

AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES AND THE GOVERNMENT OF HIS MAJESTY THE SULTAN AND YANG DI-PERTUAN OF BRUNEI DARUSSALAM ON MERCHANT SHIPPING AND RELATED MATTERS

PREAMBLE

The Governments of the Republic of the Philippines and His Majesty The Sultan and Yang Di-Pertuan of Brunei Darussalam (hereinafter referred to as the "Contracting Parties"), being desirous of strengthening and promoting their cooperation and improving the efficiency of maritime transport in accordance with the principles of equality and mutual benefit.

HAVE AGREED AS FOLLOWS:

**ARTICLE I
DEFINITION OF TERMS**

For the purpose of this Agreement unless the context, otherwise requires:

a) "Vessel" means merchant marine vessels used in the carriage of cargoes and/or passengers flying the national flag of and registered in either Contracting Party. This term shall not include:

- (i) fishing vessels;
- (ii) wooden-hulled vessels;
- (iii) warships and auxiliary ships of the navy;
- (iv) vessels which are performing exclusively administrative or state functions;
- (v) scientific research vessels; and
- (vi) other vessels used for non-merchant purposes.

b) "Crew members" means all persons, including the Master, who are or actually have been employed for duties on board a vessel of the Contracting Parties, and nationals, of Contracting Parties actually employed for duties on board vessels of a third country with regard to the working or service of the vessel and who are included in its ship's articles or crew list as applicable and possess identity documents as specified in Article IX of this Agreement. The term crew members shall be synonymous to the term "seafarers" whenever the latter appears in this Agreement.

c) "Competent Authority" of the Contracting Parties means:

For the Republic of the Philippines: Maritime Industry Authority, Department of Transportation and Communications.

For Brunei Darussalam: Ministry of Communications and the authorized government agencies.

d) "Passengers" means those persons carried in the vessel of either Contracting Party, under the contract of carriage of passengers and who are not employed or engaged in any capacity on board that vessel and whose names are included in the passenger list of the vessel.

e) "Cabotage" refers to the carriage of cargoes and passengers: between ports of one Contracting Party.

f) "Port" means a place where ships may anchor or tie up for the purpose of shelter, repair, embarkation and/or disembarkation of passengers, loading or discharge of cargoes, or for other such activities connected with water-borne commerce, and including all the land and water areas and the structures, equipment and facilities related to these functions which, are declared open to international shipping by the Contracting Party.

g) "Territory" means

In respect, of the Republic of the Philippines, the national territory as defined in Article 1 of the 1987 Constitution.

In respect of Brunei Darussalam, the territory and adjacent waters over which Brunei Darussalam has sovereign rights or jurisdiction in accordance with international law.

ARTICLE II TRAFFIC RIGHTS

1. The Contracting Parties agree to cooperate on the basis of equal rights, mutual benefit and the principles of freedom of merchant shipping in order to develop the relations between themselves in the field of merchant shipping.
2. Vessels of either Contracting Party may freely sail for the purpose of embarking and disembarking passengers and loading and unloading cargoes between the ports of the Contracting Parties which are open to foreign trade or between either Contracting Party and any third country.
3. Vessels of either Contracting Party shall be entitled to sail from one port to another which are Brunei Indonesia Malaysia Philippines-East ASEAN Growth Areas (BIMP-EAGA) ports of the Contracting Parties, to disembark and embark passengers, unload and load cargoes destined to a third country. In this case the transportation will not be regarded as cabotage.

ARTICLE III CABOTAGE

The provisions of this Agreement shall not apply to cabotage.

ARTICLE IV OBLIGATION OF CONTRACTING PARTIES

The Contracting Parties shall:

- a) promote participation of their vessels in the carriage of cargoes and passengers between the territories of the Contracting Parties;
- b) facilitate the issuance of clearances pertaining to entry, berthing, discharging, loading, provisioning, departure of vessels and related operations including the processing of crew members of either Contracting Party, in accordance with international conventions to which the Contracting Parties are signatories;
- c) respect and accept the terms and conditions of employment of the crew members of a vessel of either Contracting Party;
- d) respect the employment contracts, social welfare standards and conditions of work approved by each Contracting Party for each crew member employed on board its vessels; and
- e) agree to allow the shipping lines of either Contracting Party to establish their representative offices in their respective territories, consistent with the laws and regulations of the Contracting Parties.

ARTICLE V NON-DISCRIMINATORY TREATMENT

1. Each Contracting Party, in accordance with their respective laws and regulations, shall refrain from any discriminatory measures against the vessels of the other Contracting Party.
2. The Contracting Parties shall adopt, within the limits of their laws and regulations, all appropriate measures to facilitate the turn-around of vessels to prevent unnecessary delays, and to expedite customs and other formalities required at ports.
3. The provisions of this Agreement shall not limit the right of either Contracting Party to take measures for the protection of its security, public health and environment and the prevention of disease and pest in animals and plants.
4. Third flag ships which are chartered by nationals of the Contracting Parties when calling ports of the other Party shall be accorded the courtesies normally extended to ships flying the respective Contracting Parties' flag.

ARTICLE VI APPLICABILITY OF NATIONAL LAWS

The Contracting Parties hereby agree that all vessels of the Contracting Party, including all cargoes, passengers and crew members thereon, while in the territory of the other Contracting Party shall be subject to all laws and regulations of the other Contracting Party. Each Contracting Party undertakes to take special care to ensure compliance with the health, quarantine, immigration, customs, marine traffic safety, foreign currency and security regulations of the other Contracting Party.

ARTICLE VII RECOGNITION OF CERTIFICATES

1. The Competent Authority of each Contracting Party shall accept the certificate of registration issued by the Competent Authority of the other Contracting Party as