

March 26, 1968

TRADE AGREEMENT BETWEEN THE GOVERNMENT OF THE PHILIPPINES AND THE GOVERNMENT OF INDIA

INDIA

TRADE

Agreement signed at New Delhi 26 March 1968; Schedules and Exchange of Notes; Entered into force provisionally 25 March 1968.

The Government of the Republic of the Philippines and the Government of India (hereinafter referred to as the Contracting Parties), animated by the desire to develop and expand trade and economic relations between the two countries for their mutual benefit, have agreed as follows:

ARTICLE I

Both the Contracting Parties shall, within the framework of their respective laws and regulations in force from time to time, afford necessary facilities for the import/export of commodities mentioned in the Schedules "A" and "B" annexed hereto, which form an integral part of the Agreement.

No prohibition or restriction whether made effective through quotas, import or export licenses or other measures shall be instituted or maintained by the Government of either country on the importation of any product of the other country or on the exportation or sale for export of any product destined for the other country unless such prohibitions or restrictions are applied to all third countries.

In the allocation of foreign exchange for transactions involving the importation or exportation of goods and in the administration of foreign exchange restrictions in relation to such transactions, the Government of each country shall accord to the other country treatment no less favourable than it accords to any third country.

ARTICLE II

The Contracting Parties shall provide reasonable facilities for the import into and export from either country of commodities not specifically mentioned in Schedules "A" and "B".

ARTICLE III

Both the Contracting Parties shall, subject to their laws and regulations, encourage and facilitate the mutual exchange of goods and services for the development and expansion of commerce and diversification of trade between the two countries and, for this purpose, shall give full consideration to the suggestions that may be made from time to time by either party to that end.

ARTICLE IV

Both the Contracting Parties shall accord unconditionally to each other treatment no less favourable than that accorded to any third country with respect to:

- a. customs duties and charges of any kind imposed on or in connection with the importation or exportation or imposed on the international transfer of payments for imports or exports;
- b. the method of levying such duties and charges;
- c. all rules and formalities in connection with importation and exportation;
- d. the application of internal taxes to exported goods;
- e. all laws, regulations and requirements affecting internal sale, offering for sale, purchase, distribution or use of imported goods.

This provision shall not apply to the grant or the continuance of:

- a. privileges which are or may be granted by either of the Contracting Parties to facilitate frontier trade;
- b. preferences, advantages, privileges or immunities accorded by either Contracting Party to any third country existing on the date of the present Agreement or in replacement thereof;
- c. any advantages or preferences accorded under a Customs Union or a free trade area of which either of the Contracting Parties is or may become a party; and
- d. any advantages or preferences accorded under any scheme for expansion of trade and economic cooperation among developing countries, which are open for participation by all developing countries to which either of the Contracting Parties is or may become a party.

ARTICLE V

The Contracting Parties agree to explore ways and means and to take necessary steps for the most convenient and economical transportation of commodities between the two countries.

ARTICLE VI

Mercantile ships of both countries, while entering, staying in or leaving the ports of either country, will enjoy the most favourable facilities granted by either respective laws, rules and regulations to ships under a third country's flag. The principle shall not, however, apply to ships engaged in coastal navigations.

ARTICLE VII

Payments under these Agreements shall be effected in a convertible currency.

ARTICLE VIII

In order to facilitate the implementation of this Agreement and to expand their mutual trade and economic relations, the Contracting Parties agree to consult with each other at least once a year at a time and a place to be mutually agreed upon. To this end, the two Governments agree to designate senior officials to be charged with the responsibility of reviewing the implementation of this Agreement, and identifying