

No. 18981

**PHILIPPINES
and
AUSTRIA**

Trade Agreement. Signed at Vienna on 20 February 1979

Authentic text: English.

Registered by the Philippines on 18 July 1980.

**PHILIPPINES
et
AUTRICHE**

Accord de commerce. Signé à Vienne le 20 février 1979

Texte authentique : anglais.

Enregistré par les Philippines le 18 juillet 1980.

TRADE AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES AND THE FEDERAL GOV- ERNMENT OF THE REPUBLIC OF AUSTRIA

The Government of the Republic of the Philippines and the Federal Govern-
ment of the Republic of Austria, hereinafter referred to as the Contracting Parties,

Desirous of maintaining, developing and expanding trade and economic rela-
tions between them in accordance with their development and trade needs and objec-
tives on equitable and mutually beneficial bases,

Mindful of resolutions 21 (II)² and 96 (IV)³ of the United Nations Conference on
Trade and Development,

Have agreed as follows:

Article 1. The Contracting Parties shall promote the expansion of trade and
economic relations between them within the framework of laws and regulations
effective in either country.

Article 2. The Contracting Parties shall take all appropriate measures to
facilitate, strengthen and diversify trade between the two countries in respect of cur-
rent and potential exports with a view to maximizing trade between them.

Article 3. The Contracting Parties shall grant each other most-favoured-
nation treatment in accordance with the provisions of the General Agreement on
Tariffs and Trade,⁴ as far as these are applicable to both Contracting Parties, in all
matters relating to:

- a) Customs duties and charges of any kind, including the method of levying such
duties and charges, imposed on or in connection with importation or exporta-
tion, or imposed on the transfer of payments for imports or exports;
- b) Rules and formalities connected with customs clearance;
- c) All internal taxes or other internal charges of any kind imposed on or in connec-
tion with imported and exported goods; and
- d) Issuance of import and export licenses.

Article 4. The provisions of article 3 shall not apply to:

- a) Special preferences or other advantages accorded by either Party to any country
or to be accorded in replacement of previously existing preferences or advan-
tages, in conformity with the General Agreement on Tariffs and Trade;
- b) Tariff preferences or other advantages which either Party grants or may grant to
facilitate frontier/border traffic;
- c) Special preferences or other advantages accorded by either Party resulting from
its association in a customs union or free trade area or measures leading to the
formation of a customs union or a free trade area, or in the case of the Philip-

¹ Came into force on 1 March 1980, i.e., the first day of the third month following the date of the exchange of notes
(on 24 December 1979) confirming its ratification in accordance with article 11.

² *Proceedings of the United Nations Conference on Trade and Development, Second Session*, vol. I, *Report and An-
nexes*, p. 38.

³ *Ibid.*, *Fourth Session*, vol. I, *Report and Annexes*, p. 9.

⁴ United Nations, *Treaty Series*, vol. 55, p. 187.

panies from its association in ASEAN (Association of Southeast Asian Nations) in conformity with the General Agreement on Tariffs and Trade;

- d) Tariff preferences or other advantages which the Philippines may grant to developing countries under any trade expansion or economic cooperation scheme; and
- e) Any advantage, concession and exemption granted by one of the Contracting Parties to third countries in connection with the implementation of multilateral agreements within the General Agreement on Tariffs and Trade in the non-tariff area where non-adherents are excluded from their application.

Article 5. All current payments between the two countries shall be made in freely convertible currency, subject to foreign exchange regulations and other pertinent laws, rules and regulations effective in either country.

Article 6. Both Contracting Parties shall encourage the exports between them of manufactures and semi-manufactures in an increasing proportion, in addition, and without prejudice, to the products which have hitherto constituted their traditional products.

Article 7. In order to develop further trade between the two countries, the Contracting Parties shall facilitate each other's participation in trade fairs to be held in either country, and arranging exhibitions of either country in the territory of the other, on terms to be agreed between their competent authorities.

The exemption from customs duties and other similar charges of articles and samples intended for fairs and exhibitions, as well as their sale and disposition, shall be subject to the laws, rules and regulations of the country where such fairs and exhibitions are held.

Article 8. The provisions of this Agreement shall not limit the rights deriving from the General Agreement on Tariffs and Trade, as far as these are applicable to both Contracting Parties, of either Contracting Party to adopt or execute measures:

- i) For reasons of public health, morals, order or security;
- ii) For the protection of plants and animals against diseases;
- iii) To safeguard its external financial position and balance of payments; and
- iv) To prevent injury to domestic industries or the threat thereof.

Article 9. The Contracting Parties shall consult each other at the request of either of them on all matters of mutual interest, as well as on the necessary measures aiming at the expansion of mutual cooperation and trade relations concerning the implementation of the present Agreement.

In the implementation of this article, each meeting held at the request of either Party shall be carried out at a place mutually agreed upon not later than sixty (60) days after the date of receiving the request.

Article 10. The provisions of this Agreement shall apply even after its termination to contracts between Philippine and Austrian firms and agencies entered into during the period of the validity of this Agreement but not fully completed on the day of the termination of this Agreement.

Article 11. The present Agreement shall enter into force on the first day of the third month after the date of the exchange of notes confirming that it has been ratified in conformity with the respective laws of the Contracting Parties. It shall remain in force for one year and shall continue in force thereafter unless terminated by either Party through a three-month prior written notice.

At any time the Agreement is in force, either Party may propose in writing amendments thereto and to which the other Party will reply within one hundred twenty (120) days upon receipt of such notice.

The terms of the Agreement may be modified by mutual consent of the Contracting Parties.

DONE AND SIGNED in Vienna this 20th day of February nineteen hundred and seventy-nine in two original texts in the English language, one for each Contracting Party, both texts being equally authentic.

[Signed — Signé]¹

For the Government
of the Republic of the Philippines

[Signed — Signé]²

For the Federal Government
of the Republic of Austria

¹ Signed by Vicente Paterno — Signé par Vicente Paterno.

² Signed by Dr. Josef Staribacher — Signé par Josef Staribacher.