TRADE[1] AGREEMENT BETWEEN THE GOVERNMENT OF INDIA AND THE GOVERNMENT OF THE REPUBLIC OF PHILIPPINES
Manila, 29 May 1979

The Government of the Republic of INDIA

AND

The Government of the Republic of PHILIPPINES,

HEREINAFTER referrred to as the Contracting Parties;

DESIRING to develop and strengthen direct trade and economic relations between their respective countries in accordance with their development and trade needs and objectives on an equitable and mutually beneficial basis;

HAVE AGREED as follows :

Article 1

The Contracting Parties shall promote the development of trade and economic relations between their respective countries with in the framework of their laws, rules and regulations.

Article 2

The Contracting Parties shall grant each other most-favoured-nation treatment in accordance with provisions of the General Agreement on Tariffs and Trade (GATT), as far as these are applicable to both 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 exportation, or imposed on the transfer of payments for imports and exports;

(b) rules and formalites connected with customs clearance;

1. Came into force on 1 September 1981.

(c) all internal taxes or other internal charges of any kind imposed on or in connection with the imports and exports;

(d) the issuance of import and export licences.

Article .3

The provisions of Article 2 shall not apply to :

(a) special preferences or other advantages accorded by either party resulting from its association in a regional or subregional arrangement, customs union or a free trade area or measures leading to the formation of a customs union, or a free trade area;

(b) tariff preferences or other advantages which either Party grants or may grant to facilitate frontier/border traffic;

(c) special tariff preferences or other advantages which either Party may grant to developing countries under any trade expansion or economic cooperation scheme or multilateral economic cooperation arrangement, of which the other Party is not a member; and

(d) preferences, advantages, privileges or immunities accorded by either Party to any third country existing on the date of the present Agreement or in replacement thereof.

Article 4

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 5

In order to develop further trade between the two countries, the Contracting Parties shall encourage and facilitate the visit of commercial and technical representatives, groups and delegations of either Party to the country of the other and the participation by 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 on articles and samples intended for fairs and exhibitions, as well as their sale and disposition, shall be subject to the laws and regulations of the country where such fairs and exhibitions are held.

Article 6

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 :

(a) Necessary to safeguard its external financial position and balance of payment;

(b) necessary to protect public health, morals, order or security;

(c) necessary to protect plants and animals against diseases;

and other measures in accordance with GATT.

Article 7

Merchant cargo-bearing vessels of either Contracting Party shall be granted most-favoured-nation treatment in respect of entry into, stay in and departure from the ports of the other Party as well as in the use of the facilities therein in accordance with the laws, rules and regulations in force in the said other Party.

The provisions of the preceding paragraph shall not be applied to maritime activities legally reserved by each Contracting Party for its organizations or enterprises including fishing, coastal trade and inland shipping.

Article 8

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 9

The provisions of this Agreement shall apply even after its termination to contracts 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 10

The present Agreement shall enter into force on the date of the exchange of Notes confirming that it has been ratified or approved 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 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 Metro Manila, this twenty-ninth day of May, nineteen hundred and seventy-nine, in two copies each in the Hindi, English and Filipino languages, all texts being equally authentic, provided that in case of any divergence, the English text shall prevail.

For the Government of the Republic of India

Sd/-
MOHAN DHARIA
Minister of Commerce, Civil Supplies and Cooperation

For the Government of the Republic of the Philippines

Sd/-
TROADIO T. QUIAZON, JR.
Minister of Trade