

Hanoi, February 19th, 2020

REQUEST FOR COMPETITIVE OFFER DOCUMENTS

No.: 06.02/2020

Oversea-produced Coal with typical Gross Calorific Value of 7,700 kcal/kg (DB)

Package No.02: Purchase of Imported Coal for 2nd time of 2020

(Package No. 02/2020)

I. ELIGIBLE SUPPLIER

1. Documents prove eligible Suppliers:

The Supplier has been granted an enterprise registration certificate (or equivalent document) issued by a competent authority (*certified copy*);

2. Supplier's Financial capacity:

- Financial statements for the year 2017, 2018 (audited ones) and first 6 months of 2019 (not required to be audited) to prove the Supplier's financial good standing (*certified copies*):

+ The net asset value of the Supplier in the year 2017, 2018 and first 6 months of 2019 should be positive (>0);

+ Annual profit after tax of the Supplier in the year 2017 and 2018 must be positive (>0).

- From 2017 to 2019, the Supplier successfully supplied total quantity of coal equal to or greater than Vinacomin-Northern Coal Trading Joint Stock Company (VNCT)'s required quantity as mentioned in this document. The Supplier must submit one of the below documents to prove that they successfully supplied coal:

+ Purchaser's confirmation letter (*certified copy*);

+ Bill of Lading (*certified copies*).

(In case the Supplier's name is not mentioned as shipper on the Bill of Lading of any shipment, certified copies of Certificate of Origin issued by the competent authority for the said shipment must be provided)

II. TECHNICAL REQUIREMENTS

1. Name of commodity: Oversea-produced coal with typical Gross calorific value of 7,700 kcal/kg (DB).



2. Price: The lowest quoted price is preferred. Nevertheless, VNCT shall remain the rights to have the final decision of choosing the Supplier.

3. Coal specification:

| Name of commodity | Specifications | Analysis standards (ISO standards) | Typical value | Rejection limit |
|--|---|------------------------------------|------------------------------|---------------------|
| Oversea-produced coal with typical Gross calorific value of 7,700 kcal/kg (DB) | Total Moisture | As Received basis | 9% | Above 14% |
| | Ash content | Air dried basis | 10% | Above 15% |
| | Total Sulphur | Air dried basis | 0.4% | Above 1% |
| | Volatile matter | Air dried basis | 10-14% | Above 20% |
| | Gross Calorific value | Dry basis | 7,700 kcal/kg | Under 7,400 kcal/kg |
| | Size 0-50mm | | 90% | None |
| | HGI | | 55 | None |
| | Ash fusion temperature (in reducing environment): T1 (Deformation) and T3 (Hemispherical) | | T1 ≥ 1,250°C T3 ≥ 1,380°C | None |

* Price Adjustment: In case the actual Calorific Value is higher or lower than typical level then the invoice price shall be adjusted according to the following formula:

$$\text{Adjusted price} = \frac{\text{Actual Calorific Value}}{\text{Guaranteed Calorific Value}} \times \text{FOB Price} + \text{Freight}$$

4. Quantity: 35,000 MT +/- 10%.

(The Supplier is entitled to offer the quantity equal to or more than VNCT's required quantity, but the offered quantity must be within +/-10% tolerance)

5. Loading port: Oversea ports.

6. Discharging port: Cam Pha port, Quang Ninh, Viet Nam (Hon Net anchorage area, Cam Pha City, Quang Ninh Province, Viet Nam).

7. Term of delivery (Incoterms 2010): CFR Cam Pha Port, Quang Ninh, Viet Nam.

8. Shipment time (at loading port): March – April, 2020.

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9. Cargo size: Any cargo size at Seller's option but must be consistent with current regulations of Port Authority at the discharging port. The Seller will take all responsibility and costs incurred if vessel is not allowed to enter or has to wait for entering working berth/anchorage due to over deadweight according to port regulations.

10. Basic conditions of vessel:

- a) The vessel should be seaworthy, capable of anchoring and discharging Coal at Discharging Port;
- b) The vessel should have at least 4 cranes in good working conditions x min 20 tons each;
- c) The vessel should be classified as Lloyd's Classification 100 A1 or equivalent by an international Classification Society;
- d) The vessel are capable of self trimming, single deck bulk carriers having a security system and associated security equipment necessary to comply with ISPS Code, all in safe and good working order;
- e) The vessel should not more than 20 years of age (the age being calculated from the year when the vessel was launched until 2020), unless agreed by VNCT in writing;
- f) The Over the Age Premium (OAP) shall not apply to vessels under 16 years of age. For vessels over 16 years old, the Over the Age Premium shall be borne by the Supplier;
- g) The vessel should be fully covered by P&I throughout the duration of the voyage by a member of the international group of P&I club, or other P&I club acceptable to the charterer as the case may be;
- h) The vessel should comply with the regulations on sanctions of the US, the United Nations and other countries and territories; comply with ISPS Code, domestic and international maritime regulations;
- i) The vessel should not have nationality of embargoed countries and territories;
- j) The vessel is compliant with all Legal Requirements at the Discharging Port, pertaining to the passage to the Discharging Port, and at the Discharging Port.

11. Discharging rate: maximum 8,000 MT/day for 24 consecutive hours (including holidays, Saturdays and Sundays);

12. Waiting time of vessel for high tide: Waiting time of vessel for high tide to enter berth/working anchorage shall not be counted as laytime.

13. Despatch/Demurrage rate: should be in line with the international freight market at the time of vessel nomination but in all cases shall not exceed USD 5,000/10,000/day.

14. Payment terms: Usance payable at sight Letter of Credit (UPAS LC)



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15. Inspection at loading port to be carried out by: SGS or equivalent reputable international inspection organization.

III. OFFER REQUIREMENT

1. Documents prove eligible commodity:

1.1 Letter of intent and commitment of origin of goods: Issued by coal Supplier/ coal Producer (**Form No.02**);

(The letter must be provided in English and Vietnamese)

1.2 Letter of intent and commitment regarding transportation of commodity: Supplier commits that cargo shall be loaded on board from oversea loading ports and transported to Cam Pha port, Vietnam for direct supply to VNCT based on the agreed schedule; cargo is not allowed to be discharged on any means of transportation and/or warehouse/stockyard before being delivered to VNCT (**Form No.03**).

(The letter must be provided in English and Vietnamese)

2. Offer Documents for imported coal:

2.1 Contents of Offer: As per enclosed form of this document (**Form No.01**)

2.2 Currency used in Offer documents: USD (United States Dollar).

2.3 Language used in Offer documents: English and Vietnamese. In case of inconsistency between the English and Vietnamese version, the English version will be prevailed.

2.4 Number of Offer documents: 1 original and 2 copies for each language.
(All offer documents are bound into booklet and paged numbers)

2.5 Required validity of Offer: until 24:00 dated 18/03/2020 (Viet Nam time).

2.6 All competitive offer documents must be put in sealed envelope. The label on the surface of envelope must be written as follow:

| COMPETITIVE OFFER DOCUMENTS | |
|--|---|
| <i>Oversea-produced coal with Typical Gross Calorific Value of 7,700 kcal/kg (NAR)</i> | |
| Package: | PURCHASE OF IMPORTED COAL FOR 2 ND TIME OF 2020 (Package No.02/2020) |
| Request for Competitive Offer Documents: | Oversea-produced coal with Typical Gross Calorific Value of 7,700 kcal/kg (NAR) (No.: 06.02/2020) |
| Requestor: | VINACOMIN – NORTHERN COAL TRADING JOINT STOCK COMPANY |
| Supplier: | Name, Address and Phone number |

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2.7 Venue and deadline for submitting Offer documents:

- Deadline: 14:00 dated 24/02/2020 (Vietnam time).
- Venue: Market Planning Department, Vinacomin-Northern Coal Trading Joint Stock Company (VNCT), No.5 Phan Dinh Giot Street, Phuong Liet Ward, Thanh Xuan District, Ha Noi, Vietnam.

2.8 Time for opening Offer documents: From 14:30 dated 24/02/2020 at VNCT's office (No.5 Phan Dinh Giot Street, Phuong Liet Ward, Thanh Xuan District, Ha Noi, Vietnam)

Note:

- Full Competitive Offer Documents must be provided in 1 original and 2 copies for each language:
 - (1) Offer for Imported coal – **Form No.01**
 - (2) Letter of intent and commitment regarding origin of commodity – **Form No.02;**
 - (3) Letter of intent and commitment regarding transportation of commodity – **Form No.03;**
 - (4) Enterprise registration certificate (certified copy);
 - (5) Financial Statement for 2017 and 2018 (audited ones) and for the first 6 months of 2019 (not required to be audited) (certified copies);
 - (6) Documents proving that from 2017 to 2019, Supplier successfully supplied the total quantity of coal equal to or greater than Vinacomin-Northern Coal Trading Joint Stock Company (VNCT)'s required quantity as mentioned in this document (certified copies)
- All the Offer documents can be submitted in copies provided that all the original/ certified copy documents must be submitted to VNCT in case the Coal Supplier is awarded.
- In case the Supplier is selected but fails to sign/ perform or fulfill the signed contract, that Supplier will not be allowed to participate in the next 03 (three) months' Competitive offer packages and/or Bidding packages issued by VNCT.

Sincerely yours,

**Vinacomin-Northern Coal Trading
Joint Stock Company (VNCT)**



**Ngô Quang Trung
General Director**



OFFER FOR IMPORTED COAL

Name of Supplier:

Address:

Tel No.:

Fax No.:

Email:

1. Name of commodity:

... ..

2. Price:

... .. USD/MT

3. Coal quality specifications:

| Name of commodity | Specifications | Analysis standard (ISO standard) | Typical value | Rejection limit |
|--|---|----------------------------------|---------------|-----------------|
| Oversea-produced coal with typical Gross calorific value of ... kcal/kg (DB) | Total Moisture | As received basis | ... | ... |
| | Ash Content | Air dried basis | ... | ... |
| | Total Sulfur | Air dried basis | ... | ... |
| | Volatile matter | Air dried basis | ... | ... |
| | Gross Calorific Value | Dry basis | ... | ... |
| | Size 0-50mm | | ... | ... |
| | HGI | | | |
| | Ash fusion temperature (in reducing environment): T1 (Deformation) and T3 (Hemispherical) | | | |

*** Price Adjustment:**

In case the actual Calorific Value is higher or lower than typical level then the invoice price shall be adjusted according to the following formula:

$$\text{Adjusted price} = \frac{\text{Actual Calorific Value}}{\text{Guaranteed Calorific Value}} \times \text{FOB Price} + \text{Freight}$$



4. Quantity: MT +/- 10%
5. Loading port:
6. Discharging port: Cam Pha Port, Quang Ninh, Viet Nam
7. Terms of Delivery (Incoterms 2010):
8. Shipment time at loading port:
9. Cargo size:
10. Commitment on basic conditions of vessel:
11. Discharging rate: MT/day
12. Waiting time of vessel for high tide:.....
13. Demurate/ Despatch rate: USD/day
14. Payment method:
15. Inspection company at loading port:
16. Valid Period of the Offer:
17. Other requirements (if any):

 **Authorized representative of Supplier** 
(Full name, position, signature and seal)



**LETTER OF INTENT AND COMMITMENT
REGARDING ORIGIN OF COMMODITY**

We ... having head office at ... hereby commit to supply coal with the below-mentioned requirements to participate in the Competitive-offer package of coal supply to Vinacomin-Northern Coal Trading Joint Stock Company:

1. Name of commodity:
2. Quantity: MT +/- 10% (shipping tolerance at the Supplier's option)
3. Shipment time at the loading port:
4. Coal quality specifications:

| Name of commodity | Specifications | Analysis standard (ISO standard) | Typical value | Rejection limit |
|--|---|----------------------------------|---------------|-----------------|
| Oversea-produced coal with typical Gross calorific value of ... kcal/kg (DB) | Total Moisture | As received basis | ... | ... |
| | Ash Content | Air dried basis | ... | ... |
| | Total Sulfur | Air dried basis | ... | ... |
| | Volatile matter | Air dried basis | ... | ... |
| | Gross Calorific Value | Dry basis | ... | ... |
| | Size 0-50mm | | ... | ... |
| | HGI | | | |
| | Ash fusion temperature (in reducing environment): T1 (Deformation) and T3 (Hemispherical) | | | |

We commit that the above coal source originated from

 **Authorized representative of Supplier** 
(Full name, position, signature and seal)



**LETTER OF INTENT AND COMMITMENT
REGARDING TRANSPORTATION OF COMMODITY**

We ... having head office at ... hereby commit to supply coal with the below-mentioned requirements to participate in the Competitive-offer package of coal supply to Vinacomin-Northern Coal Trading Joint Stock Company:

1. Name of commodity:
2. Quantity: MT +/- 10% (shipping tolerance at the Supplier's option)
3. Shipment time at the loading port:
4. Coal quality specification:

| Name of commodity | Specifications | Analysis standard (ISO standard) | Typical value | Rejection limit |
|--|---|----------------------------------|---------------|-----------------|
| Oversea-produced coal with typical Gross calorific value of ... kcal/kg (DB) | Total Moisture | As received basis | ... | ... |
| | Ash Content | Air dried basis | ... | ... |
| | Total Sulfur | Air dried basis | ... | ... |
| | Volatile matter | Air dried basis | ... | ... |
| | Gross Calorific Value | Dry basis | ... | ... |
| | Size 0-50mm | | ... | ... |
| | HGI | | | |
| | Ash fusion temperature (in reducing environment): T1 (Deformation) and T3 (Hemispherical) | | | |

We hereby commit that the above-mentioned cargo shall be loaded on board from overseas loading ports and transported to Cam Pha port, Vietnam for direct supply to Vinacomin – Northern Coal Trading Joint Stock Company based on the agreed schedule; cargo is not allowed to be discharged on any means of transportation and/or warehouse/stockyard before being delivered to Vinacomin – Northern Coal Trading Joint Stock Company./.

Authorized representative of Supplier
(Full name, position, signature and seal) 