



Socialist Republic of Vietnam



Tan Van - Nhon Trach Construction Investment Project in Vietnam

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MINISTRY OF TRANSPORT
CUU LONG CORPORATION FOR INVESTMENT, DEVELOPMENT
AND PROJECT MANAGEMENT OF INFRASTRUCTURE



Socialist Republic of Vietnam



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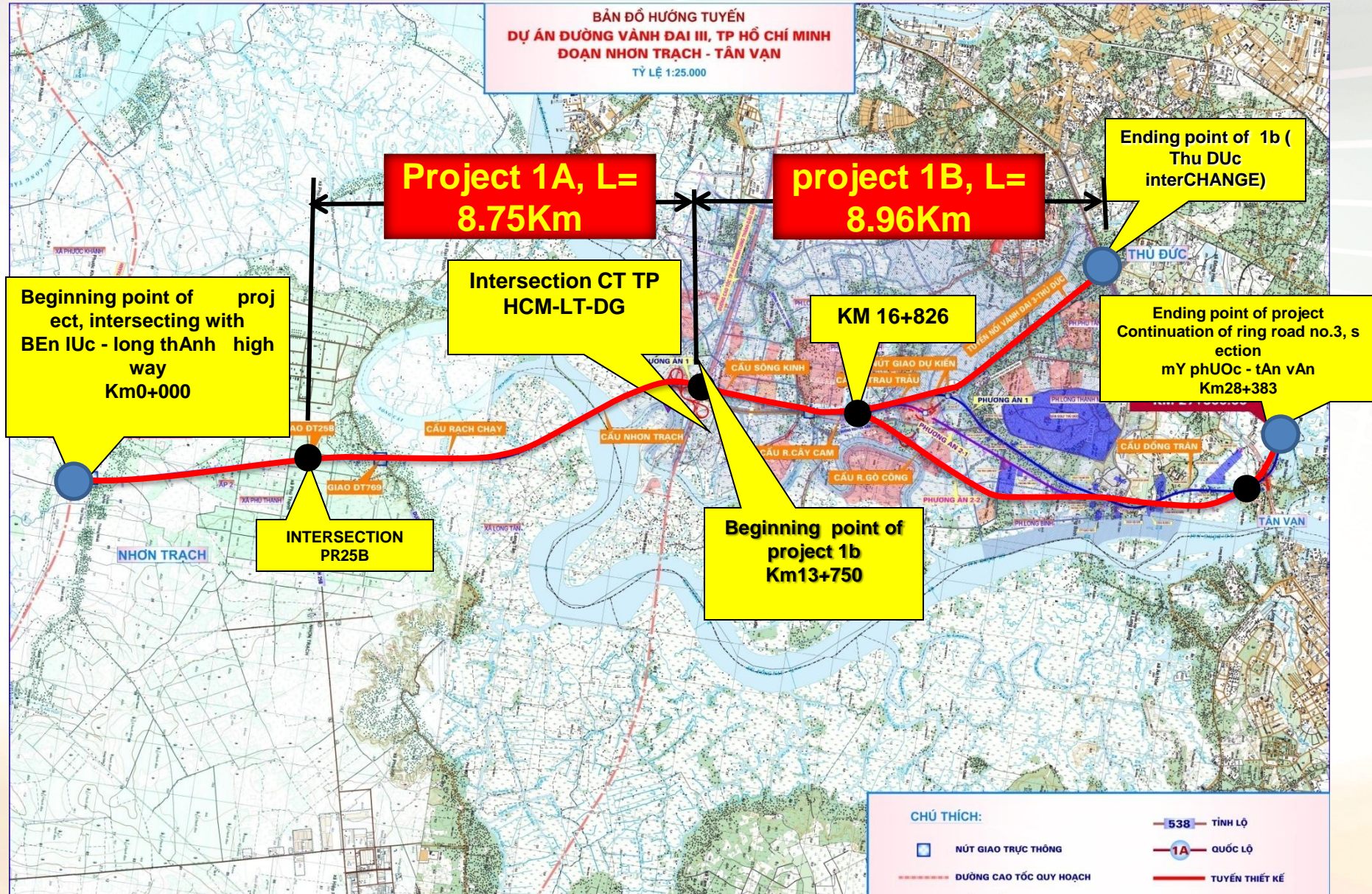
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I. General Introduction

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I. General Introduction

Background of Tan Van – Nhon Trach project, Stage 1

1. Project information

- Location: Ho Chi Minh City, Dong Nai Province
- Total length: approx. 17.71 km
- Components:
 - Component 1A (8.75km)
 - Component 1B (8.96km)

2. Scale and technical standards

- Road Grade 3 for delta area
- 1st stage: Designed speed: $V = 80\text{km/h}$ (*Equivalent to normal car road*)
- Final stage: Urban expressway (8 high-speed lanes and 4 lanes on parallel road)
 - Expressway $V=100\text{km/h}$;
 - Parallel road $V= 60 \text{ km/h}$;

3. Total investment: approx. USD 422 mil.



II. Project Feasibility

II. Project Feasibility



Economic analysis

EIRR 15.91%

NPV USD 180 mil.

B/C 1.43

1. Connecting northern provinces (Binh Duong, Binh Phuoc, Tay Ninh) of Asian Highway to Dong Nai port system effectively
2. Providing the fastest connection between Dong Nai Province and Ho Chi Minh City
3. Promoting of socio-economic development of Nhon Trach New City as well as District 9
4. Reducing logistics costs and enhancing business competitiveness of Nhon Trach Industrial Zone



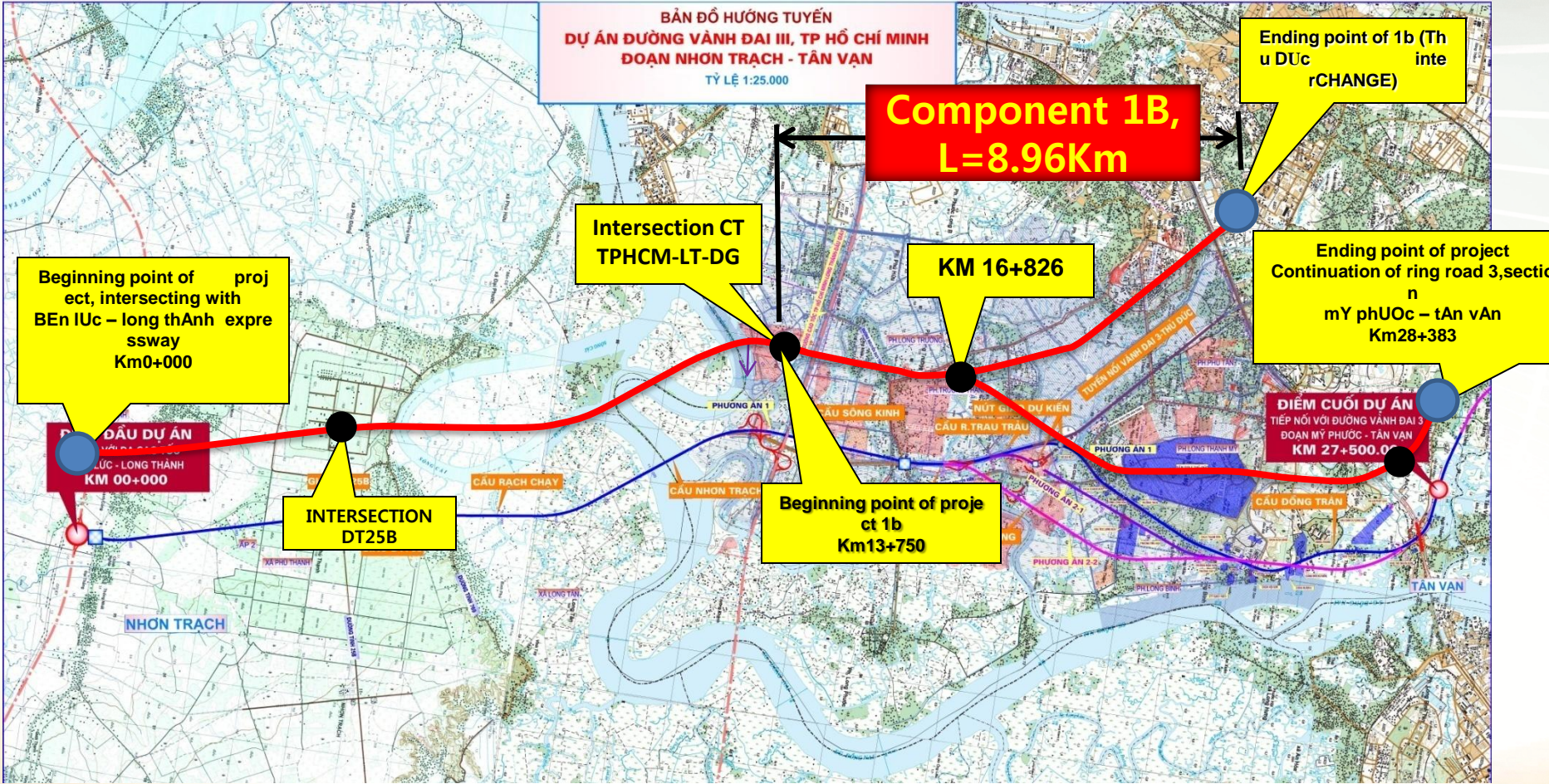
III. PROJECT COMPONENT 1B

III. Project component 1B



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1. Alignment



III. Project component 1B



2. Bridges

No.	Bridge name	Route	Span structure	Bridge parameter		
				Span diagram	Bridge length	Cross section
Ring road no.3						
1	Nuoc Duc 3	Km 14+111.00	Super T girder	<u>5x40</u>	211.0	2x15.75
2	Nuoc Duc 1	Km 15+510.00	I girder	<u>6x33</u>	208.45	2x12.25
3	Cay Cam	Km16+664.75	I girder	<u>7x33</u>	241.5	2x12.25
Connecting route to Thu Duc						
1	Trau Trau 1	Km0+982.48	Super T+ FCM	6x40+42+63+42+6x40	634.8	2x13.75
2	Go Cong 1	Km2+702.44	I girder	7x33	241.5	2x13.75

Traffic forecast

Unit: PCU/day

Based toll fee		2019	2028	2038	2048
USD 1.32/PCU	Comp. 1A	15,144	16,800	22,234	22,234
	Comp. 1B	14,083	22,587	31,080	31,080

III. Project component 1B



3. Total investment cost

No.	Category	Amount	
		VND bil.	USD mil.
A	Construction cost	1.830,35	83.62
	Bridge part	1.105,52	50.50
	Route part	611,26	27.92
	Lighting	47,57	2.17
	Charging stations	66,00	3.02
B	Equipments cost	31,75	1.45
C	Project management cost, consulting cost and other costs	251,187	11.47
D	Contingency cost	505,07	23.07
E	Clearance cost (Estimated)	1.053,07	48.11
	Interest during construction	259,70	11.86
	Total investment cost	3.931,13	179.59

III. Project component 1B



4. Financial Plan

Financial feasibility

No.	Item	Value
1	Total investment cost (including interest during construction)	VND 3,931.13 bil. (~ USD 179.59 mil.)
2	Debt rate	72.07%
3	Equity rate	21.78%
4	Concession period	25 years
5	IRR	15.44%
6	NPV	VND 169 bil. (~ USD 7.7 mil.)
7	Min. DSCR	1.1

III. Project component 1B



5. Requirements for selection procedure of Investors

➤ Korean Investors (Single Entity)

Individuals who are holding Korean nationality or business organization established under the law of the Republic of Korea

➤ Joint venture of Korean Investors

No more than 05 members, the leading member must have the highest proportion of at least 30%, others must have at least 10% shares; JV Agreement is required.

➤ Joint venture among Korean Investors and Vietnamese Investors

Each members must commit not to fall into bankruptcy or in the process of dissolution, not concluded by the competent authority; not within violation settlement period under the legal regulations of the Law in Vietnam or Korea

III. Project component 1B



6. Main Activities of the Project (1)

Time	Activity	Reference
Sep 2011	Prime Minister's approval of the detail plan of HCMC Ring road 3	1697/QD-TTg
Jan.2011	Mobilization of Sambo-Dongbu Consortium for PPTA by EDCF	VNM/12-52
Jun.2013	F/S submission to the MOT (F/S financed by EDCF)	1911/CIPM-DT
Sep.2013	MOU signed between KEXIM Bank and the MOT	on Sept. 9 th 2013
Oct.2014	Prime Minister's approval of Korean ODA Loan for Component 1A	1940/QD-TTg
Oct.2014	Mobilization of national consultant (TEDI) organized by CIPM to revise and finalize the F/S to cope with current Vietnamese regulation	4850/2014/HĐKT
Jan.2015	Submission of Vietnamese version-revised F/S to the MOT	84/CIPM-DT
Jun.2015	Prime Minister's approval of investment scheme (ODA for 1A and BOT for 1B)	876/TTg-KTN
Aug.2015	The MOT's approval of BOT proposal for Component 1B	2811/QD-BGTVT
Aug.2015	Re-submission of Vietnamese version-revised F/S to the MOT	3112/CIPM-DT

III. Project component 1B



6. Main Activities of the Project (2)

Time	Activity	Reference
Feb.2016	F/S approved by the MOT	497/QD-BGTVT
Mar.2016	PQ Document published to select BOT investor for Component 1B	742/QD-BGTVT
May,2016	PQ Document withdrawn by the MOT for adjustment	
Aug.2016	Report from the MOT to Prime Minister about mechanism-related difficulties during the prequalification phase	9826/BGTVT-DTCT dated 23/8/2016 15843/BGTVT-DTCT dated 30/12/2016
May,2017	Prime Minister's petition of providing guaranty to the North – South Expressway and relevant projects (minimum revenue, foreign exchange insurance, warranty for the third party undertakes the Government engagement in the contract)	217/TB-VPCP dated 11/5/2017
Oct.2017	PQ Document adjusted by the MOT for the republichment	



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Thank You

