

Sida ref: 2005-003180
Component: 71001791
UN ref: 00046029

Annex 1

ADMINISTRATION AGREEMENT

1. Pursuant to the Agreement regarding the UNDP/Sida Trust Fund for Assistance to UNDP concluded between the Government of Sweden ("Sida") and the United Nations Development Programme ("UNDP") on the first of September 2000, (the "Trust Fund Agreement"), I am pleased to inform you of the intention of Sida to make available a contribution (the "Contribution") of Three million eight hundred thousand SEK (SEK 3,800,000.00) to be administered by UNDP for the project ASYCUDA II (Support to the automation of customs procedures) in Timor Leste (Trust Fund No.00046029). The terms of the Trust Fund Agreement shall apply to the Contribution. UNDP shall administer the Contribution in accordance with the provisions of the Trust Fund Agreement, except as otherwise provided herein.
2. The objectives of the project are to further enhance effective and accountable customs management and control, with the view to improving the national tax yield and economic planning capacity.
3. Out of the contribution, 8 per cent may be used as support costs in accordance with Article 7 (a), and 5 per cent as support costs in accordance with Article 7 (b) of the Trust Fund Agreement.
4. The funds are estimated to be utilized according to the following schedule:

SEK 1,900,000	September 2005
SEK 1,900,000	September 2006
5. The specific period during which the activities shall be undertaken is from 1 September, 2005 to 30 November, 2006. Only costs for activities carried out during this period may be financed from the Swedish Contribution. After six months from that latter date, the contribution shall not be available for disbursement. The Contribution shall be used exclusively for the purposes of the project for which they are intended and in accordance with the project document, attached as Annex 1 to this Administration Agreement, UNDP shall provide Sida with reports and information as provided in the Trust Fund Agreement. The officers responsible for coordination of all matters related to this Administration Agreement are:

For Sida

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 Dept/Unit: INEC/Market
 Responsible Officer: Martin Hessel
 Telephone: +46-8-698 40 65
 Fax: +46-8-698 54 30
 E-mail: martin.hessel@sida.se

For UNDP

Address: UN House, Caicoli Street, Dili, Timor Leste
 Dept/Unit: Governance Unit
 Responsible Officer: Naheed Haque (Country Director)
 Telephone: 670-312-481
 Fax: 670-312-408
 E-mail: carlos.dinis@undp.org

6. UNDP shall inform Sida of any significant deviation from agreed plans and budgets. Sida may at any time withhold disbursement if major deviations occur.
7. Sida and UNDP shall meet to plan and review the progress of ongoing activities of the project, whenever the need arises.
8. This Administration Agreement shall enter into force 1 September 2005 and remain valid until 31 May 2007 unless terminated earlier by either of the Parties giving three months' written notice to the other.
9. I would like to propose that this letter shall, upon your confirmation and agreement below, constitute an agreement between Sida and UNDP.

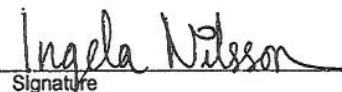
Confirmed and agreed:

Stockholm, 19 July, 2005

Place and date

Dili 19 August

Place and date



Signature

Ingela Nilsson
 Acting Head of Division, INEC/Market



Signature

Sukehiro Hasegawa
 Resident Representative

Swedish International Development
 Cooperation Agency

United Nations Development
 Programme