

April 27, 2005

**MEMORANDUM OF UNDERSTANDING BETWEEN THE
DEPARTMENT OF TRADE AND INDUSTRY OF THE REPUBLIC OF
THE PHILIPPINES AND THE MINISTRY OF COMMERCE OF THE
PEOPLE'S REPUBLIC OF CHINA ON INFRASTRUCTURE
COOPERATION**

The Department of Trade and Industry of the Republic of the Philippines and the Ministry of Commerce of the People's Republic of China (hereinafter referred to as "the Parties");

On the basis of the time-honored friendship between their peoples and the friendly and collaborative relationship between the two governments;

Desiring to strengthen trade and economic and technological cooperation between the two countries under the principle of equality and mutual benefit;

Aware of the significance of infrastructure to the national economic development of the Philippines and that Chinese enterprises are equipped with relatively advanced technologies and high-level equipment manufacturing;

HAVE AGREED AS FOLLOWS:

ARTICLE 1

The Parties shall carry out cooperation in the fields of railway, electric power, energy, construction and so forth in the Philippines, exchange information on a regular basis and conduct joint research on development and planning.

ARTICLE 2

The Parties shall support and promote the participation of Chinese enterprises in infrastructure building in the Philippines, and the implementation of projects in the foregoing areas by way of design, material supply, engineering construction, operation and so forth.

ARTICLE 3

The Parties shall encourage relevant departments and financial institutions of the two countries to provide the necessary financing facilities for better implementation of projects, and shall support and encourage enterprises on both sides to seek assistance from relevant financial institutions.

ARTICLE 4

An Infrastructure Cooperation Joint Working Group (hereinafter referred to as the Joint Working Group) shall be established between the Department of Trade and Industry of the Republic of the Philippines and the Ministry of Commerce of the People's Republic of China, with the responsibility of promoting infrastructure cooperation between enterprises on both sides and the implementation of this Memorandum of Understanding. The other members of the Joint Working Group shall be designated by each Party.