

No. 8818

**UNION OF SOVIET SOCIALIST REPUBLICS
and
YUGOSLAVIA**

Agreement on economic and technical assistance in the construction and expansion of ferrous and non-ferrous metallurgy and power engineering enterprises and other industrial facilities in the Socialist Federal Republic of Yugoslavia (with annex). Signed at Belgrade, on 29 August 1966

Official texts : Russian and Serbo-Croat.

Registered by the Union of Soviet Socialist Republics on 27 October 1967.

**UNION DES RÉPUBLIQUES SOCIALISTES
SOVIÉTIQUES
et
YUGOSLAVIE**

Accord relatif à une assistance économique et technique pour la construction et l'expansion d'entreprises métallurgiques (métaux ferreux et non ferreux) et de production d'énergie et d'autres installations industrielles en République fédérative socialiste de Yougoslavie (avec annexe). Signé à Belgrade, le 29 août 1966

Textes officiels russe et serbo-croate.

Enregistré par l'Union des Républiques socialistes soviétiques le 27 octobre 1967.

[TRANSLATION — TRADUCTION]

No. 8818. AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNION OF SOVIET SOCIALIST REPUBLICS AND THE GOVERNMENT OF THE SOCIALIST FEDERAL REPUBLIC OF YUGOSLAVIA ON ECONOMIC AND TECHNICAL ASSISTANCE IN THE CONSTRUCTION AND EXPANSION OF FERROUS AND NON-FERROUS METALLURGY AND POWER ENGINEERING ENTERPRISES AND OTHER INDUSTRIAL FACILITIES IN THE SOCIALIST FEDERAL REPUBLIC OF YUGOSLAVIA. SIGNED AT BELGRADE, ON 29 AUGUST 1966

The Government of the Union of Soviet Socialist Republics and the Government of the Socialist Federal Republic of Yugoslavia,

Guided by relations of friendship and fraternal mutual assistance,

Seeking further to develop and strengthen economic and technical cooperation between the two countries, and

Bearing in mind the provisions of the Soviet-Yugoslav Protocol of 7 June 1965, concerning negotiations on economic questions,

Have agreed as follows :

Article 1

The Government of the Union of Soviet Socialist Republics shall ensure that during the period 1966-1971 Soviet organizations provide economic and technical assistance to Yugoslav organizations in the construction and expansion of ferrous and non-ferrous metallurgy and power engineering enterprises and other industrial facilities in accordance with the annex to this Agreement.

Article 2

The technical assistance provided for in article 1 of this Agreement shall be rendered by the competent Soviet organizations by :

— Carrying out planning work ;

— Delivering to the Socialist Federal Republic of Yugoslavia equipment

¹ Came into force on 10 April 1967, the date of the exchange of the instruments of ratification at Moscow, in accordance with article 11.

- and materials produced in the Soviet Union which are required for the construction and expansion of enterprises and facilities, together with machinery for construction work ;
- Seconding Soviet specialists to the Socialist Federal Republic of Yugoslavia to provide technical assistance in construction (designer's supervision and consultations), in the assembly and installation of equipment delivered from the USSR and in bringing such equipment into operation ;
 - Affording Yugoslav specialists an opportunity to receive appropriate industrial and technical training at Soviet enterprises and to engage in consultations in connexion with the technical assistance provided for by this Agreement.

Article 3

The Government of the Union of Soviet Socialist Republics shall grant the Government of the Socialist Federal Republic of Yugoslavia a loan of up to \$US 160 million of account at 2 per cent interest *per annum* to pay for planning work, for deliveries from the USSR of equipment required for the construction and expansion of the enterprises and facilities provided for by this Agreement, and for machinery for construction work.

Such portion of the loan as is used to pay for planning work and for deliveries from the USSR of equipment required for the construction and expansion of enterprises and facilities shall be repaid by the Yugoslav Party over a period of ten years in equal annual instalments, payable not later than 15 December of each year beginning with the year following the year in which delivery of the complete set of equipment for each individual enterprise and facility is completed.

Such portion of the loan as is used to pay for deliveries of machinery for construction work shall be repaid by the Yugoslav Party over a period of five years in equal annual instalments, beginning with the year following the year in which each consignment of the said machinery is delivered.

Interest on the loan shall accrue from the date on which the relevant portion of the loan is taken down and shall be paid during the first quarter of the year following the year for which it is payable. The date on which the loan is taken down shall be deemed to be the date of the bill of lading or the date of the stamp of the frontier station of the supplying country on the railway way bill, and for planning work the date shall be deemed to be the date of the account.

The date of the completion of delivery of the complete set of equipment and materials for each enterprise and facility shall be attested by a letter from the Soviet supplying organization which shall be sent to the Yugoslav

purchasing organization, enclosing the account and bill of lading or railway way bill for the last delivery for each enterprise and facility, as stipulated in the contracts.

The Yugoslav purchasing organization shall confirm the completion of deliveries in writing within ten days after the date of receipt of the above-mentioned letter from the Soviet supplying organization.

If the cost of planning work and actual deliveries of equipment and machinery exceeds the amount of the loan to be granted in accordance with this article, namely \$US 160 million of account, the excess shall be paid by the Yugoslav Party in accordance with the Soviet-Yugoslav Trade¹ and Payments² Agreements now in force.

Article 4

The repayment of the loan and the payment of accrued interest thereon shall be effected by the Yugoslav Party by means of deliveries of goods to the USSR under the Soviet-Yugoslav Trade Agreement, which shall remain valid during the period of repayment of the loan.

Payments in repayment of the loan and in respect of accrued interest thereon shall be effected by entering the appropriate amounts in the special accounts in United States dollars as the currency of account opened by the Banks of the two Parties in accordance with the Soviet-Yugoslav Payments Agreement of 5 January 1955 or by such other method as may be provided for in a similar agreement between the Parties during the period of validity of this Agreement.

The amounts received in the above-mentioned accounts in repayment of the loan and in payment of accrued interest shall be taken into account by the Parties in reaching agreement on the schedules and quantities of reciprocal deliveries of goods for the calendar year in question.

Article 5

The number, specialties, and length of stay of the Soviet specialists seconded to the Socialist Federal Republic of Yugoslavia to provide technical assistance and of the Yugoslav specialists visiting the USSR for industrial and technical training under this Agreement shall be determined by agreement between the appropriate organizations of the Parties, and the secondment and visits in question shall take place under the conditions specified in the Soviet-Yugoslav Agreements of 29 April 1964 "on conditions for the secondment of Soviet specialists to the Socialist Federal Republic of Yugoslavia and of Yugoslav specialists to the USSR to provide technical assistance

¹ United Nations, *Treaty Series*, Vol. 240, p. 207.

² United Nations, *Treaty Series*, Vol. 240, p. 225.