

**GOVERNMENT**

**SOCIALIST REPUBLIC OF VIET NAM**  
**Independence – Freedom – Happiness**

No. **93/2009/ND-CP**

*Hanoi, October 22<sup>nd</sup>, 2009*

**DECREE**

**On the issuance of the regulation on management and utilization  
of aid from international non-governmental organizations**

**THE GOVERNMENT**

Based on the Law on the Organization of the Government promulgated on 25 December 2001;

Considering the letter of recommendation submitted by the Minister of Planning and Investment;

**DECREES**

**Article 1:** The Regulation on Management and Utilization of Aid from International Non-Governmental Organizations is issued together with this Decree.

**Article 2:** This Decree comes into effect as of 1 January 2010 and supersedes Decision No. 64/2001/QĐ-TTg dated 26 April 2001 by the Prime Minister of the Government on the Issuance of the Regulation on Management and Utilization of Aid from International INGOs.

**Article 3:** The Minister of Planning and Investment and the Minister of Finance are responsible for guiding and inspecting the implementation of this Decree.

**Article 4:** The Ministers, heads of ministerial-level agencies, Heads of other agencies under the Government, Chairpersons of People's Committees of provinces and centrally managed cities, Heads of political organization, socio-political organizations, socio-political-professional organizations and relevant organizations, individuals are responsible for implementing this Decree.

**ON BEHALF OF THE GOVERNMENT**  
**PRIME MINISTER**

(Signed & Sealed)

**NGUYEN TAN DUNG**

**REGULATION ON**  
**Management and Utilization of aid from international**  
**non-governmental organizations**

*(Issued together with Government Decree 93/2009/ND-CP  
dated 22 October 2009)*

**CHAPTER I**  
**GENERAL PROVISIONS**

**Article 1: Scope of regulation**

1. This Regulation shall regulate the management and utilization of aid received from international non-governmental organizations (hereinafter called as "INGO aid").

INGO aid as referred to in this Decree is understood as grant and non-profitable aid of the Donor Side to support the implementation of Viet Nam's development and humanitarian objectives.

2. The Donor Side as referred to in this Decree consists of international NGOs, other foreign organizations and individuals (including conglomerates and companies that own foreign capital), and overseas Vietnamese communities, which respect and abide by Vietnamese law, have goodwill and are willing to provide directly grant aid, in order to support the implementation of Viet Nam's socio-economic development and humanitarian objectives.

3. Modalities for providing INGO aid consist of the following:

- a) Aid that is provided through programmes/ projects;
- b) Aid that is not provided through programmes/ projects, including emergency relief (hereinafter called as "non-project aid" for short).

4. Entities allowed to receive INGO aid (hereinafter called "the Recipient Side") are organizations established in accordance with Viet Nam's legal requirements with functions, tasks and activities relevant to the objectives and contents of the INGO aid items being received. They consist of the following:

a) Subordinate units of the Party, the National Assembly, ministries, ministerial-level agencies, other agencies under the Government, Supreme People's Court, Supreme People's Procuracy, People's Committees of provinces and centrally managed cities;

b) Subordinate units of the Central Committee of the Viet Nam Fatherland Front, Viet Nam Confederation of Labour Unions, Ho Chi Minh Communist Youth Union, Viet Nam Farmers'

Association, Viet Nam Veterans' Association, Viet Nam Women's Union, Viet Nam Lawyers' Association;

c) Member organizations of associations and unions of associations that are established in line with decisions issued by the Prime Minister (the Viet Nam Union of Friendship Organizations, Viet Nam Union of Science and Technology Associations, Viet Nam Union of Literature and Art Associations, Viet Nam Union of Cooperatives, Viet Nam Chamber of Commerce and Industry).

d) The following organizations:

- Societies, associations that are set up in accordance with Decree 88/2003/ND-CP issued by the Government on 30 July 2003 on Organization, Operation and Management of Associations;

- Organizations that work in natural sciences, social sciences and humanities, sciences and technologies and that are set up in accordance with Decree 81/2002/ND-CP issued by the Government on 17 October 2002 providing detailed guidelines for the implementation of the Law on Sciences and Technologies.

- Organizations that are established in accordance with Decree 53/2006/ND-CP issued by the Government on 25 May 2009 on incentive policies to encourage the development of non-State service delivery entities;

- Social Protection entities that are set up by domestic organizations in line with Decree 68/2008/ND-CP issued by the Government on 30 May 2008 setting out conditions and procedures for the establishment, organization, operation and dissolution of social protection entities;

- Organizations that are set up in accordance with Decree 77/2008/ND-CP issued by the Government on 16 July 2008 on legal consulting services;

- Organizations that are set up in accordance with Decree 148/2007/ND-CP issued by the Government on 25 September 2007 on the organization and operation of social and humanitarian funds;

- Other not-for-profit organizations.

e) Business (including private enterprises) that are engaged in the production and supply of public goods and services as stipulated in Decree 31/2005/ND-CP issued by the Government on 11 March 2005 on the production and supply of public goods and services (allowed to receive only INGO aid that has objectives and contents relevant to the public goods and services produced and supplied by these businesses).

With regards to other organizations, the proposals for them to receive INGO aid shall be considered by the Prime Minister on a case-by-case basis.

## **Article 2: *Fundamental principles in the management and use of INGO aids***

1. The Government shall exercise unified state management of INGO aid based on principles of openness and transparency, division of labour, delegation of authority, close linkages between authorities and accountabilities, close collaboration amongst and proactive action by the various levels of government, sectoral management agencies, localities and implementing units.

2. The formulation and implementation of INGO aid items shall abide by the existing provisions of Vietnamese law and the commitments made to the Donor Side and approved by the

competent authority as stipulated in Article 15 of this Regulation. In case the provisions or conditions raised by the Donor Side for the reception of aid are at variance with Vietnamese law, the relevant legal provisions of Vietnamese law shall prevail.

3 Reception shall not be allowed of INGO aid items that negatively affect political security, social order and safety and interests of the Vietnamese State, and the rights and legitimate interests of Vietnamese organizations and individuals.

### ***Article 3: Priority areas in the use of INGO aids***

1. INGO aid shall be utilized to support the implementation of Viet Nam's socio-economic development and humanitarian priorities within a given period of time, and shall generally focus on the following:

a) Agricultural and rural development (including agriculture, irrigation, forestry and fishery), with particular linkages to poverty reduction objectives.

b) Social infrastructure development (including health, education and training, labour and employment and population).

c) Environmental protection and natural resources management, disaster preparedness and mitigation, and control and prevention of major diseases.

d) Development of institutional, managerial and technical capacities, human resources development, technology transfer, and research and development.

e) Humanitarian activities.

2. Other areas for the reception of INGO aid shall be considered and approved by the Prime Minister on a case-by-case basis.

### ***Article 4: Definition of key terms***

In the context of this Decree, the following terms shall be understood as follows:

1. “**Programme**” is a set of activities, projects that are inter-related or that relate to one or more than one sector, theme, geographical location, entity, in order to achieve an identified objective or a set of identified objectives, within medium or long timeframes or with several phases, with resources that can be mobilized from different sources at different points in time, and with the use of different modalities.

2. “**Project**” is a set of interrelated activities to achieve an objective or set of objectives, implemented in a specified location, within a given timeframe and with an identified amount of resources. Projects consist of two main types, namely investment projects and technical assistance projects.

3. “**Investment project**” is one that creates, expands or improves specified physical facilities in order to achieve a growth in quantity or maintain, improve the quality of identified products or services, that is implemented within a determined timeframe.

4. “**Technical assistance project**” is one that is aimed at supporting capacity building and institutional development or providing technical inputs for the preparation, implementation of

programmes/projects through the provision of expertise, training, equipment, supplies, data and documentation, study tours, workshops, seminars.

5. “**Programme/ project document**” is an official document that reflects the commitments made between representatives of the Recipient Side and of the Donor Side with regards to a specific programme/ project, and that, among other things, states clearly the objectives, activities, results to be expected, resources to be used, duration and implementation plan, obligations, benefits and responsibilities of the relevant parties.

6. “**Non-project aid**” is an item of aid that is not provided through a programme/ project, is provided in-kind, in-cash or in the form of expertise (including in the form of volunteer experts).

7. “**Emergency relief**” is an item of aid that is provided on an urgent basis, immediately after an emergency situation (for example, a natural or another disaster) and that has a duration of at most three (03) months following the end of the emergency. Beyond this timing, if the item of aid continues, it shall be considered as an aid item to overcome emergency consequences and shall be approved and implemented in accordance with the normal steps and set out for any item of INGO aid.

8. “**INGO aid item**” is a programme, a project financed from INGO aid, or a non-project aid item (including emergency relief).

9. “**Approving agency of a INGO aid item**”

a) The central agencies of the Party, Subordinate units of the National Assembly, ministries, ministerial-level agencies, other agencies under the Government, Supreme People’s Court, Supreme People’s Procuracy, People’s Committees of provinces and centrally managed cities, and Central Offices of Vietnamese organizations as listed in Items b) and c), Paragraph 4, Article 1 of this Regulation;

b) The Central Committee of the Viet Nam Fatherland Front (in cases where emergency relief is provided without specified recipient parties).

10. “**Managing Agency**” as referred to in this Regulation shall be understood as:

a) Those agencies as referred to in Item a), Paragraph 9, of this Article.

b) Those agencies that are responsible for directly managing the entities as referred to in Item d) and Item e), Article 1 of this Regulation.

11. “**Implementing agency of a INGO aid item**” is an entity assigned to directly receive, manage, and implement a INGO aid item that has been approved by the relevant authority.

12. “**Memorandum of understanding on INGO aid**” is a document that records the initial desire (not legally binding) on INGO aid items expressed by the Recipient Side and the Donor Side and that serves as a basis to undertake follow-up procedures leading to the approval and reception of the aid items.

13. “**Agreement on INGO aid**” is a document that records general provisions, requirements, conditions legally binding to all parties involved in a INGO aid project. In some cases, the Donor Side may request a formal signing of this document, in place of the programme/ project document.

14. “**Counterpart funding**” is the contribution made by the Vietnamese side expressed in the value of resources (in cash, in kind or in human resources), to support the preparation and implementation of INGO aid items in accordance with its objective, including:

a) Counterpart funding for a programmes/ project: Depending on the nature of a programme/ project, counterpart funding may consist of the entirety or a number of elements of the following:

- Funding for the formulation of the INGO aid programme/ project;
- Funding for the start-up and implementation of the INGO aid programme/ project;

b) Counterpart funding for a non-project INGO aid item: Depending on the nature of a INGO aid item, counterpart funding may consist of the entirety or a number of elements of the following:

- Funding for the reception and in-country transportation of equipment;
- Funding for organization of bidding and auctioning processes.

## **CHAPTER II**

# **MOBILIZATION, NEGOTIATION AND SIGNING OF INGO AID ITEMS**

### ***Article 5: Mobilization of INGO aid***

The mobilization of INGO aid shall be based on the following directions:

1. The mobilization of INGO aid to support development objectives shall be based on specific socio-economic development needs, public investment programmes, orientations and plans of the State, sector, local government for the attraction and utilization of external assistance during a specific period of time, and on the absorptive capacity (including the availability of counterpart funding) of the Recipient Side.

2. The mobilization of INGO aid to support humanitarian objectives shall be based on the social situation and actual need of the Recipient Side during a specific period of time.

3. The mobilization of emergency relief shall be based on the degree of losses in terms of human lives, property and infrastructure of a locality, region affected by natural or other disasters. The Ministry of Foreign Affairs shall work with relevant agencies in preparing and submitting a recommendation to the Prime Minister based on which he shall decide on the level of need to call for emergency relief from the international community (including the Donor Side as referred to in this Regulation).

### ***Article 6: Negotiation and signing on INGO aid***

The negotiation on INGO aid shall be based on the following steps:

1. The approving agency of an INO aid item shall chair the negotiation or assign a local point responsible for contacting INGOs and mobilizing INGO aid to chair the negotiation of the INGO aid item.

2. The signing of the programme/ project document or the agreement on INGO aid shall be proceed only after the programme/ project document or the draft agreement on the INGO aid item has been approved by the authority of the Vietnamese side as referred to in Article 15 of this Regulation and notified in writing by the former to the Donor Side.

## CHAPTER III

### PREPARATION, APPRAISAL, APPROVAL OF INGO AID ITEMS

#### ***Article 7: Preparation, formulation of the programme/ project document or the dossier of non-project INGO aid***

##### 1. Responsibilities of the managing agency:

The managing agency shall assign a subordinate unit to lead the preparation of the programme/ project document or the dossier of non-project aid based on the recommendations of the implementing agency of the INGO aid item or shall set up a preparatory committee for the INGO aid item and approve the working regulations and other necessary documents for this committee.

##### 2. The responsibilities of the implementing agency of the INGO aid item:

a) Acting as the focal point for the coordination of local organizations and the Donor Side in the preparation of the programme/ project document and/or the dossier of the non-project aid item; ensuring the progress, quality and contents of the programme/ project document and/or the dossier of the non-project aid item.

b) Organising the mobilization of adequate resources for the preparation of the programme/ project document and/or the dossier of the non-project aid item.

c) Developing the plan for the preparation of the programme/ project document for consideration and approval by the managing agency.

d) If needed, recommending the managing agency to set up a preparatory committee for the INGO aid item and drafting the working regulations and other necessary documents for this committee.

#### ***Article 8. Funding for the preparation of the programme/ project being financed from INGO aid***

1. With regard to a programme/ project being financed by INGO aid that constitutes a source of revenue of the State budget (central or local), the managing agency shall prepare a budget plan for the preparation of the programme/ project which shall be incorporated into the annual budget plan for the sector, locality in line with the relevant provisions of the State Budget Law.

2. With regard to a programme/ project being financed from INGO aid that does not constitute a source of revenue for the State budget (central or local), the implementing agency of the INGO aid item shall on its own balance and allocate the budget for the preparation of the programme/ projects in line with the existing provisions of Vietnamese law.

3. In cases the Donor Side provides financial assistance for the preparation of the programme/ project, the implementing agency of the INGO aid item shall account for this financial assistance in to total amount of INGO aid.

**Article 9: Main contents of the programme/ project document or the dossier of non-project aid**

1. The programme/ project document being financed from INGO aid shall consist of the following main contents:

a) The context and justification for the programme/ project within the framework of a master plan or a long-term development plan of the beneficiary agency of the INGO aid item (an agency, sectors, field or locality), particularly the issues/ problems that shall be addressed by the programme/ project;

b) The long-term objectives (if any) and short-term objectives of the programme/ project;

c) The main results or outputs of the programme/ project and their success indicators;

d) The main contents of the programme/ project components and their main activities;

e) The duration and location of the programme/ project;

f) The commitments, pre-conditions and other conditions raised by the Donor Side for the INGO aid item; the obligations and commitments of the Recipient Side to the implementation of the programme/ project.

g) The total value of the INGO aid item, structure of the aid value by the main components (international and national experts, overseas and in-country training, equipment and supplies locally procured and imported from overseas, financial inputs for the establishment of operating funds during the life of the programme/ project (if any), overhead costs and other expenses);

h) Counterpart funding and sources for the mobilization of this funding;

i) Capacity of the implementing agency of the INGO aid item (or implementing agency of the programme/ project) to manage and implement the programme/ project, and of the implementing agencies of component projects (within the programme);

j) Management and implementation arrangements for the programme/ project.

k) Overall implementation plan for the programme/ project, and detailed work plan for the first year of the programme/project, including budget allocation for each activity based on established criteria;

l) Monitoring, evaluation and audit plans (with funding from the programme/ project or other sources of funding if any);

m) Expected impact, planned use of the results and sustainability of the programme/ project following its completion.

2. With regard to an investment project that utilizes INGO aid, the formulation of the project document shall following the existing provisions of Vietnamese law governing the management of investment and construction works, together with the reasons for use of INGO aid.

3. The dossier of a non-project aid item shall consist of the following main documents:

a) The letter of recommendation of the following: the approving agency of the INGO aid item with regard to a non-project aid item that is subject to the approving authority of the Prime Minister; or the managing agency or the implementing agency of the INGO aid item (in case the aid item is directly managed by the managing agency) with regard to a non-project aid item that is subject to the approving authority by the approving agency of the INGO aid item. The letter of recommendation shall address the following main contents:

- Relevance of the non-project aid item to the development orientation, long-term development plan and specific need of the beneficiary agency of the INGO aid item;

- Management and implementation arrangements and coordination mechanisms of the non-project aid item;

- Capacity of the Vietnamese side to make contributions, especially counterpart funding, to receive and utilize the non-project aid item;

b) Letter of the Donor Side to inform on, or promise to consider, the provision of the non-project aid item. In terms of used goods, the Donor Side shall submit a letter to confirm that the assessed quality of the goods is at least 80% of their original quality.

c) Memorandum of understanding signed with the Donor Side; the Donor Side's commitments, pre-conditions and other conditions on the non-project aid item; obligations and commitments of the Recipient Side.

#### ***Article 10: Appraisal of a programme/ project being financed from INGO aid***

1. The document of a INGO aid programme/project or the agreement on specific INGO aid should be appraised, so that it can serve as a basis for approval, signing and implementation.

2. With regard to a programme/ project being financed from INGO aid that is subject to the approving authority of the Prime Minister as referred to in Item a), Paragraph 1, Article 15 of this Regulation, the Ministry of Planning and Investment shall chair the appraisal thereof.

3. With regard to a programme/ project being financed from INGO aid that is subject to the approving authorities of the Head of the approving agency of the INGO aid item as referred to in Item b) and Item c), Paragraph 1, Article 15 of this Regulation, the relevant approving authority shall chair or assign a relevant subordinate unit to chair the appraisal thereof.

4. The agency responsible for chairing the appraisal shall be allowed to invite specialized agencies at the central and local levels, consulting entities and or independent consultants to assist in the appraisal of the programme/ project.

5. During the appraisal process, the agency responsible for chairing the appraisal shall clarify the following issues:

a) Relevance of the programme/ project objectives to the specific development objectives of the ministry, sector, locality and entity that benefits from and implements the programme/ project;

b) Feasibility of the management/ implementation arrangements for the programme/ project;

c) Capacity of the Vietnamese side to make contributions to the programme/ project;

- d) Suitability of the budget allocations to the major components of the programme/ project;
- e) Commitments, pre-conditions and other conditions raised by the Donor Side (if any); the obligations and commitments of the Recipient Side for the implementation of the programme/ project.
- f) Information on the registration for operation and/ or the legal status of the Donor Side;
- g) Expected impact, planned use of the results and sustainability of the programme/ project following its completion;
- h) Consensus and differences of opinion that exist between the relevant parties;

The agency responsible for chairing the appraisal shall consolidate the comments made by the relevant agencies and prepare an appraisal report for submission to the competent authority to consider and approve the programme/ project. If necessary, the appraisal report shall be accompanied with a draft decision to approve the programme/ project.

6) The agencies that take part in the appraisal of the INGO aid programme/ project shall be held accountable before law for the appraisal contents that fall under their respective management responsibilities.

### **Article 11: *Appraisal of non-project aid***

1. The dossier of a non-project aid item shall be commented on by relevant agencies, localities and the appraisal comments shall be consolidated for submission to the competent authority as referred to in Article 15 for approval of the dossier of this non-project aid item, to serve as the basis for the signing and reception of aid.

2. In case there exist differences of opinion between the relevant parties, the dossier of the non-project aid item shall be appraised by the competent authority to serve as the basis for the approval, signing and implementation of aid.

a) With regard to a non-project aid item that is subject to the approving authority of the Prime Minister as referred to in Item a), Paragraph 1, Article 15 of this Regulation, the Ministry of Planning and Investment shall chair the appraisal thereof.

b) With regard to a non-project aid item that is subject to the approving authority of the the Head of the approving agency of INGO aid as referred to in Item b) and Item c), Paragraph 1, Article 15 of this Regulation, the approving agency shall chair or assign a relevant subordinate unit to chair the appraisal thereof.

c) The agency responsible for chairing the appraisal shall be allowed to invite specialized agencies at the central and local levels, consulting entities and/ or independent consultants to assist in the appraisal.

d) During the appraisal process, the agency responsible for chairing the appraisal shall clarify the following issues:

- Relevance of the non-project aid item to the long-term development direction, plan and specific need of the beneficiary agency of the INO aid (agency, sector, field or locality);

- Feasibility of the management and implementation arrangements and coordination mechanisms during the implementation process:

- Capacity of the Vietnamese side to make contributions, specially counterpart funding for the reception and utilization of the non-project aid item;

- Commitments, pre-conditions and other conditions raised by the Donor Side (if any); the obligations and commitments of the Recipient Side for the implementation of the non-project aid item.

- Information on the registration for operation and/ or the legal status of the Donor Side;

- Consensus and differences of opinion that exist between the various parties concerned;

The consensus and differences of opinion between the various parties concerned shall be reflected in the appraisal report.

The agency responsible for chairing the appraisal shall consolidate the comments made by the relevant agencies and prepare an appraisal report for submission to the competent authority to consider and approve the dossier of the non-project aid item. If necessary, the appraisal report shall be accompanied with a draft decision to approve the dossier of the non-project aid item.

e) The agencies that take part in the appraisal of the dossier of the non-project aid item shall be held accountable before law for the appraisal contents that fall under their respective management responsibilities.

## **Article 12: Dossier and appraisal report for INGO aid**

1. The appraisal dossier shall consist of the following contents:

a) The letter of recommendation for approval of:

- The approving agency of a INGO aid item with regard to an aid item that is subject to the approving authority of the Prime Minister;

- The managing agency or the implementing agency of a INGO aid item (in case the aid item is directly managed by the managing agency) with regard to an aid item that is subject to the approving agency of the INGO aid item.

b) The letter of the Donor Side confirming its agreement with the contents of the INGO aid item and informing on, or promising to consider, the provision of the aid item;

c) The draft programme/ project document or the list of non-project aid items (in both English and Vietnamese) and the draft agreement on the specific INGO aid item (if this is to be signed in place of the programme/ project document);

d) The complete set of comments made by all the relevant agencies on the INGO aid item;

With regard to a INGO aid item of which the contents relate to a given ministry, sector or locality, the official comments of the Head of the relevant ministry, sector or locality shall be required as an integral part of the appraisal dossier to serve as a basis for the consideration and approval as referred in Article 15 of this Regulation.

e) The memorandum of understanding signed with the Donor Side, the report of the appraisal consultant or consulting team, if so required by the Donor Side.

f) A copy of the Registration for Operation and/or copy of legal documents relating to the legal status of the Donor Side.

2. The appraisal dossier shall be made in eight sets (including the original version) for a INGO aid item that is subject to the approving authority of the Prime Minister. If the dossier is written in a foreign language, it shall be accompanied with the Vietnamese translation.

3. The appraisal report shall consist of the following contents:

a) Relevance to the existing legal provisions governing the data, justification, calculation, conclusions and recommendations in the dossier that has been appraised;

b) Feasibility of the INGO aid item;

c) Relevance of the INGO aid item to the contents, activities of the programme/ project;

d) Existing weaknesses, constraints and solutions or remedial actions thereto, responsible parties and deadlines for the resolution of such problems;

e) Commitments to institutional and policy changes; differences in procedures for the reception and implementation of the INGO aid item; requirements and conditions raised by the Donor Side on the aid item (if any);

f) Capacities (including financial capacity) for the management and implementation of the INGO aid item;

g) Suggested lead agency for the reception and implementation of the INGO aid item;

h) Required deadline for the completion of the dossier of the INGO aid item;

i) Information on the registration for operation of the Donor Side in Viet Nam and/or on its legal status;

The conclusions from the appraisal together with the above contents shall be reflected in the appraisal report.

### ***Article 13: Process and deadline for the appraisal of INGO aid***

1. The Ministry of Planning and Investment shall develop detailed steps for the appraisal of INGO aid items that are subject to the approving authority of the Prime Minister.

2. The Ministry of Planning and Investment shall develop guidelines on the requirements and basic steps for the appraisal of INGO aid to serve as the basis for approving agencies to develop detailed contents and steps to for the appraisal of INGO aid items that are subject to their approving authorities, to be applied by ministries, sectors, localities and organizations referred to in Items a), b), d) and e), Paragraph 4, Article 1 of this Regulation.

3. The appraisal of INGO aid items shall be completed within a deadline of no more than twenty (20) days following the receipt of their full and valid dossiers.

**Article 14: *Process and deadline for the completion of the dossier of a INGO aid item following the appraisal***

1. Once a INGO aid item has satisfied the conditions for approval, the agency responsible for chairing the appraisal shall submit its letter of recommendation to the relevant authority as referred to in Article 15 for approval of the INGO aid item.

2. In case a INGO aid item has not satisfied all the conditions for approval, the agency responsible for chairing the appraisal shall submit the appraisal conclusions to the managing agency and the implementing agency of the INGO aid item, explain the issues that would require clarification, additions and/or adjustments as well as to set out the deadline for the completion of the dossier. The managing agency shall thereafter be responsible for guiding the implementing agency to address the above issues within the deadline stated in the appraisal report. In case the dossier cannot be completed within the deadline, the implementing agency shall report in writing to the managing agency and the agency responsible for chairing the appraisal the reasons for the delay and reach agreement with the latter on necessary follow-up actions.

**Article 15: *Approval of INGO aid items***

1. Authority for approval of INGO aid items:

a) The Prime Minister shall have the authority to approve the following:

- INGO aid items that relate to national security, defense, religious issues and those items that directly support the formulation of normative legal documents, policy guidelines that are supposed to be issued by the Prime Minister and higher authorities, strategies, socio-economic development strategies, master plans, plans of the country, a sector or a geographical region;

- Lists of used goods, equipment with simple design that possess over 80% of their original quality and remain suitable for the needs and conditions in Viet Nam for a given period of time, developed by the Heads of ministries/ sectors and submitted to the Prime Minister to serve as the basis for the approval of the reception of aid as referred to items b) and c) of this Paragraph;

- INGO aid items that relate to the import of automobiles and other transport means (e.g. aircraft, ships, boats, etc...).

b) The Head of State agencies and organizations, the Chairpersons of the People's Committees of provinces and centrally managed cities, the Heads of Central Offices of organizations as referred to in Items a), b) and c), Article 1 of this Regulation shall have the authority of approving the following:

- INGO aid items that are not mentioned in Item a) of this Paragraph;

- Goods with simple design that have been used and possess over 80% of their original quality (with written confirmation by the Donor Side), and constitutes part of the lists that have been approved by the Prime Minister as referred to in Item 2, Paragraph a) of this Article;

- Emergency relief items that have specific recipient parties.

c) With regard to INGO aid items that are supposed to be received by organizations as referred to in Items d) and e), Paragraph 4, Article 1 of this Regulation:

- The Heads of ministries, ministerial-level agencies, other agencies under the Government shall approve these INGO aid items destined for specified recipient parties for which they issue

Permits for Operation or recipient parties operating in technical/ professional fields under their respective management responsibilities (as documented in the decisions on their establishment);

- The Chairpersons of People's Committees of provinces and centrally managed cities shall approve those INGO aid items destined for specified recipient parties for which the People's Committees of provinces and centrally managed cities or their subordinate departments issue the decisions on their establishment or Permits for Operation or business licenses.

d) The President of the Viet Nam Fatherland Front shall have the authority of approving emergency relief items that do not have specified recipient agencies (i.e. the Donor Side does not specify localities or entities that shall receive such aid items).

## 2. Process for the approval of INGO aid:

a) With regard to a INGO aid item that is subject to the approving authority of the Prime Minister:

- The approving agency of the INGO aid item shall submit to the Ministry of Planning and Investment the dossier of the INGO aid item for appraisal by the latter;

- The Ministry of Planning and Investment shall submit to the Prime Minister its recommendation for the latter's consideration and approval of the INGO aid item.

Once the Prime Minister has approved the reception and implementation of the INGO aid item, the Ministry of Planning and Investment shall notify in writing the Prime Minister's decision to the approving agency, so that the latter can take follow-up steps in line with the provisions of Chapter III and Chapter IV of this Regulation.

b) With regard to a INGO aid item that is subject to the approving authority of the Head of the approving agency, the steps towards its approval shall proceed in compliance with the existing provisions of Vietnamese law.

3. The decision document on approving a INGO aid item (the original version), together with the programme/ project document, the agreement on the INGO aid item, the dossier of the non-project aid item, stamped between pages, as well as other related documents subject to the approving agency of the INGO aid item as referred to in Items b), c) and d), Paragraph 1 of this Article, shall be forwarded by the managing agency to the Ministry of Planning and Investment, the Ministry of Finance and the Committee on International NGO Affairs within ten (10) working days as of the date on which the INGO aid item is approved.

## ***Article 16: Sale of goods that constitute part of INGO aid***

1. Goods constituting part of INGO aid that the Recipient Side and Donor Side have agreed to import and sell in Viet Nam in order to support the implementation of priorities as referred to in Article 3 of this Regulation shall require a decision by the competent authority at the same time with the approval of the INGO aid item, as stipulated in Article 15 of this Regulation.

2. The above goods shall be sold by auction in accordance with the existing provisions of Vietnamese law on the auctioning of property.

## **CHAPTER IV**

### **IMPLEMENTATION OF INGO AIDS ITEMS**

#### ***Article 17: Specific principles in the implementation of INGO aid***

1. The implementation of INGO aid items, except emergency relief, shall commence only after it has been approved by the competent authority as referred to in Article 15 of this Regulation and formally communicated by the managing agency to the Donor Side.

2. The reception of goods (including supplies and equipment) that are included in the list of goods banned from importation by the Government shall not be allowed. If necessary, the reception of such goods shall be decided upon by the Prime Minister.

3. Beside reaching agreement on the reception of goods that have not been used, and are brand new, the managing agency shall reach agreement on the reception used goods only if it has a written confirmation from the Donor Side that the quality of such goods is over 80% of their original quality (with regard to used goods with simple design) or a written certificate from a competent certification organization of the Donor Side's country that the quality of such goods is over 80% of their original quality (with regards to used goods that do not constitute part of the list of used goods, equipment with simple design). The managing agency shall request the Donor Side to send the goods only after the Vietnamese competent authority has approved the reception of such goods.

The Donor Side shall be fully accountable for the quality of the goods it has certified until such goods are received by the Vietnamese side.

The donated goods that have not followed the above principle when imported into Vietnam shall be handed over to the competent authority for decision, in accordance with the existing provisions of Vietnamese law. In such a case, the implementing agency of the donated goods shall be responsible for all the costs that would arise from the handling of the donated goods by the competent authority.

4. Should a programme/project not commence any activity within six (6) months after its approval without proper reasons, the competent authority as stipulated in Article 15 of this Regulation shall cancel the decision it has issued on the approval of the programme/ project. The managing agency shall be responsible for informing the Donor Side on the cancellation of the decision on the approval of the programme/ project.

#### ***Article 18: Implementing agency of INGO aid***

The implementing agency of a INGO aid item (including component projects if any) shall be specified in the decision issued by the competent authority on the approval of the INGO aid item.

#### ***Article 19: Management Unit of programmes/ projects financed from INGO aid***

1. Each programme/ project being financed from INGO aid shall have a management unit established.

2. The Programme/Project Management Unit (hereinafter called "the PMU") shall be the representative of the implementing agency of the INGO aid item and shall represent the

implementing agency in exercising the roles and responsibilities assigned to it. The PMU shall be held accountable to the implementing agency of the INGO aid item, the managing agency, the approving agency and before law, for the decisions it takes.

3. Within fifteen (15) days following the approval of the programme/ project by the competent authority as referred to in Article 15 of this Regulation, the PMU shall require a decision on its establishment issued by the implementing agency or the managing agency (in case the programme/ project is directly managed and implemented by the managing agency). In this decision, the implementing agency or the managing agency shall appoint the Director and members of the PMU and endorse the Co-Director of the PMU should one be nominated by the Donor Side as well as define the roles and responsibilities of the PMU.

4. The PMU shall be allowed to open its own account at a bank that is established and operates in accordance with the existing provisions of Vietnamese law or at the State Treasury and shall have its own seal in order to facilitate the implementation of the programme/ project in line with the existing provisions of Vietnamese law and the agreements or commitments signed.

5. The PMU shall have its own office that serves as its working space and official and regular contact place during the process of programme/ project implementation.

6. The Ministry of Planning and Investment shall issue guidelines on the organizational structure, roles and responsibilities of the PMU.

#### **Article 20: *Taxation on INGO aid***

Taxation on INGO aid shall follow the existing provisions of Vietnamese law governing taxation of external aid.

#### **Article 21: *Bidding and auctioning***

The bidding and auctioning on INGO aid shall follow the existing provisions of Vietnamese law governing bidding and auctioning.

#### **Article 22: *Revisions of programmes/ projects being financed from INGO aid during the implementation process***

1. With regard to a programme/ project that is subject to the approving authority of the Prime Minister :

a) The following revisions shall be submitted to the Prime Minister for his decision:

- Revisions that result in changes in the specific objectives, management and implementation arrangements, major expected results, locations of the programme/ project that has been approved and in changes to its implementation progress extension of implementation time beyond a period of 12 months compared to its planned completion date that has been approved;

- Revisions that make the programme/ project become one of the cases as stipulated in Bullet point 3, Item a), Paragraph 1, Article 15 of this Regulation.

b) Revisions that do not fall under the provisions in Item a), Paragraph 1 of this Article shall be approved by the Head of the approving agency of the INGO aid item.

c) The Ministry of Planning and Investment shall issue guidelines on the steps and deadlines for the revisions of programmes/ projects that are subject to the approving authority of the Prime Minister.

2. With regard to a programme/ project that is subject to the approving authority of the Head of the approving agency of an INGO aid item:

a) Revisions that make the programme/ project become one of the cases as stipulated in Bullet points 1 and 3, Item a), Article 15 of this Regulation shall be submitted to the Prime Minister for his consideration and approval.

b) Revisions that do not fall under the provisions in Item a), Paragraph 2 of this Article shall be approved by the Head of the approving agency of the INGO aid item.

c) The approving agency of the INGO aid item shall issue specific provisions, steps and deadlines for the revisions of programmes/ projects that are subject to its approving authority based on the basic requirements and general steps that are issued by the the Ministry of Planning and Investment for revisions as mentioned previously.

### ***Article 23: Management of the construction, sign-off, transfer and final settlement***

1. The appraisal and approval of the technical design and total budget estimate, issuance of the construction permit, quality control, sign-off, transfer, guarantee, insurance of construction works being financed from INGO aid shall follow the existing provisions of Vietnamese law.

2. With regard to a technical assistance programme/ project being financed from INGO aid, the implementing agency shall organise the evaluation, review, sign-off following its completion, and shall take necessary measures in order to effectively utilize the results of the programme/ project.

3. The final financial settlement of INGO aid items shall abide by the existing provisions of Vietnamese law.

# CHAPTER V

## MONITORING AND EVALUATION OF INGO AID IMPLEMENTATION

### ***Article 24: Monitoring of INGO aid implementation***

The monitoring of INGO aid implementation shall be conducted regularly and information on its implementation shall be updated; classified and analyzed periodically; suggestions shall be made in a timely manner to support decision-making by the relevant levels of management, in order to ensure that INGO aid meets its stated objectives, is implemented in accordance with its planned schedule, achieves its intended quality and effectiveness standards, and abides by the existing provisions of Vietnamese law and within the identified resources.

### ***Article 25: Evaluation of INGO aid implementation***

1. The evaluation of INGO aid implementation shall be comprehensive, systematic and objective, in order to make necessary adjustments and draw useful lessons for replication to the following stages of the same programme/ project and/or to other programmes/ projects.

2. The evaluation of INGO aid implementation shall be conducted regularly and on an ad hoc basis (if so needed).

3. The plans, modality and financing (from INGO aid or from counterpart funding) shall be specified in the programme/ project document being financed from INGO aid.

### ***Article 26: Responsibilities for monitoring and evaluation of INGO aid***

1. The PMU shall be responsible for the following:

a) Developing a detailed monitoring and evaluation (hereinafter called "M & E") plan that clearly defines the resources available, progress schedules, deadlines, quality standards and criteria for accepting the outcomes of individual M & E activities. The detailed M & E plan shall be developed by the PMU within three (03) months at the latest, as of the date on which the programme/ project commences its operation (or is approved, signed).

b) Developing working regulations, collecting and storing information, data, files, documents, books, bills/receptions/invoices from programme/ project implementation as well as reports from contractors, changes in policies and laws of the State, procedures and regulations of the Donor Side relating to programme/ project management and implementation.

c) Preparing progress reports as required by existing regulations, providing and sharing information through the M & E systems at the national, sectoral and local levels.

d) Preparing, or recruiting consultants to assist the PMU in preparing, the initial, mid-term and terminal evaluation reports in line with the contents of the programme/ project document that has been approved; acting as the focal point for coordination with the Donor Side and the management authority in the conduct of evaluation activities.

2. The implementing agency of the INGO aid item shall be responsible for guiding, supervising, supporting the PMU and/or the beneficiary agency of non-project aid in monitoring and evaluating the programme/ project being financed from INGO aid or the use of non-project aid. In case the implementing agency faces difficulties or problems it is unable to overcome on its own, the implementing agency shall report such difficulties or problems in a timely manner to the competent authorities to find solutions thereto. Related agencies shall be responsible for reviewing proposals made by the PMU, the implementing agency of the INGO aid or the beneficiary agency of non-project aid, and providing their responses within fifteen (15) working days. In case they are unable to give response within the above deadline, they shall be responsible for notifying the delay to the PMU, the implementing agency and the beneficiary agency.

3. The managing agency shall be responsible for preparing the plan to evaluate the impact of INGO aid, and working closely with relevant agencies to undertake, or recruiting consultants to assist in undertaking, this task if needed. It shall be responsible for chairing and working closely with relevant agencies and the Donor Side in organizing periodical (annual) and ad hoc reviews of the INGO aid programme/ project.

4. The approving agency of INGO aid shall be responsible for chairing, working with relevant parties and the Donor Side in organizing periodical (annual) and ad hoc reviews of groups of programmes/ projects being financed from INGO aid as well as the reception of non-project aid items. It shall be responsible for directly monitoring and evaluating the reception and implementation of INGO aid in accordance with its roles and responsibilities.

5. In line with the provisions of Chapter VI of this Regulation, the Ministry of Planning and Investment shall be responsible for taking the lead and working with other relevant parties and the Donor Side in performing its roles and responsibilities of monitoring and evaluating the reception and implementation of INGO aid,

6. The funding for management, monitoring and evaluation of INGO aid by State management agencies shall be provided from the State budget in accordance with the roles and responsibilities in managing, monitoring and evaluating INGO aid as stipulated in Chapter VI of this Regulation.

### ***Article 27: Reporting on the management and implementation of INGO aid***

1. The PMU shall be responsible for preparing and submitting periodical progress reports to the implementing agency, the managing agency, the approving agency of INGO aid in according to the frequencies determined by the approving agency.

2. The implementing agency shall be responsible for the following:

a) Preparing and submitting semi-annual progress reports at the latest by 15 July of the reporting year and annual progress reports by 20 January of the following year, to the managing agency and the approving agency of INGO aid, with copies to the Ministry of Planning and Investment, the Ministry of Finance, the Committee for International INGO Affairs.

b) Preparing and submitting terminal reports not later than six (06) months following the completion of the implementation of a INGO aid item, to the managing agency, the approving agency of INGO aid, the Ministry of Planning and Investment, the Ministry of Finance, the Committee for International INGO Affairs.

c) The submission of reports to the Donor Side shall follow the provisions that have been agreed with the Donor Side itself.

3. The managing agency shall be responsible for preparing semi-annual and annual consolidated reports on the mobilization of INGO aid, the implementation of aid items under its management responsibility and submit such reports to the Ministry of Planning and Investment, the Ministry of Finance and the Committee on International INGO affairs at latest by 30 July of the reporting year and 31 January of the following year.

4. The approving agency of INGO aid shall be responsible for preparing semi-annual and annual consolidated reports on the results of the approval and implementation of INGO aid items that are subject to its approving authority, and submit such reports to the Ministry of Planning and Investment and, at the same time, to the Ministry of Finance and the Committee on International INGO Affairs at the latest by 30 July of the reporting year and 31 January of the following year.

5. The Ministry of Planning and Investment shall be responsible for preparing and submitting to the Prime Minister annual consolidated reports on the approval and implementation of INGO aid resources across the country.

6. The Ministry of Planning and Investment shall be responsible for taking the lead and working closely with other relevant agencies in issuing standard reporting formats for INGO aid.

7. The General Statistical Office shall be responsible for taking the lead and working closely with other relevant agencies in developing and consolidating periodical statistical indicators on the reception and utilization of INGO aid for inclusion into the national system of statistics on socio-economic development.

***Article 28: Examination, inspection and supervision of the the reception, management and utilization of INGO aid***

The examination, inspection and supervision of the reception, management and utilization of INGO aid shall follow the existing provisions of Vietnamese law.

## **CHAPTER VI**

### **STATE MANAGEMENT OF INGO AID**

#### ***Article 29: Contents of State management of INGO aid***

The Government shall exercise unified State management of INGO aid, covering the following main contents:

1. It shall take decisions on the overall direction for the mobilization and utilization of INGO aid.
2. It shall issue normative legal documents governing the management and utilization of INGO aid.
3. It shall provide guidance on the management and utilization of INGO aid at the macro level.
4. It shall examine, supervise, evaluate the management and utilization of INGO aid.

#### ***Article 30: Roles and responsibilities of the Ministry of Planning and Investment***

The Ministry of Planning and Investment shall be the focal agency for the management of INGO aid resources. In addition to its roles and responsibilities as referred to in Chapters I, II, III, IV and V of this Regulation, it shall be assigned with the following roles and responsibilities:

1. It shall chair the appraisal and consolidate the comments made by relevant agencies and submit its recommendation to the Prime Minister for his consideration and approval of INGO aid items as stipulated in Item a), Paragraph 1, Article 15 of this Regulation and the revisions of programmes/ projects as referred to in Item a), Paragraph 2, Article 22 of this Regulation.
2. It shall take the lead in preparing and issuing normative legal documents on governing the management and utilization of INGO aid in accordance with its authority, or submit such documents to the competent authority for the latter's decision to issue.
3. It shall take the lead and work closely with the Ministry of Finance in allocating counterpart funding within the annual State budget plan to those agencies which are entitled to receive State budget allocations to support the implementation of INGO aid items in line with the commitments made with the Donor Side and relevant provisions of the State Budget Law.
4. It shall oversee ministries, ministerial level agencies, other agencies reporting to the Government on developing and submitting to the Prime Minister lists of goods, equipment with simple design (with 80% of their original quality) that are under their respective management responsibilities and remain suitable to the needs and conditions in Viet Nam for a given period of time, for use by the approving agency as referred to in Bullet point 2, Item b), Paragraph 1, Article 15 of this Regulation.
5. It shall work closely with the Viet Nam Union of Friendship Organizations and other relevant agencies in providing guidance to ministries, sectoral management agencies, localities and

other organizations in developing programme/ project proposals that serve as the basis for the mobilization of INGO aid.

6. It shall examine the decisions to approve INGO aid items and regulations on the management and utilization of INGO aid issued by approving agencies of INGO aid.

7. It shall take the lead and work closely with other Government aid managing agencies and other relevant agencies in organizing supervision and examination of reception, management and implementation of INGO aid: it shall consolidate, analyze and evaluate the effectiveness and efficiency of INGO aid; it shall address issues that arise from INGO aid and that fall under its management responsibility and submit its recommendations to the Prime Minister for his consideration and decision in accordance with his authorities.

8. It shall prepare and disseminate technical guidelines on the preparation, appraisal, management, implementation, monitoring, evaluation of the reception and utilization of INGO aid; it shall provide support to personnel training on programme/ project management in an increasingly professional and sustainable manner.

### ***Article 31: Roles and responsibilities of the Ministry of Finance***

The Ministry of Finance shall be responsible for performing the role of State management, from the financial perspective, of INGO aid. In addition to its roles and responsibilities as stipulated in the provisions of Articles I, II, III, IV and V of this Regulation, it shall be assigned with the following roles and responsibilities:

1. It shall take the lead and work closely with other relevant agencies in formulating financial management regulations for INGO aid resources, in line with its management authorities.

2. It shall work with the Ministry of Planning and Investment in allocating counterpart funding within the State budget plan to those agencies which are entitled to receive State budget allocations to support the implementation of INGO aid items in line with the commitments made with the Donor Side and relevant provisions of the State Budget Law.

3. It shall synthesize periodical financial settlements of all INGO aid items in line with the existing provisions of Vietnamese law.

4. It shall examine the regulations on financial management with regard to the utilization of INGO aid issued by managing agencies, approving agencies of INGO aid.

5. It shall take part in the appraisal of and give comments on INGO aid items that are subject to the approving authority of the Prime Minister.

6. It shall work with the Ministry of Planning and Investment, the Committee for International INGO affairs and other relevant agencies in monitoring, examining the reception, management and implementation of INGO aid.

### ***Article 32: Roles and responsibilities of the Ministry of Foreign Affairs***

The Ministry of Foreign Affairs shall be assigned with the following roles and responsibilities:

1. It shall work closely with other relevant agencies in the mobilization and attraction of INGO aid.

2. It shall take the lead and work closely with other relevant agencies in calling for emergency relief.

### ***Article 33: Roles and responsibilities of the Ministry of Public Security***

The Ministry of Public Security shall be assigned with the following roles and responsibilities.

1. It shall provide guidance and support to Vietnamese agencies, organizations during the reception and utilization of INGO aid, in strictly following the existing provisions of Vietnamese law relating to national security and social order and safety.
2. It shall take part in the appraisal of and give comments to the Ministry of Planning and Investment on INGO aid items relating to issues as referred to Bullet point 1), Item a), Paragraph 1, Article 15 of this Regulation relating to national security and social order/safety before the Ministry of Planning and Investment submits its recommendation to the Prime Minister for his consideration and decision. It shall guide police departments at the provincial level in taking part in the appraisal of INGO aid items that are subject to the approving authority of the Provincial People's Committee.
3. It shall take part in the supervision of the reception and utilization of INGO aid, with particular attention to the implications of such aid on political security and social order/ safety that may arise from the reception and utilization of INGO aid.
4. It shall perform the tasks under its management responsibilities when it discovers indications of law violations that may arise from the reception and utilization of INGO aid.

### ***Article 34: Roles and responsibilities of the Ministry of Home Affairs***

The Ministry of Home Affairs shall provide guidance and support to Vietnamese agencies, organizations in strictly implementing the State's religious principles, policy guidelines during the reception and utilization of INGO aid.

### ***Article 35: Roles and responsibilities of the Ministry of Justice***

The Ministry of Justice shall appraise legal aspects of the contents of INGO aid programmes/ projects that are subject to the approving authority of the Prime Minister.

### ***Article 36: Roles and responsibilities of the Office of the Government***

The Office of the Government shall be assigned with the following roles and responsibilities:

1. It shall assist the Prime Minister in examining and supervising the implementation of this Regulation.
2. It shall take part in the appraisal of and make policy recommendations on INGO aid items that are subject to the approving authority of the Prime Minister before these are submitted to the latter for his consideration and approval.

### ***Article 37: Roles and responsibilities of the Committee for International INGO Affairs***

The Committee for International INGO Affairs shall be assigned with the following roles and responsibilities.

1. It shall take part in the appraisal of and make comments, with particular focus on providing information and observations on the operations of the Donor Side, on INGO aid items that are subject to the approving authority of the Prime Minister.

2. It shall participate in the supervision of the implementation of INGO aid, with particular attention to aspects of cooperation with the Donor Side during the implementation of INGO aid.

3. It shall provide regular, full information on the issuance, extension, revision of Registrations for Operation of INGOs that serve as the basis for the mobilization and appraisal of INGO aid in accordance with the existing provisions of Vietnamese law.

### ***Article 38: Roles and responsibilities of the Viet Nam Union of Friendship Organizations***

The Viet Nam Union of Friendship Organizations shall be assigned as the focal agency for the contact with international INGOs and mobilization of INGO aid and shall be assigned with the following roles and responsibilities:

1. It shall take the lead and work closely with other relevant agencies in organizing INGO aid mobilization activities at the national level.

2. It shall take the lead and work closely with the Ministry of Planning and Investment and other relevant agencies in guiding the Recipient Side in the mobilization of INGO aid.

3. It shall prepare and submit a summary report on the actual situation on the raising of aids from INGO; and to submit them to the Ministry of Planning and Investment annual reports on the mobilization of INGO aid for the latter to incorporate into its consolidated reports for submission to the Prime Minister.

4. It shall work closely with the Ministry of Foreign Affairs in making recommendations to the Prime Minister on the directions for mobilization of emergency relief.

### ***Article 39: Roles and responsibilities of the Central Committee of the Viet Nam Fatherland Front***

The Central Committee of the Viet Nam Fatherland Front shall approve and lead the reception, allocation, utilization of emergency relief items that have no specified recipient agencies and report to the Prime Minister the results of these activities.

### **Article 40. Duties and rights of approving authorities**

In addition to its roles and responsibilities as stipulated in Chapters I, II, III, IV and V of this Regulation, the approving agency of INGO aid items shall be assigned with the following roles and responsibilities:

1. The People's Committee of provinces and centrally managed cities shall assign their respective Department of Planning and Investment to be the focal agencies for the management and utilization of INGO aid and designate a relevant subordinate unit to be the focal point for contacting INGOs and mobilizing INGO aid in the province.

The approving agency of INGO aid shall designate a subordinate unit, with relevant functions and adequate capacities in managing the use of INGO aid and coordinating development resources, to be the focal point for contacting with INGOs, managing and utilizing INGO aid in line with the approving agency's practical conditions.

The announcement on the designation of the focal point as referred to in Paragraph 1 of this Article shall be communicated to Government aid managing agencies as mentioned in this Chapter, within thirty (30) days as of the date on which the Decree to issue this Regulation comes into effect.

2. Ministries, ministerial-level agencies, other agencies under the Government shall be assigned with the following roles and responsibilities:

a) They shall give comments during the appraisal, approval of INGO aid items in their respective areas of expertise and management responsibilities as assigned by the Government.

b) They shall periodically prepare and submit to the Prime Minister lists of used goods, equipment with simple design (with over 80% of their original quality) in their respective areas of expertise under their management responsibilities as assigned by the Government. The first of such lists shall be developed and submitted to the Prime Minister within thirty (30) days as of the date on which the Decree to issue this Regulation comes into effect.

3. In accordance with their roles and responsibilities as referred to in Items b) and c), Paragraph 1, Article 15 of this Regulation, the Heads of approving agencies of INGO aid items shall approve the revisions of programmes/ projects in line with their respective roles and responsibilities as referred to in Article 22 of this Regulation, and shall be held legally accountable before law for their approval decisions and for their approval, allocation and management of counterpart funding in order to implement these INGO aid items.

4. They shall be responsible for leading, guiding and examining respective subordinate units in the reception and utilization of INGO aid in accordance with the existing provisions of Vietnamese law and the correct implementation of the commitments made to the Donor Side.

5. They shall be responsible for monitoring and evaluating the reception and utilization of INGO aid items that are subject to the approving authority of the Prime Minister; they shall be responsible for identifying and addressing, in a timely manner, constraints, difficulties, violations that may arise during the reception and utilization of INGO aid or report such problems to Government aid managing agencies as referred to in this Chapter so that the latter can find solutions thereto.

6. They shall be held accountable before the Government for the quality, effectiveness, efficiency of the implementation of INGO aid items in accordance with the existing provisions of Vietnamese law.

7. They shall be held responsible for accomplishing all the reporting requirements as mentioned in Article 27 of this Regulation.

#### ***Article 41: Roles and responsibilities of managing agencies***

In addition to their roles and responsibilities as provided for in Chapters I, II, III, IV and V of this Regulation, managing agencies shall be assigned with the following roles and responsibilities:

1. They shall guide respective subordinate units in working closely with relevant specialized agencies in learning about and contacting the Donor Side in order to mobilize, attract aid based on priority sectors/fields, directions in annual development plans or in specific stages of development as well as in the State's overall foreign policies.

2. They shall lead, guide and examine respective subordinate units during the reception, management and utilization of INGO aid, in accordance with the existing provisions of Vietnamese law and the proper implementation of the commitments made to the Donor Side.

3. They shall monitor and evaluate the reception and utilization of INGO aid items that are under the respective management responsibilities; they shall be responsible for identifying and addressing, in a timely manner, constraints, difficulties, violations that may arise the reception and utilization of INGO aid or report such problems to Government aid management agencies so that the latter can find solutions thereto.

4. They shall allocate, in an adequate and timely manner, counterpart funding for the preparation and implementation of programmes/ projects being financed from INGO aid, in accordance with the programme/ project documents that have been approved by the competent authority.

5. They shall be held accountable before the Government for the quality, effectiveness and progress of the programmes/ projects being financed from INGO aid, in accordance with the existing provisions of Vietnamese law.

6. They shall accomplish all the reporting requirements as mentioned in Article 27 of this Regulation.

## **CHAPTER VII**

### **REWARDING FOR GOOD PERFORMANCE AND DISCIPLINING FOR NON-COMPLIANCE**

#### ***Article 42: Rewarding for good performance***

Organizations, individuals who have outstanding achievements in the implementation of this Regulation shall be rewarded for their good performance, in accordance with the existing provisions of Vietnamese law on rewards and recognitions.

#### ***Article 43. Disciplining for non-compliance***

1. In case decisions on the approval of the reception or decisions on the management and utilization of INGO aid taken by the approving agency are at variance with this Regulation and other documents issued by higher-level State agencies, the Ministry of Planning and Investment shall submit its recommendation to the competent authority to repeal or cancel the validity of such decisions in line with the existing provisions of Vietnamese law.

2. In case decisions on the financial management of INGO aid issued by the approving agency, the managing agency are at variance with this Regulation and other documents issued by higher-level State agencies, the Ministry of Finance shall submit its recommendations to the competent authority to repeal or cancel the validity of such decisions in line with the existing provisions of Vietnamese law.

Disciplining for non-compliance with reporting requirements:

a) With regard to violations of reporting requirements, the Ministry of Planning and Investment shall apply the following disciplinary actions:

- Unsystematic breaches of reporting requirements: The Ministry of Planning and Investment shall request in writing the violating agency to explain the reasons for their violation and to commit to taking corrective actions;

- Systematic and prolonged breaches of reporting requirements: The Ministry of Planning and Investment shall report to the Prime Minister the violations and recommend appropriate disciplinary actions, including recommending the Prime Minister to discontinue the consideration of the violating party's new proposals for reception of INGO aid until such time that the violating party complies with the reporting requirements;

b) The approving agency of INGO aid shall set out appropriate disciplinary actions against violations in order to ensure full compliance with the report requirements by implementing agencies and PMUs whose establishment decisions are issued by the Heads of approving agencies.

4. Should this Regulation and other legal documents issued by relevant agencies be violated (by the Recipient Side and/ or Donor Side) during the implementation of a INGO aid item, the aid item shall be considered illegal and its implementation shall thus be cancelled so that the case is reported to the competent authority for review and decision, or forwarded to a relevant Vietnamese agency to address in line with the existing provisions of Vietnamese law.

5. The Heads of the approving agency of INGO aid items, the managing agency and the implementing agency shall be held personally accountable before law for the above violations.

6. Organizations, individuals who have committed violations of this Regulation shall, subject to the nature and degree of such violations, be subject to disciplinary actions, administrative fines or shall be criminally charged. Should a violation result in damages or losses, they shall be requested to make compensations, in line with the existing provisions of Vietnamese law.

**ON BEHALF OF THE GOVERNMENT  
PRIME MINISTER**

(Signed & Sealed)

**NGUYEN TAN DUNG**