

**May 27, 1963**

## **TRADE AGREEMENT (WITH PROTOCOL) BETWEEN THE REPUBLIC OF THE PHILIPPINES AND THE REPUBLIC OF INDONESIA**

Note: The Agreement is not yet in force.

The Government of the Republic of the Philippines and the Government of the Republic of Indonesia, desirous of promoting and expanding trade relations between the Philippines and Indonesia based on the principle of equality and mutual benefit, have agreed as follows:

### **ARTICLE 1**

The two Governments will take all appropriate measures to promote trade between the two countries and to grant each other the respective import/export licenses as may be necessary, in particular with regard to the goods or commodities mentioned in lists "A" and "B" attached to this Agreement.

Nothing in this Agreement shall be deemed to preclude trade in goods or commodities not mentioned in the said lists.

### **ARTICLE 2**

The two Governments shall endeavor to expand the total volume of trade between them by supplying to each other goods and services produced by each country that are mutually advantageous to them.

### **ARTICLE 3**

The Contracting Parties agree that the exchange of goods or commodities shall be subject to and affected within the scope of the general import-export regulations in force in each country during the validity of this Agreement.

### **ARTICLE 4**

The Contracting Parties agree to grant each other no less favorable treatment in trade relations between the two countries than that applying to any other country, in particular as regards customs rules and formalities, customs duties, taxes and charges of any kind, regulations governing the import and export of goods or commodities, as well as with regard to the procedure governing import and export licenses.

### **ARTICLE 5**

Deliveries of goods between the Republic of Indonesia and the Republic of the Philippines will be carried out on the basis of contracts to be concluded between the enterprises and firms domiciled in the Republic of Indonesia, authorized to participate in foreign trade on the one hand, and the enterprises and firms domiciled in the Republic of the Philippines, authorized thereto on the other. The abovementioned enterprises and firms, in accordance with the respective laws of the State in which they are domiciled, have the status of independent juridical persons. They are fully responsible for their commercial transactions.

## **ARTICLE 6**

Both Parties agree that the prices for the commodities to be delivered according to this Agreement shall be fixed whenever possible on the basis of world market prices for similar commodities prevailing at the time the said contracts are concluded. In case of non-existence of world market prices for certain goods or commodities, competitive prices shall be agreed upon.

## **ARTICLE 7**

In order to promote international trade both Contracting Parties will take all appropriate measures to facilitate trade on a multilateral basis.

## **ARTICLE 8**

The shipping of the goods or commodities from the Republic of Indonesia to the Republic of the Philippines or from the Republic of the Philippines to the Republic of Indonesia will be done preferably by the national commercial fleets of both Parties to this Agreement.

## **ARTICLE 9**

Merchant vessels of one country while entering, putting off and lying at the ports of the other country, will enjoy treatment no less favorable than that accorded by their respective laws, rules and regulations to the vessels under the flag of any third country.

## **ARTICLE 10**

All payments between the two countries shall be effected in United States Dollars.

For this purpose all contracts and invoices relating to the trade between Indonesia and the Philippines shall be expressed in United States Dollars.

## **ARTICLE 11**

The Bank of Indonesia and the Central Bank of the Philippines shall by mutual agreement establish all technical details necessary for the effective functioning of the present Agreement.

## **ARTICLE 12**

In order to facilitate the implementation of this Agreement, both Contracting Parties agree to consult each other in respect of any matter arising from or in connection with the trade between the two countries.

For this purpose they will form a Joint Committee which will meet at the request of either Contracting Party at a convenient date after mutual consent and not later than 45 days after the request to that effect has been made, either in Djakarta or in Manila.

This Agreement shall be valid for a period of one year.

In case neither of the Contracting Parties shall have given notice three months before the expiration of said period of its intention to terminate this Agreement, it will by tacit understanding be prolonged each time for another period of one year.

The provisions set forth in this Agreement shall come into force provisionally on the day of the signing of this Agreement. They will definitely come into force after an exchange of notes to that effect between the two Governments and shall remain in force for a period of one year following the exchange of notes.

Done and signed in two copies each, in the Indonesian, Pilipino and English languages, all texts being authentic, provided however that in case different interpretations arise, the English texts shall prevail, in Djakarta, the 27th day May 1963.

For the Government of the Republic of  
Indonesia

For the Government of the Republic  
of the Philippines

**Dr. SOEHARTO**

**RUFINO G. HECHANOVA**

Minister of Trade of the Republic of  
Indonesia and Chairman of the  
Indonesian  
Trade and Economic Delegation

Secretary Department of Commerce  
and Industry  
and Chairman, Philippine Economic  
and  
Trade Mission To Indonesia

**List "A"**

Goods to be exported from the Republic of Indonesia to the Republic of the Philippines:

1. Aetheric oils
2. Palm kernels and palm oil
3. Bauxite
4. Coffee beans
5. Cocoa beans
6. Tea
7. Live-stock, meat and meat preparations
8. Edible nuts and
9. Rock phosphate
10. Rubber: Estate Rubber  
Smallholders Rubber
11. Crude oil and other petroleum products
12. Handicraft
13. Chemical and chemical preparations
14. Corn and other cereals
15. Spices
16. Iron and steel scrap
17. Wrapper tobacco (Sumatra)
18. Silverwares
19. "Batik" textiles and special textiles
20. Logs and lumber
21. Tin and other metal products
22. Films, books, magazines and other publications
23. Technical and management services