

**MEMORANDUM OF UNDERSTANDING BETWEEN THE  
GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES AND THE  
GOVERNMENT OF AUSTRALIA RELATING TO THE PROVISION OF  
AUSTRALIAN FOOD AID TO THE PHILIPPINES STREET CHILDREN  
NUTRITION AND EDUCATION PROJECT**

**1. GENERAL**

This MEMORANDUM expresses the understandings of the Government of the Republic of the Philippines and the Government of Australia concerning the respective responsibilities of the two Governments in relation to the provision of wheat flour for monetization and use of the Philippines Street Children Nutrition and Education Project.

**2. EXECUTING AUTHORITIES**

2.1 The Executing Authorities for the respective Governments for this Memorandum will be:

For the Government of the Republic of the Philippines (GOP):

The Food for Work Project Management Office (FWPMO) of the Department of the Interior and Local Government (DILG).

4.2 The PSC will meet once every quarter and will:

- (a) ensure interagency coordination in project implementation and for policy issues;
- (b) review overall progress of project implementation;
- (c) determine the composition, and selection criteria of members of Project Review/Evaluation Missions; and
- (d) determine responsibilities regarding the funding of Mission members.

4.3 Additional meetings of the PSC may be convened as necessary by DILG-AIDAB/WFP.

4.4 The GOP will establish a system for the monitoring, reporting and evaluation of project inputs and outputs and shall provide AIDAB with quarterly reports covering:

- (a) problems or inadequacies, if any, encountered in the release of rice by the National Food Authority for distribution to project beneficiaries;
- (b) project progress, achievements and problems;
- (c) funds generated; and
- (d) non-food items provided through the WFP, and the provision of essential external non-food related project inputs.

4.5 Unless specific provision is made and agreed to the contrary, the GOP will keep and account for food commodities and non-food resources provided by AIDAB separately from other project supplies.

4.6 Lead agencies and the Task Force will report every month to DILG, with a copy to WFP. DILG, in turn will prepare a consolidated quarterly progress report and submit to WFP who will review and analyze the report prior to forwarding copies to AIDAB and WFP Headquarters.

4.7 In addition to the reports specified in Paragraphs 4.4, 4.5 and 4.6 above, the GOP will, upon request, provide other documents and information as may be relevant to project implementation. Such documents and information will include annual work plans, annual project budget and annual expenditure plans for the funds generated from the food provided under this Memorandum.

## **5. RESPONSIBILITIES OF THE GOVERNMENT OF AUSTRALIA**

5.1 The GOA will:

- (a) subject to the normal Australian annual parliamentary appropriation of funds and in accordance with Annexes A and B of this Memorandum, supply food aid to the GOP through WFP on a cost, insurance and freight (CIF) basis;
- (b) take all reasonable measures to ensure that the food is of sound and merchantable quality at the time of loading;
- (c) arrange for shipment of the food aid to the WFP at the port of discharge in the Philippines; and
- (d) as far as possible, keep the GOP informed of the progress of arrangements for the supply of wheat flour.

## **6. RESPONSIBILITIES OF THE GOVERNMENT OF THE PHILIPPINES**

6.1 The GOP will:

- (a) provide, as far in advance as possible, advice on the desired time of shipment and the required Philippine port of discharge;
- (b) be responsible for the prompt clearance through customs and for all import and customs duties and other public charges of the food provided under this Memorandum;
- (c) arrange for the payment of expenses incurred for the internal transport, storage and handling of the Australian food aid consignments;
- (d) ensure that there are no exports from the Philippines of wheat flour or any byproducts resulting therefrom commencing on the date of delivery at the port of discharge of the consignment of the wheat flour and ending six months after the delivery of the wheat flour under this Memorandum; and
- (e) ensure that all of the wheat flour supplied under this Memorandum is used for human consumption.

## **7. UTILIZATION OF COMMODITIES AND GENERATED FUNDS**

7.1. In accordance with Annex A and C of this Memorandum, the Australian food aid wheat flour consignments will be monetized through open public bidding and the proceeds from said monetization process will be deposited in an interest-bearing trust account to be known as the Australian Food Aid Fund Account (AFAFA) which will be managed jointly by WFP and GOA. These arrangements are detailed in a separate MOU between the GOA and WFP. The deposited funds, including generated interests, will be used to purchase local rice from the National Food Authority or from other sources deemed appropriate by both Executing Authorities.

## **8. READINESS FOR COMMENCEMENT**

8.1 The project will commence on completion of the measures preparatory to the commencement of food assistance in the project as detailed in Annexes A and B of this Memorandum.

## **9. FACILITATION**

9.1 The GOT will provide personnel and facilities necessary to enable personnel of the GOA to efficiently and economically carry out their project related activities and without - limiting the generality of the paragraph, such contribution will include:

- (a) access to GOP facilities, documentation and personnel;
- (b) provision of appropriate offices and work facilities if required; and
- (c) all necessary approvals and authorities for carrying out project related activities.

## **10. CLAIMS RELATING TO PROJECT ACTIVITIES**

10.1 The GOP will release the GOA and its representatives and personnel from all actions, suits, proceedings, claims and demands whatsoever which the GOP may now have or may in the future have against them or any of them in relation to loss or damage resulting from or consequent upon the Street Children Nutrition and Education Project.

10.2 The GOP will absolve the GOA, its representatives and personnel from any liability against:

- (a) all actions, suits, proceedings, claims and demands whatsoever, which any other party may now have or may in future have against them or any of them in relation to loss or damages resulting from, or consequent upon, project activities; and
- (b) any claim for contributions which any party may have in the future against any of them in respect of any such actions, suits, proceedings, claims and demands.

10.3 The waiver from any liability referred to in subparagraphs 10.1 and 10.2 will not apply ' where it has been mutually decided by the two Governments that a claim arises from gross negligence or willful misconduct of the GOA, its personnel or its representatives.

## **11. PROJECT REVIEW AND EVALUATION**