cables and conductors.
15. Other rubber products.
16. Iron, steel, steel-alloy, aluminium and zinc products, rolled, shaped or drawn, and articles thereof.
17. Steel cables, cast iron and steel pipes; industrial pipe fittings and joints; collars.
18. Other products for metallurgy and the iron and steel industry.
19. Ferrous alloys.
20. Machines for the textile, printing and paper industry, for the handling and manufacture of tobacco and cigarettes, the tanning and footwear industry, agriculture and the food industry, pastry and confectionery making, etc.; machines for the oil industry and accessories and spare parts therefor.
21. Machine tools and equipment not elsewhere specified and accessories and spare parts therefor.
22. Public works and mining machinery and accessories and spare parts therefor; excavators, cranes, compressors, pneumatic hammers, drills, pumps.
23. Internal combustion and diesel engines and spare parts therefor.
24. Industrial and domestic sewing machines, typewriters, teletype machines, calculating machines, other office machines and cash registers, and accessories and spare parts therefor.
25. Ball and roller-bearings.
26. Motor vehicles, trolley-buses, tramcars, motor-cycles, motor scooters, mini-cars and bicycles, and accessories and spare parts therefor.
27. Tractors and accessories and spare parts therefor.
28. Railway rolling stock and equipment (heating and signalling equipment, signalling lamps, electric switch panels, track equipment etc.) excluding rails; garage and service station equipment.
29. Electric generators, electric motors, transformers, alternators, electric furnaces, and accessories and spare parts therefor.
30. Other electrical equipment, instruments and materials and materials for the application of electricity.
31. Wireless sets and wireless materials including those for motor vehicles; telephone sets; thermionic valves and accessories and spare parts therefor.
32. Electric lamps and parts thereof, excluding tungsten wire.
33. Graphite electrodes.
34. Medical, surgical and electro-medical apparatus and instruments; measuring, optical, precision and control, cinematographic and photographic apparatus and instruments; clocks, watches, etc., and mechanical and hand tools.
35. Sulphur.
36. Metallurgical coke.
37. Cork, crude and processed; cork products.
38. Products of the paper, glass, ceramic and optical industries; abrasives; photographic and cinematographic products; musical instruments; office requisites, sporting goods including boats, hand-craft articles, plumbing fixtures, metal fittings, locks and other metal hardware; tanned skins.

- | | |
|----------------------------------------------------|--------------------------|
| 39. Agricultural products not elsewhere specified. | 40. Exposed film. |
| | 41. Miscellaneous goods. |

EXCHANGE OF LETTERS

I

The Chairman of the Italian Delegation to the Chairman of the Yugoslav Delegation

Rome, 31 March 1955

Sir,

In the spirit of the undertakings referred to in article 1 of the Trade Agreement signed this day,¹ I have the honour to inform you that with a view to promoting trade between the two countries the Italian Government intends to permit the import *a dogana* of all the products originating in and coming from Yugoslavia which are specified in Schedule A annexed to the above-mentioned Trade Agreement, with the exception of the products listed in the attached schedule.²

Nevertheless, if the measures referred to in the first paragraph of this letter should in the future adversely affect the Italian market, the Italian Government reserves the right, after consulting the Joint Commission provided for in article 7 of the Trade Agreement signed this day, to adopt such measures as it may deem necessary.

I should be grateful if you would confirm your Government's agreement to the foregoing.

I have the honour to be etc.

(Signed) ENZO STORONI

ANNEX

YUGOSLAV PRODUCTS TO BE IMPORTED INTO ITALY ON A QUOTA BASIS

| | <i>Quantity or Value</i> | | <i>Quantity or Value</i> |
|--------------------------------------------|-------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| Beef and veal | 2,000 tons | " Arsa " coal | 50,000 tons |
| Bovine cattle | 12,000 head | Tanned skins | 50,000,000 lire |
| Draught horses and horses for slaughter | 15,000 head | Plywood | 800 m ³ |
| Pigs | 8,000 head | Veneer | 300 m ³ |
| Preserved meat | 500 tons | Refractory materials | 30,000,000 lire |
| Fish, fresh and salted | 2,000 tons | Fuel oil | 10,000 tons |
| Fish, preserved in oil | 300 tons | Window glass | 30,000,000 lire |
| Cast iron | 10,000 tons | Alcohol i.d., potatoes, pork, starches, glu- cose, dextrin, fecula, tanning extracts, beer, alumina, crys- tals, gas oil | p.m. |
| Super-refined ferro- chromium | 200 tons | | |
| Cement | 4,000 tons | | |
| | (including 2,000 " Istrabrand ") | | |

¹ See p. 319 of this volume.

² See below.

II

The Chairman of the Yugoslav Delegation to the Chairman of the Italian Delegation

Rome, 31 March 1955

Sir,

I have the honour to acknowledge receipt of your letter of today's date reading as follows :

[See letter I]

I have the honour to confirm my Government's agreement to the foregoing.

I have the honour to be etc.

(Signed) Dr. Stane PAVLIČ

ANNEX

[See p. 327 of this volume]

III

The Chairman of the Yugoslav Delegation to the Chairman of the Italian Delegation

Rome, 31 March 1955

Sir,

In the spirit of the undertakings referred to in article 1 of the Trade Agreement signed this day, I have the honour to confirm that subject to the general provisions in force in Yugoslavia, the Yugoslav Government will agree to the export from Yugoslavia to Italy of the products specified in guiding schedule A annexed to the above-mentioned Trade Agreement.

The Yugoslav Government will in any case agree to the export to Italy of the goods enumerated below, subject to the above-mentioned provisions, at least up to the values or quantities indicated for each :

| | |
|----------------------------------------------------------------------|------------------------|
| 1. Sawn wood, conifer | 140,000 m ³ |
| 2. Beech wood for cellulose | 350,000 m ³ |
| 3. Sawn wood, oak, elm, ash and other broad-leafed species | 50,000 m ³ |
| 4. Sawn wood, beech | 75,000 m ³ |
| 5. Friezes, beech and oak | 3,000 m ³ |
| 6. Building wood, roughly squared with the axe (U.T.) | p.m. |
| 7. Sulphite cellulose | 7,000 tons |
| 8. Refined lead | 6,000 tons |

I should be grateful if you would confirm your Government's agreement to the foregoing.

I have the honour to be etc.

(Signed) Dr. Stane PAVLIČ

IV

The Chairman of the Italian Delegation to the Chairman of the Yugoslav Delegation

Rome, 31 March 1955

Sir,

I have the honour to acknowledge receipt of your letter of today's date reading as follows :

[See letter III]

I have the honour to confirm my Government's agreement to the foregoing.

I have the honour to be etc.

(Signed) ENZO STORONI

V

The Chairman of the Italian Delegation to the Chairman of the Yugoslav Delegation

Rome, 31 March 1955

Sir,

In the spirit of the undertakings referred to in article 1 of the Trade Agreement signed this day, I have the honour to inform you that with a view to promoting trade between the two countries, the Italian Government intends to grant a wide measure of freedom with respect to exports to Yugoslavia.

The Italian Government is accordingly prepared to apply to Yugoslavia the general system in force in Italy (*Tabella Esport*).

Nevertheless, if the measures referred to in the second paragraph of this letter should in the future adversely affect the Italian market, the Italian Government reserves the right, after consulting the Joint Commission provided for in article 7 of the Trade Agreement signed this day, to adopt such measures as it may deem necessary.

I should be grateful if you would confirm your Government's agreement to the foregoing.

I have the honour to be etc.

(Signed) ENZO STORONI

VI

The Chairman of the Yugoslav Delegation to the Chairman of the Italian Delegation

Rome, 31 March 1955

Sir,

I have the honour to acknowledge receipt of your letter of today's date reading as follows :

[See letter V]

I have the honour to confirm my Government's agreement to the foregoing.

I have the honour to be etc.

(Signed) Dr. Stane PAVLIČ

VII

The Chairman of the Italian Delegation to the Chairman of the Yugoslav Delegation

Rome, 31 March 1955

Sir,

With reference to our discussions regarding the heading "Miscellaneous" in schedule A of the Trade Agreement signed this day, I have the honour to confirm my Government's agreement to the following :

A quota of 4,000 million Italian lire is granted for the heading in question, up to 40 million lire of which may be used for each item of the Italian Customs Tariff. It is understood, however, that imports of the Yugoslav goods in question may not exceed 100 million lire for each chapter of the said tariff. In the single case of Chapter XXV of the Italian Customs Tariff, goods may be imported up to a value of 150 million Italian lire, provided that imports under items 235, 236 and 237 of that tariff may not exceed a total value of 100 million lire.

The competent Italian authorities will adopt the necessary measures to permit—within the limits stated in the foregoing paragraph—the automatic import of goods originating in and coming from Yugoslavia which are covered by the heading, “ Miscellaneous ”. It is understood, however, that that heading shall not include goods the import of which into Italy from O.E.E.C. countries is subject to restriction or the following goods : cigars, cigarettes, salt, butter, sugar and citrus fruit essences.

I should be grateful if you would confirm your Government's agreement to the foregoing.

I have the honour to be etc.

(Signed) ENZO STORONI

VIII

The Chairman of the Yugoslav Delegation to the Chairman of the Italian Delegation

Rome, 31 March 1955

Sir,

I have the honour to acknowledge receipt of your letter of today's date reading as follows :

[See letter VII]

I have the honour to confirm my Government's agreement to the foregoing.

I have the honour to be etc.

(Signed) DR. STANE PAVLIČ

IX

The Chairman of the Italian Delegation to the Chairman of the Yugoslav Delegation

Rome, 31 March 1955

Sir,

In the course of the negotiations leading to the conclusion of the Trade Agreement signed this day the Yugoslav delegation expressed the desire that the competent Italian authorities should continue to purchase Yugoslav tobacco at least in the quantities hitherto imported by Italy.

I have the honour to inform you that during the application of the above-mentioned Trade Agreement the competent Italian authorities will do everything possible to comply with the Yugoslav request referred to in the first paragraph of this letter.

I have the honour to be etc.

(Signed) Enzo STORONI

X

The Chairman of the Yugoslav Delegation to the Chairman of the Italian Delegation

Rome, 31 March 1955

Sir,

I have the honour to acknowledge receipt of your letter of today's date reading as follows :

[See letter IX]

On behalf of my Government, I have the honour to note the foregoing.

I have the honour to be etc.

(Signed) Dr. Stane PAVLIČ

XI

The Chairman of the Italian Delegation to the Chairman of the Yugoslav Delegation

Rome, 31 March 1955

Sir,

In the course of the negotiations leading to the conclusion of the Trade Agreement signed this day, the Italian Delegation drew the attention of the Yugoslav delegation to the problem of exports to Italy of pulpwood for the manufacture of synthetic fibres.

In that connexion, bearing in mind the traditional imports of pulpwood and of synthetic fibres into Italy and Yugoslavia, respectively, the two Governments are prepared to view favourably the conclusion of any contracts that Italian and Yugoslav firms may see fit to negotiate with a view to ensuring reciprocally the import of pulpwood into Italy and of synthetic fibres into Yugoslavia.

I should be grateful if you would confirm your Government's agreement to the foregoing.

I have the honour to be etc.

(Signed) Enzo STORONI

XII

The Chairman of the Yugoslav Delegation to the Chairman of the Italian Delegation

Rome, 31 March 1955

I have the honour to acknowledge receipt of your letter of today's date reading as follows :

[See letter XI]

I have the honour to confirm my Government's agreement to the foregoing.

I have the honour to be etc.

(Signed) Dr. Stane PAVLIČ

XIII

The Chairman of the Yugoslav Delegation to the Chairman of the Italian Delegation

Rome, 31 March 1955

Sir,

With reference to the provisions in force in Yugoslavia prohibiting exports of certain Yugoslav products, I have the honour to inform you that if, during the term of the Trade Agreement signed this day, the Yugoslav authorities should allow the export of any of the products in question, the same treatment will also be accorded in respect of the export of that product to Italy.

At the same time I have the honour to confirm that if Yugoslav products not available for export at the present time should be exported in the future, Italian importers will be afforded the same opportunities as the importers of third countries to purchase the products in question.

I have the honour to be etc.

(Signed) Dr. Stane PAVLIČ

XIV

The Chairman of the Italian Delegation to the Chairman of the Yugoslav Delegation

Rome, 31 March 1955

Sir,

I have the honour to acknowledge receipt of your letter of today's date reading as follows :

[See letter XIII]

On behalf of my Government, I have the honour to note the foregoing.

I have the honour to be etc.

(Signed) ENZO STORONI

XV

The Chairman of the Italian Delegation to the Chairman of the Yugoslav Delegation

Rome, 31 March 1955

Sir,

Consistent with the liberal spirit characterizing the Trade Agreement signed this day, I have the honour to propose that if, during the term of the above-mentioned Trade Agreement, the Yugoslav authorities should allow the import of a product the import of which into Yugoslavia has previously been prohibited, the same treatment should be applied with respect to the import of that product from Italy.

I should also be grateful if you would confirm that the Government of the Federal People's Republic of Yugoslavia will allow, subject to the general provisions in force in Yugoslavia, imports of the Italian goods mentioned below up to the values or quantities stated for each.

- | | |
|-----------------------------------------------------------------------------------------------|--------------------|
| 1. Rayon, celulosic fibres (<i>fibranne</i>), synthetic wool and synthetic fibres | 2,000 million lire |
| 2. Natural woollen yarn | 1,500 million lire |
| 3. Sulphur | 5,000 tons |
| 4. Rice | 5,000 tons |
| 5. Organic and inorganic dyes | 300 million lire |

I should be grateful if you would confirm your Government's agreement to the foregoing.

I have the honour to be etc.

(Signed) ENZO STORONI

XVI

The Chairman of the Yugoslav Delegation to the Chairman of the Italian Delegation

Rome, 31 March 1955

Sir,

I have the honour to acknowledge receipt of your letter of today's date reading as follows :

[*See letter XV*]

I have the honour to confirm my Government's agreement to the foregoing.

I have the honour to be etc.

(*Signed*) Dr. Stane PAVLIČ
