

PRO AG
01

PROJECT AGREEMENT
BETWEEN THE DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT (AID),
AN AGENCY OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA, AND
THE DIRECTORATE GENERAL FOR BUDGET AND FOREIGN AID
AN AGENCY OF THE GOVERNMENT OF VIETNAM

The above-named parties hereby mutually agree to carry out a project in accordance with the terms set forth herein and the terms set forth in any annexes attached hereto, as checked below:

- PROJECT DESCRIPTION ANNEX A FOREIGN CURRENCY STANDARD PROVISIONS ANNEX
 STANDARD PROVISIONS ANNEX **USAID/GVN Standard** PROVISIONS ANNEX

This Project Agreement is further subject to the terms of the following agreement between the two governments, as modified and supplemented:

- GENERAL AGREEMENT FOR TECHNICAL COOPERATION DATE _____
 ECONOMIC COOPERATION AGREEMENT DATE **9/7/51**
 (Other) DATE _____

1. PROJECT/ACTIVITY NO. **730-11-995-330** PAGE 1 OF 6 PAGES
2. AGREEMENT NO. **70-061** 3. ORIGINAL OR REVISION NO. _____

4. PROJECT/ACTIVITY TITLE
Mission Wide Commodity Support
(FY 70)

5. PROJECT DESCRIPTION AND EXPLANATION
(See Annex A attached)

6. AID APPROPRIATION SYMBOL **72-1101006** 7. AID ALLOTMENT SYMBOL **056-50-730-00-69-01**

albert
Director General, CIA

2. AID FINANCING	PREVIOUS TOTAL (A)	INCREASE (B)	DECREASE (C)	TOTAL TO DATE (D)
<input checked="" type="checkbox"/> DOLLARS <input type="checkbox"/> LOCAL CURRENCY				
(a) Total		\$1,992,000		\$1,992,000
(b) Contract Services				
(c) Consolidated Commodities		1,300,000		1,300,000
(c) Transportation Costs				
(c) PASA Other Costs		642,000		642,000
(c) Contract Other Costs		50,000		50,000
9. COOPERATING AGENCY FINANCING - DOLLAR EQUIVALENT				
\$1.00 =				
(a) Total				
(b) Technical and other Services				
(c) Commodities				
(d) Other Costs				

Reference
Unclassified
State
011357

LOG MWS/3/70

10. SPECIAL PROVISIONS (Use Additional Continuation Sheets, if Necessary)

See Annex A

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11. DATE OF ORIGINAL AGREEMENT **October 8, 1969** 12. DATE OF THIS REVISION _____ 13. ESTIMATED FINAL CONTRIBUTION DATE **June 30, 1971**

14. FOR THE COORDINATING GOVERNMENT OR AGENCY
SIGNATURE: *[Signature]* DATE: **10/2/1969**
Director of Foreign Aid

15. FOR THE AGENCY FOR INTERNATIONAL DEVELOPMENT
SIGNATURE: *[Signature]* DATE: **10/15/1969**
Director, USAID

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PROAC
CONTINUATION
SHEET
ANNEX A

<p align="center">PROJECT AGREEMENT BETWEEN AID AND DGRFA</p> <p align="center">AN AGENCY OF THE GOVERNMENT OF Vietnam</p>	<p>1. Project/Activity No. 730-11-995-330</p>	<p>PAGE <u>2</u> OF <u>6</u> PAGES</p>
	<p>2. Agreement No. 70-061</p>	<p>3. <input checked="" type="checkbox"/> Original or Revision No. _____</p>
<p>3. Project/Activity Title Mission Wide Commodity Support</p>		

I. SITUATION

The Mission Wide Commodity Support project is primarily a service project which provides logistical support to all USAID/CORDS sectors and several ministries of the Government of Vietnam (GVN). Through this activity the GVN provides piaster funds for port clearance, deprocessing, and delivery of USAID interest cargo to first destination consignee, and USAID provides dollar funds to reimburse the U.S. Military for ocean transportation charges and in-country movement of USAID commodities.

Dollars are also provided for emergency commodity and contract services support to satisfy unprogrammed requirements generated by enemy activity or natural causes. Funding for the General Services Administration (GSA), Region 9 (services formerly provided by the AID Logistical Support Control Office) is also carried under this activity.

This project was initially developed to provide those services, as specified above, which were beyond the then capability of the Central Procurement Agency, later the Central Procurement and Supply Authority, and now the Central Logistics Agency (CLA). The emergency conditions prevalent at the time this activity was initiated have significantly diminished. This coupled with improved procurement and supply techniques, more and better storage facilities and wider application of automatic data processing equipment has largely eliminated the requirement for this activity. Therefore, the USAID will provide funds as specified in this agreement during FY 1970 only. This project will be terminated June 30, 1970 with any residual functions being absorbed by Logistical Technical Support Project Number 730-11-999-378.

II. PURPOSE

The purpose of this agreement is to provide a funding vehicle which will:

- A. Provide the means to reimburse the U.S. Military for ocean freight charges for USAID interest cargo manifested aboard U.S. Military ships,
- B. Provide the means to reimburse the General Services Administration for services rendered by GSA Region 9, San Francisco, California, and

<p>For the Cooperating Government or Agency</p>	<p>For the Agency for International Development</p>
<p>SIGNATURE: _____ DATE: _____</p>	<p>SIGNATURE: _____ DATE: _____</p>
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PROJECT AGREEMENT

BETWEEN AID AND

IGRFA

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C. Provide the means through emergency procurement for rapid response to emergency requests for commodities and services of small dollar value.

D. Provide the means to consolidate procurement of commodities and the associated transportation costs.

III. FINANCIAL OBLIGATION

The \$1,992,000 obligated in Block 8 on the face sheet will provide funding for the following:

A. Commodities \$1,300,000 to finance consolidated transportation costs plus related services furnished by the U.S. Military and/or Commercial Carriers in conjunction with the movement and handling of USAID-sponsored cargo in accordance with the Inter-Agency Support Agreement (IASA) referred to in PIO/C 730-330-0-0100153.

It is estimated that approximately 20% of all approved FY 1970 USAID project commodity dollars will be consolidated and obligated under this project and subsequently sub-obligated under PIO/C 730-330-0-0100153, to cover world-wide transportation and related terminal, drayage, documentation and administrative charges for the movement of USAID Financed and USAID-sponsored cargo from supply sources to the appropriate port of loading (air, land and sea), and for movement to the Republic of Vietnam by U.S. Government agencies listed in the above PIO/C and by Commercial Carriers.

Estimated transportation charges will be extracted from applicable procurement PIO/C's and referenced as charges against the transportation PIO/C. The \$1,300,000 provided herein represents the transportation cost estimate of ocean freight charges for the first quarter FY 1970. The Project Agreement and related PIO/C will be revised quarterly in advance of the issuance of PIO/C's for commodities. This system will provide a single document against which to charge transportation costs from point of pick-up to point of delivery.

B. Other Costs

1. Contract Services (PASA) \$642,000 to provide for the service of GSA Region 9 to furnish logistical back-up support to USAID and

For the Cooperating Government or Agency

For the Agency for International Development

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to the GVN primarily in the areas of shipping through the Defense Transportation System (DTS) and Technical review and edit support. The funds provided will reimburse the GSA Region 9 for services provided by the Technical Division through December 31, 1969, and the Movement Control Division through June 30, 1970, as detailed in the budget attached as Annex B and in PIO/T No. 730-330-2-0100155.

2. Contract Services \$50,000 to be used for contractual services to meet unforeseen and emergency situations that may arise from enemy action or natural causes. Additional details are incorporated in PIO/T No. 730-330-3-0100154.

IV. RESPONSIBILITIES

A. The Government of Vietnam.

1. The Minister in the office of Prime Minister hereby designates the Director General of the Central Logistics Agency (CLA) as Project Manager to represent the Prime Minister in carrying out the project and agrees to support the project through the normal revenues made available to the Minister for its operations.
2. The Director General, CLA, agrees:
 - a. To designate at least one official of the Directorate to act as counterpart for each U.S. advisor who may be assigned to work on this project.
 - b. To arrange for customs and port clearance, without cost to USAID of all or any commodities made available under the terms of this agreement.
 - c. To provide for off-loading and delivery to first destination consignee, without costs to USAID, USAID interest cargo manifested aboard U.S. Military ships or commercial carriers.
 - d. To provide minor repairs and deprocessing for USAID financed vehicles and equipment prior to delivery to consignee.
 - e. To store at CLA-owned or leased warehouses those commodities delivered to CLA as required, and provide at these warehouses

For the Cooperating Government or Agency

For the Agency for International Development

NAME

DATE

SIGNATURE

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TITLE

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an adequate number of laborers and supervisory personnel, on an around-the-clock basis, if required, to effectively receive these commodities on arrival.

B. The USAID designates the Chief, Plans, Programs, and Administration Branch, Office of Logistics, to serve as Project Representative for this project and agrees:

1. To make available and pay the dollar costs of U.S. Advisors who may be assigned to work on this project.
2. To enter into a PASA Service Contract with GSA Region 9 to provide services as described under III above.
3. Enter into IASA's with the U.S. Military as appropriate and required to effect ocean transportation and related services in connection with USAID interest cargo.

V. GENERAL

The Standard Provisions referred to one page one of this agreement are incorporated in and made part of this Agreement.

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For the Cooperating Government or Agency	For the Agency for International Development
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PROJECT ASSISTMENT
BETWEEN AID AND
ICRFA

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BUDGET PASA SERVICE CONTRACT

GENERAL SERVICES ADMINISTRATION, REGION 9

1. Personnel Salaries estimated (46)	\$ 427,600
2. Personnel Benefits (Computed 8% item 1)	34,200
3. International Travel	9,500
4. Rent, Communications, Utilities	72,200
5. Supplies and Materials	5,700
6. Equipment Rental	9,800
7. Severance Costs	57,000
8. Overhead (5%) rounded	26,000

Total: \$ 642,000

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USAID/GVN STANDARD PROVISIONS

I. RESPONSIBILITIES :

A. USAID

1. Availability of funds permitting, USAID proposes to provide dollar funds to finance the procurement of contract services, commodities, technicians' costs, participant training, and other costs as required for this project. Except for technician costs, the actual obligation of these funds will be accomplished by separate documentation signed by the GVN and USAID if they are not obligated by this Project Agreement.

2. AID agrees to furnish technical advice, guidance, and assistance through technical advisors, consultants, or contractors to assist the GVN Ministry sponsoring this project, in all technical and financial aspects of the project, including planning and implementation.

3. AID agrees to assist the Government of Vietnam in the selection of participants for further study and training in the USA and third countries and to assist in planning study and observation tours as required.

4. USAID shall appoint a Technical Advisor, who will act as the USAID technical specialist and be delegated the authority to assist his GVN counterpart in the latter's responsibility to supervise, develop, and implement this project. Notification of the name of the USAID Technical Advisor shall be made to DGBFA and the appropriate Ministry within 10 days after the Agreement has been signed. The Technical Advisor or his successor will assure continuity of activities undertaken pursuant to this Project Agreement.

5. USAID shall make available to the USAID Technical Advisor such technical, financial, or administrative services as may be necessary to implement the project on schedule, including relevant financial data concerning the USAID direct dollar assistance. This information will also be available to DGBFA.

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USAID/GVN STANDARD PROVISIONS - CONTINUED

B. Government of Vietnam :

1. The GVN agrees to provide the plaster funds from the source and in the amount specified under block 9 of this Project Agreement for the purposes designated in this Agreement.

2. The GVN Minister sponsoring this project, or his authorized representative, shall appoint a Project Manager, who will act as the GVN technical specialist and be delegated the authority to supervise, develop and implement this project, with the assistance of U.S. technical advisors. Notification of the appointment and the name of the Project Manager shall be made to USAID and DGBFA within 10 days after this Agreement has been signed.

3. The GVN Minister, or his authorized representative, shall make available to the Project Manager such technical, financial, or administrative services as may be necessary to implement the project on schedule, including financial data from the National Budget relating to the project. This information will also be made available to USAID.

4. For evaluation and review purposes, the Project Manager, acting through his Minister, shall render to the Directorate General for Budget and Foreign Aid (DGBFA) quarterly progress reports in a format approved by the GVN and USAID. Copies of the reports will also be made available to USAID.

5. In accordance with AID regulations governing the selection of participants, the Project Manager is to nominate qualified technicians associated with the project as candidates for participant training. Selection of participants and nomination to the GVN and USAID for approval will be achieved jointly by the Project Manager and his U.S. technical advisors. The GVN agrees that all participants selected and mutually approved by the GVN and USAID for training shall (a) be released for training when scheduled, (b) have their salary continued during the period of training, and (c) shall be immediately re-employed upon their return from training in the same position from which released or in a more responsible position in the project.

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**PROAG
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A. As used herein, the term «AID» refers to the Agency for International Development, any component agency, or any successor agency. References to «this Project Agreement» shall mean the original Project Agreement as modified by any revisions which have entered into effect.

B. (1) AID will make available the amounts specified in Block 8 of this Project Agreement, as necessary for the project, for use for the designated purposes and as may be further described in Annex A, as required by Block 5 hereof. In addition, as may be further specified in Annex A, AID will, subject to the availability of funds and (where required by AID procedures) as provided for in Project Implementation Orders (PIOs) issued by AID in accordance with its procedures, make available funds (a) to pay costs of furnishing technical services to be performed by United States Government employees in connection with the project, (b) to pay a share of the costs of providing training outside the cooperating country in connection with the project for qualified persons from the cooperating country, and (c) to pay such additional costs as may be specified.

(2) The Cooperating Government Agency will make available the amounts specified in Block 9 of this Project Agreement, as necessary for the project, for use for the designated purposes and as may further be described in Annex A. The Cooperating Government Agency will also make, or arrange to have made, additional contributions of property, services, facilities and funds required for carrying out the project as may be specified in Annex A, or as may subsequently be agreed upon by the two parties.

C. AID and the Cooperating Agency may obtain the assistance of other public and private agencies in carrying out their respective obligations under this Project Agreement. The two parties may agree to accept contributions of property, services, facilities and funds for purposes of this Project Agreement from other public and private agencies, and may agree upon the participation of any such third party in carrying out activities under this Project Agreement.

D. AID shall not be required to make any contribution after the expiration of six months following the estimated final contribution date (Block 13 of the Project Agreement form AID 1330-1) or any amended final contribution date specified herein. Except as otherwise specified herein or subsequently

agreed by the parties, all contributions of the Cooperating Agency pursuant to this Project Agreement shall be made on or before said estimated termination date, or amended date. A contribution of goods or services shall be considered to have been made when the goods or services, provided or financed by the contributing party, are delivered in accordance with commercial practice.

E. The procurement of commodities and contract services to be financed in whole or in part by AID may (where so required by AID procedures) be undertaken only pursuant to PIOs issued by AID in accordance with its procedure.

F. Unless otherwise specified in the applicable PIO, the procurement of commodities financed with the AID contribution referred to in Block 8 of this Project Agreement shall be subject to the provisions of AID Regulation 1.

G. Unless otherwise specified in the applicable PIO, title to all property procured through financing by AID pursuant to Block 8 (c) of this Project Agreement shall be in the Cooperating Agency, or such public or private agency as it may authorize. This provision is inapplicable to any property which may be used in connection with the project but is not financed pursuant to said Block 8 (c).

H. Any property furnished to either party through financing by the other party pursuant to this Project Agreement shall, unless otherwise agreed by the party which financed the procurement, be devoted to the project until completion of the project, and thereafter shall be used so as to further the objectives sought in carrying out the project. Either party shall offer to return to the other, or to reimburse the other for, any property which it obtains through financing by the other party pursuant to this Project Agreement which is not used in accordance with the preceding sentence.

I. (1) If AID and any public or private organization furnishing commodities through AID financing for operations hereunder in the cooperating country, is, under the laws, regulations or administrative procedures of the cooperating country, liable for customs duties and import taxes on commodities imported into the cooperating country for purposes of carrying out this Project Agreement, the Cooperating Agency will pay such duties and taxes unless exemption is otherwise provided by any applicable international agreement.

(2) If any personnel (other than citizens and residents of the cooperating country), whether United

States Government employees, or employees of public or private organizations under contract with, or individuals under contract with, AID, the Cooperating Agency or any agency authorized by the Cooperating Agency, who are present in the cooperating country to provide services which AID has agreed to furnish or finance under this Project Agreement, are, under the laws, regulations or administrative procedures of the cooperating country, liable for income and social security taxes with respect to income upon which they are obligated to pay income or social security taxes to the Government of the United States of America, for property taxes on personal property intended for their own use, or for the payment of any tariff or duty upon personal or household goods brought into the cooperating country for the personal use of themselves and members of their families (not including such personal or household goods as may be sold by any such personnel in the cooperating country), the Cooperating Agency will pay such taxes, tariff, or duty unless exemption is otherwise provided by any applicable international agreement.

J. Any personnel (other than citizens and residents of the cooperating country), whether United States Government employees, or employees of public or private organizations under contract with, or individuals under contract with, AID, the Cooperating Agency or any agency authorized by the Cooperating Agency, who are present in the cooperating country to provide services which AID has agreed to furnish or finance under this Project Agreement shall be subject to the approval of the Cooperating Agency and AID, and shall be under the general direction of the Director of the Mission to the cooperating country.

K. If any commodity is furnished to the Cooperating Agency, or any public or private agency authorized by the Cooperating Agency, on a grant basis through financing by AID pursuant to this Project Agreement under arrangements which will result in the accrual of proceeds to the Cooperating Agency or any authorized agency and if the applicable agreement between the two governments referred to on the first page of this Project Agreement does not provide for the establishment of a Special Account and the deposit therein of currency of the cooperating country, the Cooperating Agency will make such arrangements as may be necessary to establish a Special Account and to deposit therein currency of the cooperating country in amounts equal to such proceeds, in accordance with such terms and conditions as may be agreed upon. Funds in the Special Account may be used only as agreed upon by AID and the Cooperating Agency; provided, that such portion of the funds in the Special Account as may be designated by AID shall be made available to AID to meet the requirements of the United States.

L. The Cooperating Agency will make such arrangements as may be necessary so that funds introduced into the cooperating country by AID or any public or private agency for purposes of carrying out obligations of AID hereunder shall be convertible into currency of the cooperating country at the highest rate which, at the time the conversion is made, is not unlawful in the cooperating country.

M. AID shall expend funds and carry on operations pursuant to this Project Agreement only in accordance with the applicable laws and regulations of the United States Government.

N. The two parties shall have the right at any time to observe operations carried out under this Project Agreement. Either party during the term of the Project and three years after the completion of the project, shall further have the right (1) to examine any property procured through financing by that party under this Project Agreement, wherever such property is located, and (2) to inspect and audit any records and accounts with respect to funds provided by, or any properties and contract services procured through financing by, that party under this Project Agreement, wherever such records may be located and maintained. Each party, in arranging for any disposition of any property procured through financing by the other party under this Project Agreement, shall assure that the rights of examination, inspection and audit described in the preceding sentence are reserved to the party which did the financing.

O. Upon completion of the project, a Completion Report shall be drawn up, signed by appropriate representatives of AID and the Cooperating Agency, and submitted to AID and the Cooperating Agency. The Completion Report shall include a summary of the actual contributions by both AID and the Cooperating Agency to the project, and shall provide a record of the activities carried out, the objectives achieved, and related basic data. AID and the Cooperating Agency shall each furnish the other with such information as may be needed to determine the nature and scope of operations under this Agreement and to evaluate the effectiveness of such operations.

P. The present Agreement shall enter into force when signed. Either party may terminate this Project Agreement by giving the other party 30 days written notice of intention to terminate it. Termination of this Project Agreement shall terminate any obligations of the two parties to make contributions pursuant to Blocks 8 and 9 of this Project Agreement, except for payments which they are committed to make pursuant to noncancellable commitments entered into with third parties prior to the termination of the Project Agreement. It is expressly understood that the obligations under paragraph M relating to the use of property shall remain in force after such termination.

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT
TO
VIET-NAM

PROJECT DOCUMENT
APPROVAL FORM

Division LOGISTICS

Date Typed September 16, 1969

Project No. 730-11-995-330

Title Mission-Wide Commodity Support

Original Project Agreement 70-061

Revision No.

[Signature]
PROGRAM OFFICE

9-18-69
DATE

[Signature]
PROJECT TECHNICIAN

9/25/69
DATE

[Signature]
AD/FINANCIAL MGMT

9-25-69
DATE

[Signature]
DIVISION CHIEF

9/25/69
DATE