

No. 5884

**UNITED STATES OF AMERICA
and
YUGOSLAVIA**

**Agricultural Commodities Agreement under Title I of the
Agricultural Trade Development and Assistance Act,
as amended (with exchange of letters). Signed at
Belgrade, on 28 April 1961**

Official text: English.

Registered by the United States of America on 29 September 1961.

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

**Accord relatif aux produits agricoles, conclu dans le cadre
du titre I de la loi tendant à développer et à favoriser
le commerce agricole, telle qu'elle a été modifiée (avec
échange de lettres). Signé à Belgrade, le 28 avril 1961**

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 29 septembre 1961.

No. 5884. AGRICULTURAL COMMODITIES AGREEMENT¹
BETWEEN THE UNITED STATES OF AMERICA AND THE
FEDERAL PEOPLE'S REPUBLIC OF YUGOSLAVIA UN-
DER TITLE I OF THE AGRICULTURAL TRADE DEVEL-
OPMENT AND ASSISTANCE ACT, AS AMENDED. SIGN-
ED AT BELGRADE, ON 28 APRIL 1961

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 and with other friendly nations in a manner which would not displace usual marketings 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 ;

Considering that the purchase for dinars of surplus agricultural commodities produced in the United States of America will assist in achieving such an expansion of trade ;

Considering that the dinars accruing from such purchase will be utilized in a manner beneficial to both countries ;

Desiring to set forth the understandings which will govern the sales, as specified below, of agricultural commodities to Yugoslavia pursuant to Title I of the Agricultural Trade Development and Assistance Act, as amended (hereinafter referred to as the Act), and the measures which the two Governments will take individually and collectively in furthering the expansion of trade in such commodities ;

Have agreed as follows :

Article I

SALES FOR DINARS

1. Subject to the availability of commodities for programing under the Act and to issuance by the Government of the United States of America and acceptance by the Government of the Federal People's Republic of Yugoslavia of purchase authorizations, the Government of the United States of America undertakes to finance the

¹ Came into force on 28 April 1961, upon signature, in accordance with article VI.

sales for dinars to purchasers authorized by the Government of the Federal People's Republic of Yugoslavia of the following agricultural commodities determined to be surplus pursuant to the Act, in the amounts indicated :

<i>Commodity</i>	<i>Export market value (millions)</i>
Wheat	\$12.2
Cotton	6.7
Cottonseed/Soybean oil	8.7
Lemons	0.2
Ocean transportation (estimated)	2.6
	TOTAL \$30.4

2. Applications for purchase authorizations will be made within 90 calendar days of the effective date of this Agreement, except that application for purchase authorizations for any additional commodities or amounts of commodities provided for in any amendment to this Agreement will be made within 90 days after the effective date of such amendment. Purchase authorizations will include provisions relating to the sale and delivery of commodities, the time and circumstances of deposit of the dinars accruing from such sale, and other relevant matters.

3. Purchase and shipment of the commodities mentioned above will be made within 18 calendar months of the effective date of this Agreement.

Article II

USES OF DINARS

1. The dinars accruing to the Government of the United States of America as a consequence of sales made pursuant to this Agreement will be used by the Government of the United States of America, in such manner and order of priority as the Government of the United States of America shall determine, for the following purposes in the amounts shown :

a) For United States expenditures under subsections (a), (b), (f), (h), (i), (j), (k), (l), (m), (n), (o), (p), (q) and (r) of Section 104 of the Act or under any of such subsections, ten percent of the dinars accruing pursuant to this Agreement. The Government of the United States of America in considering possible expenditures of these funds will give due regard to the balance of payments situation of Yugoslavia.

b) For grants to the Government of the Federal People's Republic of Yugoslavia under Section 104 (e) of the Act for financing such projects to promote balanced economic development of Yugoslavia as may be mutually agreed, forty-five percent of the dinars accruing pursuant to this Agreement.

c) For a loan to the Government of the Federal People's Republic of Yugoslavia under Section 104 (g) of the Act for financing such projects to promote the economic development of Yugoslavia as may be mutually agreed, forty-five percent of the dinars accruing pursuant to this Agreement. The terms and conditions of the loan and other provisions will be set forth in a separate loan agreement. It is further understood that loan funds shall be disbursed only after prior agreement as to the uses of such loan funds.

2. In the event the dinars set aside for grants or loan to the Government of the Federal People's Republic of Yugoslavia are not advanced within three years from the date of this Agreement as a result of failure of the two Governments to reach agreement on the use of such dinars, the Government of the United States of America may use the dinars for any purpose authorized by Section 104 of the Act.

Article III

DEPOSIT OF DINARS

1. The deposit of dinars to the account of the Government of the United States of America in payment for the commodities and for ocean transportation costs financed by the Government of the United States of America (except excess costs resulting from the requirement that United States-flag vessels be used) shall be made at the rate of exchange for United States dollars generally applicable to import transactions (excluding imports granted a preferential rate) in effect on the dates of dollar disbursement by United States banks or by the Government of the United States of America, as provided in the purchase authorizations.

2. In the event that a subsequent Agricultural Commodities Agreement or Agreements should be signed by the two Governments under the Act, any refunds of dinars which may be due or become due under this Agreement more than two years from the effective date of this Agreement will be made by the Government of the United States of America from funds available from the most recent Agricultural Commodities Agreement in effect at the time of the refund.

Article IV

GENERAL UNDERTAKINGS

1. The Government of the Federal People's Republic of Yugoslavia agrees that it will take all possible measures to prevent the resale or transshipment to other countries, or use for other than domestic purposes (except where such resale, transshipment or use is specifically approved by the Government of the United States of America), of agricultural commodities purchased pursuant to the provisions of this Agreement.

2. The two Governments agree that they will take reasonable precautions to assure that all sales or purchases of agricultural commodities pursuant to this Agreement will not displace usual marketings 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.

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 V

CONSULTATION

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

Article VI

ENTRY INTO FORCE

This Agreement shall enter into force upon signature.

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

DONE in duplicate at Belgrade, this 28th day of April, 1961.

For the Government
of the United States of America :

Raymond E. LISLE
Chargé d'Affaires ad interim
of the United States of America

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

Stanislav KOPČOK
Ambassador in the Secretariat
of State for Foreign Affairs
of the FPR of Yugoslavia