

**ADDENDUM NO. 2 TO THE AGREEMENT BETWEEN THE
GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES AND THE
GOVERNMENT OF THE KINGDOM OF NORWAY REGARDING
ASSISTANCE TO THE MARITIME INDUSTRY AUTHORITY
(MARINA)**

WHEREAS, the Government of the Republic of the Philippines ("the Philippines") and the Government of the Kingdom of Norway ("Norway") have entered into agreement dated May 3, 1996 on Norwegian assistance to MARINA to implement the amendments to the STCW Convention ("the Agreement11);

WHEREAS, the Philippines and Norway agreed in an addendum dated December 19, 1997 to the Agreement ("Addendum No. 1") to include the implementation of Phase I of a sub-project "Institutionalization of the International Safety Management Code" ("the Sub-Project");

WHEREAS, Norway has decided to provide additional assistance to MARINA to implement Phase II of the Sub-Project;

NOW THEREFORE, the Philippines and Norway have reached the following understanding which shall constitute Addendum No. 2 to the Agreement:

ARTICLE I

Norway shall, subject to Parliamentary appropriations, on the terms and procedures set out or referred in the Agreement, Addendum No. 1 and this Addendum, provide an additional grant not exceeding NOK 1,553,230 (Norwegian Kroner One Million Five Hundred and Fifty-Three Thousand Two Hundred and Thirty) ("the Grant") in addition to the contribution already made under the mentioned Agreement and Addendum No. 1.

The Grant shall be used to implement Phase II of the Sub-Project as described in the document prepared by MARINA and dated September 29,1997.

The Technical Adviser will enter into a contract ("the Contract") with a Norwegian firm regarding assistance to the implementation of Phase II of the Sub-Project of the Contract shall be submitted to Norway for information.

ARTICLE II

This Addendum shall enter into force on the date of its signature and shall remain in force until both Parties have fulfilled all obligations arising from it. Whether these obligations shall be regarded as fulfilled shall be determined in consultation between the Parties.

Notwithstanding the previous paragraph both Parties may terminate the present Addendum for grounds stipulated in the Agreement, by giving three months written notice to the other Party.