

MALACAÑAN PALACE  
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER No. 328

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 AGEN-  
CIES 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 Adminis-

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tration 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 import licenses in 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.

SEC. 11. Export and import quotas and licenses referred to in sections 1 and 2 shall be granted only to the parties mentioned in the next preceding section upon their specific application therefor containing the following information under oath:

- (a) Name and address of business;
- (b) Citizenship;
- (c) Specific kind, number and issue date of privilege tax receipt;
- (d) Statistical yearly data for 1948 and 1949 on quantity and value of exports and/or imports of the commodity for which quota application is filed;
- (e) Bona fide export and/or import orders accepted; and
- (f) Any other data that may be required.

SEC. 12. An export or import license that is duly and properly issued shall remain valid during the quota period for which it was issued. If the license is not used during the period of its effectivity, it shall be cancelled.

SEC. 13. In the allocation of import licenses, the needs of the Philippine Government and its instrumentalities and agencies shall be given priority. The requirements of such instrumentalities and agencies as submitted to the Committee on Trade and Financial Agreements which formed the basis of Trade Plan No. 1 shall be consulted in this regard.

The term "textiles and manufactures" as used in the schedule of imports in the Trade Plan shall not be deemed to include cotton prints, colored yarns, denims, khakis, herringbone twills, and/or bleached and dyed assorted sheetings. Import allocations for grey cloth and cotton yarns shall exclusively be assigned as raw materials for the use of the Finishing Plant of the National Development Company for processing.

SEC. 14. Any commodity exported or imported in violation of this Order and of the rules and regulations promulgated by the licensing agencies shall be subject to forfeiture, and the guilty party shall be subject to penalties and disqualified in accordance with existing laws from obtaining any other license.

SEC. 15. Any violation by an exporter or an importer of the provisions of this Order and of the rules and regulations promulgated by the licensing agencies shall serve as a ground for the immediate revocation of his license to do business in the Philippines, and in the case of an alien shall be regarded as sufficient cause for his deportation.

SEC. 16. This Order shall take effect on June 23, 1950, and all shipments leaving ports of embarkation on or subsequent to said date shall be subject to the provisions of this Order.

Done in the City of Manila, this 22nd day of June, in the year of Our Lord, nineteen hundred and fifty, and of the Independence of the Philippines, the fourth.

ELPIDIO QUIRINO

*President of the Philippines*

By the President:

TEODORO EVANGELISTA

*Executive Secretary*