

No. 240

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**UNITED STATES OF AMERICA**  
and  
**PHILIPPINES**

**Exchange of Notes constituting an agreement relating to the establishment of the American-Philippine Financial Commission. Manila, 13 and 17 September 1946**

*English official text communicated by the Acting Representative of the United States of America at the seat of the United Nations. The registration took place on 21 June 1948.*

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

**Echange de notes constituant un accord relatif à la création d'une commission financière américano-philippine. Manille, 13 et 17 septembre 1946**

*Texte officiel anglais communiqué par le représentant par intérim des Etats-Unis d'Amérique au siège de l'Organisation des Nations Unies. L'enregistrement a eu lieu le 21 juin 1948.*

No. 240. EXCHANGE OF NOTES<sup>1</sup> CONSTITUTING AN AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE PHILIPPINES RELATING TO THE ESTABLISHMENT OF THE AMERICAN-PHILIPPINE FINANCIAL COMMISSION. MANILA, 13 AND 17 SEPTEMBER 1946

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*The American Ambassador to the Secretary of Foreign Affairs for the Republic of the Philippines*

THE FOREIGN SERVICE OF THE UNITED STATES OF AMERICA  
EMBASSY OF THE UNITED STATES OF AMERICA

September 13, 1946

Excellency:

I have the honor to state that in further reference to your note of August 6 regarding the creation of a joint American-Philippine Commission to consider the financial and budgetary problems of the Philippines and to make recommendations thereon to our two Governments, I am in receipt of information from the Department of State as follows:

“Because of special needs here, State and Treasury jointly propose that American-Philippine Financial Commission consist of three American and three Filipino members with co-chairmanship and American members to include a representative of State as co-chairman, Treasury, and Federal Reserve Board. Expect American delegation will have additional staff members to advise chairman on specific technical problems. Terms of reference of joint commission as follows:

“To consider the financial and budgetary problems of the Philippine Government and to make recommendations thereon to the two Governments, with reference to tax system and administration, budget, public debt,

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<sup>1</sup> Came into force on 17 September 1946, by the exchange of the said notes.

currency and banking reform, exchange and trade problems, reconstruction and development.

“Please inform Philippine Government that commission cannot be empowered to consider application for Export-Import Bank loan as Export-Import Bank and NAC<sup>1</sup> cannot delegate this responsibility. However, findings and recommendations will be brought to attention of Export-Import Bank and NAC and will be utmost value in their consideration of specific action.

“Request you consult with Philippine Government with view to obtaining concurrence in above proposals and early formation and activation of commission. You will be advised names of American members when designated and probable date of departure. In view of exchange correspondence between President Truman and President Roxas last month on this question, it is desired here that arrangements go forward with all possible speed. Please advise promptly of all developments.”

I shall be very glad to receive and transmit to the Department of State the concurrence of your Government and, thus, to facilitate the establishment of the American-Philippine Financial Commission.

Accept, Excellency, the renewed assurances of my highest consideration.

Paul V. McNUTT

His Excellency Elpidio Quirino  
Secretary of Foreign Affairs  
for the Republic of the Philippines

## II

*The Secretary of Foreign Affairs for the Republic of the Philippines  
to the American Ambassador*

REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FOREIGN AFFAIRS

Manila, September 17, 1946

Excellency:

I have the honor to refer to your note of September 13 regarding the creation of a joint American-Philippine Commission to consider the financial

<sup>1</sup> National Advisory Council on International Monetary and Financial Problems.

and budgetary problems of the Philippines and to make recommendations thereon to our two Governments.

My Government accepts with pleasure the proposal of your Government that a joint American-Philippine Finance Commission be established. My Government approves the plan to entrust to the proposed Commission the consideration of the financial and budgetary problems of the Philippine Government and the formulation of recommendations to the two Governments of measures to meet budgetary deficits of the Philippine Government. My Government also approves the proposal that this Commission consider and make recommendations to the Philippine Government with reference to our taxes and administration, the budget, public debt, currency and banking reform, exchange and trade problems, reconstruction and development.

Accept, Excellency, the renewed assurances of my highest consideration.

E. QUIRINO  
Vice-President and concurrently  
Secretary of Foreign Affairs

His Excellency Paul V. McNutt  
United States Ambassador  
Manila