

**MEMORANDUM OF UNDERSTANDING RELATING TO THE BISLIG
COAL EXPLORATION PROJECT IN THE REPUBLIC OF THE
PHILIPPINES**

GENERAL

1. THIS MEMORANDUM expresses the understandings of the Governments of the Republic of the Philippines and Australia concerning the responsibilities and contributions respectively of the two Governments in regard to the Bislig Coal Exploration Project located in the Philippines which is intended to provide assistance with a Seismic Survey of the Bislig Coal Exploration Area in Mindanao as further described and detailed in Annex I to this Memorandum.

AUTHORITIES

2. The Executing Authorities for this Project will be:

For the Government of the Republic of the Philippines: The Ministry of Energy. For the Australian Government: The Australian Development Assistance Bureau of the Department of Foreign Affairs. The Australian Development Assistance Bureau may nominate suitably qualified agents to undertake any part of its functions on its behalf.

DURATION

3. This Memorandum will take effect from the date of its signature and the Project will be deemed to have commenced from 1 July 1982.

The Australian contribution to the Project and all undertakings given herein will cease 6 months after the date of signature of this Memorandum or on such other date as may subsequently be arranged between the two Governments

RESPONSIBILITY

4. Responsibility for development and direction of the Project will be vested in the Philippine National Oil Company - Coal Corporation which will consult with the Australian Embassy in Manila in relation to the Australian contribution.

5. Final responsibility for this project will rest with the Government of the Republic of the Philippines.

CONTRIBUTIONS

6. The contribution of the Australian Government is detailed in Annex II and is estimated to value \$A380,000. Disbursement of Australian contributions will be subject to the normal annual parliamentary approval of appropriations.

EVALUATION

7. An evaluation of progress of the Project may be made at times arranged between, and mutually convenient to, the Philippine and Australian Governments. Such an evaluation would be undertaken by a joint investigation team appointed by the two Governments and independent of staff involved in the Project.

PERSONNEL

8. For the purposes of this Project, the Philippine Government will facilitate the recruitment of, and employment by, the Australian Government or its agent of personnel as required for the Project and established between the two Governments by:

(a) granting exemption from income or other taxes on salaries and allowances;

(b) granting exemption from import and other duties on personal and household effects;

(c) granting exemption from import duties on one motor vehicle per employee on condition that it be re-exported or duty paid on its assessed value at time of sale within the Philippines;

(d) granting to Australian project personnel all rights and entitlements accorded to the aid personnel of any other donor country; and

(e) expediting the issue of all documentation required for the entry of and performance of work by, project personnel.

SUPPLIES

9.(a) The Philippine Government will exempt from import duties and other taxes (or pay such duties thereon) all goods supplied by Australia for the established purposes of the project as set out in Annex I.

(b) The Philippine Government will facilitate movement of project supplies by providing appropriate customs and wharfage facilities in the port closest to the project site and will be responsible for expeditious transport of such supplies to site.

(c) Project supplies provided by Australia shall be available for the unrestricted use of