

PROTOCOL ON TRADE RELATIONS BETWEEN THE REPUBLIC OF THE PHILIPPINES AND THE FEDERAL REPUBLIC OF GERMANY

Note: The Agreement entered into force, April 5, 1955.

Reference: This Agreement is also published in III DFA TS No. 4, p. 12.

Moved by the desire to promote and enlarge to the greatest possible extent commerce and trade between the two countries, a Trade Mission of the Republic of the Philippines and a Delegation of the Federal Republic of Germany held several conferences in Bonn between the 30th March and 23rd April 1955. In the course of these conferences they thoroughly explored the entire field of trade relations between the two countries, exchanging frank views and essential information on their economic objectives and programmes, commercial needs, financial policies, control systems and international commitments.

As a result of these conferences they agreed as follows:

1. a) The Philippine Trade Mission and the German Delegation will recommend that all appropriate measures be taken to further the economic relations between their two countries and especially to develop more direct trade between them.

b) To this end of the work of commercial representatives or agents of each country should be facilitated in the territory of the other, subject to the laws and regulations of that country.

2. a) It was agreed to recommend that both countries follow, in the trade between them, the principle of non-discrimination in that, with regard to import procedures and regulations, the same treatment would be given to those products of the other country, which are included in any list agreed upon, as that given to similar products when imported under similar terms and conditions from third countries by either.

b) Furthermore, it was agreed to recommend that, with regard to shipping in international trade both countries would accord each other all customary facilities and would refrain from any measures which could have a discriminatory effect.

c) It was recognized that the principle of non-discrimination shall not apply to treatment, benefits, or advantages that are now or may hereafter be granted-by the Republic of the Philippines to the United States of America or to its citizens, corporations or associations.

3. a) It was agreed to recommend an exchange of technical knowledge and information as well as of scientists and technicians of both countries, subject to the laws and regulations of each country.

b) The Government of the Federal Republic of Germany expresses its readiness to cooperate in the training of Filipino technicians, and will endeavour to arrange for scholarships and observation courses in German educational institutions and German industry.

c) The Government of the Republic of the Philippines is prepared, on the other hand, at the request of the Government of the Federal Republic of Germany, to use its good offices with the Philippine entities concerned in order to give nationals of the Federal Republic of Germany the opportunity of practical commercial and technical training with the territory of the Republic of the Philippines.

4. a) The two Delegations communicated to each other the lists which are attached to this Protocol.

Annex A is the list of German exports to the Republic of the Philippines,

Annex B is the list of Philippine exports to the Federal Republic of Germany.

b) These lists contain those goods which, in the light of the best information available at the present time, may be expected to flow between the two countries.

c) The total amount of twenty-five million US-dollars stated in each list is based on a preliminary estimate of the trade volume each way per year. In this connection it was taken into account that the Government of the Republic of Germany is prepared to make allocations to enable the importation of copra from the Republic of the Philippines up to an amount equivalent to a total of twenty million US-dollars per year.

d) In order to give direct trade an immediate stimulus and as a gesture of good will towards the Philippine Trade Mission the Government of the Federal Republic of Germany has in the course of these conferences already allocated an amount which enables the purchase of copra from the Philippines up to an amount equivalent to five million US-dollars.

e) The Philippine Trade Mission pointed out that the import requirements of the Philippines would be based primarily on the desire of the Philippines to diversify the geographic and commodity pattern of its foreign trade and to promote industrialization and economic development.

f) The Delegation of the Federal Republic of Germany pointed out, for its part, that it desired to enlarge the commodity pattern of German exports to the Philippines as far as possible.

5. It was agreed that this Protocol shall apply also to the "Land Berlin", unless the Government of the Federal Republic of Germany shall within three months after the signing of this Protocol have made a declaration to the contrary to the Government of the Republic of the Philippines.

6. It was agreed to recommend that further negotiations be undertaken in order to arrive as soon as possible at a general trade agreement mutually satisfactory to both countries;

Done at Bonn, in English and German, both texts being equally authentic, this 25th day of April 1955.