ARRANGEMENT

BETWEEN

THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF VIETNAM

AND

THE GOVERNMENT OF THE REPUBLIC OF KOREA

CONCERNING A LOAN 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 Solid Waste Management and Treatment Project in Ninh Binh Province (hereinafter referred to as "the Project").

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

(3) The Loan shall be denominated in Korean Won. The amount of the Loan shall not exceed the equivalent of Twenty Million Nine Hundred Seventy Thousand US Dollars (USD 20,970,000) 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, shall be governed by the Loan Agreement, which shall contain, inter alia, the following principles:

(a) The repayment period shall be thirty (30) years including a grace period of ten (10) years;

(b) The interest rate shall be two point zero percent (2.0 %) per annum;

(c) The disbursement period shall be forty-two (42) months from the effective date of the Loan Agreement or such other period as the Borrower and the Bank will agree upon; and

(d) 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 specified in the letter of commitment in case of a 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.

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 supplier.

(3) The procurement contract shall be concluded within eighteen (18) months after the effective date of the Loan Agreement.

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

ARTICLE 4

(1) The eligible source country for the employment of consultants shall be the Republic of Korea.

(2) The consultants for the implementation of the Project shall be employed through limited competitive bidding among Korean consulting firms or direct contracting with a Korean consulting firm.

(3) The consulting contract shall be concluded within eighteen (18) months after the effective date of the Loan Agreement.

ARTICLE 5

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 6

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 the disbursement procedure under the Loan Agreement.

ARTICLE 7

All the Importation Tariffs and Value Added Taxes incurred in connection with the Project shall be either made exempt or borne by the Vietnamese side.

ARTICLE 8

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

ARTICLE 9

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

DONE in Hanoi on this 10th day of October 2004 in duplicate, in the English language.

FOR THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF VIETNAM

H.E. Mr. Võ Hồng Phúc
Minister of Planning and Investment

FOR THE GOVERNMENT OF THE REPUBLIC OF KOREA

H.E. Mr. Ban Ki-moon
Minister of Foreign Affairs

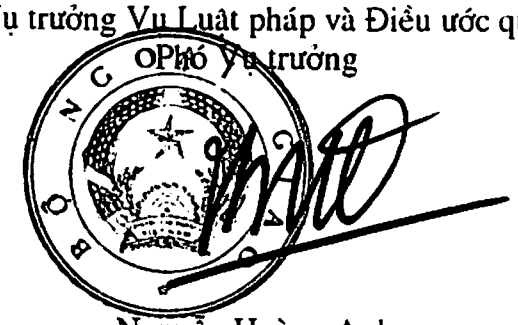
BỘ NGOẠI GIAO

Số : 123 /2004 /LPQT

SAO Y BẢN CHÍNH

Hà Nội, ngày 14 tháng 12 năm 2004

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



Nguyễn Hoàng Anh

Nơi nhận :

- Văn phòng Quốc hội (để báo cáo),
- Văn phòng Chủ tịch nước (để báo cáo),
- Văn phòng Chính phủ (để báo cáo),
- Văn phòng Chính phủ (để đăng Công báo),
- Bộ Tài chính,
- Bộ Kế hoạch và Đầu tư,
- Bộ Nông nghiệp và Phát triển nông thôn,
- Ủy ban nhân dân tỉnh Ninh Bình
- Đại sứ quán Việt Nam tại Hàn Quốc,
- Vụ Châu Á 1, Bộ Ngoại giao,
- Vụ Tổng hợp kinh tế, Bộ Ngoại giao,
- Vụ Luật pháp và Điều ước quốc tế, Bộ Ngoại giao,
- Lưu trữ, Bộ Ngoại giao.

Thỏa thuận giữa Chính phủ nước Cộng hòa xã hội chủ nghĩa Việt Nam và Chính phủ nước Đại hàn Dân quốc liên quan đến khoản vay từ Quỹ hợp tác phát triển kinh tế có hiệu lực từ ngày 10 tháng 10 năm 2004.