H.E. Nguyễn Văn Bình  
Governor  
State Bank of Vietnam  
49 Lý Thái To, Hanoi  
Socialist Republic of Vietnam

Grant Agreement for Vietnam Readiness Preparation Proposal  
Readiness Fund of the FCPF  
Grant No. TF013447

Excellency:

I wish to refer to Resolution PC2008-2 of the Participants Committee of the Forest Carbon Partnership Facility (“FCPF”) regarding Selection of REDD Country Participants (“Resolution PC2008-2”).

Resolution PC/3/2009/4 provides that subject to the availability of funds, eligible REDD Country Participants may receive grant funding of up to three million six hundred thousand United States Dollars (USD3,600,000) for formulating and carrying out a Readiness Preparation Proposal (“R-PP”).

Socialist Republic of Vietnam (“Recipient”/“Vietnam”) was selected as a REDD Country Participant. The Participants Committee of the FCPF (“PC”) has reviewed the R-PP submitted by the Recipient and acknowledged the great efforts made by the Recipient in formulating its R-PP. Accordingly, the PC, through its Resolution PC/8/2011/5, decided to allocate grant funding to the Recipient in the amount of up to three million six hundred thousand Dollars (USD3,600,000) to enable it to move ahead with preparation for readiness, subject to the terms and conditions set out in said Resolution. Further, the PC approved, through its Resolution PC/Electronic/2012-1, the allocation of additional grant funding to the Recipient in the amount of up to two hundred thousand Dollars (USD200,000) (together with the above mentioned USD3,600,000 grant, the “Grant”) for the purpose of strengthening the Recipient’s national feedback and grievance redress mechanism with respect to REDD implementation, subject to the terms and conditions set out in said Resolution.

In response to the request for financial assistance made on behalf of the Recipient and the decisions of the PC referred to above, I am pleased to inform you that the International Bank for Reconstruction and Development (“World Bank”), acting as trustee of the Readiness Fund for the FCPF, proposes to extend to the Recipient the Grant in the amount of three million eight hundred thousand Dollars (USD3,800,000) on the terms and conditions set forth or referred to in this letter agreement (“Agreement”), which includes the attached Annex, to assist in the financing of the Readiness Preparation Activities described in the Annex.

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

The Recipient represents by confirming its agreement below, that it is authorized to enter into this Agreement and to carry out the Readiness Preparation Activities in accordance with the terms and conditions set forth or referred to in this Agreement.

Please confirm the Recipient’s agreement to the foregoing by having an authorized official of the Recipient sign and date the enclosed copy of this Agreement, and returning it to the World Bank. Upon receipt by the World Bank of the countersigned copy, this Agreement shall become effective as of the date of the countersignature.

Very truly yours,
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
Acting as Trustee of the Readiness Fund of the Forest Carbon Partnership Facility

By
Victoria Kwakwa
Country Director for Vietnam
East Asia and Pacific Region

AGREED:

SOCIALIST REPUBLIC OF VIETNAM

By
Authorized Representative

Name _LE MINH HUNG_
Title _DEPUTY GOVERNOR OF STATE BANK OF VIETNAM_
Date _JANUARY 22nd, 2013_

Enclosures:

1. Resolution PC/8/2011/5 and Resolution PC/Electronic/2012/1 of the PC.


Article I
Standard Conditions; Definitions

1.01. **Standard Conditions.** 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 below, constitute an integral part of this Agreement:

   (a) The following term and definition shall be added to the Appendix to the Standard Conditions as paragraph 18bis to read as follows:

   18bis "'Readiness Preparation Activities' means the activities, described in the Agreement, for which the Grant is made, as the description of said activities may be amended from time to time by agreement between the Recipient and the World Bank."

   (b) the term "Project" and its definition shall be deleted in their entirety from the Standard Conditions; and all references throughout the Standard Conditions to the term "Project" shall be deemed to refer to the "Readiness Preparation Activities."

1.02. **Definitions.** Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions, the Charter Establishing the Forest Carbon Partnership Facility ("Charter"), this Agreement, or Appendix 2 to this Agreement.

Article II
Execution of Readiness Preparation Activities

2.01. **Objectives and Description.** The objective of the Grant is to support the Recipient to become ready for future REDD+ implementation by preparing the key elements, systems, and policies needed in a socially and environmentally sound manner.

The Readiness Preparation Activities consist of the following Parts:

   (a) **Analytical Studies and Development of Capacities for the Effective and Efficient REDD+ Implementation at National and Provincial Level, including:**

   (i) provision of support for the operation of National REDD+ Steering Committee and Vietnam REDD+ Office;

   (ii) provision of support for the preparation of relevant governmental policies, regulations and technical guidelines for the implementation of the National REDD+ Action Program based on sound scientific and practical foundation and effective participatory approaches;

   (iii) provision of support for the national REDD+ network, working groups, and sub-working groups;

   (iv) strengthening of REDD+ related capacities for staff of relevant government agencies, research institutions, universities, and civil society organizations;
(v) strengthening international negotiation skills of Vietnamese negotiators on REDD+, and provision of support for the carrying out of relevant training, workshops, and conferences;

(vi) provision of support for carrying out the REDD+ readiness package assessment to be submitted to the PC;

(vii) provision of support for the establishment, building capacities, and operation of the Provincial REDD+ Steering Committee and REDD+ working groups;

(viii) provision of support for the establishment of reliable provincial forest baseline data;

(ix) provision of support for the development of a roadmap for the development of provincial REDD+ action plans; and

(x) carrying out of training and awareness raising activities, consultation meetings and workshops for relevant local stakeholders in each province; and carrying out of study tours to other REDD+ provinces to exchange information and experience in the REDD+ readiness preparation.

(b) **Policies Review, and Studies and Development of User-Friendly Guidance Materials on the State Forest Companies Reform for REDD+ Service Provision, including:**

(i) carrying out of the evaluation of the current State Forest Companies reform process to assess its strengths and weaknesses and whether it has met its predefined objectives, and to identify possible problems and providing policy recommendation;

(ii) carrying out of the identification of possible SFCs which would act as potential pilots and as providers of REDD+ and multi-environmental services;

(iii) carrying out of the forest carbon assessment, including the identification of relevant factors and their roles;

(iv) provision of support for the identification of SFCs where assessments should be carried out to inform viability of carbon financing;

(v) carrying out of training for SFCs staff on relevant activities;

(vi) provision of support for the development of guidance and tools for SFCs to prepare their business plans on carbon financing;

(vii) carrying out of the assessment of potential options for forest companies and management boards to provide forest extension and REDD+ services to local households and communities; and

(viii) carrying out of workshops for SFCs managers and relevant government staff on SFCs reform and carbon financing.
(c) **Stakeholder Consultation and Regional Cooperation, and Strategic Environmental and Social Assessment in Connection with the Refinement of National and Sub-National REDD+ Strategy Option**, including:

(i) carrying out multi-stakeholder consultations and participation;

(ii) provision of support for capacity building for community stakeholders;

(iii) provision of support for the establishment and/or selection of the suitable platform and mechanisms for regional cooperation on REDD+ and the Forest Law Enforcement, Governance, and Trade implementation between Vietnam and other countries in the South East Asia region;

(iv) provision of support for the establishment of a national feedback and grievance redress mechanism for REDD+ implementation;

(v) carrying out the preparation of a SESA work plan;

(vi) carrying out the review of the prioritization of drivers of deforestation, and the identification of environmental and social issues associated with deforestation and forest degradation;

(vii) carrying out the assessment of the extent to which candidate REDD+ strategy options address the previously defined environmental and social priorities;

(viii) carrying out the assessment of the revised REDD+ strategy options against the adverse environmental and social impacts that they may induce or create during their implementation, and the further revision of the REDD+ strategy options as needed;

(ix) carrying out the preparation of an Environmental and Social Management Framework in compliance with the World Bank’s applicable safeguards policies; and

(x) carrying out the review of the social and environmental safeguards in relation to SFCs: reform and support.

(d) **Project Management, Monitoring and Evaluation**, including:

(i) provision of support for the Project Management Unit in managing the Project implementation;

(ii) carrying out the design and implementation of the Project monitoring and evaluation plan, and provision of support for the design and implementation of the monitoring and evaluation system for the National REDD+ Action Program; and

(iii) carrying out of the independent review.

2.32. **Execution Generally**. The Recipient declares its commitment to the objectives of the Readiness Preparation Activities. To this end, the Recipient shall carry out the Readiness Preparation Activities through the Ministry of Agriculture and Rural Development in accordance
with the provisions of: (a) Article II of the Standard Conditions; (b) 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”); and (c) this Article II.

2.03 Institutional and Other Arrangements. Without limitation upon the provision of paragraph 2.02, the Recipient shall:

(a) cause the National REDD+ Steering Committee to be responsible for providing general guidance for the implementation of the Project;

(b) within fifteen (15) days since the effectiveness of this Agreement, establish within MARD, and thereafter maintain throughout the implementation of the Project, a Project Management Unit, with composition and terms of reference satisfactory to the World Bank, such PMU shall be responsible for the overall implementation of the Project; and

(c) cause each of the pilot provinces as targeted under Part (b) of the Project to establish and thereafter maintain throughout the implementation of the Project, a Provincial REDD+ Steering Committee, with composition and terms of reference satisfactory to the World Bank, such PRSC shall be responsible for providing guidance on the implementation of the Project at the provincial level.

2.04 Safeguards.

The Recipient shall ensure that:

(a) all (i) terms of reference for any technical assistance or studies carried out under the Readiness Preparation Activities and (ii) frameworks prepared on the basis of the SESA under the Readiness Preparation Activities pursuant to Section 2.01 of this Agreement are consistent with, and pay due attention to, the World Bank’s environmental and social safeguards policies, as well as the Recipient’s own laws and regulations relating to the environment and social aspects; and

(b) in drafting any laws or regulations under the Readiness Preparation Activities, due attention will be given to said policies, laws and regulations.

2.05. Mid-term Progress Report and Completion Report. The Recipient shall, not later than May 30, 2014, prepare and furnish to the World Bank a mid-term progress report on the Readiness Preparation Activities in accordance with terms of reference acceptable to the World Bank, including the provisions of Section 6.3(b) of the Charter and Resolutions PC/7/2010/3 and PC/12/2012/2. The Recipient shall also prepare and furnish to the World Bank not later than six months after the Closing Date, a Completion Report in accordance with the provision of Section 2.06(b) (ii) of the Standard Conditions.

2.06. Financial Management

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

(b) The Recipient shall ensure that interim unaudited financial reports for the Readiness Preparation Activities are prepared and furnished to the World Bank not later than
The Recipient shall have its Financial Statements for the Readiness Preparation Activities 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.

2.07. **Procurement**

All goods, works, non-consulting services, and/or consulting services required for the Readiness Preparation Activities and to be financed, fully or partially, out of the proceeds of the Grant shall be procured in accordance with the requirements set forth or referred to in 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 ("Procurement Guidelines"), with additional procedures for the procurement method of National Competitive Bidding as set forth in Appendix 1 to this Agreement; and the "Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers," dated January 2011 ("Consultant Guidelines").

2.08. Any contract for Eligible Expenditures to be financed in full or in part out of the proceeds of the Grant shall be included in the procurement plan prepared by the Recipient and approved by the Bank in accordance with the Procurement Guidelines and the Consultant Guidelines, prior to initiating the procurement process for any such contract.

**Article III**

**Withdrawal of Grant Proceeds**

3.01. **Eligible Expenditures.** 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 Eligible Expenditures as set forth in the following table. The table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Grant ("Category"), the allocations of the amounts of the Grant to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods, works, non-consulting services, consulting services Incremental Operating Costs, and Training and Workshops</td>
<td>3,800,000</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>3,800,000</strong></td>
<td></td>
</tr>
</tbody>
</table>
3.02. **Withdrawal Conditions.** Notwithstanding the provisions of Section 3.01 of this Agreement, no withdrawal shall be made for payments made prior to the date of countersignature of this Agreement by the Recipient.

3.03. **Withdrawal Period.** The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is November 30, 2015.

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**Article IV**

**Recipient’s Representative; Addresses**

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

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

State Bank of Vietnam  
49 Ly Thai To  
Hanoi  
Socialist Republic of Vietnam

Cable:  
Telex:  
Facsimile:

VIETBANK  
412248  
(84-4)825 0612  
Hanoi  
NHTWVT

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

International Bank for Reconstruction and Development  
1818 H Street, N.W.  
Washington, D.C. 20433  
United States of America

Cable:  
Telex:  
Facsimile:

INTBAFRAD  
248423 (MCI) or  
1-202-477-6391  
Washington, D.C.  
64145 (MCI)
APPENDIX 1

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 Supple mental a Number of Articles of Laws Concerning Capital Construction Investment dated June 19, 2009; and (c) the Recipient’s Decree No. 15/2009/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 World Bank 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 county 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. 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

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 World Bank 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 World Bank with respect to contracts subject to the World Bank’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 World Bank’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 World Bank’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 or matters pertaining to fraud and corruption as defined in the Guidelines. The World Bank will sanction a firm or individual, at any time, in accordance with prevailing World Bank 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 World Bank-financed contract; and (ii) to be a nominated sub-contractor, consultant, supplier, or service provider of an otherwise eligible firm being awarded a World Bank-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 World Bank, 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 World Bank. 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 World Bank’s no objection to the award recommendation for contracts subject to the World Bank’s prior review, and within two weeks of the Recipient’s award decision for contracts subject to the World Bank’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 World Bank’s prior review, the Recipient shall obtain the World Bank’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 World Bank.
APPENDIX 2

Section I. Definitions

1. “Environmental and Social Management Framework” or “ESMF” means the framework, acceptable to the World Bank, which establishes the modalities and procedures to address potential negative environmental and social impacts from the implementation of REDD+ investments and demonstration activities as well as associated mitigation measures through employing best practices; and includes the screening criteria, procedures and institutional responsibilities for the safeguards policies that are triggered for subsequent REDD+ investments.

2. “Forest Law Enforcement, Governance, and Trade” or “FLEGT” means the set of action initiated by the European Union that forms its response to the problem of illegal logging and the trade in associated timber products.

3. “Incremental Operating Costs” means the reasonable costs for the incremental expenses incurred on account of the implementation of the Readiness Preparation Activities, including vehicle operation and maintenance, communication and insurance costs, banking charges, rental expenses, office (and office equipment) maintenance, utilities, document duplication/printing, consumables, travel cost and per diem for Formulation Activity staff for travel linked to the implementation of the Formulation Activities, and salaries of contractual staff for the Formulation Activities; but excluding consultants’ services and salaries and salary supplements of officials of the Recipient’s civil service (‘công chức’ and ‘viên chức’).

4. “Ministry of Agriculture and Rural Development” or “MARD” means the Recipient’s Ministry of Agriculture and Rural Development, or any successor thereto.

5. “National REDD+ Action Program” or “NRAP” means the national action plan providing the strategy and framework for REDD+ implementation in Vietnam, as prepared by MARD and approved by the Recipient’s Prime Minister pursuant to Decision No. 799/QĐ-TTg dated June 27, 2012.

6. “National REDD+ Steering Committee” or “NRSC” means the committee established by MARD pursuant to Decision No. 39/QĐ/BNN-TCCB dated January 7, 2011, consisting of representatives from the Recipient’s relevant line ministries and chaired by the Minister of MARD, and providing general guidance on the implementation of REDD+ at the national level.

7. “Prime Minister” means the Prime Minister of the Socialist Republic of Vietnam, the highest ranking official in the executive branch of the Recipient’s government.

8. “Project Management Unit” means the unit to be established by MARD, with composition and terms of reference satisfactory to the World Bank, and being responsible for the overall implementation of the Project.

9. “Provincial REDD+ Steering Committee” or “PRSC” means the committee to be established by each of the pilot provinces as targeted under Part (b) of the Project, and providing guidance on the implementation of REDD+ at the provincial level.

11. “State Forest Companies” or “SFCs” means the State owned forest companies, established and operating pursuant to Decree No. 200/2004/ND-CP dated December 3, 2004.

12. “Strategic Environmental and Social Assessment” or “SESA” means the process providing a participatory platform for stakeholders to build an understanding of current situation and issues regarding REDD+ activities already taken, and including a participatory process for identifying future REDD+ options and opportunities.

13. “Training and Workshops” means the costs associated with training and workshop participation of personnel involved in the implementation of the Readiness Preparation Activities including travel and subsistence costs for training and workshop participants, costs associated with securing the services of trainers and workshop speakers, rental of training and workshop facilities, preparation and reproduction of training and workshop materials, and other costs directly related to training courses and workshop preparation and implementation; but excluding salary and salary supplements of the Recipient’s civil servants (‘công chức’ and ‘viên chức’).

14. “Vietnam REDD+ Office” or “VRO” means the standing office of the NRSC, established by MARD pursuant to Decision No. 18/QD-TCLN-VP, dated January 19, 2011, and which is responsible for coordination, supervision, and management of the REDD+ implementation in Vietnam under the guidance of the NRSC.

Section II. Modifications to the Standard Conditions

The Standard Conditions are modified as follows, namely paragraph (a) of Section 3.06 is modified to read as follows:

“(a) the payment is for the reasonable cost of goods, works, services, Incremental Operating Costs, or Training and Workshops, 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;”