(1) Thai Binh Thermal Power Plant and Transmission Lines Construction Project
(III)

Background and Necessity
Vietnam has achieved high economic growth with an average GDP growth of 6.6 percent per year between 2000 and 2013. Due to that economic growth, the demand for electricity has risen at an annual rate averaging 12.5 percent over the years from 2008 to 2012, and it is expected to continue to grow going forward. To address this rising demand for electricity, Vietnam plans to develop about 50,000 megawatts of power generation capacity between 2011 and 2020 under its National Master Plan for Power Development for the 2011-2020 Period with the Vision to 2030 (PDP-7). The power source development investment plan described in the master plan, however, has largely fallen behind schedule due to inadequate funding, bringing additional pressure on the balance of power supply and demand in Vietnam.

Objective and Summary
This project will construct a 600-megawatt coal-fired thermal power plant that uses domestic coal as fuel, and 220-kilovolt transmission lines and substations for connecting the power station and the power grid, and build substations in northern Vietnam to meet the power demand in the region. This will contribute to a stable power supply in Vietnam, as well as promoting economic growth and strengthening international competitiveness.

This being the third loan for this project, Japan previously provided the first ODA loan in the amount of 20,737 million yen (loan agreement signed in November 2009) and the second ODA loan in the amount of 36,392 million yen (loan agreement signed in January 2015).

The loan funds will be used for construction, for material and equipment procurement to construct the power station and transmission lines and substations, and for consulting services such as bidding assistance and construction supervision. The loan funds will also be used to construct shared facilities for the power station and adjacent power stations.

Executing Agencies
Power Plant Portion:
Vietnam Electricity
Address: EVN Tower, No. 11, Cua Bac Street, Truc Bach Ward, Ba Dinh District, Hanoi, Vietnam
Phone: +84-4-22200988, fax: +84-4-22201253

Transmission Line and Substation Portion:
National Power Transmission Corporation
Address: No. 18 Tran Nguyen Han Street, Hoan Kiem District, Hanoi, Vietnam
Phone: +84-4-22204433, fax: +84-4-22204455

Project Implementation Schedule (planned)
(i) Completion of project: March 2018 – when the facilities are put into service
(ii) Consulting services (including construction supervision):
   Already employed
(iii) Tender announcement of initial procurement package for international competitive bidding on project construction:
   Already contracted