

September 29, 1966

**AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF
THE PHILIPPINES AND THE GOVERNMENT OF JAPAN
CONCERNING THE ESTABLISHMENT OF TECHNOLOGICAL AND
DEVELOPMENT CENTRE FOR COTTAGE AND SMALL-SCALE
INDUSTRIES**

Agreement done in Tokyo 29 September 1966;

Entered into force 29 September 1966.

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COTTAGE AND SMALL-SCALE INDUSTRIES**

The Government of the Republic of the Philippines and the Government of Japan earnestly desiring to advance the 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

There shall be established a Technological and Development Centre for Cottage and Small-Scale Industries (hereinafter referred to as "the Centre"), in Marikina, Rizal, which shall execute the following activities for the purpose of improving production and developing techniques in cottage and small-scale industries in the Philippines:

- a. practical and theoretical training of the Filipino technicians in the field of small-scale industries;
- b. demonstration and introduction of modern techniques and machinery for small-scale industries;
- c. research with a view to improving techniques in commercial production and marketing;
- d. research and testing pertaining to the design of production and development of machinery in small-scale industries.

ARTICLE II

1. In accordance with laws and regulations in force in Japan, the Government of Japan will provide at their own expense the services of Japanese experts as listed in Annex I. The services of Japanese experts shall be provided through the normal procedures under the Colombo Plan Technical Cooperation Scheme.

2. The Japanese experts and their families shall be granted the same privileges, exemptions, benefits and allowances as admissible to the experts assigned to the Philippines under the Colombo Plan.

ARTICLE III

1. In accordance with laws and regulations in force in Japan, the Government of Japan will provide at their own expense suitable teaching aids, machinery, equipment, tools, spare parts and other materials required for the establishment and efficient operation of the Centre as outlined in Annex II.

2. The Government of Japan will deliver the aforementioned articles, c. i. f., Manila, and such articles shall be consigned to, and shall become the property of the Government of the Philippines upon acceptance by the Filipino authorities concerned at the port of Manila.

3. The aforementioned articles shall be utilized exclusively for the purpose of the Centre with the advice of the Japanese Chief Adviser referred to Annex I.

ARTICLE IV

1. In accordance with laws and regulations in force in the Philippines, the Government of the Philippines will provide at their own expense:

a. the services of a Filipino Director and requisite Filipino counterpart technicians and other staff as listed in Annex III;

b. requisite land and suitable buildings and facilities required for the efficient operation of the Centre as listed in Annex IV;

c. raw materials and any additional machinery, equipment and tools necessary for the operation of the Centre.

2. In accordance with laws and regulations in force in the Philippines the

Government of the Philippines will undertake necessary measures to meet:

a. customs duties, internal taxes and other charges, if any, imposed in the Philippines in respect of the articles referred to in Article III;

b. expenses necessary for the transportation of the articles referred to in Article III within the Philippines as well as for the installation, operation and maintenance thereof;

c. any other expenses necessary for the operation of the Centre.

ARTICLE V

The Filipino Director shall be responsible for overall administration including technical matters of the Centre, while the Japanese Chief Adviser shall guide the training and research activities of the Centre in consultation with the Director. The Chief Adviser may give advice on the development of the cottage and small-scale industries in the Philippines to the Administrator of the National Cottage Industries Development Authority in coordination with the Director of the Centre.

ARTICLE VI

There shall be consultation between the two Governments for the purpose of advancing the objectives of the Centre and of successfully promoting the Filipino-Japanese cooperation in operating the Centre.

ARTICLE VII