

# GENERAL AGREEMENT ON TARIFFS AND TRADE

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## TORQUAY PROTOCOL

### Indefinite Deferment of Decision on Accession by the Government of the Philippines

The following communication, dated 4 September 1953, has been received from the Philippine Government:

"I have the honour to refer to my letter dated 20 May 1952<sup>1</sup>, requesting the extension from 22 May 1952 to 21 May 1953 of the time within which the Philippine Government might accede to the General Agreement on Tariffs and Trade. At its Seventh Session the CONTRACTING PARTIES kindly consented to this extension. I regret to state, however, that as of 21 May 1953, and even up to the present moment, the Philippine Government has been unable to sign the Torquay Protocol. This has been due to recent policy decisions of my Government which I should like to bring to the attention of the CONTRACTING PARTIES.

"In my previous letter, I made mention of the contemplated revision of the Philippine Tariff Act of 1909 in order to suit the new conditions resulting from the economic development programme of the Philippine Government. At its last session the Congress of the Philippines set the policy on this matter by approving Republic Act No. 911 entitled 'An Act Creating a Tariff Commission, Defining Its Powers, and for Other Purposes'. A copy of this Republic Act is enclosed for ready reference. You will note from section 18 that the Philippine Tariff Commission has been charged with the duty of studying the tariff system of the Philippines and submitting its recommendations for its revision together with the draft of a tariff bill embodying such recommendations. At this writing the Philippine Tariff Commission has actually been constituted. It is now working on the revision of the Philippine Tariff Act of 1909. Moreover, the Philippine Government is presently seeking to revise the existing trade relationship between the Philippines and the United States as provided for in the Executive Agreement on Trade and Related Matters

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<sup>1</sup> Reproduced in Document L/12.

<sup>2</sup> The Act can be seen at the office of the secretariat.

between them dated July 4 1946. Under this Agreement, Philippine products imported into the United States and United States products imported into the Philippines will become subject to gradually increasing duties beginning 1954, the same to be increased by five per cent every year thereafter, until 1974 when the full tariff rates of either country become applicable to the products of the other. The Philippine Government has made the necessary representations with the United States Government for the renegotiation of the aforesaid Agreement.

"I would like to reiterate that the Philippine Government subscribes to the principles of the General Agreement on Tariffs and Trade. The Philippine Government believes, however, that the Philippines should join this organization on more stable and permanent terms than what is now possible, pending the projected revision of its tariff on the one hand and its bilateral trade agreement with the United States on the other. It is the considered view of my Government that the resolution of these two vital questions should take precedence over the consideration of Philippine accession to the General Agreement on Tariffs and Trade.

"In view of the foregoing considerations, I am constrained to request indefinite deferment of my Government's decision on the question of accession to the General Agreement on Tariffs and Trade. I would appreciate it if this request is brought to the early attention of the CONTRACTING PARTIES at the Eighth Session."