

Phu My 3 Specialized Industrial Park (PM3 SIP)

WELCOME

European Chamber of Commerce in Vietnam

Total 999 Ha

Barge Carrier

**LNG Terminal
PVG, HL**

2 km only

Phase 2 area

**18H Golf
Housing
Commercial**

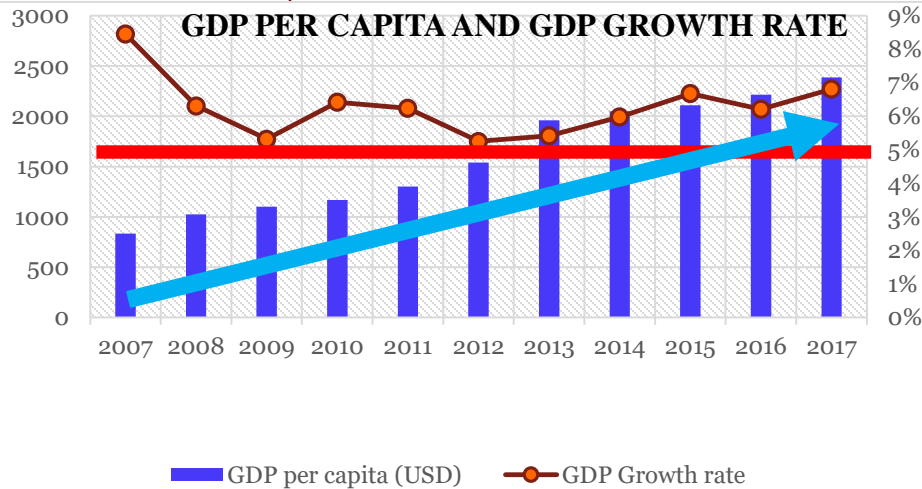
Phase 1 area

We are here

Ba Ria and Vung Tau ← National Road No.51 → Ho Chi Minh

Most attractive industrial base for investors

Why Vietnam?



Tariff related benefits

MFN Treatment from EPA & FTA with many area & countries as **EU-Vietnam Free Trade Agreement (EVFTA, June 30, 2019)**

EU, ASEAN, Japan, Korea, China, USA, CPTPP, etc.

Stable Political System

⇒ **Political Balance, Good Security**

96.2 Million Population (3rd populous in ASEAN)

Population by age group

60% under 35 years old (Average age 32)

⇒ **Attracting towards Production & Consumption**

Stable Economic Growth

Yr2021 GDP/Capita USD3,000 ⇒ **Motorization**

⇒ **Attracting towards Consumers Business**

Outstanding Geography

- 1. ASEAN Hub (easy export and import in ASEAN)**
- 2. Near to Korea, India, Japan, etc.**

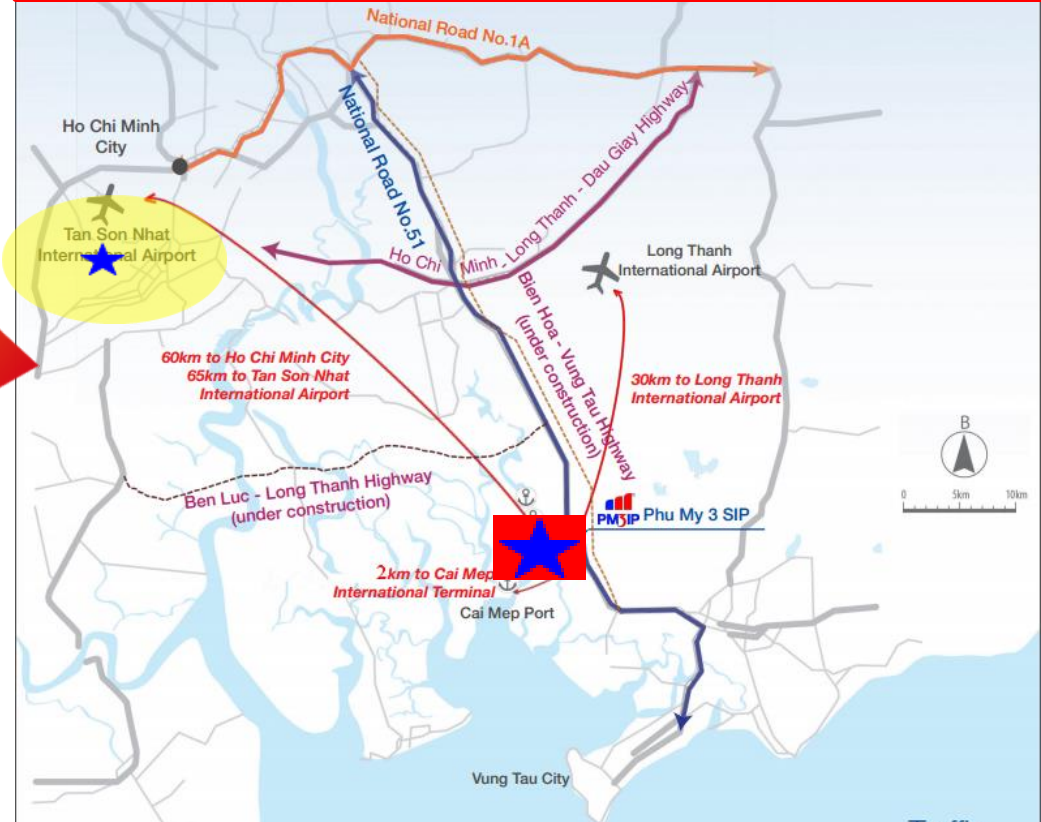


Source: Website of MPI

Why Ba Ria Vung Tau Province?



Accumulative FDI amount:
Ho Chi Minh, Hanoi, Binh Duong, Dong Nai & **BRVT**



Southern Economic Corridor: Gateway

ASEAN customs duties : 0%

One of the highest benefit countries and area

Vietnam Southern Key Economic Zone

GDP 40% of Total Vietnam **Production Area**

Population 96.2Mx17% **Consumption Area**

Convenient Location for Transport Access

Land: 60-70 minutes from Ho Chi Minh

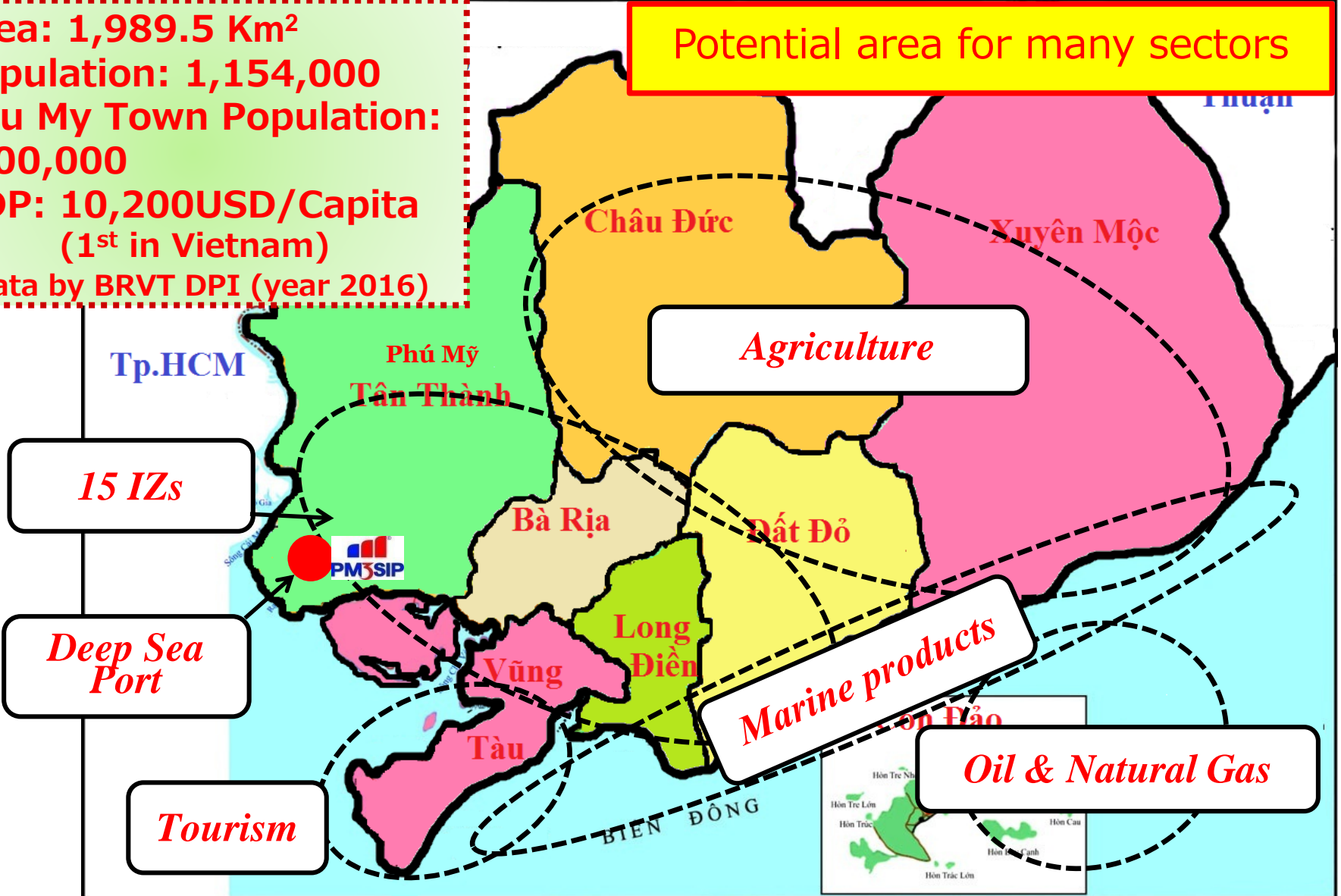
Ship: One of the biggest ports area in Vietnam

Air: Long Thanh Airport (Yr2025)

Why Ba Ria Vung Tau Province?

- Area: 1,989.5 Km²
- Population: 1,154,000
- Phu My Town Population: 200,000
- GDP: 10,200USD/Capita (1st in Vietnam)
- ※Data by BRVT DPI (year 2016)

Potential area for many sectors



Why Ba Ria Vung Tau Province?

(Image Picture)



**Extensive
port
service**

**One of the biggest port area in Vietnam
Deep River Port 14.0m-16.5m
200,000DWT, 18,000TEU.**



**Energy
diversity**

**Best location for
heavy and
chemical industry**

**4.5 Million ton,
70% of electric
furnace steel in
Vietnam**



**Abundant natural resources
(Crude Oil 93%, Natural Gas 17%,
LPG, Condensate)**



**Stable
power
supply**

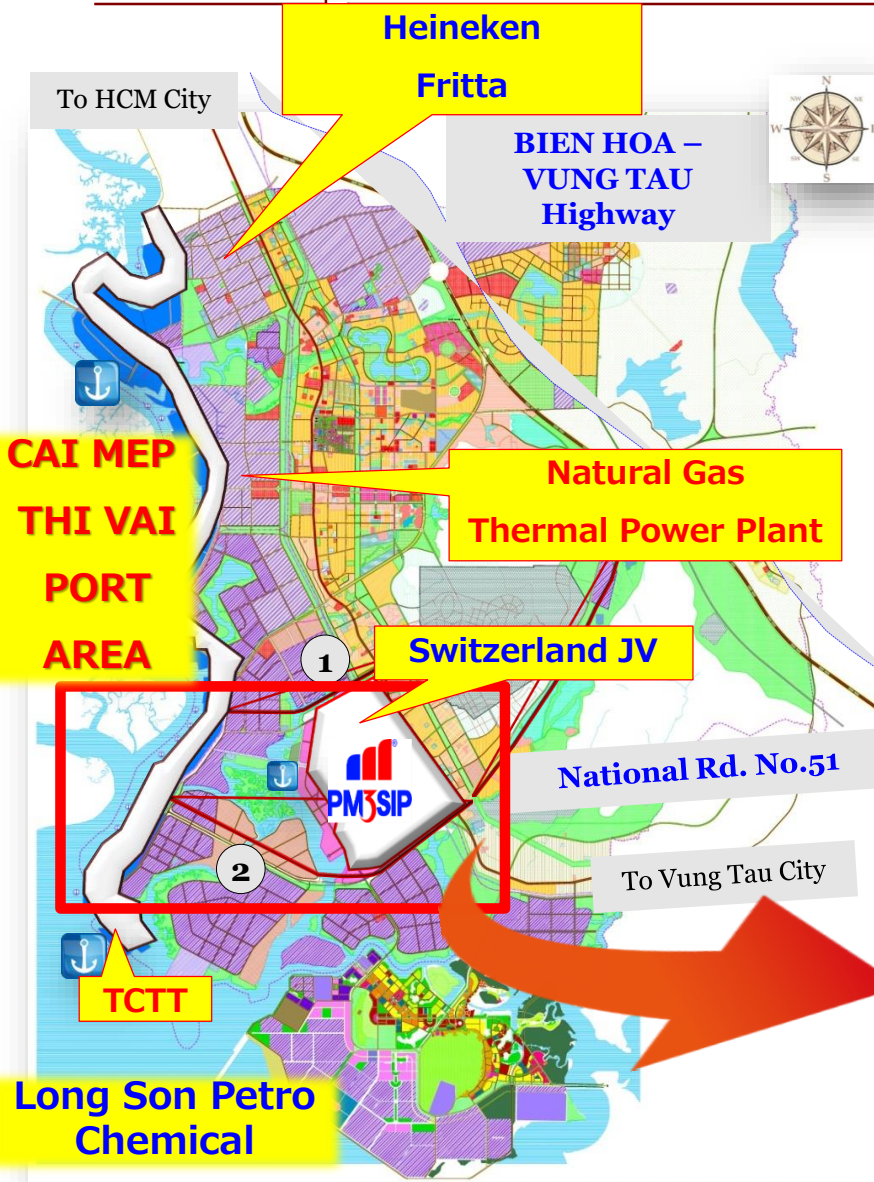
**Natural Gas Power Plant area
with total capacity of 3,910MW.**



**Stable
clean
water
supply**

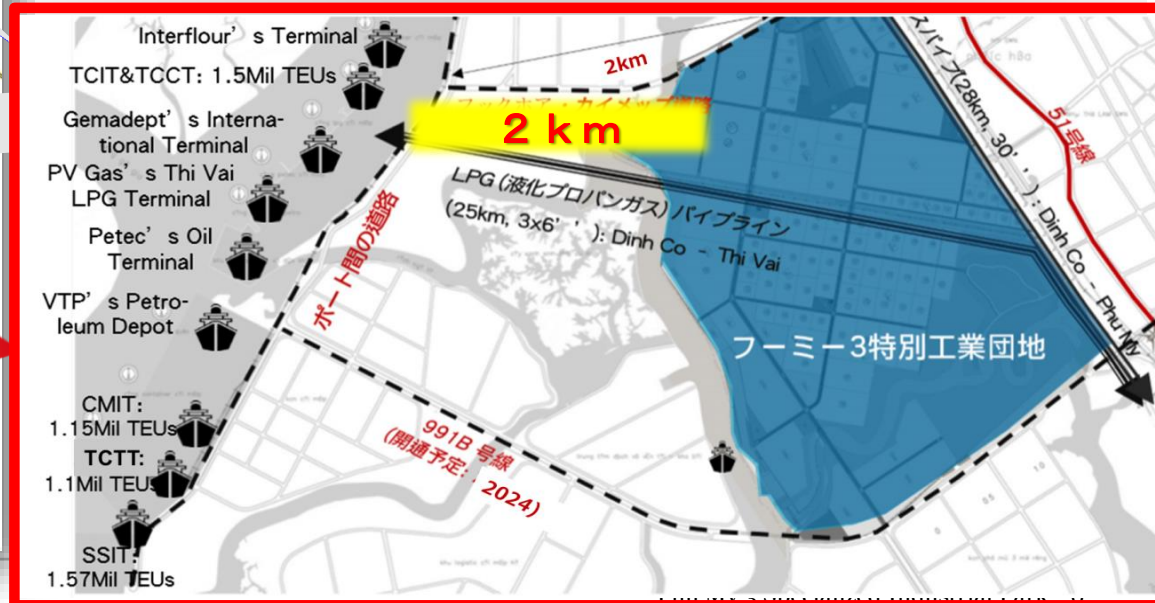
**Reservoir dam with rich and
fresh mountain water source.**

Phu My Area and Cai Mep - Thi Vai Port



Cai Mep – Thi Vai Port Area

1. 14.0-16.5m depth river port area
 2. No need transshipment Container
→ Cheaper and faster
 3. Direct transport to Europe (**Rotterdam, Antwerp, Hamburg, etc.**) and USA
- *Collaboration with Cat Lai Port for short distance



Why Ba Ria Vung Tau Province?

1. **EU FTA** and **EU IPA** are signed on June 30, 2019, and they will be effective by the end of this year 2019.
2. Foreign Direct Investment from European and USA accounts for approximately **23.6%** of the total Foreign Direct Investment in the Ba Ria Vung Tau province. (Approximately **5.4 billion USD**)

5 European companies in Ba Ria Vung Tau Province

Goltens Vietnam Co., Ltd	Norway	Shipbuilding	Dong Xuyen IP
Vard Vung Tau Co., Ltd	Norway	Shipbuilding	Dong Xuyen IP
Rolls – Royce Viet Nam Co., Ltd	England	Shipbuilding	Dong Xuyen IP
Fritta Viet Nam Co., Ltd	Italia	Chemical Production	My Xuan IP
Heineken Vietnam Beer Factory Co., Ltd.	Netherland	Beer	Mu Xuan IP

HEINEKEN

In July 2016, **Heineken Vietnam** completed the process of acquiring the old production line of Carlsberg Vietnam in Ba Ria Vung Tau, and planned to increase the production of beer in Ba Ria - Vung Tau from 50 million liters to 610 million liters per year. Total investment capital increased by 185 million USD.



Industrial Park	: Phu My 3 Specialized Industrial Park (PM3 SIP)
Company Name	: Thanh Binh Phu My Joint Stock Company (100% Vietnamese private company)
Establishment	: Yr2007
Specialized Industrial Park approved: December 2014	
Land development	: Starting August 2015
Leasing Period	: Until December 20, 2077 (70 years, Remain 58 years)
Target Industries	: Heavy Industries (Petrochemicals, Chemicals, etc.) Multi Industries (Supporting Industries, Electronics, Plastic, Textile and Garment, Plating, Automotive, Hi-tech, Pharmaceutical, etc.) Port and logistics services, etc.
Sea Level	: Average 2.35m

Current Situation of Tenants and Plan

October 2017: Nitori started operation

As of July 2019:

Land Reservation Contract and

Investment Policy & ERC approval for:

9 Japanese companies

3 Korean Company

4 Vietnamese companies

1 Vietnamese and **Switzerland JV**

Total 17 tenants

PM 3 SIP: 999 ha

Industrial Park : 882 ha (647 ha)

1st phase : 376 ha (286 ha)

*Contract : 137 ha/286 ha (48 %)

2nd phase: 506 ha (361 ha)

Residential & Golf Course: 117 ha

18 Halls Golf Course

Apartment, Hotel, Commercial area,

Clinics, Vocational Training School, etc.



PM3 SIP 999 ha

23 Vatican City, 5 Monaco Principality

PM3 Customer support for Tenant operation easily

1. Starting the operation rapidly
2. Concentrating on operation
3. Being Stable operation

1. Pre-Operation

- Company establishment, Company stamp, etc.
- Environmental Impact Assessment, Building Permit, Fire-fighting Permit
- Visa, Work Permit for non-Vietnamese, Recruitment for managers and workers
- Logistic Service, etc.

2. Post-Operation

- Stable supply of power/water and operating wastewater treatment system
- 24 hours 365 days (2 days power cut off for Regular Inspection and Maintenance)
- Latest information (announcement from government, national staff salary, counter-measure for strikes, corporate income tax, personal income tax, etc.)
- Social gatherings, golf competitions, etc.
- Application support for amendment of current IRC, current ERC and current EIA, etc.

Service Center and hospitality facility

**Service Center
(Total floor area 4,800m²)**



(Illustrative image)

1) Design and Construction Supervision

We entrusted detailed design and construction supervision to **Nippon Koei** which has many achievements in the design and construction supervision of many Japanese industrial parks in Vietnam and other countries.



NIPPON KOEI

2) Waste Water Treatment Plant

The wastewater treatment facility is designed and constructed by **Kobelco Eco-Solutions** which wastewater treatment standard is **Class A**, the most severe wastewater standard in Ba Ria Vung Tau province.

KOBELCO

*Phase 1 capacity: 9,000m³/day, in future : 45,000m³/day

3) Natural Gas

Sojitz Vietnam supplies the Natural Gas to tenants in PM3 SIP. A 6-inch pipe is buried under PM3 SIP area which can supply maximum 15 million m³/month.



4) Internet

Optical fibers are buried under the industrial park and Internet management services are supplied by **KDDI** which reside inside of PM3 SIP.



5) Electrical Installation and Wiring

Constructed by One of the biggest Japanese Electric company, **Sanyo Engineering & Construction Inc.**



6) Electric Supply

From the substation which is 2 km away from PM3, the high pressure 110 KV transmission line is retracted and transformed 22KV to the substation inside PM3, then supplied to the tenant by the **underground transmission line** for measures against lightning.



EVNSPC

7) Water Supply

Water is supplied from a source of abundant mountain water by a Phu My WASUCO up to **34,000 m3/day now**, in future the water supply amount can be reached to **90,000 - 100,000 m3/day**.



**PHUMY
WASUCO**

8) Port and logistics service:

Vina-Japan Shirogane Logistics Co., Ltd has been starting his operation of the rental logistics warehouse and logistics service since June 2019.



9) Security service:

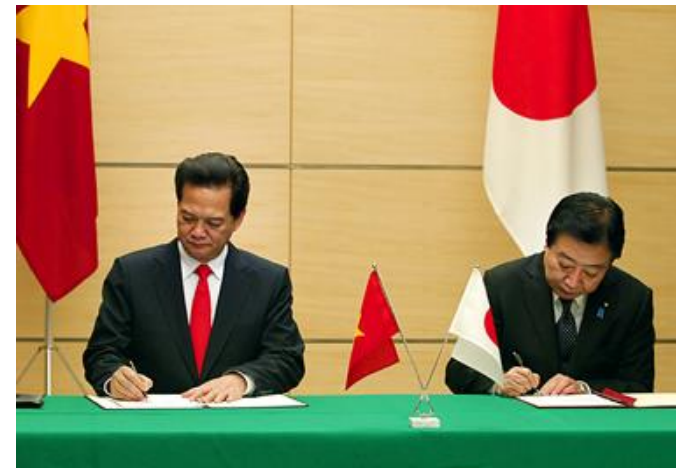
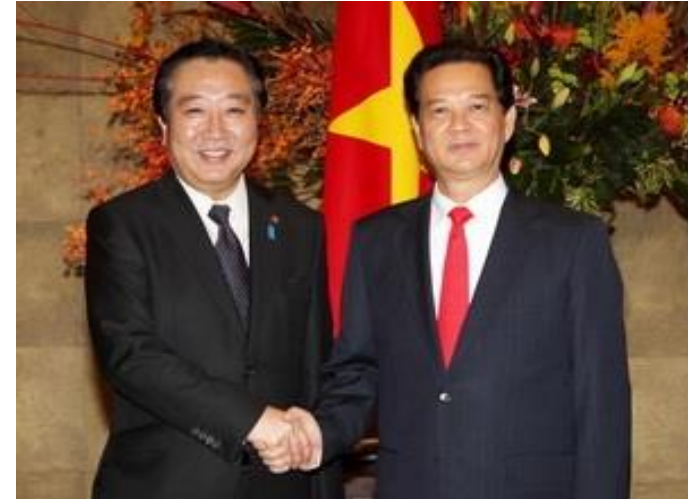
ALSOK Vietnam Security Service JSC. provides and secures high quality, safe and peace of mind service with well trained staff under Japanese standards.



ALSOK

What is a “Specialized Industrial Park”?

- In October 2011, Vietnam & Japan Prime Ministers - Mr. Nguyen Tan Dung & Mr. Yoshihiko Noda, agreed to construct 02 specialized industrial parks for Japanese enterprises in Vietnam, and Phu My 3 was selected.
- Finally on December 2014, Ba Ria Vung Tau Province approved Phu My 3 Industrial Park as Specialized Industrial Park.
- PM3 SIP is the only authorized Specialized Industrial Park in Vietnam.
- **2 benefits of the Specialized Industrial Park:**
- Expanding land lease period of usual 50 years to 70 years. In case of PM3, the license was granted in 2007, so in reality, the land lease term is around 58 years until Dec. 20, 2077, and land lease fee become cheaper as year unit price.
- Land use fee will be exempted for 20 years from beginning of 2018 to the end of 2037.



Board of Directors



**Chairwoman &
General Director
Ms. Nguyen Thi Thao Nhi**



**Deputy General Director
Mr. Toshio Kazama**

THANK YOU VERY MUCH FOR YOUR ATTENTION.

THANK YOU VERY MUCH FOR EUROCHAM ARRANGEMENT.