AGREEMENT ON TRADE AND ECONOMIC COOPERATION BETWEEN THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES AND THE GOVERNMENT OF THE REPUBLIC OF SLOVENIA

PREAMBLE

The Government of the Republic of the Philippines and the Government of the Republic of Slovenia hereinafter referred to as the "Contracting Parties",

Desirous to develop and enhance long-term trade and economic cooperation based on equality and mutual benefit,

Convinced that this Agreement is an appropriate and stable foundation for substantial and harmonious development and diversification of trade and economic cooperation between the two countries,

In accordance with laws and regulations in force in both countries and international agreements accepted by them, considering the practices and standards of the international market and by taking into account the provisions of the Agreement on establishing the World Trade Organization (WTO),

Have agreed as follows:

ARTICLE I UMBRELLA PROVISION

The Contracting Parties shall promote and develop the expansion of bilateral trade and economic relations between them within the framework of the laws and regulations effective in their respective countries.

ARTICLE II MOST-FAVORED-NATION TREATMENT

- 1. The Contracting Parties shall grant each other, in accordance with provisions of the Agreement establishing the World Trade Organization (WTO) as far as applicable to both Contracting Parties, and with the respective laws and regulations of both Contracting Parties, most-favored-nation treatment for products originating from their respective territories, in all matters relating to:
 - a. customs duties and other charges with similar effect imposed on or in connection with exportation and importation, regarding the method of payment as well as all regulations and formalities related to exports and imports;
 - b. rules and formalities connected with customs clearance;
 - c. all internal taxes or other internal charges of any kind imposed on or in connection with imports and exports; and
 - d. the issuance of import and export licenses.

- 2. The provisions contained in the first paragraph hereof do not apply to the:
 - a. special preferences or other advantages accorded by either Contracting Party resulting from its association in a regional and/or subregional arrangement, customs union and/or a free trade area;
 - b. tariff preferences or other advantages which either Contracting Party grants or may grant to facilitate frontier/border traffic; and
 - c. special tariff preferences or other advantages which either Contracting Party may grant to developing countries under any trade expansion or economic cooperation scheme of which the other Contracting Party is not a member.

ARTICLE III MERCHANT SHIPPING AND AIR TRANSPORT

- 1. Merchant cargo-bearing vessels and cargo-bearing airplanes including their crews shall be granted most-favored-nation treatment in respect of entry into, stay in, and departure from the harbor/airport of the other Contracting Party, in accordance with the laws, rules and regulations in force in the said other Contracting Party.
- 2. Merchant cargo-bearing vessels and cargo-bearing airplanes of either Contracting Party that are in distress shall be permitted to take refuge in the nearest harbor/airport of the other Contracting Party and shall receive friendly treatment, assistance and protection.

ARTICLE IV SCOPE OF COOPERATION

The Contracting Parties shall endeavor, within the scope of their authority, to secure stable conditions for the development of trade and economic cooperation between the two countries, focusing in areas which include cooperation in economic, industrial, technical and technological domains.

ARTICLE V SAFEGUARD MEASURES

No provision of this Agreement shall be interpreted in such a manner as to prevent each Contracting Party from adoption and/or enforcement of the following measures in accordance with provisions of the Agreement establishing the World Trade Organization (WTO): .

- a. measures necessary to safeguard its balance-of-payments position;
- b. measures necessary to protect public health, morals, order or security;
- c. measures necessary to prevent injury to domestic industries or the threat thereof;
- d. measures necessary to protect human, animal or plant life against diseases, pollution or threat to life;
- e. measures relating to traffic in arms, ammunitions, implements of war, or traffic in other materials carried on directly or indirectly for the purpose of supplying a military establishment; and