

## SPECIAL TARIFF POSITION OF PHILIPPINES

*Exchange of notes at Washington May 18 and August 26, 1946, modifying agreement of June 28, 1910  
Entered into force August 26, 1946*

61 Stat. 2447; Treaties and Other  
International Acts Series 1572

*The Acting Secretary of State to the Portuguese Ambassador*

DEPARTMENT OF STATE  
WASHINGTON  
May 18, 1946

### EXCELLENCY:

With reference to the forthcoming independence of the Philippines on July 4, 1946, my Government considers that provision for a transitional period for dealing with the special tariff position which Philippine products have occupied for many years in the United States is an essential accompaniment to Philippine independence. Accordingly, under the Philippine Trade Act approved April 30, 1946,<sup>1</sup> goods the growth, produce or manufacture of the Philippines will enter the United States free of duty until 1954, after which they will be subject to gradually and regularly increasing rates of duty or decreasing duty-free quotas until 1974 when general rates will become applicable and all preferences will be completely eliminated.

Since the enactment of the Philippine Independence Act approved March 24, 1934,<sup>2</sup> my Government has foreseen the probable necessity of providing for such a transitional period and has since then consistently excepted from most-favored-nation obligations which it has undertaken toward foreign governments advantages which it might continue to accord to Philippine products after the proclamation of Philippine independence. Some thirty instruments in force with other governments, for example, permit the continuation of the exceptional tariff treatment now accorded by my Government to Philippine products, irrespective of the forthcoming change in the Commonwealth's political status.

With a view, therefore, to placing the relations between the United States and Portugal upon the same basis, with respect to the matters involved, as

<sup>1</sup> 60 Stat. 141.

<sup>2</sup> 48 Stat. 456.