



U.S. TRADE AND DEVELOPMENT AGENCY

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USTDA SUPPORTS U.S. INVESTMENT IN POWER PROJECT DEVELOPMENT IN VIETNAM

HANOI, VIETNAM – Supporting the development of the first coal-fired independent power project in Vietnam to meet the nation’s growing demand for energy is the objective of a USTDA grant awarded today to Vietnam’s Ministry of Industry (MOI). The project, which involves the construction of a 1,000 megawatt power plant, is a reflection of Vietnam’s strong and growing partnership with USTDA, as was evidenced by its selection as USTDA’s Country of the Year for 2006.

The \$332,900 grant was conferred at a ceremony held at the MOI in Hanoi. USTDA General Counsel James A. Wilderotter and MOI Vice Minister Do Huu Hao signed the grant agreement on behalf of the U.S. and Vietnamese governments, respectively. The Deputy Chief of Mission at the U.S. Embassy in Hanoi, Jonathan M. Aloisi, and the Director General of the Energy and Petroleum Department at MOI, Ta Van Huong, signed as witnesses to the grant agreement. USTDA Regional Director Henry Steingass and USTDA Regional Manager for Asia Gregory M. Walters were present at the grant signing.

The Mong Duong Phase 2 coal-fired power project was identified by the Vietnamese government as a way to help satisfy power demands and reduce power shortages. AES Corporation and VinaComin, have established a joint venture to undertake the development of the project, which is estimated to cost more than \$1.2 billion and would be the largest U.S. investment in Vietnam to date.

The project has a goal of making power available to customers by 2010. To move the innovative project forward, the MOI has requested legal assistance in developing template legal, technical, and financial agreements. The USTDA grant awarded today will be used by MOI to work with DLA Piper U.S. LLP in obtaining the necessary technical assistance for project advancement.

Since USTDA’s program was launched in Vietnam in 1996, the agency has funded 36 activities and 18 orientation visits designed to support priority development projects and procurement opportunities in Vietnam. To date, those activities and visits have been associated with \$210.5 million in U.S. exports in the transportation, energy, services, water and human resource sectors.

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The U.S. Trade and Development Agency advances economic development and U.S. commercial interests in developing and middle-income countries. The agency funds various forms of technical assistance, early investment analysis, training, orientation visits and business workshops that support the development of a modern infrastructure and a fair and open trading environment. USTDA's strategic use of foreign assistance funds to support sound investment policy and decision-making in host countries creates an enabling environment for trade, investment and sustainable economic development. In carrying out its mission, USTDA gives emphasis to economic sectors that may benefit from U.S. exports of goods and services.

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