

TRADE AGREEMENT BETWEEN THE REPUBLIC OF THE PHILIPPINES AND THE REPUBLIC OF KOREA

Note: The Agreement entered Into force, February 24, 1961.

Reference: This Agreement is also published In III DFA TS No. 4, p. 1.

The Government of the Republic of the Philippines and the Government of the Republic of Korea, being equally desirous of developing direct trade relations between their two countries have agreed as follows:

ARTICLE I

The Government of the Republic of the Philippines and the Government of the Republic of Korea, hereinafter called the Contracting Parties, will take all appropriate measures to further economic relations between their respective countries, and especially to maximize trade between the two countries.

ARTICLE II

1. Subject to the provisions of Article IV:

(a) The Government of the Republic of Korea 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.

(b) The Government of the Republic of the Philippines 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.

2. The Schedules "A" and "B" specifying the goods which may be traded between the two countries, as well as the accompanying Agreed Minutes, are considered integral parts of this Agreement.

3. 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 desire of both Contracting Parties to develop trade between them to the highest practicable level. Subject to these considerations, both parties will facilitate in every way the sale and purchase of goods as stated in the Schedules.

ARTICLE III

1. Both Contracting Parties agree that no export-import duties, taxes and/or charges or fees at rates higher than those applicable to similar goods imported from, or

exported to, third parties under similar terms and conditions, shall be imposed by the parties on any goods traded between the two countries under this Agreement.

2. Both Contracting Parties will grant each other favorable treatment as much as possible in conformity with the principle of non-discrimination with respect to import and export procedures and regulations including import and export licensing.

3. It is understood that the preceding paragraphs 1 and 2 shall in no way be construed as including the following:

(a) The preferential treatment that is or may hereafter be accorded by the Republic of Korea to the goods imported under military and economic aid programs extended to the Republic of Korea by the United Nations and its specialized agencies or by other countries and their corporations or associations.

(b) The principle of non-discrimination shall not apply to treatment, benefits or advantages accorded by the Republic of the Philippines to articles of the United States of America.

ARTICLE IV

All trade between the Contracting Parties shall be subject to export-import control, foreign exchange control and such other controls pertaining to foreign trade and payments as may from time to time be in force and effect in the two countries; each Contracting Party shall take necessary steps feasible to ensure compliance with such controls of the other Contracting Party.

ARTICLE V

Both Contracting Parties shall consult each other, as may be necessary, in order to recommend measures for expanding mutual trade or to overcome difficulties that might arise in connection with the implementation of the provisions of this Agreement.

ARTICLE VI

1. This Agreement shall come into force on the date of signature and shall remain valid for a period of one (1) year from such date. This Agreement shall be considered as automatically extended for successive periods of one (1) year each unless a new agreement is reached between the Contracting Parties.

2. This Agreement may be revised by mutual consent, or may be terminated at any time upon the request of either the Government of the Republic of Korea or the Government of the Republic of the Philippines upon ninety (90) days' notice in writing. Any revision, cancellation or termination of this Agreement shall be without prejudice to any right or obligation accruing or incurred hereunder prior to the effective date of such revision, cancellation or termination.

IN WITNESS, WHEREOF, the undersigned, duly authorized thereto, have signed this Agreement at Manila in duplicate in English, both documents being equally authentic, on the 24th day of February, 1961.

For the Government of
the Republic of
Korea:

For the Government of
the Republic of the
Philippines.