No. 323

UNITED STATES OF AMERICA
and
AUSTRIA

Economic Cooperation Agreement (with annex). Signed at Vienna, on 2 July 1948

English and German official texts communicated by the Officer in charge of the New York Office of the United States Mission to the United Nations. The registration took place on 10 December 1948.

ETATS-UNIS D'AMERIQUE
et
AUTRICHE

Accord de coopération économique (avec annexe). Signé à Vienne, le 2 juillet 1948.

Textes officiels anglais et allemand communiqués par le Directeur du Bureau de New-York de la Mission des Etats-Unis auprès de l'Organisation des Nations Unies. L'enregistrement a eu lieu le 10 décembre 1948.

No. 323. ECONOMIC COOPERATION AGREEMENT[1] BETWEEN THE UNITED STATES OF AMERICA AND AUSTRIA. SIGNED AT VIENNA, ON 2 July 1948

Preamble

The Governments of the United States of America and Austria:

Recognizing that the restoration or maintenance in European countries of principles of individual liberty, free institutions, and genuine independence rests largely upon the establishment of sound economic conditions, stable international economic relationships, and the achievement by the countries of Europe of a healthy economy independent of extraordinary outside assistance;

Recognizing that a strong and prosperous European economy is essential for the attainment of the purposes of the United Nations;

Considering that the achievement of such conditions calls for a European recovery plan of self help and mutual cooperation, open to all nations which cooperate in such a plan, based upon a strong production effort, the expansion of foreign trade, the creation or maintenance of internal financial stability and the development of economic cooperation, including all possible steps to establish and maintain valid rates of exchange and to reduce trade barriers;

Considering that in furtherance of these principles the Government of Austria has joined with other like-minded nations in a Convention for European Economic Cooperation signed at Paris on April 16, 1948,[2] under which the signatories of that Convention agreed to undertake as their immediate task the elaboration and execution of a joint recovery program, and that the Government of Austria is a member of the Organization for European Economic Cooperation created pursuant to the provisions of that Convention;

[1] Came into force on 2 July 1948, as from the date of signature, in accordance with article XI.

[2] United States of America, Department of State publication 3145.

Considering also that, in furtherance of these principles, the Government of the United States of America has enacted the Economic Cooperation Act of 1948,[1] providing for the furnishing of assistance by the United States of America to nations participating in a joint program for European recovery, in order to enable such nations through their own individual and concerted efforts to become independent of extraordinary outside economic assistance;

Taking note that the Government of Austria has already expressed its adherence to the purposes and policies of the Economic Cooperation Act of 1948;

Desiring to set forth the understandings which govern the furnishing of assistance by the Government of the United States of America under the Economic Cooperation Act of 1948, the receipt of such assistance by Austria, and the measures which the two governments will take individually and together in furthering the recovery of Austria as an integral part of the joint program for European recovery;

Have agreed as follows:

Article I

ASSISTANCE AND COOPERATION

1. The Government of the United States of America undertakes to assist Austria by making available to the Government of Austria or to any person, agency or organization designated by the latter Government such assistance as may be requested by it and approved by the Government of the United States of America. The Government of the United States of America will furnish this assistance under the provisions, and subject to all of the terms, conditions and termination provisions of the Economic Cooperation Act of 1948, acts amendatory and supplementary thereto and appropriation acts thereunder, and will make available to the Government of Austria only such commodities, services and other assistance as are authorized to be made available by such acts.

2. The Government of Austria, acting individually and through the Organization for European Economic Cooperation, consistently with the Con-

[1] United States of America, Public Law 472, 80th Congress; see *Treaties and Other International Acts Series*, 1780.

vention for European Economic Cooperation signed at Paris on April 16, 1948, will exert sustained efforts in common with other participating countries speedily to achieve through a joint recovery program economic conditions in Europe essential to lasting peace and prosperity and to enable the countries of Europe participating in such a joint recovery program to become independent of extraordinary outside economic assistance within the period of this Agreement. The Government of Austria reaffirms its intention to take action to carry out the provisions of the general obligations of the Convention for European Economic Cooperation, to continue to participate actively in the work of the Organization for European Economic Cooperation, and to continue to adhere to the purposes and policies of the Economic Cooperation Act of 1948.

3. With respect to assistance furnished by the Government of the United States of America to Austria and procured from areas outside the United States of America, its territories and possessions, the Government of Austria will cooperate with the Government of the United States of America in ensuring that procurement will be effected at reasonable prices and on reasonable terms and so as to arrange that the dollars thereby made available to the country from which the assistance is procured are used in a manner consistent with any arrangements made by the Government of the United States of America with such country.

Article II

General Undertakings

1. In order to achieve the maximum recovery through the employment of assistance received from the Government of the United States of America, the Government of Austria will use its best endeavors:

a. To adopt or maintain the measures necessary to ensure efficient and practical use of all the resources available to it, including

(1) such measures as may be necessary to ensure that the commodities and services obtained with assistance furnished under this Agreement are used for purposes consistent with this Agreement and, as far as practicable with the general purposes outlined in the schedules furnished by the Government of Austria in support of the requirements

of assistance to be furnished by the Government of the United States of America;

(2) the observation and review of the use of such resources through an effective follow-up system approved by the Organization for European Economic Cooperation; and

(3) to the extent practicable, measures to locate, identify and put into appropriate use in furtherance of the joint program for European recovery assets, and earnings therefrom, which belong to nationals of Austria and which are situated within the United States of America, its territories or possessions. Nothing in this clause imposes any obligation on the Government of the United States of America to assist in carrying out such measures or on the Government of Austria to dispose of such assets.

b. To promote the development of industrial and agricultural production on a sound economic basis; to achieve such production targets as may be established through the Organization for European Economic Cooperation; and when desired by the Government of the United States of America to communicate to that Government detailed proposals for specific projects contemplated by the Government of Austria to be undertaken in substantial part with assistance made available pursuant to this Agreement, including whenever practicable projects for increased production of food.

c. To stabilize its currency, establish or maintain a valid rate of exchange, balance its governmental budget as soon as practicable, create or maintain internal financial stability, and generally restore or maintain confidence in its monetary system.

d. To cooperate with other participating countries in facilitating and stimulating an increasing interchange of goods and services among the participating countries and with other countries and in reducing public and private barriers to trade among themselves and with other countries.