

March 30, 1971

**EXCHANGE OF NOTES BETWEEN THE REPUBLIC OF THE
PHILIPPINES AND THE UNITED STATES OF AMERICA
REGARDING THE PROJECT FOR ASSISTANCE TO STUDENTS
PROVIDED FOR BY THE SPECIAL FUND FOR EDUCATION UNDER
U.S. PUBLIC LAW 88-94. MANILA, MARCH 30, 1971.**

Note: The Agreement entered into force, March 30, 1971.

Reference: This Agreement is also published in X DFA TS No. 1, p. 16, 22
UST 501.

Manila, March 30, 1971

No. 171

Excellency:

I have the honor to refer to our April 26, 1966 exchange of notes concerning the Special Fund for Education authorized by United States Public Law 88-94 and to the recent discussions about the Project for Assistance for Students, proposed by Your Excellency's Government. The details of this Project are elaborated in the Annex to this note. As indicated in the Annex, the Project calls for the use of \$575,000 to establish a permanent trust fund, earnings from which shall be used for educational programs and activities of benefit to Philippine students. The project also provides for the use of up to \$30,000 to defray initial project expenses.

I now have the honor on behalf of my Government to inform Your Excellency that this Project, as outlined in the Annex to this note, has been approved, and for this purpose \$605,000 will be made available from the Special Fund for Education. I have the further honor to propose that the following undertakings, drawn up in accordance with our April 26, 1966 exchange of notes, govern the implementation of this Project.

1. The United States Government shall make the dollar disbursement for this Project in depository banks designated by the Chairman of the National Economic Council of the Government of the Republic of the Philippines to the credit of the Fund for Assistance to Students, National Economic Council, Government of the Republic of the Philippines. This disbursement shall be made within two weeks of notification of the banks designated as depositors and of the establishment of a permanent Student Assistance Committee to serve as trustee of the irrevocable trust fund referred to in the next paragraph. 2. The enduring character of the Student Assistance Fund is secured by the undertaking of Your Excellency's Government to ensure that the principal of the Fund is maintained intact with only the earnings therefrom being utilized to finance programs of assistance to students, but excluding any support of religious worship or instruction.

3. Materials describing the origin of the Fund for Assistance to Students shall identify the contribution of the Special Fund for Education made available by the people of the United States of America in recognition of the common efforts of the Philippines and the United States during World War II.

4. Your Excellency's Government shall, three years from the date of this agreement, provide the Government of the United States with a comprehensive report of the activities of the Fund for Assistance to Students.

Upon receipt of a note from Your Excellency indicating that the foregoing understandings are acceptable to the Government of the Philippines, the Government of the United States of America will consider that this note with its Annex and Your Excellency's reply thereto constitute an agreement between our two Governments on the use of the Special Fund for Education for the Project for Assistance to Students.

Accept, Excellency, the renewed assurances of my highest consideration.

(Sgd.) HENRY A. BYROADE

Enclosure:

Annex

His Excellency
Carlos P. Romulo
Secretary of Foreign Affairs,
Manila.

Manila, 30 March 1971

No. 8183
Excellency,

I have the honor to acknowledge the receipt of Your Excellency's Note No. 171 dated 30 March 1971 regarding the Project for Assistance to Students provided for by the Special Fund for Education, which reads as follows:

"I have the honor to refer to our April 26, 1966 exchange of notes concerning the Special Fund for Education authorized by United States Law 88-94 and to the recent discussions about the Project for Assistance to Students, proposed by Your Excellency's Government. The details of this Project are elaborated in the Annex to this note. As indicated in the Annex, the Project calls for the use of \$575,000 to establish a permanent trust fund, earning from which shall be used for education programs and activities of benefit to Philippine students. The Project also provides for