

Upgrade the Cho Gao canal: Review the scale and capital resources

By GTVT, 07 Mar 2013

Upgrades of the Cho Gao canal is an especially important project to overcome overloading, congestion and to respond timely to shipping needs on the arterial channel connecting Tien Giang with Ho Chi Minh City. At the meeting with investors, consultants and local authorities were also with the participation of representatives of the Ministry of Planning and Investment, and the Ministry of Finance,

The arterial channel

According to Project Management Unit of Southern Inland Waterways and Portcoast Consultant Corporation, the Cho Gao canal is one of the arterial channels of Vietnam connecting Tien Giang with Ho Chi Minh City and the provinces in the Mekong Delta. The total length of the canal is 28.6km including 3 sections, in which, the length of each section are as follows, Rach La section - 10.2km, Cho Gao – 11.6km and Rach Ky Hon – 6.8km. Since 2005, transportation on the Cho Gao canal has have sudden developments in traffic and freight load. Statistics show that per day about 1,400 vessels with freight load of 200DWT – 1,000DWT circulate on the canal and during peak days traffic can reach 1,800 vessels per day. Under these circumstances, traffic congestion and incidents from collisions, boats and barge flip-over has occurred frequently. In addition, erosions on the banks of the canal has also been occurring more frequently, causing significant loss in properties.



The Cho Gao canal is currently overloaded and needs investment in upgrading.

On the project implementation progress, the Management Unit of Southern Inland Waterways also said that the preparation of technical design documents has currently been verified and approved of Phase 1 by the investors. Land clearance in local areas has implemented the work of inventory, taking measurements and price quotation. For solutions on capital resources to upgrade and renovate the Cho Gao canal according to the objectives and needs of economic

development in the region, while ensuring social security in the area, the Management Unit of Southern Inland Waterways and Portcoast Consultant Corporation has proposed 3 options. In particular, option 1 will supplement government bond funds to complete the project of upgrading the Cho Gao canal by adjusting the total investment of Phase 1, estimated at 3,297 million VND. Option 2 will implement the project in the form of BT, investing in the upgrade of the canal by adjusting the total investment of Phase 1, estimated at 3,297 million VND. As for option 3, the project will be implemented with ODA resources, which is of interest to the World Bank by researching the overall route from the port of Phu My passing through the Cho Gao canal into the port of Can Tho.

Determined to complete by 2015

Mr. Nguyen Van Khang, Chairman of the People's Committee of Tien Giang province said, the Cho Gao canal isn't only important to Tien Giang but also a transportation artery connecting the Mekong Delta with the South East region and Ho Chi Minh City. The decision to invest in the upgrades for the Cho Gao canal is very realistic and urgent. Moreover, the project has a complex scale and large capital investment; in the context of limited resources, investment poses to be a difficult problem. The People's Committee of Tien Giang province is committed to working with the Ministry of Transport and the authorities in deploying the most effective plan.

Speaking at the meeting, Minister Dinh La Thang said that the preparation for the project has been very slow. At first, the proposed project investment scope was too high. After Resolution No.11 is issued by the Government, the Ministry of Transport will have to re-calculate the scale and total investment.

The Minister asked Deputy Minister Nguyen Ngoc Dong and related units to urgently urge investors and contractors to soon complete the new Cho Gao bridge, as well as to dismantle the old bridge within 04/2013. On the basis of operating the new bridge and the actual situation, Portcoast Consultant is to re-establish the investment project, identify the needs and scope of the project and to propose reasonable investment for each phase. The Department of Planning and Investment is to work closely with the Ministry of Planning and Investment to identify and propose specific funding for the immediate period and the phases after. "The main immediate task of the project is to concentrate on removing the black spots on the canal in which accidents occur, at the same time, install road embankments on both sides of the canal to ensure traffic safety for vehicles and properties of the people. The authorities need to implement strict determination to guarantee the completion of the plan by 2015 under the direction of the Prime Minister" – as required by Minister Dinh La Thang.

Duc Thang.