

No. 8351

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 Belgrade, on 22 November 1965

Exchange of notes constituting an agreement amending the above-mentioned Agreement. Belgrade, 21 January 1966

Official text : English.

Registered by the United States of America on 29 September 1966.

ÉTATS-UNIS D'AMÉRIQUE
et
YOUUGOSLAVIE

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 22 novembre 1965

Échange de notes constituant un avenant à l'Accord susmentionné. Belgrade, 21 janvier 1966

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 29 septembre 1966.

No. 8351. AGRICULTURAL COMMODITIES AGREEMENT¹
BETWEEN THE GOVERNMENT OF THE UNITED STATES
OF AMERICA AND THE GOVERNMENT OF THE
SOCIALIST FEDERAL REPUBLIC OF YUGOSLAVIA
UNDER TITLE IV OF THE AGRICULTURAL TRADE
DEVELOPMENT AND ASSISTANCE ACT, AS AMENDED.
SIGNED AT BELGRADE, ON 22 NOVEMBER 1965

The Government of the United States of America and the Government of the Socialist Federal Republic of Yugoslavia ;

Recognizing the desirability of expanding trade in agricultural commodities between their two countries in a manner which would utilize 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 ;

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 Socialist Federal Republic of Yugoslavia

¹ Came into force on 22 November 1965, 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 periods specified in the following table or such longer periods as may be authorized by the Government of the United States of America, sales for United States dollars, to purchasers authorized by the Government of the Socialist Federal Republic of Yugoslavia, of the following commodities :

<i>Commodity</i>	<i>Supply Period</i>	<i>Approximate Maximum Quantity (Metric tons)</i>	<i>Maximum Export Market Value to be Financed (1,000)</i>
Wheat	United States Fiscal Year 1966	700,000	\$40,446
Ocean Transportation (estimated)		\$ 5,443
	TOTAL		\$45,889

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 Socialist Federal 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 12 annual payments. The first annual payment for commodities delivered in any calendar year shall become due two years after the date of last delivery of commodities in such calendar year. Subsequent annual payments shall become due at intervals of one year thereafter. The first and second annual payments for commodities delivered in each calendar year under this agreement, including the applicable ocean transportation costs related to such deliveries shall each be \$1,000,000 or one-twelfth ($\frac{1}{12}$) of the principal amount due, whichever is less. The balance shall be paid in 10 approximately equal annual payments. Any annual payment 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 $3\frac{1}{2}$ percent per annum and shall begin on the date of 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 Socialist Federal Republic of Yugoslavia shall deposit, or cause to be deposited, such payments in the United States Treasury for credit to the Commodity Credit Corporation 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 lading which has been signed or initialed on behalf of the carrier.

Article III

GENERAL PROVISIONS

1. The Government of the Socialist Federal 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 agricultural commodities purchased pursuant to this agreement; to prevent the export of any commodity of either domestic or foreign origin which is the same as or like the commodities purchased pursuant to this agreement during the period beginning on the date of this agreement and ending on the final date on which said commodities are being received and utilized (except where such export is specifically approved by the Government of the United States of America); and to ensure that the purchase of commodities pursuant to this agreement does not result in increased availability of these or like commodities to other countries.

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 Socialist Federal 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 conditions of commodities, and information relating to exports of the same or like commodities.

Article IV

CONSULTATIONS

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 Beograd in duplicate this 22nd day of November 1965.

For the Government
of the United States of America :

C. BURKE ELBRICK
Ambassador of the United States
of America

For the Government
of the Socialist Federal Republic
of Yugoslavia :

Srdja PRICA
Ambassador in the Secretariat
of State for Foreign Affairs

EXCHANGE OF NOTES

I

U.S. Note

Beograd, November 22, 1965

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 Socialist Federal Republic of Yugoslavia signed today, and to inform you of my Government's understanding of the following :

In concurring that the delivery of agricultural commodities pursuant to the agreement should not displace usual marketings of the United States of America in these commodities or unduly disrupt world prices of agricultural commodities, the Government of the Socialist Federal Republic of Yugoslavia agrees that it will not permit the export, during United States Fiscal year 1966 or any subsequent period during which the commodities purchased under the agreement are being imported and utilized, any wheat and/or wheat flour of either indigenous or domestic origin.

With regard to paragraph 3, Article III of the Agreement, the Government of the Socialist Federal Republic of Yugoslavia agrees to furnish quarterly the following information in connection with each shipment of commodities received under the Agreement : the name of each vessel ; the date of arrival ; the port of arrival ; the commodity and quantity received ; the condition in which received ; the date unloading was completed ; and the disposition of the cargo, i.e., stored, distributed locally, or if shipped where shipped. In addition, the Government of the Socialist Federal Republic of Yugoslavia agrees to furnish quarterly : (a) a statement of measures it has taken to prevent the resale or transshipment of commodities furnished, (b) assurances that the program will not result in increased availability of the same or like commodities to other nations, and (c) a statement by the Government of the Socialist Federal Republic of Yugoslavia, accompanied by statistical data on imports and exports by country of origin or destination of commodities which are the same or like those imported under the agreement.

I shall appreciate receiving your confirmation that the foregoing also represents the understanding of the Socialist Federal Republic of Yugoslavia.

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

C. Burke ELBRICK
Ambassador of the United States of America

His Excellency Srdja Prica
Ambassador in the Secretariat of State
for Foreign Affairs
Beograd

II

Yugoslav Note

Beograd, November 22, 1965

Excellency :

I have the honor to acknowledge the receipt of your note dated November 22, 1965, which reads as follows :

[*See note I*]

I have the honor to inform you of the concurrence of my Government in the foregoing.

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

Srdja PRICA
Ambassador in the Secretariat of State
for Foreign Affairs

His Excellency C. Burke Elbrick
Ambassador of the United States of America
Beograd

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹
BETWEEN THE UNITED STATES OF AMERICA AND
YUGOSLAVIA AMENDING THE AGRICULTURAL COM-
MODITIES AGREEMENT OF 22 NOVEMBER 1965.²
BELGRADE, 21 JANUARY 1966

I

*The American Ambassador to the Yugoslav Counselor of the State Secretary for Foreign
Affairs*

Belgrade, January 21, 1966

No. 477

Excellency :

I have the honor to refer to the Agricultural Commodities Agreement between our two Governments of November 22, 1965,² and to propose that the commodity table in Article I be amended by increasing wheat for the supply period United States Fiscal Year 1966 to 1,350,000 metric tons and increasing the maximum export market value to \$78,393,000, increasing ocean transportation (estimated) to \$8,004,000 and increasing the total to \$86,397,000.

It is proposed that this Note and your reply concurring therein will constitute an agreement between our two Governments to enter into force on the date of your reply.

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

C. Burke ELBRICK

His Excellency Srdja Prica
Counselor of the State Secretary
for Foreign Affairs
Belgrade

¹ Came into force on 21 January 1966 by the exchange of the said notes.

² See p. 212 of this volume.

II

The Yugoslav Counselor of the State Secretary for Foreign Affairs to the American Ambassador

Belgrade, January 21, 1966

No. 42870/66

Excellency :

I have the honor to acknowledge the receipt of your Note No. 477, dated January 21, 1966, which reads as follows :

[See note I]

I have the honor to inform you of the concurrence of my Government in the foregoing.

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

Srdja PRICA

His Excellency C. Burke Elbrick
Ambassador of the United States of America
Beograd