Re: Vietnam: Agriculture Competitiveness Project
Amendment to the Financing Agreement (Credit 4518-VN)

Excellency:

We refer to the Financing Agreement ("Agreement") dated December 9, 2008 between the Socialist Republic of Vietnam ("Recipient") and the International Development Association ("Association"), for the Agriculture Competitiveness Project ("Project"). We further refer to a letter dated September 19, 2012 from Mr. Le Minh Hung, Deputy Governor of State Bank of Vietnam, on behalf of the Recipient, requesting certain modifications to the Agreement.

We are pleased to inform you that, after due consideration, the Association concurs with the request and to give effect to such request agrees to amend the Agreement as set follows:

1. The opening clause of Part A of Schedule 1 to the Agreement is amended to read as follows:

   "PART A: Enhancement of Agricultural Technology

   Carrying out a program to develop and transfer agricultural technologies in support of agricultural competitiveness in Project Provinces and in the Mekong Delta Region, consisting of:"

2. Sub-paragraph (a) of paragraph 2 of Section IV.A of Schedule 2 to the Agreement is amended to read as follows:

   "(a) the term "incremental operating cost" means the incremental operating costs under the Project incurred by the Recipient for purposes of Project management, implementation, and monitoring and evaluation, including office supplies and consumables, utilities, bank charges, communications, mass media and printing services, vehicle rental, operation, maintenance, and insurance, office space rental, building and equipment maintenance, technical guidance and management costs for establishing and operating demonstration models in support of sustainable rice cultivation in the MDR, including adaptation to climate change, travel, lodging, and subsistence allowances, and salaries of contractual and temporary staff, but excluding salary and salary supplements of staff of the Recipient’s civil service (công chức, viên chức)."
3. A new paragraph is added to the section on 'Definitions' under the Appendix to the Agreement as follows:

""Mekong Delta Region" or 'MDR' means a sub-region in the south of the Recipient’s territory comprising a total of twelve (12) provinces and one (1) city."

Except as specifically amended herein, all other provisions of the Agreement remain in full force and effect.

Please confirm your agreement with this amendment by countersigning, dating and returning to us the enclosed copy of this letter. Upon receipt by the Association of the countersigned copy of this letter, this amendment shall become effective as of the date of the countersignature.

Sincerely Yours,
INTERNATIONAL DEVELOPMENT ASSOCIATION

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

CONFIRMED:
SOCIALIST REPUBLIC OF VIETNAM

By: __________________________
Name: Le Minh Hung
Title: Deputy Governor, State Bank of Vietnam
Date: October 10, 2012