November 16, 2012

H.E. Nguyễn Văn Bình
Governor
State Bank of Vietnam
49 Lý Thái Tông
Hà Nội
Socialist Republic of Vietnam

Re: OTF Grant no. TF012705 (Vietnam HCFC Phase-Out Project Stage I)

Excellency:

I refer to the Grant Agreement between Socialist Republic of Vietnam ("Recipient") and the International Bank for Reconstruction and Development ("World Bank"), acting as trustee of grant funds provided by Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer into the Ozone Projects Trust Fund, for the above-referenced project dated November 16, 2012. The Grant Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Grant no. TF012705 ("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 four months after the Closing Date specified in the Grant Agreement. Any changes to this date will be notified by the World Bank.
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  
8th Floor  
63 Lý Thái Tông  
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  
Emerald Avenue, 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, a 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 (http://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 for Direct Payment, Reimbursement, and Special Commitment is USD 100,000 equivalent.

*(vi) Advance (sections 5 and 6).*

- **Type of Designated Account (subsection 5.3):** Segregated.

- **Currency of Designated Account (subsection 5.4):** United States Dollars (USD).

- **Financial Institution at which the Designated Account will be Opened (subsection 5.5):** Name of bank to be provided by Recipient.

- **Ceiling (subsection 6.1):** USD 500,000.

### 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:**
  - Statement of Expenditure in the form attached (Attachment 4) for all expenditures/contracts that are not subject to the World Bank's prior review.
  - List of payments against contracts that are subject to the World Bank's prior review, in the form attached (Attachment 5) together with Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices, bills of lading).

- **For reporting eligible expenditures paid from the Designated Account:**
  - Statement of Expenditure in the form attached (Attachment 4) for all expenditures/contracts that are not subject to the World Bank's prior review.
  - List of payments against contracts that are subject to the World Bank's prior review, in the form attached (Attachment 5) together with Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices, bills of lading).
  - Designated Account reconciliation statement (Attachment 6) with bank statement(s).
For requests for Direct Payment:

- Records evidencing eligible expenditures, e.g., copies of receipts, supplier invoices.


IV. Other Important Information


If you have not already done so, the World Bank recommends that you register as a user of the Client Connection website (http://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 us at ctrln:nanila@worldbank.org using the above reference.

Very Truly Yours,
World Bank

By
Authorized Representative

Attachments
1. World Bank Disbursement Guidelines for Projects, dated May 1, 2006
2. Form for Authorized Signature
4. Form of Statement of Expenditure
5. Form of Payments Against Contracts Subject to the World Bank’s Prior Review
6. Form of Designated Account Reconciliation Statement