



OVERVIEW OF TIEN SON INDUSTRIAL ZONE - BACNINH PROVINCE

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I - GENERAL INFORMATION

Developer	VIGLACERA CORPORATION (VIGLACERA LAND)
Location	Tien Son and Tien Du Distr., Bac Ninh Province, Vietnam.
Overview of Bac Ninh	<p>Bac Ninh is far from Hanoi Capital 31 km and adjacently Bac Giang province. Hai Duong province and Hung Yen province</p> <p>Climate: Tropical region. The discrepancy climate between Summer and Winter is 15 -16°C.</p> <p>Rain season: from June to September yearly.</p> <p>Rainfall: 80% total rainfall yearly.</p> <p>- Area: 804 km² Total Population: 1 million people</p> <p>- Average temperature: 24.3° C</p> <p>- Average maximum temperature yearly: 28.7°C (maximum: 39 °C)</p> <p>- Average minimum temperature yearly: 16.6°C (minimum: 6 °C)</p> <p>- Average air humidity: 84%</p> <p>- Average rainfall yearly: 1,070 mm</p>
Scale	Tien Son IP was developed since 1999. Total area: 350 ha . Divided into 2 phases, First Phase: 134.76 ha and Second Phase : 214.24 ha
Legal Documents	<p>- DECISION No.1129/QD-TTg by the Prime Minister of the Government dated December 18th, 1998 guiding the establishment of investment project on building and trading infrastructure structure of Tien Son IP - Bac Ninh.</p> <p>- DECISION No.1192/QD-TTg by the Minister of the Government dated December 22th, 1999 allowing VIGLACERA CORPORATION to lease the land (term of leasing is 50 year) of investment project on building and trading infrastructure of Tien Son IP - Bac Ninh.</p>
Operational time	50 years (First phase since 1999 - 2049 and Second phase since 2004 - 2054)
Main investment sectors in IP	Production, installing electric and high technology electronic, mechanic; Production of steel and products made from steel; consumer goods and garment production; Agricultural processing and foodstuff, handicraft and fine arts production...
Methods for leasing	Sublease the land with available infrastructures. Sublease the available Warehouse

II - LOCATION AND REGIONAL RELATION

Traffic	Tien Son Industrial Park is located in the economic development triangle Hanoi - Hai Phong - Quang Ninh. The South adjacent to national road No.1B (New) to Lang Son border gate; The North adjacent to the national road No.1A (Old); The West adjacent to Provincial Road No 295. On the way to Tien Son Industrial Park across No.18 A national road is the Eastern to Cai Lan deep seaport, The Western to Noi Bai international airport.
Seaport	* Hai Phong Seaport: 100 km * Cai Lan deep seaport, Quang Ninh province: 120 km
Airport	30 km far from Noi Bai International airport (20 minutes going by car).
Railway	* Hanoi - Lang Son International through traffic railway route still preserve status size 1.435m . * Near the express railway from Yen Vien (Hanoi) to Cai Lan, Quang Ninh province

III - INFRASTRUCTURE	
Internal traffic	<p>* Internal traffic system cover 15% of the total IP area, including main road with 2 lines of 37m wide and 28m wide lanes.</p> <p>* Sidewalk: 6m wide where is arranged with underground technical corridor such as electric, water supply, communication system and equipped with high capacity lightings along the road.</p> <p>* Tien Son Industrial Park is linked to No. 1B national road by geometry across point and 2 fly-over bridges.</p>
Power supply	- Power is supplied from national grid through 110/22KV (35KV) transformer station with capacity of 1x40MVA and 1 x 63 MVA .
Water supply	<p>- Water treatment station with first phase capacity is 6,500m³/day. (The diameter of water supply pipe is D100 mm - D300mm), the medium depth of pipe is 1.2m. Water is collected directly from underground resource.</p> <p>- Water supply system is connected directly to the fence of enterprises.</p>
Drainage system	Rain water drainage system separately with waste water drainage system. Rain water is collected through underground pipe system and pour into regional rivers. The drainage pipe diameter is D1,000 mm - D1,250 mm with the principle of automatic drainage.
Waste and waste water treatment	<p>- Waste water treatment station with the first phase capacity is 4,000 m³/day. (Industry waste water is calculated by 80% of water supply volume). The waste water drainage pipe is D300mm - D750mm</p> <p>- Waste from factories in the IP shall be categorized immediately in all factory and be collected to the centered treatment area of Bac Ninh Prov..</p>
Telecommunication system	Telecommunication system reaches international standard and ready to meet the full demands, high-speed data transfer and internal and external post office service. Underground cable system is connected directly to the fence of all enterprises.
Fire - fighting	Water supply system with modern fire-fighting equipments are located along road lines. The distance between fireplugs from 120m - 150m with fire-fighting pillar diameter of D125mm
Environment and green tree	Green trees cover 15 % - 30% land area.
IV - SOCIAL INFRASTRUCTURE AND OTHER SERVICES	
Customs	Bac Ninh Customs Office is located in the management center of the IP. All the sealed procedures and clams are carried out timely in enterprises of the IP.
Banks	VIETINBANK; BIDV; AGRIBANK.
Post office	Bac Ninh Post Office has constructed its branch at the center of the IP with modern informatics technology system for serving multi-service communication such as data transfer, Internet, IP telephone and conference video...etc.
Bus network	Round trip Bus schedule Hanoi - Bac Ninh: from 5.00 AM to 8.00 PM, 10 minutes/route, Fare is 5,000 VND/passenger.
Accommodation for workers	Tien Son urban area with around 24 ha always ensure houses, dormitory, apartment for workers in the IP. Specially, Viglacera apartment - 5 floors has buildt already and ready for rent in the period of enterprises.
Hospital	Bacninh Province Hospital (7km from the Industrial Park).

Training College	Bac Ninh has 14 Training Colleges: Bac Ha International University; Physical and Sport University; Bac Ninh Teacher Training College; Bac Ha Technology College; Viet- Japan College of Foreign Language and Technology; Junior College of Aquiculture; Junior College of Statistics; Aquiculture Secondary School; Bac Ninh Culture and Art Secondary School; Medical Secondary School; Thang Long Technology Secondary School; Technological High School; Bac Ninh in service training teachers's College; Industrial Economic Management School.
V - PRICE AND CHARGES	
Minimum size of Land sublease	10,000 m²
Infrastructure using Fee	Depending on location and leasing landplot area
Land Rental	Stipulated by the decision of Bac Ninh People Committee (Unit price in 2010: 0.29 USD/m²/year , equivalent to 5,500 VND/m²/year)
Industrial service and maintain infrastructure fee	0,4 USD/m²/year - yearly payment.
Minimum size of rental factory	2,100 m² (Minimum time of rental factory is 5 years)
A monthly basis rental fee of a factory	4 USD/m²/month
Power charge (Level from 22KV to under 110KV) (Stipulated by the Government)	(1) - Normal hours: 935 VND/Kwh (equivalent 0.05 USD/Kwh) (From Monday to Saturday: 4 am - 9.30 am, 11.30 am - 17 pm and 20 pm - 22 pm/ Sunday: 4 am - 22 pm)
	(2) - Night hours: 518 VND/Kwh (equivalent 0.027 USD/Kwh) (Everyday from 22 pm - 4 am)
	(3) - Peak hours: 1,825 VND/Kwh (equivalent 0.1 USD/Kwh) (From Monday to Saturday: 9.30 am - 11.30 am and 17.00 pm - 20.00 pm/ Not Sunday)
Water price	5,000 VND/m³ (equivalent 0.31 USD/m³) - monthly payment .
Fee of waste water treatment	4,286 VND/m³ (equivalent 0.265 USD/m³) - monthly payment. The quantity is defined by 80% the amount of water supply.
Charge of telephone , internet and other services	According to the regulation of supplying units at the using time.
Notes: All the prices are excluded VAT according to the Regulation of State.	
VI - PREFERENTIAL INVESTMENT	
Import machine and equipment	(1) - Import tax exemption of machines for fix asset creation: + Equipments, machines. + Raw material, imported materials for equipment manufacture, machine in technological line or appliance, spare parts, patterns, accessories enclosed with equipment and machine. + Specialized transports are in the technological line and worker traveling (over 24 seats).
Import machine and equipments	+ Appliance, spare parts, pattern, accessories enclosed with equipment and machine, means of transport and specialized transport vehicles. + Construction materials have not been produced at the local.
	(2) - Exemption for import raw material, imported materials to produce exported goods
	(3) - Exemption for import raw material, to manufacture on the list of special incentive investment project in 5 years commencing from manufacturing start (If Enterprises invest in the list of special incentive investment project or invest in spare parts manufacture, or mechanic, electronic..

Tax for the oversea remittance	Free of tax for the oversea remittance.
Value Added Tax (VAT)	Exemption of VAT on goods which include imported raw materials for producing, processing of exported goods according to the processing contracts signed with foreign Partners.
Corporate Income Tax (CIT)	<p>* The rate of C.I.T shall be applied 25%.</p> <p>* In the case newly established enterprises in the IP with high-tech projects according to laws, software projects shall be applied tax rate 10% of 15 years, exemption for maximum period of 04 years and reduction of 50% for a maximum period of 09 subsequent years.</p> <p>* For projects of high-tech, large scale which particularly need to attract investment, the time of preferential tax rate 10% can extend but maximum of extension of tax rate 10% shall not exceed 30 years. After the above duration of preferential tax, the rate of C.I.T shall be applied 25%.</p> <p>* The duration of preferential tax rates shall be calculated from the first year in which the enterprise has taxable income. If an enterprise does not have taxable income in the first three years as from the first year in which it has turnover, then the duration of tax exemption and reduction shall be calculated from the fourth year.</p>
VII - INVESTMENT SUPPORT	
Support procedures before and after granting investment license	<p>VIGLACERA REAL ESTATE COMPANY are willing to guide and help all investors to complete necessary procedures as soon as possible:</p> <ul style="list-style-type: none"> - Investment certificate procedure. - Personnel registering procedure. - Registering and make stamp procedure. - Procedure to register tax code.
VIII - LABOR RESOURCE	
Local labor	<p>* Bac Ninh Population: 01 million (over 60% are labour age).</p> <p>* Bac Ninh training schools supply about 10,000 technical labours and specialist skill labours yearly for enterprises.</p>
Labor from Hanoi capital and neighbouring region	<p>Hanoi - Northern biggest training centre of Vietnam, with famous Universities, Colleges which graduated thousands of skilled labours in the field of management and high technique. With reasonable distance for returning daily Hanoi - Tien Son IP, so this is a strong point for supplying plentiful and skilled labour resource for Tien Son IP.</p> <p>Labour resources from other provinces around Bac Ninh.</p>
Salary	<p>(1) - Worker: Minimum 1,040,000 VND/month (equivalent to 60 USD/month) Reality Average Salary of workers: 80 - 90 USD/month</p> <p>(2) - Engineer/ technician/ office staff: 200 - 250 USD/month.</p> <p>(3) - Chief Division/ Chief accountant / Manager: 300 - 350 USD/month.</p>
Insurance	<p>Social insurance: 22%</p> <p>Health insurance: 4.5%</p> <p>Unemployment insurance: 2%</p> <p>The enterprises have to pay monthly 20% of total salary fund employees (16% for social insurance, 3% for healthy insurance and 1% for unemployment insurance)</p>
IX - REGULATION ABOUT CONSTRUCTION MANAGEMENT	
Available building list in the IP	Manufacturing workshops, warehouses, operating offices, canteens for worker and sub-works (motorcycle-shed, guard - house, power transformer station, water tank for fire fighting).

Prohibited building list in the IP	House building, underground exploitation building.
Building density	50% - 60%
Land using factor	0,5 - 0,7 times
Building landmark (Building setback)	Solid works shall be built at least 6 meters from the building lines of internal roads and at least 3.5 meters from neighboring plots boundaries. Offices with two storeys or more must be built at least 10m to 15m from the building lines of internal roads.
Architecture requirements	Construction works should be designed and built harmoniously to create architecture, planning space suitable to the general landscape of the IP. With the sub-works (such as car parkings, toilets, power sub-station, water piping, drainage, generator room, wastewater system...etc.): Construction design should ensure the landscape of the Industrial Park, the minimum building landmark and making no harm to erections and environment of neighboring enterprises
Green density	Over 15%
Factory fence	The fence on the side of front internal road must be built opening fence (for example: made by Iron flower shape)
X - REFERENCES	
Investment projects are available into Industrial Park	Around 100 enterprises, in which: 31 foreign enterprises (13 Japanese Enterprises, 07 Chinese Enterprises and 02 Korean Enterprises), 70 Vietnamese Enterprises.
Charge of telephone installation	400,000 VND/unit (equivalent 23.5 USD/unit)
Charge of Internet connection	400,000 VND (equivalent 23.5 USD). If use with telephone line, the price is 132,000 VND
Transport charges (Containers for reference)	From Tien Son IP to Hai Phong seaport: (20'FT: 170 USD; 40'HC FT: 250 USD)
Price to build standard warehouse for reference	180 - 200 USD/m ² (Actual building price depends on detailed design of every factory and at the building time).
XI - CONTACT	
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