

No. 4382

**UNITED STATES OF AMERICA
and
PHILIPPINES**

**Exchange of notes constituting an interim arrangement
relating to the exploitation of mineral resources located
on specific sites within the United States Military Reser-
vation, Fort Stotsenberg, Tarlac. Manila, 8 April 1957**

Official text: English.

Registered by the United States of America on 30 June 1958.

**ÉTATS-UNIS D'AMÉRIQUE
et
PHILIPPINES**

**Échange de notes constituant un arrangement provisoire
relatif à l'exploitation de ressources minérales situées
en des emplacements déterminés des terrains militaires
des États-Unis, à Fort Stotsenberg, Tarlac. Manille,
8 avril 1957**

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 30 juin 1958.

No. 4382. EXCHANGE OF NOTES CONSTITUTING AN INTERIM ARRANGEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF THE PHILIPPINES RELATING TO THE EXPLOITATION OF MINERAL RESOURCES LOCATED ON SPECIFIC SITES WITHIN THE UNITED STATES MILITARY RESERVATION, FORT STOTSENBERG, TARLAC. MANILA, 8 APRIL 1957

I

The American Embassy to the Philippine Department of Foreign Affairs

No. 1083

The Embassy of the United States of America presents its compliments to the Department of Foreign Affairs of the Republic of the Philippines and has the honor to refer to the Department's note No. 2231² and its *Aide-Mémoire* of February 22, 1957,² and the Embassy's note No. 0251² concerning the application of certain organizations and individuals to exploit mineral resources located on specific sites within the United States Military Reservation, Fort Stotsenberg, Tarlac.

The Embassy wishes to emphasize that the purpose of the bases is to serve the vital mutual defense needs of both Governments and that, therefore, the development of mineral resources on such bases must, by necessity, be conditional on noninterference with the military uses of the bases. At the same time, the United States Government welcomes the fostering of economic development of the Philippines by proper utilization of its natural resources in the military bases if, and to the extent, that exploitation of natural resources is possible without prejudice to the military purpose for which the bases are being used. Accordingly, such exploitation can only be authorized pursuant to principles, procedures and conditions which will give full recognition both to the desire to foster economic development of the Philippines and to the need to ensure the security of the bases and the ability to accomplish military operations and training.

The five applications for the exploitation of natural resources, referred to in the Department's note and *Aide-Mémoire*, have been jointly reviewed by the appropriate Philippine and the United States military authorities and it has

¹ Came into force on 8 April 1957 by the exchange of the said notes.

² Not printed by the Department of State of the United States of America.

been determined that the exploitation of natural resources by the applicants at the location started can, under current conditions, be undertaken in a manner consistent with the security and operation of the base area.

Appropriate access permits will be provided to the applicants upon their acceptance of the following general terms which will provide for the exploitation of natural resources in a manner consistent with the overall military purpose of the base area :

1. The permittee agrees not to obstruct, damage, or impede any existing United States improvement or United States construction on the base.
2. The permittee agrees not to pollute streams or water sources as a result of his commercial operations and further agrees to conserve water tables, and to prevent the general waste of the countryside.
3. The permittee and his employees agree to abide by the base regulations pertaining to safety, security, and maintenance of order.
4. The United States Government reserves the right to suspend temporarily operations under any permit when the interest of safety, military operations, or training makes such suspension of permit necessary provided that when the period of temporary suspension exceeds thirty days there shall be prior consultation between appropriate military authorities of the two Governments.
5. The United States reserves the right following consultation with the Philippine Government to terminate permanently operations under a permit on grounds of military necessity on thirty days notice.
6. Suspension or termination of operations under the foregoing provisions or the accidental damage to or destruction of natural resources shall not give rise to any liability on the part of the United States or of the Philippine Government.
7. The permittee agrees not to undertake permanent construction on the United States base without receipt of prior approval from the Base Commander.
8. The United States Base Commander shall have the right to inspect approved commercial operations on his base at any time.
9. No residential properties shall be constructed by permittee or their personnel on United States bases.
10. In appropriate cases to be determined by appropriate military authorities of both Governments, permits shall contain a provision requiring restoration of the premises by the permittee.

Before the access permit is issued the Bureau of Mines will arrange with the Base Commander to have the applicant fully advised by a representative of the Base Commander of the appropriate base regulations pertaining to safety, security,

and maintenance of order. When this requirement has been met the access permit and copies of the access permit will be handed to the representative of the Philippine Bureau of Mines by the representative of the Base Commander for issuance to the applicant.

It is the Embassy's understanding that the Philippine Government will hold the United States harmless for any claims for personal injury or death or damage to property which are attributable to any activities in connection with the exploitation of natural resources within the base area, with the exception of those meritorious claims paid by the United States in accordance with its claims legislation arising out of activities of any official, employee, or agent of the United States.

The Embassy has full confidence that, with respect to the exploitation of natural resources, the present close cooperation between the United States and Philippine military authorities will continue to ensure maximum safety within the bases, particularly in the vicinity of those areas in which operational and training activities are being carried out. In this regard, there must be of course strict adherence by the applicants and their employees to regulations and measures established to this end.

It is the Embassy's understanding that the foregoing is an interim arrangement to permit the exploitation of the mining permits held by the five applicants and is without prejudice to the final settlement on arrangements for exploitation of natural resources on bases used by the United States and to the rights of the United States as set forth in the Military Bases Agreement of 1947.¹

G. S. N.

Embassy of the United States of America
Manila, April 8, 1957

II

The Philippine Department of Foreign Affairs to the American Embassy

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FOREIGN AFFAIRS

No. 802-57

The Department of Foreign Affairs of the Republic of the Philippines presents its compliments to the Embassy of the United States of America and has the honor to acknowledge the receipt of the Embassy's note No. 1083, dated April 8, 1957,

¹ United Nations, *Treaty Series*, Vol. 43, p. 271 ; Vol. 68, p. 272 ; Vol. 185, p. 334 ; Vol. 213, p. 370, and Vol. 229, p. 282.

concerning the granting of access permits by the appropriate military authorities of the United States to the five applicants mentioned in the Department's note No. 2231 and its *Aide-Mémoire* of February 22, 1957 to exploit mineral resources located on specific sites within the military reservation operated by the United States at Fort Stotsenberg, Tarlac.

It is understood that the Embassy's note under acknowledgment and this reply note of the Department constitute an interim arrangement between the Governments of the Republic of the Philippines and of the United States of America, permitting the exploitation of the mining permits issued by the Philippine Bureau of Mines to the five applicants, pursuant to certain principles, procedures and conditions which will give full recognition both to the desire of the Philippines to foster its economic development and to the need felt by both countries to ensure the security of the bases and the ability to accomplish the military purposes for which the bases are established and being used by the United States.

It is further understood that this interim arrangement is without prejudice to the final settlement of a permanent arrangement for the granting of access permits by the appropriate military authorities of the United States for exploitation of mineral and other natural resources on bases used by the United States along the principles, procedures and conditions indicated in this exchange of notes.

It is also the Department's understanding that nothing contained in this interim arrangement shall affect in any manner the views and positions hitherto expressed and taken by the Philippine Government on any and all matters related to the establishment, delimitation, use, maintenance and operation of bases in the Philippines by the United States, as well as to the status of United States armed forces manning and operating said bases.

(Initialled) [illegible]

Manila, April 8, 1957