

September 06, 1955

**EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT BETWEEN
THE REPUBLIC OF THE PHILIPPINES AND THE UNITED STATES
OF AMERICA RELATING TO ENTRY RIGHTS OF TRADERS AND
INVESTORS**

Note: The Agreement entered into force, January 1, 1956.

Reference: This Agreement is also published in 238 UNTS, p. 109.

I

**THE SPECIAL REPRESENTATIVE OF THE PRESIDENT OF THE UNITED STATES
OF AMERICA TO THE SPECIAL AND PERSONAL ENVOY OF THE PRESIDENT
OF THE PHILIPPINES**

September 6, 1955

Excellency:

I have the honor to refer to the conversations which have recently taken place between representatives of the Governments of the United States of America and the Republic of the Philippines regarding the desirability of establishing a stable and enduring basis, grounded in reciprocity, for the entry of nationals of either country into the territories of the other for purposes of trade, investment and related activities, and for their sojourn therein, and acting, on the part of the United States, pursuant to and subject to the provisions of Public Law 419, 83d Congress of the United States of America.

My understanding of the agreement reached as a result of these conversations is as follows:

1. Persons coming within any of the following categories shall be permitted to enter the territories of either country as nonimmigrants:

(a) Nationals of either country who seek to enter the territories of the other country solely to carry on substantial trade principally between the territories of the two countries.

(b) Nationals of either country who seek to enter the territories of the other country solely to develop and direct the operations of enterprises in which they have invested, or are actively in the process of investing, a substantial amount of capital.

(c) Spouses and unmarried minor children of persons referred to in subparagraphs (a) and (b), if accompanying or following to join such nationals.

2. Persons who enter either country in accordance with the provisions of paragraph 1 shall be permitted to remain therein during such period as they maintain the status in which they were admitted.

3. The provisions of paragraphs 1 and 2 shall be subject to the right of either Government to exclude or expel particular individuals, on any of the grounds specified in the immigration laws, for the purpose of protecting public order, health, morals and safety.

4. The word "substantial" as used herein with reference to trade or investment shall not be interpreted to discourage particular types of investment or necessarily to exclude small traders or investors. The criteria for determining eligibility for every treaty investors and treaty traders status have been influenced by considerations of preventing abuse or evasion of the two countries' immigration laws, including quota restrictions. What constitutes a substantial investment is a relative matter and is not determined alone by size of investment.

5. The territories to which this agreement shall apply with respect to the United States are the continental United States, Alaska, Hawaii, Puerto Rico, Guam, and the Virgin Islands.

6. The present agreement shall remain in force until July 3, 1974, and thereafter until terminated as provided herein. Either Government may, by giving one year's written notice to the other Government, terminate this agreement at the end of the initial period, July 3, 1974, or at any time thereafter.

There are annexed hereto certain regulations and an explanatory note which set forth the principles presently applied by my Government in the enforcement of those provisions of the United States immigration laws equivalent to the provisions set forth above. I request to be informed whether your Government considers these as providing appropriate guidance to both Governments in the application of the present agreement with respect to the subjects to which they relate and, if so, that your Government will apply comparable regulations and interpretations in the enforcement of the provisions set forth above.

Upon receipt of a note from you indicating that the foregoing is acceptable to the Government of the Republic of the Philippines, the Government of the United States of America will consider this note and your reply as constituting an agreement between the two Governments on this subject, the agreement to enter into force on the date of your note in reply.

Accept, Excellency, the assurances of my highest consideration.

JAMES M. LANGLEY

Special Representative of the President
of the United States of America

Enclosure:

Annex.

His Excellency Carlos P. Romulo

Special and Personal Envoy of the President of the Philippine

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