

## **SUBSIDIARY ARRANGEMENT**

BETWEEN THE  
GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES  
AND THE  
GOVERNMENT OF AUSTRALIA  
RELATING TO THE  
MUSLIM AND INDIGENOUS PEOPLES' EDUCATION PROGRAM (MIEP)

### **1. GENERAL PROVISIONS**

- 1.1. This **ARRANGEMENT** expresses the understandings and intentions of the Government of the Republic of the Philippines (hereinafter referred to as "GoP") and the Government of Australia (hereinafter referred to as "GoA") concerning the responsibilities and contributions in regard to the Muslim and Indigenous Peoples' Education Program (hereinafter referred to as "**MIEP**").
- 1.2. The goal of **MIEP** is to improve equitable access to and quality of basic education in disadvantaged Indigenous Peoples (IP) and Muslim communities. Its purpose is to assist the Philippine Department of Education stimulate demand for quality education. It will also build the capacity of the community, the school and other partners to identify key responsibilities and develop and implement activities that will attract children to schools, keep them there and develop the quality of relevant curriculum. The Program's description, its components and their specific objectives are outlined in Annex 1 to this **ARRANGEMENT**.
- 1.3. This **ARRANGEMENT** is concluded pursuant to and is subject to the provisions of the General Agreement on Development Cooperation (GADC) between the GoP and the GoA signed on 28 October 1994 in Sydney, Australia, governing implementation of activities under the Philippines Australia Development Cooperation Program.

### **2. IMPLEMENTING AGENCIES**

- 2.1. As a bilateral program, GoP and GoA are formally accountable and ultimately responsible for the direction, decisions, and activities carried out under **MIEP**.  
  
For the GoP:           the Department of Education (DepED)  
  
For the GoA:           the Australian Agency for International Development (AusAID)

- 2.2 AusAID will engage a suitably qualified Managing Contractor (MC) to carry out management and administration of MIPEP. The MC may sub-contract delivery of mutually arranged program activities under this **ARRANGEMENT**.

### 3. DEFINITIONS

- 3.1 For the purposes of this **ARRANGEMENT**:
- 3.1.1 “**MIPEP**” means Muslim and Indigenous Peoples’ Education Program) and herein referred to as “*the Program*.”
- 3.1.2 “*Minister-Counsellor-Development Cooperation*” (MC-DC) refers to the Minister-Counsellor of the Development Cooperation Section of the Australian Embassy-Manila (or delegate).
- 3.1.3 “*Managing Contractor*” (MC) refers to the organisation, institution, company or consortium contracted by the GOA to manage and administer the **Program** in accordance with this **ARRANGEMENT**.
- 3.1.4 “*Program Manager*” (PM) means the designated representative in the Philippines of the MC engaged by the GoA to manage the Project.
- 3.2 All other definitions come from Article 3 of the GADC.

### 4. COORDINATION AND MANAGEMENT ARRANGEMENTS

- 4.1 The management structure of the **Program** will comprise key DepED executive, bureau, regional and divisional officials, the MC and the Muslim and IP Technical Working Group (TWG) and the school heads.
- 4.2 The Office of the Undersecretary for Muslim Affairs and the Bureaus of Elementary and Secondary Education and Alternative Learning System will be responsible for managing the design and implementation of **Program** initiatives at the national level.
- 4.3 The Office of Planning Services (OPS) will be responsible for the overall coordination of **Program** implementation and will lead the conduct of periodic progress reviews. OPS will be supported by the Education Development Project Implementing Task Force (EDPITAF) in coordinating the **Program** at the national level, including the day-to-day financial management. EDPITAF will provide office space to house the Program Management Office (PMO) and dedicated Program staff.

- 4.4 Implementation of the **Program** at the regional and divisional levels is the responsibility of the regional and division offices in the target provinces. At the community level, the schools are responsible for implementing the School Improvement Plans in consultation with their respective communities.
- 4.5 The TWG on Muslim and IP Education will advise and strategically guide DepED on Muslim and IP Education issues. It will perform a quality assurance role to ensure that work plans are consistent with existing policies and can effectively contribute to achieving **Program** objectives.
- 4.6 The Muslim and IP communities are represented at the strategic level through the TWG.
- 4.7 A qualified MC to be jointly selected by AusAID and DepED will manage the Australian contribution to the **Program**. The MC will ensure that Australian funds are effectively used and activities reflect value for money. The MC management team will be housed in the EDPITAF while some staff will be assigned to the target regions.
- 4.8 No separate ‘Coordinating’ or ‘Steering’ Committee will be established for the **Program**. AusAID and DepED will periodically hold meetings or when necessary to discuss implementation and policy-related issues. Representatives from National Commission on Indigenous Peoples (NCIP), National Commission on Muslim Filipinos (NCMF), National Economic and Development Authority (NEDA), along with other key stakeholders, will be invited to these meetings as deemed necessary.
- 4.9 Monitoring and evaluation of **Program** outcomes will take place as a normal part of the semi-annual Basic Education Sector Reform Agenda (BESRA) Review process in February and August of each year.

## 5. CONTRIBUTIONS

- 5.1 The contributions of the GoA and GoP are as described in Annexes 2 and 3 of this **ARRANGEMENT**. These contributions are estimated to value 20,000,000.00 Australian Dollars and 140,000,000.00 Philippine Pesos (approximately AUD4 million), respectively over a period of 48 months unless otherwise arranged by the Parties.
- 5.2 The financial contribution of the GoA will be subject to the normal annual Parliamentary approval of appropriations.

- 5.3 The GoP contribution is low and mostly in-kind because DepED will run the program as part of the normal BESRA responsibilities. The GoP financial contribution will be subject to the annual Congressional approval of appropriations.

**6. PROJECT SUPPLIES, MOTOR VEHICLES AND PROFESSIONAL AND TECHNICAL MATERIAL AND SERVICES**

- 6.1 Subject to Paragraph 7 below, Article 7 of the GADC will apply to all **Program** supplies, vehicles, professional and technical material and services provided for the implementation of the activities under the **Program**.
- 6.2 In respect of supplies, motor vehicles and professional and technical material and services required by the **Program** for the conduct of **Program**, whether imported into or procured within the Philippines, the GoP will:
- (a) coordinate with concerned agencies in the exemption of Expanded Value Added Tax (EVAT) and other duties and taxes imposed in the Philippines, and be responsible for inspection fees, storage charges and all other levies, fees and charges levied in the Philippines; and
  - (b) facilitate the expeditious clearance and release of imported supplies and motor vehicles including the provision of appropriate customs and wharfage facilities.
- 6.3 Supplies and motor vehicles provided for the use of the **Program** by the GoA will be available for restricted **Program** use and will not be withdrawn from such use without the consent of the MCDC. The PM will exercise administrative control over such supplies and motor vehicles for the duration of the Program or such other time as mutually arranged by both Governments.
- 6.4 Motor vehicles provided by the GoA for the **Program**'s use will be registered and insured in the name of the Australian Embassy, representing AusAID and the **Program**. At the end of the **Program**'s life span, all motor vehicles will be handed over to the MCDC who will reassign them in accordance with the requirements of the Australian Development Cooperation Program to the Philippines.

## 7. CROSS-CUTTING ISSUES

- 7.1 GoA and GoP will ensure the principles of child protection, gender equality, disability inclusive development, anti corruption, disaster risk reduction and anti-terrorism are fully incorporated into the **Program** implementation.
- 7.2 AusAID's child protection policy articulates the protection of children from all kinds of abuse in the delivery of Australia's aid program. It is premised on the guiding principles of (i) zero tolerance of child abuse, (ii) recognition of children's interests, (iii) sharing of responsibility for child protection, and (iv) use of a risk management approach.
- 7.3 Australia's aid program aims to promote equal opportunities for women and men as participants and beneficiaries of development. AusAID's gender and development policy recognises that (i) sustainable development can only be achieved with the active participation of all members of the community; (ii) gender equality is an integral part of universal human rights and importantly development goal in itself; (iii) providing equal rights and access to resources and opportunities to women is crucial to the goal of reducing poverty, illiteracy and disease; and (iv) in addressing goals and priorities interventions should be sensitive to the specific needs and priorities of developing country partners.
- 7.4 Australia supports the strengthening of inclusive development to achieve the Millennium Development Goals (MDGs). Mainstreaming of disability concerns into AusAID's programs will address specific needs of people with disability. Implementation strategy should integrate mechanisms to benefit people with diverse abilities.
- 7.5 Consistent with the two Governments' commitment to good governance, accountability and transparency, program implementation will be guided by the Australia-Philippines Development Assistance Program Anti-Corruption Plan. The plan sets out the guiding principles to advance the implementation of AusAID's anti-corruption and development policy and the GoP's anti-corruption objectives.
- 7.6 Australia's risk reduction policy aims to reduce the vulnerability and enhance the resilience of communities to the adverse effect of natural hazards. **Program** implementation will ensure that the principles of disaster risk reduction are fully incorporated, specifically in relation to civil works.
- 7.7 **Program** implementation will ensure that funds provided by GOA under this **ARRANGEMENT** do not provide direct or indirect support or resources to organisations and individuals associated with terrorism. If, during the course of **Program** implementation, any link whatsoever with any organisations or individuals associated with terrorism is discovered, GoP will inform the GoA immediately.

## **8. INTELLECTUAL PROPERTY**

- 8.1 All intellectual property held by the GoA in any Australian-funded program supplies, professional and technical material will be retained by the GoA.
- 8.2 The GoA will grant to the GOP a non-exclusive royalty free licence in respect of the intellectual property rights subsisting in Australian project supplies and professional and technical material owned by the GoA. Such license will continue until otherwise mutually decided between the parties and will include the right to deal with the intellectual property for the purpose of **Program** objectives as defined in the PDD and as the GoP considers expedient.

## **9. COMMUNICATIONS AND BRANDING**

- 9.1 DepED, working with the MC, will acknowledge and help effectively promote Australia's significant contribution when and where possible and appropriate. DepED shall advise AusAID of matters relating to publicity or promotion related to the program and broader partnership on basic education. DepED and the MC shall also ensure that the Australian Government Aid Program branding is consistently applied, particularly on signage and other related information materials specific to this Program. AusAID specific guidance on branding is provided in Annex 4.

## **10. CLAIMS**

- 10.1 GoP will indemnify the GoA from any claims brought by the GoA's contractor against the GoA for damages arising from the GoP's failure to carry out its commitment pursuant to this **ARRANGEMENT**. In all other respects, Article 12 of the GADC applies to claims.

## **11. SETTLEMENT OF DISPUTES**

- 11.1 This **ARRANGEMENT** serves only as a record of the parties' intentions and does not constitute or create (and is not intended to create) rights or obligations under domestic or international law and will not give rise to any legal process and will not be deemed to constitute or create any legally binding or enforceable rights or obligations (expressed or implied). Consequently, any dispute, controversy, or claim, which arises out of the interpretation or application of this **ARRANGEMENT** will not be subject to adjudication or arbitration, but will instead be dealt with through amicable consultations and negotiations as the only method of achieving the peaceful settlement of that dispute, controversy, or claim.

## 12. AMENDMENTS

- 12.1 Amendments to this **ARRANGEMENT** may be made at any time by an exchange of letters between the two Governments.

## 13. DURATION

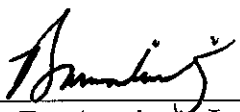
- 13.1 This **ARRANGEMENT** will take effect from the date of its signature. The **Program** will take effect from the date to be decided by the two Governments. The Australian contribution to the **Program** and all commitments given herein will cease after 48 months from the mutually arranged date of **Program** commencement, or on such other date as may be mutually arranged by the two Governments.


- 13.2 ANNEXURES 1 to 5 to this **ARRANGEMENT** form an integral part of it.

SIGNED in the City of Makati, Philippines this 15<sup>th</sup> day of February 2011.

For the Government of the  
Republic of the Philippines

For the Government of Australia

  
\_\_\_\_\_  
Hon Br. Armin A. Luistro FSC  
Secretary  
Department of Education

  
\_\_\_\_\_  
HE Rod Smith  
Ambassador  
Australian Embassy, Manila

## ANNEX 1

### MUSLIM AND INDIGENOUS PEOPLES' EDUCATION PROGRAM (MIEP)

#### PROGRAM DESCRIPTION

- 1.1 **MIEP** aims to assist DepED improve the quality and equity in basic education learning outcomes in disadvantaged Indigenous Peoples (IP) and Muslim communities across the country except the Autonomous Region in Muslim Mindanao (ARMM). Target regions and divisions for support are those with the highest number of IP and Muslim enrollees. The Program will be implemented over four years commencing in March 2011 with a contribution of AUD20,000,000 from the GoA and PHP140,000,000 from the GoP.
- 1.2 **MIEP** will implement a range of activities that will respond to the specific needs of the communities to access quality education (“demand side”) and strengthening the capacity of DepED in providing the necessary enabling environment (“supply side”).
- 1.3 “Demand side” activities aim to attract IP and Muslim children to school and keep them there. Activities to stimulate the demand for quality education will include:
  - 1.3.1 Implementing advocacy programs to disseminate to and educate communities, schools, divisions and regions on government policies concerning the rights of parents and children to basic education and the roles and responsibilities of different actors and stakeholders in implementing them;
  - 1.3.2 Provision of technical assistance to support schools and communities to develop their school improvement plans, identifying priority areas for investment and improvement and setting targets. Schools and communities will also be assisted in budget planning and preparation and in monitoring the execution and progress of their plans;
  - 1.3.3 Skills enhancement and knowledge enrichment activities for staff at the regional, divisional and school level so they can identify, assess and further develop their own capacity to better understand the demands from the communities;
  - 1.3.4 Provision of technical assistance on language policy, incorporating language in the curriculum and providing relevant materials;
  - 1.3.5 Provision of grants to participating schools to implement school improvement plans to support innovations in school planning and development activities; and
  - 1.3.6 Taking a holistic view of service delivery to difficult-to-reach communities, encourage the demand for associated activities in health and sanitation, going beyond the school environment to encompass the community as a whole.



- 1.4 Strengthening the “supply side” environment is expected to be achieved through a range of activities which will enable DepED to address access and equity issues in basic education in disadvantaged IP and Muslim communities.
- 1.5 Support to an IP education system that is culturally appropriate, able to address the unique needs of the IP communities and enable to them achieve their aspirations while preserving their cultural heritage, will include :
  - 1.5.1 Development and implementation of IP education policies, strategies and plans;
  - 1.5.2 Development and operationalisation of School Improvement Plans by IP schools;
  - 1.5.3 Development, production and distribution of teacher guides and learning materials;
  - 1.5.4 Design and delivery of pre-service and in-service capacity building programs in curriculum and materials development for IP and non-IP teachers;
  - 1.5.5 Design and delivery of alternative learning programs for disadvantaged groups including out-of-school youth; and
  - 1.5.6 Establishment of regional IP education centres and community centre networks.
- 1.6 Support to DepED’s efforts in mainstreaming the Madrasah education system as mandated in the Roadmap for Upgrading Muslim Basic Education will include:
  - 1.6.1 Development, production and distribution of learning materials for the Arabic Language and Islamic Values Education (ALIVE);
  - 1.6.2 Design and delivery of pre-service and in-service capacity building programs for ALIVE teachers;
  - 1.6.3 Assistance to Madaris to obtain DepED recognition and accreditation by improving their professional capacity and upgrading of asatidz qualifications; and
  - 1.6.4 Design and delivery of learning programs or out-of-school Muslim youth based on their identified needs.
- 1.7 To achieve successful management outcomes, support DepED in all levels to efficiently and effectively manage the Program and other initiatives that seek to improve the delivery of basic education services to disadvantaged Muslim and IP groups. Support will include:
  - 1.7.1 Establishing reliable baseline information on IP and Muslim sector in the target areas;

- 1.7.2 Establishing a program management structure;
- 1.7.3 Developing annual work plans and other reporting systems; and
- 1.7.4 Establishing a program monitoring and evaluation (M&E) system.

## ANNEX 2

### GENERAL RESPONSIBILITIES OF THE GOVERNMENT OF AUSTRALIA

The GOA will make contributions totaling an estimated A\$20,000,000 to the **Program** over 48 months commencing in March 2011.

The contributions of the GOA, listed by the type of inputs are set out below:

#### (a) Personnel

The GOA will provide all costs for Australian and other full-time senior management as well as long/short-term personnel dedicated to the **Program**.

##### Core In-country Team:

- (1) Program Manager (PM) will provide day-to-day management of the Program for 48 months. Based in DepED Central Office and reporting to the relevant DepED Undersecretary, the PM's main responsibility is to ensure that DepED is fully supported as it takes on a lead role in implementing the Program. The PM has to ensure that GoA's contribution to the Program is well managed and that the public and stakeholders are fully aware of the interventions and achievements.
- (1) M&E officer for 48 months to be based in DepED Central Office and reports to the PM.
- (1) Accounts Officer for 48 months to be based in DepED Central Office and reports to the Planning and Coordination Manager.
- (1) Administration Officer for 48 months to be based in DepED Central Office and reports to the Planning and Coordination Manager.
- (6) Field-based Program Officers for 46 months to be based in each target area.

Short-term Technical Advisers, who are able to identify socially, culturally and linguistically with the target beneficiaries, will provide technical support to the Regions and Divisions in implementing workplans and the utilization of school grants.

#### (b) Procurement

The supply of Project vehicles and office equipment or commodities to support the functioning of the **Program** in target areas.

(c) Training Delivery

The GOA will meet selected training costs. The precise details of proposed training and Australian support will be outlined in the Annual Workplans. However, in principle, the GOA will meet the following training costs:

*In-Philippines*

- Costs of hiring short-term trainers, whether recruited locally or from Australia; and
- Costs of conducting local training programs and workshops such as meals, accommodation, venue and plane fares of trainees.

(d) Other Project Management and Support Costs, including communications and other publicity-related, consumables and vehicle running costs.

## ANNEX 3

### GENERAL RESPONSIBILITIES OF THE GOVERNMENT OF THE PHILIPPINES

The GoP will make counterpart contributions to the **Program** totaling an estimated PHP140,000,000 (approximately AUD 4 million) over a period of 48 months. These contributions may be subject to change by consultation between the Parties. The contributions of the GoP are set out below:

(a) Personnel

Counterpart personnel from DepED, who will provide technical, secretarial and administrative support in the implementation of the Program. These staff will include a senior manager who will be the Philippine Program Manager as counterpart to the MC Program Manager

(b) Training

The precise details of proposed training and Philippine support will be outlined the Annual Plans. However, in principle, the GoP will meet the following training costs:

*In-Philippines*

- Miscellaneous costs of conducting training programs and workshops in the Philippines such as provision of support personnel and other local costs; and
- Costs of local participation in training programs such as costs of local land travel and per diems of trainees.

(c) Other

Provision of suitable office space in DepED Central Office, including provision of electricity and water and an appropriate number of telephone lines. (The costs of handsets, on-going line rental, and monthly billing costs will be borne by the GOA).

## ANNEX 4

### AUSTRALIAN GOVERNMENT AID PROGRAM BRANDING GUIDELINES

These guidelines will help partners, particularly the Philippines Department of Education, working in partnership with the Managing Contractor, to acknowledge and help effectively promote the Australian Government's significant contribution when and where possible and appropriate in relation to the above-mentioned project.

**Appropriate** recognition of Australian Government support is not optional.

Uses of the Australian Government Aid Program logo may include project signage, publications, reports and events.

#### The Australian Government Aid Program logo

There are now two different logo versions used in relation to the work of AusAID. The first is the AusAID logo (the old version), which is used only in Australia. The second is the Australian Government Aid Program logo, which is to be used internationally by all Posts and for all bilateral and regional aid programs.

*Australian Government Aid Program logo to be used internationally by all Posts and aid delivery partners:*



**Australian Government**  
**Aid Program**

*(inline)*



**Australian Government**  
**Aid Program**

*(stacked)*

There are two versions of the Australian Government Aid Program logo - the inline version and the stacked version. **The preference is to use the inline version.** You are **not permitted** to modify it. The crest (emblem) part of the logo cannot be reproduced any smaller than 20 mm (0.78 in) across.

The stacked version should only be used in instances where using the inline version would have a negative impact on the design. For example, where multiple donor logos appear together in a column, the stacked version may be used.

#### Accessing the logo

An electronic version of the logo and advice on use of colours can be obtained by following this link: <http://www.ausaid.gov.au/about/logo.cfm>

## Project signage

The Department of Education, working in partnership with the Managing Contractor, will put up a clearly visible signage at all Project sites that acknowledges the contributions of the Australian Government. Such signs will in all cases be discussed with AusAID prior to production, and should adhere to the logo guidelines stated above.

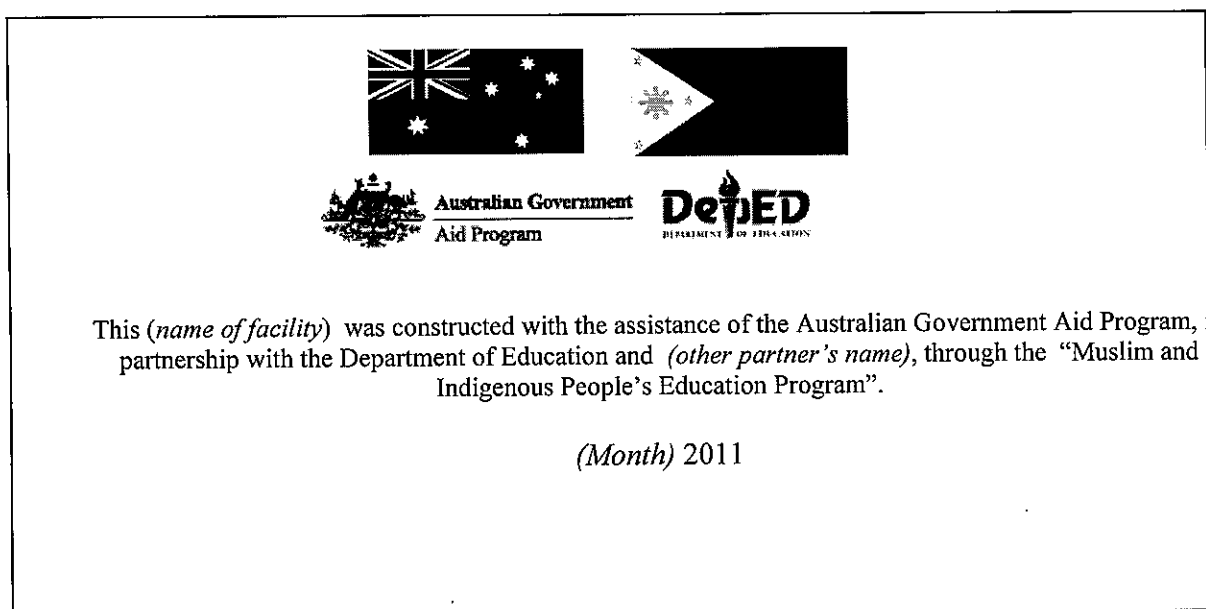
Project signage needs to suit local conditions and reflect the partnerships through which the project is delivered. With that in mind, project signage should include:

- Australian Government Aid Program logo
- activity name
- Philippines Department of Education logo (if they agree) and any other contributing partner logos
- any other information specific to the project.

You can use flags (both Australia's and the Philippines') on your signs, as long as you are confident the renditions will be accurate. The Australian and Philippines flags should be of the same size and of equal prominence.

The Australian Government Aid Program logo should be placed on the left hand side of the sign, and the Philippine Department of Education logo to the right. All other partner logos, if applicable, may be placed either underneath the aforementioned logos or under the text on project information (see sample below).

*Sample (with flags):*



Visibility/prominence and durability should be strongly considered and should also be discussed with AusAID prior to production when deciding on signage size, placement/location in the school, and materials to be used (e.g., galvanized iron sheets, wood or tarpaulins).

The cost of developing signage and other materials to promote the Australian identity shall be borne by AusAID.

## **Media and all communication and promotional materials**

Media statements/releases and all hard copy and electronic communication and promotional materials related to the project must acknowledge the contributions of the Australian Government either through a statement or prominent placement of the Australian Government Aid Program logo.

*Sample statement:*

*The “Muslim and Indigenous Peoples Education Program (MIPEP)” is funded by the Australian Government Aid Program, in partnership with the Department of Education, to improve equitable access to and quality of basic education for school children in disadvantaged IP and Muslim communities.*

The Department of Education shall also advise and consult with AusAID on matters relating to any publicity and media relations regarding the program.

### **More information**

In circumstances where the use of the Australian Government Aid Program logo would not be culturally or politically appropriate, detrimental to achieving the desired outcomes of a project/program or could compromise the safety and security of staff, a common sense approach should be taken. However, before you can make the decision not to use the Australian Government Aid Program logo please discuss it with AusAID Public Affairs.

Questions relating to issues associated with Australian Government Aid Program branding should be directed to AusAID Public Affairs in Manila (+63 2) 757 8297