Addendum to funding agreement signed 27 December 2007

between

The Government of the Socialist Republic of Vietnam

and

The Government of the Kingdom of Denmark

on

the Good Governance and PAR Programme, 2007-2011.

1. The two parties agree that with regard to the PAR Pillar of the funding agreement the State Budget Law of Vietnam shall apply for Obligation of the Vietnamese Parties (article 5 letters c, d, and i), Financial management (article 9), Accounting procedures and audit (article 10 point 1 and 2), Importation, import taxes and other public charges and fees (article 12), Programme reporting (article 15 letter c), and Transfer of Ownership (article 16).

2. Should any other issue arise with regard to the application of the State Budget Law of Vietnam, the two parties agree to undertake consultations with a view to reach an amicable solution.

3. At the same time it is agreed that value for money/performance audit can be undertaken after consultations between the parties.

4. The Danish part of unspent funds from the joint PAR work plans and budgets in Dak Nong, Dien Bien, Lao Cai, Lai Chau and from 2010 Dak Lak for the current year will be transferred to the following year's budget for continued use for PAR activities. The Danish part of unspent funds is calculated proportionally based on the Danish share (including previous year Danish unspent funds if any) of the total income for the joint PAR work plans and budgets within a current year. Any unspent funds at the end of the programme period will have to be refunded to the Danish party unless otherwise agreed.

5. Procurement of goods (article 8) is according to the Vietnamese Law on Procurement.

Hanoi, 6 February 2009

For the Vietnamese Party

Cao Viet Sinh
Vice Minister
Ministry of Planning and Investment

For the Danish Party

Tove Degnbol
Chargé d'Affaires a.i.
Embassy of Denmark, Hanoi

ROYAL DANISH EMBASSY, HANOI