IDA-54379

CREDIT NUMBER 5249-VN

Financing Agreement

(Inclusive Innovation Project)

between

SOCIALIST REPUBLIC OF VIETNAM

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated September 6, 2013

CREDIT NUMBER 5249 -VN

FINANCING AGREEMENT

AGREEMENT dated September 6, 2013, entered into between the SOCIALIST REPUBLIC OF VIETNAM (variously, "Recipient" and/or "Vietnam") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association"). The Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral part of this Agreement.

1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — FINANCING

2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a credit in an amount equivalent to thirty six million seven hundred thousand Special Drawing Rights (SDR 36,700,000) (variously, "Credit" and "Financing") to assist in financing the project described in Schedule 1 to this Agreement ("Project").

2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.

2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.

2.04. The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.

2.05. The Interest Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to one and a quarter percent (1.25%) per annum.

2.06. The Payment Dates are May 1 and November 1 in each year.

2.07. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.

2.08. The Payment Currency is Dollar.

ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall vest the overall responsibility for the implementation of the Project in MPI acting through EDA. Notwithstanding the foregoing the Recipient shall: (a) carry out Component 3 and 4 of the Project through EDA; (b) cause Components 1 and 2 (in respect of Matching Grants) of the Project to be carried out by NAFOSTED; and (c) cause Component 2 (in respect of Sub-loans) of the Project to be carried out by the Participating Financial Institutions (NAFOSTED and the Participating Financial Institutions hereinafter individually referred to as "Project Implementing Entity" and collectively referred to as "Project Implementing Entities") in accordance with the provisions of Article IV of the General Conditions and the respective Project Agreements, as the case may be.

3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Recipient and the Association shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

ARTICLE IV — REMEDIES OF THE ASSOCIATION

4.01. The Additional Event of Suspensions consist is that the Project Implementing Entities' Legislation and/or EDA's Legal Framework has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely: (a) the ability of the Project Implementing Entity to perform any of its obligations under the respective Project Agreement; and/or (b) the ability of EDA to perform the Recipient's obligations under this Agreement.

4.02. The Additional Event of Acceleration is that any event specified in Section 4.01 of this Agreement occurs.

ARTICLE V — EFFECTIVENESS; TERMINATION

5.01. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.

5.02. For purposes of Section 8.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the date of this Agreement.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Recipient's Representative is the Governor or Deputy Governor of the State Bank of Vietnam.

6.02. The Recipient's Address is:

State Bank of Vietnam
49 Lý Thái Tổ
Hanoi
Vietnam

Facsimile:

+84 (4) 3825-0612

6.03. The Association's Address is:

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Cable:	Telex:	Facsimile:
INDEVAS Washington, D.C.	248423 (MCI)	1-202-477-6391

AGREED at Hanoi, Socialist Republic of Vietnam, as of the day and year first above written.

SOCIALIST REPUBLIC OF VIETNAM

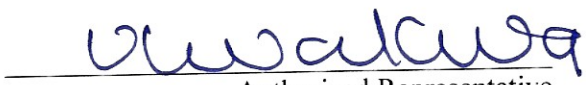
By 

Authorized Representative

Name: Nguyen Van Binh

Title: Governor, State Bank of Vietnam

INTERNATIONAL DEVELOPMENT ASSOCIATION

By 

Authorized Representative

Name: Victoria Kwakwa

Title: Country Director