EMBASSY OF JAPAN
HANOI

Hanoi, March 22, 2012

Excellency,

I have the honour to refer to the recent discussions held between the representatives of the Government of Japan and of the Government of the Socialist Republic of Viet Nam concerning Japanese economic cooperation to be extended with a view to strengthening friendly and cooperative relations between the two countries, and to propose on behalf of the Government of Japan the following understanding:

1. (1) For the purpose of contributing to the implementation of the Project for E-Customs and National Single Window for Customs Modernization (hereinafter referred to as "the Project") by the Government of the Socialist Republic of Viet Nam, the Government of Japan has decided that a grant up to two billion six hundred and sixty-one million Japanese Yen (¥2,661,000,000) (hereinafter referred to as "the Grant") will be extended to the Government of the Socialist Republic of Viet Nam, in accordance with the relevant laws and regulations of Japan.

(2) The Grant will be made available by concluding a grant agreement between the Government of the Socialist Republic of Viet Nam or its designated authority and the Japan International Cooperation Agency (JICA) (hereinafter referred to as "the G/A").

(3) The terms and conditions of the Grant as well as the procedures for its utilization will be governed by the G/A within the scope of the present understanding.

His Excellency
Mr. VUONG DINH HUE
Minister of Finance
of the Socialist Republic of Viet Nam

2. The Grant will be available during such period as may be specified in the G/A, provided that the period will be between the date of entry into force of the G/A and February 29, 2016.

3. The Grant shall be used by the Government of the Socialist Republic of Viet Nam properly and exclusively for the purchase of such products and services necessary for the implementation of the Project as may be specified in the G/A (hereinafter respectively referred to as "the Products" and "the Services").

4. The Government of the Socialist Republic of Viet Nam or its designated authority shall enter into contracts in Japanese Yen with Japanese nationals for the purchase of the Products and the Services. Such contracts will be verified by JICA to be eligible for the Grant (The term "Japanese nationals" whenever used in the present understanding means Japanese physical persons or Japanese juridical persons controlled by Japanese physical persons.).

5. The Grant will be executed by JICA, in accordance with the provisions of the G/A, by making payments in Japanese Yen to an account to be opened in the name of the Government of the Socialist Republic of Viet Nam at a bank in Japan designated by the Government of the Socialist Republic of Viet Nam or its designated authority.

6. (1) The Government of the Socialist Republic of Viet Nam shall take necessary measures:

(a) to secure lots of land necessary for the implementation of the Project and to clear the sites;

(b) to provide facilities for distribution of electricity, water supply and drainage and other incidental facilities necessary for the implementation of the Project outside the sites referred to in (a) above;

(c) to ensure prompt unloading and customs clearance at ports of disembarkation in the Socialist Republic of Viet Nam and to assist internal transportation therein of the Products;

(d) to ensure that customs duties, internal taxes and other fiscal levies which may be imposed in the Socialist Republic of Viet Nam with respect to the purchase of the Products and the Services be exempted;

(e) to accord Japanese nationals and/or nationals of third countries, whose services may be required in connection with the supply of the Products and the Services such facilities as may be necessary for their entry into the Socialist Republic of Viet Nam and stay therein for the performance of their work;

(f) to ensure that the Products be maintained and used properly and effectively for the implementation of the Project;

(g) to bear all the expenses, other than those covered by the Grant, necessary for the implementation of the Project; and

(h) to give due environmental and social consideration in the implementation of the Project.

(2) While ensuring fair treatment of sources of information, the Government of the Socialist Republic of Viet Nam shall provide the Government of Japan with necessary information, including information on corrupt practice, related to the Project.

(3) With regard to the shipping and marine insurance of the Products, the Government of the Socialist Republic of Viet Nam shall refrain from imposing any restrictions that may hinder fair and free competition among the shipping and marine insurance companies.

(4) The Products shall not be exported or re-exported from the Socialist Republic of Viet Nam.

7. The two Governments shall consult with each other in respect of any matter that may arise from or in connection with the present understanding.

I have further the honour to propose that this Note and Your Excellency's Note in reply confirming on behalf of the Government of the Socialist Republic of Viet Nam the foregoing understanding shall constitute an agreement between the two Governments, which shall enter into force on the date of Your Excellency's Note in reply.

I avail myself of this opportunity to extend to Your Excellency the assurance of my highest consideration.

TANIZAKI YASUAKI
Ambassador Extraordinary
and Plenipotentiary of Japan

MINISTRY OF FINANCE
THE SOCIALIST REPUBLIC OF
VIET NAM

Hanoi, March 22, 2012

Excellency,

I have the honour to acknowledge the receipt of Your Excellency's Note of today's date, which reads as follows:

"I have the honour to refer to the recent discussions held between the representatives of the Government of Japan and of the Government of the Socialist Republic of Viet Nam concerning Japanese economic cooperation to be extended with a view to strengthening friendly and cooperative relations between the two countries, and to propose on behalf of the Government of Japan the following understanding:

1. (1) For the purpose of contributing to the implementation of the Project for E-Customs and National Single Window for Customs Modernization (hereinafter referred to as "the Project") by the Government of the Socialist Republic of Viet Nam, the Government of Japan has decided that a grant up to two billion six hundred and sixty-one million Japanese Yen (¥2,661,000,000) (hereinafter referred to as "the Grant") will be extended to the Government of the Socialist Republic of Viet Nam, in accordance with the relevant laws and regulations of Japan.

His Excellency
Mr. TANIZAKI YASUAKI
Ambassador Extraordinary
and Plenipotentiary of Japan

(2) The Grant will be made available by concluding a grant agreement between the Government of the Socialist Republic of Viet Nam or its designated authority and the Japan International Cooperation Agency (JICA) (hereinafter referred to as "the G/A").

(3) The terms and conditions of the Grant as well as the procedures for its utilization will be governed by the G/A within the scope of the present understanding.

2. The Grant will be available during such period as may be specified in the G/A, provided that the period will be between the date of entry into force of the G/A and February 29, 2016.

3. The Grant shall be used by the Government of the Socialist Republic of Viet Nam properly and exclusively for the purchase of such products and services necessary for the implementation of the Project as may be specified in the G/A (hereinafter respectively referred to as "the Products" and "the Services").

4. The Government of the Socialist Republic of Viet Nam or its designated authority shall enter into contracts in Japanese Yen with Japanese nationals for the purchase of the Products and the Services. Such contracts will be verified by JICA to be eligible for the Grant (The term "Japanese nationals" whenever used in the present understanding means Japanese physical persons or Japanese juridical persons controlled by Japanese physical persons.).

5. The Grant will be executed by JICA, in accordance with the provisions of the G/A, by making payments in Japanese Yen to an account to be opened in the name of the Government of the Socialist Republic of Viet Nam at a bank in Japan designated by the Government of the Socialist Republic of Viet Nam or its designated authority.

6. (1) The Government of the Socialist Republic of Viet Nam shall take necessary measures:

(a) to secure lots of land necessary for the implementation of the Project and to clear the sites;

(b) to provide facilities for distribution of electricity, water supply and drainage and other incidental facilities necessary for the implementation of the Project outside the sites referred to in (a) above;

(c) to ensure prompt unloading and customs clearance at ports of disembarkation in

the Socialist Republic of Viet Nam and to assist internal transportation therein of the Products;

(d) to ensure that customs duties, internal taxes and other fiscal levies which may be imposed in the Socialist Republic of Viet Nam with respect to the purchase of the Products and the Services be exempted;

(e) to accord Japanese nationals and/or nationals of third countries, whose services may be required in connection with the supply of the Products and the Services such facilities as may be necessary for their entry into the Socialist Republic of Viet Nam and stay therein for the performance of their work;

(f) to ensure that the Products be maintained and used properly and effectively for the implementation of the Project;

(g) to bear all the expenses, other than those covered by the Grant, necessary for the implementation of the Project; and

(h) to give due environmental and social consideration in the implementation of the Project.

(2) While ensuring fair treatment of sources of information, the Government of the Socialist Republic of Viet Nam shall provide the Government of Japan with necessary information, including information on corrupt practice, related to the Project.

(3) With regard to the shipping and marine insurance of the Products, the Government of the Socialist Republic of Viet Nam shall refrain from imposing any restrictions that may hinder fair and free competition among the shipping and marine insurance companies.

(4) The Products shall not be exported or re-exported from the Socialist Republic of Viet Nam.

7. The two Governments shall consult with each other in respect of any matter that may arise from or in connection with the present understanding.

I have further the honour to propose that this Note and Your Excellency's Note in reply confirming on behalf of the Government of the Socialist Republic of Viet Nam the foregoing understanding shall constitute an agreement between the two Governments, which

shall enter into force on the date of Your Excellency's Note in reply.

I avail myself of this opportunity to extend to Your Excellency the assurance of my highest consideration."

I have further the honour to confirm on behalf of the Government of the Socialist Republic of Viet Nam the foregoing understanding and to agree that Your Excellency's Note and this Note in reply shall constitute an agreement between the two Governments, which shall enter into force on the date of this Note in reply.

I avail myself of this opportunity to extend to Your Excellency the assurance of my highest consideration.

VUONG DINH HUE
Minister of Finance
of the Socialist Republic of Viet Nam