

November 13, 1987

**GENERAL AGREEMENT ON DEVELOPMENT CO-OPERATION
BETWEEN THE GOVERNMENT OF THE REPUBLIC OF THE
PHILIPPINES AND THE GOVERNMENT OF CANADA**

The Government of the Republic of the Philippines and the Government of Canada,

Desiring to strengthen the existing cordial relations between the two countries and their peoples, and

Desiring to foster development co-operation between the two countries in conformity with the socio-economic development Programs of the Government of the Republic of the Philippines,

Have agreed as follows:

ARTICLE I

The Government of Canada and the Government of the Republic of the Philippines shall under this Agreement promote a programme of development co-operation, between their two countries consisting of the following components:

- (a) the sending of appraisal and evaluation missions to the Philippines to study and analyze development projects;
- (b) the granting of fellowships to nationals of the Republic of the Philippines for studies and professional training in Canada, the Philippines or a third country;
- (c) the assignment of Canadian experts, advisers and other specialists to the Philippines;
- (d) the provision of equipment, materials, goods and services required for the successful execution of development projects in the Philippines;
- (e) the development and carrying out of studies and projects designed to contribute to the attainment of the objectives of this Agreement;
- (f) the encouragement and promotion of relations between firms, institutions and persons of the two countries; and
- (g) any other form of assistance which may be mutually agreed upon.

ARTICLE II

In support of the objectives of this Agreement, the Government of Canada and the Government of the Republic of the Philippines may conclude subsidiary arrangements in respect of specific projects involving one or several components of the programme described in Article I.

Unless stated otherwise, subsidiary arrangements concerning contributions of the Government of Canada shall be considered as administrative arrangements.

Subsidiary arrangements shall make specific reference to this Agreement and the terms of this Agreement shall, unless otherwise stated, apply to such subsidiary arrangements.

ARTICLE III

The Government of Canada shall assume the responsibilities described in Annex "A" and the Government of the Republic of the Philippines shall assume the responsibilities described in Annex "B" in respect of any specific project established under a subsidiary arrangement unless otherwise indicated in such subsidiary arrangement. Annexes "A" and "B" shall be integral parts of this Agreement.

ARTICLE IV

The Government of the Republic of the Philippines shall ensure that development aid funds provided under any subsidiary arrangement are not used to pay any taxes, fees, customs duties or any other levies and charges imposed directly or indirectly by the Government of the Republic of the Philippines, on any goods, materials, equipment, vehicles and services purchased or acquired for the execution of any project being carried out in the Philippines pursuant to a subsidiary arrangement.

ARTICLE V

The Government of the Republic of the Philippines shall exempt Canadian firms and Canadian personnel from or bear the costs of, customs and excise duties, sales taxes, fees (except those associated with private motor vehicles), and other charges imposed by the Government of the Republic of the Philippines of similar nature, on all goods, materials, equipment, vehicles and services and on any other goods or services acquired in or imported into the Philippines for or related to the execution of projects established under any subsidiary arrangement. Resale of goods, materials, equipment or vehicles acquired under this section to a firm or person other than a Canadian firm or Canadian personnel or other exempt buyer will be subject to normal taxes and duties as provided for by the existing laws of the Philippines.

ARTICLE VI

For the purposes of this Agreement:

(a) "Canadian firm" means Canadian institutions or firms or other non-Philippines firms or institutions engaged in any project established under a subsidiary arrangement;

(b) "Canadian personnel" means Canadians or non-Philippines Citizens , who are working in the Philippines on any project established under a subsidiary arrangement; and

(c) "dependant" means

(i) the spouse of a member of the Canadian personnel, including a person of the opposite sex with whom the member of the Canadian personnel has lived and publicly represented as his or her spouse for a period of not less than one year before the commencement of his or her period of service in the Philippines;