

No. 18977

**PHILIPPINES
and
AUSTRALIA**

Trade Agreement. Signed at Manila on 25 June 1975

Authentic text: English.

Registered by the Philippines on 18 July 1980.

**PHILIPPINES
et
AUSTRALIE**

Accord de commerce. Signé à Manille le 25 juin 1975

Texte authentique : anglais.

Enregistré par les Philippines le 18 juillet 1980.

TRADE AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES AND THE GOVERNMENT OF AUSTRALIA

The Government of the Republic of the Philippines and the Government of Australia, hereinafter referred to as the Contracting Parties,

Taking note of their existing friendly relations,

Desirous of maintaining, developing and expanding their trade relations in accordance with their respective needs and objectives,

Recognizing the urgent need to promote and encourage exports of products of the developing countries to the developed countries, and

Having regard to their respective international rights and obligations,

Have agreed as follows:

Article I. The Contracting Parties shall take all appropriate measures to facilitate, strengthen and diversify trade between the two countries in respect of current and potential exports with a view to maximizing trade between the two countries on the basis of mutual benefit.

Article II. To advance the objectives of article I of this Agreement, the Contracting Parties:

- (i) Declare their support in principle for the conclusion of long term contracts relating to imports and exports; and
- (ii) Shall encourage and facilitate the negotiation of such contracts, where appropriate, between the relevant enterprises and organizations of their two countries.

Article III. The Contracting Parties shall grant each other most-favoured-nation treatment in the issue of import and export licenses and with respect to customs duties, internal taxes and charges of any kind imposed on or in connection with imported or exported goods, the method of levying such duties, taxes and charges, as well as in all respects concerning customs rules and formalities and other regulations governing the import and export of goods.

Article IV. The provisions of article III of this Agreement shall not apply to:

- (i) Tariff preferences or other advantages presently accorded by either Contracting Party or which may be accorded, consistent with relevant international obligations, in replacement of existing or previously accorded tariff preferences or other advantages;
- (ii) Tariff preferences or other advantages accorded, consistent with relevant international obligations, under any scheme for expansion of trade and economic co-operation among developing countries;
- (iii) Special preferences or other advantages accorded by either Contracting Party resulting from the association of either country in a customs union or a free

¹ Came into force on 11 May 1979, the date of the exchange of notes by which the Contracting Parties notified each other through the diplomatic channels of the completion of the required constitutional procedures, in accordance with article XIV.

trade area, or in an interim agreement leading to the formation of a customs union or a free trade area;

- (iv) Such measures as either Contracting Party may take to carry out its obligations under any multilateral commodity agreement which is open to participation by the Contracting Parties;
- (v) Such measures as either Contracting Party may take consistent with the provisions of the GATT Arrangement Regarding International Trade in Textiles.¹

Article V. No provision of this Agreement shall be interpreted in such a manner as to prevent the adoption or enforcement by either Contracting Party of measures:

- (i) Necessary to safeguard its external financial position and balance of payments;
- (ii) Necessary to protect public morals and essential security interests;
- (iii) Necessary to protect human, animal or plant life or health;
- (iv) Relating to the importation or exportation of gold or silver;
- (v) Imposed for the protection of national treasures of artistic, historic or archaeological value;
- (vi) Relating to traffic in arms, ammunition and implements of war.

Article VI. The Contracting Parties recognize that there are obstacles and uncertainties in international trade and that there is an urgent need to improve access to international markets for primary products, processed primary products, manufactures and semi-manufactures.

The Contracting Parties support the principle of concluding and adhering to commodity agreements designed to improve the conditions of international trade in primary products of interest to them and to provide a greater degree of stability in such trade.

Article VII. The Government of Australia supports initiatives among member nations of the Association of South East Asian Nations aimed at concluding trade arrangements among themselves to promote economic growth and the expansion of their mutual trade.

Article VIII. Recognizing the mutual benefits accruing from Australian direct investments in the Philippines, including the trade and other commercial benefits, the Australian Government will facilitate the flow of such investments where they are in accordance with the social and economic development plans of the Government of the Republic of the Philippines.

Further, the Australian Government will use its best endeavours to encourage Australian enterprises to enter into joint ventures with Philippine enterprises and in so doing will have regard to the desire of the Government of the Republic of the Philippines, for development in accordance with its social and economic plans and its investment policies and priorities.

The Government of the Republic of the Philippines undertakes to extend to such investments treatment no less favourable than that accorded to investment by the enterprises of any third country in accordance with Philippine investment laws and regulations.

¹ United Nations, *Treaty Series*, vol. 930, p. 166.

The Government of Australia undertakes to extend to any Philippine investments in Australia treatment in accordance with Australian investment laws and regulations and related policies.

Article IX. The Contracting Parties shall, as appropriate, encourage and facilitate the development, in accordance with the laws and regulations of their respective countries, of industrial and technical co-operation between relevant commercial enterprises and organizations in their respective countries.

Article X. In order to further the objectives of this Agreement, each Contracting Party will encourage and facilitate:

- (i) The interchange of commercial and technical representatives, groups and delegations between the two countries;
- (ii) The holding within its country of trade fairs, trade exhibitions and other trade promotion activities by enterprises and organizations of the other country.

Article XI. Each Contracting Party shall, in accordance with the laws and regulations of its country, exempt from the payment of import duties and taxes articles for display at fairs and exhibitions as well as samples of goods for advertising purposes imported from the country of the other. Such articles and samples shall not be disposed of in the country into which they are imported without the prior approval of the competent authorities of that country and the payment of the appropriate import duties and taxes, if any.

Article XII. All payments arising from trade between the Republic of the Philippines and Australia shall be effected in freely convertible currency in accordance with the foreign exchange regulations in force in each country.

Article XIII. For the purpose of promoting the aims of this Agreement, a Joint Commission which will consist of representatives designated by the respective Contracting Parties is hereby established.

The Commission shall meet once a year or more frequently by mutual consent, alternately in the Republic of the Philippines and Australia.

The Commission shall:

- (i) Review and keep under consideration the state of trade between the two countries;
- (ii) Examine and review measures aimed at the expansion of mutual trade, in particular measures to assist the marketing of Philippine goods in Australia;
- (iii) Consider proposals for the promotion and facilitation of investments under the terms of the Agreement;
- (iv) Examine measures for the solution of problems which may arise in the implementation of this Agreement or in the course of the development of trade between the two countries;
- (v) Identify appropriate areas of industrial and technical co-operation, particularly those which offer prospects for the development of mutually beneficial commercial exchanges.

The Commission will, where appropriate, submit recommendations to the Contracting Parties relating to the above-mentioned matters.

Article XIV. This Agreement shall enter into force on the day on which both Contracting Parties notify each other through the diplomatic channel that their respective constitutional and other requirements necessary to give effect to the Agreement have been complied with.

This Agreement shall continue in force for an initial period of one year. Thereafter it shall continue in force until ninety days after the day on which either Contracting Party receives from the other written notice of its intention to terminate this Agreement.

Article XV. Upon its entry into force this Agreement shall terminate and replace the Trade Agreement concluded on 16 June 1965 between the Government of the Republic of the Philippines and the Government of Australia.¹

IN WITNESS WHEREOF the undersigned, duly authorized by their respective Governments, have signed the present Agreement.

DONE at Manila in two originals in the English language this 25th day of June, one thousand nine hundred and seventy-five.

[Signed — Signé]²

For the Government
of the Republic of the Philippines

[Signed — Signé]³

For the Government
of Australia

¹ United Nations, *Treaty Series*, vol. 541, p. 31.

² Signed by Troadio T. Quiazon, Jr. — Signé par Troadio T. Quiazon.

³ Signed by Frank Brean — Signé par Frank Brean.