Memorandum of Understanding on Cooperation on Oil and Gas Development

between the

Government of the Republic of the Philippines and the

Government of the People's Republic of China

- I. Context. Recalling the Charter of the United Nations, the 1982 United Nations Convention on the Law of the Sea (UNCLOS) and the 2002 Declaration on the Conduct of Parties in the South China Sea, and acknowledging that through positive dialogue and practical cooperation the Government of the Republic of the Philippines and the Government of the People's Republic of China (hereinafter referred to as "the two governments") have made substantial progress and meaningful gains in exploring opportunities and means to cooperate with each other in maritime activities, which has made significant contributions to peace, stability and development in the region.
- II. Basic Principle. In accordance with the principles of "mutual respect, fairness and mutual benefit, flexibility and pragmatism and consensus", through equal and friendly consultation, the two governments have decided to negotiate on an accelerated basis arrangements to facilitate oil and gas exploration and exploitation in relevant maritime areas consistent with applicable rules of international law (hereinafter referred to as "the cooperation arrangements").

III. Working Mechanism.

(A) The two governments will establish an Inter-Governmental Joint Steering Committee (hereinafter referred to as "Committee") and one or more Inter-Entrepreneurial Working Group (hereinafter referred to as "Working Group"). The Committee will be co-chaired by the Foreign Ministries, and co-vice chaired by the Energy Ministries, with the participation of relevant agencies of the two governments, and will comprise an equal number of members nominated by the two governments. Each Working Group will consist of representatives from enterprises authorized by the two governments.

- (B) The Committee will be responsible for negotiating and agreeing the cooperation arrangements and the maritime areas to which they will apply (hereinafter referred to as the "cooperation area"), and deciding the number of Working Groups to be established and for which part of the cooperation area each Working Group is established (hereinafter referred to as its "working area"). Each Working Group will negotiate and agree on interentrepreneurial technical and commercial arrangements that will apply in the relevant working area.
- (C) China authorizes China National Offshore Oil Corporation as the Chinese enterprise for each Working Group. The Philippines will authorize the enterprise(s) that has/have entered into a service contract with the Philippines with respect to the applicable working area or, if there is no such enterprise for a particular working area, the Philippine National Oil Company Exploration Corporation (PNOC–EC), as the Philippine enterprise(s) for the relevant Working Group.
- (D) The two governments will endeavour to agree on the cooperation arrangements within twelve (12) months of this Memorandum of Understanding. The Committee and each Working Group will meet regularly to discharge their respective functions.
- IV. Relevant Position. This Memorandum of Understanding, and all discussions, negotiations and activities of the two governments or their authorized enterprises under or pursuant to this Memorandum of Understanding, will be without prejudice to the respective legal positions of both governments. This Memorandum of Understanding does not create rights or obligations under international or domestic law.
- V. Nature of Information. Any information shared by the two governments or their authorized enterprises under or pursuant to this Memorandum of Understanding will be kept confidential, unless the two governments decide otherwise.
- VI. Other Matters. Any other matters relating to this Memorandum of Understanding may be referred jointly by the two governments to the Committee or a Working Group for consultation and agreement.

Done in Manila on the 20th November, 2018, in duplicate in the Chinese and English languages, both texts being equally authentic.

For the Government of the Republic of the Philippines People's Re

For the Government of the People's Republic of China

菲律宾共和国政府和中华人民共和国政府 府 关于油气开发合作的谅解备忘录

- 一、政治基础。忆及《联合国宪章》·1982 年《联合国海洋法公约》和 2002 年《南海各方 行为宣言》·认识到双方通过积极对话和务实合 作在探索海上合作的机遇和方式上取得实质进展 和有意义的收获·并为地区和平、稳定和发展作 出重要贡献。
- 二、基本原则·本着"相互尊重、公平互利、灵活务实、协商一致"的原则·经过平等友好协商·双方决定根据有关国际法加快谈判相关安排(下称合作安排)·为双方在有关海域的油气勘探和开采提供便利。
 - 三、工作机制。
- (一)双方将设立政府间联合指导委员会(下称委员会)和企业间工作组(下称工作组)。 委员会由双方外交部担任共同主席·由双方能源

部门担任共同副主席·双方相关部门参与。委员会由双方提名相同人数的成员组成·工作组由经双方授权的企业代表组成。

- (二)委员会负责谈判、达成合作安排及其适用的海域(下称合作区域),并决定需建立的工作组数量及具体位置(下称工作区块)。工作组负责谈判、达成适用于相关工作区块的企业间技术和商业安排。
- (三)菲方将授权在适用本协议的工作区块内与菲律宾有服务合同的一家或多家企业,若特定工作区块无此类企业则授权菲律宾国家石油勘探公司作为菲方参与企业。中方授权中国海洋石油集团有限公司作为中方参与企业。
- (四)双方将在本备忘录签订后 12 个月内 致力于就合作安排达成一致。委员会和工作组将 定期接触,以推进相关工作。

四、有关立场。本谅解备忘录以及双方或双 方企业根据该备忘录进行的所有讨论、谈判和活 动都不影响双方各自法律立场。本谅解备忘录不 产生任何国际法或国内法上的权利和义务。 五、信息保密。双方以及根据本谅解备忘录 授权参与的企业所共享的任何信息应予保密·除 非双方另有规定。

六、其他事项。任何与本谅**解备**忘录有关的 其他事项可提交委员会或工作组商定。

本谅解备忘录于 二〇一八年十一月二十日 在马尼拉签署,一式两份,每份均用中文和英文 写成,两种文本同等作准。

菲律宾共和国政府 代表

中华人民共和国政府 代表