

AGREEMENT ON TECHNICAL COOPERATION AND THE JAPAN OVERSEAS COOPERATION VOLUNTEERS PROGRAM BETWEEN THE GOVERNMENT OF JAPAN AND THE GOVERNMENT OF THE DEMOCRATIC REPUBLIC OF TIMOR-LESTE

The Government of Japan and the Government of the Democratic Republic of Timor - Leste,

Desiring to strengthen the friendly relations between the two countries by the promotion of technical cooperation and activities of Japan overseas cooperation volunteers in the Democratic Republic of Timor - Leste, and

Considering mutual benefits derived from promoting the economic and social development of their respective countries,

Have agreed as follows:

ARTICLE I

The two Governments will endeavour to promote technical cooperation and Japan overseas cooperation volunteers program between the two countries.

ARTICLE II

On the basis of this Agreement, the two Governments will enter into separate arrangements in written form to carry out specific technical cooperation programs to be agreed upon between the two Governments.

ARTICLE III

1. The following forms of technical cooperation will be carried out by the Japan International Cooperation Agency (hereinafter referred to as

"JICA") at its own expense in accordance with the laws and regulations in force in Japan as well as with the arrangements referred to in Article II:

- (a) providing technical training to Timorese nationals;
- (b) dispatching experts (hereinafter referred to as the "Experts") to the Democratic Republic of Timor - Leste;
- (c) dispatching Japanese volunteers with a wide range of technical skills and abundant experience (hereinafter referred to as the "Senior Volunteers") to the Democratic Republic of Timor - Leste;
- (d) dispatching Japanese missions (hereinafter referred to as the "Missions") to the Democratic Republic of Timor - Leste to conduct surveys of economic and social development projects of the Democratic Republic of Timor - Leste;
- (e) providing the Government of the Democratic Republic of Timor - Leste with equipment, machinery and materials; and
- (f) providing the Government of the Democratic Republic of Timor - Leste with other forms of technical cooperation as may be mutually agreed upon between the two Governments.

2. Japan Overseas Cooperation Volunteers (hereinafter referred to as "JOCV") will be dispatched to the Democratic Republic of Timor - Leste by JICA in accordance with the laws and regulations in force in Japan, according to schedules to be separately agreed upon between the competent authorities of the two Governments, and equipment, machinery and materials necessary for the performance of their duties will be also made available by JICA.

ARTICLE IV

The Government of the Democratic Republic of Timor - Leste will ensure that the Japanese technical cooperation and JOCV program as set forth in Article III are used exclusively for economic and social development of the Democratic Republic of Timor - Leste, and are not utilized for military purposes.

ARTICLE V

In case JICA dispatches the Experts, the Senior Volunteers, the Missions and JOCV, the Government of the Democratic Republic of Timor - Leste will take at its own expense the following measures:

- (a) to provide suitable office and other facilities including telephone and facsimile services necessary for the performance of the duties of the Experts, the Senior Volunteers, the Missions and JOCV, as well as to bear the expenses for their operation and maintenance;
- (b) to provide the local staff (including adequate interpreters, if necessary) as well as Timorese counterparts to the Experts, the Senior Volunteers and the Missions necessary for the performance of their duties;
- (c) to bear expenses of the Experts, the Senior Volunteers for, whenever local conditions and financial possibilities of competent authorities of the Government of the Democratic Republic of Timor - Leste may permit;
 - (i) daily transportation to and from their place of work;

- (ii) their official travels within the Democratic Republic of Timor - Leste; and
- (iii) their official correspondence;
- (d) to provide the convenience for acquisition of appropriate housing accommodation for the Experts, the Senior Volunteers and their families as well as JOCV; and
- (e) to provide the convenience for receiving medical care and facilities for the Experts, the Senior Volunteers, their families and members of the Missions as well as JOCV.

ARTICLE VI

1. (1) The Government of the Democratic Republic of Timor - Leste will:
 - (a) exempt the Experts, the Senior Volunteers and members of the Missions as well as JOCV from taxes including income tax and fiscal charges imposed on or in connection with salaries and any allowances remitted to them from overseas;
 - (b) exempt the Experts, the Senior Volunteers, their families and members of the Missions as well as JOCV from consular fees, taxes including customs duties and fiscal charges, as well as from the requirements of obtaining import license and certificate of foreign exchange coverage, in respect of the importation of:
 - (i) luggage;
 - (ii) personal effects, household effects and consumer goods; and
 - (iii) one motor vehicle per Expert and per Senior Volunteer assigned to stay in the Democratic Republic of Timor - Leste;

(c) exempt the Experts, the Senior Volunteers and JOCV who do not import any motor vehicle into the Democratic Republic of Timor - Leste from taxes including value added tax and fiscal charges in respect of the local purchase of one motor vehicle per Expert and per Senior Volunteer as well as per JOCV; and

(d) exempt the Experts and the Senior Volunteers as well as JOCV from the registration fee of the motor vehicle mentioned in (b) (iii) and (c).

(2) The motor vehicles mentioned in sub - paragraph (1) will be subject to payment of taxes including customs duties if they are subsequently sold or transferred within the Democratic Republic of Timor - Leste to individuals or organizations not entitled to exemption from such taxes or similar privileges.

2. The Government of the Democratic Republic of Timor - Leste will take the following measures:

(a) to permit the Experts, the Senior Volunteers, their families and members of the Missions as well as JOCV to enter, leave and sojourn in the Democratic Republic of Timor - Leste for the duration of their assignment therein, offer them the convenience for procedures of alien registration requirements, and exempt them from consular fees;

(b) to issue identification cards to the Experts, the Senior Volunteers and members of the Missions as well as JOCV to secure the cooperation of all governmental organizations necessary for the performance of their duties;

- (c) to offer the Experts, the Senior Volunteers and their families as well as JOCV, holding car driving license, the convenience for acquisition of car driving license;
 - (d) to carry out other measures necessary for the performance of the duties of the Experts, the Senior Volunteers and members of the Missions as well as JOCV; and
 - (e) to permit JOCV to install and use radio communication sets necessary for the performance of their duties.
3. The Government of the Democratic Republic of Timor - Leste will accord the Experts, the Senior Volunteers, their families and members of the Missions as well as JOCV such privileges, exemptions and benefits as are no less favourable than those accorded to the Experts, the Senior Volunteers, their families and members of the Missions as well as similar volunteers of any third country or of any international organization performing a similar mission in the Democratic Republic of Timor - Leste.

ARTICLE VII

The Government of the Democratic Republic of Timor - Leste will bear claims, if any arises, against the Experts, the Senior Volunteers, members of the Missions and JOCV, resulting from, occurring in the course of, or otherwise connected with, the performance of their duties, except when the two Governments agree that such claims arise from gross negligence or willful misconduct on the part of the Experts, the Senior Volunteers, members of the Missions, or JOCV.

ARTICLE VIII

1. (1) In case JICA provides the Government of the Democratic Republic of Timor - Leste with equipment, machinery and materials, the Government of the Democratic Republic of Timor - Leste will exempt such equipment, machinery and materials from consular fees, taxes including custom duties and fiscal charges, as well as from the requirements of obtaining import license and certificate of foreign exchange coverage, in respect of the importation. The equipment, machinery and materials mentioned above will become the property of the Government of the Democratic Republic of Timor - Leste upon being delivered c. i. f. at the port of the disembarkation to competent authorities of the Government of the Democratic Republic of Timor - Leste.
- (2) In case JICA provides the Government of the Democratic Republic of Timor - Leste with equipment, machinery and materials, the Government of the Democratic Republic of Timor - Leste will exempt such equipment, machinery and materials from taxes including value added tax and fiscal charges in respect of the local purchase.
- (3) The equipment, machinery and materials mentioned in sub - paragraphs (1) and (2) will be utilized for the purpose specified in the arrangements referred to in Article II unless otherwise agreed upon.
- (4) The expenses for the transportation within the Democratic Republic of Timor - Leste of the equipment, machinery and materials mentioned in sub - paragraphs (1) and (2) and the expenses for their replacement, maintenance and repair will be borne by the Government of the Democratic Republic of Timor - Leste.

2. (1) The equipment, machinery and materials, prepared by JICA, necessary for the performance of the duties of the Experts, the Senior Volunteers, members of the Missions and JOCV will remain the property of JICA unless otherwise agreed upon.
- (2) The Government of the Democratic Republic of Timor - Leste will exempt the Experts, the Senior Volunteers, members of the Missions and JOCV from consular fees, taxes including customs duties and fiscal charges, as well as from the requirements of obtaining import license and certificate of foreign exchange coverage in respect of the importation of the equipment, machinery and materials mentioned in sub - paragraph (1).
- (3) The Government of the Democratic Republic of Timor - Leste will exempt the Experts, the Senior Volunteers, members of the Missions and JOCV from taxes including value added tax and fiscal charges in respect of the local purchase of the equipment, machinery and materials mentioned in sub - paragraph (1).

ARTICLE IX

The Experts, the Senior Volunteers, members of the Missions and JOCV will maintain close contact with the Government of the Democratic Republic of Timor - Leste through organizations designated by it.

ARTICLE X

1. The Government of the Democratic Republic of Timor - Leste will admit JICA to open and maintain an overseas office of JICA in the Democratic

Republic of Timor - Leste (hereinafter referred to as the "Office") and will accept a resident representative and his/her staff (hereinafter referred to as the "Representative and Staff"), and resident co-ordinators for the Senior Volunteers and JOCV (hereinafter referred to as the "Co-ordinators") to be dispatched from Japan who perform the duties to be assigned to them by JICA relative to the technical cooperation programs and Japan overseas cooperation volunteers program under this Agreement in the Democratic Republic of Timor - Leste.

2. The Government of the Democratic Republic of Timor - Leste will accord the Representative and Staff and their families, the Co-ordinators and their families as well as the Office the following privileges, exemptions and benefits:

(1) For the Representative and Staff and their families, the Co-ordinators and their families:

(a) exemption from taxes including income tax and fiscal charges imposed on or in connection with salaries and any allowances remitted to the Representative and Staff and the Co-ordinators from overseas;

(b) exemption from consular fees, taxes including customs duties and fiscal charges, as well as from the restrictions on importation of:

(i) luggage;

(ii) personal effects, household effects and consumer goods; and

(iii) one motor vehicle per Representative and Staff and per Co-ordinator assigned to stay in the Democratic Republic of Timor - Leste;

(c) exemption from taxes including value added tax and fiscal charges in respect of the local purchase of one motor vehicle per Representative

and Staff and per Co - ordinator who do not import any motor vehicle into the Democratic Republic of Timor - Leste;

(d) exemption from the registration fee of the motor vehicles mentioned in (b) (iii) ;

(e) permission to enter, leave and sojourn in the Democratic Republic of Timor - Leste for the duration of their assignment therein, offer of the convenience for procedures of alien registration requirements, and exemption from consular fees;

(f) issuance of identification cards and special passes for the Representative and Staff and the Co - ordinators to enter airport/seaport beyond passport control point to receive and send off the Experts, the Senior Volunteers, members of the Missions and JOCV, having regard to Article XI of this Agreement;

(g) offer of the convenience for acquisition of car driving license for the Representative and Staff and their families, and the Co - ordinators and their families, holding car driving licenses;

(h) permission for the Co - ordinators to install and use radio - communication sets necessary for the performance of their duties; and

(i) carrying out other measures necessary for the performance of the duties of the Representative and Staff and the Co - ordinators.

(2) For the Office:

(a) exemption from consular fees, taxes including customs duties and fiscal charges as well as from the requirement of obtaining import license and certificate of foreign exchange coverage, in respect of the

importation of the equipment, machinery, motor vehicles and materials necessary for office activities;

(b) exemption from taxes including value added tax and fiscal charges in respect of the local purchase of the equipment, machinery, motor vehicles and materials necessary for the functions of the Office; and

(c) exemption from taxes including income tax and fiscal charges imposed on or in connection with office expenses remitted from overseas.

3. The motor vehicles mentioned in paragraph 2 will be subject to payment of taxes including customs duties if they are subsequently sold or transferred within the Democratic Republic of Timor - Leste to individuals or organizations not entitled to exemption from such taxes or similar privileges.

4. The Government of the Democratic Republic of Timor - Leste will accord the Representative and Staff and their families, and the Co - ordinators and their families as well as the Office such privileges, exemptions and benefits as are no less favourable than those accorded to representative and staff and their families, and the co - ordinators and their families as well as the office of any third country or of any international organization performing a similar mission in the Democratic Republic of Timor - Leste.

ARTICLE XI

The Government of the Democratic Republic of Timor - Leste will take necessary measures to ensure security of the Experts and their families, the Senior Volunteers and their families, members of the Missions, JOCV,

the Representative and Staff and their families and the Co - ordinators and their families staying in the Democratic Republic of Timor - Leste.

ARTICLE XII

The Government of Japan and the Government of the Democratic Republic of Timor - Leste will consult with each other in respect of any matter that may arise from or in connection with this Agreement.

ARTICLE XIII

1. The provisions of this Agreement will also apply to the specific technical cooperation programs being carried out between the two Governments prior to the entering into force of this Agreement, and to the Experts and their families, the Senior Volunteers and their families, members of the Missions, the Representative and Staff and their families, and the Co - ordinators and their families as well as JOCV staying in the Democratic Republic of Timor - Leste, as well as to the equipment, machinery and materials related to the said programs.
2. The termination of this Agreement will affect neither the specific technical cooperation programs being carried out until the date of the completion of the said programs, unless otherwise the two Governments expressly agree, nor the privileges, exemptions and benefits accorded to the Experts and their families, Senior Volunteers and their families, members of the Missions, the Representative and Staff and their families, and the Co - ordinators and their families as well as JOCV staying in the

Democratic Republic of Timor - Leste for the performance of their duties in connection with the said programs.

ARTICLE XIV

1. This Agreement will enter into force on the date of the receipt by the Government of Japan of the written notification from the Government of the Democratic Republic of Timor - Leste of the completion of necessary domestic procedures for the entry into force of this Agreement.
2. This Agreement will remain in force for a period of one year, and will be automatically renewed every year for another period of one year each, unless either Government has given to the other Government at least six months' written advance notice of its intention to terminate the Agreement.

IN WITNESS WHEREOF the undersigned, duly authorized thereto, have signed this Agreement.

DONE in duplicate in English at Dili on January 25, 2005.

For the Government of

For the Government of the Democratic

Japan :

Republic of Timor - Leste: