

[EXECUTIVE ORDER NO. 328, June 22, 1950]

**PRESCRIBING RULES AND REGULATIONS TO CARRY OUT THE
TRADE AND FINANCIAL AGREEMENTS BETWEEN THE
PHILIPPINES AND THE SUPREME COMMANDER FOR THE ALLIED
POWERS, DESIGNATING THE AGENCIES THEREFOR, AND FOR
OTHER PURPOSES**

By virtue of the powers vested in me by law, and in order to carry out the commitments of the Government of the Republic of the Philippines under the Trade and Financial Agreements and the Trade Plan between the Philippines and the Supreme Commander for the Allied Powers, which were signed at Tokyo, Occupied Japan on May 18, 1950, I, Elpidio Quirino, President of the Philippines do hereby order:

SECTION 1. From and after the effective date of this Order no commodity may be exported to or imported from Occupied Japan without an export or import license, as the case may be, from the Central Bank of the Philippines or the Import Control Administration which are hereby designated respectively as the export and import licensing agencies of the Government. These agencies shall each set up a separate section or division within their respective organization to handle the licensing of all barter trade transactions exclusively. All licenses issued shall be clearly marked as having been specifically granted under the Philippine-SCAP Trade and Financial Agreements.

SEC. 2. The annual exports and imports of the Philippines to and from Occupied Japan as contained in the Trade Plan shall be allocated and the licenses therefor referred to in the next preceding section shall be issued only to bona fide Philippine exporters and importers subject to section 9 hereof and such rules and regulations as may be prescribed and promulgated by the Import Control Administration and the Central Bank of the Philippines as licensing agencies of the Government.

Copies of such rules and regulations and their subsequent revisions and or amendments shall be made available to the members of the Committee on Trade and Financial Agreements hereinafter constituted.

SEC. 3. In order to carry out the provisions of section 1(f) and 1(g) of the Trade Agreement there is hereby created a Committee on Trade and Financial Agreements composed of a representative each from the Department of Foreign Affairs as Chairman, the Departments of Finance, Commerce and Industry, and Agriculture and Natural Resources, Central Bank, the Import Control Board, and the Philippine Relief and Trade Rehabilitation Administration, as members, to study ways and means, consistent with export/import and exchange laws, rules and regulations, of effectively implementing all trade and financial agreements as have been, or may hereafter be, entered into between the Philippines and other countries; exchange such information with the Supreme Commander for the Allied Powers as may from

time to time be necessary; review the progress of all barter transactions as they affect the national economy; study the commodity composition of trade plans, including their periodic revisions if and when necessary; and submit a report of its findings and recommendations to the President as often as it is so directed,

SEC. 4. The manner of payment of all barter transactions involving goods and/or services with Occupied Japan, as outlined in the Financial Agreement with the Supreme Commander for the Allied Powers, or with any other country with which the Philippines may have similar trade arrangement, shall be prescribed and promulgated by the Central Bank of the Philippines which is hereby designated as the principal financial agent of the Government.

SEC. 5. For the purpose of handling the transactions specified in the next preceding section, the Central Bank of the Philippines shall designate its sub-agent banks. A list of the banks so designated shall be furnished the Department of Foreign Affairs for transmittal to the Supreme Commander for the Allied Powers.

SEC. 6. To coordinate the work of the licensing agencies the Central Bank of the Philippines shall certify to the Import Control Board the amount of export credits from Occupied Japan against which import licenses may be issued during a specified period by the Board. The Import Control Board shall furnish the Central Bank daily with a copy each of the import licenses issued by it.

A monthly summary of all transactions shall be reported by both agencies to the Committee.

SEC. 7. To insure the development of balanced trading the Import Control Board shall not issue trading excess of the amounts of export credits certified to it by the Central Bank.

SEC. 8. Only the commodities specified in the Trade Plan may be exported to and imported from Occupied Japan. However upon the recommendation of the Committee and by mutual agreement between the Government and the Supreme Commander for the Allied Powers, the values of the different commodities in the Plan may be increased or decreased and or new items included in or old ones deleted from it.

SEC. 9. The proceeds of the export trade with Occupied Japan and with any other country trading with the Philippines on a barter basis, shall be paid fully in pesos.

SEC. 10. To be entitled to trade with Occupied Japan a person, firm, or establishment must be:

- (a) One duly licensed and registered to do business in the Philippines and has paid all lawful taxes and fees due the Government; and
- (b) One duly registered for quota allocation with the export and/or import licensing agencies herein specified.

The licensing agencies may refuse to register or may cancel the registration of any exporter or importer if in their judgment such registration is in any way inimical to the best national interests.