

**MEMORANDUM OF UNDERSTANDING ON NEW GENERATION
TRADE AGREEMENT BETWEEN THE GOVERNMENT OF THE
REPUBLIC OF THE PHILIPPINES AND THE GOVERNMENT OF THE
SOCIALIST REPUBLIC OF VIETNAM**

The Government of the Republic of the Philippines and the Government of the Socialist Republic of Vietnam, hereinafter referred to as the "Contracting Parties",

Taking note of the existing friendly relations between the Philippines and Vietnam,

Desirous to further expand and strengthen their existing economic and trade relations on the basis of equality and mutual benefit,

Have agreed as follows:

ARTICLE I

The Contracting Parties, in the interest of mutual understanding and cooperation shall take appropriate measures to effect cooperation with a view to consolidate and strengthen their friendly relations, especially in the economic and trade fields.

ARTICLE II

Cognizant of the need to further enhance economic and bilateral trade relations, the Contracting Parties shall conclude a new generation Trade Agreement to amend the 1978 Trade Agreement between the two countries, on terms to be agreed by them.

ARTICLE III

The Contracting Parties agree that the signing of the new Trade Agreement shall be;

- a. Undertaken during the meeting of the Philippines-Vietnam Joint Commission for Bilateral Cooperation sometime in 1996.
- b. The executing Authorities concerned for the said undertaking shall be the Department of Trade and Industry of the Philippines and the Ministry of Trade of the Socialist Republic of Vietnam.
- c. Negotiations shall take place on a date mutually agreed upon before the convening of the JCBC.

ARTICLE IV

1. The Contracting Parties shall set up a Sub-Commission on Trade under the umbrella of the Philippine-Vietnam Joint Commission for Bilateral Cooperation.
2. The Sub-Commission shall meet as the need arises to discuss issues relating to the implementation of the Trade Agreement and to suggest relevant actions to be taken by the respective Contracting Parties. The venue of the meeting shall alternate between the two countries.

ARTICLE V