

PAYMENTS AGREEMENT BETWEEN THE FEDERAL PEOPLE'S REPUBLIC OF YUGOSLAVIA AND THE PEOPLE'S REPUBLIC OF BULGARIA. SIGNED AT BELGRADE, ON 16 MARCH 1955

The Government of the Federal People's Republic of Yugoslavia and the Government of the People's Republic of Bulgaria have agreed that payments between the two countries shall be governed by the following provisions:

Article 1

All payments between the two countries which are provided for in this Agreement shall be made in accordance with the currency regulations in force in the Federal People's Republic of Yugoslavia and the People's Republic of Bulgaria.

Article 2

For this purpose, the National Bank of the Federal People's Republic of Yugoslavia, Belgrade acting as the agent of the Government of the Federal People's Republic of Yugoslavia and the Bulgarian National Bank, Sofia, acting as the agent of the Government of the People's Republic of Bulgaria, shall each open for the other an account, expressed in United States dollars as the currency of account, called the „Collective Account in United States dollars“.

This account shall not bear interest and shall be free of commissions or charges.

Article 3

Payments to be made in the Federal People's Republic of Yugoslavia on the orders of the Bulgarian National Bank for the purposes specified in article 6 of this Agreement shall be debited by the National Bank of the Federal People's Republic of Yugoslavia to the „Collective Account in United States dollars“ of the Bulgarian National Bank and credited by the Bulgarian National Bank to the „Collective Account in United States dollars“ of the National Bank of the Federal People's Republic of Yugoslavia.

Payments to be made in the People's Republic of Bulgaria on the orders of the National Bank of the Federal People's Republic of Yugoslavia for the purposes specified in article 6 of this Agreement shall be credited by the National Bank of the Federal People's Republic of Yugoslavia to the „Collective Account in United States dollars „of the Bulgarian National Bank and debited by the Bulgarian National Bank to the „Collective Account in United States dollars“ of the National Bank of the Federal People's Republic of Yugoslavia.

Article 4

The payment orders of the two Banks shall be expressed in United States dollars as the currency of account. All contracts of purchase and sale, invoices and other payment documents in virtue of which payments are to be made under the provisions of this Agreement shall likewise be expressed in United States dollars as the currency of account.

Article 5

The National Bank of the Federal People's Republic of Yugoslavia and the Bulgarian National Bank shall honour each other's payment orders until such time as the Collective Account referred to in article 2 of this Agreement shows a debit or credit balance of \$ US 500,000. In such event, the debtor bank shall suspend the issue of payment orders to the creditor bank until the Collective Account contains the necessary funds.

Article 6

Payments for the following purposes shall be effected through the account referred to in article 2 of this Agreement:

- (1) The supply of goods;
- (2) Subsidiary costs arising out of trade, such as: insurance, reinsurance, charges for the qualitative and quantitative inspection of goods on receipt;
- (3) Processing, finishing and assembly costs;
- (4) Commissions, rebates, discounts for cash, penalties, bonuses, etc.;
- (5) Fees and royalties in respect of patents, licences, trade-marks, copyrights, technical documentation, etc.;
- (6) Commercial representation expenses, buyers' expenses, advertising, fees, salaries and wages, relief, maintenance under court and administrative orders, pensions, annuities, allowances, etc.;
- (7) Travel and touring expenses, costs of schooling and specialized training, treatment in hospitals and health resorts, etc.;
- (8) The cost of display and participation in international fairs and exhibitions;
- (9) Expenditure on and revenue from public services, taxes, fines, court and arbitration costs, etc.;
- (10) Maintenance of diplomatic and consular missions and delegations;
- (11) Income from and expenditure on cultural and similar performances and film rentals and the cost of athletic events;
- (12) Payment of the balances resulting from periodical settlements between the railway, postal, telegraph, telephone and radio administrations of the two countries;
- (13) Payment of freight charges on Yugoslav and Bulgarian vessels used in river traffic for the purpose of trade between the two countries and with third countries;
- (14) Payment of ocean freight charges and harbour dues in respect of Yugoslav and Bulgarian vessels passing through Yugoslav or Bulgarian seaports;
- (15) Payment of loading, unloading, transshipment and warehousing charges, demurrage and harbour dues for barges and vessels at the river and sea ports of the two countries;
- (16) Payment for services rendered and expenses incurred by international transport and forwarding undertakings;
- (17) The cost of locomotive towing through the Sip canal;

(18) Payment of import and export duties at the State frontiers and of pilotage charges for Yugoslav and Bulgarian vessels in river traffic;

(19) Payment of expenses incurred in the bilateral maintenance of river transport agencies and representation in the territories of the two countries and the customary cash advances to cover the needs of the crews of Yugoslav and Bulgarian vessels;

(20) The cost of urgent minor repairs to Yugoslav and Bulgarian vessels at the river and sea ports of the two countries;

(21) The cost of towing Yugoslav and Bulgarian vessels in direct and indirect river traffic;

(22) The cost of assistance rendered to each other's river vessels and of winter moorings at the river ports of the two countries;

(23) Any other payments, by prior agreement between the two Banks.

Article 7

The National Bank of the Federal People's Republic of Yugoslavia and the Bulgarian National Bank shall agree on the detailed technical arrangements necessary to ensure the unimpeded execution of this Agreement.

Article 8

After the expiry of this Agreement, the debit balance established in the account referred to in article 2 shall be liquidated within a period of six months by deliveries of goods agreed between the two countries. The Contracting Parties shall take all necessary measures to ensure that the balance is liquidated by deliveries of goods.

If the balance in the account referred to in article 2 of this Agreement has not been liquidated by the end of the said period of six months, the representatives of the two countries shall meet in order to determine the manner of settling it.

The provisions of articles 1 to 8 of this Agreement shall remain in force until the debit balance has been completely liquidated.

Article 9

The Agreement for the settlement of non-commercial payments of 17 December 1947 shall cease to have effect upon the entry into force of this Agreement.

Article 10

This Agreement shall enter into force upon its approval by the Governments of the Contracting Countries and shall remain in force until 31 March 1956.

On the expiry of the said period, it shall be extended automatically for successive periods of one year unless it is denounced by either Contracting Country three months before the expiry of the agreed period.

DONE at Belgrade on 16 March 1955, in duplicate, in the Serbo-Croat and Bulgarian languages, both texts being equally authentic.

For the Government

For the Government

of the Federal People's Republic
of Yugoslavia:
(Signed) Borivoje ROMIĆ

of the People's Republic
of Bulgaria:
(Signed) Ivan PERPELIEV

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