

PROJECT AGREEMENT
 BETWEEN THE DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT (AID),
 AN AGENCY OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA, AND
 THE DIRECTORATE GENERAL FOR BUDGET AND FOREIGN AID (DGBFA)
 AN AGENCY OF THE GOVERNMENT OF VIETNAM

Under the terms of the Economic Cooperation Agreement signed September 7, 1951, and the standard provisions annexes attached, it is agreed to carry out a project in accordance with the terms set forth herein.

1. PROJECT No. **730-12-220-356** 2. AGREEMENT No. **70-112** 3. ONG REVISION No.

4. PROJECT TITLE: **Saigon Electric Power**
 (Sub-Activity) **(Interim Power)**

5. PROJECT DESCRIPTION AND EXPLANATION (See Annex A attached)

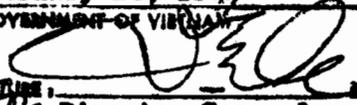
6. APPROPRIATION: **72-1101006** 7. allotment: **056-50-730-00-79-01**

8. AID DOLLAR FINANCING (Cost Component)	PREVIOUS TOTAL (A)	INCREASE (B)	DECREASE (C)	TOTAL TO DATE (D)
a. Personnel Costs (1) US PASA Contract				
(2) Local and TCI PASA Contract				
b. Participants AID Direct PASA/Contract				
c. Commodities AID Direct PASA/Contract		7,430		7,430
d. Other Costs AID Direct PASA/Contract				
e. TOTAL (ALL COSTS)		7,430		7,430
9. LOCAL CURRENCY FINANCING (\$1.00 = Piastres)				
a. Counterpart Trust Fund AAC Special Fund Other				
b. GVN (show source below)				
c. US - Owned				

10. REFERENCES AND REMARKS: The shipment of spare parts for thirty 2100 kw Diesel-powered generators funded under ProAg 69-176, is being delayed until the supplemental funding provided herein is available; therefore this obligation is being processed in advance of the master project agreement for FY70.

Reference: ProAg 69-176
 PIO/Cs 0100336, 0100337, 0100338, and 0100339

11. DATE OF ONG AGREEMENT: **February 24, 1970** 12. DATE OF THIS REVISION: 13. EST FINAL CONTRIBUTION DATE: **February 28, 1973**

14. GOVERNMENT OF VIETNAM
 SIGNATURE:  DATE: **Feb 24/70**
 TITLE: **Director General**
 for Budget and Foreign Aid

15. AGENCY FOR INTERNATIONAL DEVELOPMENT
 SIGNATURE:  DATE: **2/24/70**
 TITLE: **Associate Director for Program**

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**PROAG
STANDARD
PROVISIONS
ANNEX**

PROJECT AGREEMENT

BETWEEN AID AND

DCBFA

AN AGENCY OF THE GOVERNMENT OF

Vietnam

1. Project/Activity No.

730-12-220-356

2. Agreement No.

70-112

3.

Original or Revision No.

A. As used herein, the term «AID» refers to the Agency for International Development, any component agency, or any successor agency. References to «this Project Agreement» shall mean the original Project Agreement as modified by any revisions which have entered into effect.

B. (1) AID will make available the amounts specified in Block 8 of this Project Agreement, as necessary for the project, for use for the designated purposes and as may be further described in Annex A, as required by Block 5 hereof. In addition, as may be further specified in Annex A, AID will, subject to the availability of funds and (where required by AID procedures) as provided for in Project Implementation Orders (PIOs) issued by AID in accordance with its procedures, make available funds (a) to pay costs of furnishing technical services to be performed by United States Government employees in connection with the project, (b) to pay a share of the costs of providing training outside the cooperating country in connection with the project for qualified persons from the cooperating country, and (c) to pay such additional costs as may be specified.

(a) The Cooperating Government Agency will make available the amounts specified in Block 9 of this Project Agreement, as necessary for the project, for use for the designated purposes and as may further be described in Annex A. The Cooperating Government Agency will also make, or arrange to have made, additional contributions of property, services, facilities and funds required for carrying out the project as may be specified in Annex A, or as may subsequently be agreed upon by the two parties.

C. AID and the Cooperating Agency may obtain the assistance of other public and private agencies in carrying out their respective obligations under this Project Agreement. The two parties may agree to accept contributions of property, services, facilities and funds for purposes of this Project Agreement from other public and private agencies, and may agree upon the participation of any such third party in carrying out activities under this Project Agreement.

D. AID shall not be required to make any contribution after the expiration of six months following the estimated final contribution date (Block 13 of the Project Agreement form AID 1330-1) or any amended final contribution date specified herein. Except as otherwise specified herein or subsequently

agreed by the parties, all contributions of the Cooperating Agency pursuant to this Project Agreement shall be made on or before said estimated termination date, or amended date. A contribution of goods or services shall be considered to have been made when the goods or services, provided or financed by the contributing party, are delivered in accordance with commercial practice.

B. The procurement of commodities and contract services to be financed in whole or in part by AID may (where so required by AID procedures) be undertaken only pursuant to PIOs issued by AID in accordance with its procedure.

F. Unless otherwise specified in the applicable PIO, the procurement of commodities financed with the AID contribution referred to in Block 8 of this Project Agreement shall be subject to the provisions of AID Regulation 1.

G. Unless otherwise specified in the applicable PIO, title to all property procured through financing by AID pursuant to Block 8 (c) of this Project Agreement shall be in the Cooperating Agency, or such public or private agency as it may authorize. This provision is inapplicable to any property which may be used in connection with the project but is not financed pursuant to said Block 8 (c).

H. Any property furnished to either party through financing by the other party pursuant to this Project Agreement shall, unless otherwise agreed by the party which financed the procurement, be devoted to the project until completion of the project, and thereafter shall be used so as to further the objectives sought in carrying out the project. Either party shall offer to return to the other, or to reimburse the other for, any property which it obtains through financing by the other party pursuant to this Project Agreement which is not used in accordance with the preceding sentence.

I. (1) If AID and any public or private organization furnishing commodities through AID financing for operations hereunder in the cooperating country, is, under the laws, regulations or administrative procedures of the cooperating country, liable for customs duties and import taxes on commodities imported into the cooperating country for purposes of carrying out this Project Agreement, the Cooperating Agency will pay such duties and taxes unless exemption is otherwise provided by any applicable international agreement.

(a) If any personnel (other than citizens and residents of the cooperating country), whether United

States Government employees, or employees of public or private organizations under contract with, or individuals under contract with, AID, the Cooperating Agency or any agency authorized by the Cooperating Agency, who are present in the cooperating country to provide services which AID has agreed to furnish or finance under this Project Agreement, are, under the laws, regulations or administrative procedures of the cooperating country, liable for income and social security taxes with respect to income upon which they are obligated to pay income or social security taxes to the Government of the United States of America, for property taxes on personal property intended for their own use, or for the payment of any tariff or duty upon personal or household goods brought into the cooperating country for the personal use of themselves and members of their families (not including such personal or household goods as may be sold by any such personnel in the cooperating country), the Cooperating Agency will pay such taxes, tariff, or duty unless exemption is otherwise provided by any applicable international agreement.

J. Any personnel (other than citizens and residents of the cooperating country), whether United States Government employees, or employees of public or private organizations under contract with, or individuals under contract with, AID, the Cooperating Agency or any agency authorized by the Cooperating Agency, who are present in the cooperating country to provide services which AID has agreed to furnish or finance under this Project Agreement shall be subject to the approval of the Cooperating Agency and AID, and shall be under the general direction of the Director of the Mission to the cooperating country.

K. If any commodity is furnished to the Cooperating Agency, or any public or private agency authorized by the Cooperating Agency, on a grant basis through financing by AID pursuant to this Project Agreement under arrangements which will result in the accrual of proceeds to the Cooperating Agency or any authorized agency and if the applicable agreement between the two governments referred to on the first page of this Project Agreement does not provide for the establishment of a Special Account and the deposit therein of currency of the cooperating country, the Cooperating Agency will make such arrangements as may be necessary to establish a Special Account and to deposit therein currency of the cooperating country in amounts equal to such proceeds, in accordance with such terms and conditions as may be agreed upon. Funds in the Special Account may be used only as agreed upon by AID and the Cooperating Agency; provided, that such portion of the funds in the Special Account as may be designated by AID shall be made available to AID to meet the requirements of the United States.

L. The Cooperating Agency will make such arrangements as may be necessary so that funds introduced into the cooperating country by AID or any public or private agency for purposes of carrying out obligations of AID hereunder shall be convertible into currency of the cooperating country at the highest rate which, at the time the conversion is made, is not unlawful in the cooperating country.

M. AID shall expend funds and carry on operations pursuant to this Project Agreement only in accordance with the applicable laws and regulations of the United States Government.

N. The two parties shall have the right at any time to observe operations carried out under this Project Agreement. Either party during the term of the Project and three years after the completion of the project, shall further have the right (1) to examine any property procured through financing by that party under this Project Agreement, wherever such property is located, and (2) to inspect and audit any records and accounts with respect to funds provided by, or any properties and contract services procured through financing by, that party under this Project Agreement, wherever such records may be located and maintained. Each party, in arranging for any disposition of any property procured through financing by the other party under this Project Agreement, shall assure that the rights of examination, inspection and audit described in the preceding sentence are reserved to the party which did the financing.

O. Upon completion of the project, a Completion Report shall be drawn up, signed by appropriate representatives of AID and the Cooperating Agency, and submitted to AID and the Cooperating Agency. The Completion Report shall include a summary of the actual contributions by both AID and the Cooperating Agency to the project, and shall provide a record of the activities carried out, the objectives achieved, and related basic data. AID and the Cooperating Agency shall each furnish the other with such information as may be needed to determine the nature and scope of operations under this Agreement and to evaluate the effectiveness of such operations.

P. The present Agreement shall enter into force when signed. Either party may terminate this Project Agreement by giving the other party 30 days written notice of intention to terminate it. Termination of this Project Agreement shall terminate any obligations of the two parties to make contributions pursuant to Blocks 8 and 9 of this Project Agreement, except for payments which they are committed to make pursuant to noncancellable commitments entered into with third parties prior to the termination of the Project Agreement. It is expressly understood that the obligations under paragraph K relating to the use of property shall remain in force after such termination.

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT
19
VIETNAM

PROJECT DOCUMENT
APPROVAL FORM

Division ENGINEERING

Date Typed February 20, 1970

Project No. 730-12-220-356

Title Saigon Electric Power
(Interim Power)

Original Project Agreement 70-112

Revision No.

AW
Polk
PROGRAM OFFICE

2-20-70
DATE

PROJECT TECHNICIAN _____
DATE

OK
W.H.
AD/FINANCIAL MGMT
Chis

DATE

DIVISION CHIEF _____
DATE

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PRO AB
VIETNAM

01

PROJECT AGREEMENT
BETWEEN THE DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT (AID),
AN AGENCY OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA, AND
THE DIRECTORATE GENERAL FOR BUDGET AND FOREIGN AID
AN AGENCY OF THE GOVERNMENT OF VIETNAM.

Under the terms of the Economic Cooperation Agreement signed September 7, 1951, and the standard provisions annexes attached, it is agreed to carry out a project in accordance with the terms set forth herein.

1. PROJECT No. **730-12-220-356** 2. AGREEMENT No. **70-112** 3. ORIG REVISION No.

4. PROJECT TITLE: **Saigon Electric Power**
 (Sub-Activity) **(Spare Parts)**

5. PROJECT DESCRIPTION AND EXPLANATION (See Annex A attached)

6. APPROPRIATION: **72-1101006** 7. ALLOTMENT: **056-50-730-00-79-01**

8. AID DOLLAR FINANCING (Cost Component)	PREVIOUS TOTAL (2)	INCREASE (3)	DECREASE (4)	TOTAL TO DATE (5)
a. Personal Costs (1) US PASA Contract				
(2) Local and TQ1 PASA Contract				
b. Participants AID Direct PASA/Contract				
c. Commodities AID Direct PASA/Contract	7,430	945,350		952,780
d. Other Costs AID Direct PASA/Contract				
e. TOTAL (ALL COSTS)	7,430	945,350		952,780
9. LOCAL CURRENCY FINANCING (\$1.00 = Piasters)				
a. Counterpart Trust Fund AAC Special Fund Other				
b. GVN (show source below)				
c. US - Owned				

10. REFERENCES AND REMARKS

PIO/Cs (12) 0100572 - 0100583.

11. DATE OF ORIG AGREEMENT: **February 24, 1970** 12. DATE OF THIS REVISION: **May 23, 1970** 13. EST FINAL CONTRIBUTION DATE: **February 28, 1973**

14. GOVERNMENT OF VIETNAM 15. AGENCY FOR INTERNATIONAL DEVELOPMENT

SIGNATURE: *[Signature]* DATE: **May 22, 1970** SIGNATURE: *[Signature]* DATE: **May 23, 1970**

TITLE: **for Budget and Foreign Aid** TITLE: **Director**

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PROJECT AGREEMENT
BETWEEN AID AID

DGEFA

AN AGENCY OF THE GOVERNMENT OF
Vietnam

1. Department/Activity No.
730-12-220-356

2. Agreement No.
70-112

2. Project/Activity Title
Saigon Electric Power
(Spare Parts)

3. Original or
Revision No. 1

I. BACKGROUND

A. Interim Power

In May 1965, interdiction of the single-circuit 230 KV transmission line from 160 MW Da Nhim hydro-electric power station created a serious power shortage for Saigon. AID provided 21,000 KW of diesel-electric and gas turbine powered units by December 1965. The 33,000 KW steam-electric Thu Duc No. 1 Plant, financed under loan DLF-163, came into service in March 1966. As an interim measure, 61 General Motors (GM) 2,100 KW diesel-electric generators and one 15,000 KW gas-turbine unit were ordered under FY 1966-67 AID funding. All except three of the 2,100 KW units have been placed in service. These will be needed for Saigon until Thu Duc II and III thermal plants are in production in 1973.

B. Grant Agreement

The June 29, 1967, Grant Agreement provided for: (1) management assistance in the formation and development of an independent power company with authority to manage its own affairs; (2) construction of two 66 MW thermal power plants at Thu Duc; and (3) expansion and improvement of the Metropolitan Saigon area transmission and distribution systems.

C. Spare Parts

Because of inadequate procurement of tools and spare parts and the initial use of inferior fuel, the 61 GM diesel units have not been maintained in normal operating condition. In order to obtain optimum output during the interim period, they must be properly serviced and maintained.

II. DESCRIPTION AND OBJECTIVES

The overall objective of this project is to meet the electric power requirements of the metropolitan area of Saigon.

This will involve the following major actions:

A. The provision and maintenance of an interim power supply until permanent generating capacity is installed.

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
TITLE: _____

SIGNATURE: _____ DATE: _____
TITLE: _____

**PROJECT AGREEMENT
BETWEEN AID AND**

DGBFA

**AN AGENCY OF THE GOVERNMENT OF
Vietnam**

1. Project/Activity No.

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**Saigon Electric Power
(Spare Parts)**

B. The construction of two 66 MW steam turbine electric units by 1972-73.

C. The design and construction of an improved and expanded transmission and distribution system to match the increased capacity.

D. The development by 1972-73 of an economically viable, independent electric power company staffed with qualified and competent managerial, operational and technical personnel, and operated according to sound business practices.

E. An increase in the number of customers as shown below:

<u>Year</u>	<u>Customers</u>
1968	98,020
1969	115,841
1970	182,000*
1971	254,000*
1972	426,000*

* Estimates

III. DESIGNATIONS

A. USAID

The Chief, Electric Power Section, Engineering Division is hereby designated US Project Manager. In this capacity he will serve as technical advisor, coordinate the USAID assistance provided for the project, and work closely with the GVN Project Manager in all phases of the project, including planning, budgeting, implementing, and evaluating.

B. GVN

The Chairman of the Board of the Vietnam Power Company (VPC) or his designee is hereby designated GVN Project Manager. In this capacity he will be primarily responsible for the overall implementation of the program.

IV. IMPLEMENTATION PLAN & RESPONSIBILITIES

A. Implementation

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____

SIGNATURE: _____ DATE: _____

TITLE: _____

TITLE: _____

PROAC
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PROJECT AGREEMENT
BETWEEN AID AND

DGEFA

AN AGENCY OF THE GOVERNMENT OF
Vietnam

1. Order/Activity No.

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2. Agreement No.

70-112

2. Original or

Revision No. 1

3. Project/Activity Title

Saigon Electric Power
(Spare Sparts)

The overall program will be implemented as follows:

1. Interim Power. Completion of the GM contract for installation, startup, and operation of the interim diesel generators, including the training of personnel, by end of CY 70. USAID will provide an estimated two-year supply of spare parts to keep the generators operating at maximum efficiency and to allow scheduled rebuild and overhaul of engines. The GM service engineers will assist in repair and overhaul of the equipment and train Vietnamese personnel. The VPC will properly receive, catalog, store, issue and install the spare parts as needed. Machine components capable of being rebuilt or reconditioned will be delivered to the engine rebuild facility at the Thu Duc diesel department shops for inspection and rebuilding and then will be placed in stock for re-use as needed. The VPC will provide adequate buildings, storage areas and manpower necessary for the proper warehousing and control of these parts. VPC will finance all subsequent expenditures in connection with spare parts.
2. Generation. Completion of construction of two 66 MW steam turbine electric units at Thu Duc by 1972-73. Pursuant to the Grant Agreement, AID has entered into a contract with MWK & Associates for the construction and installation of these units, including plant startup and initial operation, maintenance, and training. VPC will provide the local currency for this work and will finance all subsequent expenditures in connection with these units. Engineering supervision of the MWK & Associates design and field work will be provided by the Detroit Edison Company under Contract VN-18.
3. Distribution. Completion of engineering design, procurement, and construction of transmission and distribution system modifications and extension by mid CY 72. The balance of the Grant funds, estimated to be about \$7 million after deducting for the management contract and Thu Duc contingencies, will be used to finance a contract with a US firm for the construction of the improved transmission and distribution system. The VPC is preparing bills of material and specifications for the emergency procurement of materials under this proposed contract. The price lists are to be submitted to USAID for review and approval by June 1, 1970, so that the procurement procedures can be initiated. The contract being negotiated by AID/W is scheduled for execution by June 1, 1970. The first group of commodities to be ordered will be limited to \$1.0 million funded jointly and equally, by VPC from its own resources, and by USAID from the 1967 Grant. The balance of procurement under the contract will be funded with Grant Agreement funds after engineering studies assure that appropriate methods of increasing the distribution system capacity have been considered.

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____

SIGNATURE: _____ DATE: _____

TITLE: _____

TITLE: _____

**PROJECT AGREEMENT
BETWEEN AID AND**

1. Contract/Activity No.

730-12-220-356

2. Agreement No.

70-112

3. Original or

Revision No. 1

DGRFA

3. Project/Activity Title

**Saigon Electric Power
(Spare Parts)**

**PROAC
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**AN AGENCY OF THE GOVERNMENT OF
VIETNAM**

4. Management. Utilization of the management consultant service being provided by Commonwealth Associates, Inc. (CAI) under contract AID/vn-14 which expires on August 31, 1970. CAI has been working with the VPC to strengthen their management and planning capabilities. Long range planning is of critical importance for the creation of a viable self-supporting power company. The VPC will establish a Long-range Planning Committee to advise and assist in this effort.

B. Responsibilities of USAID

USAID agrees to:

1. Assist VPC to develop the capability to operate and maintain the GM 2,100 KW diesel generators, including on a one-time basis the provision of an estimated two-year stock of essential tools and spare parts. Future requirements for spare parts will be met through VPC financing. Advisory services for the installation and operation of these generators is being provided by the General Motors Overseas Operation under GSA/W contract GS-008-70800 AID. Two technicians currently are planned for this purpose through 1970.

2. Fulfill the commitment under the terms of the FY 67 Grant Agreement by (a) continuing to monitor the CAI management consultant services contract, (b) providing contract administration of MWK & Associates contract, for the construction of two 66 MW thermal units at the Thu Duc site, and (c) contracting with a US firm for the engineering and procurement of transmission and distribution commodities, using the balance of funds remaining in the Grant.

3. Provide executive level US direct hire advisory assistance to the VPC.

C. Responsibilities of GVN

1. The GVN reaffirms, under the terms of the Grant Agreement, that it will make available to the VPC VN\$1,070,000,000 for the following purposes:

a. VN\$500,000,000 to fund secondary distribution equipment, hardware, and lines, and all construction required to complete the transmission and distribution system under the Grant Agreement.

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____

SIGNATURE: _____ DATE: _____

TITLE: _____

TITLE: _____

PROJECT AGREEMENT
BETWEEN AID AND
DCBFA

AN AGENCY OF THE GOVERNMENT OF
Vietnam

1. Project/Activity No.

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Saigon Electric Power
(Spare Sparts)

b. VN\$420,000,000 to fund local costs of the construction of two 66 MW thermal electric units at Thu Duc under the MWR and Associates contract.

c. VN\$150,000,000 to fund local costs of CAI management consultant services under contract AID/vn-14.

2. Subject to the availability of foreign exchange, the GVN agrees to make available to VFC adequate foreign exchange for the procurement of spare parts and other commodities required to fulfill the objectives of this project.

D. Responsibilities of VFC

1. Pay past due accounts by December 31, 1970, and in view of the continuing requirement for replacement parts for all types of equipment and the likelihood of emergency requirements from time to time, assure that funds are available for this purpose on a timely basis.

2. Utilize, as a training cadre upon their return to Vietnam, the eight VFC employees currently attending an eight-week training course at GM in the US in operation and mechanical/electrical maintenance of GM 2100 KW generators.

3. Provide trainees for the in-country GM training to assure an adequate supply of operators, maintenance mechanics, overhaul crews, and engine rebuild crews. Trainees must be competent in English.

4. Provide buildings and furnishings required to train new personnel, including an office/school building by December 31, 1970, for use by the Chief of the Saigon Diesel Group and for use as an instructional center for operators and maintenance technicians.

5. Increase the personnel of the diesel department to provide sufficient mechanics for the repair and overhaul of diesel units.

6. Establish an engine rebuild shop by December 31, 1970, for the overhaul of engines on a scheduled basis. This building will be constructed with overhead clearance sufficient to allow installation of an overhead crane of adequate capacity to handle an engine from one of the GM diesel generators.

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____

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**PROJECT AGREEMENT
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1. Project/Activity No.
730-12-220-356

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70-112

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**Saigon Electric Power
(Spare Parts)**

**AN AGENCY OF THE GOVERNMENT OF
VIETNAM**

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7. Make available by September 1, 1970, from the four existing warehouses at the Thu Duc power warehouse complex, two warehouses for receipt, proper storage and issuance of the spare parts purchased for the GM diesel units.

8. Periodically inspect and maintain diesel generators provided under AID programs.

9. Achieve an integrated salary and allowance structure, fairly incorporating employees of the former SPC and KOV organizations into the new company, by September 1, 1970.

10. Develop financial records reflecting the value of facilities and equipment, and current operating costs and revenues, by June 30, 1971.

11. Establish a centralized systems operations procedure and organization by June 30, 1971, to achieve economies in power generation and improvements in service reliability of the inter-connected power system in the Metropolitan Saigon area.

12. Modify and integrate by 1972 the distribution facilities recently constructed in the Metropolitan Saigon area so as effectively and economically to utilize the generating capability of the two 66 MW thermal power plants being constructed at Thu Duc.

13. Develop and follow a sequential long-range plan to assure that adequate generation and distribution facilities are physically available as scheduled to meet anticipated growth. This plan shall include provision for timely financing of such facilities as are deemed technically desirable. VFC planning efforts will take cognizance of all available planning data and forecasts.

14. Institute and convene by June 30, 1970, regular meetings of a Long-range Planning Committee comprised of representatives of the Ministry of Public Works (MPW), Ministry of Economy, VFC, USAID, CAI, the transmission/distribution contractor, the National Power Survey contract group, and other relevant groups, to review and analyze current plans and to discuss problems that arise. Meetings of this Long-Range Planning Committee will be held at least monthly, and more often if the need arises. The primary purpose of such meetings is timely consideration of provision for feasibility studies, technical and economic data on desired additions, and proposed financial arrangements (local currency and foreign exchange) to assure that VFC needs will be met in an orderly and efficient manner.

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____

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TITLE: _____

TITLE: _____

PROJECT AGREEMENT
BETWEEN AID AND

1. Project/Activity No.

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(Spare Sparts)

DGBFA

AN AGENCY OF THE GOVERNMENT OF
Vietnam

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15. Refrain from incurring additional foreign exchange debt, other than for the rehabilitation of Da Nhim penstocks and transmission system, without the prior review by and concurrence of the Long-Range Planning Committee.

V. FINANCIAL OBLIGATIONS

A. USAID

The dollar funds obligated on page 1 of this agreement will provide funding for the following:

Commodities - AID Direct \$945,350

To procure spare parts and tools (estimated two-year stock level) such as: filters, gaskets, rings, liners, cylinder head assemblies, injectors, injector repair kits, water pumps, fuel pumps, turbochargers, starter motors, brushes, relays, switches, relief valves, and tools. Details are included in 12 implementing PIO/Cs.

B. VPC

The VPC agrees to meet from its own revenues and budget accordingly, all local currency costs and the piaster equivalent of all dollars needed for:

1. Subsequent spare parts for diesel generators per para IV-A-1,
2. Activities described in the Grant Agreement per para IV-A-2.
3. Matching \$500,000 per para IV-A-3.
4. Commodity costs and other costs for the maintenance and repair of other AID-financed equipment, including Thu Duc I, II, and III, and transmission and distribution systems.

VI. REPORTING AND EVALUATION

The US and GVN Project Managers jointly shall review progress of procurement and utilization of spare parts funded hereunder, and issue such reports as are deemed appropriate or as may be requested by USAID or the GVN. Distribution will include the DGBFA and other GVN agencies when appropriate.

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____

SIGNATURE: _____ DATE: _____

TITLE: _____

TITLE: _____

**PROJECT AGREEMENT
BETWEEN AID AND**

Project/Activity No.
730-12-220-356

**PROAG
CONTINUATION
SHEET**

2. Approval No.
70-112

3. Original or
Revision No. 1

ANNEX _____

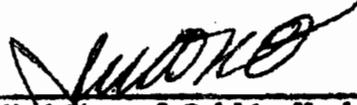
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AN AGENCY OF THE GOVERNMENT OF
Vietnam**

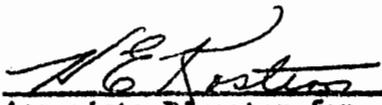
2. Project/Activity Title
**Saigon Electric Power
(Spare Sparts)**

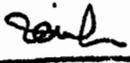
VII. SPECIAL PROVISIONS

The commodities to be procured under this agreement will be shipped via commercial carrier and/or international mail. Title to these commodities shall pass to the GVN at the time and place of loading and/or mailing. At the time these are unloaded and received in Vietnam, title shall pass to the Vietnam Power Company.

Concurrences:

 5/21/70
Minister of Public Works (date)

 16 May 1970
Associate Director for (date)
Commercial and Capital Assistance

 20/5/70
Chairman of the Board, (date)
Vietnam Power Company

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
TITLE: _____

SIGNATURE: _____ DATE: _____
TITLE: _____

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT
TO
VIET-NAM

PROJECT DOCUMENT
APPROVAL FORM

Division ENGINEERING

Date Typed May 15, 1970

Project No. 730-12-220-356

Title Saigon Electric Power
(Spare Sparts)

Original Project Agreement

Revision No. 1 70-112

[Signature] 5/24/1970
Polk
PROGRAM OFFICE 5-16-70
DATE

[Signature] 5-16-70
PROJECT TECHNICIAN 5-16-70
DATE

[Signature] 5/18/70
ADMINANCIAL MGMT 5-16-70
DATE

[Signature] 5-16-70
DIVISION CHIEF 5-16-70
DATE

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ECON

FBS AN
VIETNAM
11

PROJECT AGREEMENT
BETWEEN THE DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT (AID),
AN AGENCY OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA, AND
THE DIRECTORATE GENERAL FOR BUDGET AND FOREIGN AID
AN AGENCY OF THE GOVERNMENT OF VIETNAM

Under the terms of the Economic Cooperation Agreement signed September 7, 1951, and the standard provisions annexes attached, it is agreed to carry out a project in accordance with the terms set forth herein.

1. PROJECT No. **750-12-220-356** 2. AGREEMENT No. **71-049** 3. ORIGINAL **X** REVISION No.

4. PROJECT TITLE: **Vietnam Power Company**
 (Sub-Activity) **(National Public Utilities Commission)**

5. PROJECT DESCRIPTION AND EXPLANATION (See Annex A attached)

6. APPROPRIATION: **72-1111006** 7. ALLOTMENT: **156-50-730-00-79-11**

8. AID DOLLAR FINANCING (Cost Component)	PREVIOUS TOTAL (A)	INCREASE (B)	DECREASE (C)	TOTAL TO DATE (D)
9. PERSONNEL COSTS				
(1) US				
PASA				
Contract		34,500		34,500
(2) LOCAL AND TCN				
PASA				
Contract				
10. PARTICIPANTS				
AID Direct				
PASA/Contract				
11. COMMODITIES				
AID Direct				
PASA/Contract				
12. OTHER COSTS				
AID Direct				
PASA/Contract				
13. TOTAL (ALL COSTS)		34,500		34,500
14. LOCAL CURRENCY FINANCING (\$1.00 = PASTERS)				
15. COUNTERPART				
Trust Fund				
AAC				
Special Fund				
Other				
16. GVN (SHOW SOURCE BELOW)				
a. US - OWNED				

10. REFERENCES AND REMARKS:

11. DATE OF ORG AGREEMENT: **December 23, 1970** 12. DATE OF THIS REVISION: 13. EST FINAL CONTRIBUTION DATE: **December 31, 1973**

14. GOVERNMENT OF VIETNAM 15. AGENCY FOR INTERNATIONAL DEVELOPMENT

SIGNATURE: *[Signature]* DATE: **Dec 23/70** SIGNATURE: *[Signature]* DATE: _____

TITLE: **Director General** for Budget and Foreign Aid TITLE: **Deputy Associate Director** for Program

**PROJECT AGREEMENT
BETWEEN AID AND
DGBFA**

**AN AGENCY OF THE GOVERNMENT OF
Vietnam**

1. Project/Activity No.

730-12-220-356

PAGE 2 OF 1 PAGES

2. Agreement No.

71-049

3. Original or

Revision No. _____

3. Project/Activity Title

Vietnam Power Company
(Nat'l Public Utilities Comm.)

I. BACKGROUND

Prior to September 29, 1968, government regulation of electric utilities in Vietnam was provided by the Service of Control (SOC) in the Ministry of Public Works. In addition to its extensive powers over the approval of construction by utility agencies, the SOC was empowered to regulate the rates of electric utilities and the conditions under which service would be extended and supplied to customers. The Service also was empowered to audit the books of electric utilities, check the amounts which the municipality granting a concession should receive from the utility operating under it, and require submission of annual and monthly financial reports from each electric utility.

In the exercise of its extensive powers, however, the SOC often was unable to act promptly and decisively. Proposed construction projects were delayed for months or years pending decisions on their propriety, and disputes over rates similarly remained unresolved. In view of these difficulties and the decision to merge all Vietnam electric utilities into one organization (the Vietnam Power Company), it was deemed inappropriate for this new company to be under such complete regulatory control of another Government agency having powers as extensive as the Service of Control. On the other hand, it was considered advisable that the new company, particularly in view of its monopoly status, should be subject to some measure of regulatory control. Consequently, the 1967 Grant Agreement of \$32 million required, as a condition precedent to disbursement, the establishment of a National Public Utilities Commission (NPUC). This condition precedent was satisfied on September 29, 1968, by Decree No. 131-SL/CC.GTVT which established the Commission.

II. DESCRIPTION AND OBJECTIVES

Among the responsibilities of the NPUC--composed of three members, one each nominated by the Ministers of Public Works, Economy, and Finance -- is that of fixing and promulgating electric power rates. No change in power rates is permissible without prior approval and promulgation of the Commission. The Commission also is empowered to regulate, in detail, the financial activities of the VPC.

In order that the NPUC may fulfill its rate determination responsibilities -- so that VPC can provide adequate electric power on a sound financial basis -- the GVN has requested and USAID has agreed to provide the services of an electric power specialist for a period

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____

SIGNATURE: _____ DATE: _____

TITLE: _____

TITLE: _____

PROAG
CONTINUATION
SHEET

ANNEX A

PROJECT AGREEMENT
BETWEEN AID AND
DGBFA

AN AGENCY OF THE GOVERNMENT OF
Vietnam

1. Project/Activity No. 730-12-220-356	PAGE 3 OF 4 PAGES
2. Agreement No. 71-049	Original or Revision No. _____
3. Project/Activity Title Vietnam Power Company (Nat'l Public Utilities Comm.)	

of one year to assist the NPUC establish rules and regulations governing public utilities in Vietnam.

III. IMPLEMENTATION PLAN AND RESPONSIBILITIES

The Rate Specialist, to be provided through contract, will work with the Chairman of the NPUC, the Minister of Public Works, and the Director General of the VPC. He will provide advice on US experience in regulatory matters, on adjustment of the regulatory process to the requirements of utility development under accelerated growth of demand, and on the requirements of lending institutions for the submission of loan applications by public utility borrowers. Emphasis will be placed on criteria and techniques for evaluating proposed rates and charges submitted by the VPC and other public utilities.

IV. DESIGNATIONS

A. The Assistant Director for Capital Assistance and Engineering (ADCAE) or his designee is hereby designated US Project Manager. In this capacity he will act as technical advisor, coordinate USAID assistance provided for the project, and work closely with the GVN Project Manager in all phases of the project.

B. The Chairman of the National Public Utilities Commission is hereby designated GVN Project Manager. In this capacity he will be responsible for the overall implementation of the program. It is understood and agreed that he will work closely with the US Project Manager and will seek and utilize the latter's technical knowledge, advice, and counsel to the maximum extent practicable to attain project objectives.

V. EXPLANATION OF FINANCING

The dollars provided herein will fund a contract with an electric power utility specialist to provide advice to the National Public Utilities Commission, the Ministry of Public Works, and the VPC.

VI. REPORTS

The US and GVN Project Managers jointly shall prepare and submit to their respective agencies a progress report at the end of the first six months of service, a final report at the termination of the contract,

For the Cooperating Government or Agency

SIGNATURE: _____ DATE: _____

TITLE: _____

For the Agency for International Development

SIGNATURE: _____ DATE: _____

TITLE: _____

**PROJECT AGREEMENT
BETWEEN AID AND**

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**AN AGENCY OF THE GOVERNMENT OF
VIETNAM**

1. Project/Activity No.

730-12-220-356

PAGE 4 OF 11 PAGES

2. Agreement No.

71-049

3. Original or
Revision No. _____

3. Project/Activity Title

**Vietnam Power Company
(Nat'l Public Utilities Comm.)**

and other reports as may be requested, in a format mutually acceptable to the GVN and USAID. The first report should cover progress in the attainment of specific targets and identify any problems or delays which are deterring progress of the project.

Concurrences:

Wanhom

Public Utility Commission

[Signature]

Ministry of Public Works

[Signature]

Associate Director for
Commercial & Capital Assistance

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
TITLE: _____

SIGNATURE: _____ DATE: _____
TITLE: _____

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT
TO
VIET-NAM

PROJECT DOCUMENT
APPROVAL FORM

Division ENGINEERING

Date Typed December 7, 1970

Project No. 730-12-220-356

Title Vietnam Power Company
(Nat'l Public Utilities Comm.)

Original Project Agreement 71-049

Revision No.

T. J. Pelt
PROGRAM OFFICE

12-8-70
DATE

Robert Hatch
PROJECT TECHNICIAN

12/18/70
DATE

[Signature]
AD/FINANCIAL MGMT

12/14/70
DATE

[Signature]
DIVISION CHIEF

12/18/70
DATE

PROJECT AGREEMENT
BETWEEN THE DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT (AID),
AN AGENCY OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA, AND
THE DIRECTORATE GENERAL FOR BUDGET AND FOREIGN AID
AN AGENCY OF THE GOVERNMENT OF VIETNAM.

Under the terms of the Economic Cooperation Agreement signed September 7, 1951, and the standard provisions annexes attached, it is agreed to carry out a project in accordance with the terms set forth herein.

1. PROJECT No. **730-12-220-356** 2. AGREEMENT No. **72-062** 3. ORIG REVISION No.

4. PROJECT TITLE: **VIETNAM POWER COMPANY (Management Advisory Services)**
 (Sub-Activity)

5. PROJECT DESCRIPTION AND EXPLANATION (See Annex A attached)

6. APPROPRIATION: **72-1121006** 7. ALLOTMENT: **256-50-730-00-79-21**

8. AID DOLLAR FINANCING (Cost Component)	PREVIOUS TOTAL (A)	INCREASE (B)	DECREASE (C)	TOTAL TO DATE (D)
a. Personnel Costs (1) US PASA Contract		260,000		260,000
(2) Local and TCI PASA Contract				
b. Participants AID Direct PASA/Contract				
c. Commodities AID Direct PASA/Contract				
d. Other Costs AID Direct PASA/Contract				
e. TOTAL (ALL COST)		260,000		260,000
9. LOCAL CURRENCY FINANCING (\$1.00 = 118 dong)				
a. Counterpart Trust Fund AAC Special Fund Other				
b. GVN (show source below) *		VN\$10,000,000		VN\$10,000,000
c. US - Owned				

10. REFERENCES AND REMARKS: **See PIO/T 2120272
 (Management Advisory Services)**

*VPC Revenues

11. DATE OF ORIG AGREEMENT: **November 15, 1971** 12. DATE OF THIS REVISION: 13. EST FINAL CONTRIBUTION DATE: **December 31, 1973**

14. GOVERNMENT OF VIETNAM: *[Signature]*
 SIGNATURE: **Director General** DATE: **Nov 15 71**
 TITLE: **For Budget and Foreign Aid**

15. AGENCY FOR INTERNATIONAL DEVELOPMENT: *[Signature]*
 SIGNATURE: **Director** DATE: **11/15/71**
 TITLE: **Director USAID/V**

PRO AG
CONTINUATION
SHEET
ANNEX A

PROJECT AGREEMENT
BETWEEN AID AND
DGBFA
AN AGENCY OF THE GOVERNMENT OF
Vietnam

730-12-220-356
2. Agreement No. 72-062
3. Project/Activity Title
Vietnam Power Company
(Management Advisory Services)
2 OF 4 PAGES
 Original or
Revision No.

I. BACKGROUND

This project began in 1967 as a special grant of \$32 million for the establishment of a self-sufficient Vietnamese utility organization to serve the power requirements of the Saigon metropolitan area. On January 1, 1970 the Vietnam Power Company was established to meet the nationwide need for electric power.

For the past four years a contractor has been working with the VPC providing overall management advisory services. The contract was funded under the \$32 million grant agreement; the contract expired on August 31, 1971.

II. DESCRIPTION AND OBJECTIVE

The overall objective of this Project Agreement is to further the development of the Vietnam Power Company's staff to the point where they are able to perform as leaders of a stable and viable corporation capable of attracting capital requirements from the free world lending agencies. The Company's principal needs at this time are to improve present corporate procedures, particularly in the fields of management, finance and accounting. The Company is relatively strong in engineering and technical operations, but some further implementation of the procedures set up by the previous contractor is needed in specific fields.

III. IMPLEMENTATION PLAN AND RESPONSIBILITIES

Under the terms of this Project Agreement the Vietnam Power Company will let a contract for Management Advisory Services. USAID will assist the VPC in the preparation of a satisfactory contract document.

During the first six weeks of the contract period the Contractor's team leader will familiarize himself with VPC management procedures in order to identify problems in the operations.

He will prepare a plan which will establish priorities, sequence, approach and a time-table for specific VPC management tasks to improve the effectiveness of the Company.

For the Cooperating Government or Agency
SIGNATURE: _____ DATE: _____
TITLE: _____

For the Agency for International Development
SIGNATURE: _____ DATE: _____
TITLE: _____

PROAG
CONTINUATION
SHEET

1. Agreement No. 72-062

Original or
Revision No.

ANNEX A

AN AGENCY OF THE GOVERNMENT OF
Vietnam

2. Project/Activity Title
Vietnam Power Company
(Management Advisory Services)

On the basis of the plan developed by the team leader, and approved by VPC and USAID, two additional members will be included to form a three man team. The team will work with VPC executives to assist them in carrying out the tasks developed in the plan. Additional technical assistance for data processing equipment and/or other specialized fields may be required on a short term basis.

IV. DESIGNATIONS

A. USAID

The Chief, Electric Power Branch, Engineering Division is hereby designated US Project Manager. In this capacity he will serve as technical advisor, coordinate the USAID assistance provided for the project, and work closely with the GVN Project Manager in all phases of the project, including planning, budgeting, implementing, and evaluating.

B. GVN

The President of the Vietnam Power Company is hereby designated GVN Project Manager. In this capacity he will be primarily responsible for the overall implementation.

V. EXPLANATION OF FINANCING

USAID agrees to pay the dollar cost of US advisors assigned to work on this project. An amount not to exceed US\$260,000 will be provided by USAID to meet the US dollar cost of providing the management advisory services to the VPC. Details are incorporated in PIO/T (Management Advisory Services).

The VPC agrees to provide an amount not to exceed VN\$10,000,000 to cover the local currency cost of the management advisory services. Details are incorporated in PIO/T

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
TITLE: _____

SIGNATURE: _____ DATE: _____
TITLE: _____

PROAG
CONTRIBUTION
SHEET
ANNEX A

AN AGENCY OF THE GOVERNMENT OF
Vietnam

3. Project/Activity Title
Vietnam Power Company
(Management Advisory Services)

VI. REPORTS

The US and GVN Project Managers shall prepare jointly and submit to their respective agencies quarterly progress reports and other reports as may be requested, in a format mutually acceptable to the GVN and USAID. Distribution will include the USAID Program Office and DGBFA and other GVN agencies when appropriate. These reports should cover progress in the attainment of specific targets and identify any problems or delays which are deterring progress of the project.

VII. SPECIAL PROVISIONS

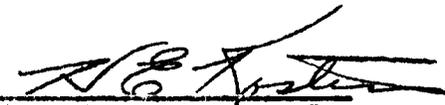
The VPC will contract for services funded under this Project Agreement. USAID approval of the contract will be required. AID and Mission security clearance will be required on all contract employees.

The VPC will arrange for a portion of the VN\$ funding to be placed in a special account for the Contractor to draw on for month to month expenses when VPC is unable to provide logistic support in kind.

VIII. CONCURRENCES



Minister of Public Works



Associate Director for
Commercial & Capital
Assistance



President, Vietnam Power Company


Chief Engineer

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE _____ DATE _____

SIGNATURE _____ DATE _____

TITLE _____

TITLE _____

PROJECT DOCUMENT CLEARANCE SHEET

Project Title: VIETNAM POWER COMPANY (Management Advisory Services)

Project Number: 730-LF-220-354

Agreement Number: 72-042

Original _____

Explanation and/or comments:

The purpose of this Fund and PLO/T is to obligate and sub-obligate \$260,000 to finance for 18 months the dollar costs of a new contract which will provide management advisory services in management, finance, and accounting to the Vietnam Power Company (VPC). The VPC will provide up to VN\$10,000,000 to cover the local currency costs of this contract. The funding required for this contract is consistent with the FY 73 PBS.

If you intend to be attached, comment, please sign and date below.

AOPROC:

[Signature]

AFPC President

[Signature]

ADPROG

ADFM:

[Signature]

AFAB

[Signature]

ADFM

TECHNICAL OFFICE:

[Signature]

Project Manager

[Signature]

Director of Technical Office

VTSEU:

PRO AG
VIETNAM

21

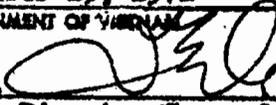
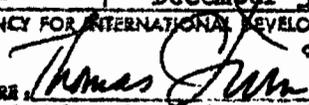
PROJECT AGREEMENT
BETWEEN THE DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT (AID),
AN AGENCY OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA, AND
THE DIRECTORATE GENERAL FOR BUDGET AND FOREIGN AID (DGBFA)
AN AGENCY OF THE GOVERNMENT OF VIETNAM

Under the terms of the Economic Cooperation Agreement signed September 7, 1951, and the standard provisions annexes attached, it is agreed to carry out a project in accordance with the terms set forth herein.

1. PROJECT No. 730-12-220-356		2. AGREEMENT No. 72-062		3. ORIGINAL		REVISION No. 1	
4. PROJECT TITLE: Vietnam Power Company (Sub-Activity) (Diesel Plant Operation and Maintenance Training)							
5. PROJECT DESCRIPTION AND EXPLANATION (See Annex A attached)							
6. APPROPRIATION . 72-1121006				7. ALLOTMENT . 256-50-730-00-79-21			
8. AID DOLLAR FINANCING (Cost Component)		PREVIOUS TOTAL (A)	INCREASE (B)	DECREASE (C)	TOTAL TO DATE (D)		
a. PERSONNEL COSTS							
(1) US PASA							
Contract		260,000	30,000		290,000		
(2) LOCAL AND FCN PASA							
Contract							
b. PARTICIPANTS							
AID Direct							
PASA/Contract							
c. COMMODITIES							
AID Direct							
PASA/Contract							
d. OTHER COSTS							
AID Direct							
PASA/Contract							
e. TOTAL (ALL COSTS)		260,000	30,000		290,000		
9. LOCAL CURRENCY FINANCING (D1.00 = 110 PIASTERS)							
a. COUNTERPART							
Trust Fund							
AAC							
Special Fund							
Other							
b. GVN (SHOW SOURCE BELOW) *		10,000,000			10,000,000		
c. US - OWNED							

10. REFERENCES AND REMARKS .
See PIO/T (21)20284 (Diesel Plant Operation and Maintenance Training).

 * VPC Revenues

11. DATE OF ORIG AGREEMENT November 15, 1971		12. DATE OF THIS REVISION December 22, 1971		13. EST FINAL CONTRIBUTION DATE December 31, 1973	
14. GOVERNMENT OF VIETNAM			15. AGENCY FOR INTERNATIONAL DEVELOPMENT		
SIGNATURE: 		DATE: Dec 21 71		SIGNATURE: 	
TITLE: Director General				DATE: Dec 22, 1971	
for Budget and Foreign Aid				TITLE: Acting Associate Director	
				for Program	

AID 1990-1A
(8-70)

PRO AG
CONTINUATION
SHEET

ANNEX A

**PROJECT AGREEMENT
BETWEEN AID AND
DGBFA
AN AGENCY OF THE GOVERNMENT OF
Vietnam**

1. Project/Activity No. 730-12-220-356	PAGE <u>2</u> OF <u>3</u> PAGES
2. Agreement No. 72-062	3. <input type="checkbox"/> Original or Revision No. <u>1</u>
3. Project/Activity Title Vietnam Power Company (DPO & MT)	

I. BACKGROUND

This activity began in May 1970 in order to provide proper installation, operation and maintenance instructions for Vietnamese personnel for the fifty-six General Motors 2100 KW Diesel generators located in the Saigon area. Approximately 60% of the overall power is generated by these units. Further technical assistance is required due to the late arrival of spare parts and unusual maintenance and operational problems of such a serious nature as to warrant design modifications. Adequate electrical power for Saigon will not be available until the two new 66 MW steam units become operational in July 1972.

II. DESCRIPTION AND OBJECTIVE

The objective of this activity is to establish a cadre of VPC personnel capable of training other VPC personnel to properly operate and maintain the 56 General Motors diesel generators. This additional capability of VPC staff personnel can eventually be extended to areas generating electric power outside of Saigon.

III. IMPLEMENTATION PLAN AND RESPONSIBILITIES

The GM contract technician will continue for an additional six months to give VPC personnel classroom and on-the-job training in proper operation and maintenance procedures. Frequent trips to generation sites are necessary to determine corrective action for malfunctioning units. Assistance is required to insure proper selection of spare parts and to establish inventory levels. The technician also coordinates design improvements with General Motor's factory engineering division.

IV. DESIGNATION

A. USAID

The Chief, Electric Power Branch, Engineering Division is hereby designated US Project Manager. In this capacity he will serve as technical advisor, coordinate the USAID assistance provided for the project, and work closely with the GVN Project Manager in all phases of the project, including planning, budgeting, implementing, and evaluating.

B. GVN

The President of the Vietnam Power Company is hereby designated GVN Project Manager. In this capacity he will be primarily responsible for the overall implementation of the program. It is understood and

For the Cooperating Government or Agency	For the Agency for International Development
SIGNATURE: _____ DATE: _____	SIGNATURE: _____ DATE: _____
TITLE: _____	TITLE: _____

PROJECT AGREEMENT

BETWEEN AID AND

DGBFA

**AN AGENCY OF THE GOVERNMENT OF
Vietnam**

1. Project/Activity No.
730-12-220-355

2. Agreement No.
72-067

3. Original or
Revision No. 1

3. Project/Activity Title
Vietnam Power Company
(DPO & MT)

PROAG
CONTINUATION
SHEET
ANNEX

agreed that he will work closely with the US Project Manager and will seek and utilize the latter's technical knowledge, advice, and counsel to the maximum degree practicable to attain project objectives.

V. EXPLANATION OF FINANCING

The funds obligated by this Project Agreement are to provide the financing required to extend the General Motors Overseas Operations Contract for six months.

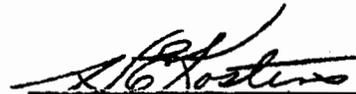
VI. REPORTS

The technician will submit one smooth copy of a progress report summarizing accomplishments to AID/Saigon weekly. One smooth copy of the final report will be submitted to AID/Saigon.

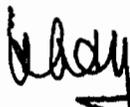
Concurrences :



Minister of Public Works



Associate Director for
Commercial and
Capital Assistance



For President, Vietnam Power Company

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____

SIGNATURE: _____ DATE: _____

TITLE: _____

TITLE: _____

PROJECT DOCUMENT CLEARANCE SHEET

Project Title: Vietnam Power Company (Diesel Plant Operation & Maintenance Training)

Project Number: 730-12-220-356

Agreement Number: 72-062

Original _____ Revision: 1

Explanation and/or comments:

The purpose of this ProAg Revision and PIO/T is to provide the financing required to extend the General Motors Overseas Operations Contract for six months (1/1/72 to 6/30/72). On the basis of Mr. Johnson's memorandum dated October 1 1971 (copy attached), funds for this extension were approved in PID #72-13.

If you concur in the attached document, please sign and date below:

ADPROG:

[Signature]
ADPROG

[Signature] 12/2/71
Division Chief

[Signature]
Financial Mgmt. Br.

to 356

ADPROG

ADFM:

[Signature]
ADFM

[Signature] 12/6/71
B&A

[Signature]
ADFM

TECHNICAL OFFICE:

[Signature]
Project Manager

[Signature]
Division Chief of Assistant Director

OTHER:

VN-133/1(12-70)

ADPROG

PROJECT AGREEMENT
 BETWEEN THE DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT (AID),
 AN AGENCY OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA, AND
 DIRECTORATE GENERAL FOR BUDGET AND FOREIGN AID
 AN AGENCY OF THE GOVERNMENT OF VIETNAM

Under the terms of the Economic Cooperation Agreement signed September 7, 1950, and the standard provisions annexed thereto, it is agreed to carry out a project in accordance with the terms set forth herein.

1. PROJECT No **730-12-220-356** 2. AGREEMENT No **72-062** 3. COUNTRY **VIETNAM** 4. REVISION No. **3**

4. PROJECT TITLE:
 (Sub-Activity) **Vietnam Power Company**

5. PROJECT DESCRIPTION AND EXPLANATION (See Annex A attached)

6. APPROPRIATION: **72-1121006** 7. ACCOUNT: **255-50-750-00-79-21**

8. AID SOURCE CATEGORIES (Cost Element)	PREVIOUS TOTAL (\$)	INCREASE (\$)	DECREASE (\$)	TOTAL TO DATE (\$)
a. PERSONNEL COSTS				
(1) US				
Direct	340,000			340,000
(2) LOCAL CURRENCY				
Direct				
b. PARTICIPANTS				
AID Direct		6,400		6,400
PASA/Contract				
c. COMMODITIES				
AID Direct				
PASA/Contract				
d. OTHER COSTS				
AID Direct				
PASA/Contract				
e. TOTAL (ALL COSTS)	340,000	6,400		346,400
9. LOCAL CURRENCY FINANCING (\$1.00 = 200 VND)				
a. COUNTERPART				
Trust Fund				
AAC				
Special Fund				
Other				
b. CVM (SHOW SOURCE FOLLOW)	12,000,000			12,000,000
c. US - OWNED				

10. REFERENCES AND REMARKS:
 The purpose of this Procg Revision is to obligate the funds required to finance the short-term participant training for two employees of the Vietnam Power Company (VPC) who will participate in the Public Utility Executive Program (6/18/72 - 7/14/72) at the Michigan Graduate School of Business Administration.
 Ref. PTO/P (21)20655

11. DATE OF DEQ. AGREEMENT: **November 15, 1971** 12. DATE OF THIS REVISION: **May 26, 1972** 13. 1ST FINAL CONTRIBUTION DATE: **January 1, 1974**

14. GOVERNMENT OF VIETNAM: *[Signature]* 15. AGENCY FOR INTERNATIONAL DEVELOPMENT: *[Signature]*
 SIGNATURE: *[Signature]* DATE: **May 22 72** SIGNATURE: *[Signature]* DATE: **5/26/72**
 TITLE: **Dir Director General for Budget and Foreign Aid** TITLE: **Dir Director**

PROJECT DOCUMENT CLEARANCE SHEET

Project Title : **Vietnam Power Company**

Project Number : 730-12-220-356

Agreement Number : 72-062

Original _____ Revision 3

Explanation and/or comments

This documentation (ProAg and PIO/P) obligates and subobligates the funds required to finance the short-term participant training for two employees of the Vietnam Power Company (VPC) who will participate in the Public Utility Executive Program (5/18/72-7/14/72) at the Michigan Graduate School of Business Administration. These documents complete FY 72 documentation and obligations programmed for this project.

If you concur in the attached document, please sign and date below :

ADPROG :

Ch Billings
5/17/72 APO

[Signature] 5/17/72
Division Chief

[Signature]
Financial Mgmt. Br.

E. Kovich 5/25/72
ADPROG

ADFM :

[Signature]
FAD

[Signature] 5/19/72
B&A

[Signature] 5/19/72
ADFM

TECHNICAL OFFICE :

Project Manager

Division Chief or Assistant Director

OTHER :

[Signature] lev

~~SECRET~~

FED AID
VIETNAM

PROJECT AGREEMENT
 BETWEEN THE DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT (AID),
 AN AGENCY OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA, AND
 THE DIRECTORATE GENERAL FOR BUDGET AND FOREIGN AID (DGBFA)
 AN AGENCY OF THE GOVERNMENT OF VIETNAM

Page 1

Under the terms of the Economic Cooperation Agreement signed September 7, 1951, and the standard provisions annexes attached, it is agreed to carry out a project in accordance with the terms set forth herein.

Shaw

1. PROJECT No. **730-12-220-354** 2. AGREEMENT No. **73-013** 3. ORIGINATOR 4. DIVISION No. 1

Ministry of Public Works

4. PROJECT TITLE: **Vietnam Power Company**
(Sub-Activity)

Dec 15, 1972

5. PROJECT DESCRIPTION AND EXPLANATION (See Annex A attached)

6. APPROPRIATION: **72-1131006** 7. ALLOTMENT: **356-50-730-00-79-31**

8. AID DOLLAR FINANCING (Cost Component)	PREVIOUS TOTAL (A)	INCREASE (B)	DECREASE (C)	TOTAL TO DATE (D)
a. PERSONNEL COSTS				
(1) US PASA				
Contract	30,000			30,000
(2) LOCAL AND TCM PASA				
Contract				
b. PARTICIPANTS				
AID Direct				
PASA/Contract				
c. COMMODITIES				
AID Direct				
PASA/Contract				
d. OTHER COSTS				
AID Direct				
PASA/Contract				
a. TOTAL (ALL COSTS)	30,000			30,000
9. LOCAL CURRENCY FINANCING (\$1.00 = PIASTERS)				
a. COUNTERPART				
Trust Fund				
AAC				
Special Fund				
Other Direct Counterpart		900,000,000		900,000,000
b. GVN (SHOW SOURCE BELOW) a/	2,000,000			2,000,000
c. US - OWNED				

10. REFERENCES AND REMARKS

a/ VN\$2,000,000 from the NUC operating budget.

11. DATE OF ORIG. AGREEMENT: **November 29, 1972** 12. DATE OF THIS REVISION: **January 23, 1973** 13. EST. FINAL CONTRIBUTION DATE: **June 30, 1974**

14. GOVERNMENT OF VIETNAM: *File*
 SIGNATURE: *[Signature]* DATE: **Dec 21**
 TITLE: **Director General**
 15. AGENCY FOR INTERNATIONAL DEVELOPMENT: *[Signature]*
 SIGNATURE: *[Signature]* DATE: **01/23/73**
 TITLE: **Director**

hal
 President VPC
[Signature]
 Associate Director for Commercial & Capital Assistance
[Signature]

PRO AG COMMITTEE OFF	OFFICE OF THE ATTORNEY GENERAL	AGREEMENT NO.	DATE
	USAID	74-013	1/23/73
AGREEMENT TO THE CITIZENSHIP OF		AGREEMENT NO.	
Vietnam		Vietnam Power Company	

The purpose of this ProAg Revision is to authorize USAID/ADPM to transfer an amount not to exceed VPC's 1972 debt service payments (est. at VN\$900,000,000) in direct counterpart funds from Account No. 7915 KL to the Vietnam Power Co. These funds are required to finance GVN equity in the VPC.

Vietnam Power Company is in need of capital to finance its expansion program in 1972 and 1973 for new generation, transmission and increased distribution capacity. It proposes to debt-finance the foreign exchange component of the program through concessional credits to the GVN from international sources, and to finance the local currency component from a combination of retained earnings and GVN equity investments in the VPC. The proposal seeks, as nearly as possible to maintain the present equity ratio of about 40 percent.

As a result it is agreed that direct counterpart Account No. 7915 KL, within the limits of VPC's 1972 debt service payments, be the source of a portion of the planned equity financing by the GVN. The amount needed in 1972 is VN\$900 million. 1973 requirements will be reviewed at a later date.

ADPM will withdraw from direct counterpart fund Account No. 7915 KL, an amount not to exceed VPC's 1972 debt service payments (est. at VN\$0.9 billion) for the purpose of financing equity support of VPC's construction program. VPC has made debt service payments totaling VN\$498,083,219 into this fund account during 1972. A payment will soon be made totaling an estimated VN\$350,000,000 to cover the last half of 1972.

Two withdrawals will be made in the amounts estimated as follows:

1. VN\$498,083,219 upon approval of this agreement.
2. An amount equal to the debt service payments to be made by VPC covering the last half of 1972 (estimated at approximately VN\$350,000,000). This release of counterpart will be effected immediately upon VPC's loan repayment due for the last half of 1972.

To further improve the VPC capital position by retaining earnings for capital expansion instead of debt servicing, the MPW has drafted a proposal to convert eight outstanding plaster loans totaling VN\$4.444 billion made by the GVN to VPC, including its predecessors, into GVN equity capital in VPC. Said proposal is being submitted in January, 1973, to the National Economic and Financial Committee for its consideration.

1/23/73

1/23/73

For the Executing Government of Agency	For the Agency to be financed
Signature	Signature
Print Name	Print Name

PROJECT DOCUMENT CLEARANCE SHEET

Project Title : Vietnam Power Co.

Project Number : 730-12-220-356

Agreement Number : 73-013

Original ~~Revision~~ 1

Explanation and/or comments

The purpose of this ProAg Revision is to authorize USAID/ADFM to transfer an amount not to exceed VPC's 1972 debt service payments (est. at VN\$900,000,000) in direct counterpart funds from Account No. 7915 KL to the VPC. These funds are required to finance GVN equity in the VPC and thereby maintain as nearly as possible the present equity ratio of about 40 percent.

This transfer of funds was approved by the USAID Director's letter to the Minister of Public Works dated Nov. 25, 1972 (attached) and confirmed in an amendment to the CY 1972 Local Currency Letter of Agreement dated November 30, 1972 (attached).

If you concur in the attached document, please sign and date below :

ADPROG :

RK Billings 12/11/72 Re Wagner 12/12 EK 12/21/72
APO/ Division Chief Financial Agent Br. ADPROG

WPM 12/12 [Signature] [Signature]
FAD RGA ADFM

TECHNICAL OFFICE : 12/12/72

J.W. Callahan [Signature]
Project Manager Division Chief or Assistant Director

OTHER :

LEG: [Signature] 1/15/73

PRO AG
VIETNAM
31

PROJECT AGREEMENT
 BETWEEN THE DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT (AID),
 AN AGENCY OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA, AND
 THE DIRECTORATE GENERAL FOR BUDGET AND FOREIGN AID (DGBFA)
 AN AGENCY OF THE GOVERNMENT OF VIETNAM

Under the terms of the Economic Cooperation Agreement signed September 7, 1951, and the standard provisions annexes attached, it is agreed to carry out a project in accordance with the terms set forth herein.

1. PROJECT No. **730-12-220-356** | 2. AGREEMENT No. **73-013** | 3. ORIGINAL | REVISION No.

4. PROJECT TITLE : **Vietnam Power Company**
(Sub-Activity)

5. PROJECT DESCRIPTION AND EXPLANATION (See Annex A attached)

6. APPROPRIATION : **72-1131006** | 7. ALLOTMENT : **356-50-730-00-99-31**

8. AID DOLLAR FINANCING (Cost Component)	PREVIOUS TOTAL (\$)	INCREASE (\$)	DECREASE (\$)	TOTAL TO DATE (\$)
a. PERSONNEL COSTS				
(1) US PASA				
Contract		30,000		30,000
(2) LOCAL AND TCM PASA				
Contract				
b. PARTICIPANTS				
AID Direct				
PASA/Contract				
c. COMMODITIES				
AID Direct				
PASA/Contract				
d. OTHER COSTS				
AID Direct				
PASA/Contract				
e. TOTAL (ALL COSTS)		30,000		30,000
9. LOCAL CURRENCY FINANCING (\$1.00 = 435 PIASTERS)				
a. COUNTERPART				
Trust Fund				
AAC				
Special Fund				
Other				
b. GVN (SHOW SOURCE BELOW) <input checked="" type="checkbox"/>		2,000,000		2,000,000
c. US - OWNED				

10. REFERENCES AND REMARKS : This document constitutes the FY 73 Project Agreement for the Vietnam Power Company Project. This ProAg sets forth the scope of the project and stipulates the responsibilities and contributions of the GVN and the USG and obligates \$30,000 to finance a 12-month extension of the management advisory services contract with the MIC.
 a/ VN\$2,000,000 from the MIC operating budget. **Ref. PIG/T (31)30231**

11. DATE OF ORIG. AGREEMENT : **November 29, 1972** | 12. DATE OF THIS REVISION : | 13. EST. FINAL CONTRIBUTION DATE : **June 30, 1974**

14. GOVERNMENT OF VIETNAM
 SIGNATURE : *[Signature]* DATE : **Nov 25 72**
 TITLE : **for Director General for Budget and Foreign Aid**

15. AGENCY FOR INTERNATIONAL DEVELOPMENT
 SIGNATURE : *[Signature]* DATE : **11/29/72**
 TITLE : **Associate Director for Programs**

**PROJECT AGREEMENT
BETWEEN AID AND**

1. Project/Activity No.
730-12-220-356

**PRO AG
CONTINUATION
SHEET**

DGBFA

2. Agreement No.
73-013

3. Original or
Revision No. _____

ANNEX _____

**AN AGENCY OF THE GOVERNMENT OF
Vietnam**

3. Project/Activity Title
Vietnam Power Company

A. BACKGROUND

This project began in 1967 as a special grant of \$32 million for the establishment in Saigon of a self-sufficient Vietnamese utility organization to serve the power requirements of the metropolitan area. With this assistance, the Saigon Power Company (SPC) was established January 1, 1968. At that time power outside the Saigon area was provided by GVN-owned Electricity of Vietnam (EOV). On January 1, 1970, the SPC merged with EOV and assumed nation-wide responsibility as the Vietnam Power Company (VPC).

As a condition of the grant agreement, a utility commission was formed to regulate water and power utility companies operating in Vietnam. In September of 1968 the National Utility Commission was established by government decree.

B. PROJECT GOAL

Adequate public infrastructures, such as the Vietnam Power Company, are essential to encourage the development and sustain the growth of private industrial and agricultural activities. This project aids in the development of such infrastructures by the GVN by providing direct assistance to the responsible GVN ministry and through indirect support of the numerous USAID-funded projects administered by ETA.

C. PROJECT PURPOSE

The development of a self-sustaining electric utility company expanding with the national economy to meet the nation's needs for electric power.

D. CONDITIONS EXPECTED AT THE END OF PROJECT (1975)

1. Vietnam Power Company (VPC) is self-supporting and has developed sound fiscal and managerial policies.
2. VPC is securing free-world loans for expansion.
3. VPC is operating in accordance with established corporate and system growth plans.
4. Regulatory control commission protecting national and public interests.

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
TITLE: _____

SIGNATURE: _____ DATE: _____
TITLE: _____

PROJECT AGREEMENT
BETWEEN AID AND
DGBFA

AN AGENCY OF THE GOVERNMENT OF
Vietnam

1. Project/Activity No.
730-12-220-356

PAGE 3 OF 5 PAGES

2. Agreement No.
73-013

3. Original or
Revision No. _____

3. Project/Activity Title
Vietnam Power Company

E. OUTPUT TARGETS

1. VPC management and technical staff properly trained.
2. VPC produces an acceptable annual operating report which can be verified by outside audit.
3. Operation and growth is conducted in accordance with an established long-range plan.
4. Financial position is sound as shown by present and projected cash flow.
5. Customer has adequate service at a reasonable cost under proper regulation.

F. INPUTS

1. The GVN agrees to provide:

a. Personnel - The VPC will provide four qualified personnel for on-the-job training in the US. Two staff members will receive three months training in data processing. A third individual will receive six months training in systems operations and the fourth member will be trained for six months in accounting methods. In order to qualify for this training candidates must have professional experience in the specific field in which they are to be trained. Candidates will work with members of the management advisory team during the first half of FY 73 and must be considered qualified by their individual team member counterparts. On returning to the VPC they will be placed in a responsible position with authority to institute necessary changes within the company in their particular fields.

b. Support services - The VPC will provide international travel for the participant training program. The NUC will provide all support services for one contract advisor including housing and transportation as well as office requirements.

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
TITLE: _____

SIGNATURE: _____ DATE: _____
TITLE: _____

AID FORM NO. 2-701
PRO AG
 CONTINUATION SHEET
 ANNEX

**PROJECT AGREEMENT
 BETWEEN AID AND
 DGBFA**

1. Project/Activity No.
 730-12-220-356

PAGE 3 OF 5 PAGES

2. Agreement No.
 73-013

3. Original or
 Revision No. _____

AN AGENCY OF THE GOVERNMENT OF
 Vietnam

3. Project/Activity Title
 Vietnam Power Company

2. US Government agrees to provide:

Subject to the availability of funds and personnel, the United States Government through the Agency for International Development will provide:

a. Personnel - One executive level contract advisor to assist the NUC in the continued development of rules and regulations for the control of public utilities. (PIO/T No. (21)20524 provides one advisor for twelve months with FY-72 funds. An additional amount, as shown on the face sheet of this ProAg, provides funds for an additional 12 months).

b. Training - Funds will be provided for training four VPC employees in the US as specified under (F.l.a.) above. The plan for training will be similar for all employees. In the first and second quarter of FY 73, US contract advisors, funded under a separate agreement, will be working with the VPC staff on problems involving data processing, systems operations and accounting methods. A counterpart training program will be developed during this period. Selected VPC employees (4) will proceed to the States for training during the second half of FY 73 to take part in an OJT program in a US utility company. The participants will first receive an orientation on the methods and procedures of the company and then take an active role in the company's procedures and decision-making processes. Upon completion of training they will return to the VPC and work in responsible positions where these procedures and processes will be applied in the solution of VPC's problems.

6. DESIGNATIONS

1. GVN:

The President of the VPC is hereby designated Project Manager. In this capacity he will be primarily responsible for the overall implementation of this agreement.

2. USAID

The Chief, Electric Power Branch, Engineering Division, is hereby designated US Project Manager. In this capacity he will serve as technical advisor, coordinate the USAID assistance provided for the project, and work closely with the GVN Project Manager on all phases of the project, including planning, budgeting, implementing and evaluating.

For the Cooperating Government or Agency
 SIGNATURE: _____ DATE: _____
 TITLE: _____

For the Agency for International Development
 SIGNATURE: _____ DATE: _____
 TITLE: _____

PROJECT AGREEMENT
BETWEEN AID 240
DCBFA

1. Order/Activity No.
730-12-220-754

2. Agreement No. 73 014

3. Original or
Revision No. _____

PRO AG
CONTINUATION
SHEET
ANNEX

AN AGENCY OF THE GOVERNMENT OF
Vietnam

3. Project/Activity Title

Vietnam Power Company

H. REPORTING AND EVALUATION

The US and GVN Project Managers will jointly prepare an annual evaluation of the project based on criteria set forth in this agreement.

I. SPECIAL PROVISIONS

The VPC will finance all international travel in connection with the participant training program.

J. STANDARD PROVISIONS ANNEX

The standard Provisions Annex B, US Dollar Funding, and Annex C, foreign currency uses, are appended hereto as a part of this agreement.

K. CONCURRENCES

Ministry of Public Works (Date)
Nov 17, 1972

ADCCA (Date)

President, VPC

Chairman, NUC

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
TITLE: _____

SIGNATURE: _____ DATE: _____
TITLE: _____

PROJECT DOCUMENT CLEARANCE SHEET

Project Title : Vietnam Power Company

Project Number : 730-12-220-356

Agreement Number : 73-013

Original _____ Revision _____

Explanation and/or comments

The purpose of this FY 73 ~~Prog~~ is to set forth the scope of the Vietnam Power Company Project and to stipulate the responsibilities and contributions of the GVN and the USG. This documentation also obligates and subobligates \$30,000 to finance a 12-month extension of the contract which provides management advisory services to the National Utility Commission (NUC). The amount and purpose of this obligation is in accordance with the PBS.

If you concur in the attached document, please sign and date below :

ADPROG :

CK Billings 9/16/72 Ch. W. [Signature] 9/1/72

ADP

Division Chief

Financial Mgmt. Br.

ADPROG

ADPM :

[Signature] 9/1/72

SAD

11/22/72

SEA

[Signature]

ADPM

TECHNICAL OFFICE :

J Callahan 11/7/72

Project Manager

[Signature] [Signature]

Director Chief or Assistant Director

OTHER :

PRO AG
31

PROJECT AGREEMENT

BETWEEN THE DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT (AID),
AN AGENCY OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA, AND
THE DIRECTORATE GENERAL FOR BUDGET AND FOREIGN AID (DGBFA)
AN AGENCY OF THE GOVERNMENT OF VIETNAM

Under the terms of the Economic Cooperation Agreement signed September 7, 1951, and the standard provisions annexes attached, it is agreed to carry out a project in accordance with the terms set forth herein.

1. PROJECT No. 730-12-220-356 | 2. AGREEMENT No. 73-013 | 3. ORIGINAL | REVISION No. 2

4. PROJECT TITLE : Vietnam Power Company
(Sub-Activity)

5. PROJECT DESCRIPTION AND EXPLANATION (See Annex A attached)

6. APPROPRIATION : 72-1131006 | 7. ALLOTMENT : 356-50-730-00-79-31

8. AID DOLLAR FINANCING (Cost Component)	PREVIOUS TOTAL (\$)	INCREASE (\$)	DECREASE (\$)	TOTAL TO DATE (\$)
a. PERSONNEL COSTS				
(1) US PASA				
Contract	30,000			30,000
(2) LOCAL AND TCM PASA				
Contract				
b. PARTICIPANTS AID Direct PASA/Contract		26,000		26,000
c. COMMODITIES AID Direct PASA/Contract				
d. OTHER COSTS AID Direct PASA/Contract				
e. TOTAL (ALL COSTS)	30,000	26,000		56,000
f. LOCAL CURRENCY FINANCING (\$1.00 = PLASTERS)				
g. COUNTERPART Trust Fund AAC Special Fund Other	900,000,000			900,000,000
h. GVN (SHOW SOURCE BELOW) a/ b/ c. US - OWNED	2,000,000			2,000,000

10. REFERENCES AND REMARKS - The purpose of this ProAg Revision is to obligate \$26,000 to finance the US participant training input set forth under item F.2.b of ProAg 73-013.

Ref: Waiver # W-73-356-18, PIO/P (31)30340.
a/ VN\$20000,000 from the NUC operating budget.

11. DATE OF ORIG. AGREEMENT: November 29, 1972 | 12. DATE OF THIS REVISION: December 26, 1972 | 13. EST. FORMAL COMPLETION DATE: June 30, 1974

14. GOVERNMENT OF VIETNAM
SIGNATURE: *[Signature]* DATE: Dec 26
TITLE: Director General for Budget & Foreign Aid 72

15. AGENCY FOR INTERNATIONAL DEVELOPMENT
SIGNATURE: *[Signature]* DATE: 12/26/72
TITLE: Acty Director

PROJECT DOCUMENT CLEARANCE SHEET

Project Title : Vietnam Power Co.

Project Number : 730-12-220-356

Agreement Number : 73-013

~~Original~~ ~~Revision~~ 2

Explanation and/or comments:

The purpose of this ProAg Revision (No. 2) is to obligate US\$26,000 to finance the participant training input set forth under Item F.2.b. of ProAg 73-013. Specifically, these funds are required to finance the short-term training of 4 Vietnam Power Co. employees as follows:

2 in Data Processing	-	\$12,000
1 in Systems Operations	-	8,000
1 in Accounting Methods	-	6,000

Also included in this program documentation is a PIO/P subobligating \$6,000 for one participant in Accounting Methods and a Waiver authorizing the obligation of \$20,000 for the remaining participant training. Although PIO/P documentation for the subobligation of this \$20,000 is in process, this waiver is being issued on the basis of program implementation considerations. This waiver will make it possible to expedite the issuance of the remaining PIO/Ps which have clearance channels distinct from ProAgs.

These funds are being obligated for the purpose and in an amount somewhat less than that presented in the PBS and approved by AID/W. This ProAg Revision completes FY 73 obligations requiring program documentation for this project.

If you concur in the attached document, please sign and date below:

ADPROG:

Ch. Billings 12/15 R. Wagner 12/18 EK 12/26/72
APQ Division Chief Financial Mgmt. Br. ADPROG

ADEM:

A. Wall 12/19/72 J 12/20/72 ADCOMB
FAD R&A ADDEM

TECHNICAL OFFICE:

Project Manager

Division Chief or Assistant Director

OTHER:

VN-133/1(12-73)

ADPROG

PRO AG
(VIETNAM)

PROJECT AGREEMENT
BETWEEN THE DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT (AID),
AN AGENCY OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA, AND
THE DIRECTORATE GENERAL FOR BUDGET AND FOREIGN AID
AN AGENCY OF THE GOVERNMENT OF VIETNAM

Page 1

Under the terms of the Economic Cooperation Agreement signed September 7, 1951, and the standard provisions annexes attached, it is agreed to carry out a project in accordance with the terms set forth herein.

1. PROJECT No. 730-12-220-356 | 2. AGREEMENT No. 73-013 | 3. ORIGINAL | REVISION No. 4

PROJECT TITLE :
(Sub-Activity) **Vietnam Power Company**

5. PROJECT DESCRIPTION AND EXPLANATION (See Annex A attached)

Minister of
Public Works

6. APPROPRIATION : 72-1131006 | 7. ALLOTMENT : 356-50-730-00-79-43

B. AID DOLLAR FINANCING (Cost Component)	PREVIOUS TOTAL (A)	INCREASE (B)	DECREASE (C)	TOTAL TO DATE (D)
a. PERSONNEL COSTS				
(1) US PASA				
Contract	30,000			30,000
(2) LOCAL AND TCN PASA				
Contract				
b. PARTICIPANTS				
AID Direct	24,000			24,000
PASA/Contract				
c. COMMODITIES				
AID Direct				
PASA/Contract				
d. OTHER COSTS				
AID Direct				
PASA/Contract				
e. TOTAL (ALL COSTS)	54,000			54,000
9. LOCAL CURRENCY FINANCING (\$1.00 = PIASTERS)				
a. COUNTERPART				
Trust Fund				
AAC				
Special Fund				
Other Direct CP	900,000,000		72,797,165	827,202,835
b. GVN (SHOW SOURCE BELOW)	2,000,000			2,000,000
c. US - OWNED				

10. REFERENCES AND REMARKS :

The purpose of this ProAg revision is to decrease by VN\$72,797,165 the VN\$900,000,000 in Direct Counterpart authorized for transfer to the GVN to finance GVN equity in the Vietnam Power Company. This transfer authorization is decreased to coincide with VPC's actual debt service payments for 1972.

a/ NUC Operating budget.

11. DATE OF ORIG. AGREEMENT | 12. DATE OF THIS REVISION | 13. EST FINAL CONTRIBUTION DATE
November 29, 1972 | December 14, 1973 | June 30, 1975

14. GOVERNMENT OF VIETNAM

SIGNATURE: *[Signature]* DATE: Dec 13/73
TITLE: Director General
for Budget and Foreign Aid

15. AGENCY FOR INTERNATIONAL DEVELOPMENT

SIGNATURE: *[Signature]* DATE: 12/14/73
TITLE: Associate Director for Program

President,
Vietnam Power
Company

PROJECT DOCUMENT CLEARANCE SHEET

Project Title : Vietnam Power Company

Project Number : 730-12-220-356

Agreement Number : 73-013

Original _____ Revision 4

Explanation and/or Comments

The purpose of this ProAg revision is to decrease by VN\$72,797,165 the VN\$900,000,000 in Direct Counterpart authorized for transfer to the GVN to finance GVN equity in the Vietnam Power Company. This transfer authorization is decreased to coincide with VPC's actual debt service payments for 1972.

If you concur in the attached document, please sign and date below :

ADPROG :

Ch. Billings 11/12 to 11/12/73 [Signature] 11/12
APO AD/PROG/P (Loc Cur) AD/PROG/PD ADPROG

ADFM :

[Signature] [Signature] [Signature] 11/30
USDAB LCB ADFM

TECHNICAL OFFICE :

[Signature] [Signature] [Signature]
Project Manager Division Chief or Ass. Dir. Associate Director

OTHER :

() () ()

PRO AG
(VIETNAM)

PROJECT AGREEMENT

BETWEEN THE DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT (AID),
AN AGENCY OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA, AND
THE DIRECTORATE GENERAL FOR BUDGET AND FOREIGN AID
AN AGENCY OF THE GOVERNMENT OF VIETNAM

Under the terms of the Economic Cooperation Agreement signed September 7, 1951, and the standard provisions annexes attached, it is agreed to carry out a project in accordance with the terms set forth herein.

1. PROJECT No. 730-12-220-356 | 2. AGREEMENT No. 74-046 | 3. ORIGINAL | REVISION No.

4. PROJECT TITLE : Vietnam Power Company
(Sub-Activity)

5. PROJECT DESCRIPTION AND EXPLANATION (See Annex A attached)

6. APPROPRIATION : 72-1141030 | 7. ALLOTMENT : 430-50-730-00-79-41

8. AID DOLLAR FINANCING (Cost Component)	PREVIOUS TOTAL (A)	INCREASE (B)	DECREASE (C)	TOTAL TO DATE (D)
a. PERSONNEL COSTS				
(1) US PASA				
Contract				
(2) LOCAL AND TCN PASA				
Contract				
b. PARTICIPANTS				
AID Direct				
PASA / Contract		18,000		18,000
c. COMMODITIES				
AID Direct				
PASA/Contract				
d. OTHER COSTS				
AID Direct				
PASA/Contract				
e. TOTAL (ALL COSTS)		18,000		18,000
9. LOCAL CURRENCY FINANCING (\$1.00 = PIASTERS)				
o. COUNTERPART				
Trust Fund				
AAC				
Special Fund				
Other				
b. GVN (SHOW SOURCE BELOW)				
c. US - OWNED				

10. REFERENCES AND REMARKS : This FY 74 Project Agreement sets forth the scope of the Vietnam Power Company Project and stipulates the responsibilities and contributions of the GVN and the US as agreed herein. This ProAg also obligates \$18,000 required to finance a participant training program associated with the Sanderson and Porter Contract (No. VN-88).

Ref. PIO/T (41)40341

11. DATE OF ORIG. AGREEMENT April 5, 1974 | 12. DATE OF THIS REVISION | 13. EST FINAL CONTRIBUTION DATE March 31, 1977

14. GOVERNMENT OF VIETNAM
SIGNATURE : *[Signature]* DATE: *Apr 4 74*
Director General for Budget and Foreign Aid

15. AGENCY FOR INTERNATIONAL DEVELOPMENT
SIGNATURE : *[Signature]* DATE: *4/5/74*
TITLE : Associate Director for Program

AID 1-0-1A (8-70) PRO AG CONTINUATION SHEET ANNEX _____	PROJECT AGREEMENT BETWEEN AID AND DGBFA	1. Project/Activity No. 730-12-220-356	PAGE <u>2</u> OF <u>5</u> PAGES
		2. Agreement No. 74-046	3. <input checked="" type="checkbox"/> Original or Revision No. _____
	AN AGENCY OF THE GOVERNMENT OF Vietnam	3. Project/Activity Title Vietnam Power Company	

A. BACKGROUND

This project began in 1967 with a special AID grant of \$32 million for the establishment in Saigon of a self-sufficient Vietnamese utility organization to serve the power requirements of the metropolitan area. With this assistance, the Saigon Power Company (SPC) was established January 1, 1968. At that time, power outside the Saigon area was provided by GVN-owned Electricity of Vietnam (EOV). On January 1, 1970, the SPC merged with EOV and assumed nation-wide responsibility as the Vietnam Power Company (VPC).

As a condition of the grant agreement, a utility commission was formed to regulate water and power utility companies operating in Vietnam. In September of 1968 the National Utility Commission (NUC) was established by government decree.

B. PROJECT GOAL

Adequate public infrastructures, such as the Vietnam Power Company, are essential to encourage the development and sustain the growth of private industrial and agricultural activities. This project aids in the development of such infrastructures of the GVN by providing direct assistance to the responsible GVN ministry and through indirect support of the numerous USAID-funded projects administered by ETA.

C. PROJECT PURPOSE

To develop an efficient self-sustaining electric utility company which is capable of providing reliable, low cost electric energy to the public and private sectors of the Vietnam economy.

D. CONDITION EXPECTED AT THE END OF PROJECT

1. Vietnam Power Company (VPC) is self-supporting and has developed sound fiscal and managerial policies.
2. VPC is in a position to obtain free-world loans for expansion.
3. VPC is operating in accordance with established corporate and system growth plans.
4. A regulatory control commission protecting national and public interests.

For the Cooperating Government or Agency SIGNATURE: _____ DATE: _____ TITLE: _____	For the Agency for International Development SIGNATURE: _____ DATE: _____ TITLE: _____
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AID .d.1 0-1A (8-70) PRO AG CONTINUATION SHEET ANNEX _____	PROJECT AGREEMENT BETWEEN AID AND DGBFA	1. Project/Activity No. 730-12-220-356	PAGE <u>3</u> OF <u>5</u> PAGES
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	AN AGENCY OF THE GOVERNMENT OF Vietnam	3. Project/Activity Title Vietnam Power Company	

E. OUTPUT TARGETS

1. VPC management and technical staff properly trained.
2. VPC produces an acceptable annual operating report which can be verified by outside audit.
3. Operation and growth is conducted in accordance with an established long-range plan.
4. Financial position is sound as shown by present and projected cash flow.
5. Customer has adequate service at a reasonable cost under proper regulation.

F. INPUTS

1. The GVN agrees to provide:

a. Personnel - The VPC and NUC will provide qualified personnel for the USAID sponsored participant training program. A total of 19 selected personnel (subject to the review and approval of USAID/ETA and budget limitations) will be considered for training in the United States.

b. Support Services - The VPC and NUC will provide international travel for trainees in the USAID Participant Training Program.

2. US Government agrees to provide:

Subject to the availability of funds and personnel, the United States Government through the Agency for International Development will provide:

a. Personnel - One executive level contract advisor to assist the NUC in the continued development of rules and regulations for the control of public utilities. PIO/T No. (21)20524 provides FY 72 funds to finance the services of an advisor for twelve months and PIO/T (31)30231 provides FY 73 funds to finance an additional 12 months of services. In accordance with PIO/T (21)20272, USAID is providing funds for a management consulting contract to be negotiated by VPC.

For the Cooperating Government or Agency SIGNATURE: _____ DATE: _____ TITLE: _____	For the Agency for International Development SIGNATURE: _____ DATE: _____ TITLE: _____
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AID 1450-1A (3-70) PRO AG CONTINUATION SHEET ANNEX _____	PROJECT AGREEMENT BETWEEN AID AND DGBFA	1. Project/Activity No. 730-12-220-356	PAGE <u>4</u> OF <u>5</u> PAGES
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b. Training - USAID will provide participant training for up to a total of 19 trainees from VPC and NUC. Funds to finance the training under contract of three participants are obligated by this ProAg while funds to finance the other participants will be obligated by separate documentation (PIO/Ps). General categories of training will include data processing, systems operations, management, and utility regulatory processes. The cost of this training will be deducted from the total of \$145,000 set aside for FY 74 participant training.

G. DESIGNATIONS

1. GVN

The President of the VPC is hereby designated Project Manager. In this capacity he will be primarily responsible for the overall implementation of this agreement.

2. USAID

The Chief, Electric Power Branch, Engineering Technical Assistance Division, is hereby designated US Project Manager. In this capacity he will serve as technical advisor, coordinate the USAID assistance provided for the project, and work closely with the GVN Project Manager of all phases of the Project, including planning, budgeting, implementing and evaluation.

H. REPORTING AND EVALUATION

The US and GVN Project Managers will jointly prepare an annual evaluation of the project based on criteria set forth in this agreement.

I. SPECIAL PROVISIONS

The VPC will finance all international travel in connection with the participant training program.

J. STANDARD PROVISIONS ANNEX

The standard Provisions Annex B, US dollar Funding, and Annex C, foreign currency uses, are appended hereto as a part of this agreement.

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
 TITLE: _____

SIGNATURE: _____ DATE: _____
 TITLE: _____

PROJECT AGREEMENT

BETWEEN AID AND

DGBFA

AN AGENCY OF THE GOVERNMENT OF

Vietnam

1. Project/Activity No.
730-12-220-356

PAGE 5 OF 5 PAGES

2. Agreement No.
74- 046

3. Original or
Revision No. _____

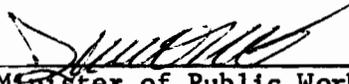
3. Project/Activity Title

Vietnam Power Company

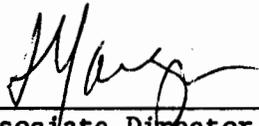
PRO AG
CONTINUATION
SHEET

ANNEX _____

K. CONCURRENCES



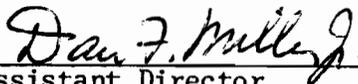
Minister of Public Works (Date)
& Communications

 3/28/74

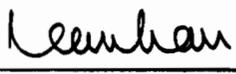
Associate Director (Date)
for Commercial and
Capital Assistance

 3/30/74

President, (Date)
Vietnam Power Company

 3/20/74

Assistant Director (Date)
for Engineering Technical
Assistance

 3/29/1974

Chairman, (Date)
National Utility Commission

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
TITLE: _____

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TITLE: _____

