

Hanoi, dated 11 / 11 / 2019

COMPETITIVE OFFER DOCUMENTS PACKAGE NO. 03/QIV/2019

I. ELIGIBLE SUPPLIER

1. Documents prove eligible Suppliers:

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

2. Supplier's capacity:

- In 2019, the Supplier successfully supplied total quantity of coal for Vietnam's market equal to or greater than 2,500,000 metric tons (MT). The Supplier must submit one of the below documents to Vinacomin-Northern Coal Trading Joint Stock Company (VNCT) to prove that they successfully supplied coal:

- + Purchaser's confirmation letter (copy);
- + or Bill of Lading (copy).

II. TECHNICAL REQUIREMENTS

1. General requirements

- Name of commodity: Oversea-produced coal with typical gross calorific value of 7,000 kcal/kg (Dry Basis).
- Loading port: Oversea ports.
- Discharging port: Cam Pha port, Quang Ninh, Viet Nam.
- Term of delivery (Incoterms 2010): CFR or CIF Cam Pha, Quang Ninh, Viet Nam.
- Quantity: 70,000 MT +/- 10%.
(The Supplier is entitled to offer the quantity equal to or more than VNCT's required quantity, but the quantity should be within +/- 10% tolerance)



- Cargo size: 35,000 to 70,000MT deadweight vessel (shipping tolerance at the Supplier's option)
- The lowest quoted price shall be chosen. Nevertheless, VNCT shall remain the rights to have the final decision of choosing the Supplier.
- Shipment time (at loading port): November – December, 2019

2. Coal Specifications:

Item No.	Name of commodity	Specifications	Analysis standards (ISO standards)	Typical value	Rejection limit
01	Overseas produced coal with typical gross calorific value of 7,000 kcal/kg (Dry basis)	Total Moisture	As received basis	10%	Above 13.0%
		Ash content	Dry basis	16%	Above 17%
		Total Sulphur	Dry basis	1.3%	Above 1.5%
		Volatile matter	Dry basis	5%	Above 8%
		Gross Calorific value	Dry basis	7,000 kcal/kg	Under 6,800 kcal/kg
		Size 0-25mm		90%	None
		Ash fusion temperature (in reducing environment): T1 (Deformation) and T3 (Hemispherical)		T1 ≥ 1,250°C T3 ≥ 1,380°C	T1 < 1,250°C T3 < 1,380°C

Price Adjustment based on Actual Gross Calorific Value (Dry basis):

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

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

Actual Calorific Value of coal at the Loading port shall be capped at Guaranteed Calorific Value + 200 kcal/kg. It means, if actual Calorific Value of coal at the Loading port is above Guaranteed Calorific value + 200 kcal/kg, it shall be calculated as Guaranteed Calorific Value + 200 kcal/kg.

3. 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 2019), 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.

4. Discharging conditions:

- Discharging port: Cam Pha port, Vietnam (Hon Net anchorage area, Cam Pha City, Quang Ninh Province, Viet Nam); port capable of satisfying a minimum draft of 12m (*in case the vessel has to wait for high tide to meet saltwater draft higher than 12.0m then waiting time for high tide should not be counted as laytime*);
- Maximum discharging rate: maximum 7,000 MT/day for 24 consecutive hours (including holidays, Saturdays and Sundays);
- 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 7,500/15,000/day.

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5. Payment terms:

Usance payable at sight Letter of Credit (UPAS LC).

6. 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.2-Letter of intent and commitment regarding origin of commodity**) (original);
- 1.2 Supplier's commitment 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 (original).

2. Offer for imported coal:

- 2.1 Contents of Offer: **Form No.1-Quotation for imported coal** (original).
- 2.2 Currency used in Offer document: USD (United States Dollars).
- 2.3 Language used in Offer document: English.
- 2.4 Required validity of Offer: until 15:00 dated 28/11/2019 (Viet Nam time).
- 2.5 Venue and deadline for submitting Offer document:
Deadline: by 15:00 dated 18/11/2019 .
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.

Offer documents to be reached to VNCT's office at the above-mentioned address by 15:00 of 18/11/2019.

2.6 Time for opening Offer document: from 15:30 dated 18/11/2019 at VNCT's office (No.5 Phan Dinh Giot Street, Phuong Liet Ward, Thanh Xuan District, Ha Noi, Vietnam)

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- All the Offer documents can be submitted in copied 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**



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Form No. 1 - QUOTATION FOR IMPORTED COAL

Name of Supplier:

Address:

Tel No.:

Fax No.:

Email:

1. Type and quality specifications of coal:

- Name of commodities:
- Coal quality specifications:

No.	Name of commodity	Specifications	Analysis standard (ISO standard)	Typical value	Rejection limit
01	Oversea-produced coal with typical gross calorific value of ... kcal/kg (Dry basis)	Total Moisture	As received basis	...	...
		Ash Content	Dry basis	...	...
		Total Sulfur	Dry basis	...	...
		Volatile matter	Dry basis	...	...
		Gross Calorific Value	Dry basis	...	...
		Coal size 0-25mm		...	...
		Ash fusion temperature (in reduced environment): T1 (Deformation) and T3 (Hemispherical)		...	...

Price Adjustment based on Actual Gross Calorific Value (Dry basis):

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

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

Actual Calorific Value of coal at the Loading port shall be capped at Guaranteed Calorific Value + 200kcal/kg. It means, if actual Calorific Value

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of coal at the Loading port is above Guaranteed Calorific value + 200kcal/kg, it shall be calculated as Guaranteed Calorific Value + 200kcal/kg.

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|---|------------------------------------|
| 2. Quantity: | MT +/- 10% |
| 3. Loading port: | |
| 4. Discharging port: | Cam Pha Port, Quang Ninh, Viet Nam |
| 5. Term of delivery (Incoterms 2010): | ... .. |
| 6. Price: | USD/MT |
| 7. Shipment time at loading port: | ... .. |
| 8. Delivery schedule: | ... .. |
| 9. Cargo size: | ... .. |
| 10. Commitment on vessel particulars: | ... .. |
| 11. Discharging rate: | MT/day |
| 12. Demurate/ Despatch rate: | USD/day |
| 13. Payment method: | ... .. |
| 14. Inspection company at loading port: | ... .. |
| 15. Other requirements (if any): | ... .. |

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

**Form No. 2-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 goods: Oversea-produced coal with typical gross calorific value of ... kcal/kg (Dry basis)

2-Quantity: ... MT +/- 10%.

3-Shipment time at loading port: ...

Name of commodity	Specifications	Analysis standard (ISO standard)	Typical value	Rejection Limit
Overseas-produced coal with typical gross calorific value of ... kcal/kg (Dry basis)	Total Moisture	As received basis	...	...
	Ash Content	Dry basis	...	...
	Total Sulfur	Dry basis	...	...
	Volatile matter	Dry basis	...	...
	Gross Calorific Value	Dry basis	...	...
	Size 0-25mm		...	...
	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)

