

August 30, 1989

**MEMORANDUM OF AGREEMENT ON
EXPORTATION/IMPORTATION OF FRUITS**

KNOW ALL MEN BY THESE PRESENTS :

This Agreement made and entered into by and between:

The SERVICIO AGRICOLA Y GANADERO (SAG), Chile, herein represented by AMBASSADOR MR. CARLOS DESGROUX with principal address at Embassy of Chile, Makati, Metro Manila, herein referred to as the EXPORTER;

and

The DEPARTMENT OF AGRICULTURE (DA), Republic of the Philippines herein represented by CARLOS G. DOMINGUEZ, Secretary of Agriculture, with principal address at Quezon City, Philippines, herein referred to as the IMPORTER.

WITNESSETH

WHEREAS, the EXPORTER desires to sell by way of exports to the IMPORTER certain kinds of fruits specially grown in his country;

WHEREAS, the IMPORTER is willing to buy by way of import specific kinds of fruits from the EXPORTER, subject to certain terms and conditions;

NOW, THEREFORE, in consideration of the above premises and the mutual covenants heretofore provided the Parties entered into this Agreement subject to the following terms and conditions:

1. That all fresh fruits covered by the Agreement including that applied to supply U.S. Bases and foreign embassies in the Philippines, airline and shipping companies doing business in the Philippines, duty free shops operator and other entities shall be covered with import Permit secured from the BPI Plant Quarantine Service prior to importations.

2. That the fruit species considered in this agreement shall include:

- a. Table grapes
- b. fruits apples and pears
- c. Stone fruits - such as peaches, nectarines, prunes, apricots and cherries.
- d. Citrus fruit - lemons, oranges and grapefruits and other varieties.
- e. Kiwi fruits - Kiwi.

3. That all fresh fruits covered by this Agreement shall be cold treated prior to shipments or in transit. Cold treatment shall be any of the following schedule depending on the kinds of fruits to be treated.

10 days at 0°C (32°F) or below

11 days at 0.55°C (33°F) or below

12 days at 1.11°C (34°F) or below

14 days at 1.66°C (35°F) or below

16 days at 2.22°C (36°F) or below

Note: Number of days required for treatment shall be done continuously.

In Country Treatment: The treatment conducted prior to shipment shall be supervised by SAG inspector and BPI Plant Quarantine Officer in any of the previously approved cold treatment facilities at designated place/s in the Chilean territory.

In Transit Treatment: Treatment conducted in transit in the chamber of ships previously calibrated and approved by SAG and BPI inspectors.

4. That joint inspection (random sample of at least 5%) by inspectors of both SAG and BPI PQS shall be made to certify absence of any specimen in any stages of development of Medfly, Mexican fruitfly, Queensland fruitfly and other species of dangerous fruitflies which are not known to be present in the Philippines.

5. That all fruit shipments covered by this Agreement shall be covered by Phytosanitary Certificate issued by SAG upon completion of item nos. 3 and 4 of this agreement. The Phytosanitary Certificate shall also contain the additional declaration that fresh fruits are free from San Jose Scale, Quadraspidotus perniciosus; Oriental Moth, Cydia molesta and Codling Moth, Cydia pomonella.1.. The reverse side shall have the endorsing remarks to the effect that treatment and inspection had been confirmed by the signing BPI PQS Officer.

6. That only direct commercial shipment of fresh fruits in container van or ship holds covered by this Agreement shall be allowed entry in the Philippines. Fresh fruit importations hand carried by passengers, crew members and other travellers which are not covered by this Agreement shall not be allowed until such time that both countries have devised a tamper-proof mechanism of trading and still maintains the phytosanitary condition of the fruits (export), and have agreed on some specific arrangements.

7. That precautionary measures shall be followed in order to maintain the phytosanitary condition of the treated fruits.

a. That all facsimile copy of documents Permit to Import and Phytosanitary Certificate shall be sent in advance directly to SAG by BPI PQS and vice versa so that both agencies can compare with the copies presented by the direct private importer/exporter for authenticity/validity. All expenses for sending documents shall be borne by the importers and exporters.

b. That all cartons, boxes, lugs, etc., containing the fresh fruits to be cold treated and exported to the Philippines shall be individually sealed with SAG Plant Quarantine Seal within the packing line at the country of origin. They shall also bear control number and outside markings "PRODUCT OF CHILE" and " FOR PHILIPPINES". The Phytosanitary Certificate shall be issued by SAG

inspector duly countersigned by BPI Inspector after the required cold treatment and inspection has been done and satisfactorily accomplished.

c. That sealing of cargo container vans containing the treated fruits or fruits in ship holds for treatment while in transit shall be done by either SAG or BPI PQS inspectors at the port of origin. Container van and seal numbers must be indicated in the accompanying Phytosanitary Certificate. Seals are to be broken only by the BPI PQS Officer at the port of discharge as stipulated in the Import Permit issued.

d. That the treated fruits contained in vans or shipholds with broken seal and/or the van and seal numbers not indicated in the accompanying Phytosanitary Certificate shall be rejected, or refused entry in the Philippines; or shall be destroyed or returned to country of origin at the expense of the importer/exporter.

8. Cold Treatment Facilities Requirements :

1) In Country Treatment:

a. Only treatment facilities tested and approved by SAG/BPI PQS, shall be used for treatment. It must be provided with multisensor (5-10 sensor per chamber), depending on the capacity or volume to check inside temperature, and a monitoring device with tamper-proof automatic recording systems installed outside the chamber.

b. The chamber shall be tested jointly by both SAG/BPI PQS inspectors at the start of the season, and whenever necessary. Test to be conducted:

b.1 Sensor sensitivity test

b.2 Sensor calibration test with the use of standard laboratory thermometer.

c. Sealing of adjustment or servicing knob of the automatic temperature recording system after its final tests and adjustments, shall be done by both representatives of the contracting parties. Certificate of testing shall be signed by both parties.

2) In Transit Treatment:

a. Only cold treatment facilities approved as in no. 8-1 a, b and c will be used in transit treatment provided that the ship Captain or the Chief Engineer will certify to the treatment conducted on board and agree with the terms and conditions stated in 8.2 c of this agreement. And provided further that the ship Captain or Chief Engineer submit to the BPI, PQS the original copy of the data print of the corresponding cold chamber for evaluation and/or verification upon arrival in the Philippines. Removal of the print out shall be done in the presence of the BPI, PQS Officer at the port of entry.