Australian Trust Fund for the AusAID-World Bank Strategic Partnership in Vietnam
Grant Agreement

(Distribution Efficiency Project)

between

SOCIALIST REPUBLIC OF VIETNAM

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT / INTERNATIONAL DEVELOPMENT ASSOCIATION

acting as administrator of the Australian Trust Fund for the AusAID-World Bank Strategic Partnership in Vietnam

Dated November 8, 2012
AGREEMENT dated November 29, 2012, entered into between:
SOCIALIST REPUBLIC OF VIETNAM ("Recipient"); and INTERNATIONAL BANK
FOR RECONSTRUCTION AND DEVELOPMENT / INTERNATIONAL
DEVELOPMENT ASSOCIATION ("World Bank"), acting as administrator of the

WHEREAS:

(A) the Recipient has requested the World Bank to provide assistance towards the
financing of the project described in Schedule I to the Financing Agreement (as
defined in the following paragraph) ("Project");

(B) by an agreement of even date herewith between the Recipient and the World
Bank ("Financing Agreement"), the World Bank has agreed to provide such
assistance in an amount equivalent to two hundred ninety-seven million seven
hundred thousand Special Drawing Rights (SDR 297,700,000) ("Financing"); and

(C) by an agreement of even date herewith between the Recipient and the World
Bank, acting not in its individual capacity but solely in its capacity as an
implementing entity of the Clean Technology Fund (CTF) ("CTF Loan
Agreement"), the World Bank has agreed to provide such assistance in an
amount of thirty million Dollars ($30,000,000) ("CTF Loan"); and

NOW the Recipient and the World Bank hereby agree as follows:

Article I
Standard Conditions; Definitions

1.01. The Standard Conditions for Grants Made by the World Bank Out of Various
Funds, dated February 15, 2012 ("Standard Conditions"), with the modifications
set forth in Section II of 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 Standard Conditions or in
the Appendix to this Agreement.
Article II
The Project

2.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out its Respective Part of the Project through the Electricity Regulatory Authority of Vietnam and cause the Power Corporations’ Respective Parts of the Project to be carried out by Vietnam Electricity, Northern Power Corporation, Southern Power Corporation, Central Power Corporation, Hanoi Power Corporation, and Ho Chi Minh City Power Corporation (“Project Implementing Entities”) in accordance with the provisions of Article II of the Standard Conditions and the agreement dated the same date as this Agreement among the World Bank and the Project Implementing Entities, as such agreement may be amended from time to time (“Project Agreement”).

2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Recipient and the World Bank shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of the Schedule to this Agreement.

Article III
The Grant

3.01. The World Bank agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount equal to seven million six hundred thousand Australian Dollars (AU$7,600,000) (“Grant”) to assist in financing the Project.

3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section IV of the Schedule to this Agreement.

3.03. The Grant is funded out of the abovementioned trust fund for which the World Bank receives periodic contributions from the donor to the trust fund. In accordance with Section 3.02 of the Standard Conditions, the World Bank’s payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the donor under the abovementioned trust fund, and the Recipient’s right to withdraw the Grant proceeds is subject to the availability of such funds.

Article IV
Additional Remedies

4.01. The Additional Events of Suspension referred to in Section 4.02 (k) of the Standard Conditions consist of the following:
(a) the Member Country has taken or permitted to be taken any action which would prevent or interfere with the performance by any of the Project Implementing Entities of their obligations under the Project Agreement;

(b) any of the Project Implementing Entities have failed to perform any obligation under the Project Agreement;

(c) IBRD or IDA has declared any of the Project Implementing Entities ineligible to receive proceeds of any financing made by IBRD or IDA, or otherwise to participate in the preparation or implementation of any project financed in whole or in part by IBRD or IDA (including as administrator of funds provided by another financier), as a result of: (i) a determination by IBRD or IDA that the respective Project Implementing Entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of any financing made by IBRD or IDA; and / or (ii) a declaration by another financier that the respective Project Implementing Entity is ineligible to receive proceeds of financings made by such financier or otherwise to participate in the preparation or implementation of any project financed in whole or in part by such financier as a result of a determination by such financier that the respective Project Implementing Entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier;

(d) as a result of events which have occurred after the date of this Agreement, an extraordinary situation has arisen which makes it improbable that any of the Project Implementing Entities will be able to perform their obligations under the Project Agreement;

(e) any of the Project Implementing Entities’ Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the relevant Project Implementing Entity(ies) to perform any of its (their) obligations under the Project Agreement;

(f) the World Bank has determined after the Effective Date referred to in Section 5.03 of this Agreement that prior to such date but after the date of this Agreement, an event has occurred which would have entitled the World Bank to suspend the Recipient's right to make withdrawals from the Grant Account if this Agreement had been effective on the date such event occurred; and

(g) the Recipient has failed to perform any of its obligations under the Financing Agreement or the CTF Loan Agreement.
Article V
Effectiveness; Termination

5.01. This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank that the conditions specified below have been satisfied.

(a) The execution and delivery of this Agreement on behalf of the Recipient and the Project Agreement on behalf of the Project Implementing Entities have been duly authorized or ratified by all necessary governmental and corporate action.

(b) If the World Bank so requests, the condition of the Project Implementing Entities, as represented or warranted to the World Bank at the date of the Project Agreement, has undergone no material adverse change after such date.

(c) The Subsidiary Agreements referred to in Section I.B of the Schedule to this Agreement have been executed on behalf of the Recipient and the Power Corporations.

(d) The Financing Agreement and the CTF Loan Agreement have been executed and delivered and all conditions precedent to their effectiveness or to the right of the Recipient to make withdrawals under them (other than the effectiveness of this Agreement) have been fulfilled.

5.02. As part of the evidence to be furnished pursuant to Section 5.01 (a), there shall be furnished to the World Bank an opinion or opinions satisfactory to the World Bank of counsel acceptable to the World Bank or, if the World Bank so requests, a certificate satisfactory to the World Bank of a competent official of the Member Country, showing the following matters:

(a) on behalf of the Recipient, that this Agreement has been duly authorized or ratified by, and executed and delivered on its behalf and is legally binding upon it in accordance with its terms;

(b) on behalf of the Project Implementing Entities, that the Project Agreement has been duly authorized or ratified by, and executed and delivered on their behalf and is legally binding upon them in accordance with its terms; and

(c) the Subsidiary Agreements referred to in Section I.B of the Schedule to this Agreement have been duly authorized or ratified by the Recipient and the Power Corporations and are legally binding upon each such party in accordance with their respective terms.
5.03. Except as the Recipient and the World Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the World Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 5.01 (“Effective Date”). If, before the Effective Date, any event has occurred which would have entitled the World Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the World Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.

5.04. This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date ninety (90) days after the date of this Agreement, unless the World Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The World Bank shall promptly notify the Recipient of such later date.

Article VI
Recipient’s Representative; Addresses

6.01. The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is the Governor or a Deputy Governor of State Bank of Vietnam.

6.02. The Recipient’s Address referred to in Section 7.01 of the Standard Conditions is:

State Bank of Vietnam
49 Lý Thái Tố
Hanoi
Vietnam

Facsimile:
84-4-3825-0612

5.03. The World Bank’s Address referred to in Section 7.01 of the Standard Conditions is:

International Bank for Reconstruction and Development / International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America
AGREED at Hanoi, Vietnam, as of the day and year first above written.

SOCIALIST REPUBLIC OF VIETNAM

By

Authorized Representative

Name: Nguyễn Văn Bình
Title: Governor, State Bank of Vietnam

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT / INTERNATIONAL DEVELOPMENT ASSOCIATION acting as administrator of the Australian Trust Fund for the AusAID-World Bank Strategic Partnership in Vietnam

By

Authorized Representative

Name: Victoria Kwakwa
Title: Country Director
SCHEDULE

Project Execution

Section I. **Institutional and Other Arrangements**

A. **Institutional Arrangements**

**Ministry of Industry and Trade**

The Recipient shall be responsible for overall Project coordination, implementation, and monitoring and evaluation through the Ministry of Industry and Trade.

_Electricity Regulatory Authority of Vietnam_

2. The Recipient shall be responsible for the coordination, implementation, and monitoring and evaluation of its Respective Part of the Project through the Electricity Regulatory Authority of Vietnam, and particularly through a project management unit.

3. To this end, the Recipient shall maintain, throughout Project implementation, the project management unit referred to in the preceding paragraph, with an institutional framework, functions, and resources, including competent personnel in adequate numbers, satisfactory to the World Bank for this purpose.

B. **Subsidiary Agreements**

To facilitate the carrying out of the Power Corporations’ Respective Parts of the Project, the Recipient shall make part of the proceeds of the Grant available to each of the Power Corporations under subsidiary agreements (“Subsidiary Agreements”) between the Recipient and the Power Corporations, under terms and conditions approved by the World Bank, which shall include the following:

(a) the Power Corporations’ respective portions of the Grant made available under the Subsidiary Agreements shall be: (i) denominated in Australian Dollars; and (ii) made available on a grant basis;

(b) the obligation of the Power Corporations to carry out their Respective Parts of the Project in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Recipient;

(c) the obligation of the Power Corporations to carry out their Respective Parts of the Project in accordance with the provisions of the Project
Operations Manual, and without any right or authority, except as the World Bank shall otherwise agree in writing, to assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof;

(d) the obligation of the Power Corporations to (i) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the World Bank, both in a manner adequate to reflect the operations and financial condition of the Power Corporations, including the operations, resources, and expenditures related to their Respective Parts of the Project; and (ii) have such statements audited by independent auditors acceptable to the World Bank, in accordance with consistently applied auditing standards acceptable to the World Bank, and furnish such audited financial statements to the Recipient and the World Bank in accordance with the provisions of Section II.C.3 of the Schedule to the Project Agreement and make them publicly available in a timely fashion and in a manner acceptable to the World Bank; and

(e) the obligation of the Power Corporations to carry out procurement of the services required for their Respective Parts of the Project in accordance with the provisions of Section III of this Schedule, as said provisions may be further elaborated in the Procurement Plan.

2. The Recipient shall exercise its rights under the Subsidiary Agreements in such manner as to protect the interests of the Recipient and the World Bank and to accomplish the purposes of the Grant. Except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Agreements or any of the provisions thereof.

C. Anti-Corruption

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

D. Project Operations Manual

1. The Recipient shall:

(a) ensure that the Project is carried out in accordance with the Project Operations Manual; and
(b) except as the World Bank 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 Operations Manual and those of this Agreement, the latter shall govern.

E. Annual Work Plans and Budgets

The Recipient shall:

(a) furnish to the World Bank for review and approval as soon as available, but in any case not later than October 31 of each year, the annual work plan and budget for its Respective Part of the Project for each subsequent year of Project implementation, of such scope and detail as the World Bank shall have reasonably requested, except for the annual work plan and budget for its Respective Part of the Project for the first year of Project implementation, which shall be furnished not later than one month after the Effective Date; and

(b) thereafter ensure that its Respective Part of the Project is carried out in accordance with such plan and budget as agreed with the World Bank.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports; Completion Report

1. (a) The Recipient shall monitor and evaluate the progress of its Respective Part of the Project and prepare Project Reports in accordance with the provisions of Section 2.06 of the Standard Conditions and on the basis of the indicators set forth below in sub-paragraph (b) of this paragraph and the Project Reports prepared by the Power Corporations pursuant to Section II.A.1 (a) of the Schedule to the Project Agreement for their Respective Parts of the Project. Each overall Project Report shall cover the period of one (1) calendar year, and shall be furnished to the World Bank not later than forty-five (45) days after the end of the period covered by such report.

(b) The performance indicators referred to above in sub-paragraph (a) consist of the following:
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<th>Indicator</th>
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<td><strong>Project Objectives</strong></td>
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| 1.  | Reliability of electricity supply, as evidenced by the following for each of the Power Corporations in the Project area, calculated in accordance with the methodology set forth in the Vietnam Distribution Code:  
(a) system average interruption duration index  
(b) system average interruption frequency index |
| 2.  | Quality of electricity supply, as evidenced by each of the Power Corporations' voltage excursion outside + / -5% in relation to 110 Kilovolt and medium voltage transformers in the Project area |
| 3.  | Total distribution losses, as evidenced by each of the Power Corporations' losses in the Project area |
| 4.  | Consumption reduction in relation to advanced metering infrastructure system customers of each of Northern Power Corporation, Central Power Corporation, Hanoi Power Corporation, and Ho Chi Minh City Power Corporation relative to business as usual |
| 5.  | Avoided greenhouse gas emissions in relation to each of Northern Power Corporation, Central Power Corporation, Hanoi Power Corporation, and Ho Chi Minh City Power Corporation |
|     | **Part C.1 of the Project** |
| 6.  | Progress in provision of technical assistance to the Electricity Regulatory Authority of Vietnam |

2. The Recipient shall prepare the Completion Report in accordance with the provisions of Section 2.06 of the Standard Conditions. The Completion Report shall be furnished to the World Bank not later than six (6) months after the Closing Date.
B. **Midterm Review**

The Recipient shall:

(a) carry out jointly with the World Bank and the Project Implementing Entities, not later than thirty-six (36) months, or such other period as may be agreed with the World Bank, after the Effective Date, a midterm review to assess the status of Project implementation, as measured against the performance indicators set forth in Part A.1 (b) of this Section and Section II.A.1 (b) of the Schedule to the Project Agreement. Such review shall include an assessment of the following: (i) overall progress in implementation; (ii) results of monitoring and evaluation activities; (iii) progress on procurement and disbursement; (iv) implementation arrangements; and (v) the need to make any adjustments to the Project to improve performance;

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

(c) review jointly with the World Bank and the Project Implementing Entities the report referred to in the preceding paragraph and thereafter cause the Project Implementing Entities to take all measures required to ensure the efficient completion of the Project and the achievement of the objectives thereof, based on the conclusions and recommendations of such report and the World Bank’s views on the matter.

C. **Financial Management; Financial Reports; Audits**

1. The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.

2. The Recipient shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank not later than forty-five (45) days after the end of each calendar quarter, covering the quarter, in form and substance satisfactory to the World Bank.
3. The Recipient shall have its Financial Statements for the Project audited in accordance with the provisions of Section 2.07 (b) of the Standard Conditions. Each such 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 World Bank not later than six (6) months after the end of such period.

Section III.  Procurement

A. General

Consultant Guidelines. All consultants’ services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the requirements set forth or referred to in:

(a) Sections I and IV of the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (“Consultant Guidelines”) in the case of consultants’ services; and

(b) the provisions of this Section III, as the same shall be elaborated in the procurement plan prepared and updated from time to time by the Recipient for the Project in accordance with paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines (“Procurement Plan”).

2. Definitions. The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the World Bank of particular contracts, refer to the corresponding method described in Sections II, III, IV and V of the Consultant Guidelines.

B. 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 methods, other than Quality- and Cost-based Selection, may be used for procurement of consultants’ services for those assignments which are specified in the Procurement Plan: (a) Quality-based Selection; (b) Selection under a Fixed Budget; (c) Least Cost Selection; (d) Selection based on Consultants’ Qualifications; (e) Single-source Selection of consulting firms; (f) Selection of Individual Consultants; and (g) Single-source procedures for the Selection of Individual Consultants.
C. Review by the World Bank of Procurement Decisions

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

Section IV. Withdrawal of Grant Proceeds

A. General

The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (a) Article III of the Standard Conditions; (b) this Section; and (c) such additional instructions as the World Bank may 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 World Bank and as made applicable to this Agreement pursuant to such instructions), to finance one hundred percent (100%) of Eligible Expenditures, consisting of consultants’ services (including for audits), Training, and Operating Costs for Parts C.1 and C.2 (b) of the Project.

B. Withdrawal Conditions; Withdrawal Period

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

2. The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is June 30, 2016.
APPENDIX

Section I. Definitions


2. “Central Power Corporation” means Vietnam Electricity (as hereinafter defined)’s wholly-owned subsidiary, established and operating pursuant to the Recipient’s Decision No. 739/QD-BCT, dated February 5, 2010, and Central Power Corporation’s charter, as adopted pursuant to the Recipient’s Decision No. 346/2010/QD-EVN dated June 2, 2010, responsible for the development, operation, and maintenance of facilities for the distribution of electricity in the central part of the Recipient’s territory, or a successor thereto.

3. “Electricity Regulatory Authority of Vietnam” means the Recipient’s entity, established and operating pursuant to its Decision No. 258/2005/QD-TTg, dated October 19, 2005, responsible for the regulation of its electricity sector, or a successor thereto.

4. “Hanoi” means the city of such name in the northern part of the Recipient’s territory or a successor thereto.


6. “Ho Chi Minh City” means the city of such name in the southern part of the Recipient’s territory or a successor thereto.

7. “Ho Chi Minh City Power Corporation” means Vietnam Electricity’s wholly-owned subsidiary, established and operating pursuant to the Recipient’s Decision No. 768/2010/QD-BCT dated February 5, 2010, and Hanoi Power Corporation’s charter, as adopted pursuant to the Recipient’s Decision No. 349/2010/QD-EVN dated June 2, 2010, responsible for the development, operation, and maintenance of facilities for the distribution of electricity in Ho Chi Minh City, or a successor thereto.

8. “Kilovolt” means one thousand (1,000) volts, a standard unit of measure of electric voltage.
9. "Ministry of Defense" means the Recipient’s ministry responsible for defense or a successor thereto.

10. "Ministry of Industry and Trade" means the Recipient’s ministry responsible for the management of industry and trade or a successor thereto.

11. "Ministry of Public Security" means the Recipient’s ministry responsible for public security or a successor thereto.

12. “Northern Power Corporation” means Vietnam Electricity’s wholly-owned subsidiary, established and operating pursuant to the Recipient’s Decision No. 789/QD-BCT, dated February 5, 2010, and Northern Power Corporation’s charter, as adopted pursuant to the Recipient’s Decision No. 345/2010/QD-EVN dated June 2, 2010, responsible for the development, operation, and maintenance of facilities for the distribution of electricity in the northern part of the Recipient’s territory, except for Hanoi, or a successor thereto.

13. “Operating Costs” means the incremental operating costs under the Project incurred by the Recipient and the Project Implementing Entities for purposes of Project management and implementation, on the basis of the annual work plans and budgets referred to in Section I.E of the Schedule to this Agreement and Section I.D of the Schedule to the Project Agreement, on account of office supplies and consumables, utilities, bank charges, communications, mass media and printing services, vehicle rental, operation, maintenance, and insurance, building and equipment maintenance, domestic travel, lodging, and subsistence allowances, and salaries of contractual and temporary staff, but excluding salaries and salary supplements of members of the Recipient’s civil service.

14. “Power Corporations” means, collectively, the following: (a) Northern Power Corporation; (b) Southern Power Corporation (as hereinafter defined); (c) Central Power Corporation; (d) Hanoi Power Corporation; and (e) Ho Chi Minh City Power Corporation; and “Power Corporation” means any one (1) of said entities.

15. “Project Implementing Entities” means, collectively, the following: (a) Vietnam Electricity; (b) Northern Power Corporation; (c) Southern Power Corporation; (d) Central Power Corporation; (e) Hanoi Power Corporation; and (f) Ho Chi Minh City Power Corporation; and “Project Implementing Entity” means any one (1) of said entities.

16. “Project Implementing Entity’s Legislation” means: (a) for Vietnam Electricity, the Recipient’s Decision No. 975/2010/QD-TTg dated June 25, 2010, and Vietnam Electricity’s charter, as adopted pursuant to the Recipient’s Decision No. 857/2011/QD-TTg dated June 6, 2011; (b) for Northern Power Corporation, the Recipient’s Decision No. 789/QD-BCT dated February 5, 2010, and Northern Power Corporation’s charter, as adopted pursuant to the Recipient’s Decision...
No. 345/2010/QD-EVN dated June 2, 2010; (c) for Southern Power Corporation, the Recipient’s Decision No. 799/QD-BCT dated February 5, 2010, and Southern Power Corporation’s charter, as adopted pursuant to the Recipient’s Decision No. 347/QD-EVN dated June 2, 2010; (d) for Central Power Corporation, the Recipient’s Decision No. 739/QD-BCT dated February 5, 2010, and Central Power Corporation’s charter, as adopted pursuant to the Recipient’s Decision No. 346/2010/QD-EVN dated June 2, 2010; (e) for Hanoi Power Corporation, the Recipient’s Decision No. 738/QD-BCT dated February 5, 2010, and Hanoi Power Corporation’s charter, as adopted pursuant to the Recipient’s Decision No. 348/2010/QD-EVN dated June 2, 2010; and (f) for Ho Chi Minh City Power Corporation, the Recipient’s Decision No. 768/2010/QD-BCT dated February 5, 2010, and Ho Chi Minh City Power Corporation’s charter, as adopted pursuant to the Recipient’s Decision No. 349/2010/QD-EVN dated June 2, 2010; and such term includes any other decisions or any laws and regulations governing the organization, reorganization, restructuring, and operations of the Project Implementing Entities as of the date of this Agreement.

17. “Project Operations Manual” means the Recipient’s manual, dated June 2012, agreed with the World Bank, and approved pursuant to the Recipient’s Decision No. 4294/QD-BCT dated July 26, 2012, setting out implementation, organizational, administrative, monitoring and evaluation, financial management, disbursement, and procurement arrangements for purposes of Project implementation, as the same may be modified from time to time with the prior written agreement of the World Bank, and such term includes any annexes or schedules to such manual.

18. “Respective Part of the Project” means, individually, the following: (a) for the Recipient, Part C.1 of the Project; (b) for Northern Power Corporation, Part C.2 (b) of the Project in relation to Northern Power Corporation; (c) for Southern Power Corporation, Part C.2 (b) of the Project in relation to Southern Power Corporation; (d) for Central Power Corporation, Part C.2 (b) of the Project in relation to Central Power Corporation; (e) for Hanoi Power Corporation, Part C.2 (b) of the Project in relation to Hanoi Power Corporation; and (f) for Ho Chi Minh City Power Corporation, Part C.2 (b) of the Project in relation to Ho Chi Minh City Power Corporation; and “Respective Parts of the Project” means, collectively, more than one (1) of said parts.

19. “Southern Power Corporation” means Vietnam Electricity’s wholly-owned subsidiary, established and operating pursuant to the Recipient’s Decision No. 799/QD-BCT, dated February 5, 2010, and Southern Power Corporation’s charter, as adopted pursuant to the Recipient’s Decision No. 347/QD-EVN dated June 2, 2010, responsible for the development, operation, and maintenance of facilities for the distribution of electricity in the southern part of the Recipient’s territory, except for Ho Chi Minh City, or a successor thereto.

21. "Subsidiary Agreements" means the agreements referred to in Section I.B of the Schedule to this Agreement pursuant to which the Recipient shall make part of the proceeds of the Grant available to the Power Corporations.

22. "Training" means the cost of training financed under the Project, on the basis of the annual work plans and budgets referred to in Section I.E of the Schedule to this Agreement and Section I.D of the Schedule to the Project Agreement, attributable to seminars, study tours, and workshops, 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 training preparation and implementation.

23. "Vietnam Distribution Code" means the Recipient’s code, adopted pursuant to its Circular No. 32/2010/TT-BCT dated July 30, 2010, setting forth performance standards, planning conditions, investment procedures, demand forecasts, network connection technical requirements and procedures, and dispatch, operation, and metering procedures, all in relation to the distribution system, and such term includes any annexes or schedules to such code.

24. "Vietnam Electricity" means the Recipient’s wholly-owned enterprise, established and operating pursuant to the Recipient’s Decision No. 975/2010/QD-TTg dated June 25, 2010, and Vietnam Electricity’s charter, as adopted pursuant to the Recipient’s Decision No. 857/2011/QD-TTg dated June 6, 2011, responsible for the development, operation, and maintenance, direct or indirect, of facilities for the generation, transmission, and distribution of electricity throughout the Recipient’s territory, or a successor thereto.

Section II. Modifications to the Standard Conditions

The Standard Conditions are modified as follows:

Section 3.06 (a) is modified to read as follows:

“(a) the payment is for the reasonable cost of consultants’ services, training, or operating costs required for the Project, to be financed out of the proceeds of the Grant and procured, all in accordance with the provisions of the Grant Agreement;”