CREDIT NUMBER 4900-VN

Financing Agreement

(Haiphong Urban Transport Development Project)

between

SOCIALIST REPUBLIC OF VIETNAM

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated May 31ST, 2011

FINANCING AGREEMENT

AGREEMENT dated May 31st, 2011, 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 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 one hundred twelve million one hundred thousand Special Drawing Rights (SDR 112,100,000) (variously, "Credit" and "Financing") to assist in financing the project described in Schedule 1 to this Agreement ("Project"), save and except for Parts A.3 and 4 (b) of the 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 The Maximum Commitment Charge Rate payable by the Recipient on the Un-withdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.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 The Service Charge payable by the Recipient on the Withdrawn Financing Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.

2.05. The Payment Dates are March 15 and September 15 in each year.

2.06. The principal amount of the Financing shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.

2.07. 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 Haiphong People's Committee 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

4.01. The Additional Legal Matter consists of the following, namely, that the Resettlement Policy Framework has been duly adopted by the Recipient and is legally binding upon the Recipient in accordance with its terms.

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

ARTICLE V — REPRESENTATIVE; ADDRESSES

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

5.02. The Recipient's Address is:

State Bank of Vietnam
49, Lý Thái Tổ
Hà Nội
Socialist Republic of Vietnam

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

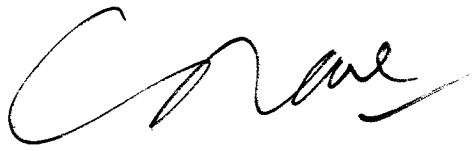
5.03. The Association's Address is:

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

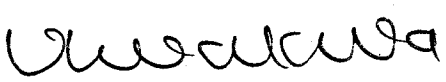
AGREED at Hanoi, Vietnam, as of the day and year first above written.

SOCIALIST REPUBLIC OF VIETNAM

By 

Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By 

Authorized Representative

SCHEDULE 1

Project Description

The objective of the Project is to improve urban accessibility and strengthen urban transport management and planning capacity in Haiphong City.

The Project consists of the following parts:

A. Urban Main Road Development

Improvement of access for cross-town traffic within Haiphong City and longer-distance freight to and from Haiphong City's port system, through the establishment of an east-west link in Haiphong City, including:

1. construction of the Bac Son – Nam Hai East-West Link;

2. replacement of the desk structure of Niem 1 bridge and surface treatment of Truong Chinh Road in the southern part of Haiphong City;

3. compensation, resettlement, rehabilitation, and livelihood restoration, of Project Affected Persons, including construction of resettlement sites with basic infrastructure, such as roads, electricity, water, and sewage systems; and

4. provision of support for detailed design, procurement, and construction supervision of works under: (a) Parts A.1 and 2 of the Project; and (b) Part A.3 of the Project.

B. Public Transportation Improvement

Transformation of public transportation services in Haiphong City, including:

1. (a) development of an institutional framework, regulatory model, and operational procedures for the establishment of a public transport management authority; (b) provision of support to a strategic approach to service delivery, including carrying out of route optimization reviews and implementation of fare setting measures; and (c) implementation of public awareness campaigns and consultations, including a media management strategy;

2. transformation of line 2 bus services along the Tam Bac – Kien An Corridor, including acquisition of new vehicles and global positioning system-based fleet management and other intelligent transport applications; and

3. (a) carrying out of infrastructure and facilities upgrades along the Tam Bac – Kien An Corridor, including installation of bus shelters and signs, development of road markings, implementation of traffic engineering measures such as improved pedestrian sidewalks and convenient paved pedestrian ways into side streets, and construction of a bus depot in the An Lao area; and (b) provision of support for detailed design and construction supervision of works under Part B.3 (a) of the Project.

C. Capacity Building

1. (a) Development and implementation of the first phase of the rollout of an integrated geographic information system-based application supporting transport infrastructure planning, including acquisition and installation of equipment, establishment of institutional arrangements, provision of technical and data management support to the Department of Transport, and development of protocols for both public access and internal use and training; and (b) development of a strategic plan for the expansion of system functionality to other urban management and planning agencies.

2. Human resource development of the Recipient's relevant Haiphong City entities through the preparation and implementation of human resource development plans.

3. Provision of support to the Regional Transport Works Project Management Unit for Project implementation, including for Project monitoring and evaluation, external monitoring of implementation of the Safeguards Instruments and capacity building in relation to the implementation of such Instruments, carrying out of an independent land price survey for purposes of Part A.3 of the Project, and carrying out of independent annual financial audits of the Project, and office and equipment upgrading and acquisition of vehicles.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

Haiphong People's Committee

1. The Recipient shall be responsible for Project management through the Haiphong People's Committee.

Project Steering Committee

2. The Recipient shall be responsible for Project coordination through the Project Steering Committee.

3. To this end, the Recipient shall maintain throughout Project implementation, the Project Steering Committee, comprising a Vice Chair of the Haiphong People's Committee as chair, and representatives of the Department of Transport and other concerned entities, and with an institutional framework, functions, and resources satisfactory to the Association as shall be required for Project coordination.

Department of Transport

4. The Recipient shall be responsible for Project supervision through the Department of Transport.

5. To this end, the Recipient shall maintain, throughout Project implementation, the Department of Transport, with an institutional framework, functions, and resources satisfactory to the Association, including competent personnel in adequate numbers, as shall be required for Project supervision.

Regional Transport Works Project Management Unit

6. The Recipient shall be responsible for Project implementation, including administrative and financial management, procurement, and disbursement, and monitoring and evaluation, through the Regional Transport Works Project Management Unit.

7. To this end, the Recipient shall maintain, throughout Project implementation, the Regional Transport Works Project Management Unit, with an institutional framework, functions, and resources satisfactory to the Association, including

competent personnel in adequate numbers, as shall be required for Project implementation.

B. Anti-Corruption

1. The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines and the Governance and Transparency Action Plan.

2. 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 Governance and Transparency Action Plan, or any provision thereof.

3. In the event of any conflict between the provisions of the Governance and Transparency Action Plan, and those of this Agreement, the latter shall govern.

C. Project Implementation Plan

1. The Recipient shall:

   (a) ensure that the Project is carried out in accordance with the Project Implementation 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 Project Implementation Plan and those of this Agreement, the latter shall govern.

D. Annual Work Plans and Budgets

The Recipient shall:

(a) ensure that, in the first Fiscal Year of Project implementation, the Project is carried out in accordance with the annual work plan and budget for said Fiscal Year;

(b) prepare and furnish for approval to the Association, no later than November 30 of each year commencing with the first Fiscal Year of Project implementation, an annual work plan and budget for each

subsequent Fiscal Year of Project implementation, of such scope and detail as the Association shall have reasonably requested; and

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

E. Safeguards

1. The Recipient shall:

(a) ensure that the Project is carried out in accordance with the provisions of the Safeguards Instruments; 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 any of the Safeguards Instruments and those of this Agreement, the latter shall govern.

3. Wherever required pursuant to the terms of the Resettlement Policy Framework, the Recipient shall, for the purposes of any Subproject, and prior to the award of (a) contract(s) for the implementation thereof, proceed to have an Additional Resettlement Action Plan:

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

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

(c) thereafter adopted and publicly disclosed.

4. The Recipient shall ensure that the following are completed in accordance with the provisions of the Safeguards Instruments prior to the carrying out of works under the Project: (i) all land acquisition required for the purposes of such works; and (ii) related activities under Part A.3 of the Project.

5. The Recipient shall uniformly apply the provisions of the Safeguards Instruments to all parts of the Project, including those financed exclusively out of its own resources.

6. The Recipient shall ensure that each contract for works under the Project includes the obligation of the respective contractor to implement the Safeguards Instruments.

7. The Recipient shall appoint, in accordance with the provisions of Section III of this Schedule, no later than six (6) months after the Effective Date, and in any event prior to the carrying out of works under the Project, and thereafter maintain throughout Project implementation, for purposes of implementation of Parts A.4 and B.3 (b) of the Project, (a) consultant(s) with qualifications, experience, and terms of reference satisfactory to the Association, including a workplace safety and environmental supervision consultant.

8. Without limitation on the provisions of Section II.A.1 (a) of this Schedule, the Recipient shall take all measures necessary on its part to regularly collect, compile, and submit to the Association, on a semi-annual basis, information on the status of compliance with the Safeguards Instruments, providing 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.

9. The Recipient shall: (a) appoint, in accordance with the provisions of Section III of this Schedule, no later than six (6) months after the Effective Date, and in any event prior to the carrying out of works under the Project, and thereafter maintain throughout Project implementation, for purposes of external monitoring of the implementation of the Safeguards Instruments under Part C.3 of the Project, (a) consultant(s) with qualifications, experience, and terms of reference satisfactory to the Association; and (b) cause such consultant(s) to prepare and furnish to the Recipient and the Association semi-annual monitoring reports, in form and substance satisfactory to the Recipient and the Association, on the implementation of the Safeguards Instruments.

10. The Recipient shall carry out the preparation of any Additional Resettlement Action Plans and the implementation and monitoring and evaluation of the Safeguards Instruments through the Regional Transport Works Project Management Unit acting in collaboration with the Department of Natural Resources and the Environment.

11. The Recipient shall establish, no later than three (3) months after the Effective Date, and thereafter maintain throughout Project implementation, in accordance with the provisions of the Resettlement Action Plans and the Resettlement Policy Framework, city-, district-, and commune- or ward-level committees, with a composition, institutional framework, functions, and resources satisfactory to the Association, for purposes of grievance redress under Part A.3 of the Project.

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) ensure that the Project is carried out in accordance with the Project Financial Management Manual; 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 Project Financial Management Manual 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 or cause to be prepared and furnished 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, commencing with the fiscal year of the Recipient in which the first withdrawal was made under the Preparation Advance for the Project. 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, Non-Consulting Services, and Works.** All goods, non-consulting services, 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, Non-Consulting Services, and Works

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

2. **Other Methods of Procurement of Goods, Non-Consulting Services, and Works.** The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods, non-consulting services, 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 modifications to the 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) Least Cost Selection
(c) Selection Based on Consultants' Qualifications
(d) Single Source Selection
(e) 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. Withdrawal of the Proceeds of the Financing

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 Credit Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, non-consulting services, consultants' services (including for audits), Training, and Operating Costs for Parts A.1, 2, and 4 (a), B, and C of the Project, and works for Part B.3 (a) of the Project	15,400,000	100%
(2) Works for Parts A.1 and 2 of the Project	94,800,000	85%
(3) Refund of Preparation Advance	1,900,000	Amount payable pursuant to Section 2.07 of the General Conditions
TOTAL AMOUNT	112,100,000	

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 December 31, 2016.

Section V. <u>Other Undertakings</u>

The Recipient shall: (1) ensure that all vehicles procured under Part B.2 of the Project are deployed exclusively on bus line 2 along the Tam Bac – Kien An Corridor for a period of at least three (3) years from entry into operation of such vehicles; and (2) further to implementation of Part B.2 of the Project, provide, throughout Project implementation, the necessary financial support for purposes of continued operation of such line with a view to improved performance on such

line in terms of the relevant indicators set forth in Section II.A.1 (b) of this Schedule 2.

ANNEX TO SCHEDULE 2

National Competitive Bidding: Modifications to Procedures

The procedures to be followed for the procurement of goods, works, and non-consulting services 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 modifications set out below in order to ensure economy, efficiency, transparency, and broad consistency with the provisions of Section I of the Procurement Guidelines pursuant to paragraph 3.3 of said Guidelines, and required under paragraph 3.4 of said Guidelines. In the event of a conflict between the provisions of the Recipient's procedures and those of the modifications set out below, the latter shall govern.

Eligibility

1. The eligibility of bidders shall be as defined under Section I of said 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 national bidders in order to submit a bid. Bidders located in the same province or city as the procuring entity shall not be given preference over bidders located outside that city or province.

2. In addition to the foregoing requirements, equitized Recipient-owned enterprises in which the Recipient holds less than fifty percent (50%) of the shares are eligible to participate, *provided that* (a) the procuring entity or investment owner does not own shares (or represent the Recipient's shares) in the enterprise, and (b) the governing board and management team are autonomous from the procuring entity and the investment owner. 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

3. 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

4. Invitations to bid shall be advertised in at least one (1) widely circulated national newspaper, allowing a minimum of thirty (30) days from the date of the invitation to bid or the date of availability of the bidding documents, whichever is later, for the preparation and submission of bids, and potential bidders shall be allowed to purchase bidding documents up to any time prior to the deadline for the submission of bids. In addition, the Recipient is encouraged to advertise in the Government Public Procurement Newspaper and on a free and open access website.

Standard Bidding Documents

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

Qualification Criteria

6. 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.

Bid Submission, Bid Opening, and Bid Evaluation

7. Bidders may submit bids, at their option, either in person or by courier service or by mail. Bids shall be opened in public, immediately after the deadline for submission of bids. Bids received after the deadline for bid submission shall be rejected and returned to the bidders unopened.

(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, 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 to the technically responsive bid that offers

the lowest evaluated price, and no negotiations shall be permitted. A bidder shall not be required, as a condition for award, to undertake obligations not specified in the bidding documents or otherwise to modify the bid as originally submitted.

(d) A bidder shall not be eliminated from detailed evaluation on the basis of minor, non-substantive deviations.

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

(f) A copy of the minutes of the public bid opening shall be promptly provided to all bidders who submitted bids, and to the Association with respect to contracts subject to prior review.

Rejection of All Bids and Re-bidding

8 All bids shall not be rejected or new bids solicited without the Association's prior written agreement.

Complaints by Bidders and Handling of Complaints

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

Fraud and Corruption

10. The Association shall declare a firm or individual ineligible, either indefinitely or for a stated period, to be awarded a contract financed by the Association if it at any time determines that the firm or individual has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices in competing for, or in executing, a contract financed by the Association.

Right to Inspect / Audit

11. 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, at its request, to inspect their accounts and records relating to the bid submission and performance of the contract and have said accounts and records audited by auditors appointed by the Association. The deliberate and material violation by the bidder, supplier, contractor, or subcontractor of such provision may amount to obstructive practices.

License

12. 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

13. The Recipient shall publish the following information on contract award in the Government Public Procurement Newspaper, on a free and open access website, or through another means of publication acceptable to the Association: (a) the name of each bidder who submitted a bid; (b) the bid prices as read out at bid opening; (c) the name and evaluated price of each bid that was evaluated; (d) the names of bidders whose bids were rejected and the reasons for their rejection; and (e) the name of the winning bidder and the price it offered, as well as the duration and summary scope of the contract awarded. This publication shall be updated regularly.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Financing repayable (expressed as a percentage)*
On each March 15 and September 15:	
commencing September 15, 2021 to and including March 15, 2031	1.25
commencing September 15, 2031 to and including March 15, 2046	2.50

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

APPENDIX

Definitions

1. "Additional Resettlement Action Plan" means the Recipient's plan, to be agreed with the Association and setting out mitigation, enhancement, monitoring, and institutional measures, including capacity building through training, to carry out acquisition of land and related assets under the Project and compensation, resettlement, and rehabilitation of Project Affected Persons in accordance with the Resettlement Policy Framework (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 "Additional Resettlement Action Plans" means more than one (1) such plan.

2. "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.

3. "Bac Son – Nam Hai East-West Link" means the urban arterial road to run from National Highway 10 (as hereinafter defined) in the Bac Son area in the western part of Haiphong City (as hereinafter defined) to the port system in the eastern part of Haiphong City (as hereinafter defined), as defined in the Haiphong City (as hereinafter defined) master plan approved pursuant to the Recipient's Decision No. 1448/QD-TTg dated September 16, 2009 and the transport sector plan approved pursuant to the Recipient's Decision No. 1977/QD-UBND dated September 30, 2009.

4. "Consultant Guidelines" means the "Guidelines: Selection and Employment of Consultants by World Bank Borrowers" published by the Bank in May 2004 and revised in October 2006 and May 2010.

5. "Department of Natural Resources and the Environment" means the city-level department, under the Haiphong People's Committee (as hereinafter defined), responsible for the management of natural resources and the environment in Haiphong City (as hereinafter defined), and whose responsibilities under the Project are set out in Section I.E.10 of Schedule 2 to this Agreement, or any successor thereto.

6. "Department of Transport" means the city-level department, under the Haiphong People's Committee (as hereinafter defined), responsible for the management of road and water transport in Haiphong City (as hereinafter defined), and whose responsibilities under the Project are set out in Section I.A.4 of Schedule 2 to this Agreement, or any successor thereto.

7. "Environmental Management Plans" means, collectively, the Recipient's plans, each dated January 12, 2011, agreed with the Association and adopted pursuant to the Recipient's Decision Nos. 190/QD-UBND and 191/QD-UBND, respectively, dated January 30, 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, 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.

8. "Fiscal Year" means the 12-month period from January 1 to December 31; provided, however, that, in the case of the first Fiscal Year of Project implementation, such period shall run from the date of this Agreement to December 31 next following.

9. "General Conditions" means the "International Development Association General Conditions for Credits and Grants", dated July 31, 2010.

10. "Governance and Transparency Action Plan" means the Recipient's plan, dated December 23, 2010, agreed with the Association, and adopted pursuant to the Recipient's Decision No. 7746/UBND-GT dated December 30, 2010, setting out measures to reinforce Project governance, enhance transparency of Project activities, increase public accountability, and reduce opportunities for corruption, fraud, or collusion, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any schedules or annexes to such plan.

11. "Haiphong City" means the city of Haiphong in the Recipient's territory.

12. "Haiphong People's Committee" means the executive arm of the Haiphong City (as hereinafter defined) government, and whose responsibilities under the Project are set out in Section I.A.1 of Schedule 2 to this Agreement, or any successor thereto.

13. "National Highway 10" means the segment of the Recipient's national highway network running through Haiphong City.

14. "Operating Costs" means the reasonable costs of incremental expenditures under the Project, based on the annual work plans and budgets referred to in Section I.D of Schedule 2 to this Agreement as approved by the Association, incurred by the Recipient for purposes of Project management, coordination,

implementation, and monitoring and evaluation on account of utilities and supplies, bank charges, communications, vehicle operation, maintenance, and insurance, office space rental and related operational expenses, building and equipment maintenance, public awareness-related publicity and media expenses, domestic travel and subsistence, and salaries of contractual and temporary staff, but excluding salaries, bonuses, fees, and honoraria of members of the Recipient's civil service.

15. "Preparation Advance" means the advance referred to in Section 2.07 of the General Conditions, granted by the Association to the Recipient pursuant to the letter agreement signed on behalf of the Association on October 29, 2009 and on behalf of the Recipient on December 24, 2009.

16. "Procurement Guidelines" means the "Guidelines: Procurement under IBRD Loans and IDA Credits" published by the Bank in May 2004 and revised in October 2006 and May 2010.

17. "Procurement Plan" means the Recipient's procurement plan for the Project, dated February 25, 2011 and referred to in paragraph 1.16 of the Procurement Guidelines and paragraph 1.24 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.

18. "Project Affected 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 "Project Affected Persons" means, collectively, all such persons.

19. "Project Financial Management Manual" means the Recipient's manual, dated December 22, 2010, agreed with the Association, and adopted pursuant to the Recipient's Decision No. 298/QD-QLDA GTVT dated December 27, 2010, setting out financial management and disbursement arrangements for purposes of Project implementation, 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 manual.

20. "Project Implementation Plan" means the Recipient's plan, dated January 17, 2011, agreed with the Association, and adopted pursuant to the Recipient's Decision No. 550/UBND-GT dated January 28, 2011, setting out

implementation, organizational, administrative, procurement, monitoring and evaluation, and environmental and social monitoring and mitigation arrangements for purposes of Project implementation and including the Governance and Transparency Action Plan, 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.

21. "Project Steering Committee" means the Recipient's entity, under the Haiphong People's Committee, established and operating pursuant to the Recipient's Decision No. 251/QD-UBND dated February 22, 2011, and whose responsibilities under the Project are set out in Section I.A.2 of said Schedule, or any successor thereto.

22. "Regional Transport Works Project Management Unit" means the Recipient's entity, under the Department of Transport, established and operating pursuant to the Recipient's Decision No. 945/QD-UBND dated June 11, 2008, and whose responsibilities under the Project are set out in Section I.A.6 of said Schedule, or any successor thereto.

23. "Resettlement Action Plans" means, collectively, the Recipient's plans, dated December 26 and 29, 2010, respectively, agreed with the Association and adopted pursuant to the Recipient's Decision No. 167/QD-UBND dated January 27, 2011, setting out mitigation, enhancement, monitoring, and institutional measures, including capacity building through training, to carry out acquisition of land and related assets under the Project and compensation, resettlement, and rehabilitation of Project Affected Persons, 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.

24. "Resettlement Policy Framework" means the Recipient's framework, dated December 17, 2010, agreed with the Association and adopted pursuant to the Recipient's Decision No. 125/TTg-KTN dated January 26, 2011, setting out mitigation, enhancement, monitoring, and institutional measures, including capacity building through training, to carry out acquisition of land and related assets under the Project and compensation, resettlement, and rehabilitation of Project Affected Persons, 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.

25. "Safeguards Instruments" means, collectively, the Environmental Management Plans, the Resettlement Policy Framework, the Resettlement Action Plans, and any Additional Resettlement Action Plans, and such term includes any annexes or schedules to such instruments.

26. "State Bank of Vietnam" means the central bank of the Recipient, or any successor thereto.

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

28. "Tam Bac – Kien An Corridor" means the urban road running from the Tam Bac area in the northern part of Haiphong City to the Kien An area in the southern part of Haiphong City.

29. "Training" means the cost of training financed under the Project, based on the annual work plans and budgets referred to in Section I.D of Schedule 2 to this Agreement as approved by the Association, and attributable to seminars, workshops, and study tours, along with the cost of domestic and international travel and subsistence 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.