CREDIT NUMBER 5032-VN

Financing Agreement

(Additional Financing for Third Rural Transport Project)

between

SOCIALIST REPUBLIC OF VIETNAM

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated March 9, 2012

FINANCING AGREEMENT

AGREEMENT dated March 9, 2012, entered into between SOCIALIST REPUBLIC OF VIETNAM ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") for the purpose of providing additional financing for the Original Project (as defined in the Appendix to this Agreement). 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, the Original Financing Agreement, or the Appendix to this Agreement, save and except that paragraph 18 of the Annex to Schedule 2 to the Original Financing Agreement shall be deemed to be deleted for purposes of 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 sixty two million two hundred thousand Special Drawing Rights (SDR 62,200,000) (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 The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.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 The Interest Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to one and a quarter percent (1.25%) per annum.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 June 1 and December 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 the Dollar.

ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project through the Ministry of Transport in accordance with the provisions of Article IV of the General Conditions.

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 — EFFECTIVENESS; TERMINATION

4.01. The Additional Legal Matter consists of the following, namely, that the Environmental Management Framework, the Environmental Management Plan for the Dong Thanh-Tho Vinh Subproject, the Environmental Management Plan for the Trung Mon-Chan Son Subproject, the Resettlement Policy Framework, the Abbreviated Resettlement Plan for the Dong Thanh-Tho Vinh Subproject, the Abbreviated Resettlement Plan for the Trung Mon-Chan Son Subproject, the Ethnic Minority Development Policy Framework, and the Ethnic Minority Development Plan for the Trung Mon-Chan Son Subproject have been duly approved by the Recipient and are legally binding upon the Recipient in accordance with their respective terms.

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

4.03. 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 V — REPRESENTATIVE; ADDRESSES

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

5.02. The Recipient's Address is:

State Bank of Vietnam
49 Lý Thái Tổ
Hanoi
Vietnam

Cable:	Telex:	Facsimile:
VIETBANK Hanoi	412248 NHTWVT	(84-4) 3825-0612

5.03. 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, Vietnam, as of the day and year first above written.

SOCIALIST REPUBLIC OF VIETNAM

By 

Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

SCHEDULE 1

Project Description

The objective of the Project is to assist the Recipient in improving the access (including reducing the cost of access) of rural communities to markets, non-farm economic opportunities, and social services.

The Project consists of the Original Project.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. Paragraphs 1-4 of Schedule 4 to the Original Financing Agreement are hereby incorporated by reference in this Part A and shall apply, *mutatis mutandis*, to the Financing, and the Recipient hereby undertakes to comply with the provisions thereof to the same extent as if such provisions had been set out in full in this Agreement.

2. For greater clarity and the avoidance of doubt, in view of the incorporation of paragraphs 1-4 of Schedule 4 to the Original Financing Agreement in this Agreement pursuant to the preceding paragraph, if the Original Financing Agreement terminates prior to the termination of this Agreement, such termination shall have no effect for purposes of this Agreement, and the provisions of the Original Financing Agreement incorporated in this Agreement pursuant to the preceding paragraph shall continue in full force and effect between the Recipient and the Association for purposes of this Agreement following and notwithstanding such termination of the Original Financing Agreement.

B. Anti-Corruption

The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

C. Annual Work Plans and Budgets

The Recipient shall:

(a) prepare and furnish to the Association for approval as soon as available, but in any case not later than December 15 of each year, an annual work plan and budget for the Project for each subsequent year of Project implementation, of such scope and detail as the Association shall have reasonably requested and including a proposed list of roads and road segments in each Project Province to be targeted under Parts A and B of the Project, except for the annual work plan and budget for the Project for the first year of Project implementation, which shall be furnished not later than one (1) month after the Effective Date, provided, however, that roads in or traversing forest reserve areas or buffer zones of forest

reserve areas shall not form part of any annual work plan and budget; and

(b) thereafter ensure that the Project is carried out in accordance with such plan and budget as approved by the Association.

D. Safeguards

1. The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Safeguards Instruments, and, except as the Association shall otherwise agree in writing, the Recipient shall not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof.

2. In the event of a conflict between the provisions of any of the Safeguards Instruments and those of this Agreement, the latter shall govern.

3. The Recipient shall, for the purposes of any Subproject, and prior to the award of (a) contract(s) for the implementation thereof, as required under the Environmental Management, Ethnic Minority Development Policy, and Resettlement Policy Frameworks, proceed to have Environmental Management, Ethnic Minority Development, and Resettlement Plans:

(a) prepared in form and substance satisfactory to the Association;

(b) except as otherwise agreed with the Association in writing, submitted to the Association for review and approval; and

(c) thereafter, adopted and publicly disclosed.

4. The Recipient shall ensure that each contract for a Subproject includes the obligation of the respective contractor to implement the Environmental Management Plan for the Dong Thanh-Tho Vinh Subproject, the Environmental Management Plan for the Trung Mon-Chan Son Subproject, any other Environmental Management Plan, the Abbreviated Resettlement Plan for the Dong Thanh-Tho Vinh Subproject, the Abbreviated Resettlement Plan for the Trung Mon-Chan Son Subproject, any other Resettlement Plan as applicable, the Ethnic Minority Development Plan for the Trung Mon-Chan Son Subproject, and / or any other Ethnic Minority Development Plan as applicable.

5. The Recipient shall ensure that: (i) all land acquisition required for the purposes of carrying out works under the Project; and (ii) related activities under Part D of the Project are completed in accordance with the provisions of the Resettlement Plans prior to the carrying out of such works.

6. The Recipient shall take all measures necessary to regularly collect, compile, and submit to the Association, as part of the Project Reports, information on the status of compliance with the Safeguards Instruments, providing details of:

(a) measures taken in furtherance of said Instruments;

(b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of said Instruments; and

(c) remedial measures taken or required to be taken to address such conditions.

7. The Recipient shall ensure that: (i) all land acquisition required for the purposes of carrying out works under the Project; and (ii) Part D of the Project are financed exclusively out of its own resources, and shall provide, promptly as needed, the resources needed for this purpose.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. (a) The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of the indicators set forth below in sub-paragraph (b) of this paragraph. Each Project Report shall cover the period of one (1) calendar semester, and shall be furnished to the Association not later than forty-five (45) days after the end of the period covered by such report.

(b) The performance indicators referred to above in sub-paragraph (a) consist of the following:

No.	Indicator
	Project Objective
1.	Percentage of population residing within two (2) kilometers of an all-weather road
2.	Percentage reduction in travel time to nearest schools and markets
3.	Percentage of households living in villages with access to motorized transport rental services
	Part A of the Project
4.	Number of communes lacking year-round basic access roads

5.	Kilometers of rural roads rehabilitated under the Project
6.	Number of rural bridges built under the Project
	Part B of the Project
7.	Number of Project Provinces having adopted a provincial road maintenance and management system and having allocated funds to provincial road maintenance
8.	Kilometers of district roads maintained under the Project
	Part C of the Project
9.	Number of Project Provinces with a prioritized provincial transport plan
10.	Number of Project Provinces with a provincial road maintenance and management system in operation
11.	Rural transport policy and strategy document approved by the Recipient and having support of development partners
12.	Revised standards for rural roads approved by the Ministry of Transport, adopted by other relevant ministries, and having support of development partners
13.	Guidelines for rural road maintenance and management prepared and adopted by the Ministry of Transport
14.	Number of Project Provinces with sufficient capacity for decentralized Project implementation
15.	Percentage of rural roads works contracts awarded to the private sector
16.	Number of Ministry of Transport and other Recipient staff and local communities trained in rural road maintenance and management
17.	Organizational framework for rural road maintenance and management revised

B. Annual Assessment of Provincial Performance

The Recipient shall carry out an annual assessment, in accordance with terms of reference satisfactory to the Association, of the Project Provinces' implementation of the Project, furnish the results of said assessment to the Association not later than March 31 of each year throughout Project implementation, review, not later than one (1) month after the furnishing of said results to the Association, jointly with the Association, said results, and thereafter take all measures required to ensure the efficient completion of the Project and the achievement of the objective thereof, based on the conclusions and recommendations of said assessment and the Association's views on the matter.

C. Midterm Review

The Recipient shall:

(a) carry out jointly with the Association, not later than twelve (12) months after the Effective Date, a midterm review to assess the status of Project implementation, as measured against the performance indicators set forth in Section II.A.1 (b) of this Schedule. Such review shall include an assessment of the following: (i) overall progress in implementation; (ii) results of monitoring and evaluation activities; (iii) progress on disbursement and procurement; (iv) progress on implementation of safeguards measures; (v) implementation arrangements; and (vi) the need to make any adjustments to the Project and reallocate funds to improve performance.

(b) prepare and furnish to the Association, at least one (1) month before such review, a report, in scope and detail satisfactory to the Association and integrating the results of the monitoring and evaluation activities performed pursuant to Section II.A.1 (a) of this Schedule, on the progress achieved in the carrying out of the Project during the period preceding the date of such report and setting out the measures recommended to ensure the efficient carrying out of the Project and the achievement of the objectives thereof during the period following such date; and

(c) review, jointly with the Association, the report referred to in the preceding paragraph and thereafter take all measures required to ensure the efficient completion of the Project and the achievement of the objective thereof, based on the conclusions and recommendations of such report and the Association's views on the matter.

D. Financial Management, Financial Reports and Audits

1. The Recipient shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.

2. The Recipient shall:

(a) (i) not later than three (3) months after the Effective Date, prepare and adopt a Financial Management Improvement Action Plan in form and substance satisfactory to the Association; and (ii) thereafter ensure that the Project is carried out in accordance with said Plan; and

(b) except as the Association shall otherwise agree in writing, not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof.

3. In the event of a conflict between the provisions of the Financial Management Improvement Action Plan and those of this Agreement, the latter shall govern.

4. Without limitation on the provisions of Part A of this Section, the Recipient shall prepare and furnish to the Association not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.

5. The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one (1) fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the Association not later than six (6) months after the end of such period.

Section III. Procurement

A. General

1. **Goods and Works.** All goods and works required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.

2. **Consultants' Services.** All consultants' services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines, and with the provisions of this Section.

3. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association of particular contracts, refer to the corresponding method described in the Procurement Guidelines, or Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods and Works

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods and works shall be procured under contracts awarded on the basis of International Competitive Bidding.

2. **Other Methods of Procurement of Goods and Works.** The following table specifies the methods of procurement, other than International Competitive

Bidding, which may be used for goods and works. The Procurement Plan shall specify the circumstances under which such methods may be used:

Procurement Method
(a) National Competitive Bidding, subject to the additional procedures set out in the Annex to this Schedule
(b) Shopping
(c) Direct Contracting

C. Particular Methods of Procurement of Consultants' Services

1. **Quality- and Cost-Based Selection.** Except as otherwise provided in paragraph 2 below, consultants' services shall be procured under contracts awarded on the basis of Quality- and Cost-Based Selection.

2. **Other Methods of Procurement of Consultants' Services**. The following table specifies methods of procurement, other than Quality- and Cost-Based Selection, which may be used for consultants' services. The Procurement Plan shall specify the circumstances under which such methods may be used:

Procurement Method
(a) Quality-Based Selection
(b) Selection under a Fixed Budget
(c) Least-Cost Selection
(d) Selection Based on the Consultants' Qualifications
(e) Single-Source Selection
(f) Selection of Individual Consultants

D. Review by the Association of Procurement Decisions

The Procurement Plan shall set forth those contracts which shall be subject to the Association's Prior Review. All other contracts shall be subject to Post Review by the Association.

E. Action Plan to Improve Fairness and Transparency in Procurement

1. The Recipient shall:

   (a) (i) not later than three (3) months after the Effective Date, update, in a manner satisfactory to the Association, and adopt as updated, the Action Plan to Improve Fairness and Transparency in Procurement; and (ii) thereafter ensure that the Project is carried out in accordance with said Plan; and

   (b) except as the Association shall otherwise agree in writing, not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof.

2. In the event of a conflict between the provisions of the Action Plan to Improve Fairness and Transparency in Procurement and those of this Agreement, the latter shall govern.

Section IV. Withdrawal of the Proceeds of the Financing

A. General

The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Association shall specify by notice to the Recipient (including the "World Bank Disbursement Guidelines for Projects" dated May 2006, as revised from time to time by the Association and as made applicable to this Agreement pursuant to such instructions), to finance one hundred percent (100%) (inclusive of Taxes) of Eligible Expenditures, consisting of goods, works, consultants' services, Training, and Operating Costs for Parts A, B, and C of the Project.

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the date of this Agreement.

2. The Closing Date is June 30, 2014.

ANNEX TO SCHEDULE 2

National Competitive Bidding: Additional Procedures

The procedures to be followed for the procurement of goods and works under contracts awarded on the basis of National Competitive Bidding shall be those set forth in: (a) Article 18 on Open Bidding of the Recipient's Law on Procurement No. 61/2005/QH11 dated November 29, 2005; (b) the Recipient's Law No. 38/2009/QH12 Amending and Supplementing a Number of Articles of Laws Concerning Capital Construction Investment dated June 19, 2009; and (c) the Recipient's Decree No. 85/2009/ND-CP Guiding Implementation of the Law on the Procurement and Selection of Construction Contractors under the Construction Law dated October 15, 2009 (collectively, "National Procurement Laws"), subject to the provisions of Section I and paragraphs 3.3 and 3.4 of the Procurement Guidelines and the following provisions:

Conflict of Interest

1. A bidder shall not have a conflict of interest. Any bidder found to have a conflict of interest shall be ineligible for award of a contract. The provisions on conflict of interest as stated under Section I of the Procurement Guidelines shall apply.

Eligibility

2. The eligibility of bidders shall be as defined under Section I of the Procurement Guidelines; accordingly, no bidder or potential bidder shall be declared ineligible for contracts financed by the Association for reasons other than those provided in Section I of the Guidelines. Foreign bidders shall be eligible to participate in bidding under the same conditions as national bidders. In particular, no domestic preference over foreign bidders shall be granted to national bidders in bid evaluation, nor shall foreign bidders be asked or required to form joint ventures with or be subcontractors to national bidders in order to submit a bid.

3. Recipient-owned enterprises or institutions of the Recipient's country are eligible to bid in the Recipient's country only if they can establish that they: (i) are legally and financially autonomous; (ii) operate under commercial law; and (iii) are not dependent agencies of the Recipient or sub-recipient. Military or security units or enterprises established under, reporting directly or indirectly to, or owned wholly or partly by, the Ministry of Defense or the Ministry of Public Security shall not be permitted to bid.

Registration

4. Registration shall not be used to assess bidders' qualifications. A foreign bidder shall not be required to register as a condition for submitting its bid and, if determined to be the lowest evaluated responsive bidder, shall be given reasonable opportunity of

registering, without any let or hindrance. Bidding shall not be restricted to any particular class of contractors, and non-classified contractors shall also be eligible to bid.

Advertising; Time for Bid Preparation

5. The complete text of advertisement shall be published in a national newspaper of wide circulation or in the official gazette provided that it is of wide circulation, or on a widely used website or electronic portal with free national and international access. The Recipient may publish a shorter version of the advertisement text, including the minimum relevant information, in the national press provided that the full text is simultaneously published in the official gazette or on a widely used website or electronic portal with free national and international access. Notification shall be given to prospective bidders in sufficient time to enable them to obtain relevant documents.

6. The time allowed for the preparation and submission of bids shall not be less than thirty (30) days from the date of the invitation to bid or the date of availability of the bidding documents, whichever is later.

Standard Bidding Documents

7. Standard bidding documents acceptable to the Association shall be used.

Qualification Criteria

8. Qualification criteria shall be clearly specified in the bidding documents, and all criteria so specified, and only such specified criteria, shall be used to determine whether a bidder is qualified. Qualification shall be assessed on a pass or fail basis and merit points shall not be used. Such assessment shall only take into account the bidder's capacity and resources to perform the contract, specifically its experience and past performance on similar contracts, capabilities with respect to personnel, equipment, and construction and manufacturing facilities, and financial capacity. The evaluation of the bidder's qualifications shall be conducted separately, subsequent to the technical and commercial evaluation of the bid.

Bid Submission, Bid Opening, and Bid Evaluation

9. Bidders may submit bids, at their option, either in person or by courier service or by mail, as required in the bidding documents. Bids shall be opened in public, immediately after the deadline for submission of bids, regardless of the number of bids received. Bids received after the deadline for bid submission shall be rejected and returned to the bidders unopened. A copy of the bid opening minutes shall be promptly provided to all bidders who submitted bids, and to the Association with respect to contracts subject to the Association's prior review.

(a) Bidding documents shall be sold to anyone who is willing to pay the

required fee for the bidding documents which shall not exceed the costs of printing, reproduction, and delivery at any time prior to the deadline for bid submission, and no other conditions shall be imposed on the sale of the bidding documents.

(b) Evaluation of bids shall be made in strict adherence to the criteria that shall be clearly specified in the bidding documents and quantified in monetary terms for evaluation criteria other than price; merit points shall not be used in bid evaluation.

(c) A contract shall be awarded, within the period of the validity of bids, to the bidder who meets the appropriate standards of capability and resources and whose bid has been determined (i) to be substantially responsive to the bidding documents and (ii) to offer the lowest evaluated cost. No negotiations shall be permitted. A bidder shall neither be required nor permitted, as a condition for award, to undertake obligations not specified in the bidding documents or otherwise to modify the bid as originally submitted.

(d) No bid shall be eliminated from detailed evaluation on the basis of minor, non-substantive deviations.

(e) The comparison of all bids and the award of contract may be based on the total cost at destination including all taxes and duties.

(f) No bid shall be rejected on the basis of a comparison with the employer's estimate and budget ceiling without the Association's prior written agreement.

Rejection of All Bids and Re-bidding

10. Rejection of all bids is justified when there is lack of effective competition, or all bids are not substantially responsive, or no bidder meets the specified qualification criteria, or the bid price of the lowest evaluated winning bid is substantially higher than the Recipient's updated estimated cost or available budget. Lack of competition shall not be determined solely on the basis of the number of bidders. Even when only one bid is submitted, the bidding process may be considered valid, if the bid was satisfactorily advertised, the qualification criteria were not unduly restrictive, and prices are reasonable in comparison to market values. All bids shall not be rejected or new bids solicited without the Association's prior written agreement.

Complaints by Bidders and Handling of Complaints

11. The Recipient shall implement an effective and independent protest mechanism allowing bidders to protest and have their protests handled in a timely manner. An

independent protest mechanism shall provide for the review of complaints by an independent entity that is not involved in any aspect of the underlying procurement process (e.g., bid evaluation, contract approval, etc.).

Fraud and Corruption

12. The provisions on fraud and corruption as stated under Section I of the Procurement Guidelines shall apply. Each bidding document and contract financed out of the proceeds of the Financing shall include provisions on matters pertaining to fraud and corruption as defined in the Guidelines. The Association will sanction a firm or individual, at any time, in accordance with prevailing Association sanctions procedures, including by publicly declaring such firm or individual ineligible, either indefinitely or for a stated period of time: (i) to be awarded a Association-financed contract; and (ii) to be a nominated sub-contractor, consultant, supplier, or service provider of an otherwise eligible firm being awarded an Association-financed contract.

Right to Inspect / Audit

13. Each bidding document and contract financed from the proceeds of the Financing shall include a provision requiring bidders, suppliers, contractors, and subcontractors to permit the Association to inspect their accounts and records relating to the bid submission and performance of the contract and to have said accounts and records audited by auditors appointed by the Association. Acts intended to materially impede the exercise of the Bank's inspection and audit rights provided for in the Guidelines constitute an obstructive practice as defined in the Guidelines.

License

14. Foreign contractors shall be given a reasonable opportunity to apply for and obtain a work license, which shall not be arbitrarily withheld.

Publication of the Award of Contract

15. Within two (2) weeks of receiving the Association's non-objection to the award recommendation for contracts subject to the Association's prior review, and within two (2) weeks of the Recipient's award decision for contracts subject to the Association's post review, the Recipient shall publish the following information on contract award in a national newspaper of wide circulation and / or in the official gazette provided that it is of wide circulation, or on a widely used website or electronic portal with free national and international access: (a) the name of each bidder which submitted a bid; (b) bid prices as read out at bid opening; (c) evaluated prices of each bid that was evaluated; (d) the names of bidders whose bids were either rejected as non-responsive or not meeting qualification criteria, or not evaluated, with the reasons thereof; and (e) the name of the winning bidder, the final total contract price, as well as the duration and summary scope of the contract.

Contract Modifications

16. With respect to contracts subject to the Association's prior review, the Recipient shall obtain the Association's non-objection before agreeing to: (a) a material extension of the stipulated time for performance of a contract; (b) any substantial modification of the scope of services or other significant changes to the terms and conditions of the contract; (c) any variation order or amendment (except in cases of extreme urgency) which, singly or combined with all variation orders or amendments previously issued, increases the original contract amount by more than fifteen percent (15%); or (d) the proposed termination of the contract. A copy of all contract amendments shall be provided to the Association.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each June 1 and December 1:	
commencing June 1, 2017 to and including December 1, 2026	1.65
commencing June 1, 2027 to and including December 1, 2036	3.35

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.03 (b) of the General Conditions.

APPENDIX

I. Definitions

1. "Abbreviated Resettlement Plan for the Dong Thanh-Tho Vinh Subproject" means the Recipient's plan, dated October 2011, prepared in accordance with the provisions of the Resettlement Policy Framework (as hereinafter defined), agreed with the Association, and adopted pursuant to the Recipient's Decision No. 2357/QĐ-BGTVT dated October 20, 2011, setting out the mitigation, enhancement, monitoring, and institutional measures, including capacity building through training, to carry out acquisition of land and other assets, compensation, resettlement, and rehabilitation, including livelihood restoration, of Displaced Persons (as hereinafter defined), under the Dong Thanh-Tho Vinh Subproject (as hereinafter defined), as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such plan.

2. "Abbreviated Resettlement Plan for the Trung Mon-Chan Son Subproject" means the Recipient's plan, dated October 2011, prepared in accordance with the provisions of the Resettlement Policy Framework, agreed with the Association, and adopted pursuant to the Recipient's Decision No. 2357/QĐ-BGTVT dated October 20, 2011, setting out the mitigation, enhancement, monitoring, and institutional measures, including capacity building through training, to carry out acquisition of land and other assets, compensation, resettlement, and rehabilitation, including livelihood restoration, of Displaced Persons, under the Trung Mon-Chan Son Subproject (as hereinafter defined), as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such plan.

3. "Anti-Corruption Guidelines" means the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006 and revised in January 2011.

4. "Chan Son" means the administrative subdivision of such name in the Recipient's territory.

5. "Consultant Guidelines" means the "Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011.

6. "Displaced Person" means a person who, on account of Project implementation, has experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land, resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not such person must move to another location; or (b) the

involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such person; and "Displaced Persons" means, collectively, all such persons.

7. "Dong Thanh" means the administrative subdivision of such name in the Recipient's territory.

8. "Dong Thanh-Tho Vinh Subproject" means the Subproject (as hereinafter defined) comprising rehabilitation of the road link between Dong Thanh and Tho Vinh (as hereinafter defined).

9. "Environmental Management Framework" means the Recipient's framework, dated September 2011, agreed with the Association and adopted pursuant to the Recipient's Decision No. 2357/QĐ-BGTVT dated October 20, 2011, setting out mitigation, enhancement, monitoring, and institutional measures, including capacity building through training, to eliminate any adverse environmental impacts of activities to be implemented under the Project, offset them, or reduce them to acceptable levels, or enhance positive impacts, and including guidelines and procedures for the preparation of Environmental Management Plans, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such framework.

10. "Environmental Management Plan" means the Recipient's plan, to be to be prepared in accordance with the provisions of the Environmental Management Framework and agreed with the Association, setting out mitigation, enhancement, monitoring, and institutional measures, including capacity building through training, to eliminate any adverse environmental impacts of activities to be implemented under a Subproject (as hereinafter defined), offset them, or reduce them to acceptable levels, or enhance positive impacts, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such plan; and "Environmental Management Plans" means, collectively, all such plans.

11. "Environmental Management Plan for the Dong Thanh-Tho Vinh Subproject" means the Recipient's plan, dated September 2011, prepared in accordance with the provisions of the Environmental Management Framework, agreed with the Association, and adopted pursuant to the Recipient's Decision No. 2357/QĐ-BGTVT dated October 20, 2011, setting out mitigation, enhancement, monitoring, and institutional measures, including capacity building through training, to eliminate any adverse environmental impacts of activities to be implemented under the Dong Thanh-Tho Vinh Subproject, offset them, or reduce them to acceptable levels, or enhance positive impacts, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such plan.

12. "Environmental Management Plan for the Trung Mon-Chan Son Subproject" means the Recipient's plan, dated July 2011, prepared in accordance with the provisions of the Environmental Management Framework, agreed with the Association, and adopted pursuant to the Recipient's Decision No. 2357/QĐ-BGTVT dated October 20, 2011, setting out mitigation, enhancement, monitoring, and institutional measures, including capacity building through training, to eliminate any adverse environmental impacts of activities to be implemented under the Trung Mon-Chan Son Subproject, offset them, or reduce them to acceptable levels, or enhance positive impacts, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such plan.

13. "Ethnic Minorities" means social groups disadvantaged in the development process and with a social and cultural identity distinct from those which constitute the predominant ethnic group in the Recipient's territory.

14. "Ethnic Minority Development Plan" means the Recipient's plan, to be prepared in accordance with the provisions of the Ethnic Minority Development Policy Framework (as hereinafter defined) and agreed with the Association, for purposes of avoidance, minimization, or mitigation of, or compensation for, any adverse effects on Ethnic Minorities associated with, and ensuring culturally appropriate social and economic benefits for Ethnic Minorities under, a Subproject (as hereinafter defined), as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such plans; and "Ethnic Minority Development Plans" means, collectively, all such plans.

15. "Ethnic Minority Development Plan for the Trung Mon-Chan Son Subproject" means the Recipient's plan, dated September 2011, prepared in accordance with the provisions of the Ethnic Minority Development Policy Framework (as hereinafter defined), agreed with the Association, and adopted pursuant to the Recipient's Decision No. 2357/QĐ-BGTVT dated October 20, 2011, for purposes of avoidance, minimization, or mitigation of, or compensation for, any adverse effects on Ethnic Minorities associated with, and ensuring culturally appropriate social and economic benefits for Ethnic Minorities under, the Trung Mon-Chan Son Subproject, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such plan.

16. "Ethnic Minority Development Policy Framework" means the Recipient's framework, dated September 2011, agreed with the Association, and adopted pursuant to the Recipient's Decision No. 2357/QĐ-BGTVT dated October 20, 2011, setting out guidelines, principles, and procedures for the purpose of ensuring meaningful consultation with, and the informed participation of, Ethnic Minorities in the Project, and including guidelines and procedures for the

preparation of Ethnic Minority Development Plans, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such framework.

17. "Financial Management Improvement Action Plan" means the Recipient's plan, referred to in Section II.D.2 of Schedule 2 to this Agreement and to be agreed with the Association, setting out the mitigation, enhancement, monitoring, and institutional measures, including capacity building through training, to strengthen the Recipient's financial management system for purposes of the Project, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such plan.

18. "General Conditions" means the "International Development Association General Conditions for Credits and Grants" dated July 31, 2010, with the modifications set forth in Section II of this Appendix.

19. "Ministry of Defense" means the Borrower's ministry responsible for defense or any successor thereto.

20. "Ministry of Public Security" means the Borrower's ministry responsible for public security or any successor thereto.

21. "Ministry of Transport" means the Borrower's ministry responsible for transport or any successor thereto.

22. "Operating Costs" means the incremental operating costs under the Project, based on the annual work plans and budgets referred to in Section I.C of Schedule 2 to this Agreement as approved by the Association, and incurred by the Recipient for purposes of Project implementation, management, and monitoring and evaluation, on account of utilities and supplies, bank charges, communications, vehicle operation, maintenance, and insurance, office space rental, building and equipment maintenance, public awareness-related media expenses, domestic travel and subsistence, and salaries of contractual and temporary staff, but excluding salaries, fees, honoraria, bonuses, and any other salary supplements of members of the Recipient's civil service.

23. "Original Financing" means the credit in an amount equivalent to seventy four million one hundred thousand Special Drawing Rights (SDR 74,100,000) extended by the Association to the Recipient for the Original Project (as hereinafter defined) pursuant to the Original Financing Agreement (as hereinafter defined).

24. "Original Financing Agreement" means the development credit agreement for a Third Rural Transport Project between the Recipient and the Association, dated May 17, 2007, as amended to the date of this Agreement (Credit No. 4150-VN).

25. "Original Project" means the project described in the Original Financing Agreement.

26. "Procurement Guidelines" means the "Guidelines: Procurement of Goods, Works, and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011.

27. "Procurement Plan" means the Recipient's procurement plan for the Project, dated November 14, 2011 and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.

28. "Resettlement Plan" means the Recipient's plan, to be prepared in accordance with the provisions of the Resettlement Policy Framework and agreed with the Association, setting out the mitigation, enhancement, monitoring, and institutional measures, including capacity building through training, to carry out acquisition of land and other assets, compensation, resettlement, and rehabilitation, including livelihood restoration, of Displaced Persons, under a Subproject (as hereinafter defined), as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such plan; and "Resettlement Plans" means, collectively, all such plans.

29. "Resettlement Policy Framework" means the Recipient's framework, dated October 2011, agreed with the Association and adopted pursuant to the Recipient's Decision No. 2357/QĐ-BGTVT dated October 20, 2011, setting out the mitigation, enhancement, monitoring, and institutional measures, including capacity building through training, to carry out acquisition of land and other assets, compensation, resettlement, and rehabilitation, including livelihood restoration, of Displaced Persons, and including guidelines and procedures for the preparation of Resettlement Plans, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such framework.

30. "Safeguards Instruments" means, collectively, the Environmental Management Framework, the Environmental Management Plan for the Dong Thanh-Tho Vinh Subproject, the Environmental Management Plan for the Trung Mon-Chan Son Subproject, any other Environmental Management Plans, the Resettlement Policy Framework, the Abbreviated Resettlement Plan for the Dong Thanh-Tho Vinh Subproject, the Abbreviated Resettlement Plan for the Trung Mon-Chan Son Subproject, any other Resettlement Plans, the Ethnic Minority Development Policy Framework, the Ethnic Minority Development Plan for the Trung Mon-Chan Son Subproject, and any other Ethnic Minority Development Plans.

31. "State Bank of Vietnam" means the Borrower's central bank or any successor thereto.

32. "Subproject" means one (1) or more contract packages under the Project, grouped together for procurement purposes.

33. "Tho Vinh" means the administrative subdivision of such name in the Recipient's territory.

34. "Training" means the costs of training under the Project, based on the annual work plans and budgets referred to in Section I.C of Schedule 2 to this Agreement as approved by the Association, and attributable to seminars, workshops, and study tours, along with domestic and international travel and subsistence allowances for training participants, services of trainers, rental of training facilities, preparation and reproduction of training materials, and other activities directly related to course preparation and implementation.

35. "Trung Mon" means the administrative subdivision of such name in the Recipient's territory.

36. "Trung Mon-Chan Son Subproject" means the Subproject comprising rehabilitation of the road link between Trung Mon and Chan Son.

Section II. Modifications to the General Conditions

The modifications to the General Conditions are as follows:

1. Section 3.02 is modified to read as follows:

"Section 3.02. *Service Charge and Interest Charge*

(a) *Service Charge.* The Recipient shall pay the Association a service charge on the Withdrawn Credit Balance at the rate specified in the Financing Agreement. The Service Charge shall accrue from the respective dates on which amounts of the Credit are withdrawn and shall be payable semi-annually in arrears on each Payment Date. Service Charges shall be computed on the basis of a 360-day year of twelve (12) 30-day months.

(b) *Interest Charge.* The Recipient shall pay the Association interest on the Withdrawn Credit Balance at the rate specified in the Financing Agreement. Interest shall accrue from the respective dates on which amounts of the Credit are withdrawn and shall be payable semi-annually in arrears on each Payment Date. Interest

shall be computed on the basis of a 360-day year of twelve (12) 30-day months."

2. Paragraph 28 of the Appendix ("Financing Payment") is modified by inserting the words "the Interest Charge" between the words "the Service Charge" and "the Commitment Charge".

3. The Appendix is modified by inserting a new paragraph 32 with the following definition of "Interest Charge", and renumbering the remaining paragraphs accordingly:

> "32. "Interest Charge" means the interest charge specified in the Financing Agreement for the purpose of Section 3.02 (b)."

4. Renumbered paragraph 37 (originally paragraph 36) of the Appendix ("Payment Date") is modified by inserting the words "Interest Charges" between the words "Service Charges" and "Commitment Charges".

5. Renumbered paragraph 50 (originally paragraph 49) of the Appendix ("Service Charge") is modified by replacing the reference to Section 3.02 with Section 3.02 (a).