The World Bank
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

1818 H Street N.W.
Washington, D.C. 20433
U.S.A.

(202) 473-1000
Cable Address: INTBAFRAD
Cable Address: INDEVAS

December 14, 2010

His Excellency Nguyễn Văn Giàu
Governor
State Bank of Vietnam
Hanoi, Vietnam

Excellency:

Re: Grant No. TF098019 (GFDRR Grant Agreement for Disaster Risk Management Capacity Building Program)

Additional Instructions: Disbursement

I refer to the Letter Agreement ("Agreement") between the International Bank for Reconstruction and Development/International Development Association ("World Bank"), acting as administrator of grant funds provided by various donors under the Global Facility for Disaster Reduction and Recovery (GFDRR) and Socialist Republic of Vietnam ("Recipient"), for the above-referenced project, dated December 14, 2010. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Grant TF098019 ("Grant"). This letter ("Disbursement Letter"), as revised from time to time, constitutes the additional instructions.

The attached World Bank Disbursement Guidelines for Projects, dated May 1, 2006, ("Disbursement Guidelines") (Attachment 1), are an integral part of the Disbursement Letter. The manner in which the provisions in the Disbursement Guidelines apply to the Grant is specified below. Sections and subsections in parentheses below refer to the relevant sections and subsections in the Disbursement Guidelines and, unless otherwise defined in this letter, the capitalized terms used have the meanings ascribed to them in the Disbursement Guidelines.

I. Disbursement Arrangements

(i) Disbursement Methods (section 2). The following Disbursement Methods may be used under the Grant:

- Reimbursement
- Advance
- Direct Payment
- Special Commitment

(ii) Disbursement Deadline Date (subsection 3.7). The Disbursement Deadline Date is 4 months after the Closing Date specified in the Grant Agreement. Any changes to this date will be notified by the World Bank.
(iii) **Disbursement Conditions (subsection 3.8).** Please refer to the Disbursement Condition in the Grant Agreement.

II. **Withdrawal of Grant Proceeds**

(i) **Authorized Signatures (subsection 3.1).**
A letter in the Form attached (Attachment 2) should be furnished to the World Bank at the address indicated below providing the name(s) and specimen signature(s) of the official(s) authorized to sign Applications:

The World Bank  
8a Floor  
63 Lý Thái Tùng  
Hà Nội, Vietnam  
Attention: Country Director

(ii) **Applications (subsections 3.2 - 3.3).** Please provide completed and signed (a) applications for withdrawal, together with supporting documents, and (b) applications for special commitments, together with a copy of the commercial bank letter of credit, to the address indicated below:

The World Bank  
23/F, The Taipan Place Building  
F. Ortigas Jr. Road, Ortigas Center  
Pasig City, Metro Manila, Philippines  
Attention: Loan Department

(iii) **Electronic Delivery (subsection 3.4)** The World Bank may permit the Recipient to electronically deliver to the World Bank Applications (with supporting documents) through the World Bank’s Client Connection, web-based portal. The option to deliver Applications to the World Bank by electronic means may be effected if: (a) the Recipient has designated in writing, pursuant to the terms of subparagraph (i) of this Section, its officials who are authorized to sign and deliver Applications and to receive secure identification devices ("Tokens") from the World Bank for the purpose of delivering such Applications by electronic means; and (b) all such officials designated by the Recipient have registered as users of Client Connection. If the World Bank agrees, the World Bank will provide the Recipient with Tokens for the designated officials. Following which, the designated officials may deliver Applications electronically by completing Form 2380, which is accessible through Client Connection (https://clientconnection.worldbank.org). The Recipient may continue to exercise the option of preparing and delivering Applications in paper form. The World Bank reserves the right and may, in its sole discretion, temporarily or permanently disallow the electronic delivery of Applications by the Recipient.

(iv) **Terms and Conditions of Use of Tokens to Process Applications.** By designating officials to accept Tokens and by choosing to deliver the Applications electronically, the Recipient confirms through the authorized signatory letter its agreement to: (a) abide by the Terms and Conditions of Use of Secure Identification Devices in connection with Use of Electronic Means to Process Applications and Supporting Documentation ("Terms and Conditions of Use of
Tokens") provided in Attachment [3]; and (b) to deliver the Terms and Conditions of Use of Tokens to each such official and to cause such official to abide by those terms and conditions.

(v) Minimum Value of Applications (subsection 3.5). The Minimum Value of Applications is 20% of amount advanced to DA

(vi) Advances (sections 5 and 6).

- **Type of Designated Accounts (subsection 5.3):** Segregated
- **Currency of Designated Accounts (subsection 5.4):** U.S. dollars
- **Financial Institution at which the Designated Account[s] Will Be Opened (subsection 5.5):** a commercial bank / financial institution acceptable to the World Bank.
- **Ceiling (subsection 6.1):**
  - DA MARD under Part I of the Project – U.S. dollars 100,000
  - DA MONRE under Part II of the Project – U.S. dollars 75,000

III. Reporting on Use of Grant Proceeds

(i) Supporting Documentation (section 4). Supporting documentation should be provided with each application for withdrawal as set out below:

- **For requests for Reimbursement:**
  - List of payments against contracts that are subject to the World Bank’s prior review, in the form attached (Attachment 4) together with Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices, bills of lading).
  - Statement of Expenditure in the form attached (Attachment 5) for all other contracts/expenditures.

- **For reporting eligible expenditures paid from the Designated Account:**
  - List of payments against contracts that are subject to the World Bank’s prior review, in the form attached (Attachment 4) together with Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices, bills of lading).
  - Statement of Expenditure in the form attached (Attachment 5) for all other contracts/expenditures.
  - Designated Account reconciliation statement (Attachment 6) with bank statement.

- **For requests for Direct Payment:**
  - records evidencing eligible expenditures, e.g., copies of receipts, supplier invoices.

(ii) Frequency of Reporting Eligible Expenditures Paid from the Designated Account (subsection 6.3): monthly

IV. Other Important Information

From the Client Connection website, you will be able to download Applications, monitor the near real-time status of the Grant, and retrieve related policy, financial, and procurement information.

If you have not already done so, the World Bank recommends that you register as a user of the Client Connection website (https://clientconnection.worldbank.org). From this website you will be able to download Applications, monitor the near real-time status of the Grant, and retrieve related policy, financial, and procurement information. All Recipient officials authorized to sign and deliver Applications by electronic means are required to register with Client Connection before electronic delivery can be effected. For more information about the website and registration arrangements, please contact the World Bank by email at <clientconnection@worldbank.org>.

If you have any queries in relation to the above, please contact a Senior Finance Officer at Loa-tf@worldbank.org using the above reference.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT/
INTERNATIONAL DEVELOPMENT ASSOCIATION

By/s/ Victoria Kwakwa
Authorized Representative

Attachments
1. World Bank Disbursement Guidelines for Projects, dated May 1, 2006
2. Form for Authorized Signatures
4. Statement of Expenditure
5. Form of Payments Against Contracts Subject to the World Bank’s Prior Review
6. Form of Designated Account Reconciliation Statement.
Cc with copies:  Dr. Luong The Phiet  
Director General  
International Cooperation Department  
Ministry of Agriculture and Rural Development  
2 Ngoc Ha street, Ha Noi, Viet Nam

Ms. Tran Thi Minh Ha  
Director  
International Cooperation Department  
Ministry of Natural Resources and Environment  
83 Nguyen Chi Thanh, Ha Noi, Viet Nam

Dr. Ho Quang Minh  
Director General  
International Cooperation Department  
Ministry of Planning and Investment  
2 Hoang Van Thu street, Ha Noi, Viet Nam

Ms. Doan Hoai Anh  
Deputy Director  
Foreign Department  
State Bank of Vietnam  
16 Ton Dan street, Ha Noi, Viet Nam  
icbwb@vnn.vn

Mme Nguyen Thi Hong Yen  
Deputy General Director  
Department of Debt and External Finance  
Ministry of Finance  
28 Tran Hung Dao street, Ha Noi, Viet Nam  
guyenhongyen@mof.gov.vn

Mr. Nguyen Van Tinh  
General Director  
Central Project Office  
23 Hang Tre street, Ha Noi, Viet Nam  
ndrpm@epo.vn
The World Bank
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Attention: [Country Director]

Dear [Country Director]:

Re: Grant No. TF098019 (GFDRR Grant Agreement for Disaster Risk Management Capacity Building Program)

I refer to the Letter Agreement ("Agreement") between the International Bank for Reconstruction and Development/International Development Association ("World Bank"), acting as administrator of grant funds provided by various donors under the Global Facility for Disaster Reduction and Recovery (GFDRR) and Socialist Republic of Vietnam ("Recipient"), for the above-referenced project, dated ________, providing the above Grant. For the purposes of Section 3.04 (b) of the Standard Conditions, as defined in the Agreement, any [one] of the persons whose authenticated specimen signatures appear below is authorized on behalf of the Recipient to sign applications for withdrawal [and applications for a special commitment] under this Grant.

For the purpose of delivering Applications to the World Bank, 2{each} of the persons whose authenticated specimen signatures appear below is authorized on behalf of the Recipient, acting 3{individually} 4{jointly}, to deliver Applications, and evidence in support thereof on the terms and conditions specified by the World Bank.

3{This confirms that the Recipient is authorizing such persons to accept Tokens and to deliver the Applications and supporting documents to the World Bank by electronic means. In
Terms and Conditions of Use of Secure Identification Devices in connection with Use of Electronic Means to Process Applications and Supporting Documentation

January 20, 2010

The World Bank (Bank)\(^6\) will provide secure identification devices (Tokens) to permit the Borrower\(^7\) to deliver applications for withdrawal and applications for special commitments under the Agreement(s) and supporting documentation (such applications and supporting documentation together referred to in these Terms and Conditions of Use as Applications) to the Bank electronically, on the terms and conditions of use specified herein.

A. Identification of Users.

1. The Borrower will be required to identify in a completed Authorized Signatory Letter (ASL) duly delivered to and received by the Bank each person who will be authorized to deliver Applications. The Bank will provide Tokens to each person identified in the ASL (Signatory), as provided below. The Borrower shall also immediately notify the Bank if a Signatory is no longer authorized by the Borrower to act as a Signatory.

2. Each Signatory must register as a user on the Bank’s Client Connection (CC) website (https://clientconnection.worldbank.org) prior to delivery of Tokens. Registration on CC will require that the Signatory establish a CC password (CC Password). The Signatory shall not reveal his/her CC Password to anyone or store or record the CC Password in written or other form. Upon registration as a CC user, the Signatory will be assigned a unique identifying account name.

B. Distribution, Initialization and Return of Tokens.

1. The Bank will physically deliver a Token to each Signatory in a manner to be determined by and satisfactory to the Bank.

2. At the time of delivery of a Token to a Signatory, the Signatory will receive a copy of these Terms and Conditions of Use for purposes of initializing the Token.

3. The Bank will verify that the Token, Temporary Password and Terms and Conditions of Use have been duly delivered to and received by the CC User.

\(^6\)“Bank” includes IBRD and IDA.
\(^7\)“Borrower” includes the borrower of an IBRD loan, IDA credit, or Project Preparation Facility advance and the recipient of a grant.
4.5. The Borrower shall immediately notify the Bank at clientconnection@worldbank.org of any lost, stolen or compromised Tokens, and take other reasonable steps to ensure such Tokens are disabled immediately.

**Care of Tokens**

4.6. Tokens contain delicate and sophisticated instrumentation and therefore should be handled with due care, and should not be immersed in liquids, exposed to extreme temperatures, crushed or bent. Also, Tokens should be kept more than five (5) cm from devices that generate electromagnetic radiation (EMR), such as mobile phones, phone-enabled PDAs, smart phones and other similar devices. Tokens should be carried and stored separate from any EMR device. At close range (less than 5 cm), these devices can output high levels of EMR that can interfere with the proper operation of electronic equipment, including the Token.

4.7. Without derogating from these Terms and Conditions of Use, other technical instructions on the proper use and care Tokens are available at http://www.rsa.com.

5. **Replacement**

5.1. Lost, damaged, compromised (in terms of 4.5, above) or destroyed Tokens will be replaced at the expense of the Borrower.

5.2. The Bank reserves the right, in its sole discretion, not to replace any Token in the case of misuse, or not to reactivate a Token User’s Account

6. **Reservation of Right to disable Token**

6.1. The Borrower shall reserve the right to revoke the authorization of a Token User to use a Token for any reason.

6.2. The Bank reserves the right, in its sole discretion, to temporarily or permanently disable a Token, de-activate a Token User’s Account or both.

6.3. The Bank reserves the right, in its sole discretion, to temporarily or permanently disable a Token, de-activate a Token User’s Account or both.
Attachment 5

Payments Made during Reporting Period
Against Contracts Subject to the Bank’s Prior Review

<table>
<thead>
<tr>
<th>Contract Number</th>
<th>Supplier</th>
<th>Contract Date</th>
<th>Contract Amount</th>
<th>Date of WB’s Non Objection to Contract</th>
<th>Amount Paid to Supplier during Period</th>
<th>WB’s Share of Amt Paid to Supplier during Period</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>