

June 17, 1969

AGREEMENT BETWEEN THE REPUBLIC OF THE PHILIPPINES AND JAPAN FOR THE ESTABLISHMENT OF PILOT FARMS

Note: The Agreement entered into force, June 17, 1969.

Reference; This Agreement is also published in VIII DFA TS No.;2, p. 10.

THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES and the GOVERNMENT OF JAPAN, earnestly desiring to advance economic and technical co-operation between the two countries and thereby to Strengthen further the friendly relations existing between the two countries, have agreed as follows:

ARTICLE I

1, There shall be established two Pilot Farms (hereinafter referred to as "the Farms") each of about X00 has. one in Naujan Area, Oriental Mindoro and the other in San Miguel-Alangalang Area, Leyte, which aim to contribute to increasing rice production in the Republic of the Philippines, in connection with the Rice Production Centres Project of the Government of the Republic of the Philippines.

2. The two Governments shall co-operate as follows in implementing the Pilot Farms Project (hereinafter referred to as "the Project"):

- a. construction of roads, irrigation and drainage facilities in the Farms;
- b. improvement of techniques of rice cultivation, storage and processing through research and extension works in the Farms;
- c. technical training in Japan and in the Farms for the Philippine technicians engaged in the Project.

ARTICLE II

1. In accordance with laws and regulations in force in Japan, the Govern ment of Japan shall take necessary measures to provide at its own expense the services of requisite Japanese experts mentioned in Annex I.

2. The Japanese experts shall be granted privileges, exemptions and benefits as listed in Annex II.

3. Besides the experts mentioned in Annex I, some experts may be dis patched, through normal procedures under the Colombo Plan Technical Co-ordination Scheme, as necessity arises.

ARTICLE II

1. In accordance with laws and regulations in force in Japan, the Gov- ernment of Japan shall take necessary measures to provide at its own expense such equipment, machinery, vehicles, tools, spare parts and other materials required for the Project as listed in Annex III.

2. The articles referred to above shall become the property of the Government of the Republic of the Philippines upon being delivered c.i.f. at the ports of disembarkation to the Philippine authorities concerned.

3. The articles referred to above shall be utilized exclusively for the purpose of implementation of the Project through consultation between the Japanese Project Leader mentioned in Annex IV.

ARTICLE IV

In accordance with laws and regulations in force in Japan, the Government of Japan shall take necessary measures to receive in Japan for technical training Philippine technicians engaged in the Project through normal procedures under the Colombo Plan Technical Cooperation Scheme.

ARTICLE V

1. The Government of the Republic of the Philippines shall undertake to provide at its own expense:

- a. the sendees of the Philippine technicians and other personnel as listed in Annex IV;
- b. requisite land and buildings as listed in Annex V as well as incidental facilities required therefor;
- c. supply or replacement of such equipment, machinery, vehicles, tools, spare parts and any other materials referred to in Article III as may be lost or damaged as a result of negligence.

2. The Government of the Republic of the Philippines shall undertake to meet:

- a. the expenses necessary for the construction of roads, irrigation and drainage facilities except for such equipment, machinery, vehicles, tools, spare parts and other materials, as listed in Annex III;
- b. the expenses necessary for the transportation within the Republic of the Philippines of the articles referred to in Annex III as well as for the installation, operation and maintenance therefor;
- c. the running expenses necessary for the implementation of the Project.

3. The Government of the Republic of the Philippines shall exempt such customs duties and any other charges, if any, as may be imposed in the Republic of the Philippines in respect of the articles referred to in Article III.

ARTICLE VI

1. The Japanese and the Philippine experts shall be responsible for technical matters pertaining to the Project, while the Philippine authorities concerned shall be responsible for the administrative and managing matters pertaining to the Project.

2. There shall be close co-operation between the Japanese experts and the Philippine authorities concerned in connection with the implementation of the Project.

ARTICLE VII