

PRO AG

02

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 heraby 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:

<input checked="" type="checkbox"/> PROJECT DESCRIPTION ANNEX A <input checked="" type="checkbox"/> STANDARD PROVISIONS ANNEX <input type="checkbox"/> FOREIGN CURRENCY STANDARD PROVISIONS ANNEX <input checked="" type="checkbox"/> USAID/GVN Standard Provisions Annex	1. PROJECT/ACTIVITY NO. 730-11-750-340	PAGE 1 OF 1 PAGES
	2. AGREEMENT NO. 70-035	3. <input checked="" type="checkbox"/> ORIGINAL OR REVISION NO. _____
	4. PROJECT/ACTIVITY TITLE Improvement of Fiscal Administration (Customs Administration)	
	(FY 70)	

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

<input type="checkbox"/> GENERAL AGREEMENT FOR TECHNICAL COOPERATION	DATE _____	5. PROJECT DESCRIPTION AND EXPLANATION (See Annex A attached)
<input checked="" type="checkbox"/> ECONOMIC COOPERATION AGREEMENT	DATE 9/7/51	
<input type="checkbox"/> (other)	DATE _____	
6. AID APPROPRIATION SYMBOL 72-1101006		7. AID ALLOTMENT SYMBOL 056-50-730-00-69-01

8. AID FINANCING	PREVIOUS TOTAL (A)	INCREASE (B)	DECREASE (C)	TOTAL TO DATE (D)
(a) Total		\$ 466,400		\$ 466,400
(b) Contract Services - PASA		466,400		466,400
(c) Commodities				
(d) Other Costs				
9. COOPERATING AGENCY FINANCING - DOLLAR EQUIVALENT				
(a) Total				
(b) Technical and other Services				
(c) Commodities				
(d) Other Costs				

Nguyen Sinh Hae
 Minister of Finance

Duong Thieu Sinh
 Director Gen. of Customs

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

This interim agreement provides \$466,400 to finance the continuation of the Participating Agency Service Agreement (PASA No. 13-67) with the United States Bureau of Customs. The details are incorporated in PIO/T No. 730-340-2-0200014.

11. DATE OF ORIGINAL AGREEMENT September 15, 1969	12. DATE OF THIS REVISION _____	13. ESTIMATED FINAL CONTRIBUTION DATE December 31, 1970
14. FOR THE COOPERATING GOVERNMENT OR AGENCY <i>Nguyen Sinh Hae</i> SIGNATURE: _____ DATE: Sept 10 69 TITLE: Director of Foreign Aid		15. FOR THE AGENCY FOR INTERNATIONAL DEVELOPMENT <i>Thieu Sinh</i> SIGNATURE: _____ DATE: 9-15-69 TITLE: Director, USAID

DEPARTMENT OF STATE
AGENCY FOR
INTERNATIONAL DEVELOPMENT

<input type="checkbox"/> Worksheet	<input checked="" type="checkbox"/> Insurance	PAGE 2 OF 7 PAGES
1. Cooperating Country Vietnam		2.a. Code No. 730-11-750-340
2.b. Effective Date		2.c. Amendment <input checked="" type="checkbox"/> Original OR No.
3. Project/Activity No. and Title Improvement of Fiscal Administration (Customs Administration) (FY 70)		

CONTINUATION SHEET

FORM SYMBOL

TITLE OF FORM

ProAg

Annex A

Indicate block numbers.

Use this form to complete the information required in any block of a PIO or PAA form.

I. BACKGROUND

In 1965-1966, as imports into Vietnam increased rapidly in volume and variety of items, the GVN and the USAID jointly agreed to call upon the U.S. Bureau of Customs to provide advisory service to the GVN Directorate General of Customs. The GVN Customs Service, effective in the earlier years of independence in collecting import duties and controlling smuggling, by the middle 1960's was confronted with the problem of outmoded systems and procedures, untrained personnel, and antiquated facilities and equipment. The U.S. Bureau of Customs responded to the request for assistance and in 1966 began to provide advisory assistance through a Participating Agency Service Agreement with AID.

II. PURPOSE

The objectives of the project have been to assist the GVN attain the maximum import revenues within prescribed policies and laws and to safeguard the AID financed import program as well as the GVN imports against abuse. These objectives have continued and will be pursued under the terms of this Project Agreement through FY 1970. The objectives will be undertaken through continuation of training, improvising systems and procedures, streamlining of organization, applying data processing and other mechanical equipment, and modernization of facilities.

It is expected that this assistance will aid in the increase of GVN import revenues from VN\$ 17.5 Billion in 1969 to VN\$30 Billion in 1970. It is also expected that through a 100% examination of documents and 40% physical examination of CIP imports, violations will not exceed the current level of 1.5% of the value of imports.

III. RESPONSIBILITIES

A. The Government of Vietnam

1. The Director General of Customs and the staff of the Directorate, numbering approximately 1750 employees, have the primary responsibility for administering the collection of import revenues. The Director General is the primary point of contact for the U.S. Customs advisory team. He represents the Minister of Finance for the support and direction of this project.

DEPARTMENT OF STATE
AGENCY FOR
INTERNATIONAL DEVELOPMENT

Worksheet Issuance

CONTINUATION
SHEET

1. Cooperating Country
Vietnam

2a. Code No.
750-11-750-340

FORM SYMBOL

TITLE OF FORM

ProAg

2b. Effective Date

2c. Original Amendment
OR No.

Annex A

3. Project/Activity No. and Title

Improvement of Fiscal Administration
(Customs Administration)

(FY 70)

Indicate block
numbers.

Use this form to complete the information required in any block of a PIO or PAA form.

2. The Director General of Customs agrees to:

- a. Cooperate with the U.S. Customs advisory team in developing plans, assigning counterpart personnel, and arranging for facilities so that the objectives can be attained.
- b. Undertake to recruit and employ additional personnel as needed to meet the manpower goal of 2001 and to continue to train employees.
- c. Undertake to obtain GVN budget support and approval for the salaries and allowances of the employees, supplies to maintain the operations and facilities, and office space and facilities for the personnel and equipment in support of this project.

B. USAID

USAID designates the PASA Customs Team leader working with the Assistant Director for Public Administration as project representative and agrees to:

- 1. Pay the dollar costs to the U.S. Advisors assigned or to be assigned to this project.
- 2. Make available as indicated in Block 8 of the Face Sheet, not to exceed \$402,000 to be used for the procurement of personal services, materials 5000, and USAID support costs (\$9,400). The details of the advisory assistance are incorporated in PIO/T 0200014 to be issued by AED/W. Participant training of GVN personnel and commodity procurement will be obligated by separate documents.

IV. GENERAL

- 1. The Dollar Standard Provisions referred to on the face sheet of this Agreement are incorporated in and made part of this agreement.
- 2. The USAID/GVN Standard Provisions, attached hereto are incorporated in and made part of this agreement.

DEPARTMENT OF STATE
AGENCY FOR
INTERNATIONAL DEVELOPMENT

Worksheet Issuance

CONTINUATION
SHEET

1. Cooperating Country
Vietnam

2.a. Code No.
750-11-750-340

FORM SYMBOL

TITLE OF FORM

ProAg

2.b. Effective Date

2.c. Original Amendment
OR Not

Annex A

3. Project/Activity No. and Title
**Improvement of Fiscal Administration
(Customs Administration)**
(EX 70)

Indicate block
numbers.

Use this form to complete the information required in any block of a PIO or PAA form.

3. The work plan attached hereto as Annex ~~B~~ may be modified by agreement between the project manager and the project representative subject to a review of substantive changes by the Ministry and USAID.

CONTINUATION SHEET FORM SYMBOL Annex 3	DEPARTMENT OF STATE AGENCY FOR INTERNATIONAL DEVELOPMENT TITLE OF FORM ProAg	<input type="checkbox"/> Worksheet <input checked="" type="checkbox"/> Invoice 1. Cooperating Country Vietnam 2.b. Effective Date 3. Project/Activity No. and Title Improvement of Fiscal Administration (Customs Administration)	PAGE 5 OF 7 PAGES 2.a. Code No. 730-11-750-340 2.c. Amendment <input checked="" type="checkbox"/> Original OR No. (FY 70)
Indicate block numbers.	Use this form to complete the information required in any block of a PIO or PAA form. <p>V. <u>WORK PLAN</u></p> <p>The following activities will be continued or initiated during FY 1970 by the Directorate General of Customs and the U.S. Customs Team to achieve further progress in the purposes and objectives outlined in Section II of this Agreement.</p> <p>A. <u>Systems and Procedures</u></p> <p>Devise or improve systems assuring prompt collection of maximum revenues, consistent with the expeditious release of imports. The targets are to reduce the lag time in days from entry of goods to collection as follows: CY 1968: 20 to 12; CY 1970: 6 to 4.</p> <ol style="list-style-type: none"> 1. Review the forms and procedures for import licenses and the Customs entry, appraisal, receipt and accounting to assure the best utility and expeditious and efficient processing for the combined benefit of the customer, other GVN Agencies and the Customs Service. Short term experts from the U.S. Bureau of Customs, in conjunction with Customs Service personnel, will complete the study and prepare recommendations on forms revision and procedural and organizational changes in the first quarter, FY 1970. 2. Review the procedures and forms for reporting, statistical, and accounting requirements in relation to those used by the USAID for CIP AID-financed imports and determine the feasibility of combining the GVN and the USAID processes. First quarter, FY 1970. 3. Continue to review statistical and reporting needs to assure the most effective compilation and distribution of economic data related to imports and trade. 4. Incorporate onto IBM or other electrical and mechanical machines those systems and procedures which require accuracy, promptness, verification and compilation of statistical and accounting data. Targets for reduction in lag time in days for reports are: Operational Reports FY 1969, 10; FY 1970, 10 to 7; FY 1971, 7 to 5. Statistical Reports FY 1969, 6 to 3; FY 1970, 3 to 1; FY 1971, 1 to 1/2. 		

CONTINUATION SHEET	DEPARTMENT OF STATE AGENCY FOR INTERNATIONAL DEVELOPMENT	<input type="checkbox"/> Worksheet <input type="checkbox"/> Instructions	PAGE 6 OF 7 PAGES
FORM SYMBOL	TITLE OF FORM	1. Cooperating Country Vietnam	2.a. Code No. 730-11-750-340
Annex B	ProAg	2.b. Effective Date	2.c. Amendment <input checked="" type="checkbox"/> Original OR <input type="checkbox"/> New
Indicate block numbers.	Use this form to complete the information required in any block of a FID or PAA form.		
<p>5. Install the new authority to advance values on imports, the revised Customs Code of Vietnam, and the up-dated Tariff as soon as possible after the approval (decree or law) has been obtained.</p> <p>6. Reorganize the GVN Customs appraisalment division along functional lines.</p> <p>7. Develop a GVN Customs Operation Manual.</p> <p>8. Complete the installation of the nation-wide radio network.</p> <p>B. TRAINING</p> <p>1. Improve the Office of Director of Training in its professional capabilities, budgetary support, staffing and relative position within the institution. The Bureau will undertake to increase the staff from 3 to 10, including technical and clerical personnel over the next two years.</p> <p>2. Organize, design and prepare courses and develop instructors' and students' handbooks, guides, manuals, and training aids. Employees who have entered the Customs Service since 1960 will be given training in the history, law and procedures of Customs: FY 1969, 250 and FY 1970, 100 employees.</p> <p>3. Extend training in orientation, procedures and law enforcement to four major outports. 40 employees will be trained in FY 1970.</p> <p>4. Institute vocational type training in the Boat Fleet (15 will be trained in 1970) and training in specialized law enforcement fields for Fraud Repression Service. 150 will be trained in FY 1970 and 125 in FY 1971.</p> <p>5. Select, process and prepare, through orientation, participants to be trained in the United States in appraisalment of merchandise (4), Investigations (8), Narcotics Control (2), and Enforcement.</p> <p>C. LAW ENFORCEMENT</p> <p>Develop GVN Customs Fraud Repression Service capability to deal effectively with smuggling, fraud and collusive practices resulting</p>			

CONTINUATION
SHEET

FORM SYMBOL

TITLE OF FORM

DEPARTMENT OF STATE
AGENCY FOR
INTERNATIONAL DEVELOPMENT

ProAg

 Worksheet Instance

PAGE 7 OF 7 PAGES

1. Cooperating Country

Vietnam

2.a. Code No.

750-11-750-340

2.b. Effective Date

2.c.

Amendment

 Original OR No.

3. Project/Activity No. and Title

Improvement of Fiscal Administration
(Customs Administration)

(FY 70)

Indicate block
numbers.

Use this form to complete the information required in any block of a PIO or PAA form.

from a greatly increased international trade and travel.

1. Improve Customs liaison with other U.S. and GVN enforcement agencies.
2. Reorganize the Fraud Repression Service along functional lines with squads specializing in black market, currency, gold, narcotics, and fraud on the revenues.
3. Develop professional attitudes and techniques through training, especially on the job.

D. FACILITIES

Improve, using American Aid Chapter and regular GVN Budget funds, the facilities for the Customs Service with particular emphasis on those which will aid in efficiency of operations, training, housing and protecting equipment. Specific projects, to be undertaken during: Calendar year 1969, are:

1. Renovate the Directorate building to include housing for enlarged training operations, research and planning activities, and data processing.
2. Repair Fraud Repression building to permit the housing of functionally related units.
3. Repair Zone I (Saigon Harbor) Customs house.
4. Erect Butler Hut at Tan Son Nhut to ease congestion in Customs activities in the present facility.
5. Supervise the constructions of the Boat Fleet at Ca Tre.

Those parts of this list of be implemented by AAC will be documented shortly.

**PROJECT AGREEMENT
BETWEEN AID AND**

DGBFA

**AN AGENCY OF THE GOVERNMENT OF
Vietnam**

1. Project/Activity No.

730-11-750-340

2. Agreement No.

70-035

4. Project/Activity Title

Improvement of Fiscal Administration
(Customs Administration)

PAGE ___ OF ___ PAGES

3. Original or
Revision No. _____

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 made available to DGBFA.

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____

SIGNATURE: _____ DATE: _____

TITLE: _____

TITLE: _____

PROJECT AGREEMENT
BETWEEN AID AND

DGBFA

AN AGENCY OF THE GOVERNMENT OF
Vietnam1. Project/Activity No.
730-11-750-3402. Agreement No.
70-035

4. Project/Activity Title

Improvement of Fiscal Administration
(Customs Administration)

PAGE ___ OF ___ PAGES

3. Original or
Revision No. _____USAID/GVN STANDARD PROVISIONS - CONTINUEDB. Government of Vietnam :

1. The GVN agrees to provide the piaster 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.

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____

SIGNATURE: _____ DATE: _____

TITLE: _____

TITLE: _____

**PROAG
STANDARD
PROVISIONS
ANNEX**

PROJECT AGREEMENT

BETWEEN AID AND

DGBFA

AN AGENCY OF THE GOVERNMENT OF
Vietnam

1. Project/Activity No.

730-11-750-340

2. Agreement No.

70-035

3.

Original or Revision No.

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.

(a) 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 x.

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.

(a) 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 H 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 Administration

Date Typed July 17, 1969

Project No. 730-11-750-340

Title Improvement of Fiscal Administration
(Customs Administration)

Original Project Agreement 70-035

Revision No.

¹⁰⁰
P/3 B. Ramey
PROGRAM OFFICE

8/13/69
DATE

¹³⁴⁵
Raymond
PROJECT TECHNICIAN

8/26/69
DATE

Edmund M. ...
FINANCIAL MGMT

8/20/69
DATE

Costery
DIVISION CHIEF

DATE

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 (DGBFA)
AN AGENCY OF THE GOVERNMENT OF VIETNAM.

Under the terms of the Economic Cooperation Agreement signed September 7, 1951, and the standard provisions annexes attached, it is agreed to carry out a project in accordance with the terms set forth herein.

1. PROJECT No. 730-11-750-340	2. AGREEMENT No. 71-014	3. ORIGINAL <input checked="" type="checkbox"/>	REVISION No.
4. PROJECT TITLE: Improvement of Fiscal Administration (Sub-Activity) (Customs Administration)			
5. PROJECT DESCRIPTION AND EXPLANATION (See Annex A attached)			
6. APPROPRIATION: 72-1111006		7. ALLOTMENT: 156-90-730-00-69-11	

8. AID DOLLAR FINANCING (Cost Component)	PREVIOUS TOTAL (A)	INCREASE (B)	DECREASE (C)	TOTAL TO DATE (D)
a. PERSONNEL COSTS				
(1) US PASA				
Contract				
(2) LOCAL AND TCM PASA				
Contract				
b. PARTICIPANTS AID Direct				
PASA/Contract				
c. COMMODITIES AID Direct		884		884
PASA/Contract				
d. OTHER COSTS AID Direct				
PASA/Contract				
e. TOTAL (ALL COSTS)		884		884
9. LOCAL CURRENCY FINANCING (\$1.00 = PIASTERS)				
10. COUNTERPART				
Trust Fund				
AAC				
Special Fund				
Other				
b. GVN (SHOW SOURCE BELOW)				
c. US - OWNED				

10. REFERENCES AND REMARKS:

This document provides supplemental funds for the procurement of three jeeps ordered under FY70 PIO/C 0200552.

Ref: PIO/C 1110050

11. DATE OF ORIG AGREEMENT August 29, 1970	12. DATE OF THIS REVISION	13. EST FINAL CONTRIBUTION DATE December 31, 1973
14. GOVERNMENT OF VIETNAM		15. AGENCY FOR INTERNATIONAL DEVELOPMENT
SIGNATURE: <i>[Signature]</i> TITLE: Director General for Budget and Foreign Aid	DATE: Aug 29/70	SIGNATURE: <i>[Signature]</i> DATE: 8/29/70 TITLE: Associate Director for Program

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT
TO
VIET-NAM

PROJECT DOCUMENT
APPROVAL FORM

Division PUBLIC ADMINISTRATION

Date Typed August 20, 1970

Project No. 730-11-750-340

Title Improvement of Fiscal Administration
(Customs Administration)

Original Project Agreement 71-014

Revision No.

Insufficient funds were provided in the original PIO/C because LOG made an estimate based on a large order, whereas the actual order which was to be processed by CIA was for only three jeeps. The resultant low bid exceeded the funds provided by the amount of the attached PIO/C.



Polle
PROGRAM OFFICE

8-21-70
DATE

Signed PIO/C WS
PROJECT TECHNICIAN

DATE



AD/FINANCIAL MGMT

8/26/70
DATE

Signed PIO/C WS
DIVISION CHIEF

DATE

PRO AG
CONTRACTS

11

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 (DGBFA)
AN AGENCY OF THE GOVERNMENT OF VIETNAM

Under the terms of the Economic Cooperation Agreement signed September 7, 1951, and the standard provisions annexes attached, it is agreed to carry out a project in accordance with the terms set forth herein.

1. PROJECT No. 730-11-750-340		2. AGREEMENT No. 71-014		3. ORIGINAL		REVISION No. 2	
4. PROJECT TITLE: Improvement of Fiscal Administration (Sub-Activity) (Customs Administration)							
5. PROJECT DESCRIPTION AND EXPLANATION (See Annex A attached)							
6. APPROPRIATION: 72-111006				7. ALLOTMENT: 166-50-730-00-69-11			
8. AID DOLLAR FINANCING (Cost Component)		PREVIOUS TOTAL (A)	INCREASE (B)	DECREASE (C)	TOTAL TO DATE (D)		
a. PERSONNEL COSTS							
(1) US PASA			380,336		380,336		
Contract							
(2) LOCAL AND TCN PASA							
Contract							
b. PARTICIPANTS AID Direct PASA/Contract		75,000			75,000		
c. COMMODITIES AID Direct PASA/Contract		884	13,550		14,434		
d. OTHER COSTS AID Direct PASA/Contract							
e. TOTAL (ALL COSTS)		75,884	393,886		469,770		
9. LOCAL CURRENCY FINANCING (\$1.00 = PIASTERS)							
a. COUNTERPART Trust Fund AAC Special Fund Other							
b. GVN (SHOW SOURCE BELOW)							
c. US - OWNED							

10. REFERENCES AND REMARKS:
This revision provides funds to finance the continuation of the Participating Agency Service Agreement (PASA FF 13-67) with the US Bureau of Customs and purchase of commodities related to the project.

Ref: PIO/T 1110021 PIO/Cs 1110187, 1110188, and 1110189

11. DATE OF ORIG AGREEMENT August 29, 1970		12. DATE OF THIS REVISION December 4, 1970		13. EST FINAL CONTRIBUTION DATE December 31, 1970	
14. GOVERNMENT OF VIETNAM			15. AGENCY FOR INTERNATIONAL DEVELOPMENT		
SIGNATURE: <i>[Signature]</i> TITLE: Director General of Budget and Foreign Aid		DATE: NOV 30/70		SIGNATURE: <i>[Signature]</i> TITLE: Deputy Director	
				DATE: 12/4/70	

See

AID 189D-1A 9-701 PRO AG CONTRIBUTION SHEET ANNEX	PROJECT AGREEMENT BETWEEN AID AND DSRWA	1. Project/Activity No. 730-11-750-340	PAGE <u>2</u> OF <u>5</u> PAGES
	AN AGENCY OF THE GOVERNMENT OF Vietnam	2. Agreement No. 71-014	3. <input type="checkbox"/> Original or Revision No. <u>2</u>
		3. Project/Activity Title Improvement of Fiscal Administration (Customs Administration)	

I. BACKGROUND

During the early years of independence the GVN customs service was effective in collecting import duties and controlling smuggling. However by mid-1960, with the outmoded system and procedures, antiquated facilities and equipment and untrained personnel, it was unable to cope with the increased volume and great variety of items and it was agreed to obtain assistance from the US Bureau of Customs.

Through FY 70 the assistance under this project was concerned with Systems and Procedures, Training, and Law Enforcement. The revised program for FY 71-72 consists of activities grouped in four major technical areas: Fraud Repression, Import Operations, Audit and Internal Controls and Customs Boat Fleet Operations.

II. DESCRIPTION AND OBJECTIVES

This project will continue to assist the Government of Vietnam in its efforts to modernize and strengthen the GVN Customs Service in order to achieve a maximum level of revenue within prescribed policies and laws. Customs revenue for CY 69 totalled nearly VN\$32 billion, and should approximate VN\$60 billion for CY 70, compared with VN\$17.5 billion in CY 68.

The objectives will be undertaken through continuation of training, improvising systems and procedures, streamlining of organization, applying data processing and other mechanical equipment, and modernizing facilities.

III. IMPLEMENTATION PLAN AND RESPONSIBILITIES

A. Fraud Repression Services

This Service, as the enforcement arm of the GVN/Customs, must have the capability to protect effectively against violations of the Customs laws of Vietnam. In FY 71, the goal is to provide expertise through the development of an enforcement manual, establishment of training programs and a central filing system, acquisition of vehicles, and the development of a more effective operational liaison with other agencies. As in prior years, in-country training will utilize locally developed manuals and other training materials already on hand. In FY 70, six officers received

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
 TITLE: _____

SIGNATURE: _____ DATE: _____
 TITLE: _____

AID 159D-1A (2-70) PRO AG CONTINUATION SHEET ANNEX	PROJECT AGREEMENT BETWEEN AID AND DGBFA	1. Project/Activity No. 730-11-750-340	PAGE 3 OF 5 PAGES
		2. Agreement No. 71-014	3. <input type="checkbox"/> Original or Revision No. 2
	AN AGENCY OF THE GOVERNMENT OF Vietnam	3. Project/Activity Title Improvement of Fiscal Administration (Customs Administration)	

training in the US and three are scheduled for FY 71.

B. Import Operations

To upgrade import operations, during FY 71, plans have been made to (1) establish teams of commodity specialists and revise documents and improve their control within Zone I; (2) renovate GVN/Customs facilities at the Directorate and the Saigon Port; (3) rearrange the physical layout for better control of passengers and baggage, and develop better manpower utilization at Tan Son Nhut; and (4) initiate a study of the Customs Laboratory and make recommendations for improvements.

Training programs for commodity specialists will be provided through participant training in the US, scheduled over the next three years, and in-country classes conducted by US trained officers.

C. Audit and Accounting

Although GVN/Customs is the chief revenue producer and many millions of piasters are collected annually through duties, fines and forfeitures, there is a relative lack of controls for accounting and audit. Concentrated efforts will be made by the US Advisors and their GVN/Counterparts to improve audit and accounting procedures by: (1) implementing an automatic import license control system, (2) mechanizing Zone I collection accounting, (3) establishing an internal audit system and (4) improving GVN Customs statistics.

In-country training programs will be implemented in basic audit and accounting techniques and, during FY 71, the first of three participants will be sent to the US to take the Customs Audit Training Course.

D. Boat Fleet Service

During FY 71, efforts will be continued to increase the effectiveness of the GVN Customs Boat Fleet Service by improving boat operations and patrol schedules; by modernizing and otherwise upgrading Boat Fleet facilities and equipment; and by increasing liaison with enforcement agencies, especially the GVN Fraud Repression service.

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
 TITLE: _____

SIGNATURE: _____ DATE: _____
 TITLE: _____

PROJECT AGREEMENT
BETWEEN AID AND

DGBPA

AN AGENCY OF THE GOVERNMENT OF

Vietnam

1. Project/Activity No.

730-11-750-340

PAGE 4 OF 5 PAGES

2. Agreement No.

71-014

3. Original or

Revision No. 2

3. Project/Activity Title

Improvement of Fiscal Administration
(Customs Administration)

Repair capabilities and supply support functions will be upgraded at Ca Tre Post in order to make the post fully operational as a supply base and a major overhaul facility for repairing marine boats. In addition, improvement of repair facilities at Vinh Long will make it possible to furnish better repair and supply support for marine boats in that area. Improvements at Ca Tre should be completed by the end of FY 71 and at Vinh Long during FY 72. Funding for these activities, both dollar and piasters, was made available in previous years. Additional improvements at Da Nang and Vinh Long will be undertaken with funds to be provided through the CY71 AAC budget.

During FY 71, two GVN Boat Fleet Officers will be sent to the US for three months management training and to observe US Coast Guard operations.

IV. DESIGNATIONSA. GVN

The Director General of Customs is designated as GVN Project Manager. He will be primarily responsible for the overall implementation of the program, and will work closely with the US Project Manager in all phases of the project.

B. USAID

The Chief of the US Customs Advisory Team is the designated US Project Manager. As such he is the officer responsible for coordinating USAID assistance for the project. He will work closely with the GVN Project Manager in all phases of the project, and serve as general technical advisor.

V. EXPLANATION OF FINANCING

Funds obligated on the face sheet are for:

A. Continuation of the services of an 11-man team under PMSA No. FE 13-67, four of whom will assist in monitoring the AID financed input program (CIP) and seven of whom will give advisory assistance to the GVN Directorate of Customs in its efforts to increase customs revenues.

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____

TITLE: _____

SIGNATURE: _____ DATE: _____

TITLE: _____

PROJECT AGREEMENT

BETWEEN AID AND

DGRFA

AN AGENCY OF THE GOVERNMENT OF

Vietnam

1. Project/Activity No.

730-11-750-340

PAGE 5 OF 5 PAGES

2. Agreement No.

71-014

3. Original or

Revision No. 2

3. Project/Activity Title

**Improvement of Fiscal Administration
(Customs Administration)**

PRO AG
CONTINUATION
SHEET

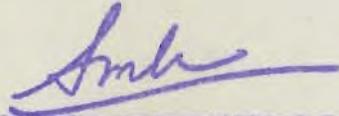
ANNEX

B. Purchase of transportation vehicles to be used for Fraud Repression Services and commodities needed in training programs related to project activities.

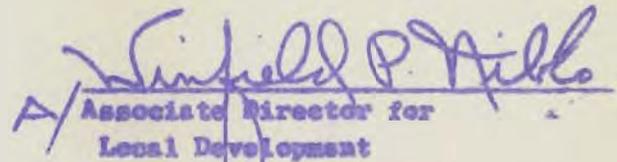
VI. REPORTING AND EVALUATION

The GVN and US Project Managers will jointly prepare semi-annual reports in the English language.

Concurrences:



Director General of Customs



Associate Director for
Local Development



For Minister of Finance

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
TITLE: _____

SIGNATURE: _____ DATE: _____
TITLE: _____

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT
TO
VIET-NAM

PROJECT DOCUMENT
APPROVAL FORM

Division PUBLIC ADMINISTRATION

Date Typed November 9, 1970

Project No. 730-11-750-340

Title Improvement of Fiscal Administration
(Customs Administration)

Original Project Agreement

Revision No. 2 71-014

V.M.
J.
PROGRAM OFFICE

11-14-70
DATE

BHO James E. Downard
PROJECT TECHNICIAN 11-13-70
DATE

RK
[Signature]
FINANCIAL MGMT

11/19/70
DATE

[Signature]
DIVISION CHIEF 11/20/70
DATE

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.

Under the terms of the Economic Cooperation Agreement signed September 7, 1951, and the standard provisions annexes attached, it is agreed to carry out a project in accordance with the terms set forth herein.

Director
General of
Customs

Trung
Minister
of Finance

1. PROJECT No. 730-11-750-340		2. AGREEMENT No. 72-008		3. ORIGINAL <input checked="" type="checkbox"/> REVISION No.	
4. PROJECT TITLE: Improvement of Fiscal Administration (Sub-Activity) (340.02 Customs Administration)					
5. PROJECT DESCRIPTION AND EXPLANATION (See Annex A attached)					
6. APPROPRIATION: 72-1121006			7. ALLOTMENT: 256-50-730-00-69-21		
8. AID DOLLAR FINANCING (Cost Component)		PREVIOUS TOTAL (A)	INCREASE (B)	DECREASE (C)	TOTAL TO DATE (D)
a. PERSONNEL COSTS					
(1) US PASA			849,628		849,628
Contract					
(2) LOCAL AND TCM PASA					
Contract					
b. PARTICIPANTS					
AID Direct					
PASAs/Contract					
c. COMMODITIES					
AID Direct					
PASAs/Contract					
d. OTHER COSTS					
AID Direct					
PASAs/Contract					
e. TOTAL (ALL COSTS)			849,628		849,628
9. LOCAL CURRENCY FINANCING (\$1.00 = PIASTERS)					
a. COUNTERPART					
Trust Fund					
AAC					
Special Fund					
Other					
b. GVN (SHCW SOURCE BELOW)					
c. US - OWNED					

10. REFERENCES AND REMARKS:
 This partial Project Agreement obligates US Dollar funds as indicated above, for FY72 cost of the Customs Advisory Team, under PASA FE-13-67.

Ref: PIO/T (21)20012

11. DATE OF ORIG AGREEMENT July 30, 1971		12. DATE OF THIS REVISION		13. EST FINAL CONTRIBUTION DATE December 31, 1974	
14. GOVERNMENT OF VIETNAM			15. AGENCY FOR INTERNATIONAL DEVELOPMENT		
SIGNATURE: <i>[Signature]</i>		DATE: July 28/71		SIGNATURE: <i>[Signature]</i>	
TITLE: Director General for Budget and Foreign Aid				TITLE: Director	

PROJECT DOCUMENT CLEARANCE SHEET

Project Title : Improvement of Fiscal Administration
(340.02 Customs Administration)

Project Number : 730-11-750-340

Agreement Number : 72-008

Original x Revision _____

Explanation and/or comments

If you concur to the attached document, please sign and date below :

ADPROG

Vam 7/7/71
APG

RRB
Division Chief

Financial Mgmt. Br.

ADPROG

ADFM

[Signature]
FAD

L. R. King 7/20/71
SEA

Charles D. Johnson 7-20-71
ADFM

TECHNICAL OFFICE :

James E. Townsend
Project Manager

[Signature]
Division Chief or Assistant Director

OTHER

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

Under the terms of the Economic Cooperation Agreement signed September 7, 1951, and the standard provisions annexes attached, it is agreed to carry out a project in accordance with the terms set forth herein.

1. PROJECT NO. 730-11-750-340	2. AGREEMENT No. 72-008	3. CHANGE	4. REVISION No. 3
5. PROJECT TITLE: Improvement of Fiscal Administration (540.02 Customs Administration)			
6. PROJECT DESCRIPTION AND EXPLANATION (See Annex A attached)			
7. APPROPRIATION: 72-1121006		8. ASSIGNMENT: 255-50-750-00-69-21	

9. AID DOLLAR FINANCING (Cost Component)	PREVIOUS TOTAL (a)	INCREASE (b)	DECREASE (c)	TOTAL TO DATE (d)
a. PERSONNEL COSTS				
(1) US				
PASA	899,628			899,628
Contract	9,900			9,900
(2) LOCAL CURRENCY				
PASA				
Contract				
b. PARTICIPANTS				
AID Direct	5,000			5,000
PASA/Contract				
c. COMMODITIES				
AID Direct				
PASA/Contract				
d. OTHER COSTS				
AID Direct				
PASA/Contract				
e. TOTAL (ALL COSTS)	914,528			914,528
9. LOCAL CURRENCY FINANCING (\$1.00 = PIASTRES)				
a. COUNTERPART				
Trust Fund				
AAC CY 72		8,000,000		8,000,000
Special Fund				
Other				
b. OVN (SHOW SOURCE BELOW)				
US - OVN				

10. REFERENCES AND COMMENTS:
The purpose of this revision is to include the project description and explanation and to commit the funds in support of the CY 72 AAC Budget.

11. DATE OF ORIG. AGREEMENT July 30, 1971	12. DATE OF THIS REVISION May 22, 1972	13. EST. FINAL CONTRIBUTION DATE December 31, 1974
14. GOVERNMENT OF VIETNAM	15. AGENCY FOR INTERNATIONAL DEVELOPMENT	
SIGNATURE: <i>[Signature]</i>	SIGNATURE: <i>[Signature]</i>	DATE: 5/22/72
TITLE: Director General for Budget and Foreign Aid	TITLE: Associate Director for Programs	

AID 1370-1A (5-70) PRO AG CONTINUATION SHEET ANNEX <u>A</u>	PROJECT AGREEMENT BETWEEN AID AND DGBFA	1. Project/Activity No. 730-11-750-340	PAGE <u>2</u> OF <u>8</u> PAGES
		2. Agreement No. 72-008	3. <input type="checkbox"/> Original or Revision No. <u>3</u>
	AN AGENCY OF THE GOVERNMENT OF Vietnam	3. Project/Activity Title Improvement of Fiscal Administration (340.02 - Customs Administration)	

I. BACKGROUND

In the spring of 1965, the GVN Customs Service found that it was unable to cope with wartime conditions, which resulted in greatly increased imports of commodities; population shifts from rural areas to the cities; and the large influx of military and civilians from friendly countries. As a result of these wartime conditions, the smuggling of commodities, collection of duties on imports, and illegal currency manipulations could not be controlled by the small number of trained personnel under the GVN Customs outmoded systems and procedures.

USAID responded to the GVN's request for assistance. Initially, this assistance consisted of a small staff of USAID Advisors who provided technical advice and arranged for the transfer of in-country ordnance items and vehicles to the project. Subsequently, additional Advisors arrived to monitor imports under the USAID Commercial Import Program and provide advice to the Boat Fleet Service on maintenance and operation of boats and advise the Fraud Repression Service on ways and means to reduce smuggling, currency manipulation and other acts of collusion.

In December 1966, a PASA team of US Customs Advisors from the Bureau of Customs was assigned to the Public Administration Division of USAID. These Advisors were responsible for (1) monitoring the CIP imports and (2) working with their counterparts for improving the overall capabilities of the GVN Customs Service.

Through FY 70, the assistance under this project was concerned with institutional development activities covering systems and procedures, training, law enforcement and improvement of facilities. In FY 71, the planned program consisted of activities grouped in four major categories: Fraud Repression, Import Operations, Audit and Internal Controls and Customs Boat Fleet Operations. These same activities will continue in FY 1972. However, concerted efforts also will be made in law enforcement work, due to the increased urgency of stopping the flow of narcotics to and from Vietnam. This will require direct operational work between the US Advisors and the US Military Customs Groups, as well as coordinating customs activities with investigators assigned to other US Government agencies in Vietnam. In addition, the US Advisors will work very closely with their GVN counterparts in the classification/evaluation of imports and utilization of computer reports as a means to assure that all commodities are accounted for and taxed.

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
 TITLE: _____

SIGNATURE: _____ DATE: _____
 TITLE: _____

AID 1230-1A (9-70) PRO AG CONTINUATION SHEET ANNEX A	PROJECT AGREEMENT BETWEEN AID AND	1. Project/Activity No. 730-11-750-540	PAGE 3 OF 8 PAGES
	DGBFA	2. Agreement No. 72-008	3. <input type="checkbox"/> Original or Revision No. 3
	AN AGENCY OF THE GOVERNMENT OF Vietnam	3. Project/Activity Title Improvement of Fiscal Administration (340.02 - Customs Administration)	

II. DESCRIPTION AND OBJECTIVES

This project will continue to assist the Government of Vietnam in its efforts to modernize and strengthen the GVN Customs Service to achieve a maximum level for collection of revenue on imports. Customs revenue for CY 69 totalled nearly VN\$52 billion, for CY 70 VN\$55.1 billion and should approximate VN\$60 billion for CY 71.

To accomplish these objectives a US Bureau of Customs team of advisors will continue to assist the GVN/Customs to improve systems and procedures, streamline organizational structures, apply data processing and other mechanical equipment, modernize facilities, and coordinate law enforcement activities with US Military Customs Groups and other US Government agencies. Selected participant and local in-country training will also be continued.

III. IMPLEMENTATION PLAN AND RESPONSIBILITIES

A. Implementation

1. Fraud Repression Service (F.R.S.)

This Service, as the enforcement arm of GVN/Customs, must have the capability to protect effectively against violations of the Customs laws of Vietnam. In FY 72, activities will include: continuation of training programs to upgrade all activities of the service by utilizing the Customs Law-Enforcement Guide and other training aids already on hand; implementation of the FRS Central File System, containing the name of violators of GVN Customs Laws, and the use of this system together with a nation-wide communications network for the apprehension of violators; execution of a vigorous program to stem the flow of narcotics to and from Vietnam; continuation of surveillance at ports of entry; and maintenance of an operational liaison with other enforcement agencies in Vietnam. In FY 71, funds were provided for the training of three officers in the US; five more are scheduled for funding in FY 72.

2. Import Operations

Due to delays in awarding a contract utilizing American Aid Chapter (AAC) funds, renovation work on the Customhouse at the Saigon Port was not started until June 1971. However, the work was completed in September 1971 and the renovated building will provide better working

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
TITLE: _____

SIGNATURE: _____ DATE: _____
TITLE: _____

AID 1200-1A (2-72) PRO AG CONTINUATION SHEET ANNEX <u>A</u>	PROJECT AGREEMENT BETWEEN AID AND DGBFA	1. Project/Activity No. 750-11-750-540	PAGE <u>4</u> OF <u>8</u> PAGES
	AN AGENCY OF THE GOVERNMENT OF Vietnam	2. Agreement No. 72-008	3. <input type="checkbox"/> Original or Revision No. <u>3</u>
		3. Project/Activity Title Improvement of Fiscal Administration (540.02 - Customs Administration)	

area for the implementation of the Commodity Team concept. It is anticipated that the utilization of this concept will bring about a six percent increase in declarations for value or classification of imports by 1973. In FY 72, along with the expansion of the Tan Son Nhut Airport Terminal building, further efforts will be made to provide better control of passengers and baggage, as well as better utilization of manpower for more stringent application of existing regulations.

In FY 71, funds were provided for training six Customs Examiners in the US; six more are scheduled for FY 72.

3. Audit and Accounting

Continued efforts will be made by the US Advisors and their GVN Counterparts for the upgrading of controls for the accounting and audit of revenue collected for duties, fines and forfeitures. This will be attained by:

- (1) continuing implementation of an automatic import license control system,
- (2) improving the mechanized collection accounting system of Customs Zone I,
- (3) performing an annual audit of each Collection Station,
- (4) improving GVN Customs statistics and
- (5) implementing an import monitoring system.

Under this new concept, US and GVN officials will utilize computer reports of import data to determine that both US and GVN financed imports are properly taxed.

In FY 72, an Audit/Accounting Officer will receive six months training in the US, including customs basis Audit/Accounting techniques and on site audits. Similar training is scheduled for FY 73 and FY 74 subject to the availability of funds. In-country training programs, covering basic audit and accounting techniques, will be continued/

4. Boat Fleet Service

During FY 72, efforts will be continued to increase the

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
 TITLE: _____

SIGNATURE: _____ DATE: _____
 TITLE: _____

AID 1520-1A (8-70) PRO AG CONTINUATION SHEET ANNEX <u>A</u>	PROJECT AGREEMENT BETWEEN AID AND DGBYA AN AGENCY OF THE GOVERNMENT OF Vietnam	1. Project/Activity No. 750-11-750-340	PAGE <u>5</u> OF <u>8</u> PAGES
		2. Agreement No. 72-008	3. <input type="checkbox"/> Original or Revision No. <u>3</u>
		3. Project/Activity Title Improvement of Fiscal Administration (340.02 - Customs Administration)	

effectiveness of the GVN Customs Boat Fleet Service: by improving boat operations and patrol schedules; by modernizing and otherwise upgrading Boat Fleet facilities and equipment; and by increasing liaison with enforcement agencies; especially the GVN Fraud Repression Service.

Due to delays in awarding contracts at Ca Tre Post in FY 1971, considerable work remains to be done before the post is operational as a supply base and a major overhaul activity for repairing marine boats. Funding for the improvements at Ca Tre Post both dollars and piasters, was made available in prior years and all work, including moving and installing machinery, is now scheduled for completion by the end of CY 72. Additional improvements at Da Nang and Vinh Long are expected to be completed in FY 72 with funds provided through the GVN CY 71 AAC Budget. By the end of CY 72, it is anticipated that the Boat Fleet Service will have the repair capability to service 100% of its boats.

During FY 72, the Chief of the Boat Fleet Service will receive two months management training in the US and observe US Coast Guard operations there. This training was funded in FY 71.

B. Responsibilities

USAID during FY 72 will provide funding for the PASA advisory team, participant training, and maintenance services for the radio communications network.

GVN during FY 72 will provide adequate manpower to carry out programmed activities and strongly support training activities to upgrade GVN/Customs manpower. It will also provide office space, logistical support and other physical facilities to maintain customs activities at programmed levels.

American Aid Chapter (AAC) funds will be provided for construction of two customs sub-stations.

IV. DESIGNATIONS

A. GVN

The Director General of Customs is designated as GVN Project Manager. He will be primarily responsible for the overall implementation of the program, and will work closely with the US Project Manager in all phases of the project.

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
 TITLE: _____

SIGNATURE: _____ DATE: _____
 TITLE: _____

AID 1330-12 0-701 PRO AG CONTINUATION SHEET ANNEX <u>A</u>	PROJECT AGREEMENT BETWEEN AID AND <u>DGEFA</u> AN AGENCY OF THE GOVERNMENT OF <u>Vietnam</u>	1. Project/Activity No. <u>732-11-750-340</u>	PAGE <u>6</u> OF <u>8</u> PAGES
		2. Agreement No. <u>72-008</u>	3. <input type="checkbox"/> Original or Revision No. <u>3</u>
		3. Project/Activity Title <u>Improvement of Fiscal Administration (340.02 - Customs Administration)</u>	

B. USAID

The Chief of the US Customs Advisory Team is the designated US Project Manager. As such he is the officer responsible for coordinating USAID assistance for the project, under the direction of the Assistant Director for Public Administration. He will work closely with the GVN Project Manager in all phases of the project, and serve as general technical advisor.

V. EXPLANATION OF FINANCING

A. USAID

FY 72 funding will provide the following:

1. A 13 man-team under PASA No.

FE-13-67 with the US Bureau of Customs.

Four to monitor the Commercial Import Program (CIP).

Two for operational-type duties in Customs enforcement.

Five for institutional development-type services to upgrade GVN Customs capabilities.

Two to supervise and monitor the US advisory efforts.

This staff will be augmented by short-term advisors in specialized areas, such as narcotics control and smuggling.

2. Participant training in the US for approximately 12 participants in the following areas: audit/accounting, customs examinations and fraud repression.

3. Contract maintenance services for the USAID/Customs Radio Network.

B. GVN

CY 72 AAC funds (See budget attached)

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
 TITLE: _____

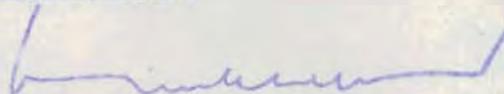
SIGNATURE: _____ DATE: _____
 TITLE: _____

AID 1000-1A 2-701 PRO AG CONTINUATION SHEET ANNEX <u>A</u>	PROJECT AGREEMENT BETWEEN AID AND DGBFA	1. Project/Activity No. 730-11-750-340	PAGE <u>7</u> OF <u>8</u> PAGES
	AN AGENCY OF THE GOVERNMENT OF Vietnam	2. Agreement No. 72-008	3. <input type="checkbox"/> Original or Revision No. <u>3</u>
		3. Project/Activity Title Improvement of Fiscal Administration (340.02 - Customs Administration)	

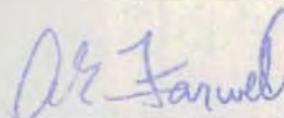
VI. REPORTING AND EVALUATION

The GVN and US Project Managers will jointly prepare semi-annual reports in the English language.

Concurrences:



Director General of Customs



Associate Director for
Local Development



Minister of Finance

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
TITLE: _____

SIGNATURE: _____ DATE: _____
TITLE: _____

PROJECT AGREEMENT
BETWEEN AID AND
DGSPA

AN AGENCY OF THE GOVERNMENT OF
Vietnam

1. Project/Activity No.
730-11-750-340

2. Agreement No.
72-008

3. Project/Activity Title
Improvement of Fiscal Administration
(340.02 - Customs Administration)

3. Original or
Revision No. 3

CY 72 AMERICAN
AID CHAPTER BUDGET

<u>Article</u>	<u>Expenditure</u>	<u>Amount</u>
71-79	<u>Direct Investment</u>	<u>VN\$8,000,000</u>
	Construct Sub-Collection Station, Tam Ky	4,000,000
	Construct Sub-Collection Station, Quang Ngai	4,000,000

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
TITLE: _____

SIGNATURE: _____ DATE: _____
TITLE: _____

PROJECT DOCUMENT CLEARANCE SHEET

Project Title : Improvement of Fiscal Administration
(340.02 - Customs Administration)
Project Number : 750-11-753-340
Agreement Number : 72-008

Original _____ Revision 5

Explanation and/or comments

The purpose of this revision is to include the project description and explanation and to commit the funds in support of the CY 72 AAC Budget.

If you concur in the attached document, please sign and date below :

ADPROG :

[Signature] 4/3/72
APO

4/10/72
[Signature]
Division Chief

4/7/72
[Signature]
Special Agent in Charge

5/22/72
[Signature]
ADPROG

ADPM :

[Signature]
FAD

[Signature]
SRA

[Signature]
ADPM

TECHNICAL OFFICE

[Signature]
Project Manager

[Signature]
Division Chief or Assistant Director

OTHER :

PRO AG

(VIETNAM)

21

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

Page 1

Under the terms of the Economic Cooperation Agreement signed September 7, 1951, and the standard provisions annexes attached, it is agreed to carry out a project in accordance with the terms set forth herein.

1. PROJECT No. 730-11-750-340 | 2. AGREEMENT No. 72-008 | 3. ORIGINAL | REVISION No. 5

4. PROJECT TITLE: Improvement of Fiscal Administration
 (Sub-Activity) (340.02 - Customs Administration)

Corrected Copy - 6/20/72

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

6. APPROPRIATION: Multiple | 7. ALLOTMENT: Multiple

8. AID DOLLAR FINANCING (Cost Component)	PREVIOUS TOTAL			TOTAL TO DATE
	(a)	(b)	(c)	(d)
9. PERSONNEL COSTS				
(1) US PASA	864,500	80,600	80,600	864,500
Contract	9,900			9,900
(2) LOCAL AND TGN PASA				
Contract				
10. PARTICIPANTS				
AID Direct	61,400			61,400
PASA/Contract				
11. COMMODITIES				
AID Direct				
PASA/Contract				
12. OTHER COSTS				
AID Direct				
PASA/Contract				
13. TOTAL (ALL COSTS)	935,800	80,600	80,600	935,800
14. LOCAL CURRENCY FINANCING (\$1.00 = PIASTRE)				
15. COUNTERPART				
Trust Fund				
AAC <u>CF 72</u>	8,000,000			8,000,000
Special Fund				
Other				
16. GVN (SHOW SOURCE BELOW)				
a. US - OWNED				

16. REFERENCES AND REMARKS:
 This Revision attributes funding for distinct narcotics control activities under this project to the FY72 Narcotics control allotment. Funding for twenty six (26) man-months of service is transferred from Supporting Assistance attribution to Narcotics Control.

Ref: PIO/T (21)20012/A3.

11. DATE OF ORIG. AGREEMENT: July 30, 1971 | 12. DATE OF THIS REVISION: May 31, 1972 | 13. EST FINAL CONTRIBUTION DATE: December 31, 1974

14. GOVERNMENT OF VIETNAM | 15. AGENCY FOR INTERNATIONAL DEVELOPMENT

SIGNATURE: [Signature] DATE: May 31 72 | SIGNATURE: [Signature] DATE: 31 May '72

TITLE: Director General for Budget and Foreign Aid | TITLE: Director

(info)
 Director
 General
 for Customs

PRD AG

PROJECT NAME

21

PROJECT AGREEMENT

BETWEEN THE DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT (AID),
AN AGENCY OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA, AND
AN AGENCY OF THE GOVERNMENT OF VIETNAM

Under the terms of the Economic Cooperation Agreement signed September 7, 1951, and the standard provisions annexes attached, it is agreed to carry out a project in accordance with the terms set forth herein.

1. PROJECT No. 730-11-750-340 2. AGREEMENT No. 72-008 3. ORIGINAL REVISION No. 5

4. PROJECT TITLE: Improvement of Fiscal Administration
(Sub-Activity) (340.02 - Customs Administration) (Supporting Assistance)

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

6. APPROPRIATION: 72-1121006 7. ALLOTMENT: 256-50-730-00-69-21

8. AID DOLLAR FINANCING (Cost Component)	PREVIOUS TOTAL (a)	INCREASE (b)	DECREASE (c)	TOTAL TO DATE (d)
a. PERSONNEL COSTS				
(1) US PASA	864,500		80,600	783,900
Contract	9,900			9,900
(2) LOCAL AND TCH PASA				
Contract				
b. PARTICIPANTS				
AID Direct	61,400			61,400
PASA/Contract				
c. COMMODITIES				
AID Direct				
PASA/Contract				
d. OTHER COSTS				
AID Direct				
PASA/Contract				
e. TOTAL (ALL COSTS)	935,800		80,600	855,200
9. LOCAL CURRENCY FINANCING (\$1.00 = PIASTERS)				
10. COUNTERPART				
Trust Fund				
AAC <u>CY72</u>	8,000,000			8,000,000
Special Fund				
Other				
11. GVN (SHOW SOURCE BELOW)				
c. US - OWNED				

10. REFERENCES AND REMARKS:

The purpose of this revision is to deobligate from the Supporting Assistance allotment funds for 26 man-months of service for activities directly related to narcotics contro. These costs will be attributed to the Narcotics Control allotment.

11. DATE OF ORIG. AGREEMENT | 12. DATE OF THIS REVISION | 13. EST FINAL CONTRIBUTION DATE

14. GOVERNMENT OF VIETNAM | 15. AGENCY FOR INTERNATIONAL DEVELOPMENT

SIGNATURE: _____ DATE: _____ SIGNATURE: _____ DATE: _____

TITLE: _____ TITLE: _____

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

Under the terms of the Economic Cooperation Agreement signed September 7, 1951, and the standard provisions annexes attached, it is agreed to carry out a project in accordance with the terms set forth herein.

1. PROJECT No. **730-11-750-340** 2. AGREEMENT No. **72-008** 3. ORIGINAL REVISION No. **5**

4. PROJECT TITLE: **Improvement of Fiscal Administration**
 (Sub-Activity) **(340.02 - Customs Administration) (Narcotics Control)**

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

6. APPROPRIATION: **72-11X4103.2** 7. ALLOTMENT: **453-50-730-00-69-21**

8. AID DOLLAR FINANCING (Cost Component)	PREVIOUS TOTAL (A)	INCREASE (B)	DECREASE (C)	TOTAL TO DATE (D)
a. PERSONNEL COSTS				
(1) US PASA		80,600		80,600
Contract				
(2) LOCAL AND TCH PASA				
Contract				
b. PARTICIPANTS				
AID Direct				
PASA/Contract				
c. COMMODITIES				
AID Direct				
PASA/Contract				
d. OTHER COSTS				
AID Direct				
PASA/Contract				
e. TOTAL (ALL COSTS)		80,600		80,600
9. LOCAL CURRENCY FINANCING (\$1.00 = PIASTERS)				
a. COUNTERPART				
Trust Fund				
AAC				
Special Fund				
Other				
b. GVN (SHOW SOURCE BELOW)				
c. US -- OWNED				

10. REFERENCES AND REMARKS:

The purpose of this revision is to obligate funds from the Narcotics Control allotment for 26 man-months of service for activities directly related to Narcotics Control.

11. DATE OF ORIG. AGREEMENT

12. DATE OF THIS REVISION

13. EST FINAL CONTRIBUTION DATE

14. GOVERNMENT OF VIETNAM

15. AGENCY FOR INTERNATIONAL DEVELOPMENT

SIGNATURE: _____ DATE: _____

SIGNATURE: _____ DATE: _____

TITLE: _____

TITLE: _____

PROJECT DOCUMENT CLEARANCE SHEET

Project Title : Improvement of Fiscal Administration
(340.02 - Customs Administration)
Project Number : 730-11-750-340

Agreement Number : 72-008

Original _____ Revision 5

Explanation and/or comments

This Revision changes the funding ^{for} 26 man-months of service related to the control of narcotics from Supporting Assistance funds to Narcotics Control funds.

If you concur in the attached document, please sign and date below :

ADPROG :

WME 5/31/72
APO

[Signature]
Division Chief

Financial Mgmt. Br.

M. G. Pearl
to WME
ADPROG

ADFM :

[Signature]
FAD

5/31/72
B&A

[Signature]
ADFM

TECHNICAL OFFICE :

[Signature]
Project Manager

[Signature]
Division Chief or Assistant Director

OTHER :

PRO AG
PARTIAL

21

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 (DGBFA)
 AN AGENCY OF THE GOVERNMENT OF VIETNAM

Under the terms of the Economic Cooperation Agreement signed September 7, 1951, and the standard provisions annexes attached, it is agreed to carry out a project in accordance with the terms set forth herein.

1. PROJECT No: **730-11-750-340** 2. AGREEMENT No: **72-008** 3. ORIGINAL 4. REVISION No: **4**

5. PROJECT TITLE: **Improvement of Fiscal Administration**
 (Sub-Activity) **(340.02 - Customs Administration)**

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

(Info)
Director
General of
Customs

(Info)
Minister
of
Finance

6. APPROPRIATION: 72-1121006		7. ASSIGNMENT: 256-50-730-00-69-21		
AID DOLLAR FINANCING (Cost Component)	PREVIOUS TOTAL (a)	INCREASE (b)	DECREASE (c)	TOTAL TO DATE (d)
1. PERSONNEL COSTS				
(1) US PASA	899,628		35,128	864,500
Contract	9,900			9,900
(2) LOCAL AID (LCP)				
PASA				
Contract				
2. PARTICIPANTS				
AID Direct	5,000	56,400		61,400
PASA/Contract				
3. COMMODITIES				
AID Direct				
PASA/Contract				
4. OTHER COSTS				
AID Direct				
PASA/Contract				
5. TOTAL (ALL COSTS)	914,528	56,400	35,128	935,800
2. LOCAL CURRENCY FINANCING (\$1.00 = VND 100)				
3. COUNTERPART				
Trust Fund				
AAC CY 72	8,000,000			8,000,000
Special Fund				
Other				
4. GVN (SHOW SOURCE BELOW)				
US - OWNED				

10. REFERENCES AND REMARKS: This Revision deobligates the difference in funding between originally anticipated PASA costs for FY 72 and actual costs as submitted by the Bureau of Customs for FY 72 and obligates funds in support of participant training as described in Revision 3 of this ProAg.

Ref: PIO/T (21)20012. PIO/Ps (21)20680 & (21)20681

11. DATE OF ORIG. AGREEMENT July 30, 1971	12. DATE OF THIS REVISION May 31, 1972	13. SET FINAL CONTRIBUTION DATE December 31, 1974
14. GOVERNMENT OF VIETNAM		15. AGENCY FOR INTERNATIONAL DEVELOPMENT
SIGNATURE: <i>[Signature]</i> DATE: May 31 1972 TITLE: Director-General for Budget and Foreign Aid		SIGNATURE: <i>[Signature]</i> DATE: 5/31/72 TITLE: Director

PRO AG
CONTINUATION
SHEET
ANNEX A

PROJECT AGREEMENT
BETWEEN AID AND
DGBFA

AN AGENCY OF THE GOVERNMENT OF
Vietnam

1. Project/Activity No.
730-11-750-340

2. Agreement No.
72-008

3. Project/Activity Title
Improvement of Fiscal Administration
(CA)

PAGE 2 OF 2 PAGES

3. Original of
Revision No. 4

EXPLANATION

1. PASA

- | | |
|----------------------------------------------------------------------------|----------------|
| a. Original estimate of PASA costs for
FY 72 entered on ProAg 72-008 | \$899,628 |
| b. Actual costs as itemized by Bureau
of Customs for PASA costs - FY 72 | <u>864,500</u> |
| Deobligation | \$35,128 |

2. Participants

This revision provides funding to complete the FY 72 participant training portion of the Customs Administration component of the Improvement of Fiscal Administration project.

This training consists of the following elements:

- | | |
|---------------------------------------------------------------------------------------------------------------------------|-----------------|
| a. Six participants (Customs Examiners) in
Classification and Value - 10 weeks of
training in the United States | \$30,200 |
| b. Five participants (Fraud Repression Officers)
in Customs Enforcement - 12 weeks of training
in the United States | <u>\$26,200</u> |
| Total | \$56,400 |

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
TITLE: _____

SIGNATURE: _____ DATE: _____
TITLE: _____

PROJECT DOCUMENT CLEARANCE SHEET

Project Title : Improvement of Fiscal Administration

Project Number : 730-11-750-340

Agreement Number : 72-008

Original _____ Revision 4

Explanation and/or comments

The original estimate of PASA costs (\$899,628) included funding for a data processing advisor. The position was not filled, and a DP advisor was "borrowed" from the Statistics (341) Project. *The difference which resulted between the estimated cost and the actual cost of the PASA is \$35,128, and that amount is deobligated in this Revision. Also \$56,400 is obligated to finance 10 weeks of training in the US for 6 participants in the appraisal and classification of merchandise and 5 participants for 12 weeks training in fraud repression.

* Ref: Cable STATE 016719
STATE 028299 (with subject material received separate cover).

If you concur in the attached document, please sign and date below :

ADPROG :

[Signature] 5/18/72
MPO

5/19/72
[Signature]
Division Chief

—
Financial Mgmt. Br.

[Signature] 5/21/72
ADPROG

ADFM :

[Signature]
FAD

5/25/72
[Signature]
B&A

[Signature]
ADFM

TECHNICAL OFFICE :

[Signature]
Project Manager

[Signature]
Division Chief or Assistant Director

OTHER :

FD-36
31

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 (DGBFA)
AN AGENCY OF THE GOVERNMENT OF VIETNAM

Under the terms of the Economic Cooperation Agreement signed September 7, 1951, and the Standard provisions annexed attached, it is agreed to carry out a project in accordance with the terms set forth herein.

1. PROJECT No: **730-11-750-340** | 2. AGREEMENT No. **73-051** | 3. ORIGINAL | REVISED

4. PROJECT TITLE: **Improvement of Fiscal Administration**
 (Sub-Activity) **(340.02 - Customs Administration)**

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

6. APPROPRIATION: **Multiple** | 7. ALLOTMENT: **Multiple**

8. AID DOLLAR FINANCING (Cost Component)	PREVIOUS TOTAL		INCREASE		DECREASE		TOTAL TO DATE
	(B)	(C)	(D)	(E)	(F)	(G)	
a. PERSONNEL COSTS (1) US FASA Contract			552,000				552,000
(2) LOCAL AND FOR FASA Contract							
b. PARTICIPANTS AID Direct FASA/Contract							
c. COMMODITIES AID Direct FASA/Contract							
d. OTHER COSTS AID Direct FASA/Contract							
e. TOTAL (ALL COSTS)			552,000				552,000
9. LOCAL CURRENCY FINANCING (\$1.00 = FIATERS)							
a. COUNTERPART Trust Fund AAC Special Fund Other							
b. OWN (SHOW SOURCE BELOW)							
c. US - OWNED							

10. REFERENCES AND REMARKS: This Agreement presents the planned implementation of the Customs Administration Sub-project as agreed to by representatives of the USG and GVN whose signatures appear hereon. This Agreement also obligates funds to finance the Customs Advisory Team under PASA FE-13-67.

Ref: PIO/T (31)30013

11. DATE OF ORIG. AGREEMENT: **December 19, 1972** | 12. DATE OF THIS REVISED: **December 31, 1972**

14. GOVERNMENT OF VIETNAM
 Director: *[Signature]* Dec 15 1972
 Director General
 for Budget and Foreign Aid

15. AGENCY FOR INTERNATIONAL DEVELOPMENT
 Director: *[Signature]* Dec 14/1972

PRO AG
VIETNAM

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 (DIBFA)
AN AGENCY OF THE GOVERNMENT OF VIETNAM

Page 1^a

Under the terms of the Economic Cooperation Agreement signed September 7, 1951, and the standard provisions annexes attached, it is agreed to carry out a project in accordance with the terms set forth herein.

1. PROJECT No. 730-11-750-340 2. AGREEMENT No. 73-051 3. ORIGINAL REVISION No.

4. PROJECT TITLE: Improvement of Fiscal Administration
 (Sub-Activity) (340.02 - CA)

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

6. APPROPRIATION: 72-1131006 7. ALLOTMENT: 356-50-730-00-69-31

8. AID DOLLAR FINANCING (Cost Component)	PREVIOUS TOTAL (A)	INCREASE (B)	DECREASE (C)	TOTAL TO DATE (D)
a. PERSONNEL COSTS				
(1) US PASA		471,000		471,000
Contract				
(2) LOCAL AND TCM PASA				
Contract				
b. PARTICIPANTS				
AID Direct				
PASA/Contract				
c. COMMODITIES				
AID Direct				
PASA/Contract				
d. OTHER COSTS				
AID Direct				
PASA/Contract				
e. TOTAL (ALL COSTS)		471,000		471,000
9. LOCAL CURRENCY FINANCING (\$1.00 = PIASTERS)				
a. COUNTERPART				
Trust Fund				
AAC				
Special Fund				
Other				
b. GVN (SHOW SOURCE BELOW)				
c. US -- OWNED				

10. REFERENCES AND REMARKS:

This ProAg obligates the Supporting Assistance support for PASA 72-13-67.

Ref: PIO/T (31)30013

11. DATE OF ORIG. AGREEMENT: December 19, 1972 12. DATE OF THIS REVISION: _____ 13. EST. FINAL CONTRACT SIGN DATE: December 31, 1974

14. GOVERNMENT OF VIETNAM: _____ 15. AGENCY FOR INTERNATIONAL DEVELOPMENT: _____
 SIGNATURE: _____ DATE: _____ SIGNATURE: _____ DATE: _____
 TITLE: _____ TITLE: _____

PRO AG
VIETNAM

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 (DGBFA)
 AN AGENCY OF THE GOVERNMENT OF VIETNAM

Page 1b

Under the terms of the Economic Cooperation Agreement signed September 7, 1951, and the standard provisions annexes attached, it is agreed to carry out a project in accordance with the terms set forth herein.

1. PROJECT No. **730-11-750-340** 2. AGREEMENT No. **73-051** 3. ORIGINAL REVISION No.

4. PROJECT TITLE: **Improvement of Fiscal Administration**
 (Sub-Activity) **(340.02 - CA)**

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

6. APPROPRIATION: **72-11X4103.2** 7. ALLOTMENT: **453-50-730-00-69-31**

9. AID DOLLAR FINANCING (Cost Component)	PREVIOUS TOTAL	INCREASE	DECREASE	TOTAL TO DATE
	(a)	(b)	(c)	(d)
a. PERSONNEL COSTS				
(1) US PASA		81,000		81,000
Contract				
(2) LOCAL AND TCN PASA				
Contract				
b. PARTICIPANTS				
AID Direct				
PASA/Contract				
c. COMMODITIES				
AID Direct				
PASA/Contract				
d. OTHER COSTS				
AID Direct				
PASA/Contract				
e. TOTAL (ALL COSTS)		81,000		81,000
9. LOCAL CURRENCY FINANCING (\$1.00 = PIASTERS)				
a. COUNTERPART				
Trust Fund				
AAC				
Special Fund				
Other				
b. OWN (SHOW SOURCE BELOW)				
c. US - OWNED				

10. REFERENCES AND REMARKS:
 This ProAg obligates the Narcotics Control portion of PESA FE-13-67.

Ref: PIO/T (31)30013

11. DATE OF ORIG. AGREEMENT	12. DATE OF THIS REVISION	13. SET FINAL CONTRIBUTION DATE December 31, 1974
14. GOVERNMENT OF VIETNAM	15. AGENCY FOR INTERNATIONAL DEVELOPMENT	
SIGNATURE: _____ DATE: _____	SIGNATURE: _____ DATE: _____	
TITLE: _____	TITLE: _____	

PROJECT AGREEMENT
BETWEEN USAID AND

1. Project/Activity No.
73-11-750-340

2. [X] Original or
Revision No. _____

FFD AG
CONTINUATION
SHEET

DGHPA

2. Agreement No.
73-051

AN AGENCY OF THE GOVERNMENT OF

3. Project/Activity Title
Improvement of Fiscal Administration
(340.02 - CA)

ANNEX A

Vietnam

A. BACKGROUND

In 1965, the GVN Customs Service found it increasingly difficult to cope with wartime conditions including great increases in commodity imports; population shifts from rural to urban areas; and the large influx of military and civilian personnel from friendly countries. As a result, commodity smuggling, import duty collections, and illegal currency manipulations could not be controlled by the small number of trained personnel under the outmoded systems and procedures of GVN Customs.

Initial USAID assistance in FY 1965 consisted of a small staff of USAID Advisors providing technical advice and arranging for the transfer of in-country ordnance items and vehicles to the project. Subsequently, additional Advisors arrived to monitor imports under the USAID Commercial Import Program, to provide advice to the Boat Fleet Service on maintenance and operation of boats and to advise the Fraud Repression Service on ways and means to reduce smuggling, currency manipulation and other acts of collusion. In December 1966, a PASA team of US Customs Advisors from the Bureau of Customs was assigned to the Public Administration Division of USAID to provide assistance in improving the overall capabilities of the GVN Customs Service.

B. GOAL STATEMENT

GVN efficiently and effectively planning and managing its resources.

C. PROJECT PURPOSE

To expand the Customs revenue collection capability of the GVN Directorate General of Customs (DGC), Ministry of Finance, through improved administrative and management techniques which will equip the GVN with a Customs Service responsive to its revenue needs and Customs policies.

D. CONDITIONS EXPECTED AT THE END OF PROJECT

1. Customs revenue collections to reach VN\$30 billion annually by the end of CY 73.

Note: As a result of exchange rate reforms initiated by the GVN and the US Mission in November 1971, anticipated Customs revenue was reduced to an estimated VN\$30 billion from VN\$90 billion for 1973. The Customs reform was basically one of simplification of tariff

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE _____ DATE _____
TITLE _____

SIGNATURE _____ DATE _____
TITLE _____

PRO AG CONTINUATION SHEET ANNEX A	PROJECT AGREEMENT BETWEEN AID AND DEBTA	1. Project Number 750-11-750-300	3. <input checked="" type="checkbox"/> Original or Revision No. _____
	AN AGENCY OF THE GOVERNMENT OF Vietnam	2. Agreement No. 73-051	
		3. Project/Activity Title Improvement of Fiscal Administration (340.02 - CA)	

structure and reduction of rates. The project reflects this change with this amended end-of-project collections figure of VN\$30 billion.

2. A GVN Customs organization capable of efficiently assessing the value of commodities, controlling all imports and exports and monitoring for evasion, fraud, and the flow of narcotics and contraband.

E. OUTPUT TARGETS FOR FY 1973

1. The 12 fully operational commodity teams having participated in an in-service training course in operational procedures. This course will upgrade their knowledge of current procedures of Customs inspection and duty evaluation.

2. Passenger processing reduced to 45 minutes from the current 1 hour per plane arriving. In addition, cargo handling will undergo continuing improvement to effect more efficient valuation and collection on all arriving airport cargo.

3. The GVN providing full maintenance and operation of the Customs Boat Fleet. Also, Ca Tre Post will be fully re-furnished and operational - using both AAC and regular GVN funding to complete the post.

4. The Fraud Repression central file system maintained and continually updated.

5. Continuing liaison established between GVN Customs and various law enforcement agencies in the GVN and US for more efficient use of information on narcotics, duty evasion and other criminal activities.

6. One hundred percent (100%) of import licenses, credit accounts, customs declarations and statistical reports processed. A one hundred percent (100%) identification of duty free vehicles imported by contractors for duty assessment.

7. A one hundred percent (100%) CIP import document review and a physical examination of approximately 20% of imports. In addition, a one hundred percent (100%) physical examination of goods arriving on randomly selected days (approximately 90 days per year).

8. Fifty new personnel hired, trained and deployed throughout Vietnam. These personnel will expand the DGC capabilities in assessment, control of imports and exports, fraud and narcotics control.

For the Cooperating Government or Agency SIGNATURE: _____ DATE: _____ TITLE: _____	For the Agency for International Development SIGNATURE: _____ DATE: _____ TITLE: _____
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PRO AG
CONTINUATION
SHEET
ANNEX A

PROJECT AGREEMENT
BETWEEN AID AND

DGBFA
AN AGENCY OF THE GOVERNMENT OF
Vietnam

1. Project/Activity No.
730-11-750-340

PAGE 4 OF 6

2. Agreement No.
73-051

3. Original or
Revision No.

3. Project/Activity Title
Improvement of Fiscal Administration
(340.02 - CA)

F. INPUTS FOR FY 1973

1. Government of Vietnam Inputs

a. Personnel

(1) The Directorate General of Customs will furnish appropriate officers and employees to the extent necessary to achieve the project outputs and objectives agreed upon herein.

(2) Subject to Government-wide regulations governing travel abroad by civil servants during the war emergency, the Directorate General of Customs will release qualified employees for training abroad as described in F-2-b below and will continue all salary and allowances to the participants while they are in training, including all increases that would normally be due them.

b. Physical Facilities

(1) The Directorate General of Customs will make available office space and fixtures for use of USAID Customs Advisors working on its premises.

2. United States Government Inputs

Subject to the availability of funds and personnel, the United States Government through the Agency for International Development will provide the following:

a. Personnel

(1) By PASA with US Bureau of Customs, the following Customs Advisory Service:

	<u>Availability</u>
Senior Advisor for Customs Administration	12 months
Deputy Senior Advisor and Customs Generalist	12 months
Customs Advisors - Investigation	24 months
Customs Advisors - Commercial Import Program	36 months
Customs Advisors - Classification and Value	24 months
Short Term Advisors	18 months

For the Cooperating Government or Agency

For the Agency for International Development

DATE: _____ SIGNATURE: _____

AID 15 (7-12) (2-72) PRO AG CONTINUATION SHEET ANNEX <u>A</u>	PROJECT AGREEMENT BETWEEN AID AND DGBPA AN AGENCY OF THE GOVERNMENT OF Vietnam	1. Project/Activity No. 730-11-750-340	PAGE <u>5</u> OF <u>6</u> PAGES
		2. Agreement No. 73-051	3. <input checked="" type="checkbox"/> Original or Revision No. _____
		3. Project/Activity Title Improvement of Fiscal Administration (340.02 - CA)	

b. Participant Training in US and Third Countries

- (1) Audit/Accounting Officer - One for six months in special course on Customs Audit and Accounting at Bureau of Customs.
- (2) Customs Examiners - Five for ten weeks in special seminar on classification and value at Bureau of Customs.
- (3) Fraud Repression Officers - Five for ten weeks in special seminar on Customs Enforcement at Bureau of Customs.

G. DESIGNATIONS

1. Government of Vietnam

The Director General of Customs is hereby designated GVN Project Manager. In this capacity he will be primarily responsible for the overall implementation of the program.

2. The United States Government

Project management responsibility rests with the Customs Administration Branch under the direction of the Assistant Director for Public Administration. The Project Manager will act as technical advisor, coordinate the USAID assistance provided for the project, and work closely with the GVN Project Manager in all phases of the project, including budgeting, implementing and evaluating.

H. REPORTING AND EVALUATION

The Customs Advisory Team will submit a weekly activity report to the Assistant Director for Public Administration, and a monthly narrative report to USAID, AID/W, DGT and Bureau of Customs. Special reports on progress and problems will be submitted as necessary to keep USAID, AID/W and the Bureau of Customs informed about current developments.

The GVN Project Manager will make available on a current basis reports of revenue receipts, results of Fraud suppression and other customs activities and such other reports as will reflect the progress being made to improve Customs Administration and increase domestic customs revenues.

The US and GVN Project Managers will prepare jointly an annual evaluation of the project based on criteria set forth in this agreement.

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
 TITLE: _____

SIGNATURE: _____ DATE: _____
 TITLE: _____

PROJECT AGREEMENT
SEVEN AND AID

1. Project/Activity No.
730-11-750-340

PRO AG
CONTINUATION
SHEET

DGBFA

2. Agreement No.
73-051

3. Original or
Revision No. _____

ANNEX A

AN AGENCY OF THE GOVERNMENT OF
Vietnam

3. Project/Activity Title
Improvement of Fiscal Administration
(340.02 - CA)

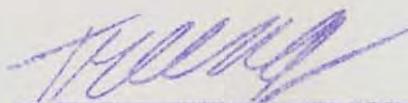
I. SPECIAL PROVISIONS

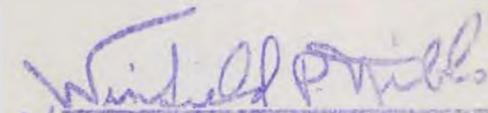
None.

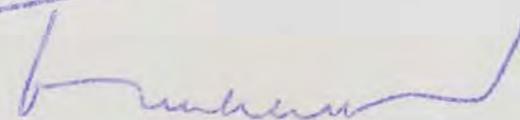
J. STANDARDS PROVISIONS

The Standard Provisions Annex B, for US dollar funding, and Foreign Currency Standard Provisions Annex C, for foreign currency uses, are appended hereto as a part of this agreement.

Concurrences:


Minister of Finance


Associate Director for
Local Development


Director General of Customs

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
TITLE: _____

SIGNATURE: _____ DATE: _____
TITLE: _____

PROJECT DOCUMENT CLEARANCE SHEET

Project Title : Improvement of Fiscal Administration (340.02 - Customs Administration)
Project Number : 730-11-750-340

Agreement Number : 73-051

Original X Revision

Explanation and/or comments

The purpose of this FY 73 ProAg is to set forth the scope of the Customs Administration sub-project and to stipulate the responsibilities and contributions of the GVN and the USG. This documentation also obligates and sub-obligates \$532,000 to finance PASA FE-13-67 with the US Bureau of Customs.

Funds to finance Contract Services and Participant Training not obligated by this ProAg will be obligated by a ProAg Revision subject to the availability of funds and submission of FICs.

If you concur in the attached document, please sign and date below :

ADPROG

[Signature] 10/12
ADPROG

[Signature] 10/16
Division Chief

[Signature]
Financial Mgmt. Br.

[Signature] 12/18/72
ADPROG

ADPM

[Signature]
FAD

[Signature] 10/25/72 L.
BAA

[Signature]
ADPM

TECHNICAL OFFICE

[Signature]
Project Manager

[Signature]
Division Chief or Assistant Director

OTHER

[Signature] 12/9/72
LEG

VN-12345678
ADPROG