



Ministry of Land,  
Infrastructure and Transport

**Release Date:** FOR IMMEDIATE RELEASE

**Contact:** Kim Song-yi(044-201-3536/Overseas Construction Supporting Division)

**Homepage:** <http://www.molit.go.kr/english/intro.do>

**A long-held economic partnership bears fruits.  
Korea and Vietnam celebrates the beginning of a flagship joint project.**

The ceremony marking the beginning of the Clean Industrial Park Development Project in Hung Yen took place in Hanoi on July 7.

The industrial park project is the flagship project agreed between the governments of Korea and Vietnam at the bilateral summit held during the 2019 ASEAN-ROK Commemorative Summit. It is also a major project pursued as part of the New Southern Policy Plus, Korea's policy toward ASEAN upgraded earlier that year.

The discussion of bilateral cooperation on the project started in 2017. The commencement ceremony on July 7 will formally inaugurate the project, initiating the procedures in the lead up to construction, including land acquisition and compensation and distribution of the acquired land to the Korean companies moving into the industrial complex as well as the construction itself.

Located in Ly Thuong Kiet, an industrial city in the Hung Yen Province, the Clean Industrial Park Development Project aims to create a Korean style industrial park for Korean companies. Under the joint venture structure, the Korean consortium formed between the Korea Land and Housing Corporation (LH), the Korea Overseas Infrastructure and Urban Development Corporation (KIND), the KBI Construction Group, and the Shinhan Bank will develop the project with its Vietnamese counterpart led by the TDH Ecoland, a member company of the Ecopark Group.

Both countries stand to benefit from the brand new industrial park. For Korean companies, they would have a manufacturing base in a prime location of Vietnam with ready access to basic infrastructure, convenient transport link and local workforce available. As for Vietnam, benefits from the project, ranging from attraction of 60 Korean companies to the industrial park, direct inbound investment from project worth around \$400million and creation of 10,000 local jobs, will contribute to economic growth in the country.

Dignitaries attending the ceremony included Yun Seon-won, Vice Minister of the Ministry of Land, Infrastructure and Transport of Korea(MOLIT), who led the official delegation that attended the ceremony, Park Noh-wan, Korean Ambassador to Vietnam, and Jang Choong-mo, Executive Vice President of the Korea Land and Housing Corporation. Attending from the Vietnamese side were Tran Quoc Van, Chairman of the Provincial Party Committee and Le Thanh Quan, Director General of the Ministry of Investment and Planning.

Speaking at the ceremony, the guests applauded the Clean Industrial Park Development Project as the culmination of the long-term efforts by the two governments to foster economic ties between the two countries. Given the 30<sup>th</sup> anniversary of diplomatic ties next year, the guests also expressed hopes for more joint projects like the industrial park in the future for mutual economic benefits and continued friendship.

Meanwhile, Vice Minister Yun Seon-won had a marathon of meetings during his stay in Vietnam to

discuss cooperation on infrastructure development and show his support for the Korean companies in Vietnam.

Since the first construction project in 1966, Vietnam has grown into the second biggest construction market in Asia and the fifth largest in the world by value of the construction contracts won by Korea. Korean E&C companies are keenly interested in venturing to Vietnam as a pipeline of large-scale infrastructure projects is expected to come out to cope with the rising demand for infrastructure spurred by economic expansion.

On July 6, Vice Minister Yun met with Deputy Minister Bui Hong Minh of the Ministry of Construction of Vietnam and Vice Chairman Duong Duc Tuan of the Hanoi People's Committee to discuss cooperation on smart city and public housing development. At his meetings with the Vietnamese Transport Deputy Minister Le Anh Tuan and Vu The Phiet, CEO of the Airports Corporation of Vietnam on July 7 and 8, the Vice Minister will relay the interest of Korean companies in the upcoming projects including the Long Thanh International Airport Project (Phase 1) and the Ho Chi Minh Metro Line 2 Project.

Commenting on the Clean Industrial Park Development Project, Vice Minister Yun said, "The commencement ceremony is a major achievement for Korea's New Southern Policy and its P three strategy (People, Peace, Prosperity). The Korean government will continue to expand collaboration and exchanges with the ASEAN countries and pursue government-to-government collaboration on infrastructure projects in the region to share Korea's infrastructure development model."