

SPECIAL TARIFF POSITION OF PHILIPPINES

*Exchange of notes at Washington May 4 and September 10, 1946,
modifying convention of April 26, 1826
Entered into force September 10, 1946
Convention replaced July 30, 1961, by treaty of October 1, 1951,¹*

61 Stat. 2439; Treaties and Other
International Acts Series 1572

The Acting Secretary of State to the Danish Chargé d'Affaires ad interim

DEPARTMENT OF STATE
WASHINGTON
May 4 1946

SIR:

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, 1946,² 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, 1934,³ 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 Govern-

¹ 12 UST 908; TIAS 4797.

² 60 Stat. 141.

³ 48 Stat. 456.

ment 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 Denmark upon the same basis, with respect to the matters involved, as the relations existing under the treaties and agreements referred to in the preceding paragraph, my Government proposes that the most-favored-nation provisions of the Treaty of Friendship, Commerce and Navigation between the United States and the Kingdom of Denmark signed April 26, 1826,⁴ shall not be understood to require the extension to Denmark of advantages accorded by the United States to the Philippines.

In view of the imminence of the inauguration of an independent Philippine Government, I should be glad to have the reply of your Government to this proposal at an early date.

Accept, Sir, the renewed assurances of my high consideration.

DEAN ACHESON
Acting Secretary of State

Mr. CARL A. C. BRUN,
Chargé d'Affaires ad interim of Denmark.

The Danish Minister to the Acting Secretary of State

SEPTEMBER 10, 1946

SIR:

I have the honor to acknowledge receipt of the Department of State's note of May 4th, according to which the Government of the United States of America considers that provision for a transitional period for dealing with the special tariff position which the Philippines 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, 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.

Upon instructions received, I have the honor to inform you that the Danish Government agree that the most-favored-nation provisions of the Treaty of Friendship, Commerce and Navigation between the United States and the Kingdom of Denmark signed on April 26, 1826, shall not be understood to

⁴ TS 65, *ante*, p. 1.

require during the said period the extension to Denmark of the above-mentioned advantages accorded by the United States of America to the Republic of the Philippines.

I avail myself of this opportunity to renew to you, Sir, the assurances of my highest consideration.

POVL BANG-JENSEN

The Honorable

WILLIAM L. CLAYTON

Acting Secretary of State

Department of State

Washington, D.C.