AGREEMENT
on
General Terms and Procedures of Development Co-operation

between
the Government of the Socialist Republic of Vietnam
and
the Government of the Kingdom of Denmark

Preamble

The Government of the Socialist Republic of Vietnam, hereinafter referred to as Vietnam, and the Government of the Kingdom of Denmark, hereinafter referred to as Denmark, desiring to co-operate in promoting the economic and social development of Vietnam, have agreed as follows:

Article I
Obligations of the Parties

1. Denmark will make available to Vietnam financial assistance, material resources, technical assistance, and training opportunities. Vietnam will ensure the effective utilization of the said assistance and training opportunities.

2. The specific terms and procedures, including the financial and other obligations of the two Parties in regard to specific projects, programmes, and other joint activities under this Agreement (hereinafter referred to as Projects) will in each case be determined by the Parties in Specific Agreements with explicit reference to this Agreement.

3. Should there be any discrepancy between this Agreement and the Specific Agreements the latter prevail.

4. In the implementation of this Agreement the Royal Danish Ministry of Foreign Affairs shall be competent to represent Denmark, and the State Planning Committee (SPC) shall be competent to represent Vietnam (herinafter referred to as the Competent Authorities).

Article II
Executing Agencies

1. For the purposes of this agreement the term "Executing Agencies" means any public authority and public or private corporation as well as any organization whether public or private, accepted by the two Governments and contracted by Denmark to implement the specific Agreements referred to in Article I, paragraph 2 above.

2. Denmark will, unless otherwise agreed in the Specific Agreements, pay the fees and costs of the Executing Agencies in accordance with the Danish Ministry of Foreign Affairs' rules and regulations, excluding the costs to be covered by Vietnam as stipulated in paragraph 3 below.

3. Vietnam will take the following measures with regard to the Expatriate Executing Agencies:

a) grant them free of charge and without undue delay all necessary permits and authorizations;

b) exempt them from income tax or any other direct tax or charge in respect of any emoluments paid to them from funds or resources outside Vietnam for their services in Vietnam under this Agreement;

c) exempt them from duty to submit to the Vietnamese authorities any tax or financial declarations required from private persons or corporations;

d) impose no currency or foreign exchange restrictions on funds introduced into Vietnam by the Expatriate Executing Agencies for the implementation of the activities under this Agreement, and facilitate the exchange and the exportation of such funds as well as the opening of bank accounts; and

e) exempt them from professional registration and licence requirements.

Article III
Personnel

1. Technical assistance provided upon Vietnam's request under this Agreement may be in the form of technical assistance personnel (short term or long term assignments) employed by the

Danish Ministry of Foreign Affairs or by the Executing Agencies referred to in Article II, paragraph 1 above. The provision of the services of the above-mentioned personnel (hereinafter referred to as the Personnel) is subject to the availability of suitably qualified and experienced persons at the appropriate time.

2. The competent Vietnamese authority for each Project provides in each case the Danish Ministry of Foreign Affairs with a complete job title and description for the Personnel engaged by the Ministry and in other cases, as appropriate, defining the duties of the position to be held and services to be rendered as well as the essential and desirable qualifications of the candidate. It shall be clearly stated in the job description whether the Personnel will undertake operational functions.

3. The Danish Ministry of Foreign Affairs provides the competent Vietnamese authority for each Project with the information necessary for the appraisal of the candidates for the positions referred to above, such as training and previous professional experience.

4. The competent Vietnamese authority for each Project and the Danish Ministry of Foreign Affairs shall jointly decide to which extent counterparts to the Personnel made available shall be assigned by Vietnam, or other measures to be devised in order to achieve the objectives.

5. In carrying out their assignments the Personnel shall be under the direction of the authorities of Vietnam or other bodies to which they have been assigned and shall comply with the laws and regulations of Vietnam which are not inconsistent with the provisions of this agreement.

6. Vietnam shall ensure that the expatriate Personnel and their spouses and dependants enjoy the full protection of the law and further ensure that this Personnel and their spouses and dependants are always treated in a manner no less favourable than that enjoyed by Personnel assigned to Vietnam by other countries or international organizations. In the event of arrest or detention for any reason of expatriate Personnel made available by Denmark, or their spouses or dependants, or of criminal proceedings being instituted against such persons, the Royal Danish Embassy is to be notified immediately and has the right to visit any detained or arrested person. Such persons have the right to be represented by a lawyer assigned by the Embassy or by the person himself.

7. Vietnam shall be responsible for the security of the expatriate Personnel and their spouses and dependants. In the event of a crisis affecting the safety of foreign nationals in Vietnam, Vietnam shall accord repatriation facilities to this Personnel and their spouses and dependants, equivalent to that accorded to the diplomatic personnel serving in Vietnam.

8. Should a situation or a condition referred to in paragraph 7 above occur, the two Governments shall consult with each other and act in close collaboration to minimize any risk or damage to the expatriate Personnel, their spouses and dependants, or personal effects and the materials, equipment, and vehicles used for the implementation of the Projects under this Agreement.

9. Expatriate Personnel acting in accordance with instructions issued by the Royal Danish Embassy in the event of a crisis or taking such precautions as are deemed to be warranted under the circumstances, and thus being restrained from reporting for work, shall not be considered to be in dereliction of duty under the relevant contract.

10. Vietnam has the right to request the recall or the replacement of any member of the Personnel whose work or conduct is deemed unsatisfactory. Before exercising such right Vietnam shall consult with Denmark.

11. Denmark shall have the right to recall any member of the Personnel at any time. Before exercising such right Denmark shall consult with Vietnam for that purpose as well as on arrangements for securing rapid replacement of such Personnel if Vietnam so requests, unless exceptional circumstances demand that the person be recalled immediately.

12. If agreed upon between the Competent Authorities [illegible] Personnel may be transferred from one post or function to another during the period of assignment.

13. Denmark shall cover all fees, salaries, and costs of the Personnel in accordance with the rules and regulations of the Ministry of Foreign Affairs, unless covered by Vietnam as stipulated in paragrap 14 below.

14. In respect of the Personnel Vietnam will:

a) Make available adequate land, free of charge, or immovable property as may be required for the implementation of this Agreement.

b) Provide and bear the costs of local support for the work of the Personnel including suitable office and/or laboratory space with all the normal facilities thereto, secretarial services, duty trips, and other necessary assistance, and postage and telecommunications for official purposes.

d) Grant leave of absence on account of vacation, sickness, pregnancy, or childbirth in accordance with the respective employment contracts.

15. Vietnam shall undertake that the expatriate Personnel and their spouses and dependants are:

a) exempted from national service and any other military obligations;

b) entitled to enjoy and obey all Vietnamese banking regulations including introducing external funds into Vietnam and allowed to exchange and to export such funds as well as proceeds of household goods and personal effects imported and/or sold in accordance with the provisions in paragraphs 16 and 17.

c) exempted from professional registration and licence requirements.

16. Vietnam will make provision for the exemption of the expatriate Personnel and their spouses and dependants from:

a) personal income tax or any other direct tax or charge, including contributions to national social security schemes, in respect of any emoluments paid to them by Denmark for their services in Vietnam under this Agreement.

b) the duty to submit to Vietnamese authorities any tax or financial declarations required from the citizens of Vietnam or aliens residing in Vietnam for the emoluments mentioned above.

c) all customs duties and taxes imposed on the import of new as well as used household goods and personal effects including a motor vehicle for their exclusive use imported by this Personnel and their spouses and dependants or purchased from a bonded warehouse in Vietnam within 6 months after their arrival in Vietnam, subject to re-export on completion of service or payment of duties and taxes if sold locally unless to a person entitled to the same privileges.

The term "household goods" shall include, inter alia, for each household:

- one stove/cooker, micro-wave oven, refrigerator, deep freezer, dish washing machine and universal kitchen machine,
- one washing machine, dryer, vacuum cleaner and sewing machine,
- two radios, one tape recorder and one record/CD player,
- one TV-video set incl. antenna, cine- and video-tape recorder and other photographic equipment,
- one air conditioner for each mamber of the family, however at least two per household,
- one typewriter,
- minor electrical appliances,
- sports and musical equipment,
- furniture,
- one personal computer set,
- personal professional equipment in reasonable quanitities,
- one water pump.

17. In the event that a motor vehicle referred to above is damaged beyond repair at reasonable costs or otherwise lost without neglect on the part of the expatriate Personnel or their spouses and dependants, this being confirmed by the competent Vietnamese authorities, the exemptions mentioned in that paragraph apply to the importation or purchase of a new motor vehicle irrespective of any time limit. Furthermore, Vietnam shall allow import free of customs duties or taxes of one motor vehicle after three years have elapsed since the first entry into Vietnam of the Personnel provided that the Personnel's period of assignment has been extended to four years or more. If the first vehicle is sold in Vietnam it will be subject to payment of taxes and duties relative to the market resale price unless it is sold to a person entitled to the same privileges as mentioned in Article III, paragraph 16.c above.

18. The Expatriate Personnel and their spouses and dependants are entitled to import a reasonable amount of goods and effects for their personal consumption, such as foodstuffs, clothing, and medicines as well as spare parts for their household goods and personal effects. Such an import shall prevail during the whole period of the assignment of the Personnel in Vietnam and be subject to payment of all customs duties, taxes and related charges.

19. Vietnam shall issue any necessary multiple entry and exit visas without delay for the expatriate Personnel, spouses and

dependants as well as residence permits, work permits and other necessary permits and/or authorizations for the entire duration of the assignment.

20. Vietnam shall render assistance in clearance through customs of effects mentioned under 16 c), 17, and 18 vide Article V.

21. Vietnam shall facilitate the issuance of national driver's licences to the expatriate Personnel and their spouses and dependants who hold a valid licence from Denmark or another country or allow the use of international driver's licences and facilitate the registration of vehicles for the personal use of the Personnel and their spouses and dependants.

Article IV
Liability

Denmark shall:

a) not be liable to indemnify any third party in respect of any claim, debt, damage or demand arising out of the implementation of this agreement and which may be made against the Executing Agencies or the Personnel;

b) not be liable for compensation for the death, disability or other hazards suffered by any Personnel as a result of their employment on work which is the subject matter of this Agreement.

Vietnam shall:

a) Indemnify Denmark, the Executing Agencies and the Personnel employed in terms of this Agreement against any claim brought forward by a third party in respect of liability resulting from acts or omissions by the Executing Agencies or the Personnel in the performance of their duties, except where such claims or liability arise form gross negligence or wilful misconduct of the Executing Agencies or Personnel.

b) In the event Vietnam meets any claim under Article IV, para. 2. a above it is entitled to excercise and enforce any right of set-off, counterclaim, insurance, indemnity, contribution or guarantee to which Denmark, the Executing Agencies or the Personnel may become entitled.

Article V
Material Resources/Commodities

1. For the purpose of this Agreement the term "Commodities" shall mean goods, materials, vehicles, machinery, equipment, and other commodities made available by Denmark or the Executing Agencies for Projects under this Agreement or any other commodities delivered to Vietnam under the Specific Agreements.

2. Denmark will, unless otherwise agreed in the Specific Agreements

a) cover the actual costs such as purchase, transport and, as appropriate, insurance connected with each consignment of the Commodities;
b) be in charge of the delivery of the Commodities to Vietnam.

c) require that the Executing Agencies notify designated agencies in Vietnam of the estimated date of the arrival of the consignments immediately upon dispatch, and forward shipping documents, invoices, and other related information to them.

3. Vietnam will, unless otherwise agreed in Specific Agreements:

a) Notify Denmark if necessary of the import clearance agents to be used and of the documentation required for customs clearance and inform Denmark of the import and customs clearance procedures applied in Vietnam;

b) Promptly issue, free of charge, the necessary import licences and other permits on importation of the Commodities.

c) Exempt the Commodities from, or bear the costs of all customs duties, taxes and other related charges pertaining to their entry into Vietnam as well as exempt the Commodities from all prohibitions and restrictions on import or export;

d) Ensure swift and safe reception, berthing, handling, clearing, forwarding as well as storing and onward transportation of the imported Commodities;

e) Take all appropriate measures and institute any proceedings that may be necessary with regard to claims for loss or damage whether total or partial of any consignment of Commodities and notify Denmark promptly thereafter;

f) Facilitate the registration of motor vehicles brought into Vietnam;

4. The Commodities, including the project vehicles, shall become and remain the property of Vietnam at the time to be specified in each Specific Agreement or, by agreement, be subsequently exported. However, the Commodities shall always be at the exclusive disposal of the respective Projects, Programme or other Joint Activity under this Agreement during their implementation.

Article VI
Fellowships

1. Fellowships for studies in Denmark will be available for candidates duly selected and nominated by Vietnam subject to acceptance by Denmark.

2. Fellowships are granted for specialized studies only to candidates who have completed their basic studies. Study programmes will ordinarily be prepared in English.

3. Denmark shall pay:

(a) The cost of travel from duty station to Denmark and return.

(b) All living costs and tuition fees, books and other tools and personal expenses during the study period in Denmark.

4. Vietnam shall guarantee that the Fellow can return to his/her former position in his/her home country upon completion of the study programme in Denmark.

5. Vietnam shall pay the part of the Fellows's salary allowed to him/her under the current regulations to enable him/her to continue to meet his/her financial obligations in his/her home country.

Article VII
Evaluation

For the follow-up and evaluation of the co-operation as well as for the planning of future co-operation the Competent Authorities shall be available to each other for mutual consultation and give eachother such information as may be reasonably requested.

Article VIII
Disputes

Any dispute concerning the interpretation or implementation of this Agreement shall be settled by negotiation between the Parties.

Article IX
Amendment

This Agreement may be amended or supplemented by mutual consent of the Contracting Parties by exchange of letters.

Article X
Entry into force and termination

This Agreement shall enter into force on the date of its signature and remain in force for five years and therafter continue in force from year to year. The Agreement can be terminated by either of the Contracting Parties by 6 months' written notice. The Agreement shall cover also projects which have already been initiated at the entry into force of the Agreement.

Done in Hanoi on this the 25th day of August 1993 in two originals in the English language (both texts being equally authentic).

For the Government of
the Socialist Republic of Vietnam

Do Quoc Sam

Minister, Chairman of the
State Planning Committee

For the Government of
the Kingdom of Denmark

Helle Degn

Minister for
Development Cooperation

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