

PRO AG

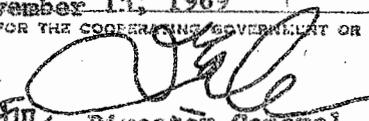
PROJECT AGREEMENT
BETWEEN THE DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT (AID),
AN AGENCY OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA, AND
THE DIRECTORATE GENERAL FOR BUDGET AND FOREIGN AID

AN AGENCY OF THE GOVERNMENT OF **Vietnam**

The above-named parties hereby mutually agree to carry out a project in accordance with the terms set forth herein and the terms set forth in any annexes attached hereto, as checked below:		1. PROJECT/ACTIVITY NO. 730-11-720-339	PAGE 1 OF 14 PAGES	
<input checked="" type="checkbox"/> PROJECT DESCRIPTION ANNEX A <input checked="" type="checkbox"/> FOREIGN CURRENCY STANDARD PROVISIONS ANNEX <input type="checkbox"/> STANDARD PROVISIONS ANNEX <input type="checkbox"/> SPECIAL LOAN PROVISIONS ANNEX		2. AGREEMENT NO. 69-195	3. <input checked="" type="checkbox"/> ORIGINAL OR REVISION NO. _____	
This Project Agreement is further subject to the terms of the following agreement between the two governments, as modified and supplemented:		4. PROJECT/ACTIVITY TITLE <p align="center">Support of Local Government (Province Training Facilities)</p>		
<input type="checkbox"/> GENERAL AGREEMENT FOR TECHNICAL COOPERATION DATE _____	5. PROJECT DESCRIPTION AND EXPLANATION <p align="center"><i>(See Annex A attached)</i></p>			
<input checked="" type="checkbox"/> ECONOMIC COOPERATION AGREEMENT DATE 9/7/51	6. AID APPROPRIATION SYMBOL 7. AID ALLOTMENT SYMBOL			
<input checked="" type="checkbox"/> <i>(other)</i> CY 69 L/C Ltr of Understanding DATE 6/16/69				
8. AID FINANCING <input type="checkbox"/> DOLLARS <input type="checkbox"/> LOCAL CURRENCY	PREVIOUS TOTAL (A)	INCREASE (B)	DECREASE (C)	TOTAL TO DATE (D)
(a) Total				
(b) Contract Services				
(c) Commodities				
(d) Other Costs				
9. COOPERATING AGENCY FINANCING XXXXXXXXXXXXXXXXXXXX \$1.00 = 118 Piasters				
(e) Total				
(b) XXXXXXXXXXXXXXXXXXXX CY 69 Services AAC T-23		VNS 10,000,000		VNS 10,000,000
(c) Commodities				
(d) Other Costs				

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

BEST AVAILABLE COPY

11. DATE OF ORIGINAL AGREEMENT November 15, 1969	12. DATE OF THIS REVISION _____	13. ESTIMATED FINAL CONTRIBUTION DATE December 31, 1970
14. FOR THE COOPERATING GOVERNMENT OR AGENCY SIGNATURE:  DATE: Nov 11/69 TITLE: Director General		15. FOR THE AGENCY FOR INTERNATIONAL DEVELOPMENT SIGNATURE:  DATE: 11/5/69 TITLE: Associate Director for Program
TITLE: for Budget and Foreign Aid		TITLE: Associate Director for Program

**PROJECT AGREEMENT
BETWEEN AID AND**

DEBRA

**AN AGENCY OF THE GOVERNMENT OF
Vietnam**

1. Project/Activity No.

730-11-720-339

2. Agreement No.

70-076

3. Project/Activity Title

**Support of Local Government
(Province Training Facilities)**

3. Original or
Revision No. _____

I. BACKGROUND

A major objective of the GVN and the US Mission is to develop viable local government with expanded popular participation to support pacification efforts and provide meaningful association of the populace with the National Government.

Major steps have already been taken in instituting reform and restoring autonomy at the local level. Some 50,000 village/hamlet officials have been elected or appointed to office since early in 1967. Programs have been instituted to train these officials in their duties and responsibilities, and it has become clear that this type of training will remain an important and continuing requisite for effective village/hamlet government.

Operating in support of both national programs and local government operations are the province and district officials, numbering approximately 3,000, who must implement their respective programs and lend technical and administrative assistance to local government. Here, too, there is a continuing training requirement if these officials are to function effectively.

During the past two years a general reorganization of the agencies, functions and relationships of local government and extensive revision of administrative procedures have been in progress and this era of change is expected to continue.

All of the foregoing adds up to a continuing requirement for nation-wide, local official training effort which can be met most efficiently at the province and autonomous city level. Therefore, provision of adequate training facilities is a matter of immediate concern.

II. OBJECTIVE

The objective of this project activity is to provide a complete training facility in each province and in each autonomous city by the end of 1971 and to improve the quality and effectiveness of the training being offered to local government officials. Five training centers and six dormitories are scheduled for construction during CY 69.

III. DESIGNATIONS

BEST AVAILABLE COPY

A. USAID

The Assistant Director for Public Administration or his designee

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____

SIGNATURE: _____ DATE: _____

TITLE: _____

TITLE: _____

PROJECT AGREEMENT
BETWEEN AID AND

DCBFA

AN AGENCY OF THE GOVERNMENT OF
Vietnam

1. Project/Activity No.

730-11-720-339

PAGE 3 OF 14 PAGES

2. Agreement No.

70-076

3. Original or

Revision No. _____

3. Project/Activity Title

Support of Local Government
(Province Training Facilities)

is hereby designated US Project Manager. The Project Manager will act as technical advisor, coordinate the USAID assistance provided, and work closely with the GVN Project Manager in all phases of the project, including implementation and evaluation.

B. GVN

The Minister of the Interior or his designee is hereby designated GVN Project Manager. The GVN Project Manager will be primarily responsible for the overall implementation of the program. It is understood and agreed that he will work closely with the US Project Manager and will seek and utilize the latter's technical knowledge, advice and counsel to the maximum degree practicable to attain project objectives.

IV. IMPLEMENTATION RESPONSIBILITIES

The GVN and USAID Project Managers will be responsible for:

A. Approving and monitoring the construction of five (5) provincial training centers and six (6) dormitory facilities to be located in accord with Ministry of Interior Circular No. 3562-NBV/NSKT/36. See Annex E.

B. Coordinating the construction with appropriate province officials, including the issuance of appropriate instructions, the verification of land availability, and the adequacy of plans and specifications prior to authorizing local officials to enter into construction contracts.

C. Implementing the continuing comprehensive training program for all local village/hamlet officials, and revising and upgrading the training materials.

D. Strengthening the in-country training of province and district officials with special emphasis on administrative techniques and skills and on the training of instructors.

V. FINANCIAL OBLIGATIONS

BEST AVAILABLE COPY

A. USAID

The USAID will provide, from in-country stocks, construction commodities in quantities estimated as follows: (1) 1,484 tons of cement, (2) 40 tons of rebar, (3) 44 reels of wire, (4) 5,280 sheets of aluminum roofing and (5) 754 lbs of nails, estimated total value **\$81,934**.

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____

SIGNATURE: _____ DATE: _____

TITLE: _____

TITLE: _____

PROAC
CONTINUATION
SHEET

ANNEX A

**PROJECT AGREEMENT
BETWEEN AID AND**

DGBFA

**AN AGENCY OF THE GOVERNMENT OF
Vietnam**

1. Project/Activity No.

730-11-720-339

PAGE 4 OF 14 PAGES

2. Agreement No.

70-076

3. Original or
Revision No. _____

3. Project/Activity Title

**Support of Local Government
(Province Training Facilities)**

B. GVN/USAID

1. The DGBFA and the USAID agree to use VN\$ 10 million from the CY 69 American Aid Chapter Title 23 in support of this project for the purposes stated in the budget attached; and

2. Concur in the inclusion, under this agreement, of the CY 67 and 68 AAC funds and related budgets as shown in the respective budgets attached. These funds have already been spent and are included here for the record, since they had not been previously covered by a project agreement.

VI. REPORTING AND EVALUATION

The US and GVN Project Managers shall jointly prepare and submit to their respective agencies semi-annual progress reports and other reports as may be requested, in a format mutually acceptable to the GVN and USAID. Distribution will include DGBFA and other GVN agencies when appropriate. These reports should cover progress in the attainment of specific targets established in this Project Agreement and Work Plan, and identify any problems or delays encountered which are deterring the implementation of the project.

VII. SPECIAL PROVISIONS

A. USAID agrees to make available through CORDS the construction materials described in paragraph V. A. above.

B. The budgets attached hereto as Annexes B, C, and D are incorporated in and made a part of this agreement.

C. The funds allocated for the CY 1969 AAC will be expended only for the purposes set forth in the Title 23 Budget, except as may be jointly agreed in writing by DGBFA and USAID. Increases or decreases between articles of more than twenty per cent (20%) of a project budget, any net increases or decreases in a total project budget, and the use of any unprogrammed or "reserve" funds, are subject to prior approval of DGBFA and USAID and will be incorporated in a revision to this agreement.

D. Transfer of funds for construction contracts will be authorized by DGBFA only if the MOI can show evidence that land is available and that plans have been completed and approved by the GVN and USAID Project Managers.

BEST AVAILABLE COPY

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____

SIGNATURE: _____ DATE: _____

TITLE: _____

TITLE: _____

**PROJECT AGREEMENT
BETWEEN AID AND**

1. Project/Activity No.

730-11-720-339

2. Agreement No.

70-076

3. Original or
Revision No. _____

DGBEA

3. Project/Activity Title

**Support of Local Government
(Province Training Facilities)**

**AN AGENCY OF THE GOVERNMENT OF
Vietnam**

**PROAG
CONTINUATION
SHEET**

ANNEX A

E. The Work Plan attached hereto as Annex F may be modified by agreement between the USAID and GVN Project Managers, subject to review of substantive changes by USAID and the GVN.

Concurrence:

[Handwritten signature]

14-11-69

Minister of Interior (date)

BEST AVAILABLE COPY

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____

SIGNATURE: _____ DATE: _____

TITLE: _____

TITLE: _____

**PROJECT AGREEMENT
BETWEEN AID AND**

1. Project/Activity No.
730-11-720-339

**PROAG
CONTINUATION
SHEET**

DGBEA

2. Agreement No.
70-076

3. Original or
Revision No. _____

ANNEX B

**AN AGENCY OF THE GOVERNMENT OF
Vietnam**

3. Project/Activity Title
**Support of Local Government
(Province Training Facilities)**

CY 67 AAC BUDGET

<u>Article</u>	<u>Expenditure</u>	<u>Amount</u>
71-79	<u>Direct Investment</u>	<u>VS\$ 5,730,327</u>
	Construction of Training Centers and a Dormitory in the following six provinces:	
	1. Binh Long III) Training Center	
	2. Chuong Thien IV) " "	
	3. Quang Nam I) " " 2,943,282	
	4. Quang Tin I) " " 999,768	
	5. Sa Dec IV) " " 1,000,000	
	6. Ba Xuyen IV) Dormitory 787,277	

The purpose of this budget is to incorporate the CY 1967 AAC expenditures into a joint USAID/GVN Project Agreement.

BEST AVAILABLE COPY

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____

SIGNATURE: _____ DATE: _____

TITLE: _____

TITLE: _____

**PROJECT AGREEMENT
BETWEEN AID AND**

1. Project/Activity No.
730-11-720-339

DGBFA

2. Agreement No.
70-076

3. Original or
Revision No. _____

**AN AGENCY OF THE GOVERNMENT OF
Vietnam**

3. Project/Activity Title
**Support of Local Government
(Province Training Facilities)**

**PROAG
CONTINUATION
SHEET**

ANNEX C

CY 68 AAC BUDGET

<u>Article</u>	<u>Expenditure</u>	<u>Amount</u>
71-79	<u>Direct Investment</u>	<u>VN\$ 10,000,000</u>
	Construction of Training Centers or Dormitories in the following eighteen provinces:	
1.	Cam Ranh II Training Center	500,000
2.	Pleiku II	500,000
3.	Phu Bon II	500,000
4.	Quang Duc II	500,000
5.	Hau Nghia III	500,000
6.	Vung Tau III	500,000
7.	An Xuyen IV	500,000
8.	Chau Doc IV	1,000,000
9.	Phong Dinh IV	1,000,000
10.	Sa Dec IV	500,000
11.	Thua Thien I Dormitory	500,000
12.	Khanh Hoa II	500,000
13.	Binh Duong III	500,000
14.	Bien Hoa III	500,000
15.	Long An III	500,000
16.	Tay Ninh III	500,000
17.	Binh Tuy III	500,000
18.	Vinh Long IV	500,000

The purpose of this budget is to incorporate the CY 1968 AAC expenditures into a joint USAID/GVN Project Agreement.

BEST AVAILABLE COPY

For the Cooperating Government or Agency	For the Agency for International Development
SIGNATURE: _____ DATE: _____	SIGNATURE: _____ DATE: _____
TITLE: _____	TITLE: _____

**PROJECT AGREEMENT
BETWEEN AID AND**

DCBPA

**AN AGENCY OF THE GOVERNMENT OF
Vietnam**

1. Project/Activity No.

730-11-720-339

PAGE 8 OF 14 PAGES

2. Agreement No.

70-076

3. Original or
Revision No. _____

3. Project/Activity Title

**Support of Local Government
(Province Training Facilities)**

CY 69 AAC BUDGET

<u>Article</u>	<u>Expenditure</u>	<u>Amount</u>
71-79	<u>Direct Investments</u>	<u>VM\$ 10,000,000</u>
	Construction of Training Centers in the following five provinces:	
	1. Danang I 1,000,000	
	2. Dalat II 1,000,000	
	3. Quang Duc II 1,000,000	
	4. Phuoc Long III 1,000,000	
	5. Bac Lieu IV <u>1,000,000</u>	
	Sub total 5,000,000	
	Construction of dormitories in following six provinces:	
	1. Danang I 800,000	
	2. Quang Tri I 1,000,000	
	3. Quang Tin I 1,000,000	
	4. Gia Dinh III 1,000,000	
	5. Ninh Thuan II 1,000,000	
	6. Ba Xuyen IV <u>200,000</u>	
	Sub total 5,000,000	
	<u>Grand Total:</u>	<u>VM\$ 10,000,000</u>

BEST AVAILABLE COPY

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____

SIGNATURE: _____ DATE: _____

TITLE: _____

TITLE: _____

**PROJECT AGREEMENT
BETWEEN AID AND**

1. Project/Activity No.

730-11-720-339

PAGE 9 OF 14 PAGES

2. Agreement No.

70-076

3. Original or
Revision No. _____

DEBFA

3. Project/Activity Title

**Support of Local Government
(Province Training Facilities)**

**AN AGENCY OF THE GOVERNMENT OF
Vietnam**

**PROAG
CONTINUATION
SHEET**

ANNEX C

WORK PLAN

I. General

This project activity addresses itself to the goal of providing a complete training facility in each province and in each autonomous city by the end of 1971. The provision of adequate training facilities at the province level, where training officials will be in close contact with, and more knowledgeable about, the local training needs, will facilitate the development of programs that will be responsive to the specific training needs of the locality. In addition the use of province training centers will help reduce some of the critical transportation problems of moving local officials to a distant central location for training.

Instructors for many of the training courses are recruited from among the Province Technical Service Chiefs. With the training center located in the province capital, it will be easier for the Chiefs to serve as instructors, and there will be less difficulty for graduates of the training programs to return, at some future date, to the Province Headquarters to consult with the Chiefs when necessary. There will also be more opportunities to evaluate, follow-up and improve on the training programs through increased feedback from the trainees. Re-training will also be less of a problem.

In each province a training organization already exists with a Province Training Director and two to five staff members. In every case there is an on-going province training program using existing, substitute, or borrowed buildings--but many of the facilities are not adequate. This Work Plan delineates a time phased plan for the construction of a training center and a dormitory in each province where the need exists. Priority requirements for 1969, 1970 and 1971 have been estimated as shown in the table under II below.

II. Results of 1969 Training Center Survey

In August and early September of 1969 a comprehensive on-site survey was conducted of the present status of the training facilities in the provinces and autonomous cities. Thirty-seven (37) Training Centers have been constructed to date in 37 provinces or autonomous cities. They are located in: Quang Nam, Quang Ngai*, Quang Tin, Quang Tri*, Thua Thien,

BEST AVAILABLE COPY

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
Vietnam**

1. Project/Activity No.

730-11-720-359

PAGE 10 OF 14 PAGES

2. Agreement No.

70-076

3. Original or

Revision No. _____

3. Project/Activity Title

**Support of Local Government
(Province Training Facilities)**

Binh Dinh, Binh Thuan, Darlac, Vung Tau, Khanh Hoa, Kontum, Lam Dong, Ninh Thuan, Phu Yen, Tuyen Duc, Binh Duong*, Bien Hoa, Binh Long, Binh Tuy, Gia Dinh, Long An, Long Khanh, Phuoc Tuy*, Tay Ninh, An Giang, Chau Doc, Chuong Thien, Dinh Tuong, Go Cong, Kien Hoa*, Kien Tuong, Kien Phong, Kien Giang*, Phong Dinh*, Sadec, Vinh Binh and Vinh Long.

* These centers are partially or wholly occupied by temporary functions such as sector headquarters and military units. However, the Ministry of Interior is making strong efforts to return these training centers to the province, and with some success. For example, the Training Center in Quang Tri is expected to be returned soon since the province has budgeted funds to construct another building for the military unit occupying the training center. Also officials in Quang Ngai have been urged to return the training center and no new funds are proposed for Quang Ngai since the existing facilities would have enough rooms for training, dormitory and eating facilities. In other provinces where the training centers have been taken over, the province is providing suitable substitute facilities for training, which in some cases are better than the original training centers.

Many training center were seriously damaged in the 1968 Tet offensive and have been repaired sufficiently to be usable. Although additional improvements may be required, only new construction is to be funded under this agreement. Eight dormitories have been constructed to date in eight provinces. They are located in: Thua Thien, Binh Duong, Tay Ninh, Dinh Tuong, Vinh Long, An Giang Ba Xuyen and Sadec.

BEST AVAILABLE COPY

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____

SIGNATURE: _____ DATE: _____

TITLE: _____

TITLE: _____

PROJECT AGREEMENT
BETWEEN AID AND

1. Project/Activity No.
730-11-720-339

PROAC
CONTINUATION
SHEET

DGBFA

2. Agreement No.
70-076

3. Original or
Revision No.

ANNEX D

AN AGENCY OF THE GOVERNMENT OF
Vietnam

3. Project/Activity Title
Support of Local Government
(Province Training Facilities)

Status of Training Facilities as of September 1969

Reg	Province	Has Trng Center	Trg Ctr planned '68-'69	Has Dorm	Dorm planned '68-'69	New Requirements		Remarks
						Dorm 1970	Dorm 1971	
I	Quang Tri	XO			X			
I	Thua Thien	X		X				
I	Hue							Uses Thua
I	Quang Nam	X					X	Thien faciliti-
I	Da Nang		X		X			es
I	Quang Tin	X			X			
I	Quang Ngai	XO						Use other
II	Kon Tum	X				X		facilities
II	Binh Dinh	X			X			Dorm planned
II	Pleiku		X				X	with Province
II	Phu Son		X			X		funds
II	Phu Yen	X					X	
II	Darlac	X			*			*Trg funds from
II	Khanh Hoa	X			X			Ninh Thuan
II	Cam Ranh		X					Use other faci-
II	Ninh Thuan	X			X			lities
II	Tuyen Duc	X				X		
II	Dalat		X					Use other
II	Quang Duc		X				X	facilities
II	Lam Dong	X				X		
II	Binh Thuan	X				X		
III	Binh Tuy	X				X		
III	Long Khanh	X				X		
III	Phuoc Long		X				X	
III	Binh Long						X	
III	Binh Duong	XO		X				
III	Tay Ninh	X		X				
III	Hau Nghia		X			X		
III	Bien Hoa							
III	Phuoc Tuy	XO				X		
III	Vung Tau	X						
III	Long An	X			X	X		Trng Center/
III	Gia Dinh	X			X			Dorm

BEST AVAILABLE COPY

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE:

DATE:

SIGNATURE:

DATE:

TITLE:

TITLE:

**PROJECT AGREEMENT
BETWEEN AID AND**

1. Project/Activity No.
730-11-720-339

DGBFA

2. Agreement No.
70-076

3. Original or
Revision No. _____

**AN AGENCY OF THE GOVERNMENT OF
Vietnam**

**Support of Local Government
(Province Training Facilities)**

**PROAC
CONTINUATION
SHEET**

ANNEX D

Cont'd

Status of Training Facilities as of September 1969

Reg	Province	Has Trng Ctr.	Trg Ctr planned '68-'69	Has Dorm	Dorm planned '68-'69	New Requirements		Remarks
						Dorm 1970	Dorm 1971	
IV	Go Cong	X				X		
IV	Kien Tuong	X				X		
IV	Kien Phong	X				X		
IV	Dinh Tuong	X		X			X	
IV	Kien Hoa	XO					X	
IV	Vinh Binh	X				X		
IV	Vinh Long	X		X				
IV	An Giang	X		X				
IV	Kien Giang	XO				X		
IV	Chuong Thien	X					X	
IV	Phong Dinh	XO	X		X			
IV	Ba Xuyen			X			X	Trng Center/ Dorm
IV	An Xuyen		X				X	
IV	Bac Lieu		X				X	
IV	Chau Doc	X					X	
IV	Sadec	X		X				

Summary

Of 49 Locations:

37	Have Training Centers	8	Have Dormitories
11	Trng Ctrs planned 1968-69	10	Dorms planned 1968-69
1	Ba Xuyen uses substitute facilities	4	Have other facilities
		27	1970-71 new requirements
<hr/>		<hr/>	
49		49	

CODE:

x ---- Yes
(blank) ---- No
xo ---- Yes, but occupied by others

BEST AVAILABLE COPY

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
TITLE: _____

SIGNATURE: _____ DATE: _____
TITLE: _____

PROJECT AGREEMENT

BETWEEN AID AND

DGBFA

AN AGENCY OF THE GOVERNMENT OF
Vietnam

1. Project Activity No.

730-11-720-539

2. Agreement No.

70-076

3. Project/Activity Title

Support of Local Government
(Province Training Facilities)

3. Original to

Revision No.

III. CONSTRUCTION PLAN

The following additional funds are required for 1969, 1970 and 1971 to meet minimal requirements for training facilities in each province. For more substantial training facilities, it is expected that certain provinces will supplement the funds provided by the GVN and build facilities beyond the bare minimum. This has been done in the past by several provinces which had financial capabilities to do so, and this practice **is being encouraged in** future plans and actions.

This Project Agreement provides VN\$10,000,000 for the construction during CY 69 of Training Centers in Danang, Dalat, Quang Duc, Phuoc Long and Bac Lieu, and Dormitories in Danang, Quang Tri, Quang Tin, Gia Dinh, Ninh Thuan and Ba Xuyen.

BEST AVAILABLE COPY

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
Vietnam

1. Project/Activity No.

730-11-720-339

2. Agreement No.

70-076

3. Project/Activity Title

Support of Local Government
(Province Training Facilities)

2. Original or

Revised No.

Subject to the availability of GVN and/or AAC funds the following construction is anticipated for CY 70 and 71.

1. CY 70

<u>Province</u>	<u>Amount VN\$</u>	<u>To build</u>
II. Lam Dong	500,000	Dormitory
II. Tuyen Duc	500,000	"
II. Kontum	1,000,000	"
II. Phu Bon	800,000	"
II. Binh Thuan	700,000	"
III. Binh Tuy	300,000	"
III. Hau Nghia	1,000,000	Trng Ctr/Dorm
III. Long An	700,000	" " "
III. Long Khanh	800,000	Dormitory
III. Phuoc Tuy	700,000	"
IV. Kien Giang	500,000	"
IV. Vinh Binh	500,000	"
IV. Kien Phong	500,000	"
IV. Kien Tuong	1,000,000	"
IV. Go Cong	500,000	"
Total:		
	10,000,000	

2. CY 71

<u>Province</u>	<u>Amount VN\$</u>	<u>To build</u>
I. Quang Nam	1,000,000	Trng Ctr/Dorm
II. Pleiku	1,000,000	Dormitory
II. Quang Duc	1,000,000	"
II. Phu Yen	700,000	"
III. Binh Long	800,000	"
III. Phuoc Long	800,000	"
IV. Chuong Thien	800,000	"
IV. An Xuyen	800,000	"
IV. Ba Xuyen	800,000	Trng Ctr/Dorm
IV. Bac Lieu	800,000	Dormitory
IV. Chau Doc	800,000	"
IV. Kien Hoa	700,000	"
Total:		
	10,000,000	

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____

SIGNATURE: _____ DATE: _____

TITLE: _____

TITLE: _____

**PROAG
FOREIGN CURRENCY
STANDARD PROVISIONS
ANNEX**

**PROJECT AGREEMENT
BETWEEN AID AND**

DGBFA

**AN AGENCY OF THE GOVERNMENT OF
Vietnam**

1. Project/Activity No.

730-11-720-339

2. Agreement No.

70-076

3.

Original or Revision No.

A. As used herein, «AID» means the Agency for International Development, any component agency, and any successor agency. «Cooperating Agency» means the agency which is a party to this Project Agreement with AID and «Cooperating Country» means the country of the Cooperating Agency. «Local Currency» means currency originally issued by the Cooperating Country as a medium of exchange therein.

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 Block 5 hereof.

(a) The Cooperating 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 Block 5 hereof. The Cooperating 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 Block 5 hereof 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. All contributions of AID pursuant to this Project Agreement shall be made within a six months grace period extending beyond the estimated final contribution date specified herein. Except as otherwise specified herein or subsequently agreed by the two parties, all contributions of the Cooperating Agency pursuant to this Project Agreement shall be made on or before that same 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 with an AID contribution of currency other than that of the United States or of the Cooperating Country shall be subject to all provisions of, and regulations governing, Foreign Currency Authorizations issued by AID.

F. AID reimbursements or advances shall, in general, not exceed the amount obtained by applying the ratio of AID to Cooperating Agency contributions specified in the Project Agreement to the amount currently contributed by the Cooperating Agency. For example, if the Project Agreement provides for total contributions of \$400,000 by AID and \$600,000 by the Cooperating Agency and if the Cooperating Agency has currently contributed \$6,000 then AID will, in general, reimburse or advance no more than \$4,000. Commodities and services financed with an AID contribution of local currency shall be subject to the following requirements :

(1) Reimbursement

As mutually agreed between AID and the Cooperating Agency, either of the following methods may be employed for reimbursement by AID of local currency expenditures made by the Cooperating Agency :

(a) Direct Reimbursement

Once monthly or at such other intervals as may be mutually agreed between AID and the Cooperating Agency, AID will reimburse the Cooperating Agency for local currency expenditures made by the Cooperating Agency in the procurement of approved project requirements. Each such claim for reimbursement must be supported by the following documentation :

- (i) Public Voucher, SF-1034, signed by the properly accredited representative of the Cooperating Agency, and embodying the following additional certification : «The total amount claimed hereunder was expended for the purposes authorized in Project Agreement No. _____ and is supported by the documentation required by said Project Agreement on file in the Cooperating Agency».
- (ii) A report in the format prescribed by the AID Controller, certified as true and accurate by the properly accredited representative of the Cooperating Agency, in support of each such claim for reimbursement.

(b) Advances

Once monthly or at such other intervals as may be mutually agreed upon between AID and the Cooperating Agency, AID may advance local currency to the Cooperating Agency for operating purposes. The

initial advance will be in an amount agreed upon between AID and the Cooperating Agency as necessary to cover estimated project expenditures for a specified time period, and will be supported by a budget developed and approved by both AID and the Cooperating Agency. When necessary to replenish the advance, the Cooperating Agency may be reimbursed for amounts actually expended by it by submitting claims for reimbursement of such amounts supported by the documentation prescribed in paragraph (a) (i) above. On the basis of such claims for reimbursement, AID may replenish the working fund in amounts equal to, but not in excess of, the actual expenditures of the Cooperating Agency as so reported, up to the total amount of the AID local currency contribution less the amount of the initial advance.

All expenditures made by the Cooperating Agency against such advances must be supported by the documentation prescribed in paragraph (a) (i) above and such documentation in support of the final expenditures of the Cooperating Agency must be submitted to AID not later than 90 days after the date of the final expenditure.

(2) Documentation

With respect to all AID contributed local currency made available to it, the Cooperating Agency agrees to maintain a separate set of accounts for all transactions financed or to be financed, and the Cooperating Agency further agrees to obtain and retain in its files, for inspection and review by AID at any time as requested by AID, the documents listed below in support of each transaction financed with such funds.

(a) Commodity Transactions :

- (i) Applicable contract or purchase order between supplier and purchaser;
- (ii) Supplier's detailed invoice and satisfactory evidence of payment;
- (iii) Ocean or inland bill of lading, or other document evidencing delivery to the purchaser;
- (iv) Such additional documentation (e.g. inspection certificate) as may be required from the supplier by the purchaser.

(b) Contract Services Transactions :

- (i) Applicable contract between contractor and purchaser;
- (ii) Contractor's detailed invoice and satisfactory evidence of payment;
- (iii) A certificate by the Cooperating Agency as follows :
"The undersigned certifies that the services for which reimbursement is requested have been satisfactorily rendered and the costs thereof

are properly reimbursable in accordance with the terms of the contract."

(c) Payroll Costs :

One copy of certified payroll listings and vouchers, together with satisfactory evidence of payment. Each payroll listing must show for each employee at least the following data : name, applicable job title, salary or wage rate, period covered, and amount paid.

(d) Other Project Costs :

One copy of the appropriate authorization documents and invoices covering travel, utility costs, etc.

(3) Refund Provision :

With respect to AID contributed local currency made available to the Cooperating Agency under the methods of financing herein described, the Cooperating Agency agrees to refund promptly to AID, upon demand by AID and pursuant to AID instructions, the entire amount of such currency expended by the Cooperating Agency (or such lesser amount as AID may demand) whenever AID determines that such expenditure was improper as being in violation of the terms and conditions of this Project Agreement and/or any applicable agreement or arrangement between AID and the Cooperating Agency.

G. Unless otherwise specified, title to all property procured through financing by AID pursuant to Block 8 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.

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 employee, 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 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 AID 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 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. In the event that currency of a country other than the United States or the Cooperating Country is introduced into the Cooperating Country by AID or any public or private agency for the purposes of carrying out obligations of AID hereunder, the Cooperating Agency will make such arrangements as may be necessary to effect conversion of such currency into the currency of the Cooperating Country at the highest rate which, at the time the conversion is made, is not unlawful in the Cooperating Country. All uses of the currency of the Cooperating Country obtained by this conversion shall be subject to the requirements of paragraph F herein relating to local currency.

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 non-cancellable commitments entered

into with third parties prior to the termination of the Project Agreement. It is expressly understood that the obligations under paragraph 11 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 PUBLIC ADMINISTRATION

Date Typed October 31, 1969

Project No. 730- 11-720-339

Title Support of Local Government
(Province Training Facilities)

Original Project Agreement 70-076

Revision No.

[Signature]
PROGRAM OFFICE

11/5/69
DATE

[Signature]
PROJECT TECHNICIAN

11/8/69
DATE

[Signature]
AD/FINANCIAL MGMT
[Signature]

11/7/69
DATE

[Signature]
DIVISION CHIEF

11/7/69
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.

1. PROJECT No. **730-11-720-339** 2. AGREEMENT No. **70-076** 3. ORIG REVISION No.

4. PROJECT TITLE: **Support of Local Government**
(Sub-Activity) **Ministry of Interior (MOI)**

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

6. APPROPRIATION: **72-1101006** F. ALLOTMENT: **056-50-730-00-69-01**

A. 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 TQ1				
PASA				
Contract				
b. Participants				
AID Direct		22,600		22,600
PASA/Contract				
c. Commodities				
AID Direct		9,100		9,100
PASA/Contract				
d. Other Costs				
AID Direct				
PASA/Contract				
e. TOTAL (ALL COSTS)		31,700		31,700
9. LOCAL CURRENCY FINANCING				
(#1.00 = Piasters)				
a. Counterpart				
Trust Fund				
AAC CY 70		10,000,000		10,000,000
Special Fund				
Other				
b. GVN (show source below)				
a. US - Owned				

10. REFERENCES AND REMARKS e.

BEST AVAILABLE COPY

Ref: Waiver 70-339-14
PIC/C 01005885 8/8

11. DATE OF ORIG AGREEMENT: **June 2, 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> DATE: 5/30/70	SIGNATURE: <i>[Signature]</i> DATE: 6/2/70
TITLE: Director General for Budget and Foreign Aid	TITLE: Acting Director

**PROJECT AGREEMENT
BETWEEN AID AND**

1. Project/Activity No.
730-11-720-339

DGBFA

2. Agreement No.
70-076

3. Original or
Revision No. _____

**AN AGENCY OF THE GOVERNMENT OF
Vietnam**

3. Project/Activity Title
**Support of Local Government
(MOI)**

**PROAG
CONTINUATION
SHEET**

ANNEX A

I. BACKGROUND

Increasing emphasis has been given to the task of providing Vietnam with a local government structure of sufficient strength to overcome threats from within by unfriendly political forces. The USAID Mission and GVN jointly are convinced that the way to provide the best possible civilian counter-insurgency support is through strong local government, soundly administered, with maximum involvement of the people.

Considerable progress has been made in emphasizing the village as the government unit which most directly affects the villager and his attitudes toward government. Elections, leadership, orientation and training, and improved financial support all have contributed to the pacification and developmental programs. Specialized training for local officials in finance and budgeting, taxation, security, social welfare, agriculture and land affairs, and the handling of legal documents still is required. Moreover, there is a need to redefine the roles and responsibilities of the provincial government and autonomous cities under the provisions of the constitution and to prepare the legal and developmental base for urban centers.

II. DESCRIPTION AND OBJECTIVES

The project is designed to develop an institutional framework for achieving legislative and executive actions leading to the strengthening of local government.

This project has two major objectives: (1) to increase the capability of the Ministry of Interior to provide effective technical support and assistance to local government at all levels; and (2) to continue the development of stable local government, responsible for providing a requisite degree of self-determination.

In the achievement of these objectives assistance efforts will focus on the following:

A. Development for each level of government of corps of competent, well trained and highly motivated public officials.

B. Development of effective administrative systems, practices and procedures through the application of modern management methods and techniques, within local government and within the supporting agencies of the central government.

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____

SIGNATURE: _____ DATE: _____

TITLE: _____

TITLE: _____

PROJECT AGREEMENT
BETWEEN AID AND
DGEFA

AN AGENCY OF THE GOVERNMENT OF
Vietnam

1. Project/Activity No.
730-11-720-339

2. Agreement No.
70-076

3. Original or
Revision No. _____

3. Project/Activity Title
Support of Local Government
(MOI)

C. Initiation of the development of a sound fiscal base for the support of all levels of local government consistent with assigned service responsibilities.

D. Improvement of physical facilities through repair and/or construction of the necessary physical facilities for housing government administration and government official training functions. (See original ProAg 69-193 which develops master plan of province training facilities).

E. Provision of essential equipment and commodities.

III. DESIGNATIONS

A. GVN

The Minister of Interior or his designee is hereby designated GVN Project Manager. He will be responsible primarily for the overall implementation of the program.

B. USAID

The Assistant Director for Public Administration or his designee is hereby designated US Project Manager. The Project Manager will act as technical advisor, coordinate the USAID assistance provided and work closely with the GVN Project Manager in all phases of the project, including budgeting, implementing and evaluating.

IV. RESPONSIBILITIES

This project deals with improvement in the quality of government. Some of the essential actions in this process are (1) recognizing problems (2) determining solutions (3) changing attitudes and concepts and (4) recommending legislative changes and the issuance of appropriate directives. By their very nature it is impossible to put a timeframe on when these actions will take place. For the Vietnamese Government this effort will be a continuing one. The United States Government will continue to assist the GVN at the present level through at least FY 70.

A. GVN

The Ministry of Interior agrees to undertake the following:

- To establish, staff and maintain in the Ministry of Interior an operating Local Administration Directorate charged with the responsibility for studying, supervising, coordinating and improving the functioning

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
TITLE: _____

SIGNATURE: _____ DATE: _____
TITLE: _____

**PROJECT AGREEMENT
BETWEEN AID AND
DGBFA**

**AN AGENCY OF THE GOVERNMENT OF
Vietnam**

1. Project/Activity No. 730-11-720-339	PAGE 4 OF 8 PAGES
2. Agreement No. 70-076	3. <input checked="" type="checkbox"/> Original or Revision No. _____
3. Project/Activity Title Support of Local Government (MOI)	

of the units of local government (e.g., define the basic roles of and relationships between the entities of government below central government level; and participate and cooperate with the Directorate General of Budget and Foreign Aid, Ministry of Finance and other agencies in establishing a sound and equitable fiscal base at each governmental level consistent with assigned service responsibilities).

2. To continue to staff and maintain in the Ministry of Interior a Service of Training charged with responsibility for developing and administering comprehensive programs for the training of local government officials in the execution of their respective duties and responsibilities.

3. To assist in programs (NTG, Training of Training Administrators, NIA, etc) that gain the effective support of province and district officials.

4. To improve through repair and/or construction the physical facilities and provide equipment and commodities to support local government administration.

B. USAID

The USAID agrees to undertake the following:

1. To provide advisory assistance to MOI in matters of internal organization, staffing, programs and activities, and for the improvement of physical facilities, equipment and commodities relating to support of local government.

2. To provide assistance to MOI in examining and defining the basic roles and relationships of the entities of government below central government level.

3. To provide legislative drafting assistance in establishing a gradation of villages, cities and provinces.

4. To provide advisory assistance to the Service of Training in matters of its organization, staffing, programs and activities, to include special attention to developing and administering orientation, motivation, leadership, administration and technical training for village/hamlet officials.

5. To assist in the development of stronger urban administrative leadership through advisory assistance and participant training.

C. Joint GVN/USAID Responsibilities and Implementation Plan

In the overall implementation of this program the GVN and USAID

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
TITLE: _____

SIGNATURE: _____ DATE: _____
TITLE: _____

**PROJECT AGREEMENT
BETWEEN AID AND**

Project/Activity No.
730-11-720-339

**PROAG
CONTINUATION
SHEET**

DGRFA

70-076

Original or

Registered No.

**AN AGENCY OF THE GOVERNMENT OF
Vietnam**

**Support of Local Government
(NOT)**

ANNEX A

agree to work together in accomplishing the following:

1. Legislative Reform - New or amended legislation will be proposed to cover each of the following areas:

- a. The greater decentralization of the National Government consistent with the Constitution.
- b. The redefinition of relationships between and among local government agencies to include gradation and criteria therefor.
- c. The improvement of the village revenue base and fiscal practices.
- d. The adjustment of village/hamlet officials salaries and benefits.

2. Administrative Improvement - Studies, plans and analyses containing conclusions and formal recommendations resulting in new or improved administrative organization, practices, procedures or systems, will be completed in the following areas:

- a. The presentation of studies for each, and prior to the formal presentation of, legislative pieces proposed in paragraph C. 1. above.
- b. The preparation of implementation directives and instructions to accompany each legislative proposal.
- c. The preparation of a comprehensive plan for the guidance of the Directorate of Local Administration in the organization and the methodology leading to the orderly identification, examination and solution of local government problems.
- d. The preparation of a comprehensive plan for the guidance of the Service of Training in the organization and the methodology necessary for the training and re-training of government officials. This plan will include:
 - (1) Determination of the basic equipment requirements for each province training center.
 - (2) Determination of the basic equipment requirements and the capability for development in the Training Service at Ministry of Interior.
 - (3) Province training facilities requirements are covered in detail in separate ProAg 69-155.

BEST AVAILABLE COPY

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____

SIGNATURE: _____ DATE: _____

TITLE: _____

TITLE: _____

**PROJECT AGREEMENT
BETWEEN AID AND**

DOBFA

**ON BEHALF OF THE GOVERNMENT OF
Vietnam**

1. Project/Agency No.
730-11-720-339

2. Agreement No.
70-076

3. Project/Agency Title

**Support of Local Government
(MOI)**

4. Original or
Duplicate No. _____

(4) Training of ethnic minority groups in matters of local government organization and administration.

e. The preparation of a study and subsequent plans to develop the basis for a comprehensive management reporting system for the agencies of the Ministry of Interior including adaptation to automatic data processing equipment where appropriate.

f. The conduct of an initial study of the GVN logistical system, the ultimate design of which would be to provide province and village logistic officials with procedure manuals.

g. The identification of the organizational responsibility for the province sanitation service, and province fire service.

3. Training of Personnel

a. Province personnel training to be provided by:

(1) Organizing and conducting a seminar on the changing role of the village, at the National Training Center (NTC) for 44 province chiefs and deputies.

(2) Continuing the training of province training directors (44) at Ministry of Interior (MOI) in Saigon.

(3) Providing for the administrative and technical training of 80 Rural Development (RD) Cadre who will serve as staff assistants to province training directors.

(4) Training employee representatives of appropriate urban centers in the operation and maintenance of garbage trucks and fire engines.

4. Building Improvement and Commodity Support.

a. Province training facilities are covered in detail in separate ProAg 69-195.

b. Allocating and delivering commodities.

V. FINANCIAL OBLIGATIONS

A. USAID

The dollar funds obligated on page 1 will provide funding for the

For the Cooperating Government or Agency

SIGNATURE: _____ DATE: _____
TITLE: _____

For the Agency for International Development

SIGNATURE: _____ DATE: _____
TITLE: _____

BEST AVAILABLE COPY

PROJECT AGREEMENT
BETWEEN GVN AND

750-11-720-339

DCEVA

AN AGENCY OF THE GOVERNMENT
Vietnam

Support of Local Government
(NGP)

training of five urban area administrators and local government officials (see ref Waiver) and miscellaneous training equipment and supplies. (See ref PIO/C.)

B. Local Currency

The GVN and USAID agree to utilize the local currency shown on page 1 in support of this program according to the Piaster Budget attached.

VI. REPORTING AND EVALUATION

The US and GVN Project Managers jointly shall prepare and submit to their respective agencies quarterly progress reports and other reports as may be required, in a format mutually acceptable to the GVN and USAID. Distribution will include Directorate General of Budget and Foreign Aid (DGBFA) and other GVN agencies when appropriate. Such reports will cover progress in the attainment of specific actions identified in this Agreement, and identify problems or delays encountered which are deterring the implementation of the project. Reports will be submitted within 20 days after the end of the reporting period.

VII. SPECIAL PROVISIONS

The commodities to be procured under this agreement will be shipped via commercial carrier and/or international mail. Title to these commodities shall pass to the GVN at the time and place of loading and/or mailing.

BEST AVAILABLE COPY

Concurrences:

29.5.70

For Minister of Interior (date)

5/29/70

Associate Director for Local Development (date)

28/5/70

Director of Local Administration (date)

28/5/70

Chief of Training Service (date)

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
TITLE: _____

SIGNATURE: _____ DATE: _____
TITLE: _____

**PROJECT AGREEMENT
BETWEEN AID AND**

1. Project/Activity No.
730-11-720-339

2. Agreement No.
70-076

3. Original or
Revision No. _____

DGBFA

2. Project/Activity Title
Support of Local Government
(MOI)

**AN AGENCY OF THE GOVERNMENT OF
Vietnam**

**PROAC
CONTINUATION
SHEET**

ANNEX B

PLASTER BUDGET

CY 70 AAC

Article 71-79 - Construction

	<u>Province</u>	<u>Amount VND</u>	<u>Type of Building</u>
<u>CFZ</u>			
II.	Lam Dong	500,000	Dormitory
II.	Tuyen Duc	500,000	"
II.	Kontum	1,000,000	"
II.	Phu Bon	800,000	"
II.	Binh Thuan	700,000	"
III.	Binh Tuy	300,000	"
III.	Hau Nghia	1,000,000	Training Center/Dorm.
III.	Long An	700,000	" " "
III.	Long Khanh	800,000	Dormitory
III.	Phuoc Tuy	700,000	"
IV.	Kien Giang	500,000	"
IV.	Vinh Binh	500,000	"
IV.	Kien Phong	500,000	"
IV.	Kien Tuong	1,000,000	"
IV.	Go Cong	500,000	"
	TOTAL	10,000,000	

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
TITLE: _____

SIGNATURE: _____ DATE: _____
TITLE: _____

**PROAG
STANDARD
PROVISIONS
ANNEX**

**PROJECT AGREEMENT
BETWEEN AID AND**

DGBFA

**AN AGENCY OF THE GOVERNMENT OF
Vietnam**

1. Project/Activity No.

730-11-720-339

2. Agreement No.

70-076

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 90 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 noncancelable 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.

**PROAG
FOREIGN CURRENCY
STANDARD PROVISIONS
ANNEX**

**PROJECT AGREEMENT
BETWEEN AID AND
DOBFA**

**AN AGENCY OF THE GOVERNMENT OF
Vietnam**

1. Project/Activity No.
730-11-720-339

2. Agreement No.
70-076

3.
 Original or Revision No.

A. As used herein, «AID» means the Agency for International Development, any component agency, and any successor agency. «Cooperating Agency» means the agency which is a party to this Project Agreement with AID and «Cooperating Country» means the country of the Cooperating Agency. «Local Currency» means currency originally issued by the Cooperating Country as a medium of exchange therein.

B. (x) 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 Block 5 hereof.

(a) The Cooperating 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 Block 5 hereof. The Cooperating 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 Block 5 hereof 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. All contributions of AID pursuant to this Project Agreement shall be made within a six months grace period extending beyond the estimated final contribution date specified herein. Except as otherwise specified herein or subsequently agreed by the two parties, all contributions of the Cooperating Agency pursuant to this Project Agreement shall be made on or before that same 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 with an AID contribution of currency other than that of the United States or of the Cooperating Country shall be subject to all provisions of, and regulations governing, Foreign Currency Authorizations issued by AID.

F. AID reimbursements or advances shall, in general, not exceed the amount obtained by applying the ratio of AID to Cooperating Agency contributions specified in the Project Agreement to the amount currently contributed by the Cooperating Agency. For example, if the Project Agreement provides for total contributions of \$400,000 by AID and \$600,000 by the Cooperating Agency and if the Cooperating Agency has currently contributed \$5,000 then AID will, in general, reimburse or advance no more than \$4,000. Commodities and services financed with an AID contribution of local currency shall be subject to the following requirements :

(x) Reimbursement

As mutually agreed between AID and the Cooperating Agency, either of the following methods may be employed for reimbursement by AID of local currency expenditures made by the Cooperating Agency :

(a) Direct Reimbursement

Once monthly or at such other intervals as may be mutually agreed between AID and the Cooperating Agency, AID will reimburse the Cooperating Agency for local currency expenditures made by the Cooperating Agency in the procurement of approved project requirements. Each such claim for reimbursement must be supported by the following documentation :

- (i) Public Voucher, SF-1034, signed by the properly accredited representative of the Cooperating Agency, and embodying the following additional certification : «The total amount claimed hereunder was expended for the purposes authorized in Project Agreement No. _____ and is supported by the documentation required by said Project Agreement on file in the Cooperating Agency».
- (ii) A report in the format prescribed by the AID Controller, certified as true and accurate by the properly accredited representative of the Cooperating Agency, in support of each such claim for reimbursement.

(b) Advances

Once monthly or at such other intervals as may be mutually agreed upon between AID and the Cooperating Agency, AID may advance local currency to the Cooperating Agency for operating purposes. The

initial advance will be in an amount agreed upon between AID and the Cooperating Agency as necessary to cover estimated project expenditures for a specified time period, and will be supported by a budget developed and approved by both AID and the Cooperating Agency. When necessary to replenish the advance, the Cooperating Agency may be reimbursed for amounts actually expended by it by submitting claims for reimbursement of such amounts supported by the documentation prescribed in paragraph (a) (i) above. On the basis of such claims for reimbursement, AID may replenish the working fund in amounts equal to, but not in excess of, the actual expenditures of the Cooperating Agency as so reported, up to the total amount of the AID local currency contribution less the amount of the initial advance.

All expenditures made by the Cooperating Agency against such advances must be supported by the documentation prescribed in paragraph (a) (i) above and such documentation in support of the final expenditures of the Cooperating Agency must be submitted to AID not later than 90 days after the date of the final expenditure.

(2) Documentation

With respect to all AID contributed local currency made available to it, the Cooperating Agency agrees to maintain a separate set of accounts for all transactions financed or to be financed, and the Cooperating Agency further agrees to obtain and retain in its files, for inspection and review by AID at any time as requested by AID, the documents listed below in support of each transaction financed with such funds.

(a) Commodity Transactions :

- (i) Applicable contract or purchase order between supplier and purchaser;
- (ii) Supplier's detailed invoice and satisfactory evidence of payment;
- (iii) Ocean or inland bill of lading, or other document evidencing delivery to the purchaser;
- (iv) Such additional documentation (e.g. inspection certificate) as may be required from the supplier by the purchaser.

(b) Contract Services Transactions :

- (i) Applicable contract between contractor and purchaser;
- (ii) Contractor's detailed invoice and satisfactory evidence of payment;
- (iii) A certificate by the Cooperating Agency as follows :
"The undersigned certifies that the services for which reimbursement is requested have been satisfactorily rendered and the costs thereof

are properly reimbursable in accordance with the terms of the contract."

(c) Payroll Costs :

One copy of certified payroll listings and vouchers, together with satisfactory evidence of payment. Each payroll listing must show for each employee at least the following data : name, applicable job title, salary or wage rate, period covered, and amount paid.

(d) Other Project Costs :

One copy of the appropriate authorization documents and invoices covering travel, utility costs, etc.

(3) Refund Provision :

With respect to AID contributed local currency made available to the Cooperating Agency under the methods of financing herein described, the Cooperating Agency agrees to refund promptly to AID, upon demand by AID and pursuant to AID instructions, the entire amount of such currency expended by the Cooperating Agency (or such lesser amount as AID may demand) whenever AID determines that such expenditure was improper as being in violation of the terms and conditions of this Project Agreement and/or any applicable agreement or arrangement between AID and the Cooperating Agency.

G. Unless otherwise specified, title to all property procured through financing by AID pursuant to Block 8 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.

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

(2) If any personnel (other than citizens and residents of the Cooperating Country), whether United States Government employee, 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 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 AID 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 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. In the event that currency of a country other than the United States or the Cooperating Country is introduced into the Cooperating Country by AID or any public or private agency for the purposes of carrying out obligations of AID hereunder, the Cooperating Agency will make such arrangements as may be necessary to effect conversion of such currency into the currency of the Cooperating Country at the highest rate which, at the time the conversion is made, is not unlawful in the Cooperating Country. All uses of the currency of the Cooperating Country obtained by this conversion shall be subject to the requirements of paragraph F herein relating to local currency.

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 non-cancellable 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 PUBLIC ADMINISTRATION

Date Typed May 13, 1970

Project No. 730-11-720-339

Title Support of Local Government
Ministry of Interior (MOI)

Original Project Agreement - 70-076

Revision No.

WMM
Tolk
J. J. Harris 6/1/70
PROGRAM OFFICE

5-17-70
DATE

Thomas R. Rose
PROJECT TECHNICIAN

5-25-70
DATE

RK
W. Charles & Yemane
FINANCIAL MGMT

5-22-70
DATE

Donald Z. Jordan
DIVISION CHIEF

5/25/70
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 (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. **730-11-720-339** 2. AGREEMENT No. **71-024** 3. ORIGINAL REVISION No.

4. PROJECT TITLE: **Support of Local Government**
 (Sub-Activity) **(Development of Urban Administration Leadership)**

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

6. APPROPRIATION: **72-1111006** 7. ALLOTMENT: **156-50-730-00-69-11**

8. AID DOLLAR FINANCING (Cost Component)	PREVIOUS TOTAL (A)	INCREASE (B)	DECREASE (C)	TOTAL TO DATE (D)
a. PERSONNEL COSTS				
(1) US				
PASA				
Contract				
(2) LOCAL AND TCM				
PASA				
Contract				
b. PARTICIPANTS				
AID Direct		69,000		69,000
PASA/Contract				
c. COMMODITIES				
AID Direct				
PASA/Contract				
d. OTHER COSTS				
AID Direct				
PASA/Contract				
e. TOTAL (ALL COSTS)		69,000		69,000
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: Participant training for qualified GVN personnel in the US and third countries will comprise an integral part of the implementation of this project. The funds obligated for training herein will be utilized as required through implementing PIO/PS which will specify the name of the participant, the place, type, terms, duration and other particulars relating to each training program.

Ref: **PIO/P 1110080** Waiver **71-339-08**

11. DATE OF ORIG AGREEMENT: **October 27, 1970** 12. DATE OF THIS REVISION: 13. EST FINAL CONTRIBUTION DATE: **December 31, 1973**

14. GOVERNMENT OF VIETNAM SIGNATURE: *[Signature]* DATE: **Oct 26/70**
 TITLE: **Director General**
for Budget and Foreign Aid

15. AGENCY FOR INTERNATIONAL DEVELOPMENT SIGNATURE: *[Signature]* DATE: **10/27/70**
 TITLE: **Asst Director**

BEST AVAILABLE COPY

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT
TO
VIET-NAM

PROJECT DOCUMENT
APPROVAL FORM

Division PUBLIC ADMINISTRATION

Date Typed October 9, 1970

Project No. 730--11-720-339

Title Support of Local Government
(Development of Urban Administration Leadership)

Original Project Agreement - 71-024

Revision No.

mt
Tolle
PROGRAM OFFICE

10-14-70
DATE

Karl G. Baldoni 22 Oct. 1970
PROJECT TECHNICIAN DATE

J. R. K.
AD/FINANCIAL MGMT

10/20/70
DATE

A. Ornes
DIVISION CHIEF

10/22/70
DATE

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
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. **730-11-720-339** 2. AGREEMENT No. **72-035** 3. ORIGINAL REVISION No.

4. PROJECT TITLE: **Support of Local Government**
(Sub-Activity)

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				
Contract		50,000		50,000
(2) LOCAL AND FCN PASA				
Contract				
b. PARTICIPANTS				
AID Direct		6,600		6,600
PASA/Contract				
c. COMMODITIES				
AID Direct				
PASA/Contract				
d. OTHER COSTS				
AID Direct				
PASA/Contract				
e. TOTAL (ALL COSTS)		56,600		56,600
9. LOCAL CURRENCY FINANCING (\$1.00 = 118 PIASTERS)				
a. COUNTERPART				
Trust Fund				
AAC				
Special Fund				
Other CY71 AAC Reserve		8,000,000		8,000,000
b. GVN (SHOW SOURCE BELOW)				
c. US - OWNED				

10. REFERENCES AND REMARKS:

BEST AVAILABLE COPY

Ref: **PIO/T (21)20107** **PIO/P (21)20108.**

11. DATE OF ORIG AGREEMENT: **October 14, 1971** 12. DATE OF THIS REVISION: 13. EST FINAL CONTRIBUTION DATE: **December 31, 1974**

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

SIGNATURE: *[Signature]* DATE: **Oct 11 71** SIGNATURE: *[Signature]* DATE: **10/14/71**
 TITLE: **Director General** TITLE: **Associate Director for Program**
For Budget and Foreign Aid

AID 1380-1A
(8-70)

PRO AG

CONTINUATION
SHEET

ANNEX A

**PROJECT AGREEMENT
BETWEEN AID AND
DGBFA**

AN AGENCY OF THE GOVERNMENT OF
Vietnam

1. Project/Activity No.
730-11-720-339

2. Agreement No.
72-035

3. Project/Activity Title
Support of Local Government

PAGE 2 OF 7 PAGES

3. Original or
Revision No. _____

I. BACKGROUND

With the assistance of this project which began in 1965, and related joint Mission GVN programs, considerable change has been effected in the operation of local government in Vietnam. Elected governments exist in nearly all villages and hamlets while every province and city has an elected council. Elected officials from the villages, provinces and cities have developed fledgling capabilities in both government and administration. The training of local officials has been placed upon a programmed basis; considerable effort has been expended toward the full use of provincial training centers, which were partially financed through this project. While the quality of training is still uneven, it is, at least, definable. Much effort has been directed through this project in developing a representation and service capacity for local government in the Ministry of Interior (MOI) through the Directorate of Local Administration, e.g. creation and staffing of a local finance section as well as enlarged staffing for MOI's training service. Specific legal changes have been worked into new decrees and arretes to make local administration more rational and more effective; a new law is now being considered by the national assembly, incorporating a complete local administrative structure as a single system. A series of arretes and decrees have been issued to allow local authorities more discretion in village budget procedures and fund retention with decentralization of budget approvals and raising limitations on expenditure approvals.

II. DESCRIPTION AND OBJECTIVES

While the project continues to emphasize local government structure and substance as an essential element in the viability of Vietnam, as a nation and a state, the focus has changed. Having achieved some of the broader objectives as enumerated above, the project intends to focus on specific activities that will provide a more substantive underpinning for local government and better assurance for its continuation as a strong contributor to nation building. These specifics are:

- a. Advance local financial self-sufficiency for the village, province and city with particular emphasis on the Rural Land Tax and the Urban Property Tax.
- b. Improve local administrative operations, particularly at the province and city level, as well as to improve and upgrade local government facilities in achieving improved administration.

For the Cooperating Government or Agency

SIGNATURE: _____ DATE: _____

TITLE: _____

For the Agency for International Development

SIGNATURE: _____ DATE: _____

TITLE: _____

AID 1330-1A (S-70) PRO AG CONTINUATION SHEET ANNEX A	PROJECT AGREEMENT BETWEEN AID AND DGBFA	1. Project/Activity No. 730-11-720-339	PAGE <u>3</u> OF <u>7</u> PAGES
		2. Agreement No. 72-035	3. <input checked="" type="checkbox"/> Original or Revision No. _____
	AN AGENCY OF THE GOVERNMENT OF Vietnam	3. Project/Activity Title Support of Local Government	

c. Revision of existing laws and suggested new legislation that will help to achieve goals set out in (a) and (b).

d. Enlarge training capacity of the MOI and other agencies which will relate to the achievement of (a) and (b) in both the planning of the training program for local officials and in the selection of MOI participants.

e. Raise the present Directorate of Local Administration to a Directorate General of Local Administration thereby enlarging the scope and stature of the local government program within the GVN.

f. Development of a long-range strategy for the future of Vietnamese local government that can be left, upon the termination of this project, as a blue print against which Vietnamese officials may gauge their continuing efforts.

These objectives should be achieved by the end of the Support of Local Government project in FY75.

III. IMPLEMENTATION PLAN AND RESPONSIBILITIES

The GVN, particularly the MOI, agrees to provide continuing support to the Local Administration Directorate by expanding its personnel, authority and organizational framework so that the latter can more substantially aid in achieving the goals set out in II, (a)-(f).

Specifically, attention will be given to improving the methods of collection of certain locally raised revenues, revision of laws and administrative systems as they relate to the rural/urban property tax, land registration tax and other taxes from which the estimated potential return will contribute significantly to the establishment of local self-sufficiency. At the same time target areas will be established, indicating priority administrative processes in the province and city where crucial bottlenecks can be eliminated and work systems revised and improved. The MOI, principally through its Directorate of Local Administration will furnish personnel who can undertake research, analysis, implementation and monitoring of these actions. The MOI, in furthering the goals indicated, will also push for the establishment of a Directorate General of Local Administration to replace the present Directorate, thereby increasing the stature and the authority of the administration in matters involving local government. The USAID agrees to provide advisory assistance in forwarding the aims of the project in the form of direct hire advisors as well as in contractual arrangements with local experts and

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
 TITLE: _____

SIGNATURE: _____ DATE: _____
 TITLE: _____

**PROJECT AGREEMENT
BETWEEN AID AND
DGBFA**

**AN AGENCY OF THE GOVERNMENT OF
Vietnam**

1. Project/Activity No. 730-11-720-339	PAGE <u>4</u> OF <u>7</u> PAGES
2. Agreement No. 72-035	3. <input checked="" type="checkbox"/> Original or Revision No. _____
3. Project/Activity Title Support of Local Government	

other American specialists. USAID will also fund participant training, putting greater emphasis on long term training in the US and Third Countries, while more closely aligning the training with project objectives.

Objectives noted in II (a) through (f) are related primarily to the Ministry of Interior, its central staff and field personnel. However, in working toward fiscal self-sufficiency and in achieving a higher administrative ability, especially at the province, other GVN agencies such as the Directorate General for Budget and Foreign Aid, Directorate General of Taxation, Ministry of Finance, Ministry of Rural Development and Ministry of Land Reform and Agriculture have important, sometimes crucial, roles to perform. Where necessary and appropriate contact and liaison will be established outside MOI in pursuit of these objectives. (See Annex B for FY71 "Action Plan").

IV. DESIGNATIONS

A. The Minister of Interior or his designee is hereby designated GVN Project Manager. He will be responsible primarily for the overall implementation of the program.

B. The Chief, Local Government Branch, ADPA is hereby designated US Project Manager. He will act as technical advisor and Project Manager in all phases of the project, including budgeting, implementing and evaluating.

V. EXPLANATION OF FINANCING

A. The dollars obligated on the face sheet of this project agreement will provide funding for:

1. Services for one year for one contract employee to conduct necessary field studies to enable him then to develop an administrative system to carry out proposed changes in the rural land tax law and the urban property tax law now being prepared.

2. A participant training program to send officials from the Ministry of Interior and the Office of the Prime Minister to study local government administration in Korea and Thailand. (Revisions to this document will provide further funding for additional training.)

B. AAC CY71 Reserve funds are provided to assist in the funding of the training of approximately 800 former technical cadre in the administration of rural and urban property taxes for the purpose of advancing local financial self-sufficiency. This newly constituted local revenue

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
TITLE: _____

SIGNATURE: _____ DATE: _____
TITLE: _____

AID 1530-1A (2-70) PRO AG CONTINUATION SHEET ANNEX <u>A</u>	PROJECT AGREEMENT BETWEEN AID AND DGBFA	1. Project/Activity No. 730-11-720-339	PAGE <u>5</u> OF <u>7</u> PAGES
		2. Agreement No. 72-035	3. <input checked="" type="checkbox"/> Original or Revision No. _____
	AN AGENCY OF THE GOVERNMENT OF Vietnam	3. Project/Activity Title Support of Local Government	

cadre will be assigned after training to the provincial finance service and city finance service to assist in the tax administration and thereby increase the yields from local revenues. (See estimated Budget attached)

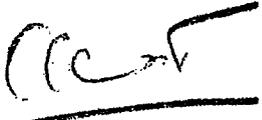
C. In addition to the assistance financed directly under this Project Agreement, USAID will provide direct hire personnel to assist in the implementation of the program.

VI. REPORTING AND EVALUATION

The US and GVN Project Managers jointly shall prepare and submit to their respective agencies semi-annual progress reports and other reports as may be required, in a format mutually acceptable to the GVN and USAID. Distribution will include Directorate General for Budget and Foreign Aid and other GVN agencies when appropriate. Such reports will cover progress in the attainment of specific actions identified in this Agreement, and identify problems or delays encountered which are deterring the implementation of the project. Reports will be submitted within 20 days after the end of the reporting period.

Concurrences:

 Vice Minister of Interior



C. G. Farwell

 Associate Director for
 Local Development

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
 TITLE: _____

SIGNATURE: _____ DATE: _____
 TITLE: _____

**PROJECT AGREEMENT
BETWEEN AID AND
DGBFA**

1. Project/Activity No.
730-11-720-339

2. Agreement No.
72-035

3. Original or
Revision No. _____

3. Project/Activity Title
Support of Local Government

**PRO AG
CONTINUATION
SHEET
ANNEX A**

**AN AGENCY OF THE GOVERNMENT OF
Vietnam**

Estimated Budget for

CY71 AAC Reserve Funds

Training Local Revenue Cadre

Article 31-39:

Training at Vung Tau (Per Diem, Training Materials, etc.)	4,000,000
Transportation	<u>4,000,000</u>
	8,000,000

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
TITLE: _____

SIGNATURE: _____ DATE: _____
TITLE: _____

WHAT	WHO (GVN)	HOW	WHEN
1- Raise MOI's Directorate/Local Adm. to Directorate General	MOI and Office of Prime Minister	Decree signed by Prime Minister	Draft by Oct., 1971 Decree by Jan., 1972
2- Retraining, reassign 800 of former Technical Cadre to Province/Autonomous Cities for Rural/Urban Tax Administration as Local Revenue Cadre	MOI/MOF/DGF/MORD - retrain MOI-assignment MOI-DGF-Supervise	Circular letter of MOI	Training in 2 groups: 1. 400 - Start Oct. 25 Finish Nov. 14 Assign Nov. 20 2. 400 - Start Nov. 22 Finish Dec. 13 Assign Dec. 20
3- MOF approval of provincial requests to raise rates per 17 May, 1971 circular of MOI	MOF	By Visa document	Oct - Dec., 1972
4- Enact Decree to better organize and administer Municipal Governments	Prime Minister	Decree-Law	Draft - Oct. 30 Decree signed - Nov. 30 Adm. Implementation - Balance of '72
5- Est. 1972 Revenue targets for provinces and cities through analysis of fiscal profiles	GFDC/CC MOI with MOF	Return of Profiles Analysis Send out targets	Analysis complete Nov. 15 Targets - Dec. 15
6- Increase rental rates average of 5 times; raise to maximum legal per-centage (13%) on urban property tax	MOI/MOF and Office of Prime Minister	Decree of Prime Minister reappraisals completed 15 Dec.	Draft 30 Sept. Publication 31 Oct. reappraisals

WHAT	WHO (GVN)	HOW	WHEN
7- Use of current rice yields to establish classification of rice land into top 3 grades and use of maximum in each grade; use of maximum in mixed cultivation.	Same	Same	Same
8- 1972 tax rolls prepared; MOI Representatives head mobile team to supervise Local Revenue progress in meeting targets	MOI/DGT	Mobile inspection Teams, headed by MOI Regional Reps.	Beginning of 1972
9- Amend existing Rural land tax law raising rates for existing categories	Proposed by MOI and FM passage by Nat'l Assembly	Passed as amendment by Nat'l Assembly	Draft: Sept. 30 Submit to MOI Oct. 15 Submit to N.A. Nov. 30
10- Draft and press for passage of new a. Rural land tax law b. Urban property Tax Law	MOI/MOF Office of Prime Minister	Draft of Law submitted to National Assembly	PAD draft: 15 Nov. Mission draft 30 Nov. Draft to GVN: 1 Dec. Draft to Leg: 15 April 1972
11- Design and implement Tax Adm. System to carry through new Local Tax Laws	Ministry of Interior and USAID Contractor	Detailed Field Studies and System adoption by MOI circular letter	Field work Jan-April, '72 Implement - after Law passage
12- Draft and press for revision of land registration law	MOI/MOF Office of Prime Minister	Same	Econ draft: 31 Oct. Mission " : 31 Dec. To GVN : 15 Jan. '72 To Leg. : 15 April '72

PROJECT DOCUMENT CLEARANCE SHEET

Project Title : Support of Local Government

Project Number : 730-11-720-339

Agreement Number : 72-035

Original Revision _____

Explanation and/or comments

Under this FY 72 Project Agreement for Support of Local Government, total FY 72 contract funds available covering one-year of services (\$50,000) are being obligated. Although \$9,000 out of the total \$70,000 FY 72 participant training funds available were requested for 1st quarter funding, only \$6,600 is being obligated herein.

The VN\$8 million local currency is to cover estimated in-country training of a tax cadre (approximately 800 selected from the former technical cadre) to be assigned after training to provinces and cities to assist in tax administration.

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

ADPROG :

Vom 9/20/71
ADPROG

9/27/71
N. R. Barn
Division Chief

R. M. M. 9/23
Contract Admin. Br.

ADPROG

ADFM :

AD
ADFM

L. R. King 9/29/71
Planning
BIA

J. K.
ADFM 9/5

TECHNICAL OFFICE :

W. M.
Project Manager

A. J. Fornace 10/6/71
Division Chief or Assistant Director

OTHER :

BEST AVAILABLE COPY.

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, 1961, and the standard provisions annexed thereto, it is agreed to carry out a project in accordance with the terms set forth herein.

Clear

1. PROJECT No **730-11-720-339** 2. AGREEMENT No. **72-035** 3. ORIGINAL 4. REVISION No. **4**

A. PROJECT TITLE: **Support of Local Government**
 (Sub-Activity)

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

Vice
Minister
Ministry
of
Interior

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

A. AID DOLLAR FINANCING (Cost Component)	PREVIOUS TOTAL (A)	INCREASE (B)	DECREASE (C)	TOTAL TO DATE (D)
1. PERSONNEL COSTS PASA Contract	50,000			50,000
2. LOCAL AND FOREIGN AID Direct PASA/Contract	68,300			68,300
3. COMMODITIES AID Direct PASA/Contract				
4. OTHER COSTS AID Direct PASA/Contract				
5. TOTAL (ALL COSTS)	118,300			118,300
6. LOCAL CURRENCY FINANCING (\$1.00 = 120 DYNAMES)				
7. COUNTERPART Trust Fund AAC CY 72		1,600,000		1,600,000
		30,000,000		30,000,000
xxxx AAC CY71 Reserves	8,000,000			8,000,000
8. GVN (SHOW SOURCE BELOW)				
9. UNASSIGNED				

10. REFERENCES AND DETAILS: This revision provides funding for a building for the Directorate General of Local Administration, ~~for the completion of the Training Center/Residential Program~~ and for two one year contracts for Local Administrative experts to assist in implementing needed reforms in province-center operations and programs to increase local revenues.

Ref: PIO/Ts (21)20693, & (21)20694

11. DATE OF ORIG. AGREEMENT: **October 14, 1971** 12. DATE OF THIS REVISION: **June 6, 1972** 13. SET FINAL CONTRIBUTION DATE: **December 31, 1974**

14. GOVERNMENT OF VIETNAM
 SIGNATURE: *[Signature]* **June 2 72**
 TITLE: **Director General**
 (for Budget and Foreign Aid)

15. AGENCY FOR INTERNATIONAL DEVELOPMENT
 SIGNATURE: *[Signature]* **6/6/72**
 TITLE: **Acting Associate Director**
 (for Program)

**PROJECT AGREEMENT
BETWEEN AID AND**

1. Project/Activity No.
730-11-720-339

2. Agreement No.
72-035

3. Original or
Revision No. 4

3. Project/Activity Title
Support of Local Government

**PRO AG
CONTINUATION
SHEET
ANNEX**

**AN AGENCY OF THE GOVERNMENT OF
Vietnam**

AAC BUDGET

<u>Article</u>	<u>Expenditure</u>	<u>Amount</u>
71-79	<u>Direct Investment</u>	<u>VN\$30,000,000</u>
(Regular Budget)	Enlargement of the offices of the Directorate General for Local Administration, 41 Thong Nhat Avenue, Saigon	30,000,000

BEST AVAILABLE COPY

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____

SIGNATURE: _____ DATE: _____

TITLE: _____

TITLE: _____

PROJECT DOCUMENT CLEARANCE SHEET

Project Title : Support of Local Government

Project Number : 730-11-720-339

Agreement Number: 72-035

Original Revision 4

Explanation and/or comments:

This Revision provides the local currency support for the project both Trust Fund (TF) and American Aid Chapter (AAC). The TF piasters are for two Personal Services contracts: one for assistance to the improvement of local tax revenues and one for assistance in local government organization. This practice of using Vietnamese nationals was approved by the Director during the Public Administration PBS review on April 22, 1972. ~~These piasters were programmed for the Office of Administration; this office has since been upgraded to the Directorate General for Local Administration.~~ The regular AAC funds were programmed for the Office of Administration; this office has since been upgraded to the Directorate General for Local Administration.

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

ADPROG:

R.M.E. 5/5
AFO

^{5/17/72}
N.R.B.
Division Chief

Jal 5-5-72
Planning Branch

E. Karich 6/6/72
ADPROG

ADDM:

[Signature]
PAD

[Signature]
BBA

[Signature]
ADFM

TECHNICAL OFFICE:

[Signature]
Project Manager

[Signature]
Division Chief or Assistant Director

OTHER:

PROJECT AGREEMENT
BETWEEN AID AND

1. Proj. or Activity No.
730-11-720-330

PRO AG
CONTRIBUTION
SHEET

DGBFA

2. Agreement No.
73-052

3. Original or
Revised No.

AN AGENCY OF THE GOVERNMENT OF
Vietnam

3. Project/Activity Title

Support of Local Government

ANNEX A

A. BACKGROUND

Following the dissolution of the First Republic of Vietnam the entire administrative infrastructure of local government became one of the major concerns of the succession of leaders of Central Government. The GVN was determined that provincial, city, and village government be transformed into viable and responsive elements through legal and administrative changes. Therefore, in 1965 the GVN entered into agreement with the U.S. for USAID to collaborate by providing advice and assistance toward the goal to achieve responsive and responsible local government and to improve the administrative capability of local officials and cadre. The GVN, in concert with the USAID, has placed major emphasis on the necessity for local governments to achieve financial self-sufficiency and to eliminate ultimately the granting of subsidies to finance operating expenses and development costs. Within the past year the GVN has adopted a 4-year plan (1972-1975) during which time 100% of the subsidies shall be withdrawn from a targeted 1600 villages (out of a national total of 2162 villages) and local revenues shall be increased to provide full local governmental services.

B. GOAL STATEMENT

GVN efficiently and effectively planning and managing its resources.

C. PROJECT PURPOSE

To develop the legal, administrative, and institutional framework necessary to improve own-source revenues of local governments and to up-grade their operating capacity.

D. CONDITIONS EXPECTED AT THE END OF PROJECT

1. A Directorate General of Local Administration (DGLA) in the Ministry of Interior(MOI) serving as the advocate for local government in central government policy-making, and providing technical assistance to local government in such matters as: local finance, training, general administration monitoring, and evaluation.
2. Local government operations, particularly province and city, improved both as to internal administration, and provision of public services.

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
TITLE: _____

SIGNATURE: _____ DATE: _____
TITLE: _____

PROJECT AGREEMENT

BETWEEN AID AND

DGBFA

AN AGENCY OF THE GOVERNMENT OF

Vietnam

1. Project/Activity No.

730-11-720-339

PAGE 3 OF 6 PAGES

2. Agreement No.

73-052

3. Original or

Revision No. _____

3. Project/Activity Title.

Support of Local Government

3. Local government financing the major share of operating costs and most local development projects from own-source revenues.
 - 3.1) 300 villages will be 100% self-sufficient in both operating and development costs.
 - 3.2) 500 villages will be 100% self-sufficient in operating costs only.
 - 3.3) 200 villages will be 65% self-sufficient in operating costs.
 - 3.4) 150 villages will be 40% self-sufficient in operating costs.
 - 3.5) 250 villages will be 25% self-sufficient in operating costs.
 - 3.6) 24 provinces will achieve self-sufficiency in operating costs.
 - 3.7) 10 autonomous cities will attain self-sufficiency in operating costs.

E. OUTPUT TARGETS FOR FY 1973

1. The assignment of 2 former participants trained in real property tax administration as tax specialists to the Directorate General of Local Administration.
2. Refresher training for 600 Local Revenue Cadre and 110 provincial/city officials in the entire field of local revenue improvement.
3. Increased staffing of the DGLA of 50 persons, consisting of class A, class B1 and secretarial personnel.
4. Achievement of local revenue goals for 8 provinces, 5 cities and 1,150 villages.
5. Enactment of a real property tax law.
6. Publication of the manual of instruction for the implementation of the new real property tax law.
7. Establishment of a reporting system to be used by MOI and local units for the 1972 LRIP, involving monthly reports on province and city budgets and quarterly reports on village self-sufficiency.

BEST AVAILABLE COPY

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____

SIGNATURE: _____ DATE: _____

TITLE: _____

TITLE: _____

PRO AG
 CONTINUATION
 SHEET
 ANNEX A

PROJECT AGREEMENT
 BETWEEN AID AND
DGBFA
 AN AGENCY OF THE GOVERNMENT OF
Vietnam

1. Project/Activity No.
730-11-720-339

2. Agreement No.
73-052

3. Project/Activity Title
Support of Local Government

PAGE 4 OF 6 PAGES

3. Original or
 Revision No. _____

F. INPUTS FOR FY 1973

1. Government of Vietnam

a. Personnel

- 1) During the year the MOI shall assign an estimated 50 additional personnel to the DGLA for upper and middle management positions as well as clerical positions.
- 2) Subject to government wide regulations governing travel abroad by civil servants during the war emergency, the Ministry of Interior will release qualified employees for training abroad described in VI-B-2 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.
- 3) The MOI shall direct the Province Chiefs and Mayors to make available all Local Revenue Cadre and concerned province and city officials for refresher training.
- 4) The MOI shall provide counterparts to work in collaboration with USAID advisors.

b. Support Services

The Ministry of Interior shall provide the fullest technical support to local government to ensure the achievement of goals. Such support should include frequent on-site visits by DGLA and other specialists for direct participation in regional or province/city seminars or training programs - publication and distribution of technical manuals, circulars and other instructional documents to assist local officials.

c. Physical Facilities

The MOI shall make every effort to ensure the completion of construction of remaining provincial training centers and dormitories during CY 73. In addition, the MOI will make available office space and fixtures for use of USAID Local Government Advisors working on its premises.

For the Cooperating Government or Agency

SIGNATURE: _____ DATE: _____
 TITLE: _____

For the Agency for International Development

SIGNATURE: _____ DATE: _____
 TITLE: _____

PROJECT AGREEMENT
BETWEEN AID AND

1. Project/Activity No.
730-11-720-339

PRO AG
CONTINUATION
SHEET

DGRFA

2. Agreement No.
73-052

3. Original or
Revision No.

AN AGENCY OF THE GOVERNMENT OF

3. Project/Activity Title

ANNEX A

Vietnam

Support of Local Government

d. Laws

- 1) The draft decree-law on the reorganization of autonomous cities will be sent to the Prime Minister with a request that it be enacted.
- 2) The MOI will make every effort, in cooperation with the Office of the Prime Minister, to see that the new real property tax law is enacted and that, upon enactment, diligent efforts will be made to put it into effect.

e. Trust Funds

Trust funds will be provided to finance the contract of the local tax expert and the administrative improvement advisor.

2. The United States Government

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

a. Personnel

1) Direct Hire

Six full-time Public Administration Local and Municipal Government advisors, one of whom shall be detailed to CORDS/MOD.

2) PASA

Two Internal Revenue Service Property Tax advisors on 6-month TDY.

b. Funds for Training

Seven province/district and Ministry of Interior officials shall be selected for participant training as follows:

- 1) University of Connecticut - Management Analysis
Two for 6 months

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
DGBFA**
AN AGENCY OF THE GOVERNMENT OF
Vietnam

1. Project/Activity No.
730-11-720-339
2. Agreement No.
73-052
3. Project/Activity Title
Support of Local Government

PAGE 6 OF 6 PAGES
3. Original or
Reproduction No.

- 1) University of Southern California - Local Tax Administration
Six for 8 months
- 2) Training Administration - University of Connecticut
One for 6 months

G. DESIGNATIONS

- 1. The Minister of Interior or his designee is designated the GVN Project Manager. He shall be responsible primarily for the overall implementation of the project.
- 2. The Chief, Local Government Branch, under the direction of the Assistant Director for Public Administration, as the U.S. Project Manager will act as technical advisor, coordinate the USAID Assistance provided for in the project and work closely with the GVN Project Manager in all phases of the project including budgeting, implementing, and evaluation.

H. REPORTING AND EVALUATION

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

I. SPECIAL PROVISIONS

None.

J. STANDARD 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:

Chao 30-10-72
Vice Minister of Interior Date
C
Phuong 31-X-72
Director General of Local Administration Date

O E Farwell 11/21/72
Associate Director for Local Development Date

For the Cooperating Government or Agency
SIGNATURE: _____ DATE: _____
TITLE: _____

For the Agency for International Development
SIGNATURE: _____ DATE: _____
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 (USA)
 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. **730-11-720-339** 2. AGREEMENT No. **73-052** 3. ORIGINAL REVISION No.

4. PROJECT TITLE : **Support of Local Government**
 (Sub-Activity)

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

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

B. 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 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)				
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 agreement presents the planned implementation of the Local Government Project as agreed to by representatives of the USG and the GVN whose signatures appear hereon.

BEST AVAILABLE COPY

11. DATE OF ORIG. AGREEMENT 12. DATE OF THIS REVISION 13. EST. FINAL CONTRIBUTION DATE
 November 10, 1972 June 30, 1974

14. GOVERNMENT OF VIETNAM 15. AGENCY FOR INTERNATIONAL DEVELOPMENT

SIGNATURE: *[Signature]* DATE: *Nov 8-72* SIGNATURE: *[Signature]* DATE: *11/10/72*

TITLE: Director General for Budget and Foreign Aid TITLE: Associate Director for Program

PROJECT AGREEMENT CLEARANCE SHEET

Project Title : Support of Local Government

Project Number : 730-11-720-339

Agreement Number : 73-052

Original X Revision _____

Explanation and/or comments

The purpose of this FY 73 ProAg is to set forth the scope of the Support of Local Government Project and to stipulate the responsibilities and contributions of the CVN and the USC. Funds to finance PASA costs and Participant Training not obligated by this ProAg will be obligated by a ProAg Revision subject to the availability of funds and submission of PIOs.

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

ADPROG :

[Signature] [Signature]
APG Division Chief Financial Mgmt. Br. ADPROG

ADFM :

[Signature] 10/26/72 [Signature]
PAD RBA ADFM

TECHNICAL OFFICE :

[Signature] [Signature]
Project Manager Director, Chief or Assistant Director

OTHER :

PRO AG
(VIETNAM)

41

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 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. 730-11-720-339 | 2. AGREEMENT No. 74-012 | 3. ORIGINAL | REVISION No.

4. PROJECT TITLE : Support of Local Government
 (Sub-Activity)

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

6. APPROPRIATION : 72-1141006 | 7. ALLOTMENT : 456-50-730-00-69-41

B. AID DOLLAR FINANCING (Cost Component)	PREVIOUS TOTAL (A)	INCREASE (B)	DECREASE (C)	TOTAL TO DATE (D)
a. PERSONNEL COSTS				
(1) US PASA		65,000		65,000
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)		65,000		65,000
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 agreement presents the planned implementation of the Local Government Project as agreed to by representatives of the USG and the GVN whose signatures appear hereon. This Agreement also obligates dollars to finance the PASA advisory services as described.

Ref. PIO/T (41)40016

11. DATE OF ORIG. AGREEMENT
August 22, 1973

12. DATE OF THIS REVISION

13. EST FINAL CONTRIBUTION DATE
July 24, 1976

14. GOVERNMENT OF VIETNAM

SIGNATURE : [Signature] DATE Aug 22
 TITLE : for Director General
for Budget and Foreign Aid 73

15. AGENCY FOR INTERNATIONAL DEVELOPMENT

SIGNATURE : [Signature] DATE 8/22/73
 TITLE : Associate Director for Program

AID 1330-1A (3-70) PRO AG CONTINUATION SHEET ANNEX <u>A</u>	PROJECT AGREEMENT BETWEEN AID AND DGBFA	1. Project/Activity No. 730-11-720-339	PAGE <u>2</u> OF <u>7</u> PAGES
	AN AGENCY OF THE GOVERNMENT OF Vietnam	2. Agreement No. 74-012	3. <input checked="" type="checkbox"/> Original or Revision No. _____
		3. Project/Activity Title Support of Local Government	

A. BACKGROUND

Following the dissolution of the First Republic of Vietnam the entire administrative infrastructure of local government became one of the major concerns of the succession of leaders of Central Government. The GVN was determined that provincial, city, and village government be transformed into viable and responsive elements through legal and administrative changes. Therefore, in 1965 the GVN entered into agreement with the US for USAID to collaborate by providing advice and assistance toward the goal to achieve responsive and responsible local government and to improve the administrative capability of local officials and cadre. The GVN, in concert with the USAID, has placed major emphasis on the necessity for local governments to achieve financial self-sufficiency and to eliminate ultimately the granting of subsidies to finance operating expenses and development costs. Last year the GVN adopted a 4-year plan (1972-1975) during which time 100 percent of the subsidies shall be **withdrawn** from a targeted 1600 villages (out of a national total of 2162 villages) and local revenues shall be increased to provide full local governmental services.

However, the invasion of the country by the Communists in the past year has set back many GVN programs, notably in rural areas, has **compounded** the refugee problem, and has further disturbed the economy. These events have had a direct and inhibiting effect on the Local Revenue Improvement Program particularly on the financial condition of provincial governments.

B. GOAL STATEMENT

GVN efficiently and effectively planning and managing its resources.

C. PROJECT PURPOSE

To develop the legal, administrative, and institutional framework necessary to improve own-source revenues of local governments and to up-grade their operating capacity.

D. CONDITIONS EXPECTED AT THE END OF PROJECT

1. A Directorate General of Local Administration (DGLA) in the Ministry of Interior serving as the advocate for local government in central government policy-making, and providing technical assistance to local government in such matters as: local revenue and finance, real property tax administration, training, general administration monitoring, and evaluation.

For the Cooperating Government or Agency SIGNATURE: _____ DATE: _____ TITLE: _____	For the Agency for International Development SIGNATURE: _____ DATE: _____ TITLE: _____
--	--

AID 1330-1A (3-70) PRO AG CONTINUATION SHEET ANNEX <u>A</u>	PROJECT AGREEMENT BETWEEN AID AND DGBFA AN AGENCY OF THE GOVERNMENT OF Vietnam	1. Project/Activity No. 730-11-720-339	PAGE <u>3</u> OF <u>7</u> PAGES
		2. Agreement No. 74-012	3. <input checked="" type="checkbox"/> Original or Revision No. _____
		3. Project/Activity Title Support of Local Government	

2. Local government operations, particularly province and city, improved both as to internal administration, and provision of public services.

3. Local government financing the major share of operating costs and most local development projects from own-source revenues.

- 3.1 400 villages will be 100 percent self-sufficient in both operating and development costs.
- 3.2 500 villages will be 100 percent self-sufficient in operating costs only.
- 3.3 300 villages will be 65 percent self-sufficient in operating costs.
- 3.4 200 villages will be 40 percent self-sufficient in operating costs.
- 3.5 200 villages will be 25 percent self-sufficient in operating costs.
- 3.6 22 provinces will achieve self-sufficiency in operating costs.
- 3.7 9 autonomous cities will attain self-sufficiency in operating costs.

E. OUTPUT TARGET FOR FY-1974

1. Full implementation of all provisions of the real property tax decree-law including the new tax base for urban property.

2. The assignment of two returned participants trained in real property tax administration as instructors at NIA for a newly-designed tax administration course in the Vietnamese language. Assignment of ten other participants to field positions related to property tax administration.

3. The assignment of one former participant trained in real property tax and land tax administration as a tax specialist to the Directorate General of Local Administration.

4. Development of implementing guidelines for the Funding of Local Functions (FLF) by which fiscally viable local units can help pay for elementary education and basic health services.

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
 TITLE: _____

SIGNATURE: _____ DATE: _____
 TITLE: _____

AID 1330-1A (3-70) PRO AG CONTINUATION SHEET ANNEX <u>A</u>	PROJECT AGREEMENT BETWEEN AID AND DGBFA AN AGENCY OF THE GOVERNMENT OF Vietnam	1. Project/Activity No. 730-11-720-339	PAGE <u>4</u> OF <u>7</u> PAGES
		2. Agreement No. 74-012	3. <input checked="" type="checkbox"/> Original or Revision No. _____
		3. Project/Activity Title Support of Local Government	

5. In-country training of an estimated 10,000 central and local officials in basic concepts and detailed implementation of real property tax administration.

6. Full staffing of the Directorate General of Local Administration.

7. Achievement of local revenue goals for 22 provinces, 9 cities, and 1600 villages.

8. A draft plan for the reorganization and improvement of province, district and village administration in line with current GVN efforts toward administrative decentralization.

9. The preparation of urban tax maps, tax rolls and assessment procedures in the prefecture of Saigon and the ten cities by local personnel under the instruction and supervision of Local Government Branch tax-mapping specialists.

F. INPUTS FOR FY-1974

1. Government of Vietnam

a. Personnel

- 1) The Ministry of Interior (MOI) shall complete the staffing of all echelons of the DGLA.
- 2) The MOI shall request the Province Chiefs and Mayors to continue to make available for refresher training all concerned province/city officials and Local Revenue Cadre.
- 3) The MOI shall continue to provide counterparts to work in collaboration with USAID/PAD Advisors.
- 4) The MOI will release qualified employees for training abroad 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.

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
 TITLE: _____

SIGNATURE: _____ DATE: _____
 TITLE: _____

AID 1330-1A (3-70) PRO AG CONTINUATION SHEET ANNEX <u>A</u>	PROJECT AGREEMENT BETWEEN AID AND <u>DGBFA</u> AN AGENCY OF THE GOVERNMENT OF <u>Vietnam</u>	1. Project/Activity No. <u>730-11-720-339</u>	PAGE <u>5</u> OF <u>7</u> PAGES
		2. Agreement No. <u>74-012</u>	3. <input checked="" type="checkbox"/> Original or Revision No. _____
		3. Project/Activity Title <p style="text-align: center;">Support of Local Government</p>	

b. Support Services

The Ministry of Interior shall continue to provide the fullest technical support to local government to ensure the achievement of goals. Such support should include frequent on-site visits by DGLA technicians and other specialists for direct participation in regional or province/city seminars on training programs, publication and distribution of technical manuals, circulars, and other instructional documents to assist local officials.

c. Physical Facilities

The MOI shall ensure the completion of the DGLA Annex prior to the end of FY-1974. In addition, the MOI shall continue to make office space and fixtures available for the use of USAID Local Government Advisors working on its premises.

d. Trust Funds

Trust funds will be provided to finance the contract of the local tax, the administrative improvement, and the local government legal consultants.

e. AAC Funds

AAC funds will be provided to assist MOI and the National Institute of Training in funding costs of in-country training under Property Tax Administration Course developed under PIO/T (31)30567.

2. The United States Government

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

a. Personnel

1) Direct Hire:

Four man-years of Public Administration Local and Municipal Advisors' services. Three advisors will be for 12 months each and two will be for six months each.

For the Cooperating Government or Agency SIGNATURE: _____ DATE: _____ TITLE: _____	For the Agency for International Development SIGNATURE: _____ DATE: _____ TITLE: _____
--	--

AID 1330-1A (3-70) PRO AG CONTINUATION SHEET ANNEX <u>A</u>	PROJECT AGREEMENT BETWEEN AID AND DGBFA AN AGENCY OF THE GOVERNMENT OF Vietnam	1. Project/Activity No. 730-11-720-339	PAGE <u>6</u> OF <u>7</u> PAGES
		2. Agreement No. 74-012	3. <input checked="" type="checkbox"/> Original or Revision No. _____
		3. Project/Activity Title Support of Local Government	

2) PASA

One Internal Revenue Service Property Tax Advisor.

b. Training

Twelve province, district and Ministry of Interior officials shall be selected for participant training as follows:

- 1) Four officials on one observation tour in Southeast Asia to study current methods of administrative decentralization and property tax administration for approximately two months.
- 2) Eight officials on two observation tours of the United States to observe local government administration and organization as well as the administration of the local property tax. Emphasis will be on rural country operations. Each tour will last for 2 months.
- 3) Interpreter services for 12 participants funded in FY 73 for the training in the Tax Administration course to be developed under PIO/T (31)30567.

G. DESIGNATIONS

1. The Minister of Interior or his designee is designated the GVN Project Manager. He shall be responsible primarily for the overall implementation of the project.

2. The Chief, Local Government Branch, under the direction of the Assistant Director for Public Administration, as the US Project Manager will act as technical advisor and coordinate the USAID Assistance provided for in the project.

H. REPORTING AND EVALUATION

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

I. SPECIAL PROVISIONS

None.

For the Cooperating Government or Agency SIGNATURE: _____ DATE: _____ TITLE: _____	For the Agency for International Development SIGNATURE: _____ DATE: _____ TITLE: _____
--	--

AID 1330-1A (3-70) PRO AG CONTINUATION SHEET ANNEX <u>A</u>	PROJECT AGREEMENT BETWEEN AID AND DGBFA	1. Project/Activity No. 730-11-720-339	PAGE <u>7</u> OF <u>7</u> PAGES
	AN AGENCY OF THE GOVERNMENT OF Vietnam	2. Agreement No. 74-012	3. <input checked="" type="checkbox"/> Original or Revision No. _____
		3. Project/Activity Title Support of Local Government	

J. STANDARD 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:

Chai
 Minister of Interior *gr*

Winfield P. Tibbo
 Associate Director for
 Local Development

v
Lithuony
 Director General of Local
 Administration

For the Cooperating Government or Agency SIGNATURE: _____ DATE: _____ TITLE: _____	For the Agency for International Development SIGNATURE: _____ DATE: _____ TITLE: _____
--	--

