

MEMORANDUM OF UNDERSTANDING BETWEEN THE GOVERNMENT OF THE REPUBLIC AND THE GOVERNMENT OF THE PHILIPPINES OF AUSTRALIA RELATING NATURAL RESOURCES MANAGEMENT TO THE AND DEVELOPMENT PROJECT

1. GENERAL

1.1 This MEMORANDUM expresses the understandings of the Government of the Republic of the Philippines and the Government of Australia concerning the responsibilities and contributions respectively of the two Governments with regard to the implementation of the Natural Resources Management and Development Project (NRMDP). The Project and its objectives are described in Annex I of this Memorandum of Understanding.

1.2 The Project aims to contribute to better and more equitable economic and social conditions through improved management of natural resources and land utilization. The Project has two main themes: (i) the strengthening of the capacity of the Government of the Republic of the Philippines to plan and implement natural resources development and land administration programs and (ii) completion of a primary geodetic control network for the Philippines. A major result of the first of these themes will be detailed designs for a series of larger downstream projects.

2. AUTHORITIES

The executing authorities for this Project will be:

For the Government of the Republic of the Philippines:

The Department of Environment and Natural Resources (DENR); and

For the Government of Australia:

The Australian International Development Assistance Bureau (AIDAB) of the Department of Foreign Affairs and Trade. AIDAB may nominate suitably qualified agents to undertake any part of its functions on its behalf.

3. RESPONSIBILITY

3.1 In addition to DEN'R, other agencies of the Government of the Republic of the Philippines will have responsibilities for implementing specific parts of the Project. These are the National Economic and Development Authority (NEDA); the National Land Titles and Deeds Registration Administration (NLTDRA) under the Department of Justice (DOJ); the Bureau of Local Government Finance under the Department of Finance (DOF); and the Department of Agrarian Reform (DAR). Details of agency responsibility are described in Annex 2.

3.2 Project co-ordination and implementation will be achieved through a Project Governing Board (PGB), a Project Management Office (PMO), a Technical Advisory Committee (TAC) and a Regional Co-ordinating Committee (RCC) whose functions and composition are described in Annex 3.

3.3 Final responsibility for the Project rests with the Government of the Republic of the Philippines, whose representatives will execute the Project in conformity with sound administrative and technical practice.

4. DURATION

This Memorandum will take effect from the date of its signature. The contribution of the Government of Australia to the Project and all undertakings given herein will cease on 31 March 1993 or on such other date as may subsequently be arranged between the two Governments.

5. CONTRIBUTIONS

5.1 The contributions of the Government of the Republic of the Philippines and the Government of Australia as described in Annexes 1, 2 and 4 are estimated to value 60.23 million Philippine pesos and 19.4 million Australian dollars, respectively. Disbursements of the contributions of the two Governments will be subject to the normal annual parliamentary or congressional approval of appropriations.

5.2 Further to the estimated contributions above, additional funds will be provided by the Government of the Republic of the Philippines for payment of taxes accruing to the Project.

6. PERSONNEL

6.1 Personnel provided by the Government of Australia to the Project will be responsible for ensuring the effectiveness of the contribution of the Government of Australia to the Project and will have an advisory and consultant role.

6.2 The Australian Team Leader will provide notification to the Philippine Project Manager of all personnel provided by the Government of Australia to the Project prior to their assumption of the post assigned.

6.3 The Australian Team Leader will have administrative control with respect to duties, discipline, leave and other administrative issues, concerning personnel funded by the Government of Australia (including Philippine nationals employed as consultants) subject to the laws and regulations of the Republic of the Philippines.

6.4 The Government of the Republic of the Philippines by itself or through its executing agency or instrumentality will grant to Australian personnel (excluding Philippine nationals employed as consultants) and their dependants in the Republic of the Philippines, privileges and benefits to include:

6.4.1 Exemption from Philippine income and other taxes on salaries and allowances paid for by the Government of Australia and derived from activities performed in the Philippines under this Memorandum;

6.4.2 Exemption from import and other duties on bona fide personal and household effects for the personal use of Australian personnel or their dependants which accompany such persons or arrive within six months from the date of their arrival in the Philippines; and

6.4.3 Exemption from import duties and excise tax on one motor vehicle per expert brought into the Philippines within a period of six months, counted from the date of the first arrival of the expert, on the condition