



Ministry of Land,
Infrastructure and Transport

Kicking off the First Korean Type of Industrial Complex in Vietnam

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To support for resolving difficulties of Korean companies for entering Vietnam, such as outstanding receivables and delays in licensing

The Ministry of Land, Infrastructure and Transport (MOLIT, Minister WON Hee-ryong) and Korea Land & Housing Corporation (LH, CEO LEE Han-jun) announced that a groundbreaking ceremony was held for the Clean Industrial Complex in Hung Yen, Vietnam on Fri. 25 November in the presence of Metropolitan Transport Commission Chairman LEE Seong-hae, LH CEO LEE Han-jun, Korean Ambassador to Vietnam OH Young-joo, Nguyen Huu Nghia, Hung Yen Governor Tran Quoc Van, and officials from the Vietnam Ministry of Construction.

The Clean Industrial Complex in Hung Yen is the first ever Korean type of industrial complex for Korean companies entering Vietnam. A joint venture established through mutual investments between Korean consortium* (75%), including LH·KIND and TDH Ecoland (25%) plans to complete the construction of the complex with 1,431,000 m² in Hung Yen Province, where is 36 km away to the southeast of Hanoi, by September 2024.

* Korean consortium: LH (35%), KIND (25%), KBI Construction (10%), Shinhan Bank (5%)

Around 60 Korean companies that will move into this industrial complex are going to invest about USD 400 million in construction and facilities, and to

receive comprehensive (one-stop) services including administration, finance, and taxation-related services from the initial stage of their moving in.

At the groundbreaking ceremony, Chairman Lee said, “This event is more meaningful in that the construction of Korean-style industrial complex as the fruit of G2G cooperation between the two countries starts off this year, which marks the 30th anniversary of diplomatic ties between Korea and Vietnam. I hope this complex will function as a platform for Korean companies to entering Vietnam and a successful model for economic cooperation between the two countries.”

LH CEO Lee also mentioned, “The Clean Industrial Complex in Hung Yen is a project, which has been planned with the intention of creating a ‘Korean industrial complex’ located in Vietnam for Korean companies to move in. It becomes the Korean model where Korean companies participate in all areas including design, construction (Gyeryong Construction Consortium), and operation as supporting Korean companies entering the Vietnamese construction market. I hope this project will serve as an opportunity to promote exchanges and cooperative relations between the two countries in various fields.”

In the meantime, after attending the groundbreaking ceremony, Chairman Lee held a meeting with Hanoi Deputy Mayor Duong Duc Tuan and asked for active cooperation from the city of Hanoi to resolve the difficulties of Korean companies, such as the delay in licensing for the social housing in Hanoi, Hyundai E&C’s compensation for the delay related to Hanoi Metro Line 3, and the delays in licensing for Hanoi Lotte Mall, and in approval of Hanoi Star Lake complex shopping mall, etc.

On Sat. 26 November, an agreement* will be signed between LH and TDH Ecoland, a local partner in Vietnam, for the Hung Yen Industrial Complex Phase 2 Preliminary Project. They will visit the sites of Hanoi Lotte Mall** and Star Lake New Town*** to encourage Korean construction entrepreneurs and to listen to their difficulties as a part of their plan to actively support them in winning of contracts and to resolve their difficulties.

* Agreement on roles and obligations between project participants for the implementation of the Phase 2 Industrial Complex (located 2 km away to the north from the clean industrial complex with 2.6 million m², costing approximately KRW 220 billion and created as a smart green industrial complex)

** (Project Entity) Lotte Properties Hanoi (Cost) USD 600 million (Period) 2016~2023 (open), planned to be operated after opening

*** (Project Entity) THT Development Co. (Cost) USD 3.1 billion (Period) 2010~2028

[Attachment 1. Overview of Clean Industrial Complex Project in Hung Yen]

- Location: Litong Quet, Hung Yen Province, 36 km to the southeast of Hanoi, Vietnam
- Area: 1,431,000m²
- Developers: VTK (Vietnam Together Korea) Hung Yen Industrial Park Investment and Development Limited Liability Company (local joint venture in Vietnam)
- Investors: LH (35%), KIND (25%), KBI Construction (10%), Shinhan Bank (5%), TDH Ecoland (25%)
- Period: 2021 (venture establishment) ~ 2071 (liquidation)
- Schedule (Plan)
 - ‘17.04: MOU signed for Industrial City Development Cooperation in Hung Yen (LH↔Hung Yen Province ↔ Eco Park)
 - * (Purpose of the agreement) Cooperation in the development of Hung Yen industrial city (total area of about 9 million Pyeong)
 - ‘18.02: MOA signed for the selection of priority project district (Hung Yen Industrial Complex) (LH↔TDH Ecoland)
 - ‘19.08: Preliminary Implementation Agreement (PIA) signed (LH↔TDH Ecoland)
 - ‘20.06: Vietnam Local Development Plan (D/P) approved
 - ‘21.01: Joint Venture Agreement (JVA) signed between 5 developers
 - ‘21.07: Local Investment Decision (IPD) approved in Vietnam
 - ‘21.09: Local joint venture established in Vietnam
 - ‘22.09: Construction started off
 - ‘24.09: Construction will be completed

[Attachment 2. Location Map, Land Use Plan, Aerial View]

□ Location Map



□ Phase-by-Phase Project Promotion



* (Phase 1) Clean Industrial Complex in Hung Yen, 1,431m², scheduled to be completed in the second half of 2024

(Phase 2) Industrial Complex Area 1 in Hung Yen, 2,638,000m², construction scheduled to begin in 2024, smart green industrial complex creation

(Phase 3) Urban area, 3,700,000m², plan undecided, creation of smart city near direct location

□ Aerial View

