

No. 12501

**CANADA
and
PHILIPPINES**

Trade Agreement (with exchanges of letters). Signed at Manila on 29 August 1972

*Authentic texts: English and French.
Registered by Canada on 3 May 1973.*

**CANADA
et
PHILIPPINES**

Accord de commerce (avec échanges de lettres). Signé à Manille le 29 août 1972

*Textes authentiques : anglais et français.
Enregistré par le Canada le 3 mai 1973.*

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

The Government of Canada and the Government of the Republic of the Philippines, hereinafter referred to as the Contracting Parties, desiring to strengthen and develop trade relations between the two countries, and recognizing the benefits of expanded trade on a mutually advantageous basis, have agreed as follows:

Article I. 1. Both Contracting Parties shall accord to each other unconditional most-favoured-nation treatment in all matters with respect to:

- a) customs duties and charges of any kind imposed on or in connection with the importation or exportation of products or imposed on or in connection with the international transfer of payments for imports or exports;
- b) the method of levying such duties and charges;
- c) all rules and formalities connected with importation or exportation;
- d) all internal taxes or other internal charges of any kind imposed on or in connection with imported or exported products; and
- e) all laws, regulations and requirements affecting internal sale, offering for sale, purchase, transportation, distribution or use of imported products.

2. Any advantage, favour, privilege or immunity which has been or may hereafter be granted by either Contracting Party in regard to the matters referred to in paragraph 1 of this article to any product originating in or destined for the territory of any third country shall be accorded immediately and unconditionally to the like product originating in or destined for the territory of the other Contracting Party.

Article II. 1. No prohibitions or restrictions, whether made effective through quotas, import or export licenses or other measures shall be instituted or maintained by the Government of either Contracting Party on the importation of any product of the other Contracting Party or on the exportation or sale for export of any product destined for the other Contracting Party unless such prohibitions or restrictions are applied to all third countries.

2. In the allocation of foreign exchange for transactions involving the importation and exportation of goods and in the administration of foreign exchange regulations in relation to such transactions each Contracting Party shall accord to the other Contracting Party treatment no less favourable than it accords to any third country.

Article III. The provisions of articles I and II shall not apply to:

- a) tariff preferences or other advantages accorded at present by the Republic of the Philippines exclusively to the United States of America;
- b) tariff preferences or other advantages accorded at present by Canada exclusively to countries and their dependent overseas territories entitled to the benefit of the British preferential tariff;

¹ Came into force on 29 August 1972 by signature, in accordance with article IX (1).

c) any preferences accorded under any agreement initiating the establishment of a customs union or free trade area to which either of the Contracting Parties is or may become a party, or under any scheme for the expansion of trade and economic cooperation among developing countries, to which either of the Contracting Parties is or may become a party, which are consistent with internationally accepted trading principles.

Article IV. 1. Either Contracting Party shall be free to adopt remedial measures against the importation from the other Contracting Party of any commodity causing or threatening to cause serious injury to any industry in the importing country, or for balance of payments reasons.

2. Subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination, or a disguised restriction on international trade, no provision of the present Agreement shall be interpreted in such a manner as to prejudice measures that may be taken by either Contracting Party on moral or humanitarian grounds or for reasons of public health and public security, or measures concerning the trade in weapons, ammunition and military equipment, the protection of animals and plants against diseases and epidemics, the preservation of the national artistic, historical or archaeological heritage, and measures concerning the importation and exportation of gold and silver.

Article V. The provisions of the present Agreement shall not limit the right of either Contracting Party to accord tariff preferences or other advantages in respect of imports under military assistance, economic or financial development assistance programs of or military assistance, economic or financial development assistance agreements with any foreign government and its instrumentalities, corporation or association, or of the United Nations and the specialized agencies brought into relationship with the United Nations in accordance with the provisions of the Charter of the United Nations.

Article VI. Each Contracting Party shall accord to the trade of the other Contracting Party fair and equitable treatment with respect to imports for governmental use.

Article VII. The Contracting Parties agree to consult with each other at any time at the request of either on any matter affecting the operation, application or amendment of this Agreement, or otherwise relating to trade between the two Contracting Parties.

Article VIII. As far as possible, both Contracting Parties shall, at the request of either, endeavour to provide the other with information pertinent to the implementation of this Agreement.

Article IX. 1. This Agreement shall come into force on the date of signature and shall remain in force for a period of one year. Thereafter, it shall remain in force until the expiration of 90 days from the date on which one of the Contracting Parties receives from the other Contracting Party a written notice of its intention to terminate this Agreement.

2. The Contracting Parties may at any time agree to revise or amend this Agreement, and amendments so agreed shall be recorded in Notes exchanged between the two Contracting Parties.

IN WITNESS WHEREOF, the undersigned, duly authorized thereto, have signed this Agreement at Manila in duplicate in English and in French, all two documents being equally authentic, on this 29th day of August 1972.

[Signed]

BRUCE HOWARD
For the Government
of Canada

[Signed]

CARLOS P. ROMULO
For the Government
of the Republic of the Philippines

TESTIMONIUM

IN WITNESS WHEREOF the undersigned, duly authorized for this purpose by their respective Governments, have signed the present Agreement and have affixed their seals.

DONE in two copies at Manila in the English and French languages, each version being equally authentic, this 29th day of August 1972.

[Signed]

BRUCE HOWARD
For the Government
of Canada

[Signed]

CARLOS P. ROMULO
For the Government
of the Republic of the Philippines

EXCHANGES OF LETTERS

I a

Manila, August 29, 1972

Excellency,

I have the honour to refer to the negotiations on the Trade Agreement between the Governments of Canada and of the Republic of the Philippines, which has been signed today, and to state the following understandings reached during the discussions between our delegations in Manila which were concluded December 2, 1971.

1. Both Governments recognize the benefits of expanded trade on a mutually advantageous basis, and to this end undertake to facilitate the exchange of goods between themselves within the framework of their respective laws and regulations, and in accordance with the principles of international trade and development agreed to by the two countries. The Canadian Government takes note of the expressed desire of the Philippines to increase their exports to Canada during the lifetime of this Agreement to a level that would bring about better equilibrium in the balance of trade between both countries, in the context of continued expansion of two-way trade.

2. With respect to the scheme for the granting of non-reciprocal tariff preferences by developed countries to developing countries, the Government of Canada confirms its intention to grant preferential tariff treatment to all countries, areas or territories which claim developing status, other than those whose exports to Canada are subject to the general tariff, provided such countries are also extended preferences by other preference-giving countries. The Government of Canada also takes note of the desire of the Philippines to have additional products of export interest to the Philippines included in the list of products to be accorded non-reciprocal generalised preferences by Canada.

3. With respect to wheat, the Republic of the Philippines agrees to provide full and equal consideration to Canada as a source of wheat for Philippine import requirements. For its part, the Government of Canada agrees to provide full and equal consideration to the supply of Philippine requirements of wheat from Canada.

I would appreciate confirmation that the foregoing is an accurate statement of the understandings reached during the Trade Agreement negotiations between our delegations in Manila.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Government of Canada:

[Signed]

BRUCE HOWARD
Parliamentary Secretary to the Minister
of Industry, Trade and Commerce

His Excellency General Carlos P. Romulo
Secretary of Foreign Affairs
Department of Foreign Affairs
Manila

II a

[Manilla, August 29, 1972]

Excellency,

I have today received your letter dated August 29, 1972, which reads as follows:

[See letter I a]

I confirm that the foregoing is agreeable to my Government.

Accept, Excellency, the renewed assurances of my highest consideration.

[Signed]

CARLOS P. ROMULO
Secretary of Foreign Affairs

Mr. Bruce Howard
Parliamentary Secretary to the Minister
of Industry, Trade and Commerce
Canadian Embassy of the Philippines
Manila

I b

Manila, August 29, 1972

Excellency,

With reference to the Trade Agreement between the Government of Canada and the Government of the Republic of the Philippines signed today, I have the honour to confirm that in accordance with article VII the Canadian Government understands that included, *inter alia*, will be consultations regarding goods and services which might be imported into the Republic of the Philippines under article V of the Canada-Philippines Trade Agreement. It is understood that the

programs and agreements covered under article V would be military assistance, and official development assistance (O.D.A.), including commodity loans and long term credits for specific projects, as defined by the O.E.C.D.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Government of Canada:

[Signed]
BRUCE HOWARD
Parliamentary Secretary to the Minister
of Industry, Trade and Commerce

His Excellency General Carlos P. Romulo
Secretary of Foreign Affairs
Department of Foreign Affairs
Manila

II b

Manila, 29 August 1972

Excellency,

I have today received your letter dated August 29, 1972, which reads as follows:

[See letter I b]

I confirm that the foregoing is agreeable to my Government.

Accept, Excellency, the renewed assurances of my highest consideration.

[Signed]
CARLOS P. ROMULO
Secretary of Foreign Affairs

Mr. Bruce Howard
Parliamentary Secretary to the Minister
of Industry, Trade and Commerce
Canadian Embassy of the Philippines
Manila
