

**EXCHANGE OF LETTERS BETWEEN THE GOVERNMENT OF AUSTRALIA
REPRESENTED BY THE AUSTRALIAN AID PROGRAM AND THE
COMMUNIST PARTY OF VIETNAM REPRESENTED BY PARTY
INSPECTORATE RELATING TO VIETNAM COMMUNIST PARTY ANTI-
CORRUPTION TRAINING PROGRAM 2011-14**

1. GENERAL

- 1.1. This letter initiates Exchange of Letters **Number 001** between the Government of Australia represented by the Australian Aid Program (AusAID) and the Communist Party of Vietnam represented by Party Inspectorate (PI) (the “Parties”).

2. NAME OF ACTIVITY

- 2.1. The name of the Activity is the **Vietnam Communist Party Anti-Corruption Training Program 2011-14** (“the Activity”).

3. PURPOSE

- 3.1. The Parties will cooperate in implementing the Activity to further develop their relationship and help Vietnam to implement its ambitious anti-corruption policy agenda. The goal of the Activity is to **contribute to a reduction in corruption in Vietnam**. This will be achieved through supporting the objectives of the Communist Party’s Anti-Corruption Strategy to 2020.

4. COORDINATING AUTHORITIES

- 4.1. The Coordinating Authorities for this Activity will be:

For Australia: AusAID Hanoi

For Vietnam : PI and Commission for External Relations (CER)

- 4.2. AusAID has engaged a service provider, a suitably qualified organisations to implement the Activity on behalf of AusAID. The service provider was selected by a Technical Assessment Panel (that included a representative from PI) in a restricted tender with a competitive selection process. The service provider will partner with relevant anti-corruption bodies in Australia for Australian based activities. The service provider will also partner with a Vietnamese organisation for in-country activities.

5. DURATION OF THE ACTIVITY

- 5.1. The Parties anticipate that the Activity will be implemented over three years (2011 – 2014) commencing as per paragraph 14.1

6. **ACTIVITY LOCATION**

- 6.1. The Activity will be training courses delivered in Vietnam and Australia (under components 1 and 2); and international conferences in countries identified in the annual plan (under component 3) as detailed in the Concept Note (Annex 1).

7. **ACTIVITY DESCRIPTION**

Background

- 7.1. The Vietnam–Australia Comprehensive Partnership was endorsed in 2009, and highlighted Australia’s position as a long-term partner in Vietnam’s development. This includes Australia’s engagement, in cooperation with other donors, to support Vietnam’s efforts to combat corruption.
- 7.2. The Communist Party and the Government of Vietnam has identified corruption as a major obstacle to development. In the last few years, Vietnam has made significant efforts to develop the legal framework and institutional structure for anti-corruption.
- 7.3. In October 2010, PI requested an expansion of Australia’s support for implementation of its strategy to 2020. Supporting the implementation of Vietnam’s anti-corruption strategy aligns well with AusAID’s Anti-Corruption Policy to “tackle corruption for growth and development” and aims towards long-term sustainability achieved through a partnership approach where Australia supports the priorities and plans of partner countries to improve governance and tackle corruption.
- 7.4. AusAID and PI have discussed a proposal for the Activity with a combination of Australia-based and in-country activities. The Activity will support the implementation of the Communist Party’s Anti-Corruption Strategy to 2020 and will draw on lessons learned from earlier AusAID-funded training courses on anti-corruption delivered in 2008 and 2009, which facilitated the development and initial implementation of the Communist Party’s Anti-Corruption Strategy to 2020.

Activity Description

- 7.5. The Activity is structured with 3 components: (i) high-level policy training; (ii) thematic operational training; and (iii) support for continuous development.
- 7.5.1. Component 1 - High-Level Policy Training: this training course will focus on anti-corruption policy/strategy development and implementation.

Participants will comprise 25 high-ranking officials involved in the policy and strategy development from PI, Office of the Steering Committee on Anti-Corruption (OSCAC) and Government Inspectorate (GI).

The duration of the course will be three (3) weeks, consisting of 1 week in Vietnam with course introduction and initial training sessions; and 2 weeks in

- 7.5.2. Component 2 – Thematic and Operational Training: this training program will focus on the areas/sectors most prone to corruption in Vietnam, such as extractive industries, public investment, state owned enterprises management, etc. as identified by PI; and strengthened anti-corruption key capabilities (prevention and investigation).

Participants will comprise 20 officials in charge of specific anti-corruption areas/sectors from PI, OSCAC, GI and relevant agencies to thematic topics (such as relevant line Ministries).

The duration of the course will be two (2) weeks, consisting of one (1) week in Vietnam with course introduction and initial training sessions; and one (1) week in Australia with workshops, site visits and course debriefing and evaluation.

- 7.5.3. Component 3 - Support for Continuous Development: enabling the continuous development of course participants via the facilitation of informal and formal linkages, through the following activities: Anti Corruption International Conference Delegations and Annual Alumni Workshops in Vietnam. This component will also allow flexibility to other activities such as analytical work or researches as required by PI, OSCAC, GI and agreed by AusAID.
- 7.5.4. Each year of the Activity will have one full course cycle consisting of 3 components. In 2011/12, there will be 1 High-Level Policy Training course, 1 Thematic and Operational Training, 1 International Conference Delegation and 1 Annual Alumni Workshop. For 2012/13 and 2013/14, there will be 1 High-Level Policy Training course, 2 Thematic and Operational Training, 1 International Conference Delegation and 1 Annual Alumni Workshop. However, details on number of specific activities and topics will be agreed by AusAID and PI at Activity's Annual Plan development.

8. COORDINATION AND MANAGEMENT ARRANGEMENTS

- 8.1. PI and CER will provide the following management and coordination functions to assist with the implementation, progress and monitoring of the Activity:
- (a) Overall coordination of PI, OSCAC, GI and relevant agencies' participation ("the Participating Agencies") in the Activity;
 - (b) Nominating the Program Coordinator and the Program Coordinator Assistant from PI's Personnel and External Department and CER respectively. The Program Coordinator and Program Coordinator Assistant will work closely with AusAID and the service provider to ensure Activity cohesion and accountability. The Program Coordinator was a member of the Technical Assessment Panel and will participate in the Activity's first training course;
 - (c) Assisting the development and implementation of the Activity's Annual Plan, Training/Activity Programs, and the Monitoring and Evaluation (M&E) Framework;
 - (d) Ensuring targeted selection of Activity participants. Participants undertake to work in specialised anti-corruption units and to continue their service in

CER staff included in the total number of participants at each training course to work with service provider's interpreter to ensure quality of interpretation;

- (e) Provide a specific activity report to AusAID;
- (f) Disseminating relevant information about the Activity to the Participating Agencies;
- (g) Ensuring the Participating Agencies are aware of their responsibilities in relation to targeted selection of Activity participants and provision of counterpart costs including: travel, accommodation, per-diem expenses for the participants for in-country activities; and passports/ visa formalities.

8.2. AusAID will ensure that the Activity is adequately resourced to ensure effective management of service provider's contract. AusAID will also work closely with PI and CER during development and implementation of the Activity's Annual Plan, Training/Activity Programs, and the M&E Framework.

9. ACTIVITY PERSONNEL

9.1. PI and CER will nominate representatives for meetings and program related activities in accordance with the Annual Plan.

10. FINANCIAL CONTRIBUTIONS

Australia

10.1. GOA will provide up to AUD 2,800,000 to support this activity. This will cover implementation, management and monitoring of the Activity and related activities. Disbursement of GOA contributions will be made by the service provider, upon authorisation of the GOA.

10.2. The provision and disbursement of GOA contributions to the Activity will be subject to the normal Australian annual Parliamentary approval of appropriations.

Vietnam

10.3. Participating agencies will be responsible for counterpart costs of the program. Counterpart costs include travel, accommodation, per-diems for Vietnamese participants with respect to activities in Vietnam and passports/ visa formalities.

11. MONITORING, REVIEW, EVALUATION AND REPORTING ARRANGEMENTS

Monitoring and Evaluation (M&E)

11.1. The service provider will develop and seek approval from AusAID and PI for an M&E Framework to capture the Activity's achievements and demonstrate its influence within 4 weeks of the Contract start date or prior to the Activity's first training course.

- 11.2. AusAID and PI will supervise and facilitate the service provider's conducting M&E at the end of each specific activity, each Full Course Cycle (combined with the Annual Alumni Workshop) and full 3-year Activity's completion.
- 11.3. The Activity's evaluations will draw on case studies provided by participating agencies and interviews with course participants to demonstrate evidence (refer to Measuring success Section of the Concept Note- Annex 1) that:
 - (a) knowledge gained from the training courses has been applied;
 - (b) information has been disseminated beyond just course participants; and
 - (c) the program meets specific anti-corruption needs of Vietnam.

Reporting Arrangements

- 11.4. PI will ensure the provision of Post-Activity Report to AusAID, which will be signed by such specific activity's Vietnamese Delegation head within 1 month of such activity's delivery;
- 11.5. AusAID will share with PI the following reports that the service provider will provide to AusAID:
 - (a) 1 Annual Plan within 20 working days from the Contract Start Date for 2011/12 and by 31 August of each year following year of the Activity;
 - (b) 1 Post-Activity Report for each specific activity within 1 month of such activity's delivery;
 - (c) 1 Full Course Cycle Evaluation Report within 1 month of each Annual Alumni Workshop delivery;
 - (d) 1 Full Program Evaluation Report within 1 month of the full 3-year Activity's completion.

12. SETTLEMENT OF DISPUTES

This Exchange of Letters serves only as a record of the Parties' intentions and does not constitute or create (and is not intended to create) rights or obligations under domestic or international law and will not give rise to any legal process and will not be deemed to constitute or create any legally binding or enforceable rights or obligations (expressed or implied). Consequently, any dispute, controversy, or claim, which arises out of the interpretation or application of this Exchange of Letters will not be subject to adjudication or arbitration, but will instead be dealt with through amicable consultations and negotiations as the only method of achieving the peaceful settlement of that dispute, controversy, or claim.

13. AMENDMENTS

- 13.1. This Exchange of Letters may be amended at any time through an Exchange of Letters signed by the Parties.

14. COMMENCEMENT AND TERMINATION

- 14.1. This Exchange of Letters will take effect on signature by both Parties.

termination is given, this Exchange of Letters will terminate three months after the date that the other Party receives that notice of the intention to terminate.

ANNEXURES to this Exchange of Letters form an integral part of it

Annex: 1. Concept Note

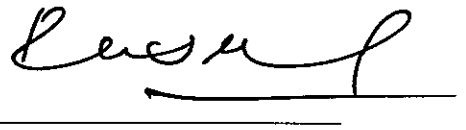
For the Government of Australia

A handwritten signature in black ink, appearing to read "Michael Wilson", followed by a horizontal line.

MICHAEL WILSON
Minister Counselor
AusAID Mekong and Regional

Signed at 6 September 2011

For the Communist Party of Vietnam

A handwritten signature in black ink, appearing to read "Phan Huy Sang", followed by a horizontal line.

PHAN HUY SANG
Director General
Organization and Personnel
Department
Party Inspectorate

Signed at 12 September 2011