

August 06, 1970

**EXCHANGE OF NOTES BETWEEN THE REPUBLIC OF THE
PHILIPPINES AND THE UNITED STATES OF AMERICA AMENDING
THE AGREEMENT OF APRIL 29, 1954, AND OCTOBER 18, 1956,
REGARDING RELIEF SUPPLIES AND PACKAGES**

No. 523

The Ambassador of the United States of America presents his compliments to the Secretary of Foreign Affairs of the Republic of the Philippines and has the honor to propose, under instruction from Washington, an amendment of the 1956 agreement between our two countries pertaining to shipments by American voluntary agencies of relief supplies and equipment including Food for Peace commodities.

The intent of the amendment would be to free the Government of the Philippines of responsibility for payment of port charges levied on shipments of voluntary agency supplies. Port charges previously billed average 10% of the cost of ocean transportation. The Agency for International Development will henceforth meet these port charges as well as the cost of ocean transportation. The Government of the Philippines will continue to be responsible for handling and distribution costs beyond the point of ship's tackle. The amendment would be accomplished by replacing paragraph four of the agreement, as set forth in Embassy Note No. 1071 of April 29, 1954 and confirmed in Department of Foreign Affairs' Note No. 3001 of October 18, 1956, with new wording. The present paragraph states:

"4. The cost of transporting such supplies and equipment (including port, handling, storage, and similar charges, as well as transportation) within the Philippines to the ultimate beneficiary will be borne by the Government of the Philippines."

The new paragraph would state:

"4. The Government of the Philippines shall set aside and make available funds to defray all costs associated with moving supplies from the end of ship's tackle at the port of discharge to points of distribution within the country and shall in this regard bear the cost of any storage and handling charges incurred as a function of the distribution activity."

The Ambassador further proposes that this change take effect as of April 1, 1970.

The Ambassador has the honor to propose that, if these changes meet with the approval of the Government of the Philippines, this note and the Secretary of Foreign Affairs' note in reply constitute an agreement between our two governments.

The Acting Secretary of Foreign Affairs has the honor to inform the Ambassador that the proposals set forth in the above-quoted note are acceptable to the Philippine Government and that the Embassy's note and this reply constitute an agreement