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PRESS RELEASE

For Immediate Release

Signing of Japanese ODA Loan Agreement with Viet Nam:

Strengthening the maritime security and safety capability of the Vietnam Coast Guard

Hanoi, July 28, 2020 - The Japan International Cooperation Agency (JICA) signed a Loan Agreement (L/A) with the Government of the Socialist Republic of Viet Nam on July 28, 2020 in Hanoi to provide a Japanese ODA loan of up to 36.626 billion yen for the Maritime Security and Safety Capacity Improvement Project.

Viet Nam is a narrow, long country lying along a north/south axis with a long coastline. There has been an increasing risk of maritime accidents in recent years due to, (i) an increase in fishery activities and freight transportation, and (ii) a rise in natural disasters in the form of typhoons in summer and tidal waves in the monsoon season. In addition, there has been a rising risk of maritime crimes including smuggling and piracy. This project will provide the Vietnam Coast Guard (VCG) with financing to procure vessels, supporting an improvement in maritime rescue operations and maritime law enforcement. It will also enhance freedom of navigation. The Project will contribute to the achievement of SDGs Goals 14 and 16 and the realization of a free and open Indo-Pacific.

Special Terms for Economic Partnership (STEP)* will apply to the Japanese ODA loan for this project, and Japanese shipbuilding technologies will be utilized.

** STEP refers to special assistance terms for promoting the visibility of Japanese aid through a transfer of outstanding Japanese technology and expertise to developing nations. The main contract is Japan tied and subcontracting is general untied. The main agreement partner must generally be a Japanese company, an overseas subsidiary of a Japanese company, or a joint venture between a Japanese company and the borrowing country where the Japanese company is the lead partner, although under certain conditions a joint venture between a Japanese company (which is the lead partner of the joint venture) and an affiliated company (as accounted under the equity method) of a Japanese company may be the main agreement partner.*



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1. Terms and Amount of Loan

Project title	Amount (billion yen)	Annual interest rate (%/year)		Repayment period (years)	Grace period (years)	Procure -ment
		Project	Consulting services			
Maritime Security and Safety Capacity Improvement Project	36.626	0.1	0.01	40	10	Japan tied

2. Executing Agency

Vietnam Coast Guard

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Tay Mo Ward, Nam Tu Liem District, Hanoi, Viet Nam

Phone: +84-24-33554378

3. Planned Implementation Schedule

(i) Completion of project: October 2025 – when the 6th Vessel is handed over

(ii) Issuance of invitation for Consulting Services (including construction supervision): August 2020

(iii) Tender announcement of international competitive bidding on project construction:
Procurement package title: Construction Work

Release date: October 2021

4. JICA Contact Information

For further information about the procurement schedule, please contact:

JICA Viet Nam Office

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