

Client Alert

August 2011

Vietnam's New List of Prioritized Programs and Projects for Government Guarantee

Decision No. 44/2011/QĐ-TTg provides a list of prioritized programs and projects for consideration for the provision of Government Guarantee. It gives priority to programs and projects in, among others, energy and mining, infrastructure construction and development, the manufacture of key mechanical products for replacing imported goods, as well as programs and projects funded with commercial loans associated with ODA funds in the form of syndicated credit.

Details of the List

Following the general list set out in Article 33 of the Law on Public Debt Management of 17 June 2009, and Article 6 of Decree No. 15/2011/ND-CP of 16 February 2011, this new list indicates in detail which programs and projects the Vietnamese Government will be giving priority to in providing Government Guarantee.

Details of the List are as follows:

| No. | Programs or Projects |
|-----|---|
| 1. | Important programs and investment projects that have investment policies which are decided by the National Assembly or Prime Minister, and that are subject to urgent commencement requirements in all sectors. |
| 2. | Credit programs with the State's objectives, which are implemented by the State's Banks of Policies in the fields decided by the Prime Minister. |
| 3. | Programs and projects funded with commercial loans associated with ODA funds in the form of syndicated credit. |
| 4. | Programs and projects in the fields of energy and mining: <ul style="list-style-type: none"> • Investment and development in the field of power; • Investment of oil and gas refineries; and • Investment and exploitation of Alumina and aluminium, for which policies are approved by the National Assembly. |

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| 5. | <p>Programs and projects in the fields of construction and development of infrastructure, including:</p> <ul style="list-style-type: none">• Investment in construction and development of deep ports in accordance with master planning approved by the Prime Minister;• Investment in aircraft fleets in accordance with master planning approved by the Prime Minister;• Investment in the construction of highways in accordance with master planning approved by the Prime Minister;• Investment in the construction of national road bridges in accordance with master planning approved by the Prime Minister; and• Procurement of locomotives in projects for investment in the national railway system, for which investment policies are approved by the National Assembly; Investment projects for the construction of educational and training establishments and vocational training establishments with the capacity of capital refund. |
| 6. | <p>Programs and projects for the manufacture of key mechanical products for replacing imported goods.</p> |
| 7. | <p>Other programs and projects in accordance with the Prime Minister's decisions.</p> |

Please note that this list details programs and projects that have priority to enjoy the government guarantee as provided in Article 33 of the Law on Public Debt Management.

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