

No. 18239

**PHILIPPINES
and
CZECHOSLOVAKIA**

**Trade Agreement (with schedules). Signed at Manila on
9 March 1977**

Authentic text: English.

Registered by the Philippines on 29 January 1980.

**PHILIPPINES
et
TCHÉCOSLOVAQUIE**

**Accord commercial (avec annexes). Signé à Manille le 9 mars
1977**

Texte authentique : anglais.

Enregistré par les Philippines le 29 janvier 1980.

TRADE AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES AND THE GOVERNMENT OF THE CZECHOSLOVAK SOCIALIST REPUBLIC

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

Desiring to develop and strengthen direct trade and economic relations between them in accordance with their development and trade needs and objectives on equitable and mutually beneficial bases,

Have agreed as follows:

Article 1. The Contracting Parties shall promote the development of trade and economic relations between the two countries in accordance with the laws, rules and regulations effective in either country.

Article 2. The Contracting Parties shall grant each other most-favoured-nation treatment 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 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 connection with imported and exported goods; and
- d) Issuance of import and export licenses.

Article 3. The provisions of article 2 shall not apply to:

- a) Tariff preferences or other advantages which either Party grants or may grant to facilitate border traffic;
- b) Special preferences or other advantages accorded by either Party resulting from its association in a customs union or a free trade area or measures leading to the formation of a customs union or a free trade area; and
- c) Tariff preferences or other advantages which the Philippines may grant to developing countries under any trade expansion or economic cooperation scheme, in accordance with the principles of UNCTAD.

Article 4. The import and export of goods, based on prevailing world market prices, will be carried out between Philippine import and export enterprises authorized to carry out foreign trade and Czechoslovakian foreign trade organizations in accordance with the laws, rules and regulations in force in either country.

Article 5. Deliveries of goods between the two countries shall be effected in accordance with the lists of goods mentioned in schedules A and B which are

¹ Came into force on 22 November 1978, the date of the exchange of notes, which took place at Berne, confirming its approval in conformity with the respective laws of the Contracting Parties, in accordance with article 13.

indicative and could be supplemented with other goods on mutual agreement of the two Parties.

The provisions of the preceding paragraph shall not preclude commercial transactions in respect of goods not listed in the said schedules.

Article 6. 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.

This does not, however, preclude the conclusion of other payments arrangements to facilitate trade if the Contracting Parties so agree.

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 in 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 Contracting Parties shall refrain from exporting goods originating from the other Contracting Party below prevailing world market prices or in such quantities as may cause unfavorable market disruption.

Article 9. Any dispute relating to commercial transactions concluded in accordance with the present Agreement shall be settled through friendly consultation. Failing this, the Parties concerned shall submit their cases to arbitration in accordance with contract provisions. In the absence of an arbitration clause, they shall submit their case to an arbitration body to be mutually agreed upon by the Parties concerned.

Article 10. The provisions of this Agreement shall not limit the rights of either Contracting Party to adopt or execute measures:

- a) For reasons of public health, morals, order or security;
- b) For the protection of plants and animals against diseases;
- c) To safeguard its general external financial position and general balance of payments;
- d) To prevent injury to domestic industries or the threat thereof, in conformity with GATT;¹ and
- e) To protect national treasures of artistic, historical or archaeological value.

Article 11. 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 called at the request of either Party shall be held at a place mutually agreed upon not later than ninety (90) days after the date of receipt of the request.

¹ United Nations, *Treaty Series*, vol. 55, p. 187.

Article 12. 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 consummated on the day of the termination of this Agreement.

Article 13. 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 anytime 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 Manila, this 9th day of March, nineteen hundred and seventy-seven in two original texts in the English language, one for each Contracting Party both texts being equally authentic.

For the Government
of the Republic of the Philippines:

[Signed — Signé]

TROADIO T. QUIAZON, Jr.
Secretary of Trade

For the Government
of the Czechoslovak Socialist
Republic:

[Signed — Signé]

ANDREJ BAROAK
Minister of Foreign Trade

SCHEDULE A

GOODS FOR EXPORT FROM THE REPUBLIC OF THE PHILIPPINES

1. Coconut oil
2. Logs and lumber
3. Portland cement
4. Coffee
5. Tropical fruits
6. Leaf tobacco
7. Copper concentrates
8. Nickel concentrates
9. Lead concentrates
10. Chrome ore
11. Manganese ore
12. Wood mouldings and builder's woodwork
13. Furniture
14. Garments
15. Handicrafts

SCHEDULE B

GOODS FOR EXPORT FROM THE CZECHOSLOVAK SOCIALIST REPUBLIC

1. Textile and tanning machinery
 2. Electrical machinery and equipment
 3. Industrial machinery and equipment
 4. Metal and woodworking machine tools
 5. Construction and roadbuilding machinery
 6. Scientific, measuring and laboratory equipment
 7. Diesel engines and compressors
 8. Vehicles including lorries
 9. Other capital goods
 10. Pharmaceuticals
 11. Ceramics for industrial use
 12. Paper products
 13. Statistical machines
 14. Typewriters and calculating machines
 15. Hops, malt
-