EXTENSION AGREEMENT ON AGRICULTURAL TECHNICAL COOPERATION BETWEEN THE COUNCIL OF AGRICULTURE OF THE REPUBLIC OF CHINA AND THE DEPARTMENT OF AGRICULTURE AND LIVESTOCK OF PAPUA NEW GUINEA

Signed on March 13, 2002 Entered into force on September 19, 2001

Article I

The Council of Agriculture of the Government of the Republic of China has agreed and sent to Papua New Guinea an agricultural technical Mission (hereinafter referred to as "the Mission").

Article II

The Department of Agriculture and Livestock of Papua New Guinea shall collaborate with the Mission in the planning, implementation, monitoring and evaluation of the research and development programme to ensure that the project is consistent with the government policy on food sector development.

Article III

The Department of Agriculture and Livestock of Papua New Guinea shall collaborate with the Mission in the selection of model farmers and sites for the development of model farmers.

Article IV

All agricultural produce raised by the model farmers, except for the purpose of Mission's own consumption or for the use of seeds and specimens, shall be handed over to the model farmers for disposal.

Article V

The Council of Agriculture of the Republic of China agrees:

- To defray the traveling cost of the members of the Mission to and from the project site in Papua New Guinea and pay their remuneration and regional allowances during the period of their services in Papua New Guinea;
- (2) To pay all the administrative expenses for the Mission except as otherwise stated in this agreement:
- (3) To be responsible for all the insurance for the members of the Mission;
- (4) To provide the mission with seeds, plant nursery, chemicals, fertilizers, agricultural and irrigation machinery and implements and spare-parts made in the Republic of China or imported from the other countries;
- (5) To pay the running expenses and the cost of maintenance of the agriculture machinery and implements.
- (6) To pay the cost of motor grease provided to the Mission by the Department of Agriculture and Livestock of Papua New Guinea specified in subsection (1) of Article VI of this agreement;
- (7) To pay salaries to the workers hired by the Mission in accordance with the salary standard in Papua New Guinea;
- (8) To ensure that the Mission will collaborate with the Department of Agriculture and Livestock in the planning and implementation of the R&D programme in accordance with the government policy on food sector development;
- (9) To ensure that the Mission will report to the Department of Agriculture and Livestock on the progress of their work programme on a quarterly and annual basis as a way of informing the two governments on the progress of this collaborative programme;
- (10) To hand over to the Department of Agriculture and Livestock the machinery and equipment of the Mission which are no longer needed; and
- (11) To provide short-term experts based on the needs of the Mission projects.

The Department of Agriculture and Livestock of Papua New Guinea agree:

- To provide suitable furnished office and dormitory with adequate water and electricity supply
 for both the Mission and its members; and also to pay the routine maintenance cost; and to
 provide where possible motor grease and other materials that may be needed from time to
 time;
- (2) To grant duty free importation of vehicles and all items specified in subsection (4) of Article V and to provide transportation for the above mentioned goods from harbor or airport to the project site;
- (3) To provide necessary assistance for quarantine purposes to the Mission, in the importation of items as specified in subsection (4) of Article V above;
- (4) To take every measure to enable the relevant personnel to participate in the work of the Mission, the number of personnel will be decided by both sides; and
- (5) To appoint one liaison-officer in order to provide necessary assistance as required in the Bubia Agricultural Experimental Station.

Article VII

With regard to the members and dependants of the Mission, the Department of Agriculture and Livestock of Papua New Guinea undertakes:

- (1) To arrange for medical services in Papua New Guinea at reasonable cost to members and the dependants of the Mission;
- (2) To grant them, during their tenure of service, exemption from import duties and other duties and taxes on their personal household effects which are not allowed to be sold or otherwise disposed of before the termination of their assignment;
- (3) To grant them exemption from all taxes on their salaries, fringe benefits and allowances paid to them by the Council of Agriculture of the Republic of China;
- (4) To arrange their visas, resident and employment permits in accordance with local regulations;
- (5) With respect to specific points not covered within the subsection of this Article, to award to the members of the Mission the same privileges as would normally be enjoyed by the Senior Civil Servants of comparable rank and seniority of the Government of Papua New Guinea;
- (6) To accord the right to conduct a "non-resident external account" with a commercial bank in Papua New Guinea into which all payments received from the Council of Agriculture of the Republic of China, either stipends, emoluments or allowances may be deposited, and the right to transfer to any country outside of Papua New Guinea any balance in such an account any time:
- (7) To guarantee the same repatriation facilities in times of international crisis for the Mission members as are enjoyed by organizations of comparable status; and
- (8) To take all necessary measures during a crisis situation such as providing guards, rendering protective facilities, etc., whenever the said situation becomes an eminent or potential threat to the life, security, chattels and effects of the mission members and the dependants.

Article VIII

The Department of Agriculture and Livestock of Papua New Guinea will bear all risks associated with the operation, will be responsible for dealing with any claim which may be brought up by the third parties against either the Council of Agriculture of the Republic of China, its executive authority of the Mission members and will provide aforesaid with protection from damage in case of any claim resulting from activities under the arrangements unless where it is mutually agreed by the parties of this agreement that such claim arises from gross negligence or willful misconduct.

Article IX

If any member of the Mission is no longer suitable in performing his duty, the Council of

Agriculture of the Republic of China has the right to recall him and replace him with another specialist and pay his traveling cost.

Article X

The members of the Mission shall not undertake any other activities that are not in conformity with the duty as specified in Article I.

Article XI

This Agreement shall remain valid for a period of three (3) years retroactively from September 19, 2001 to September 18, 2004. Either government may terminate it ninety (90) days after notice in writing has been given to the other government.

Article XII

IN WITNESS WHEREOF, the undersigned being duly authorized by their respective governments, have signed duplicate copies of the Agreement in the English language.

Done at Taipei this eleventh day of the third month of the ninety first year of the Republic of China, corresponding to the eleventh day of March of the year two thousand and two.

FOR THE COUNCIL OF AGRICULTURE OF THE REPUBLIC OF CHINA (Signature) CHENG-CHUNG FAN

Chairman Council of Agriculture FOR THE DEPARTMENT OF AGRICULTURE AND LIVESTOCK OF PAPUA NEW GUINEA

(Signature) HON. SIMEON WAI, MP Minister Department of Agriculture and Livestock