

No. 6137

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**UNITED STATES OF AMERICA  
and  
AUSTRIA**

**Exchange of notes constituting an agreement relating to  
surplus agricultural commodities. Vienna, 9 August  
and 3 October 1961**

*Official texts: English and German.*

*Registered by the United States of America on 7 May 1962.*

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

**Échange de notes constituant un accord relatif aux surplus  
agricoles. Vienne, 9 août et 3 octobre 1961**

*Textes officiels anglais et allemand.*

*Enregistré par les États-Unis d'Amérique le 7 mai 1962.*

No. 6137. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN THE UNITED STATES OF AMERICA AND AUSTRIA RELATING TO SURPLUS AGRICULTURAL COMMODITIES. VIENNA, 9 AUGUST AND 3 OCTOBER 1961

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I

*The American Chargé d'Affaires ad interim to the Federal Chancellor of Austria*

Vienna, August 9, 1961

No. 141

Excellency :

I have the honor to refer to discussions and correspondence between officials of our two governments concerning the utilization of counterpart as may be generated from corn to be granted to the government of Austria under Title II of Public Law 480 by the International Cooperation Administration for the purpose of providing supplementary assistance for the Austrian Government's program of permanent refugee housing. The purpose of this letter is to communicate to you, Mr. Chancellor, our proposals concerning this matter, to ask you to be good enough to give them your consideration, and to suggest that if our proposals meet with your approval, this letter and your acceptance be considered an agreement to be known as the Title II P.L. 480 Counterpart Utilization Agreement for Permanent Refugee Housing Construction in Austria.

It is understood that the grant from the United States will be in the form of corn valued at \$1.61 million and that the counterpart to be generated therefrom for the indicated supplementary assistance will not exceed 41.86 million shillings.

The Permanent Refugee Housing Program in Austria is part of the World Refugee Year effort. The Government of Austria intends to close all refugee camps and replace them with permanent dwelling units for refugees. Recognizing the financial burden on the Austrian Government arising from refugee care, U.S. assistance is in response to a request from the Government of Austria, the Special Representative of the Secretary General of the United Nations, and the United Nations High Commissioner for Refugees to help support the plan to close refugee camps in Austria.

In addition to U.S. assistance the Austrian Government has received approximately AS 14 million from Norwegian, British and Swiss contributions to the World

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<sup>1</sup> Came into force on 3 October 1961 by the exchange of the said notes.

Refugee Year. The UNHCR will contribute AS 10.5 million for the construction of 250 units for mandatory refugees. The Federal Republic of Germany will contribute DM 13 million as an interest-free loan towards the construction of 900 dwelling units for refugees with German citizenship. United States assistance will contribute to the construction of 1,950 dwelling units, part of the overall Austrian program to construct 3,100 units.

The proposed construction will be patterned after the 3,400 refugee dwelling units already completed by the Austrian Government, namely, by erecting apartment houses, each containing the average twelve dwelling units consisting of a foyer, kitchen, bathroom, and other rooms dependent upon the size of the family. This form of construction is cheaper than either prefabs or other forms of housing which entail heavier land and facilities costs. The refugee housing units are to be erected in locations which guarantee their economic operation at all times. These units will be occupied by refugees and where vacancies occur, refugees will be given preference.

The occupants will be charged a rental, which on an illustrative 50 square meter dwelling unit, would total an estimated 280 schillings (\$10.80) per month. These returns to the Government of Austria over the life of the housing financed by the United States contribution will be less than a single year's Austrian budgetary allocation for refugee care.

The management of the units will be the responsibility of the builders, such as municipalities and non-profit building associations (Tenant Cooperatives).

The Government of Austria will deposit counterpart generated by the Title II corn granted to it in a special account in its name called the "Title II PL 480 Commodities Account".

Withdrawals from the account may be used to finance goods and services delivered for permanent refugee housing construction after June 29, 1961 (reference letter No. ICA-225, dated July 18, 1961<sup>1</sup> from the American Embassy to the Federal Chancellery and letter No. 135.078-11a/61 dated July 28, 1961 from the Federal Chancellery to the American Embassy).<sup>1</sup> Such deliveries include those for which contracts may have been let prior to the date of the above commitment.

Withdrawals shall be based upon the acceptance by the Austrian Government of procedures described in the enclosure<sup>1</sup> to letter No. ICA-225 and on the principle of an overall cost sharing. Inasmuch as the Austrian Government confirms that it had as of June 29, 1961 already expended 26,019,327.- schillings of its budgetary or borrowed funds on this program, effect will be given to the cost-sharing principle if the actual withdrawals from the account are related to further Austrian disbursements for the project in a ratio of 41.86 million schillings to that portion of the total Austrian contribution of 179.34 million schillings which remains to be spent on the project. It is agreed that this ratio is 1 : 4.28.

<sup>1</sup> Not printed by the Department of State of the United States of America.

It is estimated that the construction program will be completed by the end of 1962 and the final expenditure date from the Title II PL 480 Commodities Account will be December 30, 1963.

In the event that the housing program is curtailed before the completion of the presently contemplated 1,950 dwelling units or is completed at a lesser cost than estimated, or more than 41.86 million schillings are generated by the Title II grant, the ICA and the Austrian Government shall consult on other uses for any unexpended balances in this account, including their use for support of United States Government agencies engaged in refugee activities in lieu of a dollar contribution by the United States to international refugee agencies. In the event that any housing constructed under the program is so located or designed or managed that it clearly does not provide permanent housing for refugees in Austria, the Government of Austria will upon the request of ICA refund to the Title II PL 480 Commodities Account an amount of schillings equivalent to the Title II schillings withdrawn in support of any such housing and such refund shall be treated as if it were an unexpended balance under this agreement.

Financing, reporting, auditing and end-use checking of the project will be carried out as provided in the "Procedures" transmitted by Embassy letter No. ICA-225 of July 18, 1961.

Incorporated herein by reference is the detailed work plan of construction submitted by letter No. 187.396-12A/61 of July 5, 1961<sup>1</sup> by the Federal Ministry of Interior for the permanent refugee housing program.

Accept, Excellency, the renewed assurances of my highest consideration.

Dwight J. PORTER  
Chargé d'affaires ad interim

His Excellency Alfons Gorbach  
The Federal Chancellor  
Vienna

## II

*The Federal Chancellor of Austria to the American Ambassador*

[GERMAN TEXT — TEXTE ALLEMAND]

REPUBLIK ÖSTERREICH  
DER BUNDESKANZLER

Wien, am 3. Oktober 1961

Zl. 138.662-11a/61

Sehr geehrter Herr Botschafter !

Ich beehre mich, auf die Verhandlungen Bezug zu nehmen, die zwischen Vertretern Ihrer Botschaft und den zuständigen österreichischen Regierungsstellen über die Verwendung von Schillingerlösen aus dem Verkauf von rund 30.000 mt Futtermais

<sup>1</sup> Not printed by the Department of State of the United States of America.

In the course of the discussion it was agreed further that the Schilling funds to be deposited in the Special Account for each metric ton of feed corn shall correspond to the sale price of the corn, less documentable expenses allowed by the International Cooperation Administration (charges for transshipment at port of entry, railway transportation charges, etc.). The sale price shall be understood to be the applicable official decree price in Austria (*Importabgabepreis*) per metric ton of imported feed corn. Particulars of price, type of corn, delivery terms, consignees, ocean shipment, and any other special provisions shall be specified in the "transfer authorization" to be executed after conclusion of this agreement.

Accept, Mr. Ambassador, the renewed assurance of my high consideration.

Dr. A GORBACH

His Excellency H. Freeman Matthews  
Ambassador Extraordinary and Plenipotentiary  
of the United States of America  
Vienna