

MEMORANDUM OF UNDERSTANDING RELATING TO THE ASEAN ENERGY PROJECT UNDER THE ASEAN - AUSTRALIA ECONOMIC COOPERATION PROGRAMME

GENERAL

1. THIS MEMORANDUM expresses the understanding and intentions of the Governments of the Republic of the Philippines and Australia concerning the administration by the Government of the Republic of the Philippines of Australian funds contributed to the ASEAN Energy Project.

DEFINITIONS

2. For the purpose of this Memorandum of Understanding, unless the contrary intention is stated:

"AAECP" means the ASEAN-Australia Economic Cooperation Programme;

"AAECP" Liaison Office means the Australian Liaison Office for the AAECP located in Kuala Lumpur;

"ADAB" means the Australian Development Assistance Bureau;

"ASEAN" means the Association of South East Asian Nations;

"AUSTRALIAN EMBASSY" means the Australian Embassy in Manila representing the Government of Australia in the Philippines;

"COST" means the ASEAN Committee on Science and Technology;

"FUNDS" means money provided by ADAB through the Australian Embassy, Manila in the form of Accountable Cash Grants from Australia's commitment to the AAECP;

"NSTA" means the National Science and Technology Authority which will be the executing authority in the Philippines for the Project;

"The Project" means the ASEAN Energy Project which is administered by the ASEAN Working Group on Non-Conventional Energy Research for ASEAN-COST, as decided on by the established Committee of ASEAN and Australian Officials known as the ASEAN-Australia and to which Project the Australian Government is providing funds;

"Secretariat" means the Working Group Secretariat located with the King Mongkut's Institute of Technology, Thonburi, (KMUTT) Thailand;

"Working Group" means the ASEAN Working Group on Non-Conventional Energy Research which is responsible to ASEAN-COST for the implementation of the Project.

AUTHORITIES

3. The Executing Authorities for this Project will be:

For the Government of the Philippine : NSTA

For the Government of Australia : ADAB

ADAB may, in consultation with the Philippine authorities concerned, nominate suitably qualified agents to undertake any part of its functions on its behalf.

DURATION

4. This Memorandum will take effect from the date of its signature and all undertaking herein will cease upon completion of the Project or on such a date as may be decided upon between the two Governments.

ARRANGEMENTS

5. To assist the Government of the Philippines in implementing the aims of the Project, the Australian Government will provide funds to the NSTA. Such funds will be used by the NSTA for meeting the costs of research, development and administration activities directly related to the Project and will be paid to the NSTA on a quarterly basis in advance, taking into consideration projected expenditure on the Project for the relevant three month period.

Such funds, and any income that may be derived from these funds, will be tax exempt.

5.1. The funds will be used for the following items associated with Sub-Projects which have been assessed and approved by the Working Group and endorsed by COST:

5.1.1. Salaries for technicians and Filipino administrative staff up to the limits approved by the Working Group;

5.1.2. Economy class airfare, traveling expenses and allowances at current Australian Government rates for delegates traveling in the ASEAN Region and Australia for purposes directly related to the Project;

5.1.3. Purchase and commissioning of equipment for the Project;

5.1.4. Purchase of chemicals and other consumable items for the Project;

5.1.5. Training and Study Tours for Filipino personnel directly associated with the Project in any of the ASEAN countries and Australia, and of other ASEAN trainees in the Philippines. The cost of training and study tours in Australia may be paid in ADAB from the Project budget;

5.1.6. Books and journals relevant to the Project;

5.1.7. Hire of rooms and other essential expenditure for the Project workshops, meetings, conferences, and seminars in the Philippines;