

**PROTOCOL ON ECONOMIC COOPERATION BETWEEN THE
REPUBLIC OF THE PHILIPPINES AND THE REPUBLIC OF
INDONESIA**

Note: The Protocol entered into force, May 27, 1963.

In pursuance of the provisions stipulated in the AGREED MINUTES concerning Trade and Economic Cooperation between the Republic of Indonesia and the Republic of the Philippines signed in Manila on March 29, 1963, the Indonesian-Philippine Economic and Trade delegations during their sessions from May 23 to 27, 1963, in Djakarta, have agreed upon the following fields of economic cooperation:

(I) ON PRODUCTION SHARING

1. Indonesia offers, within the framework of its production sharing arrangements as formulated by the Presidential Decree of August 3, 1962f and the Philippines agree to accept, many opportunities for joint ventures in the fields of:

- a. Textile and batik
- b. Fishing and fish products
- c. Logging, wood processing and manufacturing of wood products
- d. Cattle, meat processing and by-products
- e. Other industries as may be agreed upon

2. Under this arrangement both parties will negotiate suitable ways for mutual cooperation in the delivery of equipment and the rendering of services, especially in the field of production management, processing, transportation and guarantee clauses.

3. Special arrangements covering various projects in the nature of export industries and import substitutes should be worked out, thereby broadening the field of the production sharing arrangements between the two countries.

4. Based on the available raw materials and potentials of both countries, both parties should explore further the possibilities of cooperation in long term regional industrial development projects for mutual benefit such as:

- a. Iron and steel
- b. Aluminum and aluminum products
- c. Petro-Chemicals
- d. Pulp and paper
- e. Shipbuilding
- f. Other basic industries and mineral development,