

SOME INVESTMENT COSTS IN DANANG

1. SOME FEES:

Investment Certificate		Free of charge
Certificate of land use rights (without houses and properties attached to land) (Circular No. 02/2014/TT-BTC dated 02/01/2014)	VND/ certificate	100,000
Working permit (Resolution 104/2015/NQ-HDND)	VND/ permit	600,000
Construction License cost (Decision 12/2008/QD-UBND)	VND/ permit	100,000
Seal registration (Circular No.193/2010/TT-BTC)	VND/ seal	50,000
Minimum salary for unskilled workers (Decree No. 122/2015/ND-CP dated 14/11/2015)	VND/person/ month	2,400,000 - 3,500,000

2. ELECTRICITY COSTS (Decision No. 2256/2015/QD-BCT dated 12/3/2015)

For manufacturing	VND/Kwh	869 – 2,735
For services	VND/Kwh	1,185 – 3,991
For IZs	VND/Kwh	818 – 2,395

* VAT included

3. WATER COSTS (Decision No. 06/2014/QD-UBND dated 27/01/2014)

For manufacturing	VND/m ³	8,900
For services	VND/m ³	13,500

* VAT included

4. LAND RENTALS IN INDUSTRIAL ZONES AND HI-TECH PARK

	Land rental	Methods of payment
Industrial zones		
Expanded Hoa Khanh	805,600/m ² /project	One-off payment for whole project life
Lien Chieu	763,200/ m ² /project	
Hoa Cam	737,000/ m ² /project	
Seafood Processing	8,400 – 12,600/m ² /year	Depending on methods of payment (Decision No. 799/QD-UBND dated 20/01/2012)
<i>Factory rental</i>		
Expanded Hoa Khanh	63,600/m ² /month	
Lien Chieu		
<i>Infrastructure usage fee</i>		
Expanded Hoa Khanh	8,480/m ² /year	
Lien Chieu		
Hoa Cam	13,000/m ² /year	
Hi-tech Park (Decision No. 35/2013/QD-UBND dated 13/11/2013)		
<i>Production project</i>	8,400/m ² / year	Annual payment
	7,350/m ² / year	Every ten years
	5,250/m ² / year	One-off payment for whole project life
<i>Service project</i>	10,500/m ² / year	Annual payment
	9,450/m ² / year	Every ten years
	7,350/m ² / year	One-off payment for whole project life
<i>Infrastructure usage fee</i>	4,200/m ²	
<i>Waste water treatment fee</i>	4,200 – 6,300/m ³	
Software Park (VAT excluded)		
<i>IT projects</i>		Suite leasing
		Floor leasing
<i>Non-IT projects</i>		Suite leasing
		Floor leasing

5. INTERNET FEES (Mega VNN)

		Fees
Installation fee		
<i>Existing telephone line</i>	<i>80,000 – 100,000</i>	VND/line
<i>New telephone line</i>	<i>200,000 – 500,000</i>	
Usage fee (depending on the package)		
<i>Calculated by capacity usage</i>		
✓ <i>Subscription fee</i>	<i>24,000 – 200,000</i>	VND/month
✓ <i>Cost per 01 MB</i>	<i>18.1 – 60</i>	VND/Mb
✓ <i>Maximum payment</i>	<i>200,000 – 1,600,000</i>	VND/ month
<i>Full package</i>	<i>150,000 – 1,400,000</i>	VND/ month

6. LABOR COSTS (Decree No. 122/2015/ND-CP dated 14/11/2015)

Minimum wages for labors	
Zone 01 (some districts in Ha Noi, Ho Chi Minh, Hai Phong, Bien Hoa...)	3,100,000 VND/ month
Zone 02 (Da Nang, Hue, Nha Trang, Quang Ninh, and the remaining districts in Ha Noi, Ho Chi Minh...)	2,750,000 VND/ month
Zone 03	2,400,000 VND/ month
Zone 04	2,150,000 VND/ month
Other costs paid by enterprises (As a percentage of total income)	
Social insurance	18%
Health insurance	3%
Unemployment insurance	1%

7. SHIPPING COSTS:

Route	Container	Cost (USD/Cont)
Da Nang – Hai Phong (310 nautical miles)	20'/40'/40hc	350/610
Da Nang – Ho Chi Minh (520 nautical miles)	20'/40'/40hc	250/340
Da Nang – Hong Kong (550 nautical miles)	20'/40'/40hc	80/160
Da Nang – Singapore (960 nautical miles)	20'/40'/40hc	180/360
Da Nang – Taiwan	20'/40'/40hc	200/400

** For reference only. Investors should consult service providers for updated information*