CREDIT NUMBER 5207-VN

Financing Agreement

(School Readiness Promotion Project)

between

SOCIALIST REPUBLIC OF VIETNAM

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated [illegible], 2013

CREDIT NUMBER 5207-VN

FINANCING AGREEMENT

AGREEMENT dated May 19, 2013, entered into 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 and modified 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 sixty five million one hundred thousand Special Drawing Rights (SDR 65,100,000) (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 The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.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 The Interest Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to one and a quarter percent (1.25%) per annum.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 February 15 and August 15 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 carry out the Project through its Ministry of Education and Training 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 Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.

4.02. 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 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 Ly Thai To
Hanoi, Vietnam

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

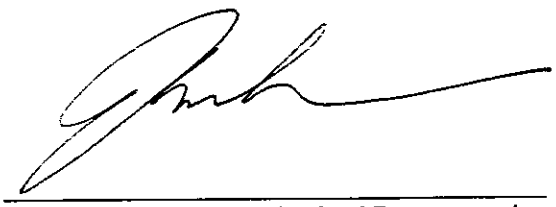
5.03. The Association's Address is:

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, 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

SCHEDULE 1

Project Description

The objective of the Project is to raise school readiness for five (5) year-old children, in particular for those most vulnerable to not succeeding in a school environment, through supporting selected elements of the Recipient's ECE Program.

The Project consists of the following:

Part 1: Promoting School Readiness for Disadvantaged Children

Provision of support for the implementation of key elements of the ECE Program through the financing of the Eligible Program Expenditures.

Part 2: National Early Childhood Education ("ECE") Policy Development and Capacity Building

Provision of support for ECE policy development and capacity building including: (a) strengthening planning and reporting systems for ECE; (b) strengthening professional development for ECE personnel, including the preparation of a new professional development program; (c) development of ECE policy and regulation, including the development and piloting in selected locations in Vietnam of a new community-based early childhood development service model for children age 0 to 3 years old; (d) independent verification and performance audits of the Disbursement Linked Indicators reporting; (e) financial management capacity-building for the purposes of the results-based financing under Part 1 of the Project; and (f) Project management, monitoring and evaluation.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. The Recipient shall establish within MOET and thereafter maintain throughout the implementation of the Project, a Project Management Unit (PMU) under the direction of qualified management provided with sufficient resources, and staffed with competent personnel in adequate numbers including, among others, a Project director, an accountant, a procurement officer, a monitoring and evaluation officer, and an internal auditor, in each case with qualifications, experience and under terms of reference acceptable to the Association.

2. The PMU shall be responsible for: (a) providing guidance, support, and coordination to the overall Project implementation and management; and (b) leading the implementation of Part 2 of the Project.

3. The Recipient shall:

   (a) adopt by no later than June 30, 2013 a Project Operations Manual (POM) in form and substance satisfactory to the Association setting forth guidelines and procedures for the implementation of the Project, including: (i) technical components; (ii) monitoring and evaluation arrangements; (iii) enforcement and monitoring activities protocols; (iv) environmental safeguards compliance; (v) policies, procedures and requirements under the Project in regard to financial management, flow of funds, definition of roles and responsibilities, internal control and reconciliation, record keeping, reporting and auditing; (vi) guidelines and procedures for procurement consistent with the provisions of Section III of this Schedule 2, as well as the allocation of roles and responsibilities for procurement review and approval; and (vii) the Governance and Transparency Action Plan; and

   (b) carry out the Project in accordance with the POM, and shall not amend, revise or waive, nor allow to be amended, revised or waived, the provisions of said POM or any part thereof, without the prior written agreement of the Association.

4. The Recipient shall by no later than June 30, 2013: (a) adopt an Inter-Ministerial Circular in form and substance satisfactory to the Association setting forth the financial management framework of the Project to guide the implementing agencies at all levels in the financial management aspects for Part 1 of the Project

and clarifying the roles and responsibilities of relevant authorities and agencies including guidance on budgeting, financial reporting and auditing; (b) carryout the Project in accordance with the provisions of said Circular; and (c) not amend, revise or waive, nor allow to be amended, revised or waived, the provisions of said Circular or any part thereof, without the prior written agreement of the Association.

B. Anti-Corruption.

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

C. Safeguards.

1. For civil works activities under Part 2 of the Project, the Recipient shall adopt or shall cause the contractors to adopt Environmental Codes of Practices (ECOPs) acceptable to the Association and thereafter ensure that said ECOPs are implemented in a timely manner.

2. The Recipient shall:

   (a) not amend, revise or waive, nor allow to be amended, revised or waived, the provisions of the ECOPs 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 ECOPs.

3. In case of any inconsistency between the provisions of any of the ECOPs and this Agreement, the provisions of this Agreement shall prevail.

4. Without limitation to the provisions of paragraph 1 of Section II.A of this Schedule 2, the Recipient shall take all measures necessary on its part to regularly collect, compile, and submit to the Association, as part of the Project Reports, information on the status of compliance with the ECOPs, giving details of:

   (a) measures taken in furtherance of the ECOPs;

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

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

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. 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 acceptable to the Association. 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.

2. Without limiting the generality of the provisions of Part A.1 of this Section, the Recipient shall cause the Vietnam Institute of Educational Sciences to:

   (a) undertake, at least once annually, a verification process, in accordance with terms of reference acceptable to the Association, for the fulfillment of the DLIs; and

   (b) furnish to the Association corresponding verification reports, in form and substance acceptable to the Association.

3. The Recipient shall cause MOET and VNIES to enter into, by no later than June 30, 2013, a memorandum of understanding in form and substance satisfactory to the Association clarifying each agency's respective role and responsibility with regard to fulfilling the Recipient's obligations with regard to the annual verification process referred to in Section II.A above.

B. 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. Without limitation on the provisions of Part A of this Section, the Recipient shall prepare and furnish to the Association not later than: (a) ninety (90) days after the end of each calendar semester, interim financial reports for Part 1 of the Project covering the semester; and (b) forty-five (45) days after the end of each calendar quarter, interim financial reports for Part 2 of the Project covering the quarter. All such reports shall be in form and substance satisfactory to the Association.

3. 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, Works and Non-consulting Services.** All goods, works and non-consulting services required for Part 2 of 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 Part 2 of 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 Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods, Works and Non-consulting Services

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

2. **Other Methods of Procurement of Goods, Works, and Non-consulting Services.** The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods, works, and non-consulting services. The Procurement Plan shall specify the circumstances under which such methods may be used:

Procurement Method
(a) National Competitive Bidding, subject to the additional provisions set forth in the Annex to this Schedule 2
(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) Fixed Budget Selection
(c) Least Cost Selection
(d) Selection Based on Consultants' Qualification
(e) Single Source Selection of Consulting Firms
(f) Procedures set forth in Paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants
(g) Sole-Source Procedures for the 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.

Section IV. <u>Withdrawal of the Proceeds of the Financing</u>

A. **General**

1. 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 Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Financing ("Category"), the allocations of the amounts of the Financing to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Amount of the Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Eligible Program Expenditures under Part 1 of the Project and MOET achievement of the following DLIs:		
(a) DLI 1: a satisfactory baseline report on enrolments of 3-5 and 5-year-old children in full day preschool based on school year 2011/2012 data disaggregated by province, gender, and ethnic minority status	6,510,000	100%
(b) DLI 2: increasing the share of 5-year-old children enrolled in preschool that benefit from full-day provision to 80 percent above the established baseline under DLI 1	3,255,000 for each confirmed one percentage point increase up to an aggregate amount not to exceed 19,530,000	100%
(c) DLI 3: adoption of guiding regulations for preschool quality self-assessments and external accreditation for preschools	3,255,000	100%
(d) DLI 4: 90 percent of preschools (above the current baseline of zero ("0") percent) have undertaken self-assessment	110,670 for each confirmed one percentage point increase up to an aggregate amount not to exceed 9,765,000	100%
(e) DLI 5: 40 percent of preschools (above the current baseline of zero ("0")	244,125 for each confirmed one	100%

Category	Amount of the Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
percent) have achieved Level 1 Accreditation	percentage point increase up to an aggregate amount not to exceed 9,765,000	
(f) DLI 6: issuing a decision approving the plan for professional development for preschool teachers and education managers in the period of 2013-2015 aimed at improving teaching practice for minority and highly disadvantaged children	3,255,000	100%
(g) DLI 7: training at least 2,000 trainers (above the current baseline of zero ("0") to deliver the approved priority modules aimed at improving teaching practice for ethnic minority and highly disadvantaged children	39,060 for each confirmed one percentage point increase up to an aggregate amount not to exceed 3,906,000	100%
(h) DLI 8: 90 percent of preschool management and teaching staff (above the current baseline of zero ("0") percent) have completed the priority modules of the new ECE professional development program aimed at improving teaching practice for ethnic minority and highly disadvantaged children	65,100 for each confirmed one percentage point increase up to an aggregate amount not to exceed 5,859,000	100%
(2) Eligible Expenditures under Part 2 of the Project	3,255,000	100%
TOTAL AMOUNT	**65,100,000**	

B. Withdrawal Conditions; Withdrawal Period

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

(a) for payments made prior to the date of this Agreement; except that withdrawals, up to an aggregate amount not to exceed SDR 13,020,000 equivalent, may be made for payments made for Eligible Program Expenditures prior to this date but on or after April 1, 2012; and

(b) for payments made under Category (1) unless and until the Association is satisfied, based on evidence acceptable to the Association, that the respective DLI has been fully achieved.

2. Notwithstanding the provisions of Part B.1 (b) of this Section:

(a) if the Association is satisfied that any DLI (except DLIs 1, 3 and 6) has been partially achieved by the end of the respective reporting period, then the Association may, at any time, by notice to the Recipient, decide, in its sole discretion, to authorize the withdrawal of such portion of the amount of the Financing then allocated to said DLI which corresponds, in the opinion of the Association, to the percentage of achievement of said DLI;

(b) if the Association is not satisfied that any DLI has been fully achieved by the end of the respective reporting period, then the Association may, at any time, by notice to the Recipient, decide, in its sole discretion, to: (i) authorize the withdrawal of all or a portion of the unwithdrawn proceeds of the Financing then allocated to said DLI (except DLIs 1, 3 and 6), at such later date (prior to the Closing Date) if and when the Association shall be satisfied, on the basis of evidence acceptable to the Association, that the DLI for any subsequent period (if applicable) in respect of the same DLI has been fully achieved; (ii) reallocate all or a portion of the proceeds of the Financing then allocated to such DLI to any other DLI(s); and/or (iii) cancel all or a portion of the proceeds of the Financing then allocated to such DLI; and

(c) for all DLIs (except DLIs 1, 3 and 6) the first payment under each Category shall be made based on the results achieved above the established baseline for the respective DLI, and all subsequent payments shall be calculated based on the additional results achieved above the most recent results verified and accepted by the Association and used in the calculation of the previous payment.

3. The Closing Date is June 30, 2017.

ANNEX to SCHEDULE 2

National Competitive Bidding: Additional Procedures

The procedures to be followed for the procurement of goods, non-consulting services, 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. Government-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.

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 of 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 weeks of receiving the Association's no objection to the award recommendation for contracts subject to the Association's prior review, and within two 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 no 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 15 percent; 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 February 15 and August 15:	
commencing August 15, 2018 to and including February 15, 2028	1.65%
commencing August 15, 2028 to and including February 15, 2038	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

Section I. Definitions

1. "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.

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

3. "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.

4. "Disbursement Linked Indicator" or "DLI" means an indicator in the table in Section IV of Schedule 2 to this Agreement, on the basis of the achievement of which, the amount of the Financing allocated to said indicator may be withdrawn in accordance with the provisions of Section IV.A.2 of Schedule 2; and "Disbursement Linked Indicators" or "DLIs" means, collectively, more than one, or all said indicators (as the context may require).

5. "Early Childhood Education" or "ECE" means early childhood education for children ages 0 to 5 years old.

6. "Early Childhood Education Program" means the Recipient's "Universal Early Childhood Education for 5-year-old Children 2010-2015" issued by Prime Minister Decision Number 239/2010/Qd-Ttg dated February 9, 2010 and supplemented by Prime Minister Decision Number 60/2011/QĐ-TTg dated October 26, 2011 on ECE Development Policies, together both instruments aim to ensure that most children of 5 years of age can go to school on full day, full school year, so that they are well-prepared both physically and mentally, to enter the 1st grade of elementary school with particular emphasis on disadvantaged children.

7. "Eligible Program Expenditures" or "EPEs" means the following expenditures under Part 1 of the Project: (a) lunch subsidies for disadvantaged children aged 3-5 to encourage participation and full day preschool attendance; and (b) salaries, including social and health insurance contributions, for contract preschool teachers to ease the shortage of teaching staff.

8. "Environmental Code of Practices" or "ECOP" means the standardized requirements and practices to be adopted by the Recipient or a contractor, and referred to in paragraph 1 of Section I.C of Schedule 2 to this Agreement, to be followed in the implementation civil works activities under Part 2 of the Project

to ensure compliance with adequate environmental standards for the Project, as said code of practices 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 code of practices.

9. "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.

10. "Incremental Operating Costs" means the incremental operating costs under the Project incurred by the Recipient for purposes of Project management, implementation, and monitoring and evaluation, including office supplies and consumables, utilities, bank charges, communications, mass media and printing services, vehicle rental, operation, maintenance, and insurance, office space rental, building and equipment maintenance, travel, lodging, and subsistence allowances, and salaries of contractual and temporary staff, but excluding salary and salary supplements of staff of the Recipient's civil service ("công chức" and "viên chức").

11. "Inter-Ministerial Circular" means a government regulation to be issued by the Recipient's Ministry of Education and Training, Ministry of Finance, and any other agencies as may be required, to guide the implementing agencies at all levels in the financial management aspects of the Project, and referred to in paragraph 4 of Section I.A of Schedule 2 to this Agreement.

12. "Level 1 Accreditation" means the accreditation to be issued by MOET to schools which meet the minimum criteria for a level 1 preschool quality standard set forth in MOET's Circular Number 07/2011/TT-BGDĐT dated February 17, 2011 and MOET's Circular Number 45/2011/TT-BGDĐT dated October 11, 2011, or in any successor regulation in effect at the relevant date.

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

14. "Ministry of Finance" means the Recipient's Ministry of Finance or any successor thereto.

15. "Project Operations Manual" or "POM" means the document to be adopted by MOET, and referred to in paragraph 3 of Section I.A of Schedule 2 to this Agreement, which sets forth guidelines, policies and procedures for the implementation of 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 to such manual.

16. "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.

17. "Procurement Plan" means the Recipient's procurement plan for Part 2 of the Project, dated January 8, 2013 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.

18. "Project Management Unit" or "PMU" means the unit established within MOET pursuant to Decision Number 286/QD-BGDDT dated January 21, 2013, and referred to in paragraphs 1 of Section I.A of Schedule 2 to this Agreement, as such unit may be reconstituted from time to time with the prior written agreement of the Association.

19. "Training and Workshops" means the reasonable costs of expenditure incurred by the Recipient, based on annual work plans and terms of reference acceptable to the Association, in facilitating and conducting domestic and overseas training and workshop activities under Part 2 of the Project, including costs of training or workshop materials; honoraria; equipment and venue rental; and per diem, accommodation, and transportation for those attending the training or workshop; but excluding salary and salary supplements of Recipient's civil servants ("công chức" and "viên chức").

20. "Vietnam Institute of Educational Sciences" or "VNIES" means the institution established by Ministry of Education and Training pursuant to Decision Number 2059/QD-BGDDT dated April 14, 2008.

Section II. Modifications to the General Conditions

The modifications to the General Conditions are as follows:

1. Paragraph (a) of Section 2.05 is modified to read as follows:

"Section 2.05 Eligible Expenditure

(a) the payment is for the financing of the reasonable cost of goods, works, services, Eligible Program Expenditures, Incremental Operating Costs, or Training and Workshops required for the Project, and to be financed out of the proceeds of the Financing and procured, all in accordance with the provisions of the Financing Agreement;"

2. 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 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 30-day months."

3. 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".

4. 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)."

5. 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".

6. 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).