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The Government of the Islamic Republic of Iran

Title of the Project: Implementation of E-Customs ASYCUDAWORLD in the Islamic Republic of Iran

Project Number (Atlas Award ID): 00039154

Brief Description: In an effort to streamline and harmonise the customs procedure with other governmental and private partners, the Government of the Islamic Republic of Iran has selected ASYCUDAWORLD as a tool for its customs administration in order to move toward e-commerce and e-customs. This project is a technical cooperation project between the Islamic Republic of Iran Customs Administration (IRICA), UNCTAD and UNDP. Through this project, UNCTAD will provide appropriate technical services and other resources for the implementation of e-customs solutions through the latest state of art management information system ASYCUDAWORLD. With such a tool, IRICA will establish a transparent clearance processing mechanism with a Document Tracking Utility available for all agents and will expand its Direct Trader Input (DTI) through the internet. The ASYCUDAWORLD system is based on a state of the art IT technology (web-based, Java, XML...) that can be used as the core element of the implementation of e-government and e-business in the country. The duration of the project will be at least 24 months and will be implemented in two phases: Phase I – prototyping and piloting of the system in Customs Headquarters and at a designated pilot site, and Phase II – rollout of the system to all Customs offices and fiscal points. A major component of the project will be the transfer of technology that UNCTAD will undertake, through technical and functional training with a view to ensure IRICA the ownership of the system and to create self sufficiency and independence from external technical assistance in the future

Signature Date: 8 March 2005



Signature Page

Country: Islamic Republic of Iran

Expected UNDAF Outcome: Improved Economic Performance

Expected Country Programme Outcome: Access Best Practices in Trade Diversification

Expected Country Programme Output: National Capacity on Trade and Globalisation Enhanced

Implementing Partner (Executing Agency): Islamic Republic of Iran Customs Administration (IRICA)

Responsible Party: Islamic Republic of Iran Customs Administration (IRICA)

Cooperating Partner: United Nations Conference on Trade and Development (UNCTAD)

Programme Period: 2005-2009
Programme Component: Trade
Project Title: Implementation of
ASYCUDA WORLD in the
Islamic Republic of Iran
Project Number (Atlas Award ID): 00039154
Project Duration: 24 months (April 2005 to
March 2007)
Management Arrangement: National
Execution (NEX)

Budget: US\$ 819,500
General Management Support (GMS)
Fee: US\$15,150
Total Budget: US\$ 834,650
Allocated Resources:

- Government: US\$ 520,150 (to be paid
in I.R. Rials)
- Regular (UNDP TRAC 1&2):
US\$ 314,500

Name and Title

Signature

Date

H.E. Mr. Masoud Karbasian
President, Islamic Republic of Iran
Customs Administration (IRICA)

8 March 2005

Mr. Yuxue Xue
UNDP-Iran Resident Representative a.i.

8 March 2005

Section I: Elaboration of the Narrative

Part I. Situation Analysis

One of the major visions of the Government of the Islamic Republic of Iran is to provide E-services to community by implementing E-government environment in the country. This task has been approved by the parliament in the Third and Fourth Five-Year Development Plans. Based on above, the government of I.R. Iran has developed a strategy and policies for achieving these objectives. In this regards many different sectors of government such as the Ministry of Economic Affairs and Finance, Road and Transportation Ministry, Ministry of Commerce, Ministry of ICT and many more are involved to prepare the required infrastructure such as laws and regulations, telecommunication networks and develop a roadmap to achieve the objectives of the plans.

I.R. Iran Customs Administration (IRICA) as a major service provider to the trade community, which has also an important role in trade chain has taken many steps towards simplification and streamlining the customs clearance procedures. IRICA has been using UNCTAD's ASYCUDA System for the computerization of Customs revenue collection and compilation of trade statistics since 1996.

During the first phase, the system was configured according to Iranian national requirements and a certain amount of international procedures and codification were adopted. The necessary training of local staff was undertaken and the system was built and implemented at Merhabad International Airport as a pilot site.

During the Phase II, the system was expanded to cover most of the customs offices of the country (20 offices have been computerized) and most of the ASYCUDA modules such as selectivity, manifest were taken to operation. In January 2002, the final TPR meeting of the Phase II project (IRA/99/009) decided to move into PHASE III. This was in line with the fact that the Government of the Islamic Republic of Iran had embarked on a policy and program to improve its finances and to strengthen and reform the economy of the country. To strengthen efficiency, the government policy is to move towards e-government as to be able to provide e-services to all sectors of

community.

On the international cooperation front,, since early 2004, IRICA in partnership with UNCTAD is playing a major role in the implementation of ASYCUDA in Afghanistan and Sudan.

In this context in TPR meeting of 18th April 2004 that representatives from the Management and Planning Organization (MPO), the Ministry of Foreign Affairs (MFA, UNDP & IRICA participated they all approved that IRICA's move towards e-government be through implementation of UNCTAD's ASYCUDA WORLD which is an internet based system with many new advantageous features in comparison with the version that is currently used by IRICA.

IRICA since the introduction of ASYCUDA, has maximized the efficiency in the Customs clearance processing and in the statistical sector. This effort was part of the government policy of trade facilitation through the reduction and simplification of procedures and of official formalities and documentations. Besides this within the past few years a new strategy has been developed by high council of ICT, which is chaired by the I.R. Iran President for the development of ICT issues in the country. The plan, which is abbreviated as TAKFA, provides guidelines and standards to the government organisations and supports all ICT activities. ASYCUDA project has been registered as a national project in TAKFA and for the past two years it has been sponsored by the secretary of above-mentioned high council.

In the mean time with the support of top management, IRICA succeeded to absorb budgets from MPO and develop new web-based application systems and ICT strategy to support the IRICA mission.

By executing the previous phases IRICA achieved some major objectives by implementing the ASYCUDA in more than 40 operational sites such as follows:

- Improvement in revenue control
- Reduction of clearance time
- Accurate customs and Trade statistics
- Standardisation of procedures and codification
- Risk management techniques
- Exchange of data with other organisation
- Simplification of procedures and more transparency

It is worth to mention that the software have usually a lifetime of 5 to 6 years. The ASYCUDA ++ software has been used for more than 10 years now in more than 80 countries. As the architecture of the ASYCUDA ++ is client/server, which has many disadvantages in comparison to web-based application, it is important to upgrade the existing system to newly developed ASYCUDA WORLD, which is a web-based system and runs on internet.

The advantages of ASYCUDA WORLD is as follows:

- ✓ ASYCUDA WORLD provides full support to e-customs, e-government and capability to inter-operate on line with external/government systems and databases.
- ✓ It will allow IRICA to go in the direction of a paperless customs
- ✓ ASYCUDA WORLD will allow full document tracking with full and complete audit history of the customs operations.
- ✓ ASYCUDA WORLD has the facility to attach images to customs declarations e.g. picture of trucks, driver, registration numbers, scanned documents, scanned image of a truck etc... which bridges the gap between physical goods and the supporting documents, facilitates goods identification, inspection and tracking and reinforces post clearance processes.
- ✓ Independence of operating system and RDBMS, which ensures implementation on wide range of software and hardware platforms, from mainframes to stand-alone equipment, portable equipment such as PDAs, mobile phones, tablet PCs etc...
- ✓ Possibility for several types of clients: thick clients (stand alone clients), thin clients (with major Web browsers) and ultra thin clients (mobile devices)
- ✓ Multi language/alphabet (user interface and data), Unicode, E-Document
- ✓ Robust build-in security features, including user authentication, asymmetric encryption, PKI, electronic signature etc..

- ✓ Communication: Web, Internet, Intranet, Independence of telecoms infrastructure, Resilience to telecom breakdown.
- ✓ Minimises installation/maintenance costs
- ✓ The most important advantage of ASYCUDAWORLD is the total ownership of the beneficiary countries, which could implement e-documents provided by UNCTAD, adapt them according to the national requirements and/or develop new ones by derivation of the existing ones.

Part II: PROJECT DESCRIPTION

1. Purpose of the project

IRICA's modernisation plans to become an electronic based public agency and service provider to brokers and other stakeholders to international trade, including ministries and organization concerned are the primary objective for the next few years. To support such environment and provide the necessary services, infrastructure such as telecommunication, EDI standards, base software and applications must be provided. ASYCUDA supports the major part of the requirement.

2. Specific Objectives

- 2.1 The new electronic services are important in the interest of an e- government, transparency and free flow of information. This new concept, which may also be called "e-Customs" is supposed to be made available at traditional Customs offices.
"E-Customs" will be able to offer 24 hours and seven days a week services to Importers, exporters and other service providers.
- 2.2 To improve the efficiency of customs
- 2.3 To simplify the trading environment
- 2.4 To provide and exchange data with external partners - e.g. Department of Statistics, Ministry of Economic Affairs and Finance, State Fiscal Inspectorate, Central Bank etc -

3. OUTPUTS

The following key outputs are expected to be produced by

the project:

- Awareness program organised
- Project Team trained to the ASYCUDAWORLD to be able to install, configure and maintain the ASYCUDAWORLD System
- Project team train in order to be able to program using the ASYCUDAWORLD technology in order to develop new features
- ASYCUDAWORLD prototype, developed in accordance with national User requirements, legislation, national tariff and taxation rules, language (forms, screens, reports, etc), codification, be developed.
- Structural, operational and/or procedural changes documented and implemented
- ASYCUDAWORLD system configured, installed at Customs Headquarters, Customs offices and border posts
- Ability to exchange data with external partners
- System implemented at a national level
- Project reports produced regularly

Part III: PROJECT STRATEGY

ASYCUDA will be introduced in 4 (four) phases, as follows:

PHASE I: National Transit operational nationwide.
It includes the training of National Project Team, the development of the Iranian ASYCUDAWORLD prototype and the implementation of the national transit e-document. The first tangible results will be visible six to 8 months after the beginning of the project

PHASE II: Automation of other Customs documents.

It includes the Single Administrative Document, the Manifest, etc...

PHASE III: Interfacing with other Government Agencies and System.

PHASE IV: Further development for strengthening automation sites.

The activities in pilot phase will be as follows:

Phase 1(a) - Mobilization, Awareness Programs, Training

In these initial stages of the project, preparatory activities will be undertaken:

- Recruitment of experts/Nomination of NPT
- Starting of Awareness Programs
- ASYCUDA Functional and IT Foundation Training
- List of hardware & software for procurement component

Phase 1 (b) - Functional Analysis, Operations & Codification for National Transit

UNCTAD Customs Analyst(s) and the Customs Adviser will assist IRICA in the following areas:

- Elaboration of User Requirements, based on the national legislation (Customs Code and Implementing Regulations) and practice
- Definition of structural, operational and/or procedural changes that might be required by the automation of the National Transit operations
- Definition of transit document-processing path accordingly
- Definition of the parameters of the system to be implemented - e.g. codification, etc

Phase 1 (c) - Prototype Building *****

The latest version of the ASYCUDA system will be provided by UNCTAD to IRICA and will be installed at the IRICA HQ office in Tehran. Prototype building will consist of the following activities:

- Installation of an ASYCUDA platform at IRICA HQ

- Translation of all labels, messages and layouts in Farsi language
- Capture/integration of reference data, e.g. codes, customs tariff etc
- Configuration of Transit Document
- Definition of user-profiles and security
- Design of customized printouts and programming of server management reports
- Testing of prototype

4.4 Phase 1 (d) - National Transit Implementation

The purpose of this activity will be to test the ASYCUDA prototype system, as configured to comply with IRICA requirements, in real operational environment

During this stage it is intended to identify any eventual changes of the pilot system required to produce a viable rollout of the system throughout the country, implement the required changes and rollout the resulting operational system.

At the end of this stage an evaluation will be carried out by UNCTAD and NPT concerning the general acceptability of the piloted application and any perceived limitations regarding functionality, technical performance and conformance to the relevant customs legislation.

4.5 Phase 2- Automation of the remaining Customs Documents

During this phase, the accepted ASYCUDA WORLD prototype will be operational in all Customs Offices. The phase activities will be the same as those performed in Phase 1 but dedicated to the other main Customs documents:

Manifest/Bill of Lading:

UNCTAD will assist IRICA in the following areas:

- Elaboration of User Requirements, based on the national legislation (Customs Code and Implementing Regulations) and practice
- Definition of structural, operational and/or procedural changes that might be required by the automation of the Manifest operations
- Definition of manifest document-processing path accordingly
- Definition of the parameters of the system to be implemented - e.g. codification, etc

- Translation of all labels, messages and layouts in Farsi language
- Capture/integration of reference data, e.g. codes, customs tariff etc
- Configuration of Manifest/Bill of Lading Document
- Definition of user-profiles and security
- Design of customized printouts and programming of server management reports
- Training and awareness sessions
- Testing of prototype
- Nationwide Implementation

Detailed Declaration:

UNCTAD will assist IRICA in the following areas:

- Elaboration of User Requirements, based on the national legislation (Customs Code and Implementing Regulations) and practice
- Definition of structural, operational and/or procedural changes that might be required by the automation of the detailed Declaration operations
- Definition of declaration document-processing path accordingly
- Definition of the parameters of the system to be implemented - e.g. codification, etc
- Translation of all labels, messages and layouts in Farsi
- Capture/integration of reference data, e.g. codes, customs tariff etc
- Configuration of SAD Document
- Definition of user-profiles and security
- Design of customized printouts and programming of server management reports
- Training and awareness sessions
- Testing of prototype
- Nationwide Implementation

Accounting:

UNCTAD will assist IRICA in the following areas:

- Elaboration of User Requirements, based on the national legislation (Customs Code and Implementing Regulations) and practice
- Definition of structural, operational and/or procedural changes that might be required by the automation of the accounting operations
- Definition of accounting document-processing path accordingly
- Definition of the parameters of the system to be implemented - e.g. codification, etc
- Translation of all labels, messages and layouts in Farsi
- Capture/integration of reference data, e.g. codes, customs tariff etc
- Configuration of Accounting Document
- Definition of user-profiles and security
- Design of customized printouts and programming of server management reports
- Training and awareness sessions
- Testing of prototype
- Nationwide Implementation

At the end of this phase an evaluation will be carried out by UNCTAD, IRICA and the UNDP concerning the result of the project.

4.6 Phase 3 - Interfaces with other government agencies and systems

This phase aims at integrating the IRICA system into a more general governmental system by interconnecting the requested agencies and systems with the Customs Automated System. Some of the Phase 3 activities will be conducted during the execution of Phase 2.

UNCTAD will assist IRICA in the following areas:

- Identification of all governmental agencies systems that must be connected with the Customs System
- Definition of structural, operational and/or procedural changes that might be required by the automation of these interfaces
- Specification, development and test of interfaces
- Implementation

4.7 Phase 4-Further developments for strengthening the overall automation process

During this final phase, the project will identify the further required developments and UNCTAD will assist in their implementation. For instance, it might be required to set up electronic exchange of information between the Customs Administrations and those from neighbor countries.

5. UNCTAD TECHNICAL ASSISTANCE AND SUPPORT

5.1 ASYCUDA Software and Associated Documentation & Services

will be provided by UNCTAD IRICA, with the package:

- ASYCUDAWORLD software modules, for a single license use within the legal national boundaries of the beneficiary Customs Administration, including the subsequent available versions of the ASYCUDAWORLD application software;
- ASYCUDAWORLD technical and functional documentation;
- ASYCUDAWORLD training material (functional and technical);
- Remote special technical support for ASYCUDAWORLD application software.

ASYCUDA and the associated documentation and training materials are UNCTAD intellectual property. IRICA will use the ASYCUDA application software and the associated documentation within its customs system, and will not provide any copy of the software and/or documentation to a third party without UNCTAD prior and explicit written approval.

5.2 Main Implementation Activities are as follows:

5.2.1 Awareness events

Awareness events/programs will be delivered in different phases of the project.

- Mobilization Workshop

Mobilization Workshops will be provided for the National Project Team in order to provide the participants with an overview of the system, and to outline their and other external parties' specific responsibilities in relation to the implementation activities.

- Awareness Seminars

Awareness Seminars for senior policy and decision makers in the Customs Administration, together with a series of individual meetings with associated parties, will be held in order to encourage and reinforce the need for support and commitment during the implementation of the project and beyond.

5.2.2 ASYCUDA Foundation Training

- The ASYCUDA foundation training will be delivered to the core of NPT (5-6 experts), to allow them to actively participate in the development of the ASYCUDA WORLD prototype. These training courses will be organized and IRICA experts will have free access to the UNCTAD/ASYCUDA experts that designed, developed and continuously enhance ASYCUDA, in the line with the new developments in the customs and IT sectors.

5.2.3 Functional Analysis

- Elaboration of User Requirements Abstract (The User Requirements Abstract is a document which describes how the Customs IT systems will have to be configured, according to which rules etc, in compliance with the national legislation (Customs Code and Implementing Regulations) and practice. During this stage, IRICA users will be requested to specify their needs both in terms of data required and format and method to be received. In short, the requirements of the users vs. ASYCUDA must be determined, scheduled and the methodology of data transfer clearly defined.

5.2.4 Legislative Reform

- It will also be necessary to determine at an early stage in the implementation the specific requirements of the users vs. ASYCUDA WORLD which may have an effect on the Customs and/or other legislation and which may require amendment with Parliamentary approval.
- Specific areas of the law which may require amendment could include the provisions concerning the Electronic Signature.
- Inventory of New Procedures / Definition of New Declaration-Processing Path / Publication of New Procedures.
- UNCTAD Customs Analyst(s) and Customs Expert will provide technical assistance to IRICA in the definition of structural, operational and/or procedural changes that might be required by the automation of the customs operations, and corresponding definition of declaration-processing flow.
- This work, which will commence as soon as possible, will finally define customs procedures adapted for computerization of operations and a standardized declaration-processing path, standardized accounting procedures etc. This process will include procedures for error handling, payment methods, accounting and clearance, among others.
- The amended procedures and new declaration-processing path will be documented and subsequently

disseminated to the customs staff and the Trade Community.

5.2.5 Fallback Procedures

- These procedures must be established so that customs users and managers are able to handle any situation where the computerized system is out of work. Customs declaration processing and clearance must continue and the data recovered when the system is functional.

5.2.6 Operations and Codifications

- Inventory of New Codes /Publication of New Codes which will also commence as soon as possible after the Foundation Training Courses, will define the policies and specify the national system configuration in terms of inputs, outputs, data elements, processing requirements etc.
- In determining the policies and specific requirements in respect of the system configuration, consideration will be given to:
 - Final decision concerning the pilot sites and the implementation sequence;
 - The decision concerning further sites to be computerized during the national rollout;
 - The national communications network.

5.2.7 Prototype Building

- It will also be necessary for the Customs Administration, in conjunction with the NPT members and UNCTAD to agree and define the system change control and fault reporting procedures.
- In order to establish accurate loading and sizing estimates for hardware procurement purposes, the Customs Administrations will provide UNCTAD with the latest information regarding declaration volumes at the pilot sites. Also to be provided will be information regarding the size of the Customs Tariff and trader files currently in use.
- The system architecture and the relevant technical solutions should be agreed by IRICA and UNCTAD before the Invitation to Tender (ITT) for the

procurement of hardware and software will be launched. The tender will be the full responsibility of IRICA

- Preparation of Technical Specifications for Hardware, Software and Associated Services for the Implementation of ASYCUDAWORLD
- Once the loading and sizing estimates for hardware have been completed, it will be possible to finalize the technical specifications for the specific hardware, software and associated services required to implement ASYCUDAWORLD in the pilot sites and for the national rollout.

All the activities above could be performed in any stage of this project, but it is recommendable to undertake them at an early stage of the project.

- A base system, including reference data, screen printouts, messages and utilities will be installed and configured at the HQ for translation by the NPT into the local language.
- The base system screens, printouts and messages will be made available in English and will, as necessary, require translation into the local language.
- The numerous reference data, including Customs Tariff will be built/integrated into the system. There are close inter-relationships between the reference data: for example, customs procedure codes, which identify exemptions or partial exemptions, tax codes etc, must be linked to the appropriate tariff lines.
- This work builds the core of the application software and must be meticulously carried out with thorough validation and testing. This task does not normally take less than 3 months although this time may be reduced if certain

data, e.g. traders, tariff etc, can be integrated into ASYCUDA in electronic format.

- Organising advanced training courses on Linux, Oracle and new functionalities of ASYCUDA WORLD. These courses should give a global understanding of concepts carried out by the system allowing the National Team the ability of developing applications.

5.2.8. Management Information

- In order to maximize the benefits for IRICA of using ASYCUDA, it is vitally important that senior managers within the Customs Administration are fully aware of the management information that is available from the system.
- Although an overview of the system will have been provided during the Mobilization stage, it is recommended that the national training resource of IRICA provides a series of on-going awareness workshops and 'Managing the Change' type seminars. This could also include training in respect of the use of ASYCUDA in risk-assessment, targeting and freight intelligence.

5.2.9 Preparation of Management Reports

- Following the above activity and on the basis of the information provided by the managers, IRICA could develop Management Reports according to the national requirements and practices. These outputs could be revised if necessary, on the basis of the feedback received from the end-users of these reports.

5.2.10 Testing of the Prototype

- When the prototype (control files, tariff and configuration) has been completed the system will be tested in its entirety using declarations drawn from the proposed pilot offices.
- Although changes to the legislation and procedures may still be outstanding, this exercise is designed to verify the integrity of the system.
- Data processed during the test will be consolidated and passed to selected end-users for verification of processing by their respective sub-systems. At the end of the test, the end-users' comments will be documented and action taken so that the prototype can be amended prior to going live at the first pilot site.

5.2.11 Preparation of Customs User Training Modules

- In order to provide training to the local implementation teams it will be necessary that the training resources prepare the modules for all Customs users of the ASYCUDA system.
- These will include the training material for the 'Supervisors' and 'System Managers', together with the guided learning packages/modules for the 'data input operators' and 'cashiers' as indicated in the Mobilization and Training Document.

5.2.12 Delivery of User Training

- Prior to the implementation of ASYCUDA in the first pilot site, the training resources will deliver appropriate training to the local implementation team in accordance with the program outlined in the Mobilization and Training Document.

5.2.13 System and User Documentation

- Documentation will be required in the local language to describe the functionalities of the

pilot project (declaration processing, accounting, statistics) and the technical set-up and utility routines. Although standard documents in English can be used to build the documentation, it will first need to be translated and then adapted to cover the IRICA system configuration, procedures, control documents etc.

5.2.14 Pilot Site Implementation

- In anticipation to the introduction of ASYCUDAWORLD at the pilot sites (and ultimately at all locations), it is necessary at an early stage to:
 - Identify and eventually obtain any necessary approvals for building or renovation work to be carried out;
 - Identify and ensure availability of adequate financing;
 - Define accommodation standards; and
 - Plan for renovation/construction, as necessary, including the design of:
 - ◆ Site plan/room layout
 - ◆ Wiring, cabling
 - ◆ Mains electricity/back-up power
 - ◆ Staffing levels/grading, e.g. data
 - ◆ Input, query, clearance etc
 - ◆ Temporary accommodation of staff during
 - ◆ Refurbishment etc.
- All identified and agreed operations should be carried out prior to the installation of the IT and communication equipment.
- The IT hardware and software and the communications equipment will be installed and the network tested.

- The operational version of ASYCUDA, including all the reference data, parameters etc, will be installed and configured at the first pilot site.
- The new operational procedures will be implemented in the first pilot office
- This feature will also be included in the training module for Senior Managers.
- The full declaration-processing systems will be tested using the declarations being processed manually or through the existing computer system (as appropriate) in the pilot office and the necessary fine-tuning will be undertaken.

5.2.15 Parallel Run and Go-Live

- The existing IT system and the ASYCUDA system will be run in parallel for approximately 1 month, in order to test that the results are identical. If satisfactory, the existing IT system will be eliminated and ASYCUDA will go fully operational.
- During this stage it is intended to identify any eventual changes of the pilot system, required to produce a viable rollout of the system throughout the country, implement the required changes and rollout the resulting operational system.

5.2.16 Rollout of ASYCUDA in the Remaining Pilot Sites

- Hardware upgrades and procedures will be introduced at each office during the parallel run at the previous office.
- With the pilot offices live it will now be possible to aggregate data, test the system and pass it to end-users for testing on their own sub-systems. As each office will have been tested as it goes live the final period of two weeks should be sufficient to validate the full data extraction and integration programs for the production of management reports.

- During this stage it is intended to identify any changes required to the pilot system in order to produce a viable rollout of the system throughout the country, implement the required changes and rollout the resulting operational system.
- At the end of this stage an evaluation will be carried out by UNCTAD and IRICA concerning the general acceptability of the pilot sites and any perceived limitations regarding functionality, technical performance and conformance to the relevant customs legislation.

5.2.17 Rollout at National Level

- The ASYCUDA WORLD system once built and operational at pilot offices can be further utilized at all locations provided that the necessary hardware, communications etc, are available.
- In dealing with a large rollout program, it will be necessary that during prior stages of the project for all Customs Offices identified for computerization to carry out a site preparation type activity, in order to determine and evaluate their specific technical needs and undertake the works accordingly.
- In the meantime, it will also be necessary to identify the training priorities and to schedule the training activities required for both the customs personnel and the trade operators during the Rollout Phase.

5.2.18 Technical assistance

- The new software modules/applications to be developed must operate in compliance with national legislation existent at the time of implementation;
- The software must be capable of providing the additional functionality and supporting external systems interfaces associated with membership in different regional and international organizations;
- UNCTAD will therefore provide IRICA with technical assistance in developments or customization of additional software modules (applications), as well as

during the implementation (integration/interfacing) of these new modules in the ASYCUDA environment,

- validation of technical solutions for the new modules (integration, interfacing, testing, roll-out etc), Prevention of disruption of the declaration-processing system during the integration and implementation of new/additional software modules.

5.3 UNCTAD Further Assistance

- Further assistance and support will be provided by UNCTAD beyond the duration of this project for troubleshooting purposes (through e-mail or telephone). If needed UNCTAD will also provide corrections to possible software problems (patches) on its ftp site within working hours. UNCTAD will also provide the latest releases of the ASYCUDA software with the corresponding upgrade documentation.
- Subject to conditions to be determined during the lifespan of this project, including the provision of the necessary human and financial resources, further specific assistance and support will be provided by UNCTAD beyond the duration of this project, through an 'annual lump sum' arrangement.

Part III: Strategy

The project is in line with the developmental objectives of the Government of the Islamic Republic of Iran, as specified in the 3rd and 4th Five-Year National Development Plans, as well as with the UNDAF goal of social and economic development and with the UNDP Country Programme objectives in the area of trade.

END OF PROJECT SITUATION

At the end of this project, IRICA will have installed a computerized system for customs clearance procedures at the HQ and the selected Customs Offices and their subordinated Customs Posts. IRICA will have installed a fully computerized system for customs operations and will be able to train staff in its use and continue to operate and maintain the systems independently. The system will be a web-based application that enables all traders

and customs staff to communicate with the system remotely on internet.

PROJECT BENEFICIARIES

This is an administrative/institution-building project designed to produce benefits for the economy of Islamic Republic of Iran, and thus ultimately the population, in overall terms. The major practical result will be a streamlined Customs Administration providing an efficient service to Trade Community and Government.

For the purposes of this project document, the target beneficiaries are the following:

- IRICA and the customs personnel, through the elimination of tedious manual procedures, provision of accurate data for risk-assessment and selectivity purpose, and eventually their possible transfer to more important aspects of the customs work.
- Government of the Islamic Republic of Iran, through the introduction of efficient customs procedures and controls, producing increased revenue and reliable data and reducing commercial fraud.
- Other Governmental Departments, through the availability of accurate and timely statistical data that will be made available as result of the computerization of the customs operations nationwide.
- Trade Community, through faster clearance of goods by the use of the ASYCUDAWORLD computerized system, harmonized customs procedures and working practices at national level, and simplified customs and trade procedures.
- Other organisation in trade chain as to exchange data electronically through internet.

PART IV: MANAGEMENT ARRANGEMENT

Coordination

This nationally executed UNDP-supported project will follow UNDP's National Execution (NEX) guidelines. UNCTAD shall provide the international expertise and backstopping. UNCTAD & IRICA will

have the overall technical and functional coordination. This will comprise the following items:

- Co-ordination of the implementation of the ASYCUDAWORLD project
- Co-ordination of the activities component (hardware, software, telecommunications, end-user training and other associated services, e.g. installation, configuration, testing, roll-out, maintenance etc);
- Participation in the functional and technical testing of new modules;
- Reporting to the Project Management structures.

IRICA will take into consideration the UNCTAD recommendations concerning definition of the technical requirements of the hardware and software, and minimum level of associated services, to be used in the implementation of ASYCUDA.

Project Management Structure

The following management structure will be established:

- A **Project Steering Committee (PSC)**, in charge with the monitoring, supervision and co-ordination of the overall progress and implementation of the project. The PSC will provide guidance for the different components of the project, will approve the results and will define priorities.

It will comprise

- Senior representatives of the Ministry of Finance and IRICA key departments, particularly senior managers responsible for the areas of the Customs business directly involved in the implementation of the project, and representatives of UNCTAD, UNDP, Management and Planning Organization (MPO) and Ministry of Foreign Affairs (MFA). The committee will be chaired by National Project Director that will be appointed by President of IRICA.

Additionally, the Chairman may invite other participants according to the agenda. Normally this committee will meet formally every 6 months. However, depending upon the project circumstances, it may be necessary for the committee to meet more frequently.

- A **National Project Director (NPD)** who will be responsible for the overall management and control of the project.
- A **National Project Manager (NPM)** for the implementation of ASYCUDAWORLD, who will be responsible for the daily management and control of the project as well as for the communication within the National Project Team (NPT) and external bodies. NPM will effectively have responsibility for the day-to-day running of the project. The Project Manager will report directly to the Project Director.
- A **National Project Team (NPT)**, comprising IRICA staff and appointed members as responsible for each main area of the project, e.g.
 - amendment and documentation of customs procedures, including the maintenance of reference data (tariff, codifications, taxation rules etc)
 - organization and delivery of training, e.g. technical, customs, ASYCUDAWORLD etc
 - Delivery, installation, configuration, testing and maintenance of hardware and software..
 - delivery, installation, configuration, testing and maintenance of telecommunications hardware and software
 - Design, development/integration of new software components.

NPT will administer and resolve issues concerning management of each area of the project, including planning and identification of tasks, reporting, preparation of Terms of Reference, and participation in tendering, monitoring and evaluation of activities.

The NPT will be managed and administered by NPM.

As mentioned above, the Government of the Islamic Republic of Iran will execute the project through IRICA; as the national executing agency, UNCTAD will provide services, such as training in the introduction of reform and implementation of the ASYCUDAWORLD system. UNCTAD's services will come into the project after it signs a standard letter of agreement with IRICA.

It is envisaged that all IT and telecommunications hardware and software, as well as all services associated with them and with ASYCUDA implementation and operation at national level will be procured by the Government on the basis of the specifications coordinated by UNCTAD.

Counterpart Support Activities

The philosophy, suitability and use of ASYCUDA WORLD have been fully agreed by IRICA. The Government of the Islamic Republic of Iran has formally requested the system and UNCTAD support.

Provided that

- Qualified full-time national staff will be allocated to the project;
- Competent local technical support will be available; and
- IRICA demonstrates strong political commitment to this project;

The system should be fully sustainable after the end of the project.

Inputs

In addition to the required support facilities for the implementation of the project, IRICA will provide cost sharing contribution in the amount of the I.R. Rial equivalent of US\$ 520,150 to the project. The contribution will directly be made to the UNDP office in Tehran. IRICA's schedule for making the cost sharing contribution is as follows:

- 20 April 2005 - I.R. Rial equivalent of US\$ 110,000
- 5 July 2005 - I.R. Rial equivalent of US\$ 110,150
- 15 January 2006 - I.R. Rial equivalent of US\$ 150,000
- 15 June 2006 - I.R. Rial equivalent of US\$ 150,000

Timely, effective and continuous operation of the project is dependent on IRICA's performance of its commitments as specified above.

UNDP will also contribute a total of US\$ 314,500 to cover the cost of international inputs provided by UNCTAD.

SECTION V - DEVELOPMENT OBJECTIVES AND OUTPUTS

The overall aim of this project is to improve Government finances and to strengthen the economy through increased efficiency in the foreign trade environment. In addition, the program aims is to increase operational capacity in IRICA through the introduction of modern computerized declaration processing facilities for import, export and transit throughout the territory, inline with international standards.

OUTPUTS VS. OBJECTIVES OF THE PROJECT

1. SPECIFIC/IMMEDIATE OBJECTIVE No. 1

To improve the efficiency of customs operations.

1.1 Output 1

IRICA Project Team trained in technical and functional, to enable them to install, configure and maintain the ASYCUDAWORLD system.

1.2 Output 2

National project Team trained to become trainers for other sites.

1.3 Output 3

IRICA ASYCUDAWORLD prototype to be developed in accordance with national User Requirements, legislation, national tariff and taxation rules, language (forms, screens, report, etc), codification, system software and hardware specifications etc).

1.4 Output 4

Structural, operational and/or procedural changes documented and implemented.

1.5 Output 5

Declaration processing flow documented and implemented.

1.6 Output 6

ASYCUDAWORLD system configured, installed and accepted in the IRICA HQ and the customs offices and border posts included in the Pilot Phase.

1.7 Output 7

System rolled out at national level.

1.8 Output 8

UNCTAD will deliver the ASYCUDAWORLD source code related to the implemented e-document

1.9 output 9

UNCTAD will deliver the required information for guaranteeing the integrity of the application system and all the source code of ASYCUDAWORLD and the related library and information to IRICA.

All technical documentation will be delivered in Acrobat PDF format

IRICA will use the ASYCUDA application software and the associated documentation within its customs system, and will not provide any copy of the software and/or documentation to a third party without UNCTAD prior and explicit written approval.

2. **SPECIFIC/IMMEDIATE OBJECTIVE No. 2**

To simplify the trading environment in terms of customs procedures and documentation by applying the information technology

2.1 Output 1

Introduction of Electronic signature by the cooperation of other organizations for remote declaration purposes

3. **SPECIFIC/IMMEDIATE OBJECTIVE No. 3**

To provide the Government with the information necessary to formulate and conduct macro-economic and fiscal policy.

3.1 Output 1

Accurate and timely trade and revenue data from ASYCUDA for the governmental institutions.

4. **SPECIFIC/IMMEDIATE OBJECTIVE No. 4**

To create paperless environment

4.1 Output 1

Organization in trade chain - e.g. Department of Statistics, Ministry of Finance, State Fiscal Inspectorate, Ministry of Economy, National Bank, ministry of commerce etc be able to exchange electronic documents.

BELOW IS MORE DETAILED LIST OF INPUTS FOR THE MATERIALIZATION OF ABOVE OBJECTIVES AND OUTPUTS.

1. **BY THE GOVERNMENT**

IRICA is responsible for the implementation of the project's activities by making available the time and expertise of its senior personnel at all three hierarchical levels, i.e. Headquarters, Customs Offices and Customs Posts. Specifically, to support the implementation program, IRICA will provide or deliver as a minimum the following resources:

1.1 A **National Project Director (NPD)** with the relevant background will be appointed by IRICA and will be responsible for overall management of the project.

1.2 A full-time **National Project Manager (NPM)** with the relevant background will be appointed by IRICA and will be responsible for the management of the National Project Team and day-to-day activities of the implementation project.

1.3 A full-time **National Project Team (NPT)** of at least 15 experts comprising:

- Minimum 6 experienced Customs experts, who, ideally, will have computer basic knowledge to be able to build, configure and maintain the system.
- Minimum 9 officers will be Information Technology experts for physical installation of the software and hardware in accordance with organizational procedures, backup and archiving of customs data.
- To ensure system integrity and on-going sustainability, it is recommended that the team should remain together as part of the IRICA and be responsible for the rollout and on-going support of the system beyond the life cycle of this project.

1.4 Suitable physical accommodation

- For the Project Team in Headquarters
Suitable physical accommodation and rooms should be provided for project experts, management and secretariat.
- Computer sites
This should include air-conditioning, equipment and furniture, wiring for computers, UPS, generators, anti-lightning equipment etc, as required for the central site and customs offices.

1.5 Computer and other equipment, including training

This includes proprietary software, overhead projector, data show, fax machine, telephone, e-mail, photocopier and related costs associated with maintenance. For operational efficiency, the equipment has to be dedicated for Project Team use.

Equipment maintenance covering the maintenance of equipment for the ASYCUDA project office.

1.6 Project Consumables (paper, printing, communications etc).

1.7 Travel and subsistence for National Project staff within the country.

1.8 Provision of a local transportation for National Project Team and international experts.

1.9 Administrative and clerical personnel to assist the project staff in monitoring and supporting all project administrative related matters.

1.10 **Operating System, programming and RDBMS training**

This will provide basic training in the selected operating system (OS) and relational database management system (RDBMS).

1.11 **Cars for the project managers and team**

To support the sites

2. By UNCTAD

All UNCTAD personnel for the project will be approved by the Government of Iran through IRICA, and established, in accordance with the standard agreements established between the Government of Iran and the United Nations.

The detailed Job Description for UNCTAD personnel should be provided.

2.1 International Staff

2.1.1 **UNCTAD project Coordinator** (12 months, in Geneva with missions to Iran as required) - will be responsible for the co-ordination of all project activities, assuring homogeneity at regional level of technical/functional related matters and quality assurance, including project monitoring, supervision/backstopping and various administrative arrangements such as experts recruitment and organization of functional training courses.

2.1.2 **UNCTAD IT programmer** (3 months, in Geneva with missions to Iran as required) - will be responsible for the overall co-ordination of IT activities, particularly as far as ASYCUDA WORLD is concerned, IT quality assurance, IT backstopping and various administrative arrangements such as IT experts selection, and organization of technical training courses and modifications to the modules in order to meet the requirements of IRICA.

2.1.3 **UNCTAD senior Customs Adviser** (3 months, as Consultant with mission to Iran) - will assist/advise IRICA for the implementation and necessary assistance relating to the automation of customs procedures.

2.1.4 **UNCTAD functional trainer** (2 months, in mission to Tehran) - will assist/advise IRICA on ASYCUDA WORLD matters and training of the new features and functionality of the

new modules.

2.1.5 **UNCTAD ASYCUDA Experts** (2 months, in Geneva with missions to Tehran as required) - comprises members of the ASYCUDA Functional and Technical Team (customs analysts, trainers, IT analysts and programmers etc) and advise, including the preparation of User Requirements, delivery of ASYCUDA technical and functional training courses, IT analysis and any programming activities required by the system implementation in the Customs Administration and of the preparation of the requirements to interface ASYCUDA WORLD with other Governmental information systems. This category of experts includes also the customs and IT remote technical assistance, hotline, provision of downloads, production of new ASYCUDA versions, upgrade of the documentation etc.

2.2 Travel

Official Travel (flight tickets and DSAs) associated with mission costs for coordination and training activities, in including Train-the-Trainers, (in Iran and UNCTAD offices in Geneva), as well as international and in-country travel by UNCTAD experts/consultants and technical support.

2.3 Miscellaneous

Sundries for the procurement of any miscellaneous items required during the project implementation activities.

2.4 Project Support Cost

UNCTAD Project support cost, in accordance with the financial rules and regulations of the United Nations.

NOTE:

Any payments to the above experts must be certified by the National Project Director.

SECTION VI: PRIOR OBLIGATIONS AND PRE-REQUISITES

1. PRIOR OBLIGATIONS

The following are national pre-project activities:

- Selection of a full-time national Project manager (NPM) and National Project Team (NPT).
- Training of technical experts in the selected OS, programming and RDBMS.
- Availability and preparation of project office requirements.
- Confirmation of pilot site selection.

2. PRE-REQUISITES

- The establishment from the outset of the IRICA and UNCTAD project personnel, as required, and their equipment in a single working environment.
- Recruitment of Relevant project team members with basic competence in the selected OS and RDBMS before commencement of the project.

SECTION VII: RISKS

While the project addresses a set of problems of vital importance to the future revenue base of the Government, it also touches on a number of issues of a highly sensitive nature.

Among the risks, which might affect the achievement of its objectives, the most important ones are:

- Lack of commitment of IRICA/senior managers to implement the project.
- Failure of IRICA to take appropriate action on key administrative/operational recommendations emanating from the project, or to make full use of all available administrative measures already at its disposal to ensure consistent and effective use of advanced programs and technology.
- Failure of IRICA to provide the requisite numbers of full time trained project personnel.
- Failure of IRICA to ensure the adequate provision of suitable accommodation at each of the identified pilot locations.
- Failure of IRICA and/or UNCTAD to identify high quality project inputs (expertise, training and equipment) and make them available on time.
- Failure of UNCTAD to provide experienced experts in the implementation of ASYCUDA.
- Insufficient quality assurance/project co-ordination by UNCTAD of key components of the project.
- Lack of commitment or adequate resource and budget allocation from the concerned parties.

SECTION VIII: MONITORING AND EVALUATION

1. PROJECT REVIEWS

Formal project reviews will be undertaken by IRICA and UNCTAD, UNPD, MPO, MFA at the following stages throughout the project life cycle.

- Upon completion of the prototype project - Phase 1
- Upon completion of the pilot site - Phase 1
- When the pilot site becomes operational UNCTAD and IRICA will undertake a joint technical evaluation to ensure that the work has met the targets set in all respects before moving to the next stage of the project.
- Upon completion of Phase 2
- 3 months prior to the completion of the project, and
- At any other time if requested by IRICA and/or UNCTAD.

2. REPORTING

In addition, the following reports should be prepared by the National Project Manager (NPM) and National Project Team (NPT):

2.1 Monthly Project Reports

Weekly meetings of the NPT, chaired by the NPM, will be held to monitor the implementation of the project Work Plan. These meetings will be documented in Monthly Progress Reports prepared by the NPM and submitted to the Customs Director General, and UNCTAD for their information and action on recommendations contained therein.

These reports should focus on exception reporting and must include reasons for any adjustments to the project work plan and note any necessary formal approvals which have been given at the appropriate level, i.e. Customs Director General, for adjustments. In the case of activities not proceeding to plan, these reports should identify constraints and recommend remedial action.

2.2 Quarterly Project Reports

More detailed Quarterly Project Reports should be produced, again by the NPM, assisted as necessary by NPT.

These reports will be provided in advance to the members of the Steering Committee, for discussion at the Steering Committee meetings, which will review project progress, objectives and work plan in accordance with the timetable set out in the project document. The meeting agenda and documentation will be distributed at least two weeks in advance of the meeting. A copy of the report of these meetings will be made available to Steering Committee members.

2.3 Terminal Project Report

Three months prior to the end of the project, the NPM shall prepare the draft Terminal Report for review and technical clearance by the Government, the UNDP and UNCTAD in preparation for the terminal tripartite review meeting.

3. EVALUATION

A project review could take place, if requested by the Government and/or the UNDP, at the end of the project and prior to the submission of the Final Report.

SECTION IX: LEGAL CONTEXT

The Islamic Republic of Iran is not a signatory to the Standard Basic Assistance Agreement (SBAA). This project document shall be the instrument envisaged in the Supplemental Provisions to the Project Document, attached as an Annex. The following types of revisions may be made to this project document with the signature of UNDP Resident Representative only provided he or she is assured that the other signatories of the project have no objections to the proposed changes.

- Revisions of or additions to any of the annexes of the project document
- Revisions, which do not involve significant changes in the immediate objectives, outputs, or activities of the project

but are caused by the rearrangements of inputs already agreed to, or by cost increases due to inflation.

- Mandatory annual revisions, which re-phase the delivery of agreed project inputs or to reflect increased expert costs or other costs due to inflation or take into account agency expenditure flexibility.

Project Results and Resources Framework

Intended Outcome: Access Best Practices in Trade Diversification				
Outcome Indicators: Degree of Active and Equitable Participation in the Global Economy				
Applicable MYFF Service Line: Service Line 1.5 Private Sector Development				
Partnership Strategy: Using UNDP's National Execution (NEX) modality, the Islamic Republic of Iran Customs Administration (IRICA) implements this project with technical support and backstopping from UNCTAD. As the main beneficiaries of the project are the private sector companies involved in exports and imports, their involvement will be actively sought throughout the project.				
Project Title: Implementation of E-Customs ASYCUDA WORLD in the Islamic Republic of Iran Project Number (ATLAS Award ID): 00039154				
Intended Outputs	Output Targets	Indicative Activities	Responsible Parties	Inputs
1.1 Transit procedure improved	1.1 National transit electronic document implemented in HQ and customs offices (month 1-6)	1.1 recruitment of national experts	IRICA	\$179000 from IRICA
		1.2 recruitment of international experts	UNCTAD (in consultation with IRICA)	\$154500 from UNDP for UNCTAD support
		1.3 training of national experts by UNCTAD and IRICA	UNCTAD/IRICA	\$89000-total (from UNDP \$40000 for UNCTAD instructors and \$49000 from IRICA national support)
		1.4 prototype and configuration of transit requirements	UNCTAD/IRICA	\$40000-total (\$20000 from UNDP for UNCTAD support and \$20000 from IRICA for national support)
		1.5 implementation of electronic transit system in HQ and customs offices	UNCTAD/IRICA	\$20000 from IRICA for national support
2.1 Other customs procedures automated	2.1 Import , Export ,Manifest and other procedures will be automated	2.1 User requirements elaborated	UNCTAD	\$20000 from UNDP , Tehran for UNCTAD support
		2.2 Layouts ,labels and messages	IRICA	\$10000 from IRICA

	(months 4-19)	translated 2.3 Workflow of procedures customised 2.4 user profiles and security defined 2.5 test and nationwide implementation	UNCTAD UNCTAD/IRICA IRICA	\$10000 from UNDP for UNCTAD support \$20000-total (\$10000 from UNDP for UNCTAD support and \$10000 from IRICA) \$15000 from IRICA for national support
3.1 Electronic Data Interchanged between IRICA and other organizations	3.1 The data and information between IRICA and other trade chain organizations such as ministry of trade , bank will be exchanged electronically (months 15-21)	3.1 Identification of other agencies 3.2 defining the data and structure for exchange 3.3 development of interfaces 3.4 implementation of interfaces	IRICA UNCTAD/IRICA UNCTAD/IRICA IRICA	\$5000 from IRICA for national support \$30000-total (\$15000 from UNDP for UNCTAD support and \$15000 from IRICA for national support) \$20000-total (\$10000 from UNDP for UNCTAD support and \$10000 from IRICA for national support) \$10000 from IRICA
4.1 Exchange of data with neighbouring countries developed	4.1 As with the WCO guidelines and support of WCO DATA MODEL exchange of export and import declaration with neighbouring countries will be	4.1 discussion and review with neighbouring countries 4.2 identification of data elements and file structure	IRICA IRICA	\$15000 from IRICA \$5000 from IRICA

	achieved (months 21-24)	4.3 agreement with another country on data exchange standards	UNCTAD/IRICA	\$10000 - total \$5000 from UNDP for UNCTAD support and \$5000 from IRICA
		4.4 start of full operation	IRICA	\$5000 from IRICA
5.1 Knowledge enhanced through exchange of experience with other countries	5.1 The expert teams will visit other countries to gain experience for successful implementation of system. Months(3-22)	5.1 arrangements for the visits made and the visits successfully take place	IRICA	\$50000 from IRICA
6.1 transfer of International expertise ensured by UNCTAD consultants	5.1 UNCTAD consultants visit IRICA and project site during the project life time. (months 1-22)	5.1 missions of the UNCTAD consultants arranged	UNCTAD/IRICA	\$30000 from UNDP for UNCTAD support. In- country logistical arrangements will be made by IRICA
7.1 software capacity of IRICA for the implementation of project enhanced	7.1 As the project is using the new technology the latest base software will be procured and implemented by IRICA months(2-6)	7.1 Arrangements for the purchase of software made and software purchased.	IRICA	\$70000 from IRICA
8.1 sound implementation of the project insured	8.1 monitoring and evaluation, audit and advocacy undertaken	8.1 arrangements for monitoring ,evaluation , audit and advocacy are put into place	IRICA/UNDP	\$27150 total from IRICA with the following break down : \$12000 for monitoring , evaluation , audit and advocacy and \$15150 for UNDP GMS



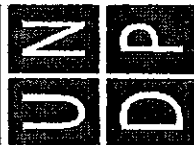
United Nations Development Programme
Iran

Year: 2005
Award Number: 00039154

Implementation of E-Customs
ASYCUDAWORLD in the Islamic
Republic of Iran

Project title:

Proj. ID	Expected Output	Key Activities	Timeframe				Resp. Partner	Planned Budget				
			Q1	Q2	Q3	Q4		Fund	Donor	Budget Description	Amount	
00043755	E-Customs capacities strengthened through the transfer of international expertise	UNCTAD Project coordination UNCTAD Programmes UNCTAD Senior Advisor UNCTAD Functional Trainer UNCTAD Functional Trainer UNCTAD Duty Travel & Subsis.		X	X	X	UNCTAD	04000	00012	71200	International Consultants	70,000
				X	X	X	UNCTAD	04000	00012	71200	International Consultants	21,000
				X	X	X	UNCTAD	04000	00012	71200	International Consultants	30,000
				X	X	X	UNCTAD	04000	00012	71200	International Consultants	10,000
				X	X	X	UNCTAD	04000	00012	71200	International Consultants	10,000
				X	X	X	UNCTAD	04000	00012	71600	Travel	12,000
Sub-total											153,000	
00043756	National capacities in E-Customs Strengthened through training, exposure and equipment upgrade	Local Consultants National Training Courses IRICA Duty Travel & Subsis M&E, Advocacy and Sundries Purchase of original software	X	X	X	IRICA	30071	01221	71300	Local Consultants	135,000	
						IRICA	30071	01221	75100	GMS	4,050	
			X	X	X	IRICA	30071	01221	74500	Miscellaneous	20,000	
						IRICA	30071	01221	75100	GMS	600	
			X	X		IRICA	30071	01221	71600	Travel	20,000	
						IRICA	30071	01221	75100	GMS	600	
			X	X		IRICA	30071	01221	74500	Miscellaneous	4,000	
						IRICA	30071	01221	75100	GMS	120	
			X	X		IRICA	30071	01221	72200	Equipment	70,000	
						IRICA	30071	01221	75100	GMS	2,100	
Sub-total											256,470	
Project Total Budget											409,470	



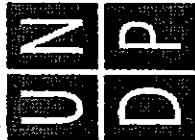
United Nations Development Programme
Iran

Year: 2006
Award Number: 00039154

Implementation of E-Customs
ASYCUDAWORLD in the Islamic
Republic of Iran

Project title:

Proj. ID	Expected Output	Key Activities	Timeframe				Resp. Partner	Planned Budget				
			Q1	Q2	Q3	Q4		Fund	Donor	Budget Description	Amount	
00043755	E-Customs capacities strengthened through the transfer of international expertise	UNCTAD Project coordination	X	X	X	X	UNCTAD	04000	00012	71200	International Consultants	84,000
		UNCTAD Programmes	X	X	X	X	UNCTAD	04000	00012	71200	International Consultants	10,500
		UNCTAD Senior Advisor	X	X	X	X	UNCTAD	04000	00012	71200	International Consultants	15,000
		UNCTAD Functional Trainer	X	X	X	X	UNCTAD	04000	00012	71200	International Consultants	10,000
		UNCTAD Functional Trainer	X	X	X	X	UNCTAD	04000	00012	71200	International Consultants	10,000
		UNCTAD Duty Travel & Subsis.		X	X			UNCTAD	04000	00012	71600	Travel
Sub-total			143,500									
00043756	National capacities in E-Customs Strengthened through training, exposure and equipment upgrade	Local Consultants	X	X	X	X	IRICA	30071	01221	71300	Local Consultants	162,000
						IRICA	30071	01221	75100	GMS	4,860	
		National Training Courses	X	X	X	X	IRICA	30071	01221	74500	Miscellaneous	24,000
						IRICA	30071	01221	75100	GMS	720	
		IRICA Duty Travel & Subsis	X	X	X	X	IRICA	30071	01221	71600	Travel	20,000
						IRICA	30071	01221	75100	GMS	600	
		M&E, Advocacy	X	X	X	X	IRICA	30071	01221	74500	Miscellaneous	2,000
						IRICA	30071	01221	75100	GMS	60	
		Purchase of original software					IRICA	30071	01221	72200	Equipment	-
						IRICA	30071	01221	75100	GMS	-	
Sub-total			214,240									
Project Total Budget			357,740									



United Nations Development Programme
Iran

Year: 2007
Award Number: 00039154

Implementation of E-Customs
ASYCUDAWORLD in the Islamic
Republic of Iran

Project title:

Proj. ID	Expected Output	Key Activities	Timeframe		Resp. Partner	Planned Budget				
			Q1	Q2 Q3 Q4		Fund	Donor	Budget Description	Amount	
00043755	E-Customs capacities strengthened through the transfer of international expertise	UNCTAD Project coordination	X		UNCTAD	04000	00012	71200	International Consultants	14,000
		UNCTAD Programmes			UNCTAD	04000	00012	71200	International Consultants	-
		UNCTAD Senior Advisor			UNCTAD	04000	00012	71200	International Consultants	-
		UNCTAD Functional Trainer			UNCTAD	04000	00012	71200	International Consultants	-
		UNCTAD Functional Trainer			UNCTAD	04000	00012	71200	International Consultants	-
		UNCTAD Duty Travel & Subsis.	X		UNCTAD	04000	00012	71600	Travel	4,000
Sub-total									18,000	
00043756	National capacities in E-Customs Strengthened through training, exposure and equipment upgrade	Local Consultants	X		IRICA	30071	01221	71300	Local Consultants	27,000
					IRICA	30071	01221	75100	GMS	810
		National Training Courses	X		IRICA	30071	01221	74500	Miscellaneous	5,000
					IRICA	30071	01221	75100	GMS	150
		IRICA Duty Travel & Subsis	X		IRICA	30071	01221	71600	Travel	10,000
					IRICA	30071	01221	75100	GMS	3,000
		M&E, Advocacy	X	X	IRICA	30071	01221	74500	Miscellaneous	5,000
Sub-total									49,440	
Project Total Budget									67,440	

STANDARD TEXT

Supplemental Provisions of the Project Document:

The Legal Contexts:

General Responsibilities of the Government, UNDP and the Executing Agency

1. All phases and aspects of UNDP assistance to this project shall be governed by and carried out in accordance with the relevant and applicable resolutions and decisions of the competent United Nations organs and in accordance with UNDP's policies and procedures for such projects, and subject to the requirements of the UNDP Monitoring, Evaluation and Reporting system.
2. The Government shall remain responsible for this UNDP assisted development project and the realization of its objectives as described in this Project Document.
3. Assistance under this Project Document being provided for the benefit of the Government and the people of the Islamic Republic of Iran, the Government shall bear all risks of operations in respect of this project.
4. The Government shall provide to the project the national counterpart personnel, training facilities, land, buildings, equipment and other required services and facilities. It shall designate the Government Cooperating Agency named in the cover page of this document (hereinafter referred to as the "Cooperating Agency"), which shall be directly responsible for the implementation of the Government contribution to the project.
5. The UNDP undertakes to complement and supplement the Government participation and will provide through the Executing Agency the required expert services, training, equipment and other services within the funds available to the project.
6. Upon commencement of the project the Executing Agency shall assume primary responsibility for project execution and shall have the status of an independent contractor for this purpose. However, that primary responsibility shall be exercised in consultation with UNDP and in agreement with the Cooperating Agency. Arrangements to this effect shall be stipulated in the Project Document as well as for the transfer of this responsibility to the Government or to an entity designated by the Government during the execution of the project.
7. Part of the Government's participation may take the form of a cash contribution to UNDP. In such cases, the Executing Agency will provide the related services and facilities and will account annually to the UNDP and to the Government for the expenditure incurred.

4

(a) Participation of the Government

1. The Government shall provide to the project the services, equipment and facilities in the quantities and at the time specified in the Project Document, budgetary provision, either in kind or in cash, for the Government's participation so specified shall be set forth in the Project Budgets.
2. The Cooperating Agency shall, as appropriate and in consultation with the Executing Agency, assign a director for the project on a full-time basis. He shall carry out such responsibilities in the project as are assigned to him by the Cooperating Agency.

3. The estimated cost of items included in the Government contribution, as detailed in the Project Budget, shall be based on the best information available at the time of drafting the project proposal. It is understood that price fluctuations during the period of execution of the project may necessitate an adjustment of said contribution in monetary terms; the latter shall at all times be determined by the value of the services, equipment and facilities required for the proper execution of the project.
4. Within the given number of man-months of personnel services described in the Project Document, minor adjustments of individual assignments of project personnel provided by the Government may be made by the Government in consultation with the Executing Agency, if this is found to be in the best interest of the project. UNDP shall be so informed in all instances where such minor adjustments involve financial implications.
5. The Government shall continue to pay the local salaries and appropriate allowances of national counterpart personnel during the period of their absence from the project while on UNDP fellowships.
6. The Government shall defray any customs duties and other charges related to the clearance of project equipment, its transportation, handling, storage and related expenses within the country. It shall be responsible for its installation and maintenance, insurance and replacement, if necessary, after delivery to the project site.
7. The Government shall make available to the project-subject to existing security provisions – any published and unpublished reports, maps, records and other data, which are considered necessary to the implementation of the project.
8. Patent right, copyrights and other similar rights to any discoveries or work resulting from UNDP assistance in respect of this project shall belong to the UNDP. Unless otherwise agreed by the Parties in each case, however, the Government shall have the right to use any such discoveries or work within the country free of royalty and any charge of similar nature.
9. The Government shall assist all project personnel in finding suitable housing accommodation at reasonable rents.
10. The services and facilities specified in the Project Document, which are to be provided to the project by the Government by means of a contribution in cash shall be set forth in the Project Budget. Payment shall be made to the UNDP, in accordance with the Schedule of Payments by the Government.
11. Payment of the above-mentioned contribution to the UNDP on or before the dates specified in the Schedule of Payments by the Government is a prerequisite to commencement or continuation of project operations.

(b) Participation of the UNDP and the Executing Agency

1. The UNDP shall provide to the project through the Executing Agency the services, equipment and facilities described in the Project Document. Budgetary provision for the UNDP contribution as specified shall be set forth in the Project Budget.

2. The Executing Agency shall consult with the Government and UNDP on the candidature of the Project Manager who, under the direction of the Executing Agency, will be responsible in the country for the Executing Agency's participation in the project. The Project Manager shall supervise the experts and other agency personnel assigned to the project, and the on-the-job training of national counterpart personnel. He shall be responsible for the management and efficient utilization of all UNDP-financed inputs, including equipment provided to the project.
3. The Executing Agency, in consultation with the Government and UNDP, shall assign international staff and other personnel to the project as specified in the Project Document, select candidates for fellowships and determine standards for the training of national counterpart personnel.
4. Fellowships shall be administered in accordance with the fellowships regulations of the Executing Agency.
5. The Executing Agency may, in agreement with the government and UNDP, execute part or all of the project by subcontract. The selection of subcontractors shall be made, after consultation with the Government and UNDP, in accordance with the Executing Agency's procedures.
6. All material, equipment and supplies which are purchased from UNDP resources will be used exclusively for the execution of the project, and will remain the property of the UNDP in whose name it will be held by the Executing Agency. Equipment supplied by the UNDP shall be marked with the insignia of the UNDP and of the Executing Agency.
7. Arrangements may be made, if necessary, for the temporary transfer of custody of equipment to local authorities during the life of the project, without prejudice to the final transfer.
8. Prior to completion of UNDP assistance to the project, the Government, the UNDP and the Executing Agency shall consult as to the disposition of all project equipment provided by the UNDP. Title of such equipment shall normally be transferred to the Government, or to an entity nominated by the Government, when it is required for continued operation of the project or for activities following directly therefrom. The UNDP may, however, at its discretion, retain title to part or all of such equipment.
9. At an agreed time after the completion of UNDP assistance to the project, the Government and the UNDP, and if necessary the Executing Agency, shall review the activities continuing from or consequent upon the project with a view to evaluating its results.
10. UNDP may release information relating to any investment oriented project to potential investors, unless and until the Government has requested the UNDP in writing to restrict the release of information relating to such project.

Rights, Facilities, Privileges and Immunities

1. In accordance with the Agreement concluded by the United Nations Development Programme (UNDP) and the Government concerning the provision of assistance by UNDP, the personnel of UNDP and other United Nations Organizations associated with the project shall be accorded rights, facilities, privileges and immunities specified in said agreement.
2. The Government shall grant UN volunteers, if such services, are requested by the Government, the same rights, facilities, privileges and immunities as are granted to the personnel of UNDP.
3. The Executing Agency's contractors and their personnel (except nationals of the host country employed locally) shall:
 - a. Be immune from legal process in respect of all acts performed by them in their official capacity in the execution of the project;
 - b. Be immune from national service obligations;
 - c. Be immune together with their spouses and relatives dependent on them from immigration restrictions;
 - d. Be accorded the privileges of bringing into the country reasonable amounts of foreign currency for the purposes of the project or for personal use of such personnel, and of withdrawing any such amounts brought into the country, or in accordance with the relevant foreign exchange regulations, such amounts as may be earned therein by such personnel in the execution of the project;
 - e. Be accorded together with their spouses and relatives depended on them the same repatriation facilities in the event of international crisis as diplomatic envoys.
4. All personnel of the Executing Agency's contractors shall enjoy inviolability for all papers and documents relating to the project.
5. The Government shall either exempt from or bear the cost of any taxes, duties, fees or levies which it may impose on any firm or organization which may be retained by the Executing Agency and on the personnel of any such firm or organization, except for nationals of the host country employed locally, in respect of:
 - a. The salaries or wages earned by such personnel in the execution of the project;
 - b. Any equipment, materials and supplies brought into the country for the purposes of the project or which, after having been brought into the country, may be subsequently withdrawn therefrom;
 - c. Any substantial quantities of equipment, materials and supplies obtained locally for the execution of the project, such as, for example, petrol and spare parts for the operation and maintenance of equipment mentioned under (b) above, with the provision that the types and approximate quantities to be exempted and relevant

procedures to be followed shall be agreed upon with the Government and, as appropriate, recorded in the Project Document; and

- d. As in the case of concessions currently granted to UNDP and Executing Agency's personnel, any property brought, including one privately owned automobile per employee, by the firm or organization or its personnel for their personal use or consumption or which after having been brought into the country, may subsequently be withdrawn therefrom upon departure of such personnel.
6. The Government shall ensure:
- a. Prompt clearance of experts and other persons performing services in respect of this project;
 - b. The prompt release from customs of:
 - i. Equipment, materials and supplies required in connection with this project; and
 - ii. Property belonging to an intended for the personal use or consumption of the personnel of the UNDP, its Executing Agencies, or other persons performing services on their behalf in respect of this project, except for locally recruited personnel.
7. The privileges and immunities referred to in the paragraphs above, to which such firm or organization and its personnel may be entitled, may be waived by the Executing Agency where, in its opinion or in the opinion of the UNDP, the immunity would impede the course of justice and can be waived without prejudice to the successful completion of the project or to the interest of the UNDP or the Executing Agency.
8. The Executing Agency shall provide the Government through the Resident Representative with the list of personnel to whom the privileges and immunities enumerated above shall apply.
9. Nothing in this Project Document or Annex shall be construed to limit the rights, facilities, privileges or immunities conferred in any other instrument upon any person, natural or juridical, referred to hereunder.

Suspension or Termination of Assistance

1. The UNDP may be written notice to the Government and to the Executing Agency concerned suspend its assistance to any project if in the judgment of the UNDP any circumstance arises which interferes with or threatens to interfere with the successful completion of the project or the accomplishment of its purposes. The UNDP may, in the same or a subsequent written notice, indicate the conditions under which it is prepared to resume its assistance to the project. Any such suspension shall continue until such time as such conditions are accepted by the Government and as the UNDP shall give written notice to the Government and the Executing Agency that it is prepared to resume its assistance.

2. If any situation referred to in paragraph (1) above, shall continue for a period of fourteen days after notice thereof and of suspension shall have been given by the UNDP to the Government and the Executing Agency, then at any time thereafter during the continuance thereof, the UNDP may by written notice to the Government and the Executing Agency terminate the project.
3. The provisions of this paragraph shall be without prejudice to any other rights or remedies the UNDP may have in the circumstances, whether under general principles of law or otherwise.