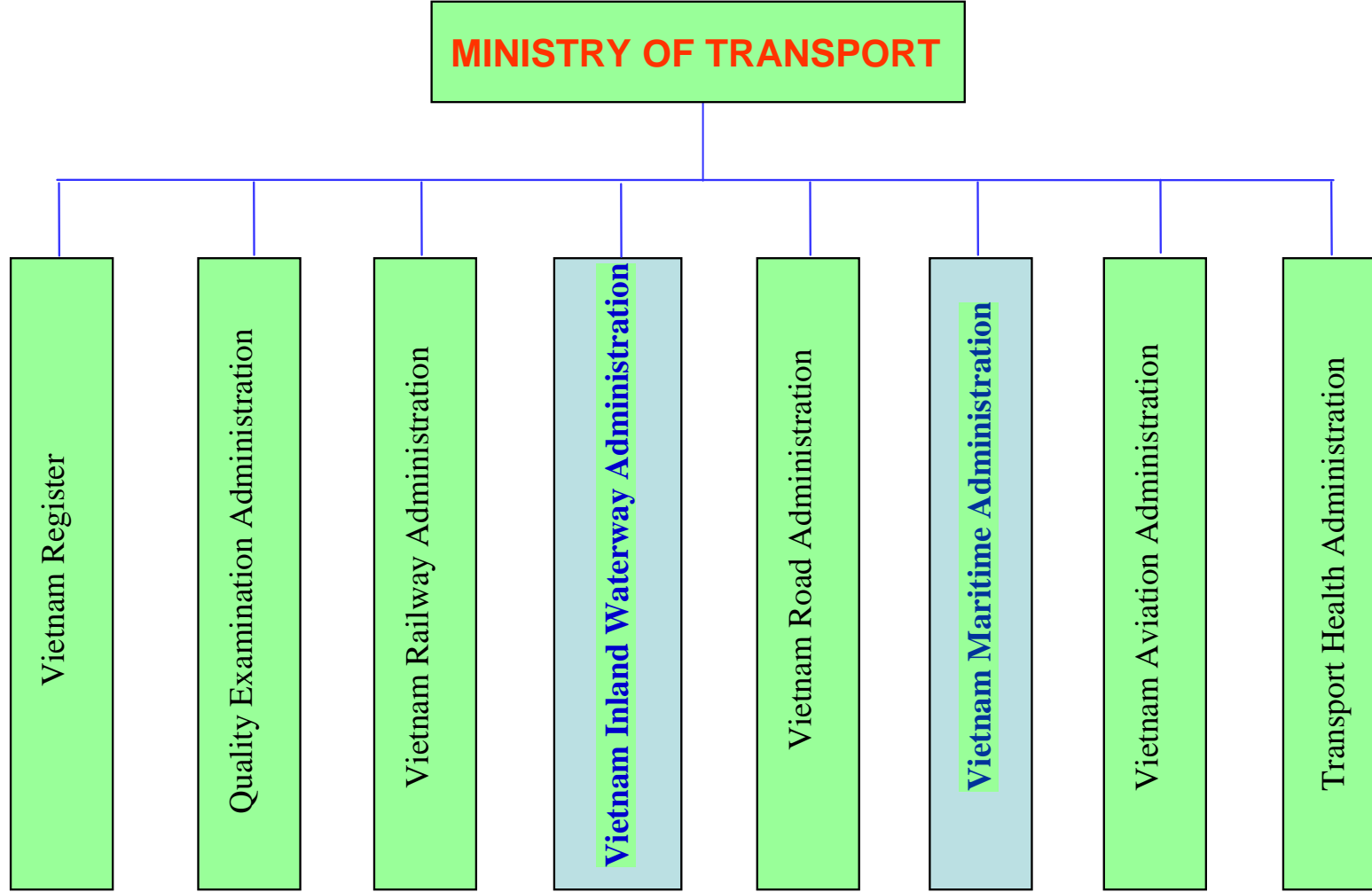


Inland Waterborne Transport in Mekong River

September - 2010

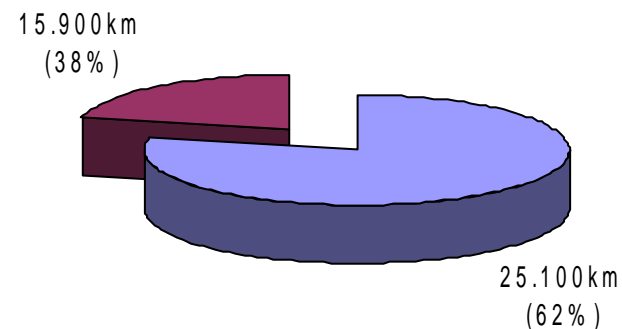
MOT's ORGANIZATION STRUCTURE

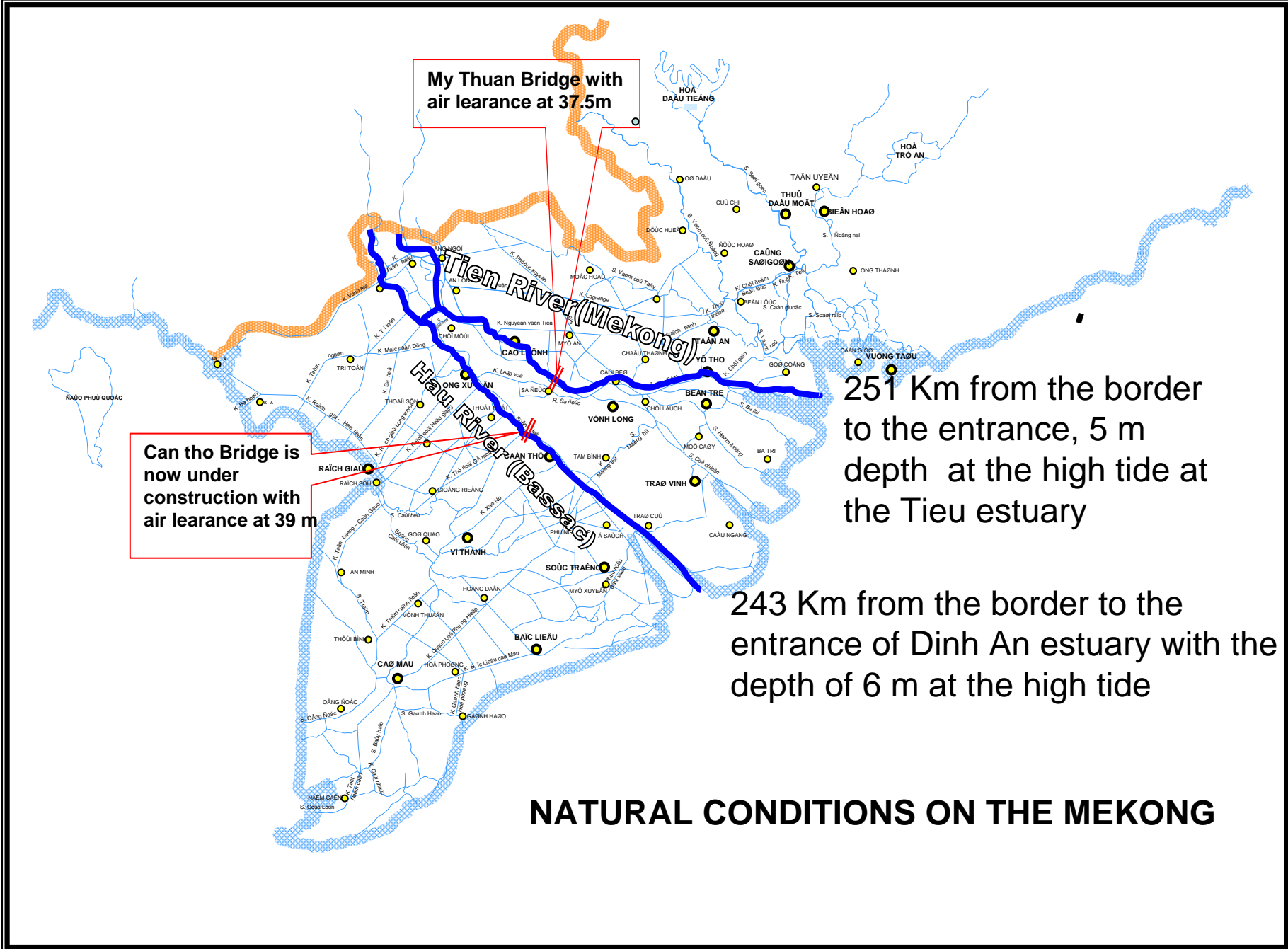


Characteristic of Vietnam River

Vietnam river system is rich with:

- 2360 rivers and canals (over 200.000km)
- Navigable length:41.000km
- In which 15.900 Km (38%) is under management
- Density 0,127 Km/Km²; 0,59 Km/1.000/person





NATURAL CONDITIONS ON THE MEKONG

Mekong system includes 2 branches: Mekong mainstream river (called Tien River) and Bassac river (called Hau River)

The two branches are connected by several rivers and canals of which Vam nao is allowed for sea-going vessel up to 5,000 DWT

Tien River is about 251 Km long, the water depth at Tieu estuary permits sea-going ships with the draft of -5m to pass at high tide and the channel is stable

Hau river (Bassac) is 243 Km from the Dinh An estuary to the border. It's navigable for sea-going ships with a draft of 6 m over a distance 188 Km from the entrance to Vam Nao pass.

NATURAL CONDITIONS ON THE MEKONG (con't)

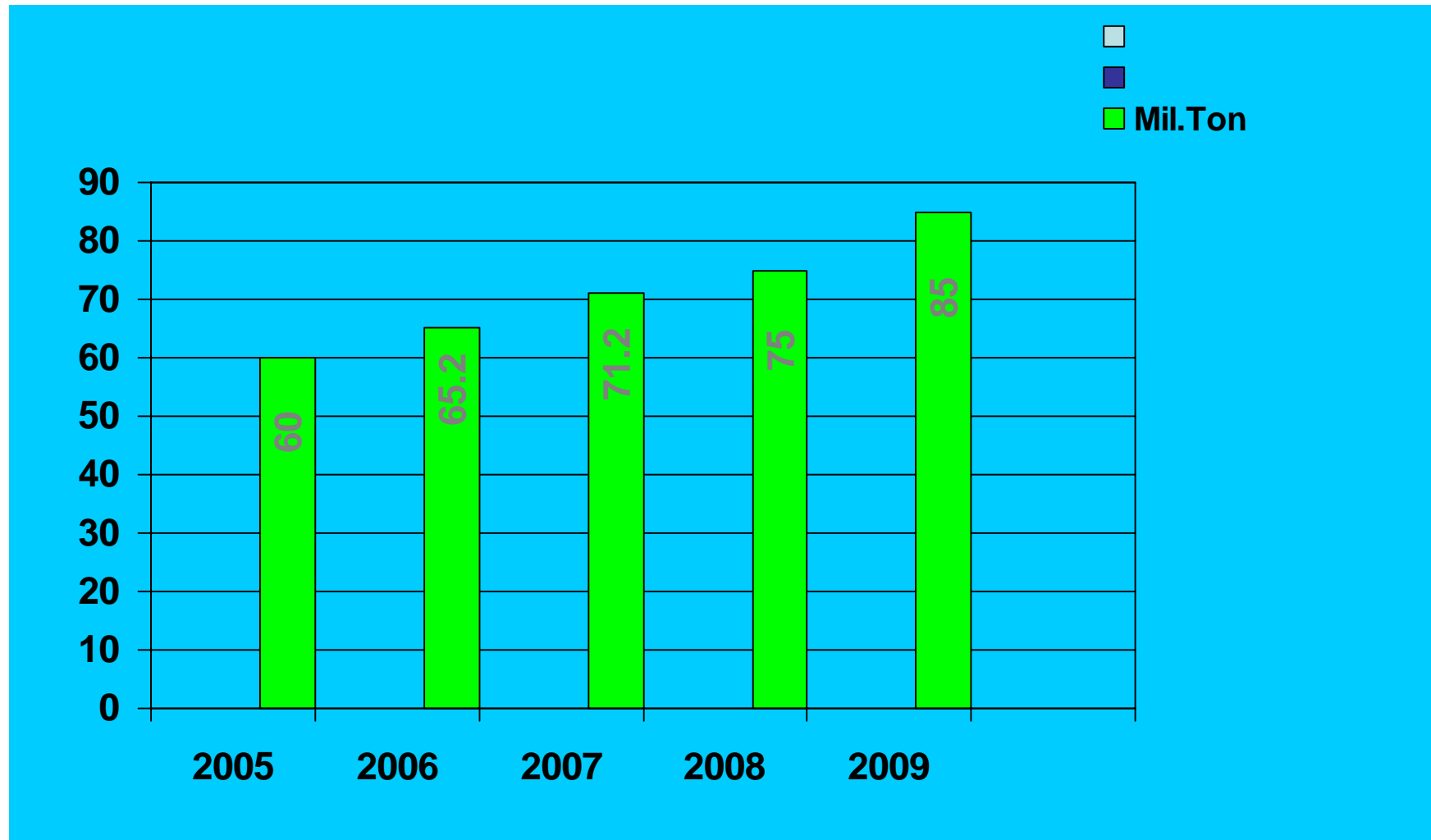
Dinh An estuary is not stable and maintenance works need to be carried out regularly

Due to advantages of natural conditions, sea-going ships can reach Phnom Penh Port in Cambodia by two branches: Tien and Hau River with the tonnage up to 5,000 DWT in the high water season and 2,500 DWT in the low water season

The Mekong delta waterway network carries sea-going and inland traffic of which cargo and passenger traffic to Cambodia

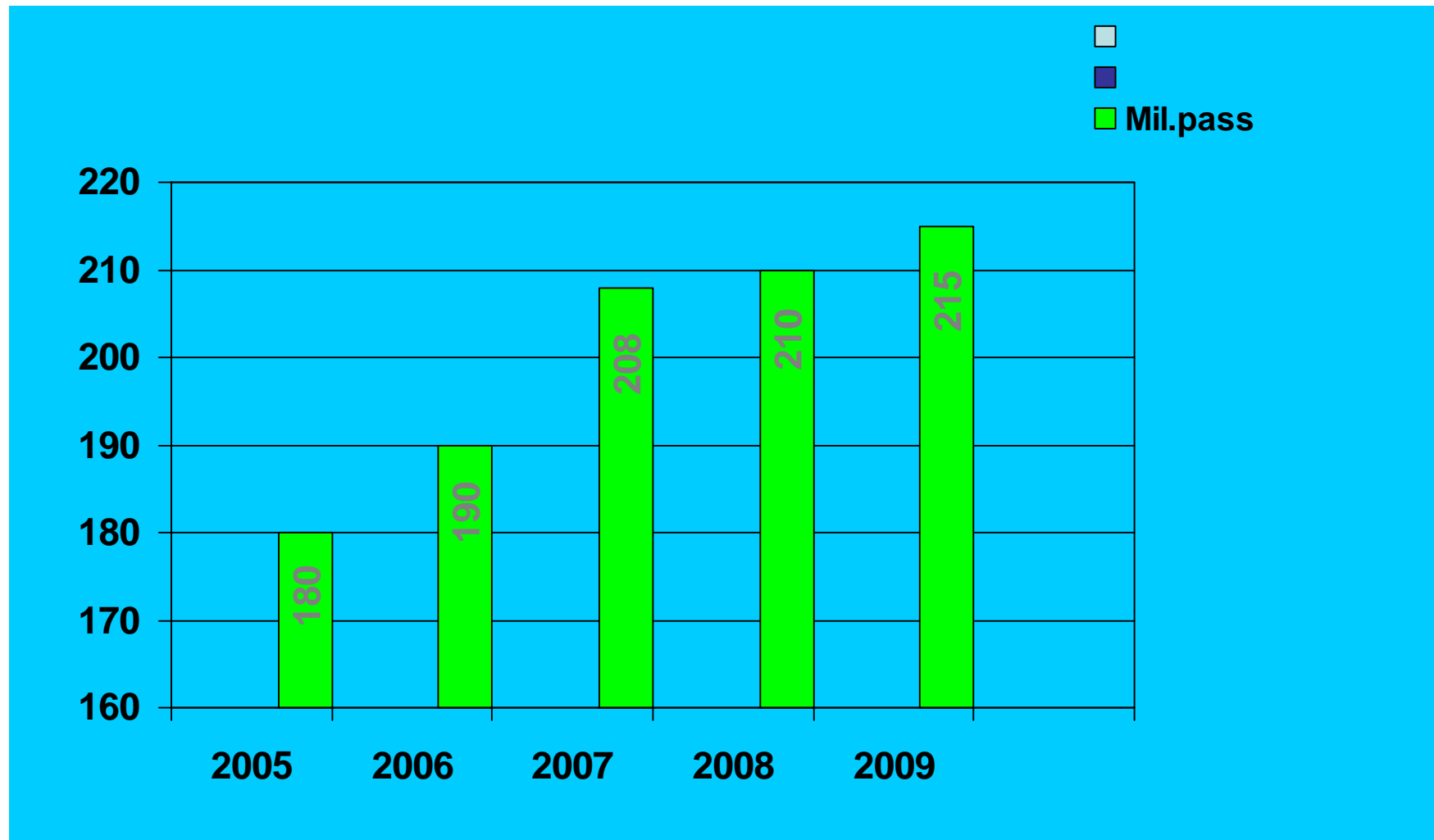
TRANSPORT ACTIVITIES

Main types of cargo are for industrial zones such as coals, ores, construction materials, cement... with the annual growth of 20-30%



TRANSPORT ACTIVITIES (Cont.)

Passenger transport is mainly for specific regions or for tourism purpose



Inland waterborne Transport in Mekong river and its effect

- Legal Framework for Cross-border Navigation
 - **1995 Agreement on the Cooperation for the Sustainable Development of the Mekong River Basin**
 - **Agreement on the transit of goods between The Government of the Kingdom of Cambodia and the Government of The Socialist Republic of Vietnam (signed 2000)**
 - **Agreement on Waterway Transport between Cambodia and Vietnam (was signed 17/12/2009) now is waiting for approval of both sides**

Inland waterborne Transport in Mekong river and its effect

- The Mekong Delta, portion suitable for inland and maritime navigation (from Kampong Cham in Cambodia to the sea in Viet Nam)
- 80% of transportation of all goods in the delta in Viet Nam are transported by river or canal
- Tourism development has been identified as a significant driver for economic expansion on the river
- Shipper will be able to use the Mekong freely from country to country

Inland waterborne Transport in Mekong river and its effect

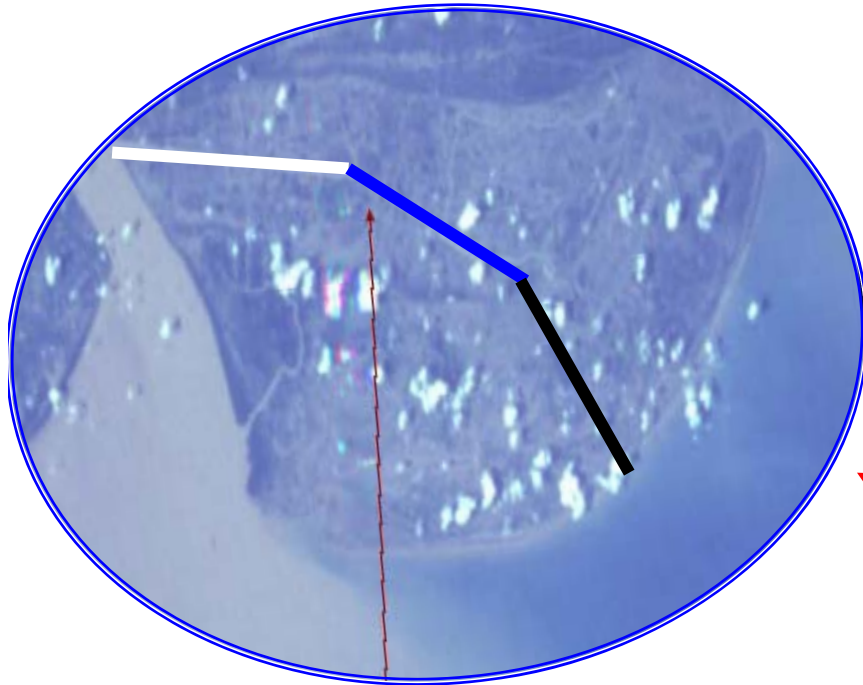
- Most important catalyst for expansion of navigation between Cambodia and Viet Nam is the recent development of Cai Mep
- This new container terminal allows the largest container vessels in the world and becomes as such a mother port so no more transfers are required between Viet Nam and ports in Australia, Europe and the US

cai mep- thi vai PORT

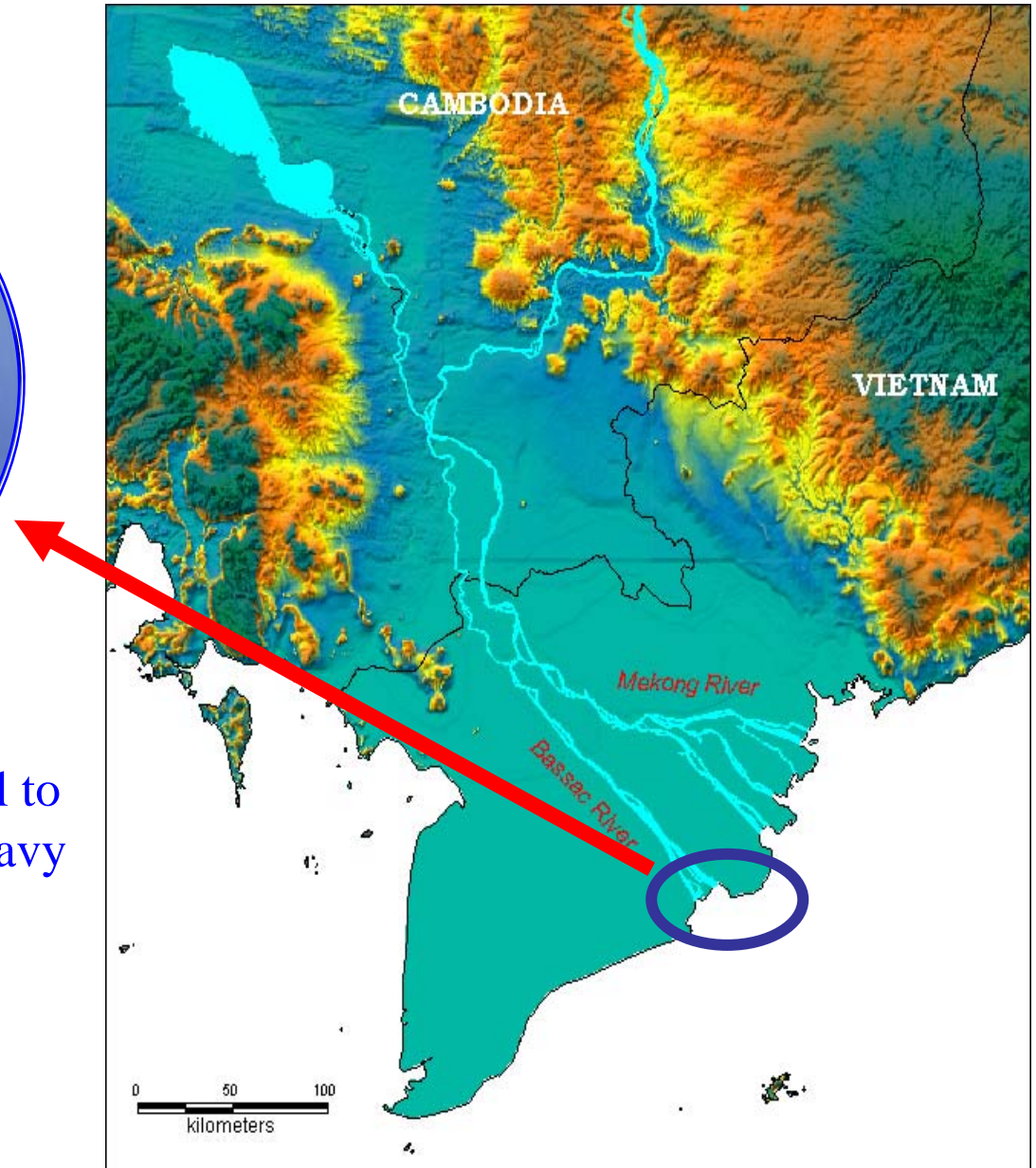


- For ship 80.000 DWT to 110.000 DWT
- Cargo: 2015 about 75 mil ton, 2020 about 100 mil ton

BASSAC BY PASS CHANEL



- Escavate 40 km for the new chanel to avoid Bassac Estuary because of heavy sedimentation.
- For Ships of 10,000-20,000 DWT



Inland waterborne Transport in Mekong river and its effect

- Exports from Cambodia can be transported directly by river barge between the port of Phnom Penh and Cai Mep.
- Previously Sihanoukville Port in Cambodia took around 80% of the cargo and Phnom Penh Port 20%, the ratio has recently changed and is gearing towards a 50/50 ratio.
- There is absolutely no doubt that navigation on the Mekong River is going to develop.
- Every year there are more shipping lines, more cargoes and passengers, more ports and more landing facilities appearing along the river, and the potential for future growth is vast.

Vietnam's point of view

- Developing and improving navigation conditions to increase international trade opportunities for the Countries' mutual benefit;
- Provide the knowledge base and services to support planning and operations;
- Ensure the countries' commitment to cooperate with national and regional initiatives

Vietnam's point of view

- Common training and certification standards any other rules deemed necessary.
- To develop an appropriate legal regime ensuring effective freedom of regional and international cross-border navigation on the Mekong and to ensure its implementation and sustainability.
- To promote and realise the concept of environmental standards 'for clean' river transportation, focusing on strategic prevention of environmental damage.

Thanks for your
attention