ADDENDUM NO. 1 to 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 an agreement dated 3 May 1996 on Norwegian assistance to MARINA to implement the amendments to the STCW Convention ("the Agreement"),

WHEREAS Norway has decided to provide additional assistance to MARINA,

NOW, THEREFORE, the Philippines and Norway have reached the following understanding which shall constitute Addendum No. 1 to the Agreement.

ARTICLE I

Norway shall, subject to Parliamentary approporiations, on the terms and procedures set out or referred in the Agreement and this Addendum, provide an additional grant not exceeding NOK 575 000 (Norwegian Kroner Five Hundred and Seventy-Five Thousand) ("the Grant") for assistance to MARINA in addition to the contribution already made under the mentioned Agreement.

The Grant shall be used to implement Phase 1 of a Sub-Project "institutionalisation of the International Safety Management ("ISM") Code" ("the Sub-Project") as described in the project document prepared by MARINA and dated 29 September 1997.

The Technical Adviser will enter into a contract ("the Contract") with a Norwegian firm regarding assistance to the implementation of Phase 1 of the Sub-Project. The Contract shall be submitted to Norway for information.

ARTICLE II

This Addendum shall enter into force from the date of signing 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 tire present Agreement for grounds stipulated in the original Agreement by giving one month's written notice to the other Party.

In witness whereof, the undersigned, acting on behalf of their respective Governments, have signed the present Addendum in two originals in the English language.

Done in Manila the 26th day of May 1997

For the Government of the Republic of the

For the Government of