

**March 01, 1997**

**TRADE AGREEMENT BETWEEN THE GOVERNMENT OF THE  
REPUBLIC OF THE PHILIPPINES AND THE GOVERNMENT OF THE  
REPUBLIC OF SOUTH AFRICA**

**PREAMBLE**

The Government of the Republic of the Philippines (hereinafter referred to as the "The Philippines"), and the Government of the Republic of South Africa (hereinafter referred to as "South Africa"), and jointly referred to as the "Parties" and in the singular as a "Party";

HAVING regard to the new bonds of friendship between their countries;

RECOGNIZING their mutual desire to establish relations with each other which will support, complement and extend cooperation between them;

HAVING RESOLVED to consolidate, strengthen and diversify the trade relations between their countries to the full extent of their growing capacity to meet each other's requirements on the basis of mutual benefit founded on the most-favoured-nation treatment in accordance with the principles contained in the World Trade Organization Agreement;

CONSCIOUS of the flow of trade between their countries;

MINDFUL that the more dynamic trade relationship desired by The Philippines and South Africa calls for close co-operation across the whole range of trade activities;

CONVINCED that such co-operation should be realized in evolutionary pragmatic fashion, as their policies develop;

DESIRING to strengthen their relations and to contribute jointly to international trade co-operation;

HEREBY agree as follows:

**ARTICLE 1  
UMBRELLA PROVISION**

The Parties shall take all necessary measures to facilitate and promote trade and economic relations between the two countries subject to the domestic laws in force in their respective countries.

**ARTICLE 2  
MOST-FAVOURED-NATION TREATMENT**

(1) Each Party shall grant to the country of the other Party most-favoured-nation treatment in accordance with the principles of the World Trade Organization Agreement in all matters relating to-

(a) customs duties and all other charges and taxes applicable to importation or exportation of goods as well as methods of levying such duties, charges and taxes;

(b) legal provisions pertaining to customs clearance, transit, storage and reloading;

(c) all internal taxes or other charges of any kind imposed on or in connection with imports and exports; and

(d) methods effecting payments arising from the implementation of this Agreement and transfer of such payments.

(2) In order to achieve the objective laid down in Article 1, the Parties shall promote-

(a) the study, preparation and implementation of trade cooperation and facilitation projects of mutual interest;

(b) cooperation relative to the financial and technical aspects of selected trade cooperation and facilitation projects.

### **ARTICLE 3**

#### **MOST-FAVOURED-NATION TREATMENT ON MERCHANT SHIPPING AND AIR TRANSPORT**

(1) Merchant cargo-bearing vessels/cargo-bearing aeroplanes including their master and crew shall be granted most-favoured-nation treatment in respect of entry into, stay in, and departure from the harbour/airport of the other Party, in accordance with the domestic laws in force in the country of the said other Party.

(2) Merchant cargo-bearing vessels/cargo-bearing aeroplanes of either Party that are in distress shall be permitted to take refuge in the nearest harbour/airport of the other Party and shall receive friendly treatment, assistance, and protection.

### **ARTICLE 4**

#### **EXEMPTIONS FROM MFN**

The provisions of Article 2 shall not apply to the grant or continuance, if any, of -

(a) advantages, preferences and exemptions which either of the Parties has granted or may grant to its contiguous neighboring countries to facilitate frontier traffic;

(b) preferences or advantages, accorded by either Party to any other country in accordance with a bilateral preferential trade agreement;

(c) advantages or preferences which either of the Parties has granted or may grant under any scheme for the expansion of trade and economic cooperation among developing countries which scheme is open for participation by developing countries and to which either of the Parties is or may become a party; or

(d) special preferences or other advantages accorded by either Party resulting from its association in a regional or sub-regional arrangement, customs union or a free trade area or measures leading to the formation of a customs union or a free trade area.

### **ARTICLE 5**

#### **SAFEGUARD MEASURES**

Subject to the requirements that such measures are not applied in an arbitrary or discriminatory manner, the provisions of this Agreement shall not limit the rights of either Party to adopt or execute measures-

- (a) for reasons of public health, morals, order or security;
- (b) for the protection of human, plants and animals against diseases, pollution and pests or threat to life;
- (c) to safeguard its external financial position and balance of payments;
- (d) to protect national treasures of artistic, historical or archaeological value;
- (e) 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;
- (f) relating to fissionable (nuclear) materials, the source thereof, or the radioactive by-products thereof except as may be required for medical purposes;
- (g) relating to international commitments, and development and rationalization of local industry,

## **ARTICLE 6**

### **PAYMENT ARRANGEMENT**

(1) All payments arising from trade between the two countries shall be made in freely convertible currencies, subject to the foreign exchange regulations and other applicable domestic laws in force in either country.

(2) Payments between the two countries may also be effected through other payment arrangements subject to the domestic laws in force in both countries and in consonance with international commitments of both Parties.

## **ARTICLE 7**

### **EXCHANGE OF COMMERCIAL REPRESENTATIVES/PARTICIPATION IN TRADE FAIRS**

(1) In order to develop further trade between the two countries, the Parties shall, facilitate the visit of commercial representatives, groups and delegations of either Party to the country of the other Party, the participation in trade fairs to be held in either country and the arranging of exhibitions of either country in the territory of the other, on terms to be agreed upon between their competent authorities referred to in Article 10.

(2) The exemptions from customs duties and other similar charges on articles and samples, intended for fairs and exhibitions, as well as their sale and disposition, shall be subject to the domestic laws, rules and regulations in force in the country where such fairs and exhibitions are held.

## **ARTICLE 8**

### **PROMOTION OF CONDUCT OF TRADE AND ECONOMIC ACTIVITIES**

Each Party shall endeavour to promote the conduct of trade and economic activities within its territory in accordance with generally accepted international trade practices.