

No.: /TB-UBND

Lang Son, May 4, 2023

NOTICE OF INVESTOR'S INTEREST SURVEY

To investors who may concern.

Lang Son Provincial People's Committee would like to introduce about Huu Nghi border gate - Chi Lang BOT expressway project with the following information:

I. GENERAL INFORMATION OF THE PROJECT

1. Objectives and scale (expected):

a) Objectives: The Huu Nghi border gate - Chi Lang expressway project is invested and built to complete the modern and synchronous traffic infrastructure; it connects with Dong Dang - Tra Linh expressway which has been approved by the Prime Minister for investment policy; meeting the transportation needs of Lang Son province in particular, the Northeast region and the nation in general; gradually perfecting the planning of Vietnam's expressway traffic network in the period of 2021-2030.

The completed route will be an important bridge of Nanning - Lang Son - Hai Phong - Quang Ninh economic corridor, with the aim of creating a trans-Asian economic corridor, creating advantages for Vietnam to be a gateway for trading with China and Southeast Asia; contributing to the linkage and rapid development of key economic fields of Lang Son province such as industry, tourism, services, import and export of goods; promoting the development of Dong Dang - Lang Son Border Gate Economic Zone, creating a driving force for Lang Son province to develop socio-economically quickly and sustainably and become one of the growth poles and economic centers of the Northern midland and mountainous area.

b) Scale:

- Huu Nghi border gate - Chi Lang expressway with a length of about 43Km is designed with the scale of 6 motor vehicle lanes and the roadbed width of 32.25m; It connects Huu Nghi border gate - Chi Lang expressway with Tan Thanh border gate and Coc Nam border gate with a length of 17km (including about 2km connecting to Coc Nam border gate) with a scale of 4 motor vehicle lanes and the roadbed width of 22m.

- The scale of the project is divided into two specific phases as follows:

❖ **Diverging phase:**

- Huu Nghi border gate - Chi Lang expressway: The route with the scale of 4 lanes and the roadbed width of 17m will be invested. Specifically: the roadbed is 17m wide, the road surface is 16.0m wide (including 4 lanes of $4 \times 3.5\text{m} = 14\text{m}$; the median strip and the safety strip are $3 \times 0.5\text{m} + 2 \times 0.25\text{m} = 2\text{m}$ wide; the width of the ground margin is $2 \times 0.5 = 1.0\text{m}$). The emergency stops will be arranged with a distance of 4-5Km.

- Route connecting Huu Nghi border gate - Chi Lang expressway with Tan Thanh border gate and Coc Nam border gate will be invested on a scale of 2 lanes with road bed width of 14.5m, road surface width of 12.5m including 2 lanes of $2 \times 3.5\text{m} = 7\text{m}$; median and middle safety strip of $3 \times 0.5\text{m} = 1.5\text{m}$; safety strip (reinforced margin) of $2 \times 2.0\text{m} = 4.0\text{m}$; the width of the ground margin of $2 \times 1 = 2\text{m}$. Overtaking points will be placed each 1.3-1.8Km.

❖ **Finishing stage:**

- Huu Nghi border gate - Chi Lang expressway: The cross-sectional scale of the route with 6 motor lanes and the road bed width of 32.25m will be completed;

- Route connecting Huu Nghi border gate - Chi Lang expressway with Tan Thanh border gate and Coc Nam border gate: The route with a scale of 4 motor vehicle lanes and the roadbed width of 22m will be completed.

- The frontage road along the route will follow the current standard of rural road type B or the current scale.

2. Project implementation location: The project is implemented in 03 districts and 01 city of Lang Son province, including Van Lang district, Cao Loc district, Chi Lang district and Lang Son city.

- Huu Nghi border gate - Chi Lang expressway: The length of the route is about 43km.

+ Starting point: Km1+800 in Dong Dang town, Cao Loc district, Lang Son province;

+ Ending point: Km44+749.67 (connecting to the starting point of Bac Giang - Lang Son expressway) in Mai Sao commune, Chi Lang district, Lang Son province.

- **Route connecting Tan Thanh - Coc Nam border gate with Huu Nghi - Chi Lang expressway:** The length of the route is about 17km, including 02 sections:

+ Section 1: Starting point is Km0+00 at IC02 intersection (Km7+700)- Huu Nghi border gate - Chi Lang expressway; Ending point is Km14+356 at the intersection between National Highway 4A and the road leading to Tan Thanh border gate area; about 15 km in length.

+ Section 2: Starting point is Km0+00 at the intersection with the route connecting Huu Nghi border gate with Tan Thanh - Coc Nam border gate (Km7+480); Ending point is Km1+876 at the intersection between National Highway 4A and the road to Coc Nam border gate; about 2km in length.

3. Project implementation time:

- Diverging phase: The implementation period is from 2022 - 2025; it will be completed in 2025 and put into operation in 2026.

- Finishing phase: Investment will be made in accordance with traffic demand, expected after 2025. If the financial capability allows, the investment in the finishing phase will be accelerated to improve service quality of the expressway.

4. Area of land and water to be used; demand for other resources (if any):

a) Total land use demand is about 823.95 ha.

b) Plan for site clearance and resettlement support.

- For Huu Nghi border gate - Chi Lang expressway: The scope of site clearance will be completed according to the scale of 4-lane expressway planning in the finishing phase with the road bed width of 32.25m.

- For the route connecting Tan Thanh border gate and Coc Nam border gate: The scope of site clearance will be completed according to the scale of the 4-lane expressway planning in the finishing phase with the road bed width of 22m.

- Site clearance according to the complete scale of works in service of exploitation and operation: operation center, toll station, material mine, intersections, crossroads connecting planning...

5. Type of project contract (expected): Building - Operating - Transferring (BOT) contract.

6. Preliminary total investment (diverging phase): 10,620 billion VND.

7. Preliminary plan finance:

a) Capital structure:

- The investor, the PPP project enterprise are responsible about 5,620.0 billion VND (accounting for 52.92% of the total investment), of which:

+ Equity: Approximately 1,124 billion VND (accounting for 20% of total mobilized capital by investors).

+ Loans and other legal mobilized capital sources: About 4,496 billion VND (accounting for 80% of total mobilized capital by investors).

- State capital in PPP projects: about 5,000 billion VND (accounting for 47.08% of the total investment), 2,500 billion VND of which is from the central budget; 2,500 billion VND is provincial budget capital.

b) State capital in the project:

The value of the state capital is about 5,000 billion VND, arranged for compensation, site clearance and resettlement support is about 1,502 billion VND;

supporting construction of temporary works and construction of works and infrastructure systems about 3,498 billion VND.

c) Estimated price brackets for road service products: determined according to the principle of specifying the starting price and the price level for each period to ensure the interests of the State, investors, PPP project businesses and users; create conditions for investors and PPP project businesses to recover capital and make appropriate profits in accordance with the law on prices and the Law on Investment in the form of public-private partnership. The investor shall invest, manage, operate, maintain the works during the project exploitation period and collect fees in the form of closed toll collection.

8. Investment incentives and guarantees:

- Investors and project businesses are entitled to incentives and investment guarantees in accordance with the Law on Investment in the form of public-private partnership, Decree No. 35/2021/ND-CP dated March 29, 2021, Decree No. 28/2021/ND-CP dated March 26, 2021 of the Government, expressway implementation mechanisms and other relevant legal regulations.

- Other incentives issued by the locality to apply to Investors, Contractors, Businesses participating in investment in accordance with commitments and policies of investment attraction of the People's Committee of Lang Son province in accordance with the law, in order to mobilize capital for project implementation.

9. Mechanism of sharing revenue increase and decrease revenue:

- This project applies the revenue sharing mechanism as prescribed in Clause 1, Article 82 of the PPP Law.

- This project does not apply the mechanism of sharing the reduced revenue compared to the financial plan of the project.

10. Name of the investor proposing the project: Deo Ca Group Joint Stock Company.

11. Principles for determining the form of investor selection are as follows:

- International open bidding with pre-qualification in case there are 6 or more interested investors, in which at least 01 investor established under foreign law registers interest;

- Domestic open bidding with pre-qualification in case there are 6 or more investors established under Vietnamese law registering their interest;

- International open bidding in case there are less than 06 interested investors; in which at least 01 investor established under foreign law registers their interest;

- Public bidding within the country in case there are less than 06 investors established under the law of Vietnam register their interest.

II. CONTENTS NEEDED TO SURVEY FOR INVESTORS AND LENDERS

1. Survey on the possibility of implementing similar projects (in terms of fields, scale...) of the private sector.

It is recommended that investors make preliminary reports on their capacity and experience in implementing projects of similar nature according to the following suggestions:

- Projects that the investor has participated in the field of investment and construction of road traffic works in the form of public-private partnership (PPP) as an investor contributing equity. It is recommended to report in detail each project participated in: project scale, total investment, value of the investor's equity contribution in the project; project implementation to date (put into operation, under construction...); other information (if any).

- Projects in the field of infrastructure development and provision of public services in which the Investor participates as an investor contributing equity. It is recommended to report in detail each project participated in: project scale, total investment; the value of the investor's equity contribution in the project; project implementation to date (put into operation, under construction...); other information (if any).

- Projects in the field of investment and construction of road traffic works in which the Investor plays the role of main contractor (construction and installation contractor; operation and maintenance contractor). It is recommended to report in detail each participating project on: project scale; other information (if any).

- Projects in the field of infrastructure development and provision of public services in which the Investor participates as the main contractor. Please report in detail each project participated in: value of bidding packages/contracts or total value of implementation of bidding packages/contracts; duration of contract; other information (if any).

2. Survey on a number of requirements and technical standards for project implementation:

Request investors and lenders to comment on the project's scale and technical standards according to the approved investment policy in Resolution No. 41/NQ-HDND dated December 30, 2022 of the People's Council of Lang Son province (a copy is attached) and a number of key parameters mentioned at Point b, Clause 1, Section I of this notice.

3. Evaluation of investors and lenders on the attractiveness and feasibility of the project; expected return on equity of the Investor.

Request investors and lenders to have a preliminary assessment of the attractiveness, feasibility and financial efficiency of the project; the investor's

expected return on equity; ability to mobilize and provide credit capital for project implementation.

4. Other contents.

III. INSTRUCTIONS FOR INTERESTED INVESTORS

1. Interested investors provide information including: Profile of legal status; capacity and experience corresponding to the project information mentioned in Section I of this Notice; investors' responses to the survey contents of the competent authority; Investor contact information.

2. Deadline for registration: Until 5:00 p.m. on June 2, 2023 (30 days).

3. Contact information of the competent authority:

- Competent authority: People's Committee of Lang Son province

- Address: No. 02 Hung Vuong Road, Chi Lang Ward, Lang Son City, Lang Son Province

- Phone number: (0205) 3.812.120

- Fax number: (0205) 3.812.336

**On behalf of the People Committee of
Lang Son Province
Pp Chairman
Vice Chairman**

Luong Trong Quynh