

Aide Memoir
Of the SSC and WB wrap-up Meeting

1. Overall Progress:

WB Implementation Support Mission has noted good progress in all components of TDSP, with achievement of several programs development objectives (PDOs). The overall PDO of increasing the capacity of Government officials to formulate and implement new trade policies has markedly improved since the program began. Among 27 Projects under TDSP, we have either closed or completed 12 projects; 8 projects will closed in Mar 2015 and another 7 strategic projects will be closed in Aug 2016.

2. Financial Status:

- Overall financial management performance rating has been downgrading from Satisfactory to moderately Satisfactory, this is due to the overpayment of Resolvo and Viettel under ASYCUDA Project.
- Up to 30 Sep 2014, TDSP has accumulatively spent \$9,296,758; accounted for 60% of the total grant (\$15,450,000). The remaining balance is \$6,153,242 need to be spent in the next four months, which is not possible. This is one of the main reason for No Cost Extension of TDSP.
- The remaining balance and the unspent amount saving from the closed projects have been re-allocated to new strategic projects like ICT Master Plan, ASYCUDA. There is fund available for any new project.

3. Procurement Status:

- WB Implementation Support Mission has noted the capacity and experience of the group of consultants and government staff are sufficient to carry out the remaining procurement activities under TDSP program.
- Up to 30 Sep 2014, DICO has procured both goods and consultants services worth \$10,211,164; an equivalent to 113% against the benchmark of \$9,000,000.

4. Justification for No Cost Extension of TDSP for 17 months:

- a. **On finance:** more than \$6.1m need to spend in the next 4 months, this is absolutely not possible.
- b. **On procurement:** need more time to procure and implement big and strategic projects like Online Business Registration, Automation of SPS Certificate, ...
- c. **On Operation:** (i) Results-Based Action Plan has been developed with the agreement from WB and EU, (ii) identified 8 projects need to close in Mar 2015, (iii) identified 7 strategic projects need to be completed by Aug 2016, (iv) focus only on the strategic projects which have a big impact on PDO.
- d. **On MoC comprehensive reform agenda:** has not been met and we need more time to:
 - Improve business environment

- Trade facilitation and regulatory improvement
- ASEAN integration
- Capacity building

5. Donors position on TDSP extension:

- EU, the main funding of TDSP, generally expresses their support of no cost extension with some conditions on Business Registration project implementation. The conditions will be put as a benchmark in WB Aide Memoir.
- UNIDO: simply expresses their support of no cost extension of TDSP.

Figure 1:

Strategic Projects to 2016

