CREDIT NUMBER 6723-VN
CREDIT NUMBER 6725-VN
CREDIT NUMBER 6724-VN

Financing Agreement

(Vietnam University Development of VNU-Hanoi, VNU-HCM, and UD)

between

SOCIALIST REPUBLIC OF VIETNAM

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

CREDIT NUMBER 6723-VN
CREDIT NUMBER 6725-VN
CREDIT NUMBER 6724-VN

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between SOCIALIST REPUBLIC OF VIETNAM ("Recipient") 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) apply to and form 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 — CREDIT

2.01. The Association agrees to extend to the Recipient a credit, which is deemed as Non-concessional Financing for purposes of the General Conditions, in the amount of two hundred ninety-four million eight hundred seventy thousand Dollars ($294,870,000), to assist in financing the project described in Schedule 1 to this Agreement ("Project"), out of which:

(a) the amount of ninety-eight million eight hundred seventy thousand Dollars ($98,870,000), as such amount may be converted from time to time through a Currency Conversion ("Portion A of the Credit (VNU-Hanoi)"), to assist in financing VNU-Hanoi's Respective Part of the Project;

(b) the amount of ninety-eight million Dollars ($98,000,000) as such amount may be converted from time to time through a Currency Conversion ("Portion B of the Credit (VNU-HCM)"), to assist in financing VNU-HCM's Respective Part of the Project; and

(c) the amount of ninety-eight million Dollars ($98,000,000) as such amount may be converted from time to time through a Currency Conversion

("Portion C of the Credit (UD)"), to assist in financing UD's Respective Part of the Project.

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

2.03. The Front-end Fee is one quarter of one percent (¼ of 1%) of the Credit amount.

2.04. The Commitment Charge is one-quarter of one percent (¼ of 1%) per annum on the Unwithdrawn Credit Balance.

2.05. The Interest Charge is the Reference Rate plus the Variable Spread or such rate as may apply following a Conversion; subject to Section 3.09(e) of the General Conditions.

2.06. The Payment Dates are June 15 and December 15 in each year.

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

ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall: (a) cause Part 1 of the Project to be carried out by VNU-Hanoi; (b) Part 2 of the Project to be carried out by VNU-HCM; and (c) through MOET, cause Part 3 of the Project to be carried out by UD; all in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

4.01. The Effectiveness Deadline is the date one hundred twenty (120) days after the Signature Date.

ARTICLE V— REPRESENTATIVE; ADDRESSES

5.01. The Recipient's Representative is the Minister, or Vice Minister, of the Ministry of Finance.

5.02. For purposes of Section 11.01 of the General Conditions: (a) the Recipient's address is:

(a) the Recipient's address is:

Ministry of Finance
28 Tran Hung Dao
Hanoi, Vietnam; and

(b) the Recipient's Electronic Address is:

Facsimile:
(84-24) 2220 8020

5.03. For purposes of Section 11.01 of the General Conditions:

(a) the Association's address is:

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

(b) the Association's Electronic Address is:

Facsimile:
1-202-477-6391

AGREED as of the Signature Date.

SOCIALIST REPUBLIC OF VIETNAM

By _____
Authorized Representative

Name: Hồ Đức Phớc

Title: Minister of Finance

Date: 20th December 2021

INTERNATIONAL DEVELOPMENT ASSOCIATION

By _____
Authorized Representative

Name: Carolyn Turk

Title: Country Director for Viet Nam

Date: December 17, 2021

SCHEDULE 1

Project Description

The objective of the Project is to improve the quality of teaching and research at three targeted national universities.

The Project consists of the following parts:

Part 1: Vietnam National University Development - VNU-Hanoi

1.1 *Improved Quality of Teaching and Learning:* (a) Construction of teaching and learning infrastructure and associated facilities for selected universities, departments or centers; (b) provision of equipment and appliances for selected universities/centers; and (c) institutional and faculty capacity building related to e-learning, innovative pedagogical methods, program accreditation, university-industry partnerships, and international collaboration.

1.2 *Research Excellence and Knowledge Transfer.* (a) Construction of modern inter-disciplinary research infrastructure and associated facilities for selected universities/institutes/centers; (b) provision of cutting-edge equipment and high-end technology for research infrastructure; and (c) capacity building for the establishment of interdisciplinary research groups in priority research fields and development of partnerships on research and technology transfer.

1.3 *Governance and Project Management:* (a) Improving university's internal governance by: (i) formulating development strategies and implementation action plans; and (ii) supporting the implementation of plans on autonomy and accountability, financial sustainability, human resources management, organizational structure, and information communication technology and data systems; and (b) supporting Project management, including: (i) development of campus design, construction supervision and audits; and (ii) procurement, financial management, environmental and social impact management and monitoring, reporting and evaluation.

Part 2: Vietnam National University Development -VNU-HCM

2.1 *Improved Quality of Teaching and Learning:* (a) Construction of teaching and learning infrastructure and associated facilities for selected universities, departments or centers; (b) provision of equipment and appliances for selected universities/centers; (c) upgrading digital technology infrastructure; and (d)

institutional and faculty capacity building related to e-learning, innovative pedagogical methods, program accreditation, university-industry partnerships, and international collaboration.

2.2 *Research Excellence and Knowledge Transfer:* (a) Construction of modern inter-disciplinary research infrastructure and associated facilities for selected universities/institutes/centers; (b) provision of cutting-edge equipment and high-end technology for research infrastructure; and (c) capacity building for the establishment of interdisciplinary research groups in priority research fields and development of partnerships on research and technology transfer.

2.3 *Governance and Project Management:* (a) Improving university's internal governance by: (i) formulating development strategies and implementation action plans; and (ii) supporting the implementation of plans on autonomy and accountability, financial sustainability, human resources management, organizational structure, and information communication technology and data systems; and (b) supporting Project management, including: (i) development of campus design, construction supervision and audits; and (ii) procurement, financial management, environmental and social impact management and monitoring, reporting and evaluation.

Part 3: Development of Technical Infrastructure and Essential Facilities - UD

3.1. *Improved Quality of Teaching and Learning:* (a) Construction of teaching and learning infrastructure and associated facilities for selected universities, departments or centers; (b) provision of equipment and appliances for selected universities/centers; and (c) institutional and faculty capacity building related to e-learning, innovative pedagogical methods, program accreditation, university-industry partnerships, and international collaboration.

3.2. *Research Excellence and Knowledge Transfer:* (a) Construction of modern inter-disciplinary research infrastructure and associated facilities for selected universities/institutes/centers; (b) provision of cutting-edge equipment and high-end technology for research infrastructure; and (c) capacity building for the establishment of interdisciplinary research groups in priority research fields and development of partnerships on research and technology transfer.

3.3. *Governance and Project Management:* (a) Improving university's internal governance by: (i) formulating development strategies and implementation action plans; and (ii) supporting the implementation of plans on autonomy and accountability, financial sustainability, human resources management,

organizational structure, and information communication technology and data systems; and (b) supporting Project management, including: (i) development of campus design, construction supervision and audits; and (ii) procurement, financial management, environmental and social impact management and monitoring, reporting and evaluation.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Recipient shall cause the Targeted Universities to, throughout the period of implementation of the Project, maintain, and cause to be maintained, a Project Management Unit, with composition, powers, functions, staffing, facilities and other resources acceptable to the Association, responsible for: (a) planning and managing the implementation of the Project, including environmental and social impact management, financial management and procurement; (b) ensuring coordination among all relevant departments and agencies; and (c) monitoring and reporting.

2. The Recipient, through MOET, shall support UD in the overall planning and management of UD's Respective Part of the Project, in a manner that will be specified in the Project Operations Manual.

B. Subsidiary Agreements

1. To facilitate the carrying out of the Project, the Recipient shall make the proceeds of the Credit available to the Targeted Universities, a portion of which will be made available under a subsidiary agreement between the Recipient and the respective Targeted University under the same terms and conditions as shall have been received from the Association and in accordance with the provisions of this Agreement and the Recipient's on-lending policies and regulations ("Subsidiary Agreement").

2. Notwithstanding paragraph 1 above, in the event that any of the provisions of this Agreement were inconsistent with the on-lending policies and regulations of the Recipient as reflected in the Subsidiary Agreement, the provisions of this Agreement shall govern.

3. The Recipient shall exercise its rights under each Subsidiary Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing.

C. Annual Work Plans and Project Operations Manual

1. The Recipient shall cause the Targeted Universities to: (a) prepare and furnish to the Association by October 31 in each year during the implementation of the Project, a draft Annual Work Plan for review and comment, summarizing the implementation progress of the Project for the said year and the Project activities to be undertaken in the following calendar year, including the proposed annual budget for the Project; (b) taking into account the Association's comments, finalize and furnish to the Association no later than December 31 in each year, during the implementation of the Project, the Annual Work Plan, acceptable to the Association; and (c) thereafter ensure the implementation of the Project during the following calendar year in accordance with the Annual Work Plan agreed with the Association and in a manner acceptable to the Association. The Recipient shall not amend, suspend, abrogate, or waive said Annual Work Plans or any provision thereof without the prior written agreement of the Association.

2. Throughout the implementation of the Project, the Recipient shall cause the Targeted Universities to carry out the Project in accordance with the Project Operations Manual in a timely and efficient manner acceptable to the Association. The Recipient shall cause the Targeted Universities to not amend, suspend, or waive said Project Operations Manual or any provision or schedule thereof, without the prior written agreement of the Association. In the event of any inconsistency between the provisions of the Project Operations Manual and those of this Agreement, the provisions of this Agreement shall prevail.

D. Safeguards

1. The Recipient shall, and shall cause the Targeted Universities to, carry out the Project in accordance with the Safeguards Instruments in a manner and substance satisfactory to the Association.

2. The Recipient, through MOET, shall, and shall cause UD to:

   (a) take all necessary actions to avoid or minimize to the extent possible any involuntary relocation of persons, or their loss of shelter, assets, or access to assets, or loss of income sources or means of livelihood, temporarily or permanently; and

   (b) where the acquisition of land or assets or the displacement of people is unavoidable, before initiating the implementation of any works which would result in such acquisition or displacement, make available to such people compensation and, as applicable, relocate and rehabilitate the

Displaced Persons in accordance with the Resettlement Action Plan ("RAP"), and in a manner satisfactory to the Association.

3. The Recipient shall, and shall cause the Targeted Universities to, ensure that all land acquisition required for the purposes of carrying out works under the Project are financed exclusively out of its own resources, and shall provide, promptly as needed, the resources needed for the purposes of implementing the Safeguards Instruments, including: (a) all land acquisition required for the purposes of carrying out the Project; (b) resettlement and rehabilitation payments to Displaced Persons; and (c) all other costs associated with environmental and/or social mitigation measures set forth in the Safeguard Instruments.

4. The Recipient shall cause the Targeted Universities to ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors, and subcontractors and supervising entities to: (a) comply with the relevant aspects of Safeguard Instruments; (b) adopt and implement measures to assess and manage the risks and impacts of labor influx and workers' camps; and (c) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing measures on environmental, social, health and safety, gender-based violence and violence against children; all as applicable to such civil works commissioned or carried out pursuant to said contracts.

5. The Recipient shall cause the Targeted Universities to ensure, that all terms of reference for any technical assistance or studies carried out under the Project are consistent with, and pay due attention to, the Association's Safeguards Policies.

6. The Recipient shall cause the Targeted Universities to:

   (a) not amend, revise or waive, nor allow to be amended, revised or waived, the provisions of the Safeguard Instruments or any provision of any one thereof, without the prior written agreement of the Association; and

   (b) maintain policies and procedures adequate to enable it to monitor and evaluate, in accordance with guidelines acceptable to the Association, the implementation of the Safeguard Instruments.

7. In case of any inconsistency between the provisions of any of the Safeguard Instruments and this Agreement, the provisions of this Agreement shall prevail.

8. Without limitation to the provisions of paragraph 1 of Section II of this Schedule 2, the Recipient shall cause the Targeted Universities to take all measures necessary on its part to regularly collect, compile, and furnish to the Association, as part of the Project Reports, and promptly in a separate report whenever the circumstances warrant, information on the status of compliance with the Safeguards Instruments, giving details of:

(a) measures taken in furtherance of the Safeguards Instruments;

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

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

Section II. Project Monitoring, Reporting and Evaluation

1. The Recipient shall cause the Targeted Universities to furnish to the Association each Project Report not later than forty-five (45) days after the end of each calendar semester, covering the calendar semester.

2. The Recipient shall cause the Targeted Universities to carry out jointly with the Association, not later than thirty-six (36) months after the Effective Date, or such other period as may be agreed by the Association, a midterm review to assess the status of Project implementation, as measures against the performance indicators set forth in the Project Operations Manual. Such review shall include an assessment of: (i) the progress in implementation; (ii) the results of monitoring and evaluation activities; (iii) the progress on procurement and disbursement; (iv) compliance with safeguard requirements; (v) adequacy of implementation arrangements; and (vi) the need to make any adjustments to the Project to improve performance.

Section III. Withdrawal of the Proceeds of the Credit

A. General

Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the

Recipient may withdraw the proceeds of the Credit to finance Eligible Expenditures; in the amount allocated and, if applicable, up to the percentage set forth against each Category in the following table:

Category	Amount of Portion A of the Credit (VNU-Hanoi) Allocated (expressed in USD)	Amount of Portion B of the Credit (VNU-HCM) Allocated (expressed in USD)	Amount of Portion C of the Credit (UD) Allocated (expressed in USD)	Percentage of Expenditures to be Financed (exclusive of Taxes)
(1) Goods, works and consulting services for Parts 1.1 (a)-(b), 1.2 (a)-(b) and 1.3 (b)(i) of the Project with respect to VNU-Hanoi	98,870,000	0	0	100%
(2) Goods, works, and consulting services for Parts 2.1 (a)-(c), 2.2 (a)-(b) and 2.3 (b)(i) of the Project with respect to UVNU-HCM	0	98,000,000	0	100%
(3) Goods, works, and consulting services for Parts 3.1 (a)-(b), 3.2 (a)-(b) and 3.3 (b)(i) of the Project with respect to UD	0	0	98,000,000	100%
TOTAL AMOUNT	**98,870,000**	**98,000,000**	**98,000,000**	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made:

(a) for payments made prior to the Signature Date; or

(b) under each of Categories (1) through (3) unless the respective Targeted University has furnished to the Association evidence acceptable to the Association that: (a) a Subsidiary Agreement has been duly executed by the Recipient and the respective Targeted University; and (b) the Project Operations Manual has been duly prepared and adopted.

2. The Closing Date with respect to: (a) Portion A of the Credit (VNU-Hanoi); (b) Portion B of the Credit (VNU-HCM); and (c) Portion C of the Credit (UD) is December 31, 2025.

SCHEDULE 3

Commitment-Linked Amortization Repayment Schedule

The following table sets forth the Principal Payment Dates of the Credit and the percentage of the total principal amount of the Credit payable on each Principal Payment Date ("Installment Share").

Level Principal Repayments

Principal Payment Date	Installment Share
On each June 15 and December 15 Beginning December 15, 2027 through December 15, 2041	3.33%
On June 15, 2042	3.43%

APPENDIX

Section I. Definitions

1. "Annual Work Plans" means each of the plans for the Project to be prepared or updated by each of the Targeted Universities, acceptable to the Association, on an annual basis as provided for in Section I.C.1 of Schedule 2 to this Agreement.

2. "Anti-Corruption Guidelines" means, for purposes of paragraph 5 of the Appendix to the General Conditions, 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 and as of July 1, 2016.

3. "Association's Safeguards Policies" means the operational policies and procedures for financing of development projects by the Association at the date of this Agreement and relating to Environmental Assessment, Natural Habitats, Pest Management, Indigenous Peoples (Ethnic Minorities), Physical Cultural Resources, Involuntary Resettlement, Forests, Safety of Dams, Projects on International Waterways, and Projects in Disputed Areas, as published under https://policies.worldbank.org.

4. "Category" means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.

5. "Danang City's People's Committee" means the people's committee of the city of Danang.

6. "Displaced Persons" means persons who, on account of implementation of the Project, have 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 persons 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.

7. "Environmental and Social Management Plan" means, collectively, the Targeted Universities' environmental and social management plans acceptable to the Association, dated June 2, 2020, which set forth the specific actions, measures

and policies designed to maximize the benefit of the respective activities under the Project, protect natural habitats, as well as eliminate, offset or mitigate any adverse environmental and social impacts, or reduce such impacts to acceptable levels, along with administrative and monitoring arrangements to ensure the implementation of said actions, measures and policies, as said plan may be revised from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such plan.

8. "General Conditions" means the "International Development Association General Conditions for IDA Financing, Investment Project Financing", dated December 14, 2018, with the modifications set forth in Section II of this Appendix.

9. "MOET" means the Recipient's Ministry of Education and Training, or any successor thereto.

10. "Portion A of the Credit (VNU-Hanoi)" means the portion of the Credit referred to in Section 2.01(a) of this Agreement.

11. "Portion B of the Credit (VNU-HCM)" means the portion of the Credit referred to in Section 2.01(b) of this Agreement.

12. "Portion C of the Credit (UD)" means the portion of the Credit referred to in Section 2.01(c) of this Agreement.

13. "Procurement Regulations" means, for purposes of paragraph 87 of the Appendix to the General Conditions, the "World Bank Procurement Regulations for IPF Borrowers", dated July 2016, revised November 2017 and August 2018.

14. "Project Operations Manual" means, collectively, the manuals, acceptable to the Association, to be duly prepared and approved by each of the Targeted Universities (and in the case of UD also by MOET), which set forth detailed arrangements and procedures for: (a) institutional coordination and day-to-day execution of the Project; (b) disbursement and financial management; (c) procurement; (d) environmental and social safeguards management; (e) monitoring and evaluation, reporting and communication; (f) an integrity action plan; (g) performance indicators; and (h) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project; as the same may be amended from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules or amendments to such manual.

15. "Project Management Unit" means each unit to be maintained by each Targeted University in accordance with the provisions of Section I.A.1 of Schedule 2 to this Agreement.

16. "Resettlement Action Plan" or "RAP" means UD's resettlement plan, dated June 2, 2020, acceptable to the Association upon its adoption by Danang City's People's Committee, which set forth principles and procedures governing the acquisition of land and related assets, and the compensation, resettlement, and rehabilitation of Displaced Persons, grievance redress mechanisms, monitoring and evaluations of resettlement activities, budget and implementation arrangements, including capacity building through training, to carry out the acquisition of land and related assets under the Project, as said plans may be revised from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such plan.

17. "Respective Part of the Project" means: (a) with respect to VNU-Hanoi, Part 1 of the Project (also referred to by the Recipient as "Vietnam National University Hanoi sub-project"); (b) with respect to VNU-HCM, Part 2 of the Project (also referred to by the Recipient as "Vietnam National University HCM sub-project"); and (c) with respect to UD, Part 3 of the Project (also referred to by the Recipient as "Construction of Technical Infrastructure and Essential Facility for UD in Hoa Quy-Dien Ngoc").

18. "Safeguards Instruments" means, collectively, the Environmental and Social Management Plan and the Resettlement Action Plan.

19. "Signature Date" means the later of the two dates on which the Recipient and the Association signed this Agreement and such definition applies to all references to "the date of the Financing Agreement" in the General Conditions.

20. "Targeted Universities" means, collectively, the University of Da Nang, the Vietnam National University – Hanoi and the Vietnam National University – Ho Chi Minh City; and the "Project Implementing Entities" for purposes of the General Conditions; and "Targeted University" means any of said Targeted Universities.

21. "University of Da Nang" or the acronym "UD" means the university established pursuant to Decree Number 32/CP, dated April 4, 1994, issued by the Recipient's Government, as amended thereof, or any successor thereto.

22. "Vietnam National University – Hanoi" or the acronym "VNU-Hanoi" means the university established pursuant to Decree Number 97/CP, dated

December 10, 1993 issued by the Recipient's Government, as amended thereof, or any successor thereto.

23. "Vietnam National University – Ho Chi Minh City" or the acronym "VNU-HCM" means the university established pursuant to Decree Number 16/CP, dated January 27, 1995, issued by the Recipient's Government, as amended thereof, or any successor thereto.

Section II. Modifications to the General Conditions

The General Conditions are hereby modified as follows:

1. Notwithstanding the definition of "Legal Agreement" in paragraph 73 of the Appendix of the General Conditions, wherever used throughout Article X (Effectiveness; Termination) of the General Conditions, the term "Legal Agreement" is to be understood as meaning the Financing Agreement or the Project Agreement, and the term "Legal Agreements" as meaning collectively, all of such agreements.