

No. 18241

**PHILIPPINES
and
REPUBLIC OF KOREA**

**Trade Agreement (with schedules). Signed at Manila on
24 April 1978**

Authentic text: English.

Registered by the Philippines on 29 January 1980.

**PHILIPPINES
et
RÉPUBLIQUE DE CORÉE**

**Accord commercial (avec listes). Signé à Manille le 24 avril
1978**

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 REPUBLIC OF KOREA

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

Desiring to promote and expand direct trade relations between their two countries on equitable and mutually beneficial bases,

Have agreed as follows:

Article I. The Contracting Parties shall take all appropriate measures, in conformity with the general import and export laws, rules and regulations in force in their respective countries, to facilitate, expand and diversify trade between the two countries.

Article II. 1. The Government of the Republic of Korea, subject to its existing laws, rules and regulations, will permit the importation of the commodities that are of Philippine origin, which are specified in schedule A annexed to this Agreement. The Government of the Republic of the Philippines, on the other hand, will permit the exportation of the same.

2. The Government of the Republic of the Philippines, subject to its existing laws, rules and regulations, will permit the importation of the commodities that are of Korean origin, which are specified in schedule B annexed to this Agreement. The Government of the Republic of Korea, on the other hand, will permit the exportation of the same.

3. The schedules A and B specifying the goods which may be traded between the two Contracting Parties are considered integral parts of the Agreement.

4. The schedules A and B contain those goods which, in the light of the best information available at the present time, may be expected to flow between both countries, but do not constitute a commitment to import the goods enumerated therein, rather they represent a reasonable estimate made in good faith of the sales and purchases likely to result from the desires of both Contracting Parties to develop trade between them to highest practicable level.

Article III. The Contracting Parties shall grant each other most-favoured-nation treatment in all matters relating to:

1. 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;
2. Rules and formalities connected with customs clearances;
3. All internal taxes or other internal charges of any kind imposed on or in connection with imported or exported goods; and
4. Issuance of import and export licenses.

¹ Came into force on 6 November 1978, the date of the exchange of notes, which took place at Manila, confirming its approval by the two Contracting Parties in conformity with their respective laws, in accordance with article XII (1).

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

1. Advantages and privileges resulting from any customs union or free trade zone or regional arrangements of which either Contracting Party is or may become a member;
2. Advantages and/or privileges accorded under multilateral economic agreements among developing countries of which either Contracting Party is or may become a member;
3. Preferences accorded by either Party to the goods and commodities which are imported under aid programmes extended to either Party by the United Nations or its Specialized Agencies or any foreign Government, its corporations or its associations;
4. Tariff preferences and/or advantages which either Contracting Party grants or may grant to facilitate border traffic;
5. Preferences and/or advantages accorded or to be accorded by either Contracting Party to another country in replacement of previously existing preferences and/or advantages.

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

1. The visit of commercial and technical representatives, groups and delegations of either Party to the country of the other;
2. Participation by either country in trade fairs and in arranging exhibitions of either country in the territory of the other, subject to the laws, rules and regulations in force in either country.

Article VI. Each Contracting Party shall, in accordance with its laws, rules and regulations, exempt the articles and samples for display at fairs and exhibitions from the payment of import duties and taxes.

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 duties and taxes, if any.

Article VII. Merchant cargo-bearing vessels of either Party shall enjoy, with respect to entry into, stay-in and departure from the ports of the other Party, most-favoured-nation facilities granted by its respective laws, rules and regulations.

Each Contracting Party reserves to its own vessels the right to engage in its coastal trade, inland shipping, and fishing.

Article VIII. Payments and other charges in connection with the import and export of commodities and goods between the two countries shall be made in freely convertible currencies in accordance with the pertinent laws, rules and regulations in force in their respective countries.

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

1. For reasons of public health, morals, order or security,
2. For the protection of plants and animals against diseases, and such other measures in conformity with GATT.¹

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

Article X. The Contracting Parties shall, upon request by either of them, meet, discuss and recommend measures aimed at the attainment of the objectives of this Agreement and the solution of any problem which might arise in connection with the implementation of the provisions of this Agreement.

The place and time of meeting shall be mutually agreed upon.

Article XI. The provisions of this Agreement shall apply even after its termination to contracts entered into force during the period of validity of this Agreement but not fully completed on the day of the termination of this Agreement.

Article XII. 1. This Agreement shall enter into force on the date of the exchange of notes confirming its approval or ratification by the two Contracting Parties, in accordance with their respective laws.

2. This Agreement shall remain in force for a period of one year from the date of such exchange of notes and shall continue in force thereafter unless terminated by either Party upon three months' written notice in advance; however, this Agreement may be revised, amended or changed in whole or in part with the approval of both Parties.

3. The Trade Agreement and Agreed Minutes therewith between the Government of the Republic of the Philippines and the Government of the Republic of Korea signed on February 24, 1961,¹ and entered into force on the same date and amended on August 8, 1964, shall be superseded by this Agreement on the date on which this Agreement comes into force.

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

DONE at Manila on this 24th day of April, nineteen hundred and seventy-eight, 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]²

For the Government
of the Republic of Korea:
[Signed — Signé]³

SCHEDULE A

LIST OF PHILIPPINE EXPORTS TO THE REPUBLIC OF KOREA

1. Sugar and sugar preparations such as raw cane and centrifugal sugar, molasses, confectionery, etc.
2. Sawn lumber and other lumber products including railway sleepers
3. Copper concentrates and electrolytic copper

¹ United Nations, *Treaty Series*, vol. 423, p. 217.

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

³ Signed by Yung Kyoo Kang — Signé par Yung Kyoo Kang.

4. Electrical machineries and equipment parts
5. Abaca (Manila hemp), ramie, sisal, maguey fibers and manufactures thereof such as abaca cordage, ropes and twines
6. Coconut oil, crude and refined, and by-products thereof
7. Desiccated coconut
8. Acrylics
9. Pyrite cinders, non-ferrous, iron pyrites, crude, unroasted
10. Chemicals and chemical preparations such as hydrogen peroxide and glycerine
11. Fruits, fresh, canned or preserved such as bananas and plantains, mangoes, pineapples in syrup
12. Unmanufactured tobacco including scraps and stems; tobacco manufactures
13. Plywood and veneer, reconstituted wood and other wood products including furnitures of wood and rattan
14. Glazed and unglazed ceramic setts, flags and tiles and other ceramic products
15. Sanitarywares
16. Cotton and synthetic textiles, made-up articles and clothing
17. Crustaceans and mollusks such as shrimps and prawns
18. Athletic and sporting goods
19. Base metals
20. Coffee and manufactures thereof including essences and extracts
21. Cottage industry products
22. Dyeing, tanning and coloring materials including pigments, paints and varnishes
23. Electrical supplies and appliances
24. Glue, gums and resins (including lacs and shellacs)
25. Leather manufactures such as footwear, travel goods, and similar articles
26. Marble and manufactures thereof
27. Meat and meat preparations
28. Medicinal and pharmaceutical products including medicinal herbs and drugs
29. Non-metallic minerals
30. Perfumery, cosmetics, soap and cleansing and polishing preparations
31. Plastic products
32. Rubber manufactures
33. Sewing machines and parts thereof
34. Shell manufactures
35. Other processed foods
36. Others, n.e.s.

SCHEDULE B

LIST OF KOREAN EXPORTS TO THE REPUBLIC OF THE PHILIPPINES

1. Boilers
2. Agricultural machinery and tools (including power tillers)
3. Sewing machines
4. Electrical goods of generators, motors, converters, transformers, rectifiers, inductors and transmission line
5. Electronic products
6. Electronic measuring instruments
7. Sheet and plates of iron and steel
8. Iron and steel wire
9. Alloy steel and high carbon steel
10. Stainless steel tablewares
11. Structures and parts of structures of iron and steel
12. Insulators of any material
13. Motor vehicles and parts
14. Rolling stocks and parts
15. Vessels
16. Cement
17. Liquefied propane gas
18. Soda ash
19. Methanol
20. Fertilizer
21. Tires
22. Chemical products, n.e.s.
23. Military supplies
24. Watches
25. Travel goods, handbags, cases and similar articles
26. Clothing and accessories of leather
27. Printing and writing paper
28. Plywood
29. Laminated wood products
30. Silk woven fabrics
31. Yarn of man-made fibres
32. Woven fabrics of man-made fibres
33. Wool fabrics
34. Cotton thread and fabrics
35. Under garments, woven or knitted
36. Outer garments, woven or knitted

37. Fishing nets
 38. Footwears
 39. Mosaic tile
 40. Toys
 41. Works of industrial art
 42. Ginseng products
 43. Apples
 44. Fish and fishery products
 45. Others, n.e.s.
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