

September 15, 1994

**MEMORANDUM OF UNDERSTANDING ON DEVELOPMENT
COOPERATION BETWEEN THE KINGDOM OF BELGIUM AND THE
REPUBLIC OF THE PHILIPPINES**

Between the Government of the Kingdom of Belgium on the one part,

and

The Government of the Republic of the Philippines " on the other part,

CONSIDERING the relations of friendship between the Kingdom of Belgium, hereafter referred to as "Belgium", and the Republic of the Philippines, hereafter referred to as "the Philippines",

RECALLING the foundation for cooperation between Belgium and the Philippines, as laid down in the Agreement on Economic, Industrial, Scientific, Technical and Development Cooperation between the Belgo-Luxembourg Economic Union and t the Republic of the Philippines, signed on the 15th of February 1937,

STRESSING the mutual willingness to reaffirm and strengthen the cooperation and enhance the partnership between Belgium and the Philippines, with due respect for the principles enshrined in the Charter of the United Nations,

RECOGNIZING that the cooperation ties between Belgium and the Philippines and this agreement in its entirety are based on the respect for democratic principles and human rights, which Inspires the domestic and external policies of both Belgium and the Philippines, and which constitutes a major clement of this agreement,

RECOGNIZING that States cooperate with each other in ensuring development and eliminating obstacles to development,

CONVINCED that this cooperation, on the basis of equality, non-discrimination and mutual respect, will benefit the development of both countries,

STATING that this cooperation should aim at economic growth and sustainable development; at the improvement of the living conditions of the poor and the alleviation of poverty; at the protection of the environment and at the enhancement of the participation of the people in the development effort, with special emphasis on the role of women in development,

HAVE AGREED AS FOLLOWS:

1. Size of the cooperation:

Subject to the yearly budgetary allocations to the Belgian Administration for Development Cooperation (B.A.D.C.), the indicative planning figure for the bilateral cooperation between the Philippines and Belgium will be defined in the framework of the overall aid budget for the ASEAN-region, taking into account the specific needs of the Philippines.

2. Selected sectors:

In the coming period of three years Belgium and the Philippines will cooperate primarily in the following sectors:

- 2.1. Agriculture and Agrarian Reform
- 2.2. Promotion of Small and Medium Enterprises
- 2.3. Energy, Transport and Communication
- 2.4. Protection and empowerment of the most vulnerable groups
- 2.5. Institution-building
- 2.6. Developmental components of other sectors which may be defined by the Joint Commission provided for by the Agreement on Economic, Industrial, Scientific, Technical and Development Cooperation between the Belgo-Luxembourg Economic Union and the Republic of the Philippines signed on the 15th of February 1987, will also be considered.

The present situation of the project proposals, that have been identified until now in the various sectors, is explained in the annex.

3. Forms:

The cooperation can be implemented in different ways

- 3.1. Project aid;
- 3.2. Programme aid;
- 3.3. Technical assistance.

The precise modalities for each project will be laid down in Specific Agreements. They will be signed by both partners after the completion of the necessary preparatory work. In these Agreements the terms and the conditions for each project (grant , in cash or in kind, or B.A.D.C.-soft loan) will be defined after consultation between the two partners.

The National Economic and Development Authority of the Philippines, in coordination with other agencies of the government, shall meet annually with the Belgian Administration for Development Cooperation to review the ongoing projects and programmes.

Signed at Brussels this 15th day of September 1994.

For the Government of the
Republic of the Philippines

(Sgd.) R. ROMULO
Secretary for Foreign Affairs

For the Government of the
Kingdom of Belgium

(Sgd.) E. DERYCKE
State Secretary for
Development Cooperation

ANNEXES: