



ADDENDUM NUMBER 3

TO

CONTRACT FOR CONSULTING SERVICES

FOR

HAI VAN PASS TUNNEL CONSTRUCTION PROJECT

This Addendum No. 3 (hereinafter, together with all Appendices attached hereto and forming an integral part hereof, called "ADDENDUM NO. 3") is made and entered into on the 10 day of the month of October, 2002 under the Contract No. 01/HVT/97 dated December 12, 1997 (hereinafter called "the Original Contract") between Project Management Unit No. 85, Ministry of Transport, the Socialist Republic of Vietnam (hereinafter called "the Client") and Joint Venture of Nippon Koei Co., Ltd. and Louis Berger International Inc. in association with Transport Engineering Design Incorporation (hereinafter called "the Consultant") for Consulting Services for the Hai Van Pass Tunnel Construction Project;

WITNESSETH:

WHEREAS, it was mutually agreed in the Addendum No. 1 dated December 12, 1997 to the Original Contract that "The cost for the later stages of detailed design, tendering assistance, construction supervision and training shall be adjusted according to the review of the work volume of the consulting services thereof based on the scope of the Project to be defined in the Investment Decision of the Prime Minister."

WHEREAS, considering that since the New Austrian Tunneling Method (NATM) is an advanced method introduced for the first time in Vietnam, it is essential to train the government and local contractors' staff concerned on this method in order to ensure smooth construction, operation and maintenance of the Hai Van Pass Tunnel. For this purpose, the Client requests the Consultant to carry out NATM Training courses in addition to the scope of Training and Technology Transfer Program mentioned in Item D of the Terms of Reference in Appendix A to the Original Contract;

Whereas, the Terms of Reference and Cost Estimate for NATM Training and Technology Transfer Program has been approved by the Ministry of Transport under the Decision No.1226/2002/QD-BGTVT dated 25 April, 2002. The total cost for the Program shall include a portion financed by the Government Fund and a portion of the proceeds of the JBIC Loan to eligible payment under this CONTRACT in accordance with the Loan Agreement VN IX-4 dated 29 March, 2002 and the Minutes of Discussion on 2 October, 2001 between MOT and JBIC for Hai Van Pass Tunnel Construction Project.

AND WHEREAS, the Consultant has agreed to provide the Services required for the NATM Program on the terms and conditions set forth in this ADDENDUM NO. 3;

NOW THEREFORE, it is mutually agreed by and between the parties hereto as follows:

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1. General Condition of the Contract

CLAUSE 6 PAYMENT TO THE CONSULTANT

6.1 Contract Amount

- (a) of the ADENDUM NO.2 shall be deleted and replaced in its entirety with the following;
- (a) The Contract Amount under this Contract comprises foreign cost component of Japanese Yen Seven Hundred Sixty Seven Million Two Hundred Sixty One Thousand Only (Y767,261,000) and US Dollar Five Million One Hundred Seventy Three Thousand Only (US\$5,173,000), and local cost component comprises US Dollar Three Million Two Hundred Sixty Two Thousand Only (US\$3,262,000) and Vietnamese Dong Six Billion One Hundred Fifty Eight Million and Nine Hundred Thousand Only (VND6,158,900,000)

6.2 Terms of Payment

Clause 6.2.3 of the Addendum No. 2 shall be deleted and replaced in its entirety with the following;

6.2.3 Tendering and Construction Supervision Stage

Payment to the Consultant shall be made for the Services during the Tendering and Construction Supervision Stage up to the amount of Y598,050,144 and US\$3,019,694 for foreign cost component and US\$1,964,493 and VND5,599,000,000 for local cost component, breakdown of which is set forth in Appendix 2D in the ADDENDUM NO.2 and breakdown of the additional amount for Training and Technology Transfer Program is set forth in Appendix 3D in the ADDENDUM NO.3.

6.5 Method of Payment

6.5.5 Method of Payment for Tendering and Construction Supervision Stage

- (b) of the Original Contract shall be deleted and replaced in its entirety with the following;
- (b) Payment for the NATM services will be made in two (2) installments as follows:

(1) 1st Payment

An amount of Japanese Yen Six Million Seven Hundred and Thirty Thousand only (JY 6,730,000) and Vietnamese Dong One Hundred Sixty Six Million and Five Hundred Thousand only (VND 166,500,000) shall be paid upon completion of the Course A training, against the Statement of Account and the Claim for Payment prepared by the Consultant and a Certificate of Completion of the said training course signed by both Parties.

(2) 2nd Payment

The remaining amount of Japanese Yen Four Million Seven Hundred and Thirty Thousand only (JY 4,730,000) and Vietnamese Dong Five Billion Four Hundred Thirty Two Million and Five Hundred Thousand only (VND 5,432,500,000) will be paid upon completion of the Course B training, against the Statement of Account and the Claim for Payment prepared by the Consultant and a Certificate of Completion of the said training course signed by both Parties.

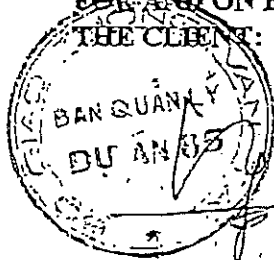
(c) Final Monthly Progress Payment

Final Monthly Progress Payment both for foreign and local cost component shall be made against the completion certificate of the Services issued by the Client and an Invoice together with the statement of account prepared by the Consultant for the costs incurred in the last month calculated in accordance with the terms of payment in Clause 6.2 and certified by the Client.

All contents of the Original Contract, Addendum No.1 and Addendum No. 2 not specifically modified by this ADDENDUM NO. 3 shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this ADDENDUM NO. 3 in duplicate in English, in their respective names as of the day and year first above written.

FOR AND ON BEHALF OF
THE CLIENT:



Nguyen Ngoc Tran
General Director
Project Management Unit No. 35

FOR AND ON BEHALF OF
THE CONSULTANT:

Ichizuru Ishimoto
Project Manager
Hai Van Pass Tunnel Construction Project

List of Appendices

Appendix 3A: Terms of Reference for NATM Training Program

Appendix 3B: Implementation Schedule for NATM Training Program

Appendix 3D: Summary and Breakdown of Additional Amount for NATM Training Program and Revised Contract Amount

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**TERMS OF REFERENCE
FOR
TRAINING AND TECHNOLOGY TRANSFER PROGRAM
FOR
NEW AUSTRIAN TUNNELING METHOD (NATM)
UNDER
HAI VAN PASS TUNNEL CONSTRUCTION PROJECT**

1. Description of NATM

The New Austrian Tunneling Method (NATM) is applied for the design and construction of the Hai Van Pass Tunnel.

The NATM was developed by Austrian engineers such as RABCEWICZ from 1957 to 1965. The principles of the method is that observations should be undertaken to confirm that the support is adequately stabilizing the surrounding ground, so that the rate of convergence towards the tunnel is perceived to be approaching an asymptotic value. Where, after initial support, this is not assured, further support may be applied incrementally. Thus, the principle of the system may be described as that of 'incremental support'.

The essence of design of a system of incremental support is to understand the stress-strain properties of the ground and of the tunnel support since, essentially, controlled strain of the ground has to occur in order to develop a changed stress field in the ground around the tunnel compatible with the degree of support.

The NATM has now gained general acceptance in the engineering world through the years of construction practice in various fields such as highway, railway, and waterway.

Taking advantage of the NATM application in the Project, the Government of the Socialist Republic of Vietnam (GOV) has decided to carry out the Training and Technology Transfer Program (the Program) in the scope of the Project and is requesting a technical assistance from the Government of Japan (GOJ) through Japan Bank for International Cooperation (JBIC) for the Program.

2. OBJECTIVES OF TRAINING

The objectives of the training are:

- (1) To provide a general knowledge of NATM including the theory and various applications through the lectures.
- (2) To introduce the design method of NATM including basic planning, investigation, support system, portal, disaster prevention, tunnel drainage, tunnel facilities and construction planning.
- (3) To introduce the construction method of NATM at the construction site including the NATM work sequence and its instrumentation and measurement method.

3. PLACE OF TRAINING

The training will be executed near the construction site of the Project in order to demonstrate the actual construction practice at site whenever required.

4. SCOPE OF THE TRAINING

In order to achieve the objectives mentioned above, the Program shall execute the following two courses:

Course A: Design Method of NATM

Course No.	A
Course Title	Design Method of NATM
Duration	1 Month
Place	Da Nang City, Vietnam
Lecturer/Trainer	Consultants (NK, LBG, JV)
Participants	MOT (1), MOC (1), TEDI (4), Song Da (2), Cienco6 (2), Others (5) Total 15
Target	To gain theory, planning and design method of NATM
Contents	1. Introduction of NATM 2. Theory of NATM 3. Basic Planning 4. Geological Investigation 5. Design of Support System 6. Design of Portal 7. Design of Disaster Prevention 8. Design of Tunnel Drainage 9. Design of Other Facilities 10. Construction Planning

Course B: Construction Method of NATM

Course No.	B
Course Title	Construction Method of NATM
Duration	1 Month
Place	Lang Co Town, Thua Thien Hue Province, Vietnam
Lecturer/Trainer	Contractor (Hazama)
Participants	Song Da (6), Cienco6 (6), Others (8) Total 20
Target	To gain construction knowledge and practical skill of NATM
Contents	<ol style="list-style-type: none">1. Outline2. Construction Planning3. Excavation4. Shotcrete5. Rock Bolt6. Steel Rib7. Lining8. Invert9. Drainage10. Instrumentation and Measurement11. Environmental Protection

5. SCHEDULE OF THE TRAINING

The Training Program will start in November 2002 and last until May 2004 as shown in the Appendix - 3B.

6. ESTIMATED COST OF THE PROGRAM

The Estimated Cost Summary and Breakdown are set forth in the Appendix - 3D.

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APPENDIX 3D

**SUMMARY AND BREAKDOWN OF
ADDITIONAL AND REVISED
CONTRACT AMOUNT**

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Summary of Revised Contract Amount
Addendum No. 3 to the Contract
Hai Van Pass Tunnel Construction Project

Consulting Service		Original Cost	Addendum No. 2 Additional Amount	Addendum No. 3 Additional Amount	Revised Total Contract Amount
I. Special Survey					
A. Special Survey Stage					
Foreign Cost Component					
Japanese Yen	Remuneration	10,222,500.00	0	0	10,222,500
	Direct Cost	2,292,380.00	0	0	2,292,380
	Physical Continge	625,120	0	0	625,120
	Total of I	JPY 13,140,000	0	0	13,140,000
US Dollar	Remuneration	39,780	0	0	39,780
	Direct Cost	232,206	0	0	232,206
	Physical Cpnrtige	13,014	0	0	13,014
	Total of I	USD 285,000	0	0	USD 285,000
Local Cost Component					
	Remuneration	8,550	0	0	8,550
	Direct Cost	228,410	0	0	228,410
	Physical Continge	11,040	0	0	11,040
	Total of I	USD 248,000	0	0	USD 248,000
II. Consulting Services					
B. Detailed Design Stage					
Foreign Cost Component					
Japanese Yen	Remuneration	42,411,500	51,298,300	0	93,709,800
	Direct Cost	16,639,952	9,253,920	0	25,893,872
	Total	JPY 59,051,452	JPY 60,552,220	0	JPY 119,603,672
US Dollar	Remuneration	459,532	876,527	0	1,336,059
	Direct Cost	128,232	179,654	0	307,886
	Total	USD 587,764	USD 1,056,181	0	USD 1,643,945
Local Cost Component					
	Remuneration	73,150	50,749	0	123,899
	Direct Cost	552,334	231,923	0	784,257
	Total	USD 625,484	USD 282,672	0	USD 908,156
C. Tendering and Construction Supervision Stage					
Foreign Cost Component					
Japanese Yen	Remuneration	282,073,000	211,301,000	7,500,000	500,874,000
	Direct Cost	50,458,480	9,720,116	3,960,000	64,138,596
	Price Escalation	13,816,000	19,221,548	0	33,037,548
	Total	JPY 346,347,480	JPY 240,242,664	JPY 11,460,000	JPY 598,050,144
US Dollar	Remuneration	1,770,250	806,528	0	2,576,778
	Direct Cost	239,559	23,767	0	263,326
	Price Escalation	224,715	-45,125	0	179,590
	Total	USD 2,234,524	USD 785,170	USD 0	USD 3,019,694
Local Cost Component					
US Dollar	Remuneration	342,000	133,950	0	475,950
	Direct Cost	1,101,716	319,446	0	1,421,162
	Price Escalation	36,854	30,527	0	67,381
	Total	USD 1,480,570	USD 483,923	USD 0	USD 1,964,493
Local Cost Component					
	Remuneration	0	0	111,000,000	111,000,000
Vietnamese Dong	Direct Cost	0	0	5,488,000,000	5,488,000,000
	Price Escalation	0	0	0	0

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	Total	VND 0	VND 0	VND 5,599,000,000	VND 5,599,000,000
Total of B+C					
Foreign Cost Component					
Japanese Yen		JPY 405,398,932	JPY 300,794,884	JPY 11,460,000	JPY 717,653,816
US Dollar		USD 2,822,288	USD 1,841,351	USD 0	USD 4,663,639
Local Cost Component					
US Dollar		USD 2,106,054	USD 766,595	USD 0	USD 2,872,649
Vietnamese Dong		VND 0	VND 0	VND 5,599,000,000	VND 5,599,000,000
Physical Contingency					
Foreign Cost Component					
Japanese Yen		JPY 20,270,068	JPY 15,051,116	JPY 1,146,000	JPY 36,467,184
US Dollar		USD 141,712.00	USD 82,649.00	USD 0.00	USD 224,361.00
Local Cost Component					
US Dollar		USD 105,946.00	USD 35,405.00	USD 0.00	USD 141,351.00
Vietnamese Dong		VND 0	VND 0	VND 559,900,000	VND 559,900,000
Total of II					
Foreign Cost Component					
Japanese Yen		JPY 425,669,000	JPY 315,846,000	JPY 12,606,000	JPY 754,121,000
US Dollar		USD 2,964,000.00	USD 1,924,000.00	USD 0.00	USD 4,888,000.00
Local Cost Component					
US Dollar		USD 2,212,000.00	USD 802,000.00	USD 0.00	USD 3,014,000.00
Vietnamese Dong		VND 0	VND 0	VND 6,158,900,000	VND 6,158,900,000
Grand Total					
Foreign Cost Component					
Japanese Yen		JPY 438,809,000	JPY 315,846,000	JPY 12,606,000	JPY 767,261,000
US Dollar		USD 3,249,000.00	USD 1,924,000.00	USD 0.00	USD 5,173,000.00
Local Cost Component					
US Dollar		USD 2,460,000.00	USD 802,000.00	USD 0.00	USD 3,262,000.00
Vietnamese Dong		VND 0	VND 0	VND 6,158,900,000	VND 6,158,900,000

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C. TENDERING & CONSTRUCTION SUPERVISION STAGE

Table C-1. BREAKDOWN OF ADDITIONAL COST (Course A)
FOR NATM TRAINING PROGRAM
Foreign Currency Portion
(Expressed and Payable in Japanese Yen)

Unit: JPY

I. Remuneration (Monthly Billing Rate)

Position (Expatriate Staff)	B/R	M/M	Amount
1 Lecturer (A)	2,500,000	1.00	2,500,000
2 Coordinator (A)	2,500,000	0.50	1,250,000
Sub-total (I)			3,750,000

II. Direct cost

Description	Unit Rate	Quantities	Amount
1 Transportation Cost			
a) International Air Fare (Reimbursable) (Tokyo-Hanoi, RT, Economy class)	300,000	2 trips	600,000
b) Excess Baggage (Unit Rate) (Tokyo-Hanoi, RT)	100,000	2 trips	200,000
c) Miscellaneous Travel Expense (Unit Rate)	50,000	2 trips	100,000
2 Textbook (Lump Sum)	100,000	1 set 20 persons	2,000,000
5 Communication Cost (Lump Sum)			
International Communication Cost	80,000	1 month	80,000
Sub-total (II)			2,980,000
Grand Total (I+II)			6,730,000

C. TENDERING & CONSTRUCTION SUPERVISION STAGE

**Table C-2. BREAKDOWN OF ADDITIONAL COST (Course A)
FOR NATM TRAINING PROGRAM
Local Currency Portion
(Expressed and Payable in Vietnamese Dong)**

I. Remuneration (Monthly Billing Rate)

				Unit: VND
Position	(Local Staff)	B/R	M/M	Amount
Vietnamese Coordinator		37,000,000	2.00	74,000,000
Sub-total (I)				74,000,000

II. Direct Cost

				Unit rate	Quantity	Amount
1 Transportation cost in Vietnam for Lectures						
a) Domestic Airfare (Reimbursable)						
	(Hanoi-Danang / Hochiminh-Danang)	2,500,000	2 trips			5,000,000
b) Excess Baggage Charge						
	(Unit Rate)	2,000,000	2 trips			4,000,000
c) Miscellaneous Travel Expense						
	(Unit Rate)	500,000	2 trips			1,000,000
2 Accomodation in Danang (Unit Rate)						
	Lectures	1,500,000	1 pax	30 days		45,000,000
	Coordinator	1,500,000	1 pax	15 days		22,500,000
3 Communication Cost (Lump Sump)						
	International Communication Cost	10,000,000				10,000,000
	Domestic Communication Cost	5,000,000				5,000,000
Sub-total (II)						92,500,000
Grand Total (I+II)						166,500,000

C. TENDERING & CONSTRUCTION SUPERVISION STAGE

Table C-3. BREAKDOWN OF ADDITIONAL COST (Course B)
FOR NATM TRAINING PROGRAM
Foreign Currency Portion
(Expressed and Payable in Japanese Yen)

Unit: JPY

I. Remuneration (Monthly Billing Rate)

Position (Expatriate Staff)	B/R	M/M	Amount
1 Construction Specialist	2,500,000	1.00	2,500,000
2 Coordinator	2,500,000	0.50	1,250,000
Sub-total (I)			3,750,000

II. Direct cost

Description	Unit Rate	Quantity	Amount
1 Transportation Cost			
a) International Airfare (Reimbursable) (Tokyo-Hanoi, RT, Economy Class)	300,000	2 trips	600,000
b) Excess Baggage Charge (Unit Rate) (Tokyo-Hanoi, RT)	100,000	2 trips	200,000
c) Miscellaneous Travel Expense (Unit Rate)	50,000	2 trips	100,000
2 Communication Cost (Lump Sum)			
International Communication Cost	80,000	1 month	80,000
Sub-total (II)			980,000
Grand Total (I+II)			4,730,000

C. TENDERING & CONSTRUCTION SUPERVISION STAGE

C-4. BREAKDOWN OF ADDITIONAL COST (Course B)
 FOR NATM TRAINING PROGRAM
 Local Currency Portion
 (Expressed and Payable in Vietnamese Dong)

I. Remuneration (Monthly Billing Rate)

				Unit: VND
Position	(Local Staff)	B/R	M/M	Amount
Vietnamese Coordinator		37,000,000	1.00	37,000,000
Sub-total (I)				37,000,000

II. Direct Cost

		Unit rate	Quantity		Amount
1	Transportation cost in Vietnam for Lectures				
a)	Domestic Airfare (Reimbursable) (Hanoi-Danang / Hochiminh-Danang)	2,500,000	2 trips		5,000,000
b)	Excess Baggage (Unit Rate)	2,000,000	2 trips		4,000,000
c)	Miscellaneous Travel Expense (Unit Rate)	500,000	2 trips		1,000,000
2	Accommodation in Lang Co (Unit Rate)				
	Lectures	1,000,000	1 pax	30 days	30,000,000
	Coordinator	1,000,000	1 pax	15 days	15,000,000
3	Site Gear for Lecturer / Trainees (Lump Sum)	1,500,000	1 set	17 persons	25,500,000
4	NATM Instrumentation Equipment for Training (Reimbursable)	5,000,000,000	1 set		5,000,000,000
5	Textbook (Lump Sum)	15,000,000	1 set	20 persons	300,000,000
6	Communication Cost (Lump Sum)				
a)	International Communication Cost	10,000,000			10,000,000
b)	Domestic Communication Cost	5,000,000			5,000,000
Sub-total (II)					5,395,500,000
Grand Total (I+II)					5,432,500,000