

organizational structure of the State Treasury under the Ministry of Finance;

Pursuant to the Government's Decree No. 01/2000/ND-CP of January 13, 2000 promulgating the Regulation on the issuance of Government bonds;

Pursuant to the Prime Minister's Decision No. 182/2003/QĐ-TTg of September 5, 2003 on the issuance of Government bonds for investment in a number of important traffic and irrigation works of the country;

At the proposal of the general director of the State Treasury,

DECIDES:

Article 1.- To issue foreign-currency Government bonds in the first drive with a value of 100 million US dollars (USD) for investment in a number of important traffic and irrigation works of the country.

Article 2.- Government bonds shall be issued and paid in USD, in form of certificates or book entries.

Bond certificates include registered and bearer ones; pre-printed with different denominations of USD 500, USD 1,000, USD 5,000 and USD 10,000.

Article 3.- The modes of issuance of Government bonds

1. Direct retail at the State Treasury in Hanoi and the State Treasury in Ho Chi Minh city.

1.1. The bond buyers shall include Vietnamese organizations and citizens; overseas Vietnamese; foreigners working and residing in Vietnam; and foreign organizations operating in the Vietnamese territory, except for those participating in the bidding of foreign-currency Government bonds through the State Bank.

THE MINISTRY OF FINANCE

DECISION No. 155/2003/QĐ-BTC OF SEPTEMBER 24, 2003 ON THE FIRST-DRIVE ISSUANCE OF FOREIGN-CURRENCY GOVERNMENT BONDS FOR INVESTMENT IN A NUMBER OF IMPORTANT TRAFFIC AND IRRIGATION WORKS OF THE COUNTRY

THE MINISTER OF FINANCE

Pursuant to the Government's Decree No. 77/2003/ND-CP of July 1, 2003 defining the functions, tasks, powers and organizational structure of the Ministry of Finance;

Pursuant to the Government's Decree No. 25/CP of April 5, 1995 defining the tasks, powers and

Vietnamese organizations must not use funding allocated from the State budget to purchase foreign-currency Government bonds.

1.2. Bond term: 5 years.

1.3. Bond interest rate: 3.5%/year, fixed for the whole term of 5 years and paid at the end of each year.

1.4. Issuance duration: Beginning from October 15, 2003 and ending before December 31, 2003.

2. Bidding through the State Bank:

2.1. Subjects eligible to participate in the bidding for the Government bonds are credit institutions which operate under the Law on Credit Institutions in Vietnam, are permitted to deal in foreign exchange and have foreign-currency accounts opened at the State Bank.

2.2. Bond term: 5 years.

2.3. Interest rates are formed through the bidding results.

2.4. Issuance time: From October 10, 2003.

Article 4.- Principles for payment of principals and interests of Government bonds:

4.1. Mature retailed bonds (principals and interests) shall be paid at the State Treasury offices where such bonds have been issued. Bonds bid through the State Bank shall be paid by the Finance Ministry (the Central State Treasury).

4.2. Bond principals shall be paid in lump sum upon their maturity.

4.3. Bond interests shall be paid once a year.

4.4. If upon the bond maturity for payment of

principals or interests, the bond owners do not come to get the payment, such principals or interests shall be reserved for refund to the bond owners when they need to get the payment; interest shall not be calculated for the principalized amounts and for the over-mature period.

Article 5.- Government bond owners shall enjoy the following rights and preferences:

5.1. To be entitled to transfer, donate, bequeath or use in pledges in credit relations.

5.2. Bond owners being individuals shall be exempt from personal income tax for their incomes from bond interests and enjoy free-of-charge bond custody at the system of State Treasury.

Article 6.- The general director of the State Treasury shall have to:

6.1. Organize the issuance of foreign-currency Government bonds by the modes prescribed in Article 3 of this Decision.

6.2. Report on, account and settle foreign-currency Government bond revenues and payments according to the prescribed regimes.

6.3. Decide on the time, volume and interest rate of each bidding session of foreign-currency Government bonds through the State Bank within the ceiling interest rate set by the Finance Minister for each period.

Article 7.- This Decision takes effect as from the effective date of the Prime Minister's Decision No. 182/2003/QĐ-TTg of September 5, 2003.

The general director of the State Treasury, the heads of the concerned units under and attached to the Finance Ministry, and the directors of the State

Treasury offices in Hanoi and Ho Chi Minh city shall *Treasury*,
have to implement this Decision.

Minister of Finance
NGUYEN SINH HUNG
