



## **Korean Model of Industrial Complex to be Implemented in Vietnam**

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The Ministry of Land, Infrastructure and Transport (MOLIT, Minister PARK SANG-woo) dispatched a delegation to Vietnam from 23 to 25 November to attend a ceremony marking the successful completion of the "Clean Industrial Complex" in Hung Yen Province, and to carry out preliminary agreements between Korea Land & Housing Corporation (LH) and private companies being interested in the project of "Southeast New City" in Bac Ninh Province.

The Clean Industrial Complex in Hung Yen Province has been developed through a joint venture (VTK: Vietnam Together Korea) between a Korean consortium (75%)\* comprising the LH and the Korea Overseas Infrastructure & Urban Development Corporation (KIND), and others, and Vietnam's TDH Ecoland (25%), on a scale of 1.431 million square meter (approx. 430 pyeong) with a focus on facilitating the operations of Korean companies entering into Vietnam.

\* LH (35%), KIND (25%), KBI Construction (10%), Shinhan Bank (5%)

The Clean Industrial Complex project began in April 2017, following a memorandum of understanding (MOU) between LH and Hung Yen Province, and has proceeded smoothly under the friendly industrial and economic cooperation between Korea and Vietnam. Currently, around 20 Korean companies have signed contracts to set up operations in the complex, which is expected to serve as a vital export base for Korean businesses.



At the ceremony for the successful completion of the industrial complex held on the afternoon of 23 November, there were key figures in attendance, including senior officials from the Vietnamese government and heads of LH, KIND, and other relevant institutions, as well as representatives from Korean businesses and the Korean community in Vietnam, along with congratulatory speeches from the Minister of MOLIT, awarding for those who contributed to the project's success.

In addition, based on the MOU of the '2<sup>nd</sup> Industrial Complex Development Cooperation' signed between LH and Hung Yen Province, MOLIT and LH are going to develop additional industrial complex, including a review of the four candidate sites proposed by Hung Yen Province.

Meanwhile, as part of the Urban Growth Partnership Program (UGPP)\* between the two countries, Korean government is moving forward with its first project, the 'Southeast New City (800 hectares, similar in scale to Pangyo New Town in Korea)' signing the MOU between LH and over 20 public and private companies interested in participating in the project.

\* The UGPP is a G2G cooperation project that utilizes Korea's urban development expertise to help Vietnam address its urban challenges. In June 2023, the Korean and Vietnamese governments, with the presence of both leaders, signed an MOU between LH and five Vietnamese provinces, including Bac Ninh.

In line with Vietnam, Korean government and LH are currently conducting market research and feasibility studies for the Southeast New City project, and the MOU this time is expected to accelerate discussions with private sectors establishing a strategic public-private consortium to be selected as a key investor for the large-scale development project around the end of 2025.