PROJECT ON UPGRADING HAM LUONG RIVER - BEN TRE

PUBLIC PRIVATE PARTNERSHIP FORM

1. General Information of the project

1.1. Name of the project: The project on upgrading the Ham Luong River, section from Tien river confluence to Ham Luong estuary.

1.2. Location of investment: Ben Tre province

1.3. Form of investment (expected): BOT

1.4. Necessity of the project

The investment in upgrading Ham Luong channel is necessary for socio-economic development of Ben Tre province in particular and the surrounding areas in general.

The investment in upgrading Ham Luong will significantly contribute to take advantages of the enormous potential of the waterway transport system in the southern region and help to reduce pressure for road transport of Ben Tre province and the surrounding areas which is currently overloading.

The construction of Ham Luong transshipment port is essential and significant in trading goods among the southern provinces, other provinces of Vietnam and neighboring countries.

After the completion, Ham Luong channel will help ships of 5,000T to take tidal advantages to navigate. In additon, it can ensure the requirements of every kind of goods as well as volume of goods.

The investment in upgrading Ham Luong channel is in accordance with the Ministry of Transport's detailed planning of the project area and the planning of inland waterway transport.

The call for investment in upgrading the Ham Luong River channel from the confluence of Tien river to Ham Luong estuary in the form of PPP is consistent with the Decision No.4835/ QD-BGTVT by the Ministry of Transport dated 22 December 2014 on the approval of the social capital mobilization plans for the construction of infrastructure in the field of inland waterways.

1.5. Objectives of the project

The project aims to upgrade Ham Luong river, section from the confluence of Tien River to Ham Luong estuary to special grade which allows sea-river ships of 5,000 DWT to take tidal advantages to navigate in accordance with the Decision No.1071/ QD-BGTVT by the Ministry of Transport dated 24 April 2013 on approving adjustments of the master plan for inland waterway transport development to 2020 and orientations toward 2030.

1.6. Preliminary assessment on current status of the project

- ***Ham Luong navigation channel:***

  Section of the navigation channel on the Ham Luong River from Ham Luong estuary to the confluence of Tien River is 90 km long and under Vietnam Inland Waterway Administration's management. Section from Ham Luong estuary to Mo Cay canal is 53.6 km long and granted grade I of inland waterway standards. The following section from Mo Cay canal to the confluence of Tien River is recognized special grade of inland waterway standards. Current depth of navigation channels at some locations on the Ham Luong River reaches 12 ÷ 15m. Average width of the river is about 1.200 ÷ 1.500m, on the channel, there are many shoals, typically Vam Soc Sai (km69 ÷ km70), Con Chuoi (km76 ÷ km79), Cham Island (Km24 ÷ Km30). The estuary section is currently shallow with minimum depths of 2.2m, ships of 3,000 DWT can take advantage of tides to navigate.

- ***Regulation works on the channels:***

Ham Luong Bridge on National Highway No. 60 connects Ben Tre province and Mo Cay district. Clearance span has width of 80 m, and height of 20.5 m.

- The main dock on the rout which is port complex of An Hiep Industrial Zone can allow ships of 2.000T - 3.000T to take tidal advantages to navigate.

- ***Assessment of the port's current status:***

Ham Luong channel has convenient location in the inland waterway system of Southern region. One end Ham Luong estuary connects to the coastal shipping routes and the other end connects to the Tien Giang River, which is one of two international rivers of the Mekong Delta, extremely favorable for the development of waterway transport.

2. Scale and construction plan (expected)

2.1. Construction Scale

- Goods (expected): general cargo; bulk cargo; container cargo; construction materials.
- Scale of ship size

Sea- river ships with tonnage of 5.000 tons which take tidal advantages to navigate.

2.2. Construction plan (expected)

- In the period to 2020: Upgrade 53,6km navigation channel from Mo Cay to Ham Luong estuary to special grade of inland waterway standards with the depth of 6m, width of 72m. Construct a transshipment port with one terminal of 5,000T, length of 130m and 1 line for handling cargo; Construct a warehouse of about

2,000 m2 and a handling yard of 4,000 m2 and the other appurtenances. The total construction area is estimated about 1 ha.

- Orientations toward 2030: Invest in constructing 01 wharves of 5,000T, increase the total berths upto two with total length of 260m. Expand approximately 4,000m2 warehouse and 6,000 m2 yards. The total area of the port to 2030 is estimated to be 3 ha.

3. Total investment (expected):

Total investment: **924,600,000,000** VND (nine hundred, twenty four billion and six hundred million dong)

In which: About 794.2 billion dong for the phase to 2010 and about 130.4 billion dong for the period 2020 – 2030

Source of capital: socialization of investment

4. Preliminary assessment on payback plan, mechanisms and policies

- **The source of revenue:** Revenue can be from handling charges, warehouse services, and multiple modes of transport at port; from the use of dredged products; and from transshipment surcharges.
- **Mechanisms and policies**: financially support with preferential loans, offer mechanisms to encourage investors in accordance with the current regulations and specific mechanisms which are separately applicable to the project.

MAPPING OF HAM LUONG CHANNEL IN IN INLAND WATERWAY PLANNING FOR SOUTHERN REGION