
LOAN NUMBER 2273-VIE(SF)

AMENDMENT AGREEMENT
(Special Operations)

(Emergency Rehabilitation of Calamity Damage Project
- Supplementary Loan)

between

SOCIALIST REPUBLIC OF VIET NAM

and

ASIAN DEVELOPMENT BANK

DATED 29 DECEMBER 2008

LAS:VIE 40282

**AMENDMENT AGREEMENT
(Special Operations)**

AMENDMENT AGREEMENT dated 29 December 2008 between the SOCIALIST REPUBLIC OF VIET NAM (hereinafter called the "Borrower") and the ASIAN DEVELOPMENT BANK (hereinafter called "ADB").

WHEREAS

(A) the Borrower and ADB entered into a loan agreement for Loan number: 2273-VIE (SF) (the "Loan Agreement") dated 7 December 2006 for the purposes of the Emergency Rehabilitation of Calamity Damage Project as described in Schedule 1 to the Loan Agreement (the "Project");

(B) the Borrower has applied to ADB for further financing for the purposes of covering the cost overruns of the Project and ADB has agreed to make available to the Borrower a supplementary loan (the "Supplementary Loan") from ADB's Special Funds resources for the Project; and

(C) in consideration of the foregoing, the Borrower and ADB have agreed to amend the Loan Agreement as hereinafter set forth in this Amendment Agreement;

NOW THEREFORE the parties hereto agree as follows:

ARTICLE I

Definitions

Section 1.01. Wherever used in this Amendment Agreement, unless the context otherwise requires, the several terms defined in the Loan Agreement have the respective meanings therein set forth.

ARTICLE II

Particular Amendments to the Loan Agreement

Section 2.01. The following definitions are added to Section 1.02 of the Loan Agreement:

(a) "Flood Protection Subproject" means a subproject indicated as a flood protection subproject in Appendix 2 of the RRP;"

(b) "RRP" means the Report and Recommendation of the President to the Board of Directors of ADB prepared for the Supplementary Loan;"

(c) "Supplementary Loan" means the supplementary financing from ADB's Special Funds resources of an amount in various currencies equivalent to seventeen million and eighty-five thousand Special Drawing Rights (SDR 17,085,000) extended to the Borrower for the Project pursuant to the amendment agreement to this Loan Agreement dated 29 December 2008."

Section 2.02. Section 2.01 of the Loan Agreement is amended to read as follows:

"ADB agrees to lend to the Borrower from ADB's Special Funds resources an amount in various currencies equivalent to fifty one million eight hundred and eighteen thousand Special Drawing Rights (SDR 51,818,000)."

Section 2.03. Section 3.05 of the Loan Agreement is amended to read as follows:

"The Loan Closing Date for the purpose of Section 8.02 of the Loan Regulations shall be 31 December 2011 or such other date as may from time to time be agreed between the Borrower and ADB."

Section 2.04. Paragraph 3 of Schedule 1 is amended to read as follows:

"The Project also includes provision of consulting services. The Project is expected to be completed by 30 June 2011."

Section 2.05. Schedule 2 to the Loan Agreement is replaced by Schedule 1 to this Amendment Agreement.

Section 2.06. The following subparagraph (c) is added to paragraph 6 of Schedule 3 to the Loan Agreement:

"(c) No disbursements shall be made in respect of a Flood Protection Subproject until and unless ADB has confirmed that it is satisfied with the design specifications, or the procurement contract (in the event where the design specifications are included in the procurement contract) for this Flood Protection Subproject. In the event the Loan proceeds for a Flood Protection Subproject have already been disbursed and the Works are deemed by ADB to be insufficient or not in compliance with the design specifications approved by ADB and are not corrected to ADB's satisfaction within a reasonable period of time, ADB shall have the option to request that the Borrower refunds such Loan proceeds (or any portion thereof) immediately and unconditionally."

Section 2.07. The Attachment to Schedule 3 to the Loan Agreement is replaced by Schedule 2 to this Amendment Agreement.

Section 2.08. The second sentence of paragraph 2 of Schedule 5 to the Loan Agreement is amended to read as follows:

"A team of international consultants, recruited by the Borrower shall (i) assist the CPMU to review the feasibility study and design specifications prepared for each subproject by the PPMU in each Project Province, including any variation to such design specifications, (ii) provide recommendations to the PPMU and CPMU to enhance the design specifications for each Flood Protection Subproject in order to ensure that adequate safety standards are met, and (iii) provide confirmation to ADB, when requested, on whether the final design specifications for a Flood Protection Subproject adequately incorporate their recommendations."

Section 2.09. Item (vii) of paragraph 5 of Schedule 5 to the Loan Agreement is deleted.

Section 2.10. Item (ix) of paragraph 5 of Schedule 5 to the Loan Agreement is amended to read as follows:

"costing of the Subproject shall not be less than \$300,000, unless otherwise agreed by ADB."

Section 2.11. The following item (x) shall be added to paragraph 5 of Schedule 5 to the Loan Agreement:

"in the case of a Flood Protection Subproject, the design specifications for the relevant Subproject have been approved by ADB."

Section 2.12 The following paragraph 18 is added to Schedule 5 to the Loan Agreement:

"Design Specifications. The Borrower shall ensure that the design specifications and the Works for all Subprojects give due consideration to the recommendations of the Project international consultants recruited in accordance with the second sentence of paragraph 2 of this Schedule 5."

ARTICLE III

Effective Date

Section 3.01. This Amendment Agreement shall come into force and effect on the date when:

(a) ADB has received confirmation from the Government satisfactory to ADB that (i) the design specifications (or the procurement contract, where the design specifications are included in the procurement contract) for subprojects numbered 19, 20, 21, 26, 27, 28, 29, 30, 40, 41, 42, 43 and 44 in Appendix 2 of the RRP prepared for the Supplementary Loan have been revised; (ii) the IEE for each of the subprojects referred to in (i) above have been revised

to reflect the changes in design specifications; and (iii) the services contracts of the international consultants recruited in accordance with the second sentence of paragraph 2 of Schedule 5 to the Loan have been amended to ensure that their scope of services reflects Section 2.09 of this Amendment Agreement and extended until the revised Project completion date set out in Section 2.04 of this Amendment Agreement; and

(b) ADB shall have received a legal opinion acceptable to ADB that this Amendment Agreement has been duly authorized or ratified by and executed and delivered on behalf of the Borrower, and is legally valid and binding upon the Borrower in accordance with its terms.

IN WITNESS WHEREOF the parties hereto, acting through their representatives thereunto duly authorized, have caused this Amendment Agreement to be signed in their respective names and to be delivered at the principal office of ADB, as of the day and year first above written.

SOCIALIST REPUBLIC OF VIET NAM



By _____

NGUYEN VAN GIAU
Authorized Representative

ASIAN DEVELOPMENT BANK

By _____



AYUMI KONISHI
Country Director
Viet Nam Resident Mission

SCHEDULE 1

AMORTIZATION SCHEDULE

(Emergency Rehabilitation of Calamity Damage Project)

Date Payment Due	Payment of Principal (expressed in SDR)*
15-May-2017	518,230.00
15-Nov-2017	518,230.00
15-May-2018	518,230.00
15-Nov-2018	518,230.00
15-May-2019	518,230.00
15-Nov-2019	518,230.00
15-May-2020	518,230.00
15-Nov-2020	518,230.00
15-May-2021	518,230.00
15-Nov-2021	518,230.00
15-May-2022	518,230.00
15-Nov-2022	518,230.00
15-May-2023	518,230.00
15-Nov-2023	518,230.00
15-May-2024	518,230.00
15-Nov-2024	518,230.00
15-May-2025	518,230.00
15-Nov-2025	518,230.00
15-May-2026	518,230.00
15-Nov-2026	518,230.00
15-May-2027	1,036,360.00
15-Nov-2027	1,036,360.00
15-May-2028	1,036,360.00
15-Nov-2028	1,036,360.00
15-May-2029	1,036,360.00
15-Nov-2029	1,036,360.00
15-May-2030	1,036,360.00
15-Nov-2030	1,036,360.00
15-May-2031	1,036,360.00
15-Nov-2031	1,036,360.00
15-May-2032	1,036,360.00
15-Nov-2032	1,036,360.00
15-May-2033	1,036,360.00
15-Nov-2033	1,036,360.00
15-May-2034	1,036,360.00
15-Nov-2034	1,036,360.00
15-May-2035	1,036,360.00
15-Nov-2035	1,036,360.00
15-May-2036	1,036,360.00
15-Nov-2036	1,036,360.00
15-May-2037	1,036,360.00
15-Nov-2037	1,036,360.00
15-May-2038	1,036,360.00
15-Nov-2038	1,036,360.00
15-May-2039	1,036,360.00

Date Payment Due	Payment of Principal (expressed in SDR)*
15-Nov-2039	1,036,360.00
15-May-2040	1,036,360.00
15-Nov-2040	1,036,360.00
15-May-2041	1,036,360.00
15-Nov-2041	1,036,360.00
15-May-2042	1,036,360.00
15-Nov-2042	1,036,360.00
15-May-2043	1,036,360.00
15-Nov-2043	1,036,360.00
15-May-2044	1,036,360.00
15-Nov-2044	1,036,360.00
15-May-2045	1,036,360.00
15-Nov-2045	1,036,360.00
15-May-2046	1,036,360.00
15-Nov-2046	1,035,360.00
Total	51,818,000.00

* The figures in this column represent SDR equivalents determined as of the respective dates of withdrawal. The arrangements for payment of each maturity are subject to the relevant provisions of the Special Operations Loan Regulations.

SCHEDULE 2

TABLE

ALLOCATION AND WITHDRAWAL OF LOAN PROCEEDS			
(Emergency Rehabilitation of Calamity Damage Project)			
CATEGORY			ADB FINANCING
	Item	Amount Allocated (SDR million)	Percentage and Basis for Withdrawal from the Loan Account
1	Works	46.560	85 percent of total expenditure
2	Consulting Services	0.764	100 percent of total expenditure*
3	Project Management	3.762	83 percent of total expenditure
4	Interest Charge	0.732	100 percent of amount due
	Total	51.818	

* Exclusive of taxes and duties imposed within the territory of the Borrower.