

Vietnam**Results-Based National Urban Development Program
in the Northern Mountains Region****Chair Summary*****June 5, 2014**

The Executive Directors approved a credit in the amount of US\$250 million for the Vietnam Results-Based National Urban Development Program in the Northern Mountains Region (NMR) from the International Development Association (IDA) on the payment terms and conditions set out in the President's Memorandum.

Directors welcomed the use of the Program for Results (PforR) lending instrument aimed at supporting one of the most lagging regions in Vietnam by building capacity of participating cities to plan, implement and sustain basic infrastructure services. They acknowledged expected improvements in access to basic infrastructure services, especially by the low-income population in the NMR of Vietnam. Directors emphasized the importance of the instrument for linking disbursements to concrete results in service delivery and strengthening country systems and governance at provincial and national levels. Directors urged the team to work closely with the Government on implementation of the Program Action Plan to address gaps in governance, procurement and financial management systems, and to ensure the quality and sustainability of the investments.

Directors noted that it will be important to monitor the impact of the Program on the beneficiaries, avoid Category A impacts, maximize transparency and ensure an effective nationwide rollout of the National Urban Development Program. Directors appreciated that the operation builds on positive experiences of the first PforR operation in Vietnam and encouraged the team to share lessons across Regions.

*This summary is not an approved record.