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No. 6344

**UNITED STATES OF AMERICA
and
YUGOSLAVIA**

**Agricultural Commodities Agreement under Title IV of the
Agricultural Trade Development and Assistance Act,
as amended (with exchange of notes). Signed at Bel-
grade, on 21 April 1962**

Official text: English.

Registered by the United States of America on 15 October 1962.

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

**Accord relatif aux produits agricoles, conclu dans le cadre
du titre IV de la loi tendant à développer et à favoriser
le commerce agricole, telle qu'elle a été modifiée (avec
échange de notes). Signé à Belgrade, le 21 avril 1962**

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 15 octobre 1962.

No. 6344. AGRICULTURAL COMMODITIES AGREEMENT¹
BETWEEN THE GOVERNMENT OF THE UNITED STATES
OF AMERICA AND THE GOVERNMENT OF THE
FEDERAL PEOPLE'S REPUBLIC OF YUGOSLAVIA UN-
DER TITLE IV OF THE AGRICULTURAL TRADE DE-
VELOPMENT AND ASSISTANCE ACT, AS AMENDED.
SIGNED AT BELGRADE, ON 21 APRIL 1962

The Government of the United States of America and the Government of the Federal People's Republic of Yugoslavia :

Recognizing the desirability of expanding trade in agricultural commodities between their two countries in a manner which would utilize surplus agricultural commodities, including the products thereof, produced in the United States of America to assist economic development in Yugoslavia ;

Recognizing that such expanded trade should be carried on in a manner which would not displace cash marketings of the United States of America in those commodities or unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with friendly countries ;

Recognizing further that by providing such commodities to Yugoslavia under long-term supply and credit arrangements, the resources and manpower of Yugoslavia can be utilized more effectively for economic development without jeopardizing meanwhile adequate supplies of agricultural commodities for domestic use ;

Desiring to set forth the understandings which will govern the sales, as specified below, of commodities to Yugoslavia pursuant to Title IV of the Agricultural Trade Development and Assistance Act, as amended (hereinafter referred to as the Act) ;

Have agreed as follows :

Article I

COMMODITY SALES PROVISIONS

1. Subject to issuance by the Government of the United States of America and acceptance by the Government of the Federal People's Republic of Yugoslavia

¹ Came into force on 21 April 1962, upon signature, in accordance with article V.

of credit purchase authorizations and to the availability of commodities under the Act at the time of exportation, the Government of the United States of America undertakes to finance, during the period July 1, 1961-June 30, 1962, sales for United States dollars, to purchasers authorized by the Government of the Federal People's Republic of Yugoslavia, of the following commodities :

<i>Commodity</i>	<i>Approximate Maximum Quantity</i>	<i>Export Market Value to be Financed (Millions)</i>
Cotton, upland	50,000 bales	\$7.0
Soybean meal	30,000 M/T	2.5
Ocean Transportation (estimated)	0.6
	TOTAL	\$10.1

The total amount of financing provided in the credit purchase authorizations shall not exceed the above-specified export market value to be financed, except that additional financing for ocean transportation will be provided if the estimated amount for financing shipments required to be made on United States flag vessels proves to be insufficient. It is understood that the Government of the United States of America will, as price declines or other marketing factors may require, limit the amount of financing provided in the credit purchase authorizations so that the quantities of commodities financed will not substantially exceed the above specified approximate maximum quantities.

2. Credit purchase authorizations will include provisions relating to the sale and delivery of such commodities and other relevant matters.

3. The financing, sale and delivery of commodities hereunder may be terminated by either Government if that Government determines that because of changed conditions the continuation of such financing, sale and delivery is unnecessary or undesirable.

Article II

CREDIT PROVISIONS

1. The Government of the Federal People's Republic of Yugoslavia will pay, or cause to be paid, in United States dollars to the Government of the United States of America for the commodities specified in Article I and related ocean transportation (except excess ocean transportation costs resulting from the requirement that United States flag vessels be used) the amount financed by the Government of the United States of America together with interest thereon.

2. The principal amount due for commodities delivered in each calendar year under this Agreement, including the applicable ocean transportation costs

related to such deliveries, shall be paid in fifteen approximately equal annual payments. The first annual payment for commodities delivered in any calendar year shall become due on December 31 of the year following the calendar year in which such deliveries were made. Subsequent annual payments shall become due at intervals of one year thereafter. Any annual payments may be made prior to the due date thereof.

3. Interest on the unpaid balance of the principal amount due the Government of the United States of America for commodities delivered in each calendar year shall be computed at the rate of 4 per centum per annum and shall begin on the date of the last delivery of commodities in such calendar year. Interest on each such unpaid balance shall be paid annually not later than the date on which the annual payment of principal becomes due.

4. All payments shall be made in United States dollars and the Government of the Federal People's Republic of Yugoslavia shall deposit, or cause to be deposited, such payments in the United States Treasury unless another depository is agreed upon by the two Governments.

5. The two Governments will each establish appropriate procedures to facilitate the reconciliation of their respective records of the amounts financed with respect to the commodities delivered during each calendar year.

6. For the purpose of determining the date of the last delivery of commodities for each calendar year, delivery shall be deemed to have occurred as of the on-board date shown in the ocean bill of landing which has been signed or initialed in behalf of the carrier.

Article III

GENERAL PROVISIONS

1. The Government of the Federal People's Republic of Yugoslavia will take all possible measures to prevent the resale or transshipment to other countries or the use for other than domestic consumption of the commodities purchased pursuant to the provisions of this Agreement.

2. The two Governments will take reasonable precautions to assure that sales or purchases of commodities pursuant to the Agreement will not displace cash marketings of the United States of America in these commodities or unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade of countries friendly to the United States of America.

3. The Government of the Federal People's Republic of Yugoslavia agrees to furnish, upon request of the Government of the United States of America, information on the progress of the program, particularly with respect to arrivals and

condition of commodities and the provisions for the maintenance of usual marketings, and information relating to exports of the same or like commodities.

Article IV

CONSULTATION

The two Governments will, upon request of either of them, consult regarding any matter relating to the application of this Agreement or to the operation of arrangements entered into pursuant to this Agreement.

Article V

ENTRY INTO FORCE

The Agreement shall enter into force upon signature.

IN WITNESS WHEREOF, the respective representatives, duly authorized for the purpose, have signed the present Agreement.

DONE at Belgrade, in duplicate this 21st day of April, 1962.

For the Government
of the United States of America :

Owen T. JONES
Counselor for Economic Affairs
Embassy of the United States of America

For the Government
of the Federal People's Republic
of Yugoslavia :

Jakša PETRIĆ
Ambassador in the Secretariat
of State for Foreign Affairs

EXCHANGE OF NOTES

I

The Counselor for Economic Affairs, American Embassy, to the Ambassador in the Yugoslav Secretariat of State for Foreign Affairs

April 21, 1962

Excellency :

I have the honor to refer to the Agricultural Commodities Agreement between the Government of the United States of America and the Government of the Federal People's Republic of Yugoslavia signed today¹ and to inform you of the following :

¹ See p. 124 of this volume.

It is the understanding of the Government of the United States of America that, in concurring that the delivery of Agricultural commodities pursuant to the Agreement should not displace usual marketing of the United States of America in these commodities or unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with friendly countries, the Government of the Federal People's Republic of Yugoslavia agrees that it will not permit export of cotton, oilseed meal or cake of either indigenous or imported origin, during the year ending June 30, 1962 or any subsequent period during which the commodities purchased under this Agreement are being imported and utilized.

It has previously been agreed between our two Governments, in connection with cotton supplied under Title I of the Act, that Yugoslavia will procure and import with its own resources from its normal suppliers at least 23,000 metric tons of cotton during the year ending June 30, 1962.

I shall appreciate receiving your confirmation that the foregoing also represents the understanding of the Government of the Federal People's Republic of Yugoslavia.

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

Owen T. JONES

His Excellency Jakša Petrić
Ambassador in the Secretariat of State for Foreign Affairs
Belgrade

II

*The Ambassador in the Yugoslav Secretariat of State for Foreign Affairs to the
Counselor for Economic Affairs, American Embassy*

April 21, 1962

Sir :

I have the honor to acknowledge the receipt of your letter dated April 21, 1962 which reads as follows :

[See note I]

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

Accept, Sir, the renewed assurances of my highest considerations.

Jakša PETRIĆ

Mr. Owen T. Jones
Counselor for Economic Affairs
American Embassy
Belgrade