HB5239

ARRANGEMENT
BETWEEN
THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF VIETNAM
AND
THE GOVERNMENT OF THE REPUBLIC OF KOREA
CONCERNING LOANS FROM THE ECONOMIC DEVELOPMENT COOPERATION FUND

The Government of the Socialist Republic of Vietnam and the Government of the Republic of Korea, in accordance with the Agreement between the Government of the Socialist Republic of Vietnam and the Government of the Republic of Korea concerning Loans from the Economic Development Cooperation Fund signed on April 12, 1995, have agreed as follows:

Article 1

(1) The Government of the Republic of Korea shall enable the Government of the Socialist Republic of Vietnam to obtain a loan (hereinafter referred to as "the Loan") from the Export-Import Bank of Korea (hereinafter referred to as "the Bank"), the government agency for the Economic Development Cooperation Fund (hereinafter referred to as "the EDCF") for the implementation of the Haiphong Solid Waste Management and Treatment Project (hereinafter referred to as "the Project").

(2) The Borrower of the Loan shall be the Government of the Socialist Republic of Vietnam.

(3) The Loan shall be denominated in Korean Won. The amount of the Loan shall not exceed the equivalence of Nineteen Million Six Hundred Sixteen Thousand US Dollars (USD 19,616,000) and shall be fixed in accordance with the relevant provisions of a loan agreement to be concluded between the Borrower and the Bank (hereinafter referred to as "the Loan Agreement")

Article 2

The terms and conditions of the Loan, as well as the procedures for its utilization will be governed by the Loan Agreement, which will contain, inter alia, the following principles:

(1) The repayment period will be Thirty (30) years including a grace period of Ten (10) years;

(2) The interest rate will be Two point percent (2.0%) per annum;

(3) The disbursement period will be Thirty Six (36) months from the effective date of the Loan Agreement or such other period as the Borrower and the Bank will agree upon;

(4) A service charge of One-tenth of One percent (0.1%) of the amount of each disbursement in case of a direct payment procedure, or of the amount of specified in the letter of commitment in case of commitment procedure, shall be collected by the Bank. All banking charges and/or costs for services rendered by commercial banks in connection with disbursements of the proceeds of the Loan,

repayment of principal or payment of interest payable to the Bank under the Loan Agreement shall be subject to a banking arrangement to be concluded between the concerned commercial banks of the two countries; and

(5) In the event the Borrower fails to make payment of all or any portion of the principal of the Loan or any other amount when due under the Loan Agreement, the unpaid amount shall bear an overdue charge at the rate of Two percent (2.0%) per annum above the interest rate.

Article 3

(1) The eligible source country for the procurement of goods and services required for the Project shall be the following:

a) For the Foreign Currency Portion: Republic of Korea

b) For the Local Currency Portion: Socialist Republic of Vietnam.

(2) The suppliers of goods and services necessary for the implementation of the Project shall be selected through Limited Competitive Bidding among the Korean companies or Direct Contracting with a Korean firm.

(3) The goods which contain materials imported from countries other than the eligible source country may be eligible for financing under the Loan, if the imported portion comprises less than Fifty percent (50%) of the contract price of such goods.

A formula for calculating a ratio of such imported portion will be prescribed in the Loan Agreement.

(4) The detailed methods and procedures for procurement shall be governed by the Loan Agreement.

Article 4

In the event the funds available from the proceeds of the Loan are insufficient for the full implementation of the Project, the Borrower shall promptly make arrangements to provide such funds as shall be needed.

Article 5

The proceeds of the Loan shall be disbursed by the Bank to the Borrower or, to the Supplier on behalf of the Borrower in accordance with the progress of the Project, up to the amount of the Loan, and within the disbursement period specified in the Loan Agreement and in accordance with disbursement procedure under the Loan Agreement.

Article 6

All taxes, duties and levies imposed on goods and services provided by the suppliers under the EDCF financing for the implementation of the project shall be either made exempt or borne by the Vietnamese side.

Article 7

Other terms and conditions to be specified in the Loan Agreement shall be determined through negotiations between the Borrower and the Bank.

Article 8

This Arrangement shall enter into force on the date of signing and shall remain effective, unless otherwise agreed upon, until the Borrower performs all the obligations under the Loan Agreement.

Done in duplicate at Seoul this . . 23rd . . day of August 2001, in the English language, two copies being equally authentic.

FOR THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF VIETNAM

Nguyen Dy Nien
Minister of Foreign Affairs

FOR THE GOVERNMENT OF THE REPUBLIC OF KOREA

Han Seung-Soo
Minister
Ministry of Foreign Affairs and Trade

BỘ NGOẠI GIAO

Số: 57/LPQT

SAO Y BẢN CHÍNH
(Để thực hiện)

Hà Nội, ngày 30 tháng 8 năm 2001

TL. BỘ TRƯỞNG BỘ NGOẠI GIAO
KT. Vụ trưởng Vụ Luật pháp và Điều ước quốc tế
Phó Vụ trưởng

Trần Duy Thi

Nơi nhận :

- Văn phòng Chính phủ (để báo cáo),
- Bộ Kế hoạch và Đầu tư,
- Bộ Tài chính,
- Ngân hàng Nhà nước Việt Nam,
- Tổng cục Hải quan,
- UBND thành phố Hải Phòng,
- Đại sứ quán Việt Nam tại Hàn Quốc,
- Vụ Châu Á 1,
- Vụ LPQT,
- Lưu trữ.

Thoả thuận giữa Chính phủ nước Cộng hoà xã hội chủ nghĩa Việt Nam và Chính phủ Hàn Quốc về khoản tín dụng của Quỹ hợp tác phát triển kinh tế (dự án quản lý và xử lý chất thải rắn Hải phòng) có hiệu lực từ ngày 23 tháng 8 năm 2001.