# No. 31180

# REPUBLIC OF KOREA and PHILIPPINES

Memorandum of Understanding on logistics and defence industry cooperation. Signed at Quezon City, Philippines, on 24 May 1994

Authentic texts: Korean and English.

Registered by the Republic of Korea on 31 August 1994.

# RÉPUBLIQUE DE CORÉE et PHILIPPINES

Mémorandum d'accord concernant la coopération en matière de logistique et d'industrie de la défense. Signé à Quezon City (Philippines) le 24 mai 1994

Textes authentiques : coréen et anglais.

Enregistré par la République de Corée le 31 août 1994.

MEMORANDUM OF UNDERSTANDING<sup>1</sup> ON LOGISTICS AND DEFENSE INDUSTRY COOPERATION BETWEEN THE GOVERNMENT OF THE REPUBLIC OF KOREA AND THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES

The Government of the Republic of Korea (ROK) and the Government of the Republic of the Philippines (RP) (hereinafter referred to as "the Parties");

Desiring to enhance the existing friendly relations between their Armed Forces;

Considering their common interest in promoting cooperation in logistic as well as in defense industry;

Recognizing that closer cooperation in this field will be beneficial to both Armed Forces and that the cooperative activities envisaged by this Memorandum of Understanding (MOU) shall be consistent with their respective national policies, laws and regulations;

Have agreed as follows:

#### Article I

#### PURPOSE

- 1. The purpose of this MOU is to strengthen the logistics support capabilities of both Armed Forces by expanding and enhancing cooperation in logistics, and to promote cooperation in the defense industry between the two countries.
- 2. In order to pursue this purpose, the Parties shall endeavor for mutual cooperation in logistics support, production and procurement of defense materials between the two Armed Forces based on the principle of reciprocity.

#### Article II

#### METHODS OF COOPERATION

- 1. Cooperation under this MOU may include logistics-related areas, such as procurement, supply, maintenance, transportation and others, and defense industry related areas, such as joint research on defense industry article production, procurement and export.
- 2. The Parties shall encourage and facilitate, where appropriate, direct contact and cooperation between activities of the two Armed Forces as approved by both Parties.
- 3. The Parties shall conclude an Implementing Arrangement in order to implement this MOU as required.
- 4. In order to implement this MOU, the ROK-RP Joint Logistics and Defense Industry Committee shall be established and operated. Details about that Committee are elaborated in Article IV of this MOU.

<sup>&</sup>lt;sup>1</sup> Came into force on 23 June 1994, i.e., 30 days after the date of signature, in accordance with article XI (1). Vol. 1821, I-31180

#### Article III

#### FORMS OF COOPERATION

Logistics and defense industry cooperation covered by this MOU may include the following forms:

- a. Cooperation in operation and management of defense materials;
- b. Cooperation in transfer of defense articles, materials, and services;
- c. Exchange of logistics and defense industry personnel;
- d. Joint research on subjects of mutual interest;
- e. Exchange of information and data on logistics and defense industry;
- f. Convening of joint seminars and meetings on logistics and defense industry;
- g. Cooperation in exports to third countries as well as mutual procurement of defense industry articles; and
  - h. Other details as mutually agreed upon.

#### Article IV

#### JOINT LOGISTICS AND DEFENSE INDUSTRY COMMITTEE

- 1. To effectively pursue the aim of this MOU, the ROK-RP Joint Logistics and Defense Industry Committee (hereinafter referred to as "Joint Committee") will be established and operated to address issues of mutual cooperation in logistics and defense industry.
- 2. The Joint Committee will be composed of no more than five (5) representatives from each Party and will be co-chaired by the 2nd Assistant Minister, ROK Ministry of National Defense (MND) and Assistant Secretary for Installations and Logistics, RP Department of National Defense (DND). The Joint Committee will be composed of officials from the Parties.
- 3. The Joint Committee may establish subcommittee(s) to effectively address specific project(s) of mutual interest as required.
- 4. The Joint Committee will meet, in principle, once a year alternately in the two countries. The date, site and agenda will be discussed and agreed upon between the Parties. The point of contact of the Parties will be Logistics Bureau, ROK MND and the Office of the Assistant Secretary for Installations and Logistics, RP DND.
  - 5. The tasks of the Joint Committee will be:
  - a. To identify potential areas of cooperation in logistics and defense industry;
  - b. To propose items of common interest;
  - c. To coordinate and control logistics and defense industry cooperation;
- d. To cooperate and exchange information on defense equipment, materials and services;
  - e. To review and recommend Implementing Arrangements; and
  - f. To explore other ways of cooperation in logistics and defense industry.

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6. Agreements reached by the Joint Committee shall be implemented after the approval by the Parties.

#### Article V

#### Cooperation of Defense industry firms

- 1. The implementation of this MOU calls for participation of firms in the defense industry. Each Party shall inform the concerned firms within its own jurisdiction of the basic principles of this MOU and shall establish their own rules to implement the said principles.
- 2. Each Party will do its best to ensure that the firms in the industry honor their contractual commitments, which are to be made within the framework of this MOU.

#### Article VI

# Provision of information on defense industry article, services and facilities

- 1. The supplying Party shall make its best effort to assist the procuring Party when the procuring Party requests information related to defense industry article, services and facilities through the Joint Committee or its co-chairman prior to any procurement.
- 2. For any concluded contract for defense industry article procurement, the supplying Party agrees:
- a. To make available to the procuring Party the full support of its Quality Assurance Agency which will survey the production, control the quality and provide quality certification for final acceptance of the defense industry article of interest by the procuring Party. This service will be available only for defense industry article manufactured in the supplying country; and
- b. Upon request of the procuring Party, to discuss with the procuring Party about establishing procedures to assist the procuring Party in the investigation and validation of discrepancy reports submitted by the Party. The level of the supplying Party support will depend on the level of information provided by the procuring Party on its specifications and standards included in the procurement contract.
- 3. The supplying Party shall assist the procuring Party in operational training for the material so that the procuring Party can adequately operate the procured material. The terms and conditions for the training services and costs of such support shall be determined through a separate arrangement between the Parties.
- 4. The procuring Party shall inform the supplying Party of the requirements of the procuring country's Armed Forces for material and services in connection with cooperative activities as outlined in this MOU, so that where appropriate, the supplying Party may offer timely and suitable advice on ways to satisfy those requirements.

## Article VII

#### INTELLECTUAL PROPERTY RIGHTS

- 1. The procuring Party recognizes that technical information which may be released as a result of the activities of the supplying Party may contain intellectual rights. Accordingly, the procuring Party shall be responsible for protecting such information from unauthorized usage and personnel.
- 2. Each Party shall not convey to a third country or citizens or organizations of a third country, without the written approval of the other Party, special scientific and technological knowledge acquired in the course of the implementation of this MOU.
- 3. Subject to mutual agreement, both Parties may register whatever inventions, techniques, processes and other such beneficial results arising out of the activities under this MOU under their respective copyright and patent laws.

#### Article VIII

#### TERMS

- 1. Unless otherwise provided for in an Implementing Arrangement, each Party, participating agency, organization or enterprise shall bear the cost of its participation and that of its personnel engaged in cooperative activities under this MOU.
- 2. Cooperative activities under this MOU shall be undertaken in accordance with the applicable laws of both countries and subject to the availability of funds.
- 3. Each Party shall make its best effort to facilitate entry into and exit from its territory of personnel and equipment of the other Party engaged in projects and programs under this MOU.

#### Article IX

#### RESOLUTION OF DISPUTES

Disputes concerning the interpretation or application of this MOU shall be settled by mutual consultation between the Parties.

## Article X

#### SECURITY

- 1. Each Party shall guarantee classified materials, projects, drafts, technical specifications and any other information exchanged under this MOU the same or higher degree of security protection as assigned by the originating Party and shall make all possible efforts to maintain such protection as long as required by the originating Party.
- 2. The transfer to third parties (including industries) of defense information, documents, technical data and materials, either classified or unclassified, under this MOU, shall be subject to the approval of the originating Party which makes them available, unless otherwise specified by agreements between the two Parties.

## Article XI

#### ENTRY INTO FORCE, ADMENDMENT AND TERMINATION

- 1. This MOU shall enter into force thirty (30) days after the date of signature and shall continue in force for a period of five years. Thereafter, it will be terminated after 180 days from the date upon which either Party gives written notice to the other Party of its intention to terminate it.
  - 2. This MOU will be amended by mutual written agreement.
- 3. The termination of this MOU shall not affect the validity or duration of any ongoing project agreed upon under this MOU.
- 4. The obligations set forth in Article X of this MOU shall remain effective even after the termination of this MOU.

In WITNESS WHEREOF, the undersigned, being duly authorized by their respective Governments, have signed this MOU.

Done at Quezon City on May 24, 1994, in duplicate in the Korean and English languages, each text being equally authentic.

For the Government of the Republic of Korea: [Chung Joon-ho]

For the Government of the Republic of the Philippines: [FELICIANO M. GACIS, Jr.]