

**THE MINISTRY
OF PLANNING AND INVESTMENT**

**THE SOCIALIST REPUBLIC OF VIETNAM
Independence Freedom Happiness**

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CIRCULAR
Guiding the Implementation of the Regulation
on Management and Utilization
of Official Development Assistance
(Issued in conjunction with the Government Decree No. 131/2006/ND-CP
dated 09 November, 2006)

Pursuant to Decree No. 61/2003/ND-CP issued on 06 June, 2003 by the Government on the functions, tasks, responsibilities, authorities and organizational structure of the Ministry of Planning and Investment;

Pursuant to Article 3 of Decree No. 131/2006/ND-CP issued by the Government on 09 November, 2006 on the issuance of the Regulation on Management and Utilization of Official Development Assistance;

The Ministry of Planning and Investment hereby issues this Circular to guide the implementation of Decree No. 131/2006/ND-CP by the Government on 09 November, 2006 on the issuance of the Regulation on Management and Utilization of Official Development Assistance (hereinafter called the Regulation) as follows:

Part I
GENERAL PROVISIONS

I. Scope of Regulation as specified in Points of b and c, Item 2, Article 1 hereafter guiding as follows:

1. Grant Element: The method of calculating the Grant Element set out in Appendix 1 of this Circular.

2. Loans that fail to meet the categories of 'Grant Element' in terms of interest, grace period and loan payment as stipulated in Points b and c, Item 2, Article 1 of the Regulation shall be in the scope of the regulation if:

a) They are provided under the official development assistance/ framework between the Government of Vietnam and the respective donors (national programs, credit lines and other types of financing);

b) Their implementation shall be pursuant to the procedure requirements from both the donor and the Government which are similar to those applied to ODA concessional loans as specified in Points b) and c), Item 2, Article 1 of the Regulation.

With regards to other cases, if the loans fail to meet the conditions set out in Points of a and b above, the Ministry of Planning and Investment shall consult with OECD-DAC to consider the applicability of the Regulation to these loans.

II. The Terms in Items 4, 6, 9, 10, 11, 15 and 16, Article 4 of the Regulation shall be additionally guided as follow:

1. Programs and projects include:

a) Program or project that has one or a number of components which belong to one sector/field or more with only one Line Agency.

b) Program or project that has a number of sub-projects with the involvement of various Line Agencies, among which one takes the coordination role of the whole program or project and the others take the Line Agency role to their sub-projects. In this case, the program or project is called an umbrella program or project. The Line Agency that takes the coordination role of the whole program or project therefore is called the Line Agency of the umbrella program or project.

2. A regional program or project is a program or project that provides financing to a group of countries in one geographical area for cooperation in implementing its activities in a specific sector/field with the aim to achieve certain defined targets to serve the common interests of these countries.

3. A program or project can consist of both the technical assistance and construction investment contents. If the technical assistance contents occupy more than 50 percent of the ODA budget, this program or project is regarded as a technical assistance program or project. If the construction investment contents occupy more than 50 percent of ODA budget, this program or project is regarded as a construction investment program or project.

4. “Program based” or “Sector wide approach (SWAP)”: Based on the sectoral/field development programs, master plans and plans approved by competent Vietnamese agencies, the donors provide their supplementary resources to ensure these programs, master plans and plans to be implemented in synchronized, sustainable and efficient manner.

In some cases, a number of conditions can be applied to a program based or sector wide approach by agreement between the donors and Vietnamese side with the aim to encourage implementation of certain development policies.

In the case where policy conditions set out by the donors are beyond the authority of the Line Agencies, the Line Agencies shall have to submit them to the Prime Minister for consideration and decision.

A program based or sector wide approach can be conducted through the following forms of aid delivery:

a) “Budget support”: Donors provide ODA resources directly to supplement the State budget or budget of provinces, cities or districts to support achievement of socio-economic development goals in a planning period. Budget support is subject to the Budget Law and Vietnamese regulations in terms of planning and implementing budget, supervising, monitoring and evaluation of budget implementation process.

Budget support consists of:

- General Budget Support (GBS): One donor or a group of donors provides ODA resources to the central or local State budget, or to the budget of one sector.

- Target Budget Support (TBS): One donor or a group of donors provides ODA resources to the budget of one specific target program.

b) Pooling Fund: One donor or a group of donors agrees to pool ODA resources to a common fund to finance the implementation of one specific program, sector or field.

c) Credit Line: Donors provide their credit lines to one Vietnamese financial institution or bank to finance activities as agreed with the Borrower on behalf of Vietnamese Government.

d) Sector Loan: Donors provide their ODA loans to implement broad-coverage sectoral or field development projects with involvement of many stakeholders. Sector loan is classified as umbrella program or project.

Part II

ODA MOBILIZATION AND PREPARATION FOR ODA REQUESTING LIST

I. ODA mobilization as stipulated in Article 6 of this Regulation shall be guided as follows:

1. The Ministry of Planning and Investment takes the leading role in coordination with other Vietnamese relevant agencies, the World Bank and other donors to prepare the contents and to organize the mid-year informal and the annual official Consultative Group (CG) Meetings for Vietnam; and plays the presiding role in Vietnamese participation at international ODA forums for Vietnam.

Within 10 working days from the completion date of the event, the Ministry of Planning and Investment shall submit a report on the results of the event to the Prime Minister and extensively publish the results and the related documents of the event on the website of the Ministry of Planning and Investment and in the mass media.

2. In case the Line Agencies have demand for mobilizing ODA on the occasion of high-level working visits or negotiations of the Party, State or Government, the Line Agencies shall work with the Ministry of Planning and Investment on proposal to mobilise ODA before submitting to the Prime Minister for consideration and making decision on inclusion of that proposal in the working (negotiation) programs with the donor countries and organizations.

3. The ministerial and sectoral-level agencies as well as the provincial people's committees take the presiding role in organizing ODA mobilization conferences pursuant to the existing regulations on the organization of international conferences and workshops.

In the process of preparing and organizing ODA mobilization conferences by sector, field or locality, the presiding agencies shall discuss and agree with the Ministry of Planning and Investment on the related issues such as the advocacies and policies in ODA mobilization with regards to their sectors, fields and localities; sharing necessary information about ODA sources, conditions and procedures to ensure the ODA mobilization activities to achieve realistic and high efficiency results.

Within 10 working days from the completion date of ODA mobilization conferences by sector, field or locality, the presiding agencies shall submit their report on the results of the conferences to the Prime Minister with its carbon copies to the Ministry of Planning and Investment, the Ministry of Finance, the Ministry of Foreign Affairs to coordinate the follow-up activities with the aim to realize at maximum level the results of ODA mobilization conferences. These reports shall be published extensively on the websites of the Ministry of Planning and Investment and of the presiding line ministries and localities.

4. When there is a demand for organizing regional and inter-regional, inter-provincial ODA mobilization conferences or at the request of provinces and centrally-run cities in a region or a cross-region, the Ministry of Planning and Investment or another agency as assigned by the Prime Minister shall take the presiding role in organizing the regional and inter-regional, inter-provincial ODA mobilization conferences pursuant to the existing regulations on the organization of international conferences and workshops.

Within 10 working days from the completion date of the conference, the Ministry of Planning and Investment or the presiding agency shall submit its report on the results of the conference to the Prime Minister with its carbon copies to the participating provinces and centrally-run cities, the relevant line ministries and agencies. The report on the results of the conference shall be published extensively on the website of the Ministry of Planning and Investment and in the mass media.

5. At the request of the Ministry of Foreign Affairs or a diplomatic mission of the Socialist Republic of Vietnam abroad, the Ministry of Planning and Investment shall be responsible to provide the Ministry or the diplomatic mission with necessary information and documents about development cooperation activities in Vietnam and about the relevant donors, about the advocacies and policies of the Party and the State in ODA mobilization and utilization to facilitate the Ministry or the diplomatic mission to carry out ODA mobilization activities.

II. Procedures to set up ODA Requesting List as specified in Items of 2 and 3, Article 7 of the Regulations shall be guided as follows:

1. Step 1: Preparation for setting up ODA Requesting List for respective donors:

The Line Agencies and the ODA proposing agencies shall prepare and study the following related documents:

a) Development master plans and plans of the State, sector, field and locality; public investment programs, national, sectoral or local target programs; ODA-related synthesis documents; the National Strategy on Foreign Borrowing and Payment; ODA Strategic Framework of the Government in specific periods; the Priority-setting criteria for ODA used for setting up ODA Requesting List.

b) Information and documents about donors publicized by respective donors such as the donor's aid policies and programs, funding schemes, prioritized areas for Vietnam, guidelines and procedures, which are publicized by donors on the websites of their Embassies or their aid agencies, in their publications. The interested Vietnamese agencies and entities can directly contact to the Embassies and donor agencies in Hanoi for provision of above mentioned information and documents;

c) Information on the website of the Ministry of Planning and Investment that includes ODA commitments, conditions and procedures of ODA funds; reports on results of negotiations on development cooperation with related donors; the medium-term funding programs having been signed with the donors;

d) Correspondence of the Ministry of Planning and Investment sent to the Line Agencies to inform about the schedule of exchange of view or negotiation. This correspondence shall be sent to the Line Agencies not less than 03 months before the Ministry of Planning and Investment proceeds with the exchange of view or negotiation with the donor.

2. Step 2: Development of detailed outlines of ODA programs and projects to submit to the Line Agencies:

Based on the information addressed in Step 1, the ODA proposing units proactively or under instructions and guidance of their Line Agencies to develop the detailed concept of ODA programs and projects with contents set out in Point b, Item 2, Article 7 of the Regulation and in line with the Format of the detailed outline for technical assistance projects in Appendix 2a; the Format of the detailed outline for ODA investment projects in Appendix 2b, the Format of the detailed outline for ODA programs in Appendix 2c and the Format of the detailed outline for program based or sector wide approach in Appendix 2d attached to this Circular.

With regards to umbrella programs or projects, Line Agencies that propose umbrella programs or projects shall work together with Line Agencies expected to be the stakeholders of the umbrella programs or projects to develop the detailed outlines of the programs or projects in line with the Format in Appendix 2e attached to this Circular

3. Step 3: Selection of ODA programs and projects for enlisting in the ODA Requesting List:

Line Agencies consider and select ODA programs and projects proposed by the units under their management authority based on the following criteria:

a) The proposed ODA programs and projects must be in the priority areas for ODA utilization as stipulated in Article 3 and the basis of ODA mobilization as stipulated in Article 5 of the Regulation;

b) The proposed ODA programs and projects must be in accordance with the donor policies and capability;

c) The detailed outlines of ODA programs and projects must meet the requirements as stipulated in this Circular;

d) The ODA proposing units must have capacity to receive, manage and organize the implementation, exploit and use the outcomes of the ODA programs and projects after their completion if these units are to be assigned as the program or project owners.

4. Step 4: Formulation and submission of the ODA Requesting List

02 months before the event of exchange of view or negotiation between the Ministry of Planning and Investment and the respective donor, the Line Agencies submit the Ministry of Planning and Investment a complete eligibility dossier that contains their official ODA requesting correspondence with a brief justification on the basis of proposing respective programs or projects enclosed with 8 sets of their detailed

outlines in Vietnamese and in English. With regards to umbrella programs or projects, the Line Agencies that propose the umbrella programs or projects shall enclose the agreements signed among the Line Agencies who are expected to be the stakeholders of these programs or projects.

5. Step 5: Collation and Submission of ODA Requesting List to the Prime Minister.

After receiving a complete set of eligibility dossiers from the Line Agencies with their request of enlisting to ODA Requesting List, the Ministry of Planning and Investment shall base on the priority areas for ODA utilization as stipulated in Article 3 and the basis of ODA mobilization as stipulated in Article 5 of the Regulation and the priority-setting criteria for ODA for collating the ODA Requesting List in the Circular, request for giving opinions from the ODA State managing agencies, relevant agencies and consult with the respective donors to set up the ODA Requesting List proposed by the Line Agencies.

In the case where many localities have the ODA demand for the same sector or area whereas the ODA resources for this sector or area are constraint, the Ministry of Planning and Investment shall use the priority-setting criteria for ODA in Appendix 3 attached to this Circular to select one or a number of localities appropriate to participate in the program or project.

01 months before the event of exchange of view or negotiation with the respective donors, the Ministry of Planning and Investment shall submit to the Prime Minister the ODA Requesting List to the respective donor attached with the detailed outlines of the enlisted programs and projects. In the case where there are different opinions about the contents of the programs and projects, the Ministry of Planning and Investment shall incorporate all the opinions, recommend possible solutions and report to the Prime Minister for consideration and making a decision.

With regard to other cases, the collation of ODA Requesting List shall be guided as follows:

- In the case where the respective donor does not have a permanent ODA funding program in Vietnam or does not have agreement on negotiation about the development cooperation program on an annual or periodical basis, the Line Agencies and their proposing units shall pro-actively seek information and documents about this donor and base on the guidance of this Circular develop detailed outlines of proposing ODA programs and projects. Line Agencies shall then send to the Ministry of Planning and Investment their correspondence to request for enlisting their proposed programs or projects in the ODA Requesting List, enclosed with detailed outline of these proposed ODA programs or projects as guided in Point 4 of this Item.

Based on specific cases, in accordance with the results of exchange with the respective donors and the guidance of this Circular, the Ministry of Planning and Investment shall collate and submit to the Prime Minister the ODA Requesting List for the respective donor.

- In the case where the donor initiates with the Line Agencies or their proposing units to provide ODA funding to the programs or projects that are not enlisted in the ODA Requesting List approved by the Prime Minister, the Line Agencies shall send to the Ministry of Planning and Investment their correspondence for justification

enclosed with detailed outlines of their proposed ODA programs and projects prepared under the guidance of this Circular. The Ministry of Planning and Investment shall discuss with relevant agencies an adequate basis for submission to the Prime Minister to permit supplementing these proposed programs and projects to the Official ODA Requesting List.

- With regard to regional programs or projects: The Line Agencies shall submit their proposal correspondence with clear justification of benefits and obligations if participating in these programs or projects to the Prime Minister for consideration and decision.

- With regard to other cases, the Ministry of Planning and Investment shall report to the Prime Minister for consideration and decision.

Within 05 days from the date of submitting the ODA Requesting List to the Prime Minister, the Ministry of Planning and Investment shall give an official response to the Line Agencies giving reasons why their proposed programs or projects are not enlisted in the ODA Requesting List.

6. Step 6: Announcement of ODA Requesting List approved by the Prime Minister

Within 05 working days after receiving the Prime Minister's approval decision on the ODA Requesting List for respective donors, the Ministry of Planning and Investment shall officially inform the respective donors by its Note about the ODA Requesting List enclosed with detailed outlines of the programs and projects and at the same time shall provide an official response to Line Agencies giving reasons if their proposed programs or projects are not approved by the Prime Minister.

7. Step 7: Announcement of Official ODA Funding List

05 working days from the date of receiving the official correspondence from the respective donors to inform about their acceptance of providing ODA funds to the programs and projects in the ODA Requesting List approved by the Prime Minister or in accordance with the agreements on the results of the annual or periodic negotiations about development cooperation, the Ministry of Planning and Investment shall notify to the Line Agencies that their programs and projects are in the Official ODA Funding List or are not accepted by the respective donors.

The decision of the Prime Minister on approval of the ODA Requesting List and the Notification of the Ministry of Planning and Investment about the Official ODA Funding List are the legal basis for developing the program or project documents and other preparatory activities.

Part III

PREPARATION, APPRAISAL AND APPROVAL OF THE CONTENTS OF ODA PROGRAMS AND PROJECTS

I. Decision on Appointment of Project Owner as specified in Item 1, Article 10 of the Regulation shall be guided as follows:

Within 05 working days after receiving the correspondence of the Ministry of Planning and Investment informing that their programs or projects are in the Official ODA Funding List, the Line Agencies shall issue decisions on appointment of Project Owners pursuant to Item 16, Article 4 and Points a and b, Item 1, Article 10 of the Regulation.

1. With regard to national key investment programs and projects under the approval authority of the Prime Minister as specified in Point a, Item 1, Article 19 of the Regulation, the Prime Minister shall appoint the Investment Owners in the decision of investment.

2. With regard to technical assistance programs and projects under the approval authority of the Prime Minister as specified in Point b, Item 1, Article 19 of the Regulation, the Prime Minister shall appoint of the Owners of these technical assistance programs or projects in the decision of approval of technical assistance program or project documents.

3. With regard to technical assistance programs or projects under the approval authority of the Head of the Line Agency as specified in Item 2, Article 19 of the Regulation, the Line Agency shall directly manage and execute the implementation or assign a unit under its management authority to be the Project Owner to directly manage and execute the implementation of these technical assistance programs or projects.

4. With regard to investment projects under the approval authority of the Head of the Line Agency as specified in Item 2, Article 19 of the Regulation, the Line Agency in position of investment-decision maker shall appoint the unit that manages, exploits and uses the project works to be the Investment Owner.

In the case where the Line Agency has not yet defined the unit that manages, exploits and uses the project works at the point of making the investment decision, the Line Agency shall appoint one competent unit to be the Project Owner. In the process of implementing a program or project, the Line Agency must identify or establish a unit that is responsible for management and utilization of project works and assign the tasks of this unit to work together with the appointed Investment Owner in receiving the transfer of works for management, operation and utilization after the completion of the program or project in accordance with the existing regulations.

In the case where the unit that manages, exploits and uses the outcomes of the ODA investment program or project fails to meet the conditions of Project Owner as specified in Point a, Item 1, Article 10 of the Regulation, the Line Agency shall select another unit that satisfies these conditions to be the Project Owner. The appointed Project Owner shall be responsible to allocate people from the unit that manages and uses the project works to appropriate positions so that these people can participate in the process of preparation and implementation of the programs or projects as well as to join

with the appointed Project Owner to hand-over project works for exploitation and utilization when completed. In the case where the appointed Investment Owner establishes a Project Management Unit (PMU), one of the Deputy Directors of the PMU must be from the unit that manages and uses the project works.

With regard to a multi-sectoral or field program or project which is under State management by a single Line Agency, implemented and benefited by a number of its units, the Line Agency shall select among these units the most competent and qualified one to be appointed as the Project Owner. This appointed Project Owner shall establish a Project Management Unit (PMU) with the participation of all of the units that implement and benefit respective components of the program or project.

5. With regard to umbrella programs and projects under the approval authority of the Line Agencies:

- The Line Agencies of the umbrella programs and projects issue the decision on the appointment of one unit under their management authority to be the Project Owners of the umbrella programs and projects cum the Project Owners of their sub-projects (if any);

- The Line Agencies of the sub-projects issue the decision on the appointment of Project Owners of their sub-projects.

Within 05 working days from the date of decision on Project Owners of the programs or projects, the Line Agencies shall officially inform these appointments to the Ministry of Planning and Investment and the corresponding donors.

II. Formulation of ODA programs and projects as specified in Point a, Item 2, Article 10 and Articles of 13, 14 and 15 of the Regulation shall be guided as follows:

1. Project Owners shall be responsible for cooperating with the respective donors and Project Owners of sub-projects (with regard to umbrella programs or projects) to organize the formulation of ODA program or project documents, ensuring the schedule and quality of ODA program or project documents.

2. The structure and requirements of the contents of ODA technical assistance programs and projects, the ODA programs, the umbrella programs and projects must be pursuant to the formats in Appendices 4a, 4 b, 4c attached to this Circular.

The ODA investment project documents must be formulated pursuant to the existing regulations on investment and construction management with consideration of requirements as stipulated in Article 13 of the Regulation.

3. In the case where the program-based or sector wide approach is applied, the Line Agencies shall cooperate with the donors and other relevant agencies to formulate appropriate documents of support.

III. Appraisal of programs and projects as specified in Articles 16, 17, 18 and 19 of the Regulation shall be guided as follows:

1. Appraisal and approval of ODA technical assistance programs and projects
 - a) Identifying the appraisal agencies

To ensure the quality of appraisal and to improve the proficiency of this expertise toward sustainability and professionalism, Line Agencies should identify and

assign one of their units to undertake the task of appraisal of ODA technical assistance programs and projects.

In the case where the specialized agency in-charge of appraisal of ODA technical assistance programs and projects is not identified, depending on specific circumstance and on the contents of the ODA technical program or project, the Line Agencies shall appoint a unit under their administrative authority that has acquired capacity and expertise to undertake the task of appraisal of specific ODA technical assistance programs and projects.

The Project Owners are not allowed to conduct the appraisal of their ODA technical assistance programs and projects.

With regard to ODA technical assistance programs and projects under the appraisal and approval authority of the Prime Minister, the Prime Minister shall decide the appraisal agency based on the proposal of the Ministry of Planning and Investment.

b) Contents of appraisal

The appraisal of ODA technical assistance programs and projects should address the following contents:

- The rationale of the programs and projects in terms of:
 - + The coherence and consistency between the development goals and objectives of the program or project and the priorities of the Government, policies of the respective donor, comparison with the goals and objectives defined in the detailed outlines of the program and project and in the Official ODA Funding List;
 - + Direct objectives, impacts created by the implementation of the program or project to specific development goals of the line ministries, provinces, implementing agencies and beneficiaries of the program or project;
 - + The coherence and consistency between the expected outcomes (or outputs) of the program or project and the defined goals and objectives;
 - + The completeness and rationale of program or project components, the outputs of each component and activities to produce each output;
 - + Budget structure of the program or project including ODA and counterpart fund allocated to international and national consultants; training at home and abroad; equipment, facility and materials; management costs and other expenditures;
 - + Measurement indicators of the program or project.
- Feasibility of the program or project in terms of:
 - + Inputs (finance, equipment, specialists, etc.) of the whole program or project;
 - + Goals, objectives, outcomes, outputs, activities, input requirements (finance, equipment, specialists, etc.) with regard to each activity and the method of organizing the implementation;
 - + Implementation duration;
 - + Mechanism of management and organization for implementation (including financial management and coordination mechanism);
 - + Impacts of the program or project from the direct to indirect beneficiaries;

- + Risks and their counter measures;
- + Measures for monitoring and evaluation as well as for accelerating the program or project that includes the scope and responsibility of the leading and coordinating units; the mechanism for sharing and updating the program or project management information; mechanism of program or project evaluation and reporting its evaluation results; measures to attract the interest of the beneficiaries;
- + Capacity to contribute counterpart funds from the Vietnamese side.
- The sustainability of the program or project in terms of:
 - + The necessary elements to ensure the leverage of impacts of the program or project after its completion;
 - + Possible commitments or conditions of the respective donor as well as of Vietnamese side to ensure the sustainability of the program or project.

c) Appraisal time frame

Within 15 working days after receiving a complete and eligible dossier as required pursuant to Items from 1 to 4, Article 17 of the Regulation.

d) Appraisal procedures

- Step 1: Review the eligibility of the dossier for appraisal
 - + The review of the eligibility of the dossier for appraisal is pursuant to the regulations as stipulated in Items from 1 to 4, Article 17 of the Regulation;
 - + Make comparison and cross-checking between the contents of the program or project document and 6 contents in the Decision of the Prime Minister on approval of ODA Requesting List as specified in Article 8 of the Regulation;
 - + In the case where the contents of the program or project document changes compared with the contents in the Decision of the Prime Minister on approval of ODA Requesting List in its name and donor; its Line Agency; its goals, objectives and outcomes; its implementation duration; beyond the approved budget limit or changes in types of ODA (grant aid, loan); changes in domestic financial resources and financial mechanism, the appraisal agency must report to their Line Agency to get opinions from the Ministry of Planning and Investment, Ministry of Finance and other relevant agencies before submitting to the Prime Minister for consideration and making decision. Based on the Prime Minister's instructions and guidance, the Line Agencies shall request Project Owner to improve the program or project document and assign the appraisal agency to carry out the procedures as guided from step 2 to step 4 below:

- Step 2: Consultation with relevant agencies

After receiving 8 complete and eligible sets of the dossier from Project Owners, the appraisal agencies, through the Line Agencies, send the program or project dossiers for appraisal attached with the written request for comments to the Ministry of Planning and Investment, the Ministry of Finance, other agencies, units and localities relating to the contents of the ODA technical program or project under appraisal.

- Step 3: Appraisal

The appraisal agencies can select either of the appraisal forms below:

+ Form 1: Collecting comments from relevant agencies

This form can be applied to those ODA technical programs and projects that have clear contents, consistent with the detailed outline of the program or project attached to the Decision of the Prime Minister on approval of ODA Requesting List and consensus of all the agencies consulted for the contents of the program or project document. In this case the appraisal agencies shall carry out the following steps:

With regard to the programs and projects under the approval authority of the Prime Minister: The appraisal agencies shall prepare reports on the result of the appraisal enclosed with the minutes of appraisal meeting in accordance with the form in Appendix 5 attached to this Circular for their Line Agencies to submit to the Prime Minister for approval of the program or project documents.

With regard to the programs and projects under the approval authority of the Head of the Line Agencies: The appraisal agencies shall prepare reports on the result of the appraisal enclosed with the minutes of appraisal meeting in accordance with the form in Appendix 5 and draft the decisions of approval of the program or project documents in accordance with the form in Appendix 6 attached to this Circular for their Line Agencies to approve the program or project documents.

In case the dossiers of the program or project documents are not complete, the appraisal agencies shall request the Project Owners to supplement, amend and improve the dossiers of the ODA technical program or project documents before proceeding with all the steps mentioned above.

+ Form 2: Organizing the meeting for appraisal

In case Form 1 cannot be applied, the appraisal agency shall appoint the chairperson, secretary and organize the meeting for appraisal.

In case the program or project document is approved at the appraisal meeting, the appraisal agency shall use the following steps:

With regard to programs and projects under the approval authority of the Prime Minister: The appraisal agencies shall prepare reports on the result of the appraisal enclosed with the minutes of appraisal meeting in accordance with the form in Appendix 5 attached to this Circular for their Line Agencies to submit to the Prime Minister for approval of the program or project documents.

With regard to programs and projects under the approval authority of the Head of the Line Agencies: The appraisal agencies shall prepare reports on the result of the appraisal enclosed with the minutes of appraisal meeting in accordance with the form in Appendix 5 and draft the decisions of approval of the program or project documents in accordance with the form in Appendix 6 attached to this Circular for their Line Agencies to approve the program or project documents.

In case the dossiers of the program or project documents are not complete, the appraisal agencies shall request the Project Owners to supplement, amend and improve the dossiers before proceeding with all the steps mentioned above.

- Step 4: Communicating the results of approval

Within 10 working days from the date of approval of the Prime Minister (with regard to the programs and projects under approval authority of the Prime Minister) or of the Head of the Line Agency (with regard to the programs and projects under

approval authority of the line agencies) to the ODA program or project document, the Line Agency shall inform the respective donor and the Project Owner about the approval results and at the same time send to the Ministry of Planning and Investment, the Ministry of Finance the approval decision of the Prime Minister (copy certified by Public Notary) enclosed by the ODA program or project document in Vietnamese and English which has been approved and affixed with stamps of the Line Agency between its pages.

In case the ODA program or project documents are not approved by competent authorities, the Line Agencies shall give instructions to the Project Owners to finalize these documents and conduct a re-appraisal process as guided pursuant to regulations of this Circular.

2. Appraisal and approval of ODA investment programs and projects

a) Identifying appraisal agencies

Identifying the appraisal agency for the ODA investment programs and projects are pursuant to the existing regulation on investment and construction management.

b) Contents of appraisal

Apart from the contents regulated in the legal documents on investment and construction management, the points below shall be noted in process of appraisal:

- Objectives of the program or project: comparing with program or project objectives defined in the detailed outline and in the Official ODA Funding List;
- Domestic financial mechanism for ODA program or project;
- Total investment capital of the program or project, in which the amount of ODA investment capital should be compared with the total investment budget and ODA budget having been defined in the detailed outline and in the Official ODA Funding List;
- Capability of contribution from Vietnamese side, especially the counterpart fund, in which the donor regulations on disbursement and the Vietnamese procedures in formulation and approval of budget plan should be taken into account.
- Factors that influence the progress and quality of program or project in the process of project implementation, especially in terms of site clearance and procurement;
- Identifying risks and their counter measures;
- The organization for program or project implementation in terms of the Investment Owner's capacity in management and implementation and coordination mechanism in process of implementation.

c) Appraisal time frame

Within 45 working days after receiving the complete and eligible dossier as required pursuant to Article 17 of the Regulation.

d) Appraisal procedures

Appraisal procedures of ODA investment programs and projects are pursuant to the existing regulations on investment and construction management with a focus on the following contents:

- The review of the eligibility of the dossier for appraisal is pursuant to the regulations as stipulated in Article 17 of the Regulation;

- Making comparison between the contents of the program or project document with the contents in the Decision of the Prime Minister on approval of ODA Requesting List as stipulated in Article 8 of the Regulation. Where the contents of the program or project document has changes compared with the contents in the Decision of the Prime Minister on approval of ODA Requesting List in its name and donor; its Line Agency; its goals, objectives and outcomes; its implementation duration; beyond the approved budget limit or changes in types of ODA (grant aid, loan); changes in domestic financial resources and financial mechanism, the appraisal agencies must report to their Line Agencies to get opinions from the Ministry of Planning and Investment, Ministry of Finance and other relevant agencies before submitting to the Prime Minister for consideration and making decision. Based on the Prime Minister's instructions and guidance, the Line Agencies shall request Project Owner to improve the program or project document and assign the appraisal agencies to carry out the procedures as guided in this Point.

- Where the donor organizes the appraisal mission in the field, the Investment Owner shall be responsible for making arrangements with conditions as required to facilitate the participation of the representative from appraisal agency in the donor appraisal mission on the field.

- Based on the investment program or project document finalized by the Investment Owner, the appraisal agencies shall be responsible for preparing a report on the results of appraisal for the Line Agency to submit to the Prime Minister (with regard to the programs and projects under approval authority of the Prime Minister) or submit to the Head of the Line Agency (with regard to the programs and projects under approval authority of the Line Agencies) for consideration and approval of the investment program or project document and issuance of investment decision.

e) Informing investment decision and sending ODA investment program or project documents

Within 10 working days from the date of issuing an Investment Decision of the Prime Minister (with regard to the programs and projects under approval authority of the Prime Minister) or of the Head of the Line Agency (with regard to programs and projects under approval authority of the line agencies), the Line Ministry shall inform to the respective donor and the Investment Owner about the results of approval and at the same time send to the Ministry of Planning and Investment, the Ministry of Finance the report on appraisal of investment program or project and investment decision (copy certified by Public Notary) enclosed by the ODA investment program or project document in Vietnamese and English which has been approved and affixed with stamps of the Line Agency between its pages.

3. Appraisal and approval of ODA umbrella programs and projects

a) Identifying appraisal agencies

The one that issues the decision on approval of the umbrella program or project document shall assign one unit under its administration authority to take the leading role in appraisal or establish an appraisal committee, of which its representative is the chairman and representatives from the Line Agencies of sub-projects are the members.

b) Contents of appraisal

Based on the major contents as specified in Article 15 of the Regulation, in the process of appraisal the following contents should be clarified:

- Overall framework of the umbrella program or project which includes the overall goals and objectives of the umbrella program or project and the goals and objectives of sub-projects, the relationship among the sub-projects;
- The major activities of the umbrella program or project and of sub-projects and their interrelationship in process of implementation, including the completion deadlines;
- Total ODA budget and the domestic financial mechanism with regards to the umbrella program or project and to its sub-projects; the types of ODA funds and the mechanism of counterpart funds with regards to the umbrella program or project and to its sub-projects;
- Organization of implementation and management of the umbrella program or project:
 - + The necessity of establishing the Steering Committee (if any); organizational structure and operational mechanism of this Committee;
 - + Tasks, authorities and responsibilities of the Line Agency of the umbrella program or project and of the Line Agencies of sub-projects;
 - + The organization of PMU of the umbrella program or project and PMUs of sub-projects are pursuant to Circular No. 03/2007/TT-BKH dated 12 March, 2007 issued by the Ministry of Planning and Investment;
 - + The relationship, responsibilities and division of tasks between the Project Owner of the umbrella program or project and the Project Owners of sub-projects; between PMU of the umbrella program or project and PMUs of sub-projects.

c) Appraisal time frame

Within 45 working days since the Line Agency of the umbrella program or project receives the complete and eligible dossier as required pursuant to Article 17 of the Regulation.

d) Appraisal procedures

- Step 1: Review the eligibility of the dossier for appraisal
- + The review of the eligibility of the dossier for appraisal is pursuant to the regulations as stipulated in Article 17 of the Regulation;
- + Making comparison and cross-checking between the contents of the umbrella program or project document and contents in the Decision of the Prime Minister on approval of ODA Requesting List as stipulated in Article 8 of the Regulation;
- + Where the contents of the umbrella program or project document has changes compared with the contents in the Decision of the Prime Minister on approval of ODA Requesting List in its name and donor; its Line Agency; its goals, objectives and outcomes; its implementation duration; beyond the approved budget limit or changes in types of ODA (grant aid, loan); changes in domestic financial resources and

financial mechanism, the appraisal agency or the appraisal committee must report to the Line Agency of the umbrella program or project to get opinions from the Ministry of Planning and Investment, Ministry of Finance and other relevant agencies before submitting to the Prime Minister for consideration and decision. Based on the Prime Minister's instructions and guidance, the Line Agency of the umbrella program or project shall request the Project Owner of the umbrella program or project to improve the program or project document and assign the appraisal agency or the appraisal committee to carry out the procedures as guided from Step 2 to Step 4 in this Point.

- Step 2: Consultation with relevant agencies

After receiving 8 complete and eligible dossiers from the Project Owner of the umbrella program or project, the appraisal agency, through the Line Agency of the umbrella program or project shall send the program or project dossiers for appraisal attached with the written request for comments (if asking for opinions) or with the request for participating in the meeting of appraisal (if organizing the meeting of appraisal) to the Ministry of Planning and Investment, the Ministry of Finance, representatives of sub-projects, other agencies, units and localities relating to the contents of the umbrella program or project under appraisal.

- Step 3: Organizing the appraisal

+ Form 1: Collecting comments from appraisal

This form can be applied to those umbrella programs and projects that have clear contents, consistency to the detailed outline of the program or project attached with the Decision of the Prime Minister on approval of ODA Requesting List and consensus of all the agencies consulted for the contents of the umbrella program or project document. In this case the appraisal agencies or the appraisal committees shall carry out the following steps:

With regard to programs and projects under the approval authority of the Prime Minister: The appraisal agencies or the appraisal committees shall prepare the reports on the result of the appraisal enclosed with the minutes of appraisal meeting in accordance with the form in Appendix 5 attached to this Circular for their Line Agencies to submit to the Prime Minister for approval of the umbrella program or project documents.

With regard to programs and projects under the approval authority of the Head of the Line Agencies: The appraisal agencies or the appraisal committees shall prepare the reports on the result of the appraisal enclosed with the minutes of appraisal meeting in accordance with the form in Appendix 5 and draft the decisions of approval of the program or project documents in accordance with the form in Appendix 6 attached to this Circular for their Line Agencies to approve the umbrella program or project documents.

Where the dossiers of the umbrella program or project documents are not complete, the appraisal agencies shall request the Project Owners to supplement, amend and improve the dossiers of the umbrella program or project documents before proceeding with all the steps mentioned above.

+ Form 2: Organizing the meeting for appraisal

Where Form 1 can not be applied, the appraisal agency or appraisal committee shall appoint the chairperson, secretary and organize the meeting for appraisal.

Where the donor organizes the appraisal mission in the field, the Investment Owner shall be responsible for making arrangements with conditions as required to facilitate the participation of representative from the appraisal agency or appraisal committee in the donor appraisal mission on the field.

Where the umbrella program or project document is approved at the appraisal meeting, the appraisal agency or appraisal committee shall implement the following steps:

With regard to programs and projects under the approval authority of the Prime Minister: The appraisal agencies or appraisal committees shall prepare reports on the result of the appraisal enclosed with the minutes of appraisal meeting in accordance with the form in Appendix 5 attached to this Circular for their Line Agencies to submit to the Prime Minister for approval of the umbrella program or project documents.

With regard to programs and projects under the approval authority of the Head of the Line Agencies: The appraisal agencies or appraisal committees shall prepare the reports on the result of the appraisal enclosed with the minutes of appraisal meeting in accordance with the form in Appendix 5 and draft the decisions of approval of the program or project documents in accordance with the form in Appendix 6 attached to this Circular for their Line Agencies to approve the umbrella program or project documents.

If there are requirements for amendment and improvement to finalize the program or project document at the appraisal meeting, the appraisal agency or appraisal committee shall request the Project Owner of the umbrella program or project to cooperate with the Project Owners of the sub-projects to supplement, amend and improve the umbrella program or project document based on the conclusion of the appraisal meeting and then conduct the steps mentioned above.

e) Informing the decision of approval and sending umbrella program or project documents

Within 10 working days from issuing the decision of approval by the Prime Minister (with regards to the programs and projects under approval authority of the Prime Minister) or by the Head of the Line Agency of umbrella programs or projects (with regards to the programs and projects under approval authority of the line agencies), the Line Agency of the umbrella program or project shall inform to the respective donor and the Project Owner of umbrella programs or projects about the results of approval and at the same time send to the Ministry of Planning and Investment, the Ministry of Finance the report on appraisal of umbrella program or project and decision of approval (copy certified by Public Notary) enclosed by the ODA umbrella program or project document in Vietnamese and English which has been approved and affixed with stamps of the Line Agency between its pages. The Line Agency of an umbrella program or project shall also send these documents to the Line Agencies of sub-projects.

- Appraisal and approval of sub-projects under the framework of umbrella program or project: Based on the level of preparation, timing, plan for implementation of sub-projects, the Line Agencies of sub-projects shall organize the appraisal and approval of their sub-projects, specifically:

+ With regard to technical assistance programs and projects: Following the appraisal and approval procedures as specified in Point 1, Item III of this Part.

+ With regard to investment programs and projects: Following the appraisal and approval procedures as specified in Point 2, Item III of this Part.

4. Appraisal and approval of the documents applied program-based or sector wide approach

5. Procedures of appraisal of documents applied the program-based or sector wide approach are similar to the procedures of appraisal of programs and projects as specified in Point 3, Item III of this Part.

The agencies that issue the decision on approval of the programs, master plans, development plans of respective sector or field shall approve support to the program-based or sector wide approach initiatives.

6. Appraisal and approval of regional programs and projects

The Line Agencies shall take responsibility for appraisal and approval of the part that Vietnamese side participates in with the same procedures applied to other ODA programs or projects as stipulated in Points 1, 2 and 3, Item III of this Part.

Part IV

CONCLUSION OF SPECIFIC INTERNATIONAL AGREEMENTS ON ODA

I. Conclusion of specific international treaties on ODA is pursuant to the Law on signing, joining and implementation of international treaties and to the guidance of the Ministry of Foreign Affairs on procedures of signing and implementing international agreements on ODA.

II. Responsibilities for submitting to the Government conclusion of specific international agreements on ODA as specified in Item 2, Article 21 of the Regulation shall be guided as follows:

1. The Ministry of Planning and Investment shall be responsible for submitting the Prime Minister on conclusion of specific international agreements on ODA grant (except the specific international agreements on ODA with international financial agreements on ODA with international financial institutions as stipulated in Item 1, Article 42 of the Regulation) with regard to the programs and projects whose Line Agencies are the agencies of National Assembly, central agencies of social and political organizations, professional organizations, People's Committees of the provinces and centrally-run cities.

2. To undertake the responsibilities mentioned above, pursuant to procedures of signing and implementing international agreements on ODA, the Ministry of Planning and Investment shall submit the Prime Minister about:

a) The negotiation and signing specific international agreements on ODA based on the written request of the Line Agencies listed in Point 1, Item II of this Part sent to the Ministry of Planning and Investment with all the documents as required and implement on schedule.

b) The approval of specific international agreements on ODA of the Line Agencies listed in Point 1, Item II of this Part in the case where the specific international agreements on ODA are required to be approved for completion of effective procedures.

c) The plan for implementation of specific international agreements on ODA that is prepared by the Line Agencies listed in Point 1, Item II of this Part and sent to the Ministry of Planning and Investment.

3. In the case where there is authorization from the Prime Minister, the Line Agencies listed in Point 1, Item II of this Part shall take the responsibility of developing and signing the specific international agreements on ODA pursuant to the existing regulations.

III. Responsibilities for submitting to the Prime Minister adjustments, amendments and supplements of the specific international agreements on ODA as specified in Point a, Item 1, Article 31 of the Regulation shall be guided as follows:

Implementation of the specific international agreements on ODA if there are adjustments, amendments and supplements of the specific international agreements on ODA as specified in Point a, Item 1, Article 31 of the Regulation, the proposing agencies of the specific international agreements shall obtain opinions from the Ministry of Planning and Investment and other relevant agencies in written form to submit to the Prime Minister for consideration and making decision in pursuant to the existing regulations on adjustments, amendments and supplements of the specific international agreements on ODA.

Part V

MANAGEMENT AND IMPLEMENTATION OF ODA PROGRAMS AND PROJECTS

I. Establishment and organization of ODA program or project management units (ODA PMUs) as specified in Article 25 of the Regulation shall be guided as follows:

The procedures of establishment, organizational structure, functions, tasks, authorities of ODA PMUs, relationship between ODA PMUs and the Project Owners, Line Agencies, the State management agencies are guided in details in Circular No. 03/2007/TT-BKH dated 12 March, 2007 issued by the Ministry of Planning and Investment on the organizational structure, functions and responsibilities of ODA program or project management units.

With regard to umbrella programs and projects, based on the umbrella program or project document approved by competent agencies:

- The Project Owner shall establish a PMU of the umbrella program or project cum PMU of the sub-project under its management (if any).

- Based on the exchange and agreement with the Project Owner of the umbrella program or project on organizational structure, functions, tasks, authorities with regards to the umbrella program or project and to its sub-projects, Project Owners of the sub-projects shall establish PMUs of their sub-projects.

II. Tasks of Line Agencies, Project Owners and PMUs in relation to planning implementation of the programs and projects as specified in Point a, Item 1, Article 35 and Item 7, Article 39 of the Regulation shall be guided as follows:

1. Review, update and approve the program or project implementation plan
 - a) Right after the establishment of a PMU, the Line Agency and the Project Owner should give instruction to the PMU to work with the donor to review, update and adjust (if necessary) the overall implementation plan of the ODA program or project and break down it to a detailed implementation plan for the first year.
 - b) The contents of reviewing and updating the implementation plan include:
 - Milestones (start, finish) for major specific items, outputs and activities and for the program or project as the whole;
 - The amount of work needs to accomplish in each stages, including a number of activities that can be implemented before the specific international agreement on ODA takes effect;
 - The quantity of inputs required for respective items, outputs, activities in each stage, including any activities that can be implemented before the specific international agreement on ODA takes effect.

In the process of reviewing and updating the overall implementation plan of the program or project, if the implementation schedule (start, finish) of items, outputs and activities is adjusted, but the completion date of the program or project as set out in the program or project document is not changed, the Line Agencies shall issue a decision on approving overall implementation plan of the program or project.

2. Within 05 working days after the approval of the overall plan, the Line Agency shall send the decision of approval (original version) to the Ministry of Planning and Investment, Ministry of Finance and the Donor as the basis for monitoring and evaluation for the whole implementation period of the program or project.

3. Based on the updated overall implementation plan of the program or project approved by the Line Agencies, the Project Owners shall approve the detailed implementation plan of the program or project for the first year and other successive years.

4. An annual implementation plan of the ODA program or project must be developed and approved in conformity with the annual planning schedule of the Line Agency.

The annual implementation plan of the program or project is the basis for allocation of resources for activities of the program or project and for developing quarterly plans to serve the execution, monitoring, checking, evaluating and rewarding with regards to the program or project management performance of the PMU.

5. The PMUs are responsible for preparation of disbursement plans in accordance with Appendix 7 attached to this Circular. The Project Owners shall submit the annual disbursement plans to their Line Agencies for collating and reporting in line with the guidance on making annual plans of the Ministry of Planning and Investment.

III. Compensation, site clearance and resettlement as specified in Article 29 of the Regulation shall be guided as follows:

Project Owners develop the compensation, site clearance and resettlement plans for their ODA programs or projects pursuant to the existing regulations on compensation, site clearance and resettlement plans.

Before approving the program or project documents if the donor's policies on compensation, site clearance and resettlement are different from existing Vietnamese regulations on compensation, site clearance and resettlement, the Line Agencies shall have to submit to the Prime Minister for consideration and making decision.

Where regulations on compensation, site clearance and resettlement as specified in the signed specific international agreements on ODA are different from existing Vietnamese regulations on compensation, site clearance and resettlement, the regulations in the signed specific international agreements on ODA shall take precedence.

The unified option of compensation, site clearance and resettlement must be informed to the relevant functional agencies and announced publicly to all the affected parties.

IV. Procurement as specified in Article 30 of the Regulation shall be guided as follows:

Procurement with regards to ODA programs and projects are pursuant to the existing regulations on procurement.

Before approving the program or project documents if the donor's regulations on procurement are different with Vietnamese existing regulations on procurement, the Line Agencies shall have to submit to the Prime Minister for consideration and making decision.

Where the regulations on procurement as specified in the signed specific international agreements on ODA are different from existing Vietnamese regulations on procurement, the regulations in the signed specific international agreements on ODA shall take precedence.

In this case the Project Owners should give instructions to their PMUs to work with the donor to synchronize the sequences, procedures, appraisal and approval deadline of the donor and the procedures of submission, appraisal and approval of contents of the procurement plan, as well as results of selection of bidders pursuant to existing Vietnamese regulations. This synchronized procurement procedure must be publicized to all the parties involved in procurement activities.

V. Adjustments, amendments and supplements contents of the programs and projects during their implementation as specified in Article 31 of the Regulation shall be guided as follows:

1. With regard to the changes in domestic financial mechanism or in on-lending conditions as stipulated in Point b, Item 1, Article 31, Project Owners shall report to their Line Agencies for obtaining the opinion from the Ministry of Planning and Investment and the Ministry of Finance before submitting to the Prime Minister for consideration and making decision.

2. With regard to budget savings due to the change in exchange rate, interest rate, unallocated provisional budget and other kinds of budget saving arising from process of implementation as stipulated in Point b, Item 2, Article 31, the Line Agencies shall reach agreement with the Ministry of Planning and Investment and the Ministry of Finance and the Donor for decision on the use of these budget savings within the framework of the programs or projects in accordance with the existing regulations.

3. Where the budget saving is used for implementation of new programs or projects as stipulated in Point a, Item 2, Article 31, based on the proposal of Line Agencies, the Ministry of Planning and Investment shall submit to the Prime Minister a proposal for using this budget saving. After obtaining permission for using the budget saving from the Prime Minister, the Line Agencies shall conduct appraisal and approval of the program or project documents and organize for implementation pursuant to the existing regulations.

Part VI

MONITORING AND EVALUATION OF ODA PROGRAMS AND PROJECTS

I. Monitoring ODA programs and projects as specified in Articles 33 and 35 of the Regulation shall be guided as follows:

1. Requirements and objectives of monitoring and evaluation of ODA programs and projects:

a) Ensure the regular updating (daily, weekly, monthly, yearly) of information about the performance and management of the programs and projects with accuracy and adequacy.

b) Ensure the timely identification of difficulties, problems and accidents that influence to progress, quality and cost of the programs and projects.

c) Ensure timely recommendations are made to take necessary measures to overcome the difficulties and accidents as well as to solve the problems so that the programs and projects are implemented consist with the planned goals and objectives, the time frame and the resources available.

2. Responsibilities and contents of monitoring ODA programs and projects

a) Project Management Unit (PMU)

The monitoring activities are regarded as a part of the daily management activities and are under the responsibility of PMUs.

Monitoring contents at the PMU level:

- Monitoring and updating information about the performance of the programs and projects that include:

- + Progress of implementation;
- + Quantity (volume of implemented workload);
- + Quality;

- + Cost;
- + Change;
- Monitoring and updating the status of management of programs and projects that include:
 - + Making overall and detailed plans for program or project management;
 - + Updating the status of implementation and adjusting the plans;
 - + Updating the status of quality control and effectiveness of the program or project management.
- Monitoring and updating the status of processing and responding to the program or project information that include:
 - + Status of ensuring information for reports;
 - + Status of processing information from reports
 - + Status and results of solving difficulties and problems.
- b) Project Owner:
 - Giving instructions, supervising and checking the adequacy, accuracy and updating of monitoring information about the program or project implemented by their PMUs;
 - Allocating resources as required to enable the monitoring activities of the PMUs;
 - Providing timely feedback and intervention to the problems arising in the process of program or project implementation within its authority;
 - Reporting and proposing solutions to overcome difficulties and to tackle problems or issues beyond its authority to their Line Agencies for making timely decision to solve problems arising in process of program or project implementation.
- c) Line Agency

With regard to programs and projects under its administrative authority, Line Agencies shall have the following responsibilities:

 - Checking the adequacy, accuracy and updating of the monitoring information about the program or project provided by the Project Owner;
 - Providing timely feedback and intervention to the problems within its authority;
 - Supervising and monitoring changes against the plan of the programs and projects in terms of implementation progress, status of disbursement, procurement, land clearance and resettlement, environment protection and social safeguard;
 - Reporting and proposing solutions to overcome difficulties and to tackle problems or issues beyond its authority to the relevant agencies for making timely decision to solve problems arising from program or project implementation;
 - Establishing and organizing the information system, regulations on monitoring and management of programs and projects in the scope of administration of the Line Agencies.

- Allocating resources as required (personnel, finance, basic physical and technical infrastructure, etc.) to monitoring activities at the Line Agencies. Supporting and strengthening the monitoring capacity of their Project Owners;

d) ODA State management agencies

The ODA State management agencies exercise their management functions as stipulated in Chapters VI and VII of the Regulation and are responsible for providing feedbacks based on the monitoring information to the Line Agencies and Donors.

II. Evaluation of ODA programs and projects as specified in Articles 34 and 35 shall be guided as follows:

1. Requirements and objectives of evaluation with regard to specific programs and projects:

a) Comparing the outcomes achieved at the evaluation point of time against the program or project implementation plan.

b) Identifying the difficulties and problems that have already happened or are possible to happen in process of program or project implementation.

c) Assessing the status of implementing the managerial principles and procedures of the program or project.

d) Initiating measures for accelerating programs and projects to move toward the planned objectives, in line with the regulations on the progress, scope, quantity, quality, and cost in conformity with the managerial principles and procedures.

e) If necessary, making recommendations for adjustment of certain contents in the program or project document and/or in the program or project implementation plan.

g) Drawing the experiences and lessons learnt for the next stages of the evaluated programs and projects and/or for other programs and projects.

2. Evaluation

In order to ensure the objectivity and transparency the evaluation should be conducted by independent individuals or a team of evaluators that have necessary professional capacity and experiences and are selected in accordance with the existing regulations. The Project Owners should cooperate with the donor to identify right from the stage of formulating the program or project documents the timing and budget for evaluation.

Depending on specific cases and upon the agreement with the donor, the stages of evaluation can include:

a) Initial evaluation:

Initial evaluations shall be conducted immediately after the implementation of the programs and projects.

The Project Owners can assign the PMUs or hire independent consultants to conduct initial evaluations.

Initial evaluations focus on the review of the actual situation of the programs and projects after their start-up in the following aspects:

- The status of preparation for implementation, organization and mobilization of resources of the PMUs to ensure the implementation of the programs and projects in line with their goals, objectives and plans;
- The emerging issues compared with the approved program or project document;
- The ways of solving the encountered problems and difficulties;
- The issues emerging due to changes in the legal and institutional framework, the requirements for the change in the schedule or in the contents of some items to suit to the characteristics of the climate and geography or by the subjective elements like the capacity and the organizational structure of the PMUs.

The results of the initial evaluations are used to review, update the overall implementation plan of the program or project and serve the purpose of making detailed plan for program or project implementation in the first year.

b) Mid-term evaluation

Mid-term evaluations shall be contracted out by PMUs to the independent individual or a team of evaluators to conduct in the middle of the program or project period or at the end of each phase with the programs and projects that have many phases.

The mid-term evaluations focus on:

- The coherence and consistency of the actual results of program or project implementation to the planned goals and objectives;
- The degree of achievement of the programs and projects up to the evaluation point of time compared to the approved implementation plans of the program or project;
- Recommendations, including the adjustment of design, the objectives of the programs and projects if necessary;
- The lessons learnt about formulation, implementation and management of the program or project.

Within 01 month from the date of receiving the mid-term evaluation reports by the consultants, the Project Owners must submit to their line agencies reports on feedback to the mid-term evaluation, which includes the analysis of findings, problems and recommendations made in the mid-term evaluation reports and articulates the measures for resolution of issues and problems, the necessary activities to satisfy the recommendations, lessons learnt in organizing the implementation of the programs and projects.

Mid-term evaluation reports and reports on feedbacks with regard to the programs and projects under the approval authority of the Prime Minister and of Group A category must be sent to the Ministry of Planning and Investment and the Ministry of Finance to serve the purpose of supervision, monitoring and evaluation.

c) Terminal evaluation

Terminal evaluations are contracted out by PMUs to independent individuals or a team of evaluators to conduct after the termination of implementation and must be completed within 06 months from the completion date as specified in the program or project documents. Terminal evaluations focus on the following aspects:

- Program or project design;
- Process of implementing the program or project;
- Program or project management performance;
- The achievements of the program or project goals and objectives;
- The resources mobilized to the program or project;
- The benefits that the program or project brings to the beneficiaries and the stakeholders;
- Possible impacts of the program or project;
- Sustainability of the program or project and the elements to ensure the sustainability of the program or project;
- The lessons learnt after the completion of the program or project;
- Recommendations.

Terminal evaluation reports prepared by independent consultants enclosed with the comments of the Project Owners must be submitted to their line agencies and sent to the donor.

Terminal evaluation reports prepared by independent consultants are the basis for the PMUs and the Project Owners to prepare the completion reports of the programs and projects.

Terminal evaluation reports prepared by independent consultants with regards to the programs and projects under the approval authority of the Prime Minister and of Group A category must be sent to the Ministry of Planning and Investment and the Ministry of Finance to serve the purpose of supervision, monitoring and evaluation.

d) Impact evaluation (post evaluation)

The Ministry of Planning and Investment takes the leading role in coordination with the Line Agencies and the donors to develop annual plans for impact evaluations of ODA programs and projects.

The Line Agencies are responsible for impact evaluations by contracting out independent evaluators or evaluation organizations to conduct them. With regard to nationally important programs and projects, impact evaluations are conducted by independent consulting agencies selected or approved by the Prime Minister or selected by the Ministry of Planning and Investment under the authorization of the Prime Minister.

Impact evaluations are conducted within 03 years from the date of exploitation and utilization of the programs and projects with a focus on the following issues:

- Actual status of economic and technical operation of the program or project;
- The social, economic and political impacts of the program or project;
- Environment impacts of the program or project;
- Sustainability of the program or project;
- Lessons learnt in terms of success and failure in the stages of design, implementation and operation of the program or project.

The impact evaluation reports with regard to the programs and projects under the approval authority of the Prime Minister and of Group A category must be sent to the Ministry of Planning and Investment and the Ministry of Finance to serve the purpose of management of portfolio investment and of formulation of investment strategies and policies.

e) Ad-hoc evaluation

Ad-hoc evaluations are conducted where there are unpredictable difficulties, problems and impacts in process of program or project implementation.

Ad-hoc evaluations focus on the following aspects:

- Identifying the actual situation and the nature of unpredicted and arising issues;
- Impacts and level of impacts caused by the arising issues to the implementation of program or project or to the achievement of the planned goals and objectives;
- Recommendations for intervention measures, agencies that are responsible for implementation and deadline for accomplishment.

Line Agencies take the leading role in coordination with the relevant agencies and the donor to organize ad-hoc evaluation missions.

Ad-hoc evaluation reports are the basis for Line Agencies to intervene timely and to provide necessary supporting measures to prevent the programs and projects from failure.

Where the intervention measures are beyond the authority of the Line Agencies, the Line Agencies send the correspondence enclosed with ad-hoc evaluation reports to the relevant State management agencies or to the Prime Minister for consideration and making decision.

III. Reporting on implementation of programs and projects as specified in Article 36 shall be guided as follows:

1. The reporting system on implementation of ODA programs and projects consists of 3 levels:

a) Project Owner Level (hereinafter called Program and Project Level): The Project Owner shall prepare the report on implementation of ODA programs and projects and send to its Line Agency, the Ministry of Planning and Investment, the Ministry of Finance, relevant line ministries, the Provincial People's Committees of the localities where the program or project is implemented and the Donor.

b) Line Agency Level: Line Agencies shall prepare consolidated reports on ODA mobilization results and portfolio assessment of the implementation status of the programs and projects under its administration authority to the Ministry of Planning and Investment and the Ministry of Finance.

c) ODA Management Agency Level: The Ministry of Planning and Investment and the Ministry of Finance shall prepare comprehensive reports on national ODA attraction and utilization, status of disbursement of ODA programs and projects to submit to the Prime Minister in accordance with the existing regulations and inform to the relevant agencies.

2. Reporting mechanism and formats: Pursuant to the regulation and specific guidance as specified in the Decision No. 803/2007/QĐ-BKH issued by the Minister of Planning and Investment on 30 July, 2007 on issuance of reporting mechanism on the implementation of ODA programs and projects.

a) Project Owners shall be subject to monthly reporting (with regard to investment programs and projects under the approval authority of the Prime Minister and the programs and projects equivalent to Group A), quarterly and yearly reporting and reporting on the completion of their programs and projects.

b) Line Agencies shall be subject to quarterly reporting.

c) The Ministry of Planning and Investment and the Ministry of Finance shall be subject to 6 monthly and yearly reporting.

3. Reward Treatment:

The Ministry of Planning and Investment shall apply the appropriate reward and incentive mechanism to all the units, agencies that implement effectively the reporting mechanism as specified in the Decision No. 803/2007/QĐ-BKH issued by the Minister of Planning and Investment on 30 July, 2007 on issuance of reporting mechanism on the implementation of ODA programs and projects.

4. Violation Treatment:

With regard to violation of reporting mechanism, the Ministry of Planning and Investment shall apply the following violation treatments:

a) Irregular violation of reporting mechanism: The Ministry of Planning and Investment shall send its written request to the agencies that violate the reporting mechanism, asking them to justify the reasons for violation and provide their commitment on implementing measures to overcome this situation.

b) Violation of reporting mechanism in systematic manner: The Ministry of Planning and Investment shall publish the list of the agencies that violate the reporting mechanism in systematic manner on the Website of the Ministry of Planning and Investment and at the same time shall apply the violation treatments when collating the ODA Requesting List proposed by these agencies to submit to the Prime Minister.

c) Violation of reporting mechanism in systematic manner for a long period: The Ministry of Planning and Investment shall report to the Prime Minister these cases and propose the violation treatments including to request the Prime Minister not to approve the programs and projects proposed for ODA funding by these agencies until there is improvement in the situation of compliance to the reporting mechanism.

Line Agencies shall issue the regulations on the reward and violation treatment to ensure the compliance of reporting mechanism of the Project Owners and PMUs under their administration authority.

Part VII

ORGANIZATION FOR IMPLEMENTATION

I. This Circular shall supersede Circular No. 06 /2001/TT-BKH issued on 20 September, 2006 by the Ministry of Planning and Investment guiding the implementation of Decree No. 17/2001/NĐ-CP issued on 04 May 2001 by the Government.

II. With regard to the on-going programs and projects:

1. Programs and projects that were previously under the approval authority of the Prime Minister as stipulated in the Decree No. 17/2001/NĐ-CP are now under the approval authority of the Head of the Line Agency in accordance with Decree No. 131/2006/NĐ-CP, the issues that relate to the authority of agencies that make decision on approval of the programs and projects shall be implemented pursuant to Decree No. 131/2006/NĐ-CP.

2. Line Agencies shall review program or project implementation plans to supplement the contents of monitoring and evaluation and ensure allocation of adequate resources for these activities.

III. This Circular shall come into effect 15 days from the date of its announcement on Official Gazette. During its implementation, if encountering any issues or problems, the line ministries, localities and relevant agencies are required to feedback timely to the Ministry of Planning and Investment for further amendment and improvement of this Circular.

Receivers:

- The Central Party office;
- National Assembly's office;
- President's office;
- The Office of Government;
- Ministries, ministerial agencies, Government agencies;
- Peoples Council, Peoples Committee of provinces and cities directly under the Centre;
- People's Supreme Procuracy;
- Peoples Supreme Court;
- Central agencies of mass organizations;
- Department of Inspecting Legal Documents (Ministry of Justice);
- Official Gazette;

Filing at: Archive of Administration Office, Foreign
Economic Relations Dept. C220

MINISTER



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Vo Hong Phuc

APPENDIX 1

METHODS OF CALCULATING GRANT ELEMENT OF ODA LOAN

Grant elements are percentage of notional value of loan reflecting concessional level of ODA loan. When negotiating the ODA loan program or project, we should calculate concessional options of the optimal loan (the highest concessional level) based on groups of the following inputs:

- (i) Interest rate
- (ii) Grace period
- (iii) Maturity for debt payment

Calculating Formula:

$$GE = 100\% \cdot \left(1 - \frac{r/a}{d} \right) \cdot \left(1 - \frac{1 - d^{-aG}}{d - aM} \right) \cdot \left(1 - \frac{1 - d^{-aM}}{aG} \right)$$

Of which:

GE : Non-refundable component (assistance component) (%)

r : Annual interest rate

a : Times of repayment made annually (in line with the terms and conditions set by the lending side)

d : Discount rate of each period: $d = (1 + d')^{1/a} - 1$

d' : Discount rate of the year (as announced by OECD or as agreed by the lending side)

G : Grace period (years)

M : Repayment period (years)

Paying debts according to the principle of equal installment.

In order to conveniently define grant element, based on the above mentioned formula, grant element of loans with conditions of: a is times of paying debts on half of year basis and discount rate of the year $d' = 10\%$ as calculated in the following table attached with this Appendix.

Table of Grant Element (paying debts on semi-annual basis)

Repayment time (year)	10			13			15			17		20		23		25			28		30	35	40	50
	Grace period (year)																							
	Interest rate (%)																							
0	45.03	47.86	50.51	51.38	53.98	56.42	55.04	57.51	59.82	58.3	62.84	66.78	70.43	70.12	73.51	72.06	75.3	79.37	77.66	81.44	82.65	85.18	87.16	89.98
0.25	43.87	46.63	49.22	50.06	52.6	54.97	53.63	56.04	58.28	56.81	61.23	65.07	68.63	68.32	71.63	70.22	73.37	77.34	75.67	79.36	80.54	83	84.92	87.68
0.5	42.72	45.41	47.92	48.75	51.22	53.53	52.22	54.56	56.75	55.32	59.62	63.36	66.83	66.53	69.75	68.37	71.45	75.3	73.68	77.27	78.42	80.82	82.69	85.37
0.75	41.57	44.18	46.63	47.43	49.84	52.08	50.81	53.09	55.22	53.82	58.01	61.65	65.02	64.73	67.87	66.53	69.52	73.27	71.69	75.19	76.3	78.46	80.46	83.07
1	40.41	42.96	45.34	46.11	48.45	50.64	49.94	51.62	53.69	52.33	56.4	59.94	63.22	62.93	65.98	64.68	67.59	71.24	69.7	73.1	74.18	76.45	78.23	80.76
1.25	39.26	41.73	44.04	44.8	47.07	49.19	47.99	50.14	52.16	50.84	54.79	58.23	61.41	61.14	64.10	62.84	65.66	69.21	67.71	71.01	72.04	74.27	75.99	78.46
1.5	38.11	40.5	42.75	43.48	45.69	47.75	46.58	48.67	50.62	49.34	53.18	56.52	59.61	59.34	62.22	60.99	63.73	67.17	65.72	68.93	69.95	72.09	73.76	76.16
1.75	36.95	39.28	41.45	42.17	44.31	46.3	45.17	47.2	49.09	47.85	51.57	54.87	57.81	57.55	60.33	59.14	61.8	65.14	63.73	66.84	67.83	69.91	71.53	73.85
2	35.8	38.05	40.16	40.85	42.92	44.86	43.76	45.72	47.56	46.36	49.96	53.1	56	55.75	58.45	57.3	59.87	63.11	61.74	64.76	65.72	67.73	69.3	71.55
2.25	34.65	36.83	38.87	39.53	41.54	43.1	42.35	44.25	46.03	44.86	48.35	51.39	54.2	53.96	56.57	55.45	57.95	61.08	59.76	62.67	63.6	65.55	67.07	69.24
2.5	33.49	35.6	37.57	38.22	40.16	41.97	40.94	42.78	44.5	43.37	46.74	49.68	52.39	52.16	54.69	53.61	56.02	59.04	57.77	60.58	61.48	63.63	64.83	66.94
2.75	32.34	34.38	36.28	36.9	38.78	40.52	39.53	41.31	42.96	41.88	45.14	47.97	50.59	50.36	52.80	51.76	54.09	57.01	55.78	58.5	59.37	61.18	62.6	64.63
3	31.19	33.15	34.99	35.59	37.39	39.08	18.12	39.83	41.43	40.38	43.53	46.25	48.79	48.57	50.92	49.92	52.16	54.98	53.79	56.41	57.25	59	60.37	62.33
3.25	30.03	31.92	33.69	34.27	36.01	37.63	36.71	38.36	39.9	38.89	41.92	44.54	46.98	46.77	49.04	48.07	50.23	52.94	51.8	54.33	55.13	56.82	58.14	60.02
3.5	28.88	30.7	32.4	32.95	34.63	36.19	35.3	36.89	38.37	37.4	40.31	42.83	45.18	44.98	47.15	46.22	48.3	50.91	49.81	52.24	53.02	54.64	55.91	57.72
3.75	27.73	29.47	31.4	31.44	33.24	34.74	33.89	35.41	36.84	35.9	38.7	41.42	43.37	43.18	45.27	44.38	46.37	48.88	47.52	50.16	50.9	52.46	53.67	55.41
4	26.57	28.25	29.81	30.32	31.86	33.3	32.48	33.94	35.3	34.41	37.09	39.41	41.57	41.38	43.39	42.53	44.45	46.85	45.83	48.07	48.78	50.27	51.44	53.11
4.25	25.42	27.03	28.52	29.01	30.48	31.85	31.07	32.47	33.77	32.92	35.48	37.7	39.77	39.59	41.51	40.69	42.52	44.81	43.84	45.98	46.67	48.09	49.21	50.8
4.5	24.27	25.79	27.22	27.69	29.1	30.41	29.66	31	32.24	31.42	33.87	35.99	37.96	37.79	39.62	38.84	40.59	42.78	41.86	43.9	44.55	45.91	46.98	48.5
4.75	23.11	24.57	25.93	26.38	27.71	28.96	28.25	29.52	30.71	29.93	32.26	34.28	36.16	36	37.74	37	38.66	40.75	39.87	41.81	42.43	43.73	44.74	46.2
5	21.96	23.34	24.64	25.06	26.33	27.52	26.84	28.05	29.18	28.44	30.65	32.57	34.36	34.2	35.86	35.15	36.73	38.71	37.88	39.73	40.32	41.55	42.51	43.89
5.25	20.81	22.12	23.34	23.74	24.95	26.07	25.43	26.58	27.64	26.94	29.04	30.86	32.55	32.41	33.97	33.3	34.8	36.68	35.89	37.64	38.2	39.37	40.28	41.59
5.5	19.65	20.89	22.05	22.43	23.57	24.63	24.02	25.1	26.11	25.45	27.43	29.15	30.75	30.61	32.09	31.46	32.87	34.65	33.9	35.55	36.08	37.18	38.05	39.28
5.75	18.5	19.67	20.75	21.11	22.18	23.18	22.62	23.63	24.58	23.96	25.82	27.44	28.94	28.81	30.21	29.61	30.94	32.62	31.91	33.47	33.96	35	35.82	36.98
6	17.85	18.44	19.46	19.8	20.98	21.74	21.21	22.16	23.05	22.46	24.21	25.73	27.14	27.02	28.33	27.77	29.02	30.58	29.92	31.38	31.85	32.82	33.58	34.67
6.25	16.79	17.21	18.17	18.48	19.42	20.29	19.8	20.69	21.52	20.97	22.6	24.02	25.34	25.22	26.44	25.92	27.09	28.55	27.93	29.3	29.73	30.64	31.35	32.37
6.5	15.04	15.99	16.87	17.16	18.03	18.85	18.39	19.21	19.98	19.48	20.99	22.31	23.53	23.43	24.56	24.08	25.16	26.52	25.94	27.21	27.61	28.46	29.12	30.06
6.75	13.89	14.75	15.57	15.85	16.65	17.4	16.98	17.74	18.45	17.8	19.38	20.6	21.73	21.63	22.68	22.23	23.23	24.48	23.96	25.12	25.5	26.28	26.89	27.76
7	12.74	13.54	14.29	14.53	15.27	15.96	15.57	16.27	16.92	16.49	17.77	18.89	19.92	19.83	20.79	20.38	21.3	22.45	21.97	23.03	23.38	24.1	24.65	25.45
7.25	11.58	12.31	12.99	13.22	13.89	14.51	14.16	14.79	15.39	15	16.17	17.18	18.12	18.04	18.91	18.54	19.37	20.42	19.98	20.95	21.26	21.91	22.42	23.15
7.5	10.43	11.09	11.7	11.9	12.5	13.07	12.75	13.32	13.86	13.5	14.56	15.47	16.32	16.24	17.03	16.69	17.44	18.39	17.99	18.87	19.15	19.73	20.19	20.84

APPENDIX 2a
DETAILED OUTLINE
OF ODA TECHNICAL ASSISTANCE PROJECT
(Name of Project)

(Name of Line Agency)

(Project Proposing Agency)

BASIC INFORMATION ABOUT THE PROJECT

1. Name of Project:

2. Sector Code of Project¹:

3. Name of Donor:

4. Line Agency:

a) Contact Address:.....

b) Tel./Fax.:.....

5. Project Proposing Agency:

a) Contact Address:.....

b) Tel./Fax.:.....

6. Expected Project Owner:

a) Contact Address:.....

b) Tel./Fax.:.....

7. Project Duration²:

8. Project Location:

9. Total Project Budget:USD

Of which:

- Expected ODA Funds:..... in donor currency, equivalent to.....USD
(According to convertible exchange rate announced by State Bank of Vietnam at the time of formulating the Detailed Outline of the project)

- Expected Counterpart Funds:.....VND, equivalent to..... USD

10. Type of ODA:

a) ODA grant

b) ODA concessional loan

c) ODA mixed loan

¹ The national economic sector code of the project is classified in accordance with the List of Economic Sectors in Vietnamese System 2007 (issued by the Decision No. 10/2007/QĐ-TTg on 23 January, 2007 of the Prime Minister)

² Defining the number of months or years required for implementation of the project from the date that the project takes effect.

DETAILED OUTLINE OF ODA TECHNICAL ASSISTANCE PROJECT

I. Background and Necessity of the Project

1. Brief description on the master plan, development plan of the beneficiaries (agency, sector, field) in relation to the contents of the Project and the necessity, the role and the position of the project in these master plan and development plan.
2. Brief introduction about other completed and on-going programs and projects funded by different sources with the aim to support the project proposing agency in solving its relevant issues.
3. Brief introduction about the issues that need to be solved in the scope of the proposed Project.
4. Defining clearly the direct beneficiaries of the proposed Project.

II. Basis for Proposing the Donor

1. The consistency between the goals and objectives of the Project with the policies and priorities of the Donor.
2. Analysis of reasons to select and advantages of donors in terms of technology, management experiences, policy advice in the fields financed.
3. Conditions in the policies or regulations of the Donor (if any) and the possibility of satisfying these conditions from Vietnamese side.

III. Goals and Objectives of the Project

1. Long term goals and objectives
2. Short term goals and objectives

IV. Major Outcomes of the Project

Expected outcomes of the Project (by component if any)

V. Key Components and Activities, Tentative Allocation of the Resources in the Project

Brief description about the key components and activities by respective outcomes of the Project (in which respective outcomes by each component should be stated) and the expected corresponding resources.

VI. Recommendations for Domestic Financial Mechanism of the Project

1. With regard to ODA funds:

ODA Funds:.....in donor's currency, equivalent to.....USD,

Of which:

- State budget for recurrent expenditures..... % of the total ODA Fund
- On-lending.....% of the total ODA Fund

2. With regard to counterpart Fund:

Counterpart Fund:..... VND,

Of which: - In kind: Equivalent to..... VND

In cash:... VND

Counterpart Funds are expected to be mobilized in one or a number of the following modalities:

- Granted from the Central State Budget:.....VND (...%) of total Counterpart Fund.
- Other sources (specifying clearly):.....VND (...%) of total Counterpart Fund.

VII. Organization for Management and Implementation of the Project

1. Method of organizing the management and implementation of the Project.
2. Brief introduction about the working mechanism and relationship among the concerned parties: Line Agency, Project Owner, PMU, Contractors, Donor and other parties involved in the management and implementation of the Project.
3. Capacity of organizing the management and implementation of the agency expected to be the Project Owner.

VIII. Preliminary Analysis of the Feasibility of the Project

IX. Preliminary Analysis of the Efficiency of the Project

1. Assessment of direct efficiency for Implementing Units.
2. Assessment of economic efficiency for sector, field and locality.
3. Assessment of economic, environmental and social impacts to the sector, field and locality.
4. Assessment of sustainability of the Project after completion.

..... Day... Month... Year.....

Head of the Project Proposing Agency

(Signed and sealed)

APPENDIX 2b
DETAILED OUTLINE OF ODA INVESTMENT PROJECT
(Name of Project)

(Name of Line Agency)

(Project Proposing Agency)

BASIC INFORMATION ABOUT THE PROJECT

1. Name of Project:

2. Sector Code of Project¹:

3. Name of Donor:

4. Line Agency:

a) Contact Address:.....

b) Tel./Fax.:.....

5. Project Proposing Agency:

a) Contact Address:.....

b) Tel./Fax.:.....

6. Expected Project Owner:

a) Contact Address:.....

b) Tel./Fax.:.....

7. Project Duration²:

8. Project Location:

9. Total Project Budget:USD

Of which:

- Expected ODA Funds:..... in donor currency, equivalent to.....USD
(According to convertible exchange rate announced by State Bank of Vietnam at the time of formulating the Detailed Outline of the project)

- Expected Counterpart Funds:.....VND, equivalent to..... USD

10. Type of ODA:

a) ODA grant

b) ODA concessional loan

c) ODA mix (grant and loan)

¹ The national economic sector code of the project is classified in accordance with the List of Economic Sectors in Vietnamese System 2007 (issued by the Decision No. 10/2007/QĐ-TTg on 23 January, 2007 of the Prime Minister)

² Defining the number of months or years required for implementation of the project from the date that the project takes effect.

DETAILED OUTLINE OF ODA INVESTMENT PROJECT

I. Background and Necessity of the Project

1. Brief description on the master plan, development plan of the beneficiaries (agency, sector, field) in relation to the contents of the Project and the necessity, the role and the position of the project in these master plan and development plan.
2. Brief introduction about other completed and on-going programs and projects funded by different sources with the aim to support the project proposing agency in solving its relevant issues.
3. Brief introduction about the issues that need to be solved in the scope of the proposed Project.
4. Defining clearly the direct beneficiaries of the proposed Project.

II. Basis for Proposing the Donor

1. The consistency between the goals and objectives of the Project with the policies and priorities of the Donor.
2. Analysis of reasons to select and advantages of donors in terms of technology, management experiences, policy advice in the fields financed.
3. Conditions in the policies or regulations of the Donor (if any) and the possibility of satisfying these conditions from Vietnamese side.

III. Goals and Objectives of the Project

1. Long term goals and objectives
2. Short term goals and objectives

IV. Major Outcomes of the Project

Expected outcomes of the Project (by component if any)

V. Key Components and Activities, Tentative Allocation of the Resources in the Project

Brief description about the key components, items and activities by respective outcomes of the Project (in which respective outcomes by each component, item should be stated) and the expected corresponding resources.

VI. Recommendations for Domestic Financial Mechanism of the Project

1. With regard to ODA funds:

ODA Funds:.....in donor's currency, equivalent to.....USD,

Of which:

- State budget for capital construction..... % of the total ODA Fund.
- State budget for recurrent expenditures..... % of the total ODA Fund.
- On-lending.....% of the total ODA Fund.

APPENDIX 2c
DETAILED OUTLINE OF ODA PROGRAM¹
(Name of Program)

(Name of Line Agency)

(Project Proposing Agency)

BASIC INFORMATION ABOUT THE PROGRAM

1. Name of Program:

2. Sector Code of Program²:

3. Name of Donor:

4. Line Agency:

a) Contact Address:.....

b) Tel./Fax.:.....

5. Program Proposing Agency:

a) Contact Address:.....

b) Tel./Fax.:.....

6. Expected Program Owner:

a) Contact Address:.....

b) Tel./Fax.:.....

7. Project Duration³:

8. Project Location:

9. Total Project Budget:USD

Of which:

- Expected ODA Funds:..... in donor currency, equivalent to.....USD
(According to convertible exchange rate announced by State Bank of Vietnam at the time of formulating the Detailed Outline of the project)

- Expected Counterpart Fund:.....VND, equivalent to..... USD

10. Type of ODA:

a) ODA grant

b) ODA concessional loan

c) ODA mixed and loan

¹ Applied to the programs and projects that have many components, coverage of many sectors or fields with only one Line Agency.

² The national economic sector code of the project is classified in accordance with the List of Economic Sectors in Vietnamese System 2007 (issued by the Decision No. 10/2007/QĐ-TTg on 23 January, 2007 of the Prime Minister)

³ Defining the number of months or years required for implementation of the project from the date that the project takes effect.

DETAILED OUTLINE OF ODA PROGRAM

I. Background and Necessity of the Project

1. Brief description on the master plan, development plan of the beneficiaries (agency, sector, field) in relation to the contents of the Program and the necessity, the role and the position of the program in these master plan and development plan.
2. Brief introduction about other completed and on-going programs and projects funded by different sources with the aim to support the program proposing agency in solving its relevant issues.
3. Brief introduction about the issues that need to be solved in the scope of the proposed Program.
4. Defining clearly the direct beneficiaries of the proposed Program.

II. Basis for Proposing the Donor

1. The consistency between the goals and objectives of the Program with the policies and priorities of the Donor.
2. Analysis of reasons to select and advantages of donors in terms of technology, management experiences, policy advice in the fields financed.
3. Conditions in the policies or regulations of the Donor (if any) and the possibility of satisfying these conditions from Vietnamese side.

III. Goals and Objectives of the Program

1. Overall goals
2. Objectives of Components or Sub-projects

IV. Major Outcomes of the Project

Expected outcomes of the program

V. Key Components or Sub-projects, Major Contents of the Program and Tentative Allocation of the Resources in the Project

Brief description about the contents and interrelationships among the sub-projects (if any) or the contents of key components and activities by respective outcomes of the Program and expected corresponding resources.

VI. Recommendations for Domestic Financial Mechanism of the Project

1. With regard to ODA funds:
ODA Funds:.....in donor's currency, equivalent to.....USD,
Of which:
 - State budget for capital construction..... % of the total ODA Fund.
 - State budget for recurrent expenditures..... % of the total ODA Fund.
 - On-lending..... % of the total ODA Fund.

APPENDIX 2d
DETAILED OUTLINE OF SUPPORTING ODA
WITH PROGRAM-BASED OR SECTOR WIDE APPROACH
(Name of Program, Sector or Field)¹

(Name of Line Agency of Program, Sector or Field)

(Name of Agency in-charge of Program, Sector or Field)

BASIC INFORMATION ABOUT THE METHOD OF SUPPORT

- 1. Name of Program, Sector or Field:**
- 2. Sector Code of Program, Sector or Field²:**
- 3. Name of Donor:**
- 4. Line Agency of Program, Sector or Field:**
 - a) Contact Address:.....
 - b) Tel./Fax.:.....
- 5. Agency in-charge of Program, Sector or Field:**
 - a) Contact Address:.....
 - b) Tel./Fax.:.....
- 6. Expected Duration to Support the Implementation of Program, Sector or Field³:**
- 7. Location of Implementation:**
- 8. Total Budget to Support the Implementation of Program, Sector or Field:**
.....USD
Of which:
 - Expected ODA Funds:..... in donor currency, equivalent to.....USD
(According to convertible exchange rate announced by State Bank of Vietnam at the time of formulating the Detailed Outline of the project)
 - Expected Counterpart Funds:..... VND, equivalent to..... USD
- 9. Type of ODA:**
 - a) ODA grant
 - b) ODA concessional loan
 - c) ODA mix (grant and loan)

¹ Name of on-going program or sector or field to be supported by ODA

² The national economic sector code of the project is classified in accordance with the List of Economic Sectors in Vietnamese System 2007 (issued by the Decision No. 10/2007/QĐ-TTg on 23 January, 2007 of the Prime Minister)

³ Defining the number of months or years required for implementation of the project from the date that the project takes effect.

DETAILED OUTLINE OF SUPPORTING FROM ODA WITH PROGRAM-BASED OR SECTOR WIDE APPROACH

I. General Information about the Program, Sector or Field

1. Goals, tasks, scope of activities of the program, sector or field under the strategic framework, master plan, plan approved by Vietnamese competent agency.
2. Specific objectives and tasks set out in the program, sector or field in a given period.
3. Structure, organization of the program, sector or field .
4. Management system of the program, sector or field and the capacity of program, sector or field management team.
5. Budget of the program, sector or field: Demand, revenues and expenditures; mechanism of management and implementation of budget.

II. The Necessity of Supporting from ODA

1. General introduction about the contents of the program, sector or field that have demand for supporting from ODA. This demand should be clearly stated.
2. The linkages between the contents that have demand for supporting from ODA and the contents of the program, sector or field approved by Vietnamese competent agency to ensure the completeness and synchronization in development of program, sector or field to maximize the efficiency.
3. The mechanism of integrating ODA with the domestic budget for implementing the program, sector or field.
4. The need for strengthening the institutional framework and capacity of management of the program, sector or field.

III. Basis for Proposing the Donor

1. The consistency between the proposal for supporting from ODA and the policies and priorities of the Donor.
2. Analysis of reasons to select and advantages of donors in terms of technology, management experiences, policy advice in the fields financed.
3. Conditions in the policies or regulations of the Donor (if any) and the possibility of satisfying these conditions from Vietnamese side.

IV. Goals and Objectives of the Support from ODA to the Program, Sector or Field

1. Long term goals and objectives
2. Short term goals and objectives

IV. Major Outcomes of the Support from ODA to the Program, Sector or Field

The value added outcomes created by the support from ODA to the program, sector or field.

V. Contents of the Support from ODA to the Program, Sector or Field and Tentative Allocation of the Resources to implement

Brief description about the key components and activities and their corresponding outcomes; tentative allocation of corresponding resources to implement them.

APPENDIX 2e

DETAILED OUTLINE OF ODA UMBRELLA PROGRAM/PROJECT

(Name of Umbrella Program/Project)

(Name of Line Agency proposing umbrella program or project)

(Name of Agency proposing umbrella program or project)

BASIC INFORMATION ABOUT THE UMBRELLA PROGRAM/PROJECT

1. **Name of Umbrella Program/Project:**
2. **Sector Code of Umbrella Program/Project¹:**
3. **Name of Donor:**
4. **Line Agency that proposes Umbrella Program/Project:**
 - a) Contact Address:.....
 - b) Tel./Fax.:.....
5. **Name of the Line Agencies expected to be the Stakeholders of Umbrella Program/Project:**
 - a) Contact Address:.....
 - b) Tel./Fax.:.....
6. **Expected Owner of Umbrella Program/Project:**
 - a) Contact Address:.....
 - b) Tel./Fax.:.....
7. **Umbrella Program/Project Duration²:**
8. **Location of Umbrella Program/Project:**
9. **Budget for Umbrella Program/Project:**
 - a) Total budget for umbrella program/project:USD
Of which:
 - Expected ODA Funds:..... in donor currency, equivalent to.....USD
 (According to convertible exchange rate announced by State Bank of Vietnam at the time of formulating the Detailed Outline of the umbrella program/project)
 - Expected Counterpart Funds:.....VND, equivalent to..... USD
 - b) Budget for respective sub-projects:
10. **Type of ODA:**
 - a) ODA grant
 - b) ODA concessional loan
 - c) ODA mix (grant and loan)

¹ The national economic sector code of the project is classified in accordance with the List of Economic Sectors in Vietnamese System 2007 (issued by the Decision No. 10/2007/QĐ-TTg on 23 January, 2007 of the Prime Minister)

² Defining the number of months or years required for implementation of the project from the date that the project takes effect.

DETAILED OUTLINE OF ODA UMBRELLA PROGRAM/PROJECT

I. Background and Necessity of the Umbrella Program/Project

1. Brief description on the master plan, long-term development plan of the beneficiaries (agency, sector, field, locality) in relation to the contents of the Umbrella Program/ Project and the necessity, the role and the position of the umbrella program/project in these master plan and long-term development plan.
2. Brief introduction about other completed and on-going programs and projects funded by different sources with the aim to support the Line Agency proposing Umbrella Program/ Project in solving its relevant issues.
3. Brief introduction about the issues that need to be solved in the scope of the proposed Umbrella Program/ Project.
4. Defining clearly the direct beneficiaries of the proposed Umbrella Program/ Project.

II. Basis for Proposing the Donor

1. The consistency between the goals and objectives of the umbrella program/project with the policies and priorities of the Donor.
2. Analysis of reasons to select and advantages of donors in terms of technology, management experiences, policy advice in the fields financed.
3. Conditions in the policies or regulations of the Donor (if any) and the possibility of satisfying these conditions from Vietnamese side.

III. Goals and Objectives of the Umbrella Program or Project

1. Overall goals
2. Objectives of Sub-projects

IV. Major Outcomes of the Umbrella Program or Project

Expected ultimate outcomes of the Umbrella Program/ Project.

IV. Key Components and Contents of the Umbrella Program/Project and Tentative Allocation of the Resources in the Umbrella Program or Project

Brief description about the contents and interrelationships among the sub-projects or the contents of key activities by respective outcomes of the umbrella program/project and expected corresponding resources.

V. Recommendations for Domestic Financial Mechanism of the Umbrella Program/Project

1. With regard to ODA funds:
ODA Funds:.....in donor's currency, equivalent to.....USD,
Of which:
 - State budget for capital construction..... % of the total ODA Fund.
 - State budget for recurrent expenditures..... % of the total ODA Fund.
 - On-lending.....% of the total ODA Fund.

2. Counterpart Funds

Counterpart Funds:..... VND,

Of which: - In kind: Equivalent to..... VND - In cash:..... VND

Counterpart Funds are expected to be mobilized in one or a number of the following modalities:

- Granted from the Central State Budget:.....VND (...%) of total Counterpart Fund.
- Other sources (specifying clearly):.....VND (...%) of total Counterpart Fund.

VI. Organization for Management and Implementation of the Umbrella Program/Project

1. Organizational structure for implementation of the Umbrella Program/ Project and its sub-projects under the framework of the umbrella program or project.
2. The method of management of resources of the Umbrella Program/Project; Sub-Projects (components, activities) under the framework of the Umbrella Program/ Project.
3. Capacity of organizing the management and implementation of the agencies expected to be the Project Owner of the Umbrella Program/ Project and the Project Owners of sub-projects or components, including financial capacity.

VII. Proposed Alternative on Construction and Technology in Implementation of Umbrella Program/Project (applied to umbrella investment programs and projects only)**VIII. Preliminary Analysis of the Feasibility of the Umbrella Program/Project (in economic, financial, technology aspects and in capacity of organizing for implementation)****IX. Preliminary Analysis of the Efficiency of the Umbrella Program/Project**

1. Assessment of direct efficiency for Implementing Units.
2. Assessment of economic, environmental and social impacts to the sector, field and locality.
3. Assessment of sustainability of the Umbrella Program/ Project after its completion.

..... Day... Month... Year.....

Head of the Umbrella Program/Project Proposing Agency
(signed and sealed)

APPENDIX 3

PRIORITY-SETTING CRITERIA SYSTEM FOR ODA UTILIZATION FOR COLLATING THE ODA REQUESTING LIST

1. Purpose

The Ministry of Planning and Investment shall use the priority-setting criteria system as the tool to support the selection of one or a number of provinces among those provinces that have the demand on ODA for a specific sector or field while the ODA funding from the Donor to this sector or field is limited.

2. The Criteria System and Scoring Method

a. The Criteria System

This criteria system consists of two groups of criteria (Socio-economic Development and Specialized Criteria).

- Group of Socio-economic Development Criteria: Used for reviewing the individual provinces. This group of criteria reflects the actual situation of provincial socio-economic development.
 - + GDP per capita
 - + Budget revenues and expenditures
 - + ODA allocation per capita
 - + Poverty reduction and social development targets (Millennium Development Goals - MDGs) including:
 - Reduce the proportion of poor households.
 - Universalize and improve educational quality.
 - Implement gender equality, improve the position of women and ensure the rights of female children.
 - Reduce the birth rate, death rate and children malnutrition rate.
 - Mothers' reproductive health.
 - Prevent HIV/AIDS, malaria and other diseases.
 - Ensure environmental sustainability.
 - Ensure vital infrastructure works for the poor people, poor communities and communes.
 - Generate jobs.
 - Develop information, culture; improve people's spiritual life; preserve the cultures of ethnic minorities.
 - Reduce vulnerability and develop social welfare networks to support the disadvantaged and the poor.
 - Promote administrative reforms; provide the poor with legal knowledge.
- Group of Specialized Criteria:
 - + Use the current criteria of specific sector or field in conformity with the contents of respective programs or projects that request for ODA funding (For example: Healthcare, education, rural transport, water supply and sewage, etc.).
 - + The data used for comparison or cross-checking is based on the official data published in:

- Annual Statistical Reports of the General Statistics Office.
- Annual Statistical Reports by specific sectors of the line ministries (if any).
- Annual Statistical Reports of the Provincial Statistics Offices.

Apart from the criteria mentioned above, some other qualitative criteria should also be taken into account (i.e. : The Government policies, policies and priorities of the Donor; impacts of the Project to the country, region and locality; the preparedness of the provinces in receiving and implementing the Project) to define the priority order in process of collating the ODA Requesting List.

b. *Scoring Method*

- Scoring method is based on the degree of priority of relevant criteria. With each criteria, provinces shall be ranked in descending order in response to the ascending order of the score. The total score based on these criteria shall be used for comparing with each other to decide which province is selected to receive the project.

The total higher score the province is mark means greater demand that province has.

- In complicated cases (For example: If comparing among many provinces but the differences based on the same criteria are not considerable), the group of criteria shall be on relative quantification by province using weighted scores for evaluation.

For example: Select 1 of the 6 provinces to receive a project.

Selection Method:

Each regional criteria (see the below table) will be arranged with order from 1 to 6 (from the best to the worst ones). Marks of the region j according to criteria i will be counted by:

Each criterion of provinces will be ranked in ascending sequence from 1 to 6. The score of each province j according to criteria I will be calculated by:

(=1) if according to criteria i, province j is ranked the 1st or 2nd position;

(=2) if ranked in the 3rd or 4th one and

(=3) if ranked in the 5th or 6th one.

$$\text{ĐDP}(j) = \sum_{i=1}^n \text{TC}(i,j); (i=1,n)$$

Criteria	Province 1	Province 2	Province 3	Province 4	Province 5	Province 6
1.	TC(1,1)	TC(1,1)				
2.						
....			TC(i,j)			
n.						
Total	ĐDP(1)	ĐDP(2)	ĐDP(3)	ĐDP(4)	ĐDP(5)	ĐDP(a6)

Note: ĐDP: Total Score of Province - TC: Criteria

Total score of province j (ĐDP(j)) is equal to Total Score that the province gains at all criteria from 1 to n.

APPENDIX 4a
CONTENTS OF
ODA TECHNICAL ASSISTANCE PROJECT DOCUMENT
(Name of Project)

BASIC INFORMATION ABOUT THE PROJECT

- 1. Name of Project:**
- 2. Sector Code of Project¹:** **Project Code²:**.....
- 3. Name of Donor:**
- 4. Line Agency:**
a) Contact Address:..... b) Tel./Fax.:.....
- 5. Project Owner:**
a) Contact Address:..... b) Tel./Fax.:.....
- 6. Project Duration³:**
- 7. Project Location (address to district level if applicable):**
- 8. Total Project Budget:USD**
Of which:
a) ODA Funds:..... in donor currency, equivalent to.....USD
(According to convertible exchange rate announced by State Bank of Vietnam at the time of formulating the Detailed Outline of the project).
b) Counterpart Funds:.....VND, equivalent to..... USD.
- 9. Type of ODA:**
a) ODA grant
b) ODA concessional loan
c) ODA mixed loan
- 10. Goals, Objectives and Major Outcomes of the Project**
General introduction about the Goals, Objectives and Major Outcomes of the Project .

¹ The national economic sector code of the project is classified in accordance with the List of Economic Sectors in Vietnamese System 2007 (issued by the Decision No. 10/2007/QĐ-TTg on 23 January, 2007 of the Prime Minister)

² Project Code is notified by the Ministry of Planning and Investment.

³ Defining the number of months or years required for implementation of the project from the date that the

CONTENTS OF ODA TECHNICAL ASSISTANCE PROJECT

I. Basis for Development of the Project

1. Legal basis of the Project
 - a) Decision of the Prime Minister on Approval of the ODA Requesting List
 - b) The Notification of the Ministry of Planning and Investment about the Official ODA Funding List
 - c) Decision of the Line Ministry on Appointment of Project Owner
 - d) Other related legal documents.
2. Background of the Project
 - a) Detailed description about the role, position and the necessity of the Project under the framework of master plans, development plans of the related sectors or fields and of the ODA beneficiary agency (agency, sector, field, locality).
 - b) Specifying the similar completed and on-going programs and projects under the State management of the Line Agency and the programs or projects that have been received in the same sector or field to avoid overlapping and to ensure the coordination and sharing of outcomes among these programs and projects to maximize the efficiency.
3. The issues to be solved under the framework of the Project.
4. Defining clearly the direct beneficiaries of the Project.

II. Basis for Proposing the Donor

1. Describing the consistency between the goals and objectives of the Project with the policies and priorities of the Donor.
2. Analysis of reasons to select and advantages of donors in terms of technology, management experiences, policy advice in the fields financed.
3. Conditions in the policies or regulations of the Donor (if any) and the possibility of satisfying these conditions from Vietnamese side.

III. Goals and Objectives of the Project

1. Long term goals and objectives

Describing the efficiency, long term benefits that the Project shall contribute to the development of the society, sector, field, locality and related target groups.

2. Short term goals and objectives

Describing the destination that the Project needs to arrive at its completion to satisfy the direct demand of the beneficiaries and how it supports the long term goals and objectives from that status.

IV. Major Outcomes of the Project

Defining clearly the ultimate outcomes of the Project.

V. Components and Activities of the Project

Describing in detail the plan of implementing the components or sub-projects (if any) and their corresponding activities under the Project with the following contents:

- Objectives
- Expected outcomes
- Organizing for implementation
- Start and finish date
- Estimated budget and other resources

VI. Project Budget

1. Total Project Budget:USD

Of which:

a) Expected ODA Funds:..... in donor currency, equivalent to.....USD (According to convertible exchange rate announced by State Bank of Vietnam at the time of formulating the project document)

b) Expected Counterpart Funds:.....VND, equivalent to..... USD

2. Budget structure: Consulting services (estimate the proportion of national/international consultants or advisers), training (in-country and overseas); equipment and materials (local shopping or imported), management cost; project monitoring and evaluation cost and other costs.

3. Domestic Financial Mechanism of the Project

a) With regard to ODA funds:

ODA Fund:.....in donor's currency, equivalent to.....USD,

Of which:

- State budget for recurrent expenditures..... % of the total ODA Fund
- On-lending..... % of the total ODA Fund

b) With regard to Counterpart Funds:

Counterpart Fund:..... VND,

Of which: - In kind: Equivalent to..... VND In cash:.....VND

Counterpart Funds will be mobilized in one or a number of the following modalities:

- Granted from the Central State Budget:.....VND (... %) of the total Counterpart Fund
(of which: From the Central Budget..... %, From the Local Budget.... %)
- Soft Credit.....VND (... %) of the total Counterpart Fund.
- Capital from the Line Agency... VND (... %) of the total Counterpart Fund.
- Self-balance Capital from the Project Owner.....VND (... %) of the total Counterpart Fund.
- Capital contributed by the Beneficiaries (if any).....VND (... %) of the total Counterpart Fund.

V. Regulations on Financial Management of Project

1. Disbursement Method (through the State Treasury, Special Account or Impress Account, etc.).
2. Organization of Project Accounting and Payment.
3. Capital Management Responsibilities (opening Project Account, Owner of Project Account, etc.).
4. Project Audits.

VI. Organization for Management and Implementation of the Project

1. Organizational Structure
 - a) The organizational modal of project management is based on the agreement with the Donor.
 - b) The operation of the Project Management Unit (PMU) is pursuant to the Circular No. 03/2007/TT-BKH dated 12 March, 2007 issued by the Ministry of Planning and Investment on the organizational structure, functions and responsibilities of ODA program or project management units.
2. Coordinating mechanism
 - a) Coordination between the Line Agency, Project Owner and PMU (PMU of sub-projects).
 - b) Coordination between the implementing units with the Donor and other agencies in project implementation process.
3. Capacity of organizing the management of implementation of the appointed Project Owner.

VII. Monitoring and Evaluation of the Project

1. Developing detailed plan for monitoring and evaluation of the Project in the following aspects:
 - a) Project implementation
 - b) Project management
 - c) Processing, feeding back to the monitoring information
2. Developing detailed plan for evaluation of project performance
 - a) Initial evaluation
 - b) Mid-term evaluation
 - c) Terminal evaluation
3. Mechanism of oversight and reporting of the Project.

VIII. Impacts of the Project

1. Analysis of impacts of the Project to the (direct and indirect) beneficiaries.

The benefits to the beneficiaries of the Project after its completion must be clearly stated in quantitative and qualitative measurement.
2. Analysis of the social, economic and environmental impacts of the Project after its completion.

- a) Describing the social and economic impacts of the Project: Poverty reduction, job creation, income generation to population, upgrading infrastructure, etc.
 - b) Describing the environmental impacts of the Project.
3. Gender impacts.

IX. Risks

Assessment about the possible risks and addressing the solutions or measures to deal with these risks.

X. Evaluation of the Sustainability of the Project after its Completion

Evaluation of the sustainability of the Project in the following aspects:

1. Sustainability on outcomes: The outcomes of the Project are maintained and developed after the completion of the Project.
2. Sustainability on organizational aspect: The organizational structure and the human resources of the Project are sustained to ensure the continuation of the Project after its completion.
3. Sustainability on financial aspect: The Project shall be able to create revenues on its own to continue with various necessary activities after the funding is finished.
4. Sustainability on environmental aspect: The natural environment around the area of project location is preserved after the completion of the Project.

..... Day... Month... Year

Project Owner

(signed and sealed)

Following project documents can be attached to Appendix:

1. List of equipment and facilities provided for implementation of the Project.
2. Logical Framework.
3. Terms of Reference of the key positions and of consulting services.
4. Tables, including aggregate and detailed tables about the Project Budget.
5. Illustrated photographs.
6. Maps.
7. Other related documents.

CONTENTS OF ODA PROGRAM DOCUMENT

I. Basis for Development of the Program

1. Legal basis of the Program
 - a) Decision of the Prime Minister on Approval of the ODA Requesting List
 - b) The Notification of the Ministry of Planning and Investment about the Official ODA Funding List
 - c) Decision of the Line Ministry on Appointment of Program Owner
 - d) Other related legal documents.
2. Background of the Program
 - a) Detailed description about the role, position and the necessity of the Program under the framework of master plans, long term development plans of the related sectors or fields and of the ODA beneficiary agency (agency, sector, field, locality).
 - b) Specifying the similar completed and on-going programs and projects under the State management of the Line Agency and the programs or projects that have been received in the same sector or field to avoid overlapping and to ensure the coordination and sharing of outcomes among these programs and projects to maximize the efficiency.
3. The issues to be solved under the framework of the Program.
4. Defining clearly the direct beneficiaries of the Program.

II. Basis for Proposing the Donor

1. Describing the consistency between the goals and objectives of the Program with the policies and priorities of the Donor.
2. Analysis of reasons to select and advantages of donors in terms of technology, management experiences, policy advice in the fields financed.
3. Conditions in the policies or regulations of the Donor (if any) and the possibility of satisfying these conditions from Vietnamese side.

III. Goals and Objectives of the Project

1. Overall goals
Describing the efficiency, long term benefits that the Program shall contribute to the development of the society, sector, field, locality and related target groups.
2. Objectives of Components or Sub-projects
Describing the objectives that the components or sub-projects are required to achieve, contributing to the achievement of overall goals of the Program.

IV. Major Outcomes of the Program

Defining clearly the ultimate outcomes of the Program.

V. Components and Activities of the Program

1. Describing in detail the plan of implementing the components or sub-projects (if any) and their corresponding activities under the Project with the following contents:

- Objectives
 - Expected outcomes
 - Organizing for implementation
 - Start and finish date
 - Estimated budget and other resources
2. Describing the interrelationship among the components or sub-projects of the Program (if any).

VI. Program Budget

1. Total Project Budget:
- a) Total Project Budget:USD
- Of which:*
- ODA Funds:..... in donor currency, equivalent to.....USD
(According to convertible exchange rate announced by State Bank of Vietnam at the time of formulating the program document)
 - Counterpart Funds:.....VND, equivalent to..... USD
- b) Budget by respective components or sub-projects (if any).
2. Budget structure: Consulting services (estimate the proportion of national/international consultants or advisers), training (in-country and overseas); equipment and materials (local shopping or imported), management cost; project monitoring and evaluation cost and other costs.
3. Domestic Financial Mechanism of the Program:
- a) With regard to ODA funds:
- ODA Funds:.....in donor's currency, equivalent to.....USD,
- Of which:*
- State budget for capital construction..... % of the total ODA Fund
 - State budget for recurrent expenditures..... % of the total ODA Fund
 - On-lending.....% of the total ODA Fund
- b) With regard to Counterpart Funds:
- Counterpart Funds:..... VND,
- Of which:* - In kind: Equivalent to..... VND In cash:.....VND
- Counterpart Funds will be mobilized in one or a number of the following modalities:
- Granted from the Central State Budget:.....VND (... %) of the total Counterpart Fund
(of which: From the Central Budget... %, From the Local Budget..... %)
 - Soft Credit..... VND (... %) of the total Counterpart Fund
 - Capital from the Line Agency... VND (... %) of the total Counterpart Fund
 - Self-balance Capital from the Program Owner.....VND (... %) of the total Counterpart Fund
 - Capital contributed by the Beneficiaries (if any).....VND (... %) of the total Counterpart Fund

VII. Regulations on Financial Management of the Program

1. Disbursement Method (through the State Treasury, Special Account or Impress Account, etc.).

2. Organization of Program Accounting and Payment.
3. Capital Management Responsibilities (opening Program Account, Owner of Program Account, etc.).
4. Program Audits.

VIII. Organization for Management and Implementation of the Program

1. Organizational Structure

a) The organization of program management is based on the agreement with the Donor.

b) The operation of the Program Management Unit (PMU) is pursuant to the Circular No. 03/2007/TT-BKH dated 12 March, 2007 issued by the Ministry of Planning and Investment on the organizational structure, functions and responsibilities of ODA program or project management units.

2. Coordinating mechanism

a) Coordination between the Line Agency, Program Owner, implementing units of components and PMU.

b) Coordination between the implementing units with the Donor and other agencies in program implementation process.

3. Capacity of organizing the management of implementation of the appointed Program Owner, including its financial capacity.

IX. Monitoring and Evaluation of the Program

1. Developing detailed plan for monitoring and evaluation of the Program in the following aspects:

a) Program implementation

b) Program management

c) Processing, feeding back to the monitoring information

2. Developing detailed plan for evaluation of program performance:

a) Initial evaluation

b) Mid-term evaluation

c) Terminal evaluation

3. Mechanism of oversight and reporting of the Program.

X. Impacts of the Program

1. Analysis of impacts of the Program to the (direct and indirect) beneficiaries.

The benefits to the beneficiaries of the Program after its completion must be clearly stated in quantitative and qualitative measurement.

2. Analysis of the social, economic and environmental impacts of the Program after its completion.

a) Describing the social and economic impacts of the Program: Poverty reduction, job creation, income generation to population, upgrading infrastructure, etc.

b) Describing the environmental impacts of the Program.

3. Gender impacts.

XI. Risks

Assessment about the possible risks and addressing the solutions or measures to deal with these risks.

XII. Evaluation of the Sustainability of the Program after its Completion

Evaluation of the sustainability of the Program in the following aspects:

1. Sustainability on outcomes: The outcomes of the Program are maintained and developed after the completion of the Program.
2. Sustainability on organizational aspect: The organizational structure and the human resources of the Program are sustained to ensure the continuation of the Program after its completion.
3. Sustainability on financial aspect: The Program shall be able to create revenues on its own to continue with various necessary activities after the funding is finished.
4. Sustainability on environmental aspect: The natural environment around the area of program locations are preserved after the completion of the Program.

..... Day... Month... Year

Program Owner

(Signed and sealed)

Following Program documents can be attached to Appendix:

1. Detailed outlines of respective components or sub-projects.
2. List of equipment and facilities provided for implementation of the Program.
3. Logical Framework.
4. Terms of Reference of the key positions and of consulting services.
5. Tables, including aggregate and detailed tables about the Program Budget.
6. Illustrated photographs.
7. Maps.
8. Other related documents.

APPENDIX 4c
CONTENTS OF ODA UMBRELLA PROGRAM/PROJECT DOCUMENT
(Name of Umbrella Program or Project)

BASIC INFORMATION ABOUT THE UMBRELLA PROGRAM/PROJECT

- 1. Name of Umbrella Program/Project:**
- 2. Sector Code of Umbrella Program/Project¹:.....**
Umbrella Program/Project Code²:.....
- 3. Name of Donor:**
- 4. Line Agency that proposes Umbrella Program/Project:**
a) Contact Address:..... b) Tel./Fax.:.....
- 5. Owner of Umbrella Program/Project:**
a) Contact Address:..... b) Tel./Fax.:.....
- 6. Line Agencies of the Sub-Projects:**
a) Contact Address:..... b) Tel./Fax.:.....
- 7. Project Owner of Sub-Projects:**
a) Contact Address:..... b) Tel./Fax.:.....
- 8. Estimated Umbrella Program/Project Duration³:**
- 9. Location of Umbrella Program/Project (address to district level if applicable):**
- 10. Budget for Umbrella Program/Project:**
a) Total budget for umbrella program/project:USD
Of which:
b) ODA Funds:..... in donor currency, equivalent to.....USD
(According to convertible exchange rate announced by State Bank of Vietnam at the time of formulating the umbrella program/project document)
c) Counterpart Funds:..... VND, equivalent to..... USD
d) Budget for respective Sub-Projects:
- 11. Type of ODA:**
c) ODA grant
d) ODA concessional loan
e) ODA mixed loan
- 12. Goals, Objectives and Major Outcomes of the Umbrella Program/Project**
General introduction about the Goals, Objectives and Major Outcomes of the Umbrella Program/Project

¹ The national economic sector code of the project is classified in accordance with the List of Economic Sectors in Vietnamese System 2007 (issued by the Decision No. 10/2007/QĐ-TTg on 23 January, 2007 of the Prime Minister).

² Project Code is notified by the Ministry of Planning and Investment.

³ Defining the number of months or years required for implementation of the project from the date that the project takes effect.

CONTENTS OF ODA UMBRELLA PROGRAM/PROJECT

I. Basis for Development of the Umbrella Program/Project

1. Legal basis of the Umbrella Program/Project
 - a) Decision of the Prime Minister on Approval of the ODA Requesting List
 - b) The Notification of the Ministry of Planning and Investment about the Official ODA Funding List
 - c) Decision of the Line Ministry on Appointment of Owner of Umbrella Program/Project
 - d) Other related legal documents.
2. Background of the Program
 - a) Detailed description about the role, position and the necessity of the Umbrella Program/Project under the framework of master plans, long term development plans of the related sectors or fields and of the ODA beneficiary agency (agency, sector, field, locality).
 - b) Specifying the similar completed and on-going programs and projects under the State management of the Line Agency and the programs or projects that have been received in the same sector or field to avoid overlapping and to ensure the coordination and sharing of outcomes among these programs and projects to maximize the efficiency.
3. The issues to be solved under the framework of the Umbrella Program/Project.
4. Defining clearly the direct beneficiaries of the Umbrella Program/Project.

II. Basis for Proposing the Donor

1. Describing the consistency between the goals and objectives of the Umbrella Program/Project with the policies and priorities of the Donor.
2. Analysis of reasons to select and advantages of donors in terms of technology, management experiences, policy advice in the fields financed.
3. Conditions in the policies or regulations of the Donor (if any) and the possibility of satisfying these conditions from Vietnamese side.

III. Goals and Objectives of the Umbrella Program/Project

1. Overall goals
Describing the efficiency, long term benefits that the Umbrella Program/Project shall contribute to the development of the society, sector, field, locality and related target groups.
2. Objectives of the Sub-projects
Describing the objectives that the Sub-Projects are required to achieve, contributing to the achievement of overall goals of the Umbrella Program/Project.

IV. Major Outcomes of the Umbrella Program/Project

Defining clearly the ultimate outcomes of the Umbrella Program/Project.

V. Sub-Projects and Activities of the Umbrella Program/Project

1. Describing the composition of the Umbrella Program/Project, Sub-Projects and their corresponding activities, including:
 - Objectives
 - Expected outcomes
 - Organizing for implementation

- Start and finish date
- Estimated budget and other resources
- 2. Describing the interrelationship among the Sub-Projects of the Umbrella Program/Project.

VI. Umbrella Program/Project Budget

1. Total Umbrella Program/Project Budget:
 - a) Total Umbrella Program/Project Budget:USD
Of which:
 - ODA Funds:.....in donor currency, equivalent to.....USD
(According to convertible exchange rate announced by State Bank of Vietnam at the time of formulating the Umbrella Program/Project document).
 - Counterpart Funds:.....VND, equivalent to..... USD.
 - b) Budget by respective components or sub-projects (if any).
2. Budget structure: Consulting services (estimate the proportion of national/international consultants or advisers), training (in-country and overseas); equipment and materials (local shopping or imported), management cost; project monitoring and evaluation cost and other costs.
3. Domestic Financial Mechanism of the Umbrella Program/Project:
 - a) With regard to ODA funds:
ODA Funds:.....in donor's currency, equivalent to.....USD,
Of which:
 - State budget for capital construction..... % of the total ODA Fund.
 - State budget for recurrent expenditures..... % of the total ODA Fund.
 - On-lending.....% of the total ODA Fund.
 - b) With regard to Counterpart Funds:
Counterpart Funds:..... VND,
Of which: - In kind: Equivalent to..... VND In cash:.....VND
Counterpart Funds will be mobilized in one or a number of the following modalities:
 - Granted from the Central State Budget:.....VND (... %) of the total Counterpart Funds
(of which: From the Central Budget..... %, From the Local Budget..... %)
 - Soft Credit..... VND (... %) of the total Counterpart Funds
 - Capital from the Line Agency... VND (... %) of the total Counterpart Funds
 - Self-balance Capital from the Program Owner..... VND (... %) of the total Counterpart Funds
 - Capital contributed by the Beneficiaries (if any).....VND (... %) of the total Counterpart Funds

VII. Regulations on Financial Management of the Umbrella Program/Project

1. Disbursement Method (through the State Treasury, Special Account or Impress Account, etc.).
2. Organization of Accounting and Payment of the Umbrella Program/Project
3. Capital Management Responsibilities (opening Umbrella Program/Project Account, Owner of Umbrella Program/Project Account, etc.).
4. Umbrella Program/Project Audits.

VIII. Organization for Management and Implementation of the Umbrella Program/Project

1. Organizational Structure
 - a) The organizational modal of umbrella program/project management is based on the agreement with the Donor (establishment of Steering Committee and its operation mechanism, if any).
 - b) The operation of the Umbrella Program/Project Management Unit (PMU) is pursuant to the Circular No. 03/2007/TT-BKH dated 12 March, 2007 issued by the Ministry of Planning and Investment on the organizational structure, functions and responsibilities of ODA program or project management units.
2. Coordinating mechanism
 - a) Coordination between the Line Agency of the Umbrella Program/Project and the Line Agencies of its Sub-Projects, between the Owner of the Umbrella Program/Project and the Project Owners of its Sub-Projects, between the PMU of the Umbrella Program/Project and the PMUs of its Sub-Projects.
 - b) Coordination between the implementing units of the Umbrella Program/Project with the Donor and other agencies in process of implementing the Umbrella Program/Project .
3. Capacity of organizing the management of implementation of the appointed Owner of the Umbrella Program/Project and the Project Owners of its Sub-Projects, including their financial capacity.

IX. Monitoring and Evaluation of the Umbrella Program/Project

1. Developing detailed plan for monitoring and evaluation of the Umbrella Program/Project in the following aspects:
 - a) Umbrella Program/Project implementation
 - b) Umbrella Program/Project management
 - c) Processing, feeding back to the monitoring information
2. Developing detailed plan for evaluation of performance of the Umbrella Program/Project:
 - a) Initial evaluation
 - b) Mid-term evaluation
 - c) Terminal evaluation
3. Mechanism of oversight and reporting of the Umbrella Program/Project.

X. Impacts of the Umbrella Program/Project

1. Analysis of impacts of the Umbrella Program/Project to the (direct and indirect) beneficiaries.
The benefits to the beneficiaries of the Umbrella Program/Project after its completion must be clearly stated in quantitative and qualitative measurement.
2. Analysis of the social, economic and environmental impacts of the Umbrella Program/Project after its completion.
 - a) Describing the social and economic impacts of the Umbrella Program/Project: Poverty reduction, job creation, income generation to population, upgrading infrastructure, etc.
 - b) Describing the environmental impacts of the Umbrella Program/Project.
3. Gender impacts.

XI. Risks

Assessment about the possible risks and addressing the solutions or measures to deal with these risks.

XII. Evaluation of the Sustainability of the Umbrella Program/Project after its Completion

Evaluation of the sustainability of the Umbrella Program/Project in the following aspects:

1. Sustainability on outcomes: The outcomes of the Umbrella Program/Project are maintained and developed after the completion of the Program.
2. Sustainability on organizational aspect: The organizational structure and the human resources of the Program are sustained to ensure the continuation of the Umbrella Program/Project after its completion.
3. Sustainability on financial aspect: The Umbrella Program/Project shall be able to create revenues on its own to continue with various necessary activities after the funding is finished.
4. Sustainability on environmental aspect: The natural environment around the area of program locations are preserved after the completion of the Umbrella Program/Project.

..... Day... Month... Year

Owner of the Umbrella Program/Project
(Signed and sealed)

Following Umbrella Program/Project documents can be attached to Appendix:

1. Detailed outlines of respective Sub-Projects.
2. List of equipment and facilities provided for implementation of the Umbrella Program/Project.
3. Logical Framework.
4. Terms of Reference of the key positions and of consulting services.
5. Tables, including aggregate and detailed tables about the Umbrella Program/Project Budget.
6. Illustrated photographs.
7. Maps.
8. Other related documents.

VI. Conclusion of the Appraisal Meeting

1. General Issues

- The Program or Project is appropriate (not appropriate) with the ODA priorities of the Government of Vietnam.
- It is agreed at the Meeting upon all discussed issues noted in Point 3, Item V of the Minute of Appraisal Meeting.

2. The contents requested to supplement, amendment, the deadline of finalizing the supplement, amendment (if any)

It is requested to the Program or Project Owner to work together with the Donor to supplement, amend for finalization of the program or project document in line with the points that have been discussed and agreed noted in Point 3, Item V of this Minute of Appraisal Meeting by the deadline of day... month.... year.... and return this document..... (Appraisal Agency).

Secretary of the Meeting

(Signed)

Chairperson of the Meeting

(signed and sealed)

APPENDIX 6**LINE AGENCY**

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

No: QĐ

....., day.....month.....year.....

DECISION**On Approval of the Program/Project Document...**
(Name of the Program/Project)

HEAD OF THE LINE AGENCY

In pursuance to Decree No. 131/2006/ND-CP issued by the Government on 09 November, 2006 on the issuance of the Regulation on Management and Utilization of Official Development Assistance;

In pursuance to the Circular No. 04/2007/TT-BKH of the Ministry of Planning and Investment on guiding implementation of Decree No. 131/2006/ND-CP on the issuance of the Regulation on Management and Utilization of Official Development Assistance;

Based on the Report on the result of appraisal of Program/Project...(Name of Program/Project) of.....(Name of Appraisal Agency),

DECIDE:

Article 1. Approval of the Program/Project...(Name of Program/Project) (enclosed with the Program/Project Document) with the major following contents:

1. Name of Program/Project:
2. Name of Donor:.....
3. Name of Line Agency:.....
4. Name of Program/Project Owner:
5. Program/Project Location:.....
6. Estimated commencement and completion time of Program/Project:.....

7. Goals, Objectives and Major Outcomes of the Program/Project
.....

8. Total budget of the Program/Project:

- ODA Fund:
- Counterpart Fund:.....

Article 2.(Name of Program/Project Owner) and..... (Names of relevant agencies) in relation with the contents of the Program/Project shall be responsible for implementing this Decision.

Article 3. This Decision takes effect from the signing date./.

HEAD OF THE LINE AGENCY

(signed and sealed)

Recipients:

