No. 6640

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 notes). Signed at Belgrade, on 28 November 1962

Official text: English.

Registered by the United States of America on 18 April 1963.

ÉTATS-UNIS D'AMÉRIQUE
et
YOUGOSLAVIE

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 notes). Signé à Belgrade, le 28 novembre 1962

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 18 avril 1963.

No. 6640. AGRICULTURAL COMMODITIES AGREEMENT[1] BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE FEDERAL PEOPLE'S REPUBLIC OF YUGOSLAVIA UNDER TITLE I OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT, AS AMENDED. SIGNED AT BELGRADE, ON 28 NOVEMBER 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 and with other friendly countries 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 agricultural commodities produced in the United States of America will assist in achieving such an expansion of trade ;

Considering that the dinars accruing frcm such purchases 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 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 and to the availability of commodities under the Act at the time of exportation, the Government of the United States of America undertakes to

[1] Came into force on 28 November 1962, upon signature, in accordance with article VI.

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

Commodity	*Export Market Value (millions)*
Wheat	$77.1
Edible Oils	6.3
Ocean transportation (estimated)	8.7
TOTAL	$92.1

2. Applications for purchase authorizations will be made within 90 calendar days of the effective date of this Agreement, except that applications 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. The financing, sale and delivery of commodities under this Agreement may be terminated by either Government if that Government determines that because of changed conditions the continuation of such financing, sale or delivery is unnecessary or undesirable.

Article II

USES OF DINARS

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*) and (*h*) through (*r*) of Section 104 of the Act or under any of such subsections, ten percent of the dinars accruing pursuant to this Agreement.

B. 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, ninety 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. In the event that the two Governments have not agreed within three years from the date of this Agreement on the uses of the dinars set aside for a loan, 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 amount of dinars to be deposited to the account of the Government of the United States of America shall be the equivalent of the dollar sales value of the commodities and ocean transportation costs reimbursed or financed by the Government of the United States of America (except excess cost resulting from the requirement that United States flag vessels be used) converted into dinars as follows :

(*a*) at the rate for dollar exchange applicable to commercial import transactions on the dates of dollar disbursements by the United States, provided that a unitary exchange rate applying to all foreign exchange transactions is maintained by the Government of the Federal People's Republic of Yugoslavia, or

(*b*) if more than one legal rate for foreign exchange transactions exists, at a rate of exchange to be mutually agreed upon from time to time between the Government of the United States of America and the Government of the Federal People's Republic of Yugoslavia.

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 would 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

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 purposes of the agricultural commodities purchased pursuant to the provisions of this Agreement (except where such resale, transshipment or use is specifically approved by the Government of the United States of America).

2. The two Governments will take reasonable precautions to assure that all sales or purchases of agricultural commodities pursuant to this Agreement will 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.