
Vietnam approves loans for Vinashin

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Vietnam News Agency reported that Mr Nguyen Sinh Hung deputy prime minister of Vietnam has allowed the Vietnam ship building Industry Group to access financial resources totaling more than USD 1.18 billion to realize its key projects.

Of the funds, Vinashin will be permitted to issue corporate bonds worth VND 3 trillion and get commercial loans from local banks for VND 10 trillion. In addition, it will be permitted by the government to access foreign commercial loans valued at USD 400 million.

The financial resources will be used to implement ship making contracts for overseas partners, deals with the Viet Nam National Oil and Gas Group, projects for the Dung Quat ship making factory in the central province of Quang Ngai and other infrastructure construction works.

Mr Hung asked the Vinashin management board to scrutinize all important projects, build up specific routes for each project to find out appropriate commercial loans and then work with each bank for financing.

According to the deputy prime minister's requirement, the Viet Nam Development Bank and commercial banks will take responsibility for carrying out commitments with Vinashin, specially warranting essential financial resources for its contracts.

Particularly, the Bank for Investment & Development of Viet Nam will bankroll some VND 2.7 trillion, the Viet Nam Bank for Industry & Trade funds VND 2 trillion, around VND 3 trillion from VDB, VND 2 trillion from the Bank for Agriculture & Rural Development and other financial institutions will handle the remaining VND 300 billion.

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