AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES AND THE GOVERNMENT OF JAPAN CONCERNING THE TRANSFER OF DEFENSE EQUIPMENT AND TECHNOLOGY

The Government of the Republic of the Philippines and the Government of Japan (hereinafter referred to as "the Parties"),

Mindful of the existing cooperative relationship between the Parties in the security area;

Desiring that cooperation in the area of defense equipment and technology in which the Parties participate should contribute to international peace and security; and

Recognizing the need to set forth the terms and conditions which should govern the transfer of defense equipment and technology;

Have agreed as follows:

ARTICLE I

- 1. Each Party shall, subject to the relevant laws and regulations of its country and in accordance with the provisions of this Agreement, provide to the other Party, defense equipment and technology necessary to implement projects to be determined in accordance with the provisions of paragraph 2, below. Such projects shall be those for contributing to international peace and security, joint research, development and production projects or for enhancing security and defense cooperation.
- 2. Specific projects shall be mutually determined, taking into account various factors including the security of the respective countries, and confirmed by the Parties through the diplomatic channel.

ARTICLE II

- A Joint Committee shall be established as the organ for approving the defense equipment and technology to be transferred for the projects determined in accordance with the provisions of paragraph 2, of ARTICLE I.
- 2. The Joint Committee shall be composed of two national sections.

The Philippine Section shall be composed of:

a representative of the Department of National Defense; a representative of the Department of Foreign Affairs; and a representative of the Department of Trade and Industry.

The Japanese Section shall be composed of:

- a representative of the Ministry of Defense; a representative of the Ministry of Foreign Affairs; and a representative of the Ministry of Economy, Trade and Industry.
- 3. The relevant information necessary for approving the defense equipment and technology to be transferred shall be communicated to the national sections through the diplomatic channel.
- 4. Based on the relevant information communicated in accordance with the provisions of paragraph 3, above, the defense equipment and technology to be transferred shall be approved by the Joint Committee.
- 5. Detailed arrangements providing for, intel alia, the defense equipment and technology to be transferred, persons who shall be party to the transfer, and the detailed terms and conditions of the transfer, shall be made between the competent authorities of the Parties in order to implement this Agreement. The competent authority of the Government of the Republic of the Philippines shall be the Department of National Defense; the competent authorities of the Government of Japan shall be the Ministry of Defense and the Ministry of Economy, Trade and Industry.

ARTICLE III

- 1. Each Party shall make effective use of defense equipment and technology transferred from the other Party in a manner consistent with the purposes and principles of the Charter of the United Nations, and such other purposes as may be determined in the detailed arrangements, and neither Party shall devote such defense equipment and technology to any other purpose.
- 2. Each Party shall not transfer to any person not an officer or agent including contractor and subcontractor of such Party, or to any other Government, title to or possession of any defense equipment and technology transferred pursuant to this Agreement, without the prior written consent of the Party which transferred such defense equipment and technology.

ARTICLE IV

Each Party shall, subject to the relevant laws and regulations of its country and in accordance with other applicable international agreements between the Parties, take necessary measures to protect classified information transferred from the other