



# VIET THUAN TRANSPORT CO.,LTD

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# Agenda

- ▶ Introduction about Viet Thuan Transport Co Ttd.
- ▶ Indonesia Coal Import – Current Siatuation, Chalenge and Opportunity
- ▶ Questions and Answer

# Introduction

- ▶ Name: VIET THUAN TRANSPORT CO., LTD
- ▶ Address: No. 42 , Nguyen Du Street , Group 29B, Quang Trung Ward , Uong Bi City, Quang Ninh Province, Vietnam
- ▶ Website: <http://vantaivietthuan.vn/>
- ▶ Representative (Mr): Trinh Trung Uy      Title : Chairman cum Director
- ▶ Chartered Capital 2019: 800,000,000,000 VND equal 35 mil USD
- ▶ Viet Thuan Transport Co.,Ltd was established in 2005, with the core business in blending coal to supply to Thermal Power Plan, private purchaser; Providing transportation/transshipment services for customers

# Organizational Overview

- ▶ From 2009, the company established and contribute capital to the following companies:
  - ▶ **NAM VIET THUAN TRANSPORT LTD**
  - ▶ **TRUONG NGUYEN TRANSPORT IMPORT & EXPORT TRADING CO.,LTD**
  - ▶ **QUANG NINH TRANSPORT SERVICES JSC**

(These are the companies operating in the line of processing and trading coal)
- ▶ Viet Thuan has almost 1.000 professional staff and crew having deep knowledge and experience.

# Scope of Bussiness

- ▶ Purchase coal from Australia and South Africa to blend with domestic coal to supply for domestic thermal power plant, Indonesian coal to supply for EVN thermal power plant. Average annual Capability of supply is 1-2 mil tons per year
- ▶ Supply the Logistics chain for imported coal: mother vessel, arrange all the logistic facility include: buoys arrangement, stevedore, floating crane, barging, custom clearance, ...
- ▶ Average annual transportation/transshipment capacity about 18 million tons of cargo per year including Ocean Shipping, local transportation, local transshipment.
- ▶ Owning 70 ocean and river vessels with the deathweight from 3,000 to 55,000 DWT; with an operating capacity of about 700,000 tons,

# Viet Thuan 's major Customer

1	TATA INTERNATIONAL SINGAPORE PTE LTD
2	WELHUNT
3	DIC
4	VINACOMIN
5	DONG BAC SHIN
6	HOANH SON GROUP
7	BRIGHT EPOCH JOINT STOCK COMPANY
8	PVN
9	IPECO



# INDONESIA COAL IMPORT

# Current market of imported coal in Vietnam

- ▶ Up to 2020, There are more than 60 parties participating in the coal import market: VIETNAM NATIONAL COAL AND MINERAL INDUSTRIES HOLDING CORPORATION LIMITED (TKV), DONG BAC Corporation, VIETNAM ELECTRICITY (EVN) (GENCO1, GENCO 3), Formosa, Hoa Phat and Thuan Hai, Hoanh Son, Holcim, etc. are among the "top" major coal importers in Vietnam
- ▶ Regarding the coal import market for Thermal Power Plant (TPP), besides TKV, DONG BAC Corporation, also has PETROVIETNAM POWER CORPORATION (PVPower) for PVN's projects such as Long Phu (Soc Trang province) 4,320 MW and Song Hau (Hau Giang province) 3,200 MW, Thai Binh 2 (2 x 600 MW); EVN for EVN's projects such as Duyen Hai and Vinh Tan. Beside that, there is numbers of BOT investors import themselves for their projects and many other domestic and foreign trading enterprises

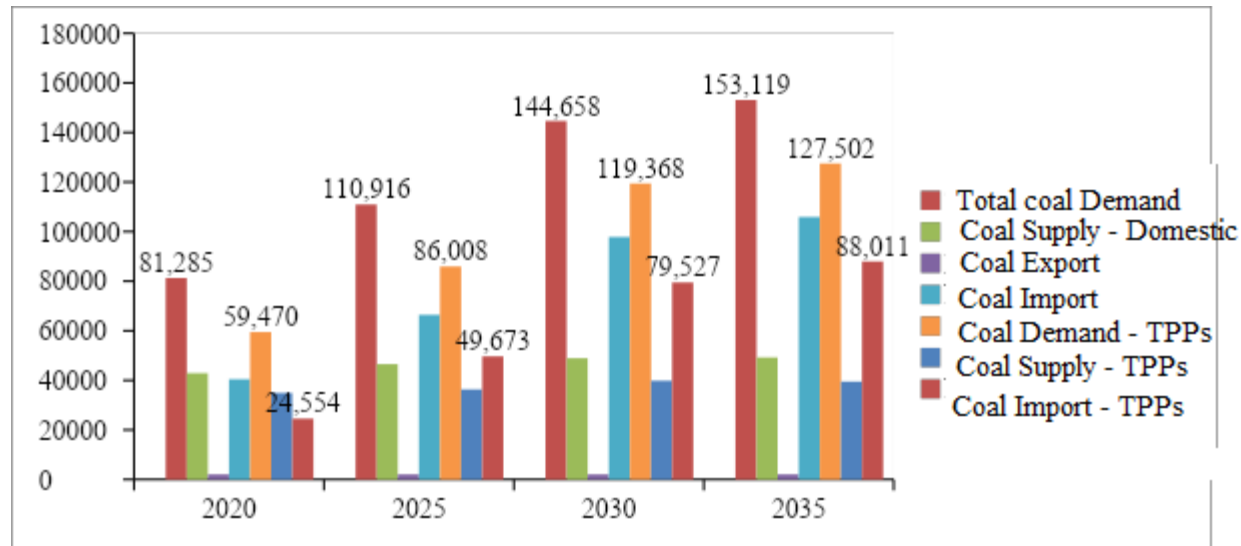


## Vietnam's imported coal (thousand tons) in the period of 2015 - 2019

- ▶ Vietnam has imported coal from 23 countries. The largest volume countries exported coal to Vietnam include 7 countries: Indonesia, Australia, Russia, China, Malaysia, South Africa, Canada ... in which, the main source of coal imported for TPP (50-70%) is from Indonesia

Year	2015	2016	2017	2018	2019
Import Volume	6.900	13.200	14.500	22.850	43.850

# Vietnam's imported coal (thousand tons) Estimated in the period of 2020 - 2035



No.	Content	2020	2025	2030	2035
<b>A</b>	Total coal demand	81.285	110.916	144.658	153.119
<b>A1</b>	In which: coal for TPPs	59.470	86.008	119.368	127.502
<b>B</b>	Coal from Domestic	42.888	46.538	48.930	49.245
<b>B1</b>	In which: coal for TPPs	34.916	36.335	39.841	39.491
<b>D</b>	Coal from import	40.447	66.428	97.779	105.929
<b>D1</b>	In which: coal for TPPs	24.554	49.673	79.527	88.011

# Advantages of Indonesia coal

- ▶ Low Distance, low cost
- ▶ Large coal reserves
- ▶ Indonesia has sub-bituminous and bituminous coal, which is very suitable for new thermal power projects in Vietnam
- ▶ Prices from Indonesia are lower than other with the same calorific value

# Challenges of Indonesia coal

- ▶ Coal mines with good quality are increasingly deep while new coal mines are far from sea ports with low quality;
- ▶ Weather in bad conditions due to prolonged rainy season, difficulties in transportation.
- ▶ Indonesia's domestic coal demand has increased sharply along with the policy of prioritizing coal sources for domestic use, not for exports so the coal price has increased.
- ▶ Vietnam must compete with many other countries to import coal from Indonesian.
- ▶ Therefore, Indonesia's coal market is assessed as "a potential market in the short and medium term".

# Suggestion to the Indonesia Embassy and coal exporter associations of Vietnam importers

- ▶ It is necessary to research the factors of international cooperation, political stability, traditional markets ... to consider investing in some coal mines in Indonesia (cooperate with owners of local mines), in order to increase the initiative in coal import in the medium and long term.
- ▶ Create an open policy mechanism to encourage businesses (private, or public) to invest in coal mining in policy countries to ensure stable and sustainable supply of imported coal for increasing demand. domestic.
- ▶ Set out policies to encourage implementation (including financial and investment policies, etc.), diplomatic solutions, trade promotion, international cooperation, human resource development, and organize measures to attract the investors.



**THANKS FOR LISTENING**