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
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 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 AGREEMENT[1] 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 :

Commodity	*Supply Period*	*Approximate Maximum Quantity (Metric tons)*	*Maximum Export Market Value to be Financed (1,000)*
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 calender 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 datc 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 $1,000,000 or one-twelfth ($^1/_1$.) of the principal amount due, which ever 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 3½ 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 occured 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 of 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.