

AGREEMENT

on Institutional Cooperation between the Accounting Chamber of Ukraine and the Swedish National Audit Office

The Accounting Chamber of Ukraine (ACU) and the Swedish National Audit Office (SNAO), hereinafter the "Contracting Parties",

bearing in mind the Letter of Intent signed between the Parties in March 2008 in Stockholm, Sweden,

considering the conclusions drawn in the report on the Assessment Mission carried out by SNAO representatives in June 2008 in Kyiv, Ukraine,

guided by the aims and principles of the International Organisation of Supreme Audit Institutions (INTOSAI) and the European Organisation of the Supreme Audit Institutions (EUROSAI),

based on the principles of mutual respect, confidence, equality and mutually advantageous partnership,

expressing mutual intention to develop the efficiency of state financial audit,

with the view to contribute to good governance, transparency and accountability in the implementation of fiscal and monetary policies,

HAVE AGREED as follows:

Article 1

The Contracting Parties express the intention to develop a long-term bilateral cooperation, following a later elaboration of a Project Document. The process resulting in such a document shall include workshops on needs assessment, development objectives, et cetera, to be further elaborated by the Contracting Parties. The Project Document shall include different forms of cooperation as well as a Joint Action Plan, to be implemented by the Contracting Parties.

Article 2

During exchange of information and materials in the framework of this Agreement the Contracting Parties are guided by the national legislation that regulates the participation in the international information exchange, protection of the State secret, and other secrets that are preserved by the legislation.

Article 3

The Contracting Parties, based on the reciprocity principle, during the organization of exchanges and conducting meetings, will cover costs so that both parties assume their

respective costs for salaries and related costs. The delegating party will undertake travel and accommodation costs. The receiving party will defray costs related to meals, internal transportation and will grant such services as translation, technical equipment, and also preparation of materials in relation to the article of exchange.

As regards the elaboration of a Project Document as indicated under Article 1, the financial undertaking by the Swedish NAO is limited to a ceiling amount of

1 million Swedish Kronas. This amount mainly consists of salaries and related travel and accommodation costs and subsistence allowances for the Swedish NAO's experts. The succeeding implementation of the Project Document will call for an addendum to this Agreement, based on the content of the Project Document and related funding needs.

Article 4

The provisions of this Agreement can be changed or amended only after the mutual agreement of both Contracting Parties. All changes and amendments will constitute an integral part of this Agreement and will be designed by the separate addendum.

Article 5

Any disputes regarding the provisions of this Agreement's interpretation and implementation shall be settled by means of holding mutual consultations between the Contracting Parties.

Article 6

This Agreement will not violate the Contracting Parties' rights and commitments regarding other international arrangements in which they participate now or in the future.

Article 7

This Agreement shall enter into force on the day of signature. It shall be valid until any of the Contracting Parties give notice of termination in written form in the course of three months.

Signed on December 4, 2008 in Kyiv in two languages - Ukrainian and English, both versions are equally authentic.

In case of any dispute regarding the provisions of this Agreement the English version will prevail.

Chairman

of the Accounting Chamber of Ukraine

Auditor General

of the Swedish National Audit Office

Dr. Valentyn Symonenko

Mrs. Karin Lindell