

DECREE No.14-CP ON THE 27th OF JANUARY, 1995 OF THE GOVERNMENT SETTING UP THE VIETNAM ELECTRICITY CORPORATION AND ISSUING ITS STATUTE

THE GOVERNMENT

Pursuant to the Law on Organization of the Government on the 30th of September 1992;

Proceeding from the conclusion reached at the meeting of the Government on the 6th of January, 1994;

Considering the proposal of the Minister of Energy concerning the implementation of Decision No.91-TTg on the 7th of March, 1994 of the Prime Minister on the trial founding of business corporations.

DECREES:

Article 1.- To set up the Vietnam Electricity Corporation in conformity with the contents of Decision No.562-TTg on the 10th of October, 1994 of the Prime Minister.

Article 2.- To issue, attached to this Decree, the Statute on the Organization and Operation of the Vietnam Electricity Corporation.

Article 3.- The Minister of Energy, the Minister of Finance, the Government Commission on Organization and Personnel, the Governor of the State Bank, the other Ministers, the Heads of the ministerial-level agencies and the agencies attached to the Government concerned shall base themselves on this Statute to guide the implementation.

Article 4.- This Decree takes effect as from the date of its signing.

The Ministers, the heads of the ministerial-level agencies and the agencies attached to the Government, the president of the People's Committees in the provinces and cities directly under the Central Government, the Managing Board and the General Director of the Vietnam Electricity Corporation shall have to implement this Decree.

On behalf of the Government

Prime Minister

VO VAN KIET

STATUTE ON THE ORGANIZATION AND OPERATION OF THE VIETNAM ELECTRICITY CORPORATION

(Issued together with Decree No. 14-CP on the 27th of January, 1995 of the Government)

Chapter I

GENERAL PROVISIONS

Article 1.- The Vietnam Electricity Corporation (hereafter referred to as Corporation) is a large business of the State, comprising many member businesses and non-business units, operating on a national scale in the business of electricity (including research, survey, design, construction and assembly, production, transmission and distribution of electricity, manufacture of electric equipment and accessories, export and import), and some other production and service activities related to the electric service.

The Corporation shall have to invest in developing the electric industry, organize production and consumption of electricity to ensure the need in electric energy for production and life, in conformity with the requirement and orientation of the socio-economic development strategy of the country, and with the tasks assigned by the Prime Minister in each period of the plan.

The Office of the Corporation is located in the city of Hanoi.

The international transaction name of the Corporation is ELECTRICITY OF VIETNAM, or EVN in abbreviation.

Article 2.- The Corporation has the legal person status, has its seal and is authorized to open its accounts in the banks in the country and abroad, and is organized and operates according to this Statute. The Corporation applies a comprehensive economic accounting system, and is permitted to set up concentrated funds as stipulated by the State. The Corporation shall carry out concentrated accounting in the production and transmission of electric energy. The member businesses shall effect either independent accounting or dependent accounting, and all the non-business units of the Corporation shall have the legal person status and operate according to the State law and the Statute of the Corporation.

Article 3.- The Corporation is empowered by the State to manage and use the land fund, the water resources and other sources of natural energy to carry out the tasks mentioned in Article 1. The Corporation has the responsibility to use land and the land resources for the right purpose and in conformity with the law on land, natural resources and the environment.

Article 4.- The Corporation shall be allocated fund and property, and is allowed to mobilize capital sources inside and outside the country in different forms as stipulated by the State to carry out its tasks. The Corporation has the responsibility to preserve the allocated fund, unceasingly accumulate fund to invest in development, and accomplish its financial obligation toward the State. The

Corporation shall have to continuously improve its equipment and technology as well as its management, in order to reduce production cost and cut down on electricity loss.

Article 5.- The Corporation has the right to recruit and employ a working personnel corresponding to the production and business tasks. It has the responsibility to create conditions for developing the right to mastery of the laborers in production, business and business management, raise labor productivity and work efficiency; to care for the training and fostering of the human resources of the Corporation; to improve the living and working conditions of the laborers.

Article 6.- The organizational structure of the Corporation comprises the following:

1. The Managing Board. This Board is assisted by a Supervisory Commission and the Office of the Corporation.
2. The General Director. He is assisted by a number of Deputy General Directors, the Office and the specialized departments.
3. The member units of the Corporation.

Chapter II

THE MANAGING BOARD

Article 7.- The Managing Board is the organ of highest jurisdiction in the Corporation. The Managing Board is mandated by the State to carry out the function of the representative of the State ownership over the whole of the Corporation according to the provisions of law and this Statute. It is answerable to the State and the Prime Minister.

The members of the Managing Board shall be appointed by the Prime Minister at the proposal of the Minister of energy. Before making a proposal, the Ministry of Energy must have a written consent of the Minister-Chairman of the Government Commission on Organization and Personnel.

Article 8.- The Managing Board of the Corporation shall have five full-time members:

- The President,
- A Vice President,
- The General Director,
- The other two members are specialists in law, economics and technique.

Article 9.- The Managing Board has the following tasks and powers:

1. Together with the General Director, sign and take delivery before the State of the natural resources, land and capital (including debts) under State ownership, comprising also the fixed assets and the personnel, with a view to the realization of the targets and tasks assigned by the State to the Corporation;
2. Examine and endorse the plan for allocation of funds and debts, preservation and development of the fund, and the plan for regulating and mobilizing capital proposed by the General Director, witness the re-allocation by the General Director, witness the re-allocation by the General Director of the resources stipulated at Item 9.1 to the member units for utilization, preservation and development, according to the objectives already ratified by the Managing Board;
3. Supervise and inspect the implementation by the General Director and the member units of the plan for the utilization, preservation and development of the resources assigned by the State, execute the resolutions and decisions of the Managing Board, the law and discharge the obligations to the State;
4. Adopt the proposals of the General Director and submit them to the Prime Minister for ratification concerning the strategy, overall planning and concrete plans for long-term development, including the five-year plans of the Corporation; decide the annual plans of the Corporation so that the General Director may assign it to the member units;
5. Submit to the Prime Minister for ratification, and if it is empowered by the Prime Minister, decide the projects of joint venture with foreign countries as prescribed by the Government; decide the joint venture projects within the country and the economic contracts of great value. Submit to the Prime Minister for decision to invest in projects of Group A; submit to the Minister controlling the concerned service for decision on projects in Group B; and decide on the investment in projects in Group C. Empower the General Director, or the Director of a member business, to ratify the small investment projects. Ratify the plan for organization of production and business, and organization of management at the member units. Coordinate with the local administration and mass organizations in the protection of the national property and electricity safety;
6. Adopt the plan for the State-administered price of electricity proposed by the General Director, and submit it to the Prime Minister for ratification. Issue and supervise the implementation of the quotas and economic and technical norms, including the wage unit price, the unit price and norms in specialized construction, the product standard, trademark of commodities, the prices of products and services applied within the Corporation at the proposal of the General Director, on the basis of the common regulations of the electric service and of the country;
7. Elaborate and submit to the Prime Minister for approval the Statute on the organization and operation of the Corporation, and the amendments and supplements to the Statute of the Corporation; ratify the Statute on the organization and operation of the member units, and the amendments and supplements to these Statutes at the proposal of the General Director, propose the founding, splitting, merger or dissolution of member units as prescribed by the Government; decide to open representative offices and branches of the Corporation inside and outside the country, according to the regulations of the Government.

Decide the overall personnel of the managerial apparatus of the Corporation, and readjust it when necessary, at the proposal of the

General Director.

Decide the overall personnel of the managerial apparatus of the Corporation, and readjust it when necessary, at the proposal of the General Director.

Propose to the Prime Minister to appoint, dismiss, commend or discipline the General Director, propose to the Minister of Energy to appoint, dismiss, commend or discipline the Deputy General Directors at the proposal of the General Director, decide the appointment, dismissal, commendation or discipline of the Directors of the member units at the proposal of the General Director.

8. Ratify the proposal of the General Director about the setting up and utilization of the concentrated funds, in conformity with the business plan and the financial plan of the Corporation, under the guidance of the Ministry of Finance;

9. To adopt the annual general financial report (including the review of property) of the Corporation and of the member units in the Corporation, and request that the General Director make public the financial report of the Corporation as prescribed by the Ministry of Finance.

Article 10.- The Managing Board takes collective and individual responsibility before the Prime Minister and law for the realization of the assigned duties. The President and the other members of the Board, who do not accomplish the tasks assigned, make wrong decisions or decisions which go beyond their powers and cause damage to the national interests, or losses in capital, property and natural resources of the State or properties of the people, which adversely affect the activities of the Corporation, or who violate other regulations of the State, shall, depending on the extent of the violation, be subject to administrative sanctions, have to compensate for the damages or be investigated for penal liability as prescribed by law.

Article 11.- Working regime of the Managing Board:

1. A term of office of a member of the Managing Board is five years. The Board members may be re-appointed. The term of office of the new members is calculated from the date of the appointment.

2. The Managing Board shall hold regular sessions as prescribed by the Board, in order to examine and decide questions coming under the tasks, powers and responsibilities stipulated in Article 9 and Article 10. At the close of the fiscal year, the Managing Board shall meet to examine the results of business, adopt the report of the Supervisory Commission, the general financial report, and the business plan of the following year.

3. The Managing Board may meet in extraordinary sessions to solve unexpected affairs, at the request of the President of the Board, or more than half of the members, or the General Director.

4. The President of the Managing Board shall convene and preside over all the meetings of the Board, except when he is absent by force majeure, in which case he shall empower the Vice President to preside over the meeting. The meeting can be held only with the participation of a least two thirds of the members of the Board.

5. When the Managing Board meets to examine questions of the strategy of development, overall planning and the five-year and annual plans, major investment projects or joint venture projects with foreign countries, or the annual financial report, or to issue the systems of economic and technical quotas and norms of the Corporation, invitation must be extended to the Ministry of Energy and the concerned ministries and services to send their competent representatives to attend the meeting. In the event of an important subject related to the local administration, a representative of the People's Committee at the provincial level must also be invited. These representatives are entitled to speak but shall not take part in the vote. If they deem that the resolutions or decisions of the Managing Board may harm the common interests, they may make a written protest to the Managing Board, and report to the Heads of the agencies of which they are the representatives so that they may examine and settle the question according to their jurisdiction. In case of necessity, the Heads of these agencies shall report to the Prime Minister.

6. When the Managing Board meets to examine questions related to the rights and obligations of workers and public servants, it shall have to propose to the service Trade Union to send its competent representative to attend the meeting. This representative is entitled to speak, but shall not take part in the vote, and he has the right to send his protest to the Managing Board and the authorized State agencies, the service Trade Union and the Vietnam General Confederation of Labor, if he deems that certain resolutions or decisions of the Managing Board affect the rights, interest and obligation of workers and public employees in the Corporation.

7. The Managing Board shall apply the working regime of collective adoption of resolutions and decisions at the meetings, through voting on the principle of endorsement by the majority of the members of the Board. The documents and agenda of each meeting must be sent by the President of the Managing Board to all members of the Board and the invited representatives five days before the meeting at the latest. The contents and conclusions of the meeting must be recorded in the minutes and signed by all Board members participating in the meeting.

8. The resolutions and decisions of the Managing Board are binding to the entire Corporation. In case the resolutions or decisions of the Board vary with the opinion of the General Director, the latter still has to carry them out. At the same time, he is entitled to maintain his reservations, and report them in writing to the concerned Minister and the Prime Minister.

Article 12.- The Managing Board has an Office composed of a number of specialists and assistant personnel selected by the President of the Board. The payroll of the Office personnel shall be decided by the Board itself. The operating expenses of the Managing Board shall derive from the management expenses of the Corporation. The General Director shall use his apparatus to ensure the necessary conditions and means for the activities of the Managing Board.

Article 13.- The Supervisory Commission:

1. The Managing Board shall set up the Supervisory Commission to supervise and inspect the financial, production and business activities within the Corporation, according to law and the Statute of the Corporation. The Managing Board shall define the tasks and concrete powers of the Supervisory Commission.

The Supervisory Commission shall comprise five persons headed by a member of the Managing Board. In addition, two specialized

members of the Supervisory Commission are employees in the apparatus of the Corporation appointed by the President of the managing Board with the consent of the Executive Committee of the service Trade Union. It also includes a representative of the General Department of State Capital and Property Management at the business to be appointed by the General Department Head, and a representative of the Ministry of Energy appointed by its Minister. The two latter members shall work part-time in the Supervisory Commission.

2. The tenure of the members of the Supervisory Commission is five years. Any member who does not accomplish his/her task in the process of work shall be replaced. The tenure of a newly appointed member is calculated from the date of his/her appointment.

3. The Supervisory Commission operates according to the program and tasks assigned by the Managing Board. It shall report to the Managing Board about the results in supervising and control work at the request of the Managing Board, and make suggestions on strengthening and perfecting the management of all aspects of the activities of the Corporation according to the Statute and law.

4. The Supervisory Commission shall be invited to attend the briefings by the General Director and a number of sessions of the Managing Board.

5. The operating expenses of the Supervisory Commission shall be defrayed by the Managing Board, and is accounted for in the operating expenditures of the Managing Board.

Chapter III

THE GENERAL DIRECTOR AND THE ASSISTING APPARATUS

Article 14.-

1. The General Director is the juridical representative in all activities of the Corporation and is answerable before law. He has the highest jurisdiction in the Corporation, and is directly answerable to the State and the Managing Board for the effective use of the resources assigned to the Corporation.

2. The Deputy General Directors are assigned and empowered by the General Director to manage and direct one or a number of areas of activity of the Corporation.

3. The Office and the specialized and professional departments have the function of acting as consultants and assistants to the General Director in the managing and direction of the Corporation's work.

4. The managerial expenses of the apparatus of the Corporation (including the expenses for the activities of the Managing Board) shall be accounted for in the production cost in the overall plan of the Corporation.

Article 15.- The General Director has the following tasks and powers:

1. Together with the Managing Board to sign and take delivery of the resources of land, capital and debts under State ownership, including fixed assets and the manpower, in order to manage and utilize them according to the objectives and tasks assigned by the State to the Corporation; to distribute and assign these resources of the State to the member units for utilization, preservation and development, according to the plan already ratified by the Managing Board as stipulated in Article 9.

2. To elaborate and submit to the Managing Board the development strategy, the overall planning and the five-year and annual plans, the plan of the Corporation for protection and exploitation of natural resources, and the plan of coordination in the execution of business plans among units in the Corporation. To issue decisions on the organization of the realization of the strategy, overall program, plans and projects already ratified.

3. To elaborate investment projects, joint venture projects with businesses inside and outside the country, economic contracts of great value of the Corporation, plans of production and business, and management organization to submit to the Managing Board for adoption as stipulated in Article 9 (Item 5). To decide small investment projects and to organize the implementation of these decisions;

4. To elaborate and submit to the Managing Board for issuing, or to issue by himself with the mandate of the Board, the economic and technical norms, products standards, unit price of the wages, unit prices and norms in specialized construction, whole sale price of electricity, and the prices of services within the Corporation, in conformity with the common regulations of the Service and of the State. To carry out, and inspect the execution by the member units, of the decisions on norms, standards and unit prices in the whole Corporation.

5. To propose to the Managing Board to submit to the Minister of Energy to appoint, dismiss, commend or discipline the Deputy General Directors of the Corporation; to propose to the Managing Board to appoint, dismiss, commend or discipline the Deputy General Directors of the Corporation; to propose to the Managing Board to appoint, dismiss, commend and discipline the Directors of member units. To appoint, dismiss, commend or discipline the Deputy Directors of member units, and the Directors of the units attached to the member units, at the proposal of the Director of the member units. To appoint, dismiss, commend or discipline the Head, Deputy Heads of Departments and of the Office of the managerial apparatus of the Corporation.

To elaborate and submit to the Managing Board to ratify the general payroll of the managerial apparatus of the Corporation, and the plan of readjustment in case of a change of the organization and personnel of the managerial apparatus of the Corporation and the member units; to directly set up and direct the managerial apparatus of the Corporation, inspect the payroll of the managerial apparatus of the member units; to ratify the plan for reorganization, creation or dissolution of the units attached to the member units.

6. To propose to the Managing Board to adjust the capital and other resources when reallocating them to the member units, and readjust them when a change occurs in the tasks of the member units, in the form of increasing or reducing the capital. To carry out and direct the Financial Company of the Corporation to carry out the mobilization and lending of capital, to meet the need in capital of the Corporation and of the member units. To issue decisions on the raising and utilization of the concentrated funds of the Corporation.

7. To set up the concentrated funds of the Corporation as prescribed by the Government, under the guidance of the Ministry of

Finance and the decisions of the Managing Board. These include:

a/ The development investment fund set up from the capital depreciation fund and the re-investment profit.

The capital depreciation fund, and the reinvestment profit of dependent accounting businesses shall be concentrated at the Corporation for investment, according to annual plans.

When mobilizing the capital depreciation fund and reinvestment profit of the independent accounting businesses, the Corporation must abide by the principle of borrowing and payment with internal interest rate and this must be ratified by the General Director with the mandate of the Managing Board, and under the guidance of the Ministry of Finance.

b/ The scientific research and full-time training fund to be allocated to the non-business units of the Corporation. This fund shall derive from the production development fund of the member units and the non-business units and training expenditures allocated by the State budget (if any). In addition, the non-business units of the Corporation are also allowed to carry out contracts on scientific research and training signed with other businesses inside and outside the Corporation, with a view to supplementing its own budget.

c/ The financial reserve fund, the bonus fund and the welfare fund at the Office of the Corporation to be set up under the guidance of the Ministry of Finance.

d/ The medical insurance fund to be set up under the guidance of the Ministry of Finance and the Ministry of Health.

8. To pay different kinds of tax, arising from the business activities conducted under the system of concentrated accounting, as prescribed by law. The Corporation shall not have to pay turnover tax for the revenue resulting from the wholesale of electricity within the Corporation. The properties transferred within the Corporation shall not have to pay fees, or property transfer and registration tax.

9. To elaborate the annual general financial report (including the property review) of the Corporation, with a clear break-down of the concentrated accounts of the Corporation and the accounts of the independent accounting member units, to submit to the Managing Board for ratification. The general financial report must be based on the documents already certified by the legal audit agency.

10. To issue decisions beyond his jurisdiction in emergency cases (such as natural calamities, enemy sabotage, fires, accidents), and take responsibility for these decisions. At the same time, he shall have to report them immediately to the Managing Board and the competent agencies for continued settlement.

Chapter IV

MEMBER UNITS OF THE CORPORATION

Article 16.- The Vietnam Electricity Corporation has member units which are independent accounting State-owned businesses (including the Financial Company), the dependent accounting State-owned businesses, and non-business units (see List in the Appendix attached to this Statute).

Each member unit of the Corporation is organized and operates according to its own Statute, which must conform with the prescriptions of law, with this Statute, and must be ratified by the Managing Board.

The member units have the legal status, their own seals and offices, are allowed to open their own bank accounts in conformity with the method of accounting stipulated at the Statute of the Corporation and the specific Statute of each member unit.

Article 17.- The independent accounting businesses of the Corporation are bound to the Corporation in terms of interests and obligations, but at the same time enjoy autonomy in their business and financial activities in their capacity as independent economic juridical persons. More concretely:

1. In the strategy and development investment:

a/ The business is assigned or empowered to organize the implementation of investment projects for the development, under the plans of the Corporation. It is assigned resources by the Corporation for the realization of these projects.

b/ The business shall make investments of its own, in the projects and plans of development outside the projects directly run by the Corporation, with fund raised by the business itself, which also takes financial responsibility.

2. In the production and business activities: The business shall work out its plan and organize its implementation on the following bases:

a/ It must assure the targets, objectives, the major balances, the main economic and technical norms (including unit prices and prices) of the business, in line with the common plan of the Corporation.

b/ The plan for expanding production and business, through the optimum use of all resources at the disposal of the business or mobilized by it, in conformity with the demand of the market.

3. In financial activities and economic accounting:

a/ The business is entitled to part of the capital and resources assigned by the State to the Corporation which reassigns to the business, including those made through supplements either to increase or cut down on these resources (if any). The business has the task of preserving the capital and developing these resources.

b/ The business is entitled to mobilize fund and other credits according to law, in order to carry out its production and business plans, and its development investment programs.

c/ The business is entitled to set up its own investment fund for capital construction, the fund for production expansion, the bonus fund, the welfare fund, and the financial reserve fund, as stipulated by the State. The business has the duty to contribute to the common

concentrated funds of the Corporation, and is entitled to benefit from these funds, as stipulated in this Statute, and according to the decision of the Managing Board of the Corporation.

d/ In its capacity as an independent economic juridical person, the business shall have to pay different kinds of tax and to discharge its other financial obligations (if any) to the State as prescribed by law.

e/ The business may be empowered by the Corporation to sign on its behalf, and carry out contracts with customers inside and outside the country.

4. In the domain of organization, personnel and labor:

a/ The business is entitled to propose to the Corporation to examine and decide, or to be empowered by the Corporation to decide on, the organization, dissolution or merger of its member units and its managerial apparatus, as provided for in the Statute of the Corporation and its own Statute.

b/ Depending on the needs in its activities, a member unit of the Corporation may set up its own dependent units. These units shall effect dependent accounting, have their seals conforming to the model of the State businesses, can open their accounts at the banks, and sign economic contracts, according to the regime of power assignment and mandate applied to the member businesses of a corporation.

c/ In the framework of the overall payroll allowed by the Corporation, a member unit can recruit, assign or lay off employees in its managerial apparatus. The appointment or dismissal of managerial employees in the apparatus and in the member units shall abide by the system of assignment of powers, stipulated in Article 9 (Item 7) and Article 15 (Item 5) of this Statute.

d/ The business has the right and responsibility to care for the development of the manpower resource, in order to ensure the realization of the production and business tasks, and its development strategy; care for the improvement of the working and living conditions of the laborers, under the Labor Law and the Trade Union Law.

Article 18.- The dependent accounting State-owned businesses in the Corporation enjoy autonomy in production and business, in financial operations, organization and personnel, according to the tasks and powers as defined for the independent accounting member businesses stipulated in Article 17 (except for Items 1b, 2b, 3b, 3d, and 4b).

The authority to effect the Items mentioned above is valid only when there is an assignment or delegation of powers in writing by the Corporation.

Article 19.- The non-business units, which have an organizational and operating statute ratified by the General Director by delegation from the Managing Board, and which carry out internal accounting based on the balance between revenue and expenditures, may have part of their operational expenditures covered by the State budget, and may generate revenues from the carrying out of services and contracts on scientific research and training with units inside and outside the Corporation. They are entitled to the distribution of the bonus fund and welfare fund, at the average level of all the personnel in the apparatus of the Corporation.

Article 20.- The Financial Company is a member of the Vietnam Electricity Corporation, operating according to law and under the guidance of the Governor of the State Bank, and under the Statute ratified by the Managing Board and the direction of the General Director of the Vietnam Electricity Corporation.

The Financial Company carries out the task of mobilizing capital and lending capital, aimed at meeting the need in capital of the Corporation and the member units in these forms: preferential credit loans from the Government, commercial credit from banks and financial organizations inside and outside the country; issue of stocks, and business and project bonds; purchase and sale of valued papers and certificates; mobilization of idle money among the workers and employees within the Corporation.

The Financial Company shall implement the investment projects of the Corporation and other services stipulated in the Statute and Regulations of the Financial Company. With regard to major projects, the investors shall directly sign contracts, and the Financial Company shall carry out the service function.

The units shall use capital of the Financial Company on the principle of borrowing and repaying, carry out the regime of internal interest rate proposed by the Financial Company and ratified by the General Director of the Corporation with the mandate of the Managing Board.

Article 21.- The member businesses of the Corporation shall be directed by the business Directors. The Directors are the juridical representatives of the businesses before law. They are answerable before the Corporation and the State for all activities of their businesses.

The Business Council shall be set up on the basis of the mutual agreement between the business Director and the Executive Committee of the business Trade Union under the leadership of the Party Committee at the business.

The Business Council shall have to develop the right to mastery of the workers and employees, suggests to the business Director measures to achieve the production and business plans, and development investment plans of the business; examine and decide the use of the bonus fund and the welfare fund, at the proposal of the business Director, direct the Workers' Inspection Committee to supervise and inspect the implementation by the business of the resolutions of the Workers and Employees' Congress, the Statute of the business, and the policies and laws of the State within the business.

Chapter V

PARTY ORGANIZATION AND MASS ORGANIZATIONS IN THE CORPORATION

Article 22.- The organizations of the Party, Trade Union and the Ho Chi Minh Communist Youth Union in the Corporation shall operate according to the Constitution, law and the Statutes of the Communist Party of Vietnam, the Vietnam General Confederation of Labor, and the Ho Chi Minh Communist Youth Union, and according to the stipulations of the Secretariat of the Central Committee of the

Communist Party of Vietnam, the Vietnam General Confederation of Labor, and the Central Executive Committee of the Ho Chi Minh Communist Youth Union.

Chapter VI

REORGANIZATION, DISSOLUTION, BANKRUPTCY

Article 23.- The reorganization and dissolution of the Vietnam Electricity Corporation shall be proposed by the Managing Board of the Corporation, considered and submitted by the Minister of Energy to the Government for decision.

Article 24.- The Vietnam Electricity Corporation shall be dissolved, when and if the Government deems it unnecessary to maintain it.

Article 25.- The reorganization or rearrangement, merger or dissolution, and the creation of new member units in the Vietnam Electricity Corporation shall be proposed by the Managing Board of the Corporation, and submitted by the Minister of Energy to the Prime Minister for ratification, and the Prime Minister shall empower the Minister of Energy to sign the decision.

Article 26.- In case the Vietnam Electricity Corporation and its member units fall into the bankruptcy situation, they shall be handled according to the procedures defined in the Law on Bankruptcy of Businesses.

Chapter VII

IMPLEMENTATION PROVISIONS

Article 27.- This Statute shall apply to the Vietnam Electricity Corporation. All the member units of the Corporation shall have to abide by this Statute.

The Statute takes effect as from the date of the signing of the Decree on its promulgation.

Article 28.- In case the documents of the Government, the ministries, the ministerial-level agencies, the agencies attached to the Government, the People's Committees of the provinces and cities directly under the Central Government, and the decision on the founding of member businesses vary with this Statute, the provisions in this Statute shall prevail.

Article 29.- The member units of the Vietnam Electricity Corporation shall base themselves on the Statute of the Corporation to elaborate their own organizational and operational Statutes, and submit them to the Managing Board for ratification. The Statute of a member unit must not be contrary to the Statute of the Corporation.

Article 30.- In the process of implementation, the Vietnam Electricity Corporation should sum up its experiences in various areas of activity, in order to propose to the Government to ratify the necessary amendments and supplements to this Statute.

On behalf of the Government

Prime Minister

VO VAN KIET

APPENDIX

(Attached to the Statute on the Organization and Operation of the Vietnam Electricity Corporation)

LIST OF THE MEMBER UNITS OF THE VIETNAM ELECTRICITY CORPORATION

(At the time of the founding of the Corporation)

I. The independent accounting State-owned businesses:

1. The Electric Company 1
2. The Electric Company 2
3. The Electric Company 3
4. The Hanoi City Electric Company
5. The Ho Chi Minh City Electric Company
6. The Electric Construction and Assembly Company 1
7. The Electric Construction and Assembly Company 2
8. The Electric Construction and Assembly Company 3
9. The Electric Construction and Assembly Company 4
10. The Electric Equipment Company
11. The Electric Survey and Design Company 1
12. The Electric Survey and Design Company 2

13. The Electric Information - Telecommunication Company

14. The Electric Financial Company.

II. The dependent accounting State-owned businesses:

1. The Pha Lai Thermo-Electric Power Plant

2. The Uong Bi Thermo-Electric Power Plant

3. The Ninh Binh Thermo-Electric Power Plant

4. The Thu Duc Thermo-Electric Power Plant

5. The Tra Noc Thermo-Electric Power Plant

6. The Ba Ria Power Plant

7. The Hoa Binh Hydro-Electric Power Plant

8. The Thac Ba Hydro-Electric Power Plant

9. The Vinh Son Hydro-Electric Power Plant

10. The Tri An Hydro-Electric Power Plant

11. The Thac Mo Hydro-Electric Power Plant

12. The Da Nhim Hydro-Electric Power Plant

13. The Electric Transmission Company 1

14. The Electric Transmission Company 2

15. The Electric Transmission Company 3

16. The Electric Transmission Company 4

17. The National Electric Distribution Center

III. Non-business units:

1. The Energy Institute

2. The Electricity Information Center

3. The Scientific Research-Technology-Environmental and Computer Center.-

THE GOVERNMENT

Vo Van Kiet