

**UNITED STATES OF AMERICA**  
and  
**YUGOSLAVIA**

**Exchange of Notes constituting an agreement relating to the waiver by the Yugoslav Government of most-favoured nation provisions of the Treaty for Facilitating and Developing Commercial Relations between the United States of America and Yugoslavia, signed on 2/14 October 1881, with respect to advantages accorded by the United States of America to the Philippines. Washington, 4 May and 3 October 1946**

*English official text communicated by the Permanent Representative of the United States of America at the seat of the United Nations. The registration took place on 3 March 1948.*

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**ETATS-UNIS D'AMERIQUE**  
et  
**YOUGOSLAVIE**

**Echange de notes constituant un accord relatif à la renonciation par le Gouvernement yougoslave à la clause de la nation la plus favorisée contenue dans le traité destiné à faciliter et à développer les relations commerciales entre les Etats-Unis d'Amérique et la Yougoslavie, signé le 2/14 octobre 1881, en ce qui concerne les avantages accordés par les Etats-Unis d'Amérique aux Philippines. Washington, 4 mai et 3 octobre 1946**

*Texte officiel anglais communiqué par le représentant permanent des Etats-Unis d'Amérique au siège de l'Organisation des Nations Unies. L'enregistrement a eu lieu le 3 mars 1948.*

No. 205. EXCHANGE OF NOTES<sup>1</sup> CONSTITUTING AN AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND YUGOSLAVIA RELATING TO THE WAIVER BY THE YUGOSLAV GOVERNMENT OF MOST-FAVOURLED-NATION PROVISIONS OF THE TREATY FOR FACILITATING AND DEVELOPING COMMERCIAL RELATIONS BETWEEN THE UNITED STATES OF AMERICA AND YUGOSLAVIA, SIGNED ON 2/14 OCTOBER 1881, WITH RESPECT TO ADVANTAGES ACCORDED BY THE UNITED STATES OF AMERICA TO THE PHILIPPINES. WASHINGTON, 4 MAY AND 3 OCTOBER 1946

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*The Acting Secretary of State to the Yugoslav Chargé d'Affaires ad interim*

DEPARTMENT OF STATE  
WASHINGTON

May 4 1946

Sir:

With reference to the forthcoming independence of the Philippines on July 4, 1946, my Government considers that provision for a transitional period for dealing with the special tariff position which Philippine products have occupied for many years in the United States is an essential accompaniment to Philippine Independence. Accordingly, under the Philippine Trade Act approved April 30, 1946, goods the growth, produce or manufacture of the Philippines will enter the United States free of duty until 1954, after which they will be subject to gradually and regularly increasing rates of duty or decreasing duty-free quotas until 1974 when general rates will become applicable and all preferences will be completely eliminated.

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<sup>1</sup> Came into force on 3 October 1946, by the exchange of the said notes.

Since the enactment of the Philippine Independence Act approved March 24, 1934, my Government has foreseen the probable necessity of providing for such a transitional period and has since then consistently excepted from most-favored-nation obligations which it has undertaken toward foreign governments advantages which it might continue to accord to Philippine products after the proclamation of Philippine independence. Some thirty instruments in force with other governments, for example, permit the continuation of the exceptional tariff treatment now accorded by my Government to Philippine products, irrespective of the forthcoming change in the Commonwealth's political status.

With a view, therefore, to placing the relations between the United States and Yugoslavia upon the same basis, with respect to the matters involved, as the relations existing under the treaties and agreements referred to in the preceding paragraph, my Government proposes that the most-favored-nation provisions of the Treaty for Facilitating and Developing Commercial Relations between the United States and Yugoslavia signed October 2/14, 1881,<sup>1</sup> shall not be understood to require the extension to Yugoslavia of advantages accorded by the United States to the Philippines.

In view of the imminence of the inauguration of an independent Philippine Government, I should be glad to have the reply of your Government to this proposal at an early date.

Accept, Sir, the renewed assurances of my high consideration.

Dean ACHESON  
Acting Secretary of State

Dr. Sergije Makiedo  
Chargé d'Affaires *ad interim* of Yugoslavia

<sup>1</sup> United States, *Treaty Series* 319; 22 Stat. 963.

## II

*The Yugoslav Ambassador to the Acting Secretary of State*

EMBASSY OF THE FEDERAL PEOPLE'S  
REPUBLIC OF YUGOSLAVIA  
WASHINGTON

Sir:

I have the honor to inform you that the Government of the Federal People's Republic of Yugoslavia has accepted the proposal of the Government of the United States of America that the most-favored-nation provisions of the Treaty for Facilitating and Developing Commercial Relations between the United States and Yugoslavia signed October 2/14, 1881, shall not be understood to require the extension to Yugoslavia of advantages accorded by the United States to the Philippines.

Accept, Sir, the renewed assurances of my high consideration.

Washington, October 3, 1946

S. N. KOSANOVIĆ  
Ambassador of Yugoslavia

The Honorable Acting Secretary of State,  
Washington, D.C.

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