

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED  
LIMITED B  
GATT/CP/109  
13 April 1951  
ORIGINAL: ENGLISH

## CONTRACTING PARTIES

### INVOCATION OF ARTICLE XXXV BY THE UNITED STATES WITH RESPECT TO THE PHILIPPINES

The trade relations between the United States of America and the Republic of the Philippines are governed generally by the agreement between the two countries on trade and related matters, signed on July 4, 1946, the day on which the Republic of the Philippines became independent, and modified by an exchange of notes of October 22, 1946. The agreement includes provisions for a gradual reduction in the preferences between the United States and the Philippines until 1974 when such preferences will be eliminated. It incorporates many of the detailed provisions of the Philippine Trade Act of 1946, which was enacted to give effect to the agreement in the United States. This statute was enacted before the negotiation by the United States of the General Agreement on Tariffs and Trade. Since it was believed that the provisions of the agreement to be concluded under the Philippine Trade Act would adequately cover trade relations between the United States and the Philippines while it remained in force, it was provided in that act that no trade agreement should be concluded by the United States with the Philippines under the Trade Agreements Act so long as the agreement under the Philippine Trade Act remained in effect.

Although for these reasons the Government of the United States has not entered into tariff negotiations with the Government of the Philippines at Torquay, it will welcome the accession of the Philippines to the General Agreement and intends to sign the decision agreeing to such accession. However, so long as the above provision remains a part of the Philippine Trade Act and the agreement of July 4, 1946 remains in effect, United States law would not permit the application of the provisions of the General Agreement between the United States and the Philippines.

For the above reasons, the Government of the United States finds it necessary to invoke Article XXXV with respect to the application of the General Agreement between the United States of America and the Republic of the Philippines.