

**[ REPUBLIC ACT NO. 3524, June 20, 1963 ]**

**AN ACT TO PROHIBIT BARTER IN INTERNATIONAL TRADE,  
PROVIDING FOR PENALTIES FOR VIOLATION THEREOF,  
REPEALING FOR THIS PURPOSE REPUBLIC ACT NUMBERED TWO  
THOUSAND TWO HUNDRED AND SIXTY-ONE, ENTITLED "AN ACT  
TO PROMOTE ECONOMIC DEVELOPMENT BY GIVING INCENTIVES  
TO MARGINAL AND SUB-MARGINAL INDUSTRIES", AND FOR  
OTHER PURPOSES.**

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:*

SECTION 1. Republic Act Numbered Twenty-two hundred and sixty-one, otherwise known as "An Act to promote economic development by giving incentives to marginal and sub-marginal industries", is hereby repealed.

SEC. 2. Henceforth, barter in international trade shall be prohibited until full convertibility of the total foreign exchange earnings at the free market rates shall have been adopted by the Central Bank.

SEC. 3. Upon effectivity of this Act, the Secretary of Commerce and Industry shall create a staff from personnel of the Department of Commerce and Industry to supervise the liquidation and termination of all unliquidated and subsisting contracts, barter permits and/or transactions approved and sanctioned by the Producers Incentives Board to the effectivity of this Act pursuant to the provisions of Republic Act Numbered Twenty-two hundred and sixty-one: *Provided*, That parties to such contracts, barter permits and/or transactions shall be given time to liquidate or finalize their transactions up to December thirty-first, nineteen hundred sixty-three.

Within one week from the effectivity of this Act, a list of the barter permits, contracts, transactions and applications referred to in this section shall be prepared and published by the Department of Commerce and Industry at least once in all leading newspapers of general circulation in the Philippines. After such publication, no amendment, alteration or modification may be made on said list.

SEC. 4. Officials, employees and laborers of the Producers Incentives Board who will be separated from the service owing to the effectivity of this Act who are entitled to retire, shall be retired upon compliance with the laws, rules and regulations on retirement. Those who will not be so retired shall be entitled to the commutation of the money value of their vacation and sick leaves and to gratuity, which shall be paid in one lump sum. The gratuity shall be equivalent to one month's salary for every year of continuous, satisfactory service rendered in the said office or in any other government agency or instrumentality on the basis of the last salary received by them, but not exceeding twelve months in the aggregate: *Provided*, That any