

**No. 4002**

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**UNITED STATES OF AMERICA  
and  
YUGOSLAVIA**

**Agricultural Commodities Agreement. Signed at Belgrade,  
on 3 November 1956**

**Exchange of notes constituting an agreement amending the  
above-mentioned Agreement. Washington, 23 and 24  
January 1957**

*Official text: English.*

*Registered by the United States of America on 28 September 1957.*

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

**Accord relatif aux produits agricoles. Signé à Belgrade, le  
3 novembre 1956**

**Échange de notes constituant un accord modifiant l'Accord  
susmentionné. Washington, 23 et 24 janvier 1957**

*Texte officiel anglais.*

*Enregistrés par les États-Unis d'Amérique le 28 septembre 1957.*

No. 4002. AGRICULTURAL COMMODITIES AGREEMENT<sup>1</sup>  
BETWEEN THE UNITED STATES OF AMERICA AND  
THE FEDERAL PEOPLE'S REPUBLIC OF YUGOSLAVIA.  
SIGNED AT BELGRADE, ON 3 NOVEMBER 1956

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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 in these commodities or unduly disrupt world prices of agricultural commodities;

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

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

Desiring to set forth the understandings which will govern the sales of agricultural commodities to Yugoslavia pursuant to Title I of the Agricultural Trade Development and Assistance 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 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, on or before June 30, 1957, the sale 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 Title I of the Agricultural Trade Development and Assistance Act in the amounts indicated :

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<sup>1</sup> Came into force on 3 November 1956, upon signature, in accordance with article VI.

| <i>Commodity</i>                            | <i>Value<br/>(million)</i> |
|---------------------------------------------|----------------------------|
| Wheat . . . . .                             | \$61.1                     |
| Cotton . . . . .                            | 12.8                       |
| Lard . . . . .                              | 10.9                       |
| Cottonseed oil and/or soybean oil . . . . . | 2.5                        |
| Inedible tallow . . . . .                   | 1.8                        |
| Ocean transportation . . . . .              | 9.2                        |
|                                             | <hr/>                      |
|                                             | TOTAL \$98.3               |

Purchase authorizations issued pursuant to the above 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.

## *Article II*

### USES OF DINARS

1. The two Governments agree that the dinars accruing to the Government of the United States of America as a consequence of the 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) To help develop new markets for United States agricultural commodities and for other expenditures by the Government of the United States of America under subsections (a), (b), (f), and (i) of Section 104 of the Act, the dinar equivalent of \$24.6 million. The United States Government in considering possible expenditure of these funds will give due regard to the balance of payments situation of Yugoslavia.

(b) For loans to the Government of the Federal People's Republic of Yugoslavia to promote the economic development of Yugoslavia in agriculture, transport, housing and other important fields, under Section 104 (g) of the Act, the dinar equivalent of \$73.7 million.

The terms and conditions of loans provided for in (b) above will be included in supplemental agreements between the two Governments. It is understood that loans will be denominated in dollars, with payment of principal and interest to be made in U.S. dollars or, at the option of the Government of the Federal People's Republic of Yugoslavia, in dinars, such payments in dinars to be made at the applicable exchange rate, as defined in the loan agreement, in effect on the date of the payment. It is further understood that loan funds shall be disbursed