Viet Nam: Greater Mekong Subregion Southern Coastal Corridor Project - Additional Financing

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Greater Mekong Subregion Southern Coastal Corridor Project - Additional Financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Number</td>
<td>41496-014</td>
</tr>
<tr>
<td>Country</td>
<td>Viet Nam</td>
</tr>
<tr>
<td>Project Status</td>
<td>Active</td>
</tr>
<tr>
<td>Project Type / Modality of Assistance</td>
<td>Grant Loan</td>
</tr>
</tbody>
</table>
| Source of Funding / Amount | Grant 0337-VIE: Greater Mekong Subregion Southern Coastal Corridor Project - Additional Financing  
Loan 2988-VIE: Greater Mekong Subregion Southern Coastal Corridor Project - Additional Financing  
concessional ordinary capital resources lending / Asian Development Fund  |
| Strategic Agendas | Inclusive economic growth Regional integration |
| Drivers of Change |                                     |
| Sector / Subsector | Transport - Road transport (non-urban)                                      |
| Gender Equity and Mainstreaming | No gender elements                  |
| Description | The Greater Mekong Subregion Southern Coastal Corridor (GMS-SCC) Project is part of the Southern Economic Corridor involving Thailand, Cambodia, and Viet Nam. In Viet Nam, the GMS-SCC runs from the Cambodia border south through Kien Giang and Ca Mau provinces to Ca Mau city on sections of national highway (QL) 80, QL61, and QL63. The project area in Vietnam includes the provinces Kien Giang (population 1.63 million) and Ca Mau (population 1.20 million). Implementation of the Viet Nam component will be undertaken under two or more stages because of funding constraints. Funding is currently available for stage 1 of the GMS-SCC Project, which includes improvement of a short section of QL 80 between the border at Xa Xia and Ha Tien, and completion of the transport corridor to Ca Mau on the Minh Luong Ca Mau city section. Improvements to be funded under future stages will include improvements to the Ha Tien Rach Gia section of QL 80 and a bypass to Rach Gia. |

Project Rationale and Linkage to Country/Regional Strategy

The current project was approved in November 2007 to construct sections of the GMS road corridor in the southern coastal areas of Cambodia and Viet Nam. The project preparatory technical assistance to prepare the project identified 51.5 kilometers (km) of roads in Cambodia and 218 km of roads in Viet Nam to be improved along the southern coastal corridor. As part of the Viet Nam portion of the project, the Asian Development Bank (ADB) approved a loan in the amount of SDR 48,300,000 from its Special Funds resources and the administration of a $25.5 million grant from the Government of Australia through the Australian Agency for International Development (AusAID) to the Government of Viet Nam. In 2010, the Government of the Republic of Korea approved a parallel cofinancing loan through the Export Import Bank of Korea of $50 million to improve about 96 km of the southern coastal corridor. In addition to the improvement of 218 km of roads, the project includes improvement of cross-border facilities, and an HIV/AIDS and human trafficking awareness and prevention program. The ADB loan and AusAID grant for the Viet Nam project became effective on 29 May 2008 with a closing date of 30 June 2015. The project scope includes civil works, consulting services, resettlement, contingencies, and financing charges on ADB’s loan. The project is performing well and is in an advanced stage of implementation. All contracts have been awarded and the project performance is on track at 60% of physical completion. Cumulative contract awards and disbursements based on net amounts as of 31 December 2012 are at 99% and 51%, respectively. A midterm review mission (MTR) conducted jointly by ADB and AusAID in December 2011 assessed that project outputs were expected to be delivered as intended, and that the outcome would be achieved if proposed corrective measures were effectively implemented. These measures, as specified by the MTR, were to improve the soft-ground treatment design and construction methodology, resolve delays on resettlement implementation, and ensure compliance with the project’s covenants on resettlement and environment. Since the MTR, the government has taken necessary corrective actions and revised technical designs for soft-ground treatment, updated all resettlement plans for implementation, which ADB has approved, resolved claims from affected people, and improved environmental oversight of construction sites. Output-related project risks are being effectively managed and assumptions remain valid.

Impact

Promoting economic growth in the project area and GMS by strengthening connectivity with neighboring countries and increasing competitiveness.

Project Outcome

<table>
<thead>
<tr>
<th>Description of Outcome</th>
<th>Reduce transport times and costs, and induce more efficient movement of passengers and goods within the project area and between GMS countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Progress Toward Outcome</td>
<td>All civil works were completed in 2014 and the roads are open to the public.</td>
</tr>
</tbody>
</table>

Implementation Progress

| Description of Project Outputs | Completion of the road and bridge improvements enabling unrestricted passenger and freight transport  
Border facilities constructed under Stage 2 GMS-SCCP  
HIV/AIDS and trafficking awareness and prevention programs completed on the project road  |
|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| Status of Implementation Progress (Outputs, Activities, and Issues) | All civil works were completed in 2014 and the roads are open to the public.  
The detailed design and implementation support for the proposed Stage 2 of the project has been cancelled. |
Geographical Location
Nation-wide, Ca Mau, Ha Tien, Ha Tien Township, Huyen An Bien, Huyen Chau Thanh, Huyen Hon Dat, Huyen Kien Luong, Kien Luong, Minh Hao, Ngoc Hon Doc, Rach Gia, Rach Thu Bay, Song Cai Be, Song Cai Lon, Tac Cau, Thi Xa Ca Ma, Thi Xa Rach Gia, Thinh Kien Giang, Xom Ta Lua Moi, Xom Xa Xia

Safeguard Categories

<table>
<thead>
<tr>
<th>Category</th>
<th>Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environment</td>
<td>B</td>
</tr>
<tr>
<td>Involuntary Resettlement</td>
<td>A</td>
</tr>
<tr>
<td>Indigenous Peoples</td>
<td>B</td>
</tr>
</tbody>
</table>

Summary of Environmental and Social Aspects

Environmental Aspects: Existing safeguards plans have been used to implement the additional financing.

Involuntary Resettlement: Existing safeguards plans have been used to implement the additional financing.

Indigenous Peoples: Existing safeguards plans have been used to implement the additional financing.

Stakeholder Communication, Participation, and Consultation

During Project Design: During the feasibility study of the Project, consultations were held with relevant stakeholders including the communities affected by the road. The community perspective on the Project, in terms of positive and negative impacts, was discussed. The community felt that roads to market and school might be more accessible because of the Project. Less vehicle damage was considered an important benefit because of the improved road. Road safety was noted as a serious concern of local residents.

During Project Implementation: Environmental monitoring during construction phase includes documentation of affected people's complaints on the Project's environmental performance and the corresponding plan of action or actions taken to resolve such complaints.

Cuu Long CIPM, together with the local authorities and supervision consultants monitored all resettlement-related activities. In addition, Cuu Long engage an independent monitor to conduct an independent review and evaluation of resettlement activities on a quarterly basis.

Business Opportunities

Consulting Services: Associated services of international and national firms will be required to undertake the detailed design, supervise construction activities, and help implement stage 2 under a single contract. This will require about 110 person-months of international consulting services and 1,400 person-months of national consulting services. The expected implementation period for the detailed design part was from March 2013 to June 2014 but has been postponed pending the decision to implement stage 2. The implementation-support part of the services was tentatively expected from July 2014 to December 2018, but has been indefinitely postponed pending a decision to implement the loan. If it is decided to implement the project, Cuu Long CIPM will recruit the consulting firm(s) according to ADB's Guidelines on the Use of Consultants (2013, as amended from time to time). An international consulting firm (or firms) in association with national consulting firm(s) will be engaged using the quality- and cost-based selection method with a quality cost ratio of 90:10 and a full technical proposal.

Procurement: This additional financing will not require additional procurement of civil works and goods. The additional scope for soft-ground treatment is an integral part of the ongoing civil works, as these works will be integrated into the ongoing construction sequence and schedules, and covered by the existing civil works contracts. Cuu Long CIPM issued contract variations to incorporate additional soft-ground treatment works into the scope of existing civil works contracts. Associated supervision of these works will be arranged through a variation to the existing construction supervision contract, and necessary funds reallocated from Grant 0095-VIE.

Responsible ADB Officer: Chaorin Shim
Responsible ADB Department: Southeast Asia Department
Responsible ADB Division: Transport and Communications Division, SERD
Executing Agencies: Ministry of Transport
RU-PMU1@FPT.VN
80 Tran Hung Dao
Hanoi, Viet Nam

Timetable

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concept Clearance</td>
<td>22 Oct 2012</td>
</tr>
<tr>
<td>Fact Finding</td>
<td>-</td>
</tr>
<tr>
<td>MRM</td>
<td>24 Oct 2012</td>
</tr>
<tr>
<td>Approval</td>
<td>11 Feb 2013</td>
</tr>
<tr>
<td>Last Review Mission</td>
<td>-</td>
</tr>
<tr>
<td>Last PDS Update</td>
<td>25 Sep 2019</td>
</tr>
</tbody>
</table>

Grant 0337-VIE

<table>
<thead>
<tr>
<th>Approval</th>
<th>Signing Date</th>
<th>Effectivity Date</th>
<th>Closing</th>
</tr>
</thead>
<tbody>
<tr>
<td>11 Feb 2013</td>
<td>23 May 2013</td>
<td>16 Sep 2013</td>
<td>30 Jun 2019</td>
</tr>
</tbody>
</table>

Financing Plan

<table>
<thead>
<tr>
<th>Component</th>
<th>Total (Amount in US$ million)</th>
<th>Date</th>
<th>ADB</th>
<th>Others</th>
<th>Net Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Cost</td>
<td>12.43</td>
<td>11 Feb 2013</td>
<td>0.00</td>
<td>12.36</td>
<td>99%</td>
</tr>
<tr>
<td>Grant Utilization</td>
<td>11.80</td>
<td>11 Feb 2013</td>
<td>0.00</td>
<td></td>
<td>95%</td>
</tr>
</tbody>
</table>

Grant Utilization

<table>
<thead>
<tr>
<th>Component</th>
<th>Date</th>
<th>ADB</th>
<th>Others</th>
<th>Net Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Cost</td>
<td>11 Feb 2013</td>
<td>0.00</td>
<td>12.36</td>
<td>99%</td>
</tr>
<tr>
<td>Counterpart</td>
<td>0.00</td>
<td>Cumulative Disbursements</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cofinancing</td>
<td>12.43</td>
<td>11.80</td>
<td>95%</td>
<td></td>
</tr>
</tbody>
</table>
## Loan 2988-VIE

<table>
<thead>
<tr>
<th>Approval</th>
<th>Signing Date</th>
<th>Effectivity Date</th>
<th>Closing</th>
</tr>
</thead>
<tbody>
<tr>
<td>11 Feb 2013</td>
<td>23 May 2013</td>
<td>16 Sep 2013</td>
<td>30 Jun 2019</td>
</tr>
</tbody>
</table>

### Milestones

<table>
<thead>
<tr>
<th>Milestone</th>
<th>Original</th>
<th>Revised</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Financing Plan

<table>
<thead>
<tr>
<th>Total (Amount in US$ million)</th>
<th>Date</th>
<th>ADB</th>
<th>Others</th>
<th>Net Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Cost</td>
<td>27.10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ADB</td>
<td>25.00</td>
<td>3.02</td>
<td>0.00</td>
<td>13%</td>
</tr>
<tr>
<td>Counterpart</td>
<td>2.10</td>
<td>4.94</td>
<td>0.00</td>
<td>22%</td>
</tr>
<tr>
<td>Cofinancing</td>
<td>0.00</td>
<td>4.94</td>
<td>0.00</td>
<td></td>
</tr>
</tbody>
</table>

### Loan Utilization

<table>
<thead>
<tr>
<th>Cumulative Contract Awards</th>
<th>Date</th>
<th>ADB</th>
<th>Others</th>
<th>Net Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cumulative Disbursements</td>
<td>11 Feb 2013</td>
<td>4.94</td>
<td>0.00</td>
<td>22%</td>
</tr>
</tbody>
</table>

---

**Project Page**

https://www.adb.org/projects/41496-014/main

**Request for Information**

http://www.adb.org/forms/request-information-form?subject=41496-014

**Date Generated**

20 October 2019

ADB provides the information contained in this project data sheet (PDS) solely as a resource for its users without any form of assurance. Whilst ADB tries to provide high quality content, the information are provided “as is” without warranty of any kind, either express or implied, including without limitation warranties of merchantability, fitness for a particular purpose, and non-infringement. ADB specifically does not make any warranties or representations as to the accuracy or completeness of any such information.