

**AGREEMENT
FOR ECONOMIC AND TECHNICAL COOPERATION
BETWEEN
THE GOVERNMENT OF THE UNITED STATES
AND
THE GOVERNMENT OF THE
SOCIALIST REPUBLIC OF VIETNAM**

This Agreement for Economic and Technical Cooperation ("Agreement") is between the Government of the United States of America ("Government of the United States" or "USG") and the Government of the Socialist Republic of Vietnam ("Government of Vietnam") (collectively, the "Parties" or individually, a "Party").

NOW, THEREFORE, in consideration of the rights and responsibilities set forth in this Agreement, the Parties agree as follows:

**Article 1
Scope of Agreement**

This Agreement covers economic, technical and humanitarian assistance (such as disaster assistance) in the form of grant aid that may be furnished by the Government of the United States in Vietnam. The furnishing of such assistance shall be subject to applicable United States laws and regulations. Such assistance will be made available in accordance with arrangements agreed upon by representatives of the appropriate agency or agencies of the Government of Vietnam and the representatives of the agency designated by the Government of the United States. Such assistance will be implemented directly by agencies of the United States Government such as the United States Agency for International Development ("USAID"), and indirectly by non-governmental organizations, individuals, private firms, public international organizations or other entities under agreements entered into with the Government of the United States.

**Article 2
Responsibilities of the Government of Vietnam**

The Government of Vietnam agrees to, subject to its applicable laws and regulations:

1. Make the full contribution permitted by its personnel, resources, facilities and general economic conditions in furtherance of the purposes for which assistance is furnished under this Agreement;
2. Take appropriate steps to ensure the effective use of such assistance;

3. Cooperate with the Government of the United States to assure that procurement will be at reasonable prices and on reasonable terms;
4. Permit continuous observation and review by representatives of the United States of programs and operations covered by this Agreement and records pertaining thereto, including the right during the period of any program or transaction and for three years thereafter to:
 - (a) Examine property procured through financing by the Government of the United States for purposes of this Agreement; and
 - (b) Inspect and audit any records and accounts with respect to funds provided, and to any properties or contract services procured through financing by the Government of the United States for purposes of this Agreement.
5. Take all necessary steps to assure that the rights, privileges, immunities and status granted under this Agreement are communicated to, and honored by, all appropriate governmental levels;
6. Carry out its other obligations under this Agreement.

Article 3

Responsibilities of the Government of the United States

The Government of the United States agrees to, subject to its applicable laws and regulations:

1. Furnish, in its discretion, such assistance as may be mutually agreed upon by both Parties;
2. Take appropriate steps to ensure the effective implementation of such assistance;
3. Endeavor to ensure that its officers and employees respect the laws of Vietnam;
4. Carry out its other obligations under this Agreement.

Article 4

The Special Mission

1. The Government of Vietnam shall receive a special mission ("special mission") of the Government of the United States. This special mission will be, unless otherwise notified by the Government of the United States, an office of USAID. The special mission will implement and discharge the responsibilities of the Government of the United States under this Agreement.

2. The special mission will enjoy the same privileges and immunities as are extended to the premises, property, records and archives of the diplomatic mission of the United States under the Vienna Convention on Diplomatic Relations of 1961, and the United States Government employees and officials (including family members forming part of their households) of the special mission will be accorded the same privileges and immunities under said Convention as are accorded to personnel of comparable rank of the U.S. Embassy. Such privileges and immunities provided are not applicable to citizens or permanent residents of Vietnam.

Article 5 Exemptions

1. In order to take maximum use of the assistance of the Government of the United States, the Government of Vietnam shall:

- (a) Exempt from income taxes otherwise imposed in connection with work performed under this Agreement the Government of the United States and any person or entity (including, but not limited to, contractors and grantees) financed by the Government of the United States to furnish assistance hereunder;
- (b) Exempt from import taxes and duties imposed under the laws in effect in Vietnam any supplies, materials, equipment, goods, property, services or funds imported into or exported from Vietnam to implement programs, projects or activities funded by the Government of the United States under this Agreement impose no value added tax on any supplies, materials, equipment, goods and services acquired in Vietnam in accordance with programs, projects or activities financed by the Government of the United States under this Agreement;
- (c) Exempt from income tax, import duties, value added tax, special sales tax, registration fee, public welfare, national defense and security contributions, in accordance with the applicable laws of Vietnam with respect to foreign experts taking part in the implementation of programs and projects using Official Development Assistance, all personnel (including family members forming part of their households) whom the Government of United States, or any agency thereof, employs (by direct hire, contract or other arrangement of similar nature) or finances and who are present in Vietnam to perform work in connection with this Agreement. Such exemption shall be granted limited to their work performance directly relating to this Agreement.

- (d) Tax exemptions provided by this Article 5 shall exclude Vietnamese entities and persons, including citizens and permanent residents of Vietnam.
2. The disposal in Vietnam of any equipment, property or goods imported into or purchased in Vietnam under this Agreement shall be subject to taxes (if any) in accordance with the applicable laws of Vietnam unless the disposal is to another person or entity exempt from taxation either under this Agreement or the laws of Vietnam.
 3. The Government of Vietnam will issue expeditiously and on a cost-free basis any import licenses required for supplies, materials, equipment, goods or property imported under this Agreement and will assist, whether appropriate, in expediting their movement through port and transportation facilities and their clearance through customs.
 4. The Government of Vietnam will issue expeditiously and on a cost-free basis any other documentation necessary to facilitate the implementation of programs, projects or activities funded under any assistance being provided in connection with this Agreement, including, but not limited to, visas required for individual employees and their families, work permits, and the registration of non-governmental organizations.
 5. The provisions of this Article 5 also will apply to other foreign assistance funded by the Government of United States that is intended to assist regional projects or activities provided that Vietnam is part of such projects or activities.
 6. Any taxes, including value added taxes, or customs duties, referred to above, that may be imposed by the Government of Vietnam at any level shall be fully reimbursed to the DSC or its agents.

Article 6 Information and Publicity

1. The Government of Vietnam will provide the Government of the United States with necessary and appropriate information concerning programs and operations carried out under this Agreement.
2. The Government of Vietnam will give the people of Vietnam full publicity concerning assistance programs and operations hereunder.

Article 7

Funds

1. Funds introduced into Vietnam for purposes of furnishing assistance hereunder shall be convertible into the currency of Vietnam at the highest commercial rates of exchange not unlawful for any purpose at the time of conversion.
2. In accordance with Vietnamese laws and regulations, funds allocated to or derived from any assistance hereunder shall not be subject to any form of legal process, including, but not limited to, attachment or seizure by any Vietnamese person or juridical entity.

Article 8

Suspension and Termination

1. In addition to the provisions of any arrangements agreed upon pursuant to Article 1, all or any part of any assistance provided hereunder may be terminated or suspended by either of the Parties, upon written notice to the other Party. Termination of such assistance under this paragraph may include the termination of deliveries of any commodities not yet delivered, provided, however, that termination or suspension of such assistance shall not affect irrevocable commitment to third parties.
2. This Agreement may be terminated 120 days after the receipt by either Party of a written termination notice from the other Party. Notwithstanding such termination, the provisions hereof shall remain in full force and effect with respect to assistance provided before the termination.

Article 9

Settlement of Disputes

The two Parties shall strive to resolve amicably, under mutually agreed upon procedures, any differences relating to or arising out of the interpretation and execution of this Agreement or any specific program or project arrangement hereunder.

Article 10
Entry into Force

This Agreement shall enter into force after each Party has received from the other Party a diplomatic note confirming that all internal legal procedures of the other Party for entry into force of this Agreement have been completed.

This Agreement is made in duplicate in English and Vietnamese; all texts being equally authentic.

In witness whereof, the duly authorized representatives have signed this Agreement in Washington, DC, on this 22 day of June 2005.



FOR THE GOVERNMENT OF THE
UNITED STATES
OF AMERICA



FOR THE GOVERNMENT OF THE
SOCIALIST REPUBLIC
OF VIETNAM