MEMORANDUM OF AGREEMENT

BETWEEN

THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES
REPRESENTED BY
THE LOCAL WATER UTILITIES ADMINISTRATION (LWUA)

AND

THE INTERNATIONAL LABOUR ORGANIZATION
REPRESENTED BY
THE ILO MANILA OFFICE (ILO)

WHEREAS, consultations have been held between officials of the International Labour Organization, represented by the International Labour Office (ILO) Manila Office and officials of the Government of the Republic of the Philippines, represented by the Local Water Utilities Administration (LWUA), with respect to the ILO's Action Program on Strengthening Social Dialogue in the Water Utilities Sector (Program) to be executed by the ILO;

WHEREAS, the Program aims to develop a social dialogue mechanism in the water supply sector which can be promoted eventually as a model in the region. The mechanism will, in turn, seek to develop joint strategies and actions to extend and improve the efficiency of the water utility services through facilitating capacity building to strengthen social dialogue mechanisms at the enterprise level in selected developing countries;

WHEREAS, the Program will be led by a National Steering Group comprising of representatives from the Government (from various ministries/departments responsible for the administration of workers concerned), the employers and workers in utilities sector, who are all stakeholders in ensuring that service delivery be improved or quality service delivery be sustained in a changing socio-economic environment through improved social dialogue;

WHEREAS, the LWUA and the ILO have agreed to cooperate in the implementation of the Program;

NOW THEREFORE the Parties hereby agree as follows:

1. The action program will begin on 01 April 2010, and conclude by the 31 December 2011.

2. The LWUA will demonstrate its commitment to support this program, through the following actions:

2.1 By 01 April 2010, designate a responsible department official and/or members of a national steering group to serve as national focal point and liaison with the ILO utilities sector specialist for the program’s activities. The designation should include full mailing and e-mail addresses. This information will be communicated in writing to the ILO within April 2010.
2.2 Within April 2010, nominate representatives to a national steering group that will lead the activities of the program. This information will be communicated in writing to the ILO.

2.3 By 30 April 2010, nominate and support, in cooperation with the ILO Manila Office, a researcher or research team to undertake a baseline investigation of current conditions and challenges facing the utilities sector and government decision-makers in the Philippines, and a utilities sector specialist, which will consult with the social partners. The particulars of the individuals or institutions so nominated will be communicated in writing to the ILO by 30 April 2010.

2.4 Participate in meetings and workshops organized by the ILO as part of the program and make policy recommendations based on the findings of the national assessment and discussion at a national workshop.

2.5 By 31 December 2010, promote the creation of a national social dialogue mechanism for the water utilities sector, if it is not yet established, and devise measures to strengthen its effectiveness and sustainability.

3. The ILO shall make every effort to ensure the timely and full implementation of the Program as described in the Program Document. The program will begin on 01 April 2010, and conclude by the 31 December 2011.

4. The ILO shall retain overall responsibility for the Program.

5. The ILO will perform the following activities:

5.1. Provide support to the LWUA and the social partners in developing the necessary tools to advance social dialogue. This includes the support necessary to carry out the activities mentioned above.

5.2. Coordinate the nominations to the steering group by workers’ and employers’ organizations for the first meeting of the national steering group, in consultation with the respective group secretariats of the ILO Governing Body.

5.3. Provide financial support to develop the research mentioned in bullet point 3 above, and holding a workshop to validate the same with broad participation of the government and social partners.

5.4. Provide orientation to the participants regarding the principles and process of social dialogue in the utilities sector.

5.5. Encourage all participants to develop attitudes and participate in activities that will result in meaningful social dialogue, covering information-sharing, consultations and/or negotiations regarding priority issues in utilities development.
6. The LWUA shall provide the services and facilities described above, as well as, ensure the adequate mobilization of its concerned human resources.

7. The ILO will endeavor to coordinate its interventions with other ILO Programs and other organizations’ activities that are working on social dialogue issues.

8. The personnel assigned by the ILO to the Program and under contract with it shall be recruited and employed on the basis of the regulations, rules and directives of the ILO and shall work under the supervision of the ILO. These personnel shall remain accountable to the ILO for the manner in which assigned functions are discharged.

9. The personnel assigned by the LWUA to the Program and under contract with it remains accountable to the LWUA for the manner in which assigned functions are discharged. The supervisory arrangements shall be determined by the Parties in mutual consultation and shall be described in the relevant terms of reference of the personnel.

10. The ILO shall administer the Program in accordance with its financial regulations, rules and directives. The Program shall be subject exclusively to the internal and external auditing procedures provided for in the regulations, rules and directives of ILO.

11. The LWUA shall enjoy a royalty-free, non-exclusive, non-transferable license to utilize the work (Work) that is described in the Program Document. All intellectual property rights including title, copyright and patent rights resulting from the Program shall be vested in the International Labour Organization including, without any limitation, the rights to use, reproduce, adapt, publish and distribute any item or part thereof.

12. The ILO may make any changes it deems necessary to the Program Document that would affect the work being performed by itself, after consultations with the LWUA.

13. This Agreement shall remain in force for the duration of the Program as stated in paragraph 3 above, unless terminated earlier by either Party in accordance with the following termination provision.

a. After consultations have taken place between the Parties, either Party may give the other Party written notice of termination of this Agreement. Termination shall take effect ninety (90) days after receipt of the notice.

b. The obligations assumed under this Agreement shall survive its termination to the extent necessary to permit the orderly conclusion of activities, the withdrawal of personnel, funds, and property, as well as, the settlement of accounts between the Parties and the settlement or termination of contractual liabilities that are required in respect to any personnel, subcontractors, consultants, or suppliers.
14. The Parties may decide to extend the validity of this Agreement by mutual written consent signed by their authorized representatives.

15. The LWUA shall handle and be responsible for any third-party claim or dispute arising from operations under this Agreement against the ILO, their officials or other persons performing services on their behalf, and shall hold them harmless in respect of such claims or disputes. Where a claim or dispute arises from the gross negligence or willful misconduct of the above-mentioned individuals, the Parties shall consult with a view to finding a satisfactory solution.

16. The Parties shall use their best efforts to settle amicably all disputes, controversies or claims arising out of or in connection with this Agreement or the interpretation thereof.

17. In all matters connected with the implementation of the Program, the Government shall apply to the ILO, its property, officials and any person designated by the ILO to perform services under this Agreement, the provisions of the Convention on the Privileges and Immunities of the Specialized Agencies (1947) and Annex I thereof relating to the ILO, which the Government of the Republic of the Philippines has accepted to apply as of 20 March 1950.

18. Nothing in this Agreement or relating thereto shall be construed as constituting a waiver of the privileges and immunities enjoyed by the ILO.

19. The Program Document forms an integral part of this Agreement. In the event that the terms contained in the Program Document are incompatible with those contained in this Agreement, then the latter shall govern and prevail. For any matters not specifically covered by this Agreement, the appropriate provisions of the regulations, rules and directives of the ILO shall apply.

20. The original of this Agreement has been written and signed in English. If this Agreement is translated into a language other than English, the English version shall govern and prevail.

21. This Agreement, superseding all communications on this matter between the Parties, shall enter into force upon its signature by the authorized representatives of the Parties.

Signed in Manila, the Republic of the Philippines, on June 21, 2010.

Mr. Daniel I. Landagin
Administrator, LWUA

Mr. Carlos Carrion-Crespo
Public Services and Utilities Sector Specialist
SECTOR, ILO Geneva

WITNESSED BY: