

# KIND

## NEWSLETTER

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# Autumn Comes with Fruitful Developments, and MOLIT & KIND are to Help Paraguay Upgrade Light Rail Transit System



MOU between MOLIT and MOPC\*  
\*Paraguay's Ministry of Public Works and Communications



PDA between KIND and FEPASA\*  
\*Paraguayan Railways

On 9 September 2021, the Ministry of Land, Infrastructure, and Transport of Korea (“MOLIT”) signed a Memorandum of Understanding (“MOU”) with the Ministry of Public Works and Communications of Paraguay (“MOPC”) for the joint development of infrastructure sectors in Paraguay.

Through the MOU, the two countries built the cooperative system for the construction of infrastructure such as railways and selected Asunción ~Ypacaraí Light Rail Transit Project as a leading project. Meanwhile, KIND and FEPASA(Paraguayan Railways) signed a Project Development Agreement(“PDA”), thereby setting conditions required for the successful implementation of the project.

The Asuncion Light Rail Project is a PPP project which builds an urban rail line connecting Paraguay’s capital city of Asunción with a nearby suburb city, Ypacaraí. The modern light rail urban railway will be built and operate on the site of the Asunción Railway (which was built in 1861), which is currently suspended due to the deterioration of facilities. This would provide the opportunity for continuous urban

development by revitalizing the economy and creating jobs as well as solving the traffic congestion problem in Asunción.

In August 2020, the Korean delegation, consisting of the MOLIT, the Ministry of Foreign Affairs(“MOFA”), KIND, and private construction companies, visited Paraguay and signed an MOU between KIND and FEPASA for the preliminary review of the LRT project.

Afterward, with the request of MOPC, KIND conducted the Asunción Railway Project Feasibility Study (November 2020 ~ June 2021) and prepared a detailed plan of construction project which creates seven stations and one rail depot along the 43-kilometer route connecting the country's capital Asunción and Ypacaraí.

Seong Ik Oh, director of the Overseas Construction Policy Division of MOLIT, said, “We expect that Korea-Paraguay infrastructure cooperation will continue to expand with this MOU between MOLIT and MOPC, and we will continue to strive to create the environment where Korean companies can advance into the overseas infrastructure markets.”





## Establishing the Joint Venture for the Korea-Vietnam Industrial Park

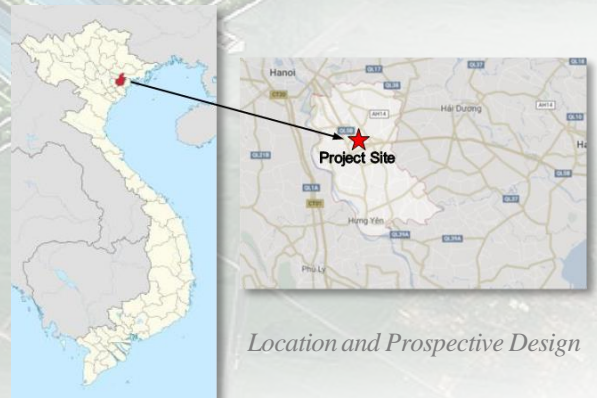
An Enterprise Registration Certificate (“ERC”) was issued to promote the 'Korea-Vietnam Industrial Park' project development on 7 September 2021 by the local government in Hung Yen Province, Vietnam. With the issuance of an ERC, a joint venture company was officially established. The joint venture company paid the charter capital at the end of September and will commence with land compensation and sales land of the industrial park from the end of the year.

The Korea-Vietnam Industrial Park will be constructed on an area of 143 ha (1.43 m<sup>2</sup>) in Hung Yen Province, about 30 km southeast of Hanoi. The project is executed by a joint venture company that participates in a Korean consortium (Korea Land and Housing Corporation (“LH”), KIND, KBI Construction, and Shinhan Bank) and the Vietnam company (TDH Ecoland).

The name of the joint venture is VTK Hung Yen Industrial Park Investment and Development LLC. VTK is an abbreviation of "Vietnam Together Korea" and symbolizes a space where Vietnam and Korea

create together value and culture. In the future, the VTK brand will be used for Korean-style industrial parks and smart city projects promoted in Vietnam.

In the joint venture, one-stop services such as local permitting, administrative procedures, and financing planning consulting will support Korean companies who prefer to enter Vietnam Korea-Vietnam Industrial Park. When the construction of Korea-Vietnam Industrial Park is completed, 50 Korean companies are expected to move in, and they will invest about 400 million dollars amounts.



## MOU Signing for the Joint Development of Long Beach Ferry Terminal



*KIND-HanmiGlobal-TI Capital MOU*

On 20 July 2021, KIND, HanmiGlobal, and TI Capital signed a Memorandum of Understanding for joint project development, investment, and cooperation for the Long Beach Ferry Terminal (Catalina Landing) project in the United States. It is the project that acquires and operates passenger ship terminals and complex facilities in Long Beach, a port city in southwestern California.

Specifically, the commencement date of the renovation and the project cost will be decided shortly. KIND will analyze project information and build financial structures. HanmiGlobal will be in charge of PM/CM/engineering, and TI Capital will organize in-depth project information.

HanmiGlobal is the first construction project management company in Korea to carry out comprehensive construction management projects in various infrastructure sectors. TI Capital is a multinational investment company with expertise in private equity, real estate, investment, financial services, and energy fields as an investor and developer with extensive experience in collaboration with the Korean construction industry.

Through the MOU, KIND is expected to pave the way for successful performance in the field of complex facilities and urban development through brownfield investment. To take an action for the Post-COVID-19 era and the expansion of infrastructure investment, the consortium proactively established partnerships to enter the U.S. infrastructure market.



## 2020/21 EIPP Final Reporting Meeting Successfully Completed



2020/21 EIPP(Economic Innovation Partnership Program) Final Reporting Seminar

Each consultancy held a final reporting meeting for 2020/21 Indonesian EIPP projects from 1 to 9 September 2021. Due to the spread of COVID-19, it was held as an online/offline hybrid meeting and Indonesian government officials, including the Indonesian Ministry of National Development and Planning (“BAPPENAS”), attended the meeting through an online platform. It was for sharing and giving a presentation about the final results of the four EIPP projects related to capital relocation in Indonesia.

KIND and consultancies cooperated with each other and dedicated themselves to get one step closer to the capital relocation for the past six months. With their efforts, the 20/21 EIPP policy consultations and capacity buildings were successfully terminated on 18 September.

### 2021/22 EIPP Projects Begin

KIND took the 2021/22 EIPP contract award from the Ministry of Economy and Finance on 17 September 2021. Through this contract, KIND is able to proceed with the Indonesia EIPP projects with continuity. The 21/22 EIPP projects are going to continue with five linked/upgraded projects from 20/21. Through these projects, KIND will support the relocation of the Indonesian capital and at the same time provide a foothold for Korean companies to advance into Indonesia.

	Project	Consultancy
#1	A Comprehensive Plan for New Capital Development	OCS Consortium
#2	The Economics of Capital City Relocation for Jabodetabek Area	Hankuk University of Foreign Studies Consortium
#3	Funding For New Capital City Development	Nexia Samduk Consortium
#4	Energy Transition Master Plan and Waste Management System for New Capital City	Hallym University Consortium

## The 2<sup>nd</sup> Investment Platform for Policy Fund

On 29 September 2021, KIND successfully hosted the Second Investment Platform for Policy Fund (“The Platform”). The Platform was established to strengthen Korean companies’ competitiveness in financing overseas infrastructure projects. The government and the GPs(General Partners) of Policy Funds attended the plenary meeting to share their views on global infrastructure investment and discuss their roles to activate the investment of Policy Funds. Especially, they discussed one project in depth which has been selected among the 16 projects presented on the 1<sup>st</sup> Investment Platform and shared information of the projects promoted in priority by GPs.



The 2<sup>nd</sup> Investment Platform for Policy Fund

## KIND Welcomes New People

9 new employees officially joined KIND on 26 July 2021 after a thorough process of recruiting. The newcomers consist of experienced senior professionals and fresh graduates from universities. The newcomers were warmly greeted and encouraged to create synergy by combining their knowledge and experiences in various fields.

On 29 September, Kang Hoon Lee, former vice president of the Korea Expressway Corporation (KEC), took office as the new CEO of the KIND, and Tae Soo Huh, former senior member of the National Assembly's Land, Infrastructure, and Transport Committee (LTC), became the new auditor of KIND.

In his inauguration speech, Mr. Lee emphasized the platform innovation for overseas investment development projects, greater adoption of ESG practices, and improved organizational culture, all of which are urgently needed for the new normal era. Auditor Huh called for greater responsibility of KIND as a public institution and promised to shift from the current "watchdog" audit system that focuses on misconduct detection to a new "guide dog" audit system that helps prevent misconduct.



9 New Recruits



The 2<sup>nd</sup> CEO and Auditor inauguration

## KIND's Active Participation in Seminars & Forums



2021 KIEP-KEXIM Seminar on NSP Countries

On 15 September 2021, Mr. Sejoung Yong, the Leader of the International Affairs Team, attended the KIEP-KEXIM Seminar on the strategies in the New Southern Policy (NSP) countries to share KIND's experience and insights. His passionate presentation led him to also explain the Joint PPP Platform at KIEP internal seminar the following week.

On 24 September, Director Soeung Kim of the Program Management Department represented KIND at the 2021 Youth Latin America Forum hosted by the Ministry of Foreign Affairs. While presenting the projects and programs of KIND, youth participants were very active in and enthusiastic about the opportunities in Latin America with KIND's programs.



2021 Youth Latin America Forum

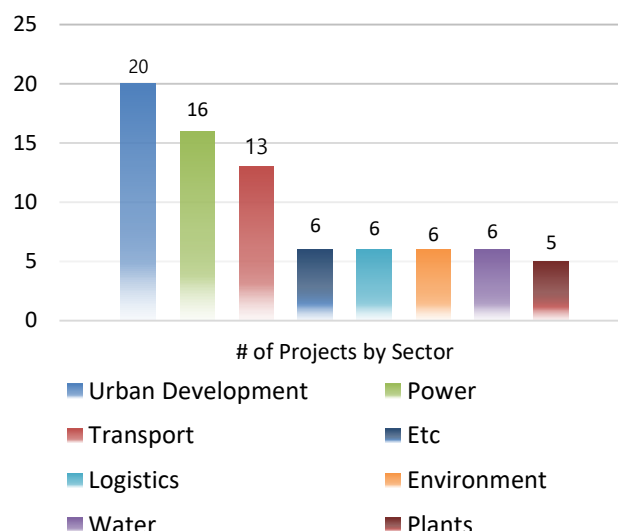
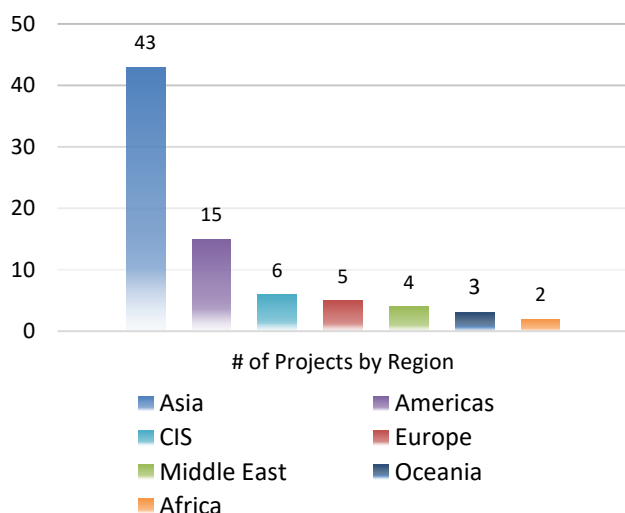
## KIND and KT to Promote Healthcare

On 30 September 2021, KIND signed an MOU with KT to mutually cooperate in the field of Global Health, Medical Care, and Digital Health. Through this agreement, KIND will actively discover and promote healthcare projects in New Northern countries by creating synergy with KT's ICT technology. Moreover, this MOU will mark its presence as an opportunity for KIND to meet the demands of the post-COVID-19 era and expand its portfolio in the medical field.

## KIND's Committed Investment: 10 Projects

Project	Time	Commitment	Status
Kazakh Almaty Ring road PPP	'18.4Q	\$ 15.0M	Construction
Chile Talca Solar Power	'18.4Q	\$ 6.5M	Operation
Poland Polimery Police PDH/PP plant	'19.2Q	\$ 57.0M	Construction
Chile Maria Pinto Solar Power	'19.4Q	\$ 3.5M	Working for financial closing
Nepal UT-1 Hydropower	'20.2Q	\$ 55.1M	Working for financial closing
Chile Guadalupe Solar Power	'20.2Q	\$ 3.8M	Construction
Vietnam Hung Yen Industrial Park	'20.4Q	\$ 4.6M	Working for financial closing
Indonesia Probolinggo Port	'20.4Q	\$ 1.2M	Construction
Vietnam Hanoi Social Housing	'21.2Q	\$ 4.6M	Working for financial closing
Saudi Arabia Tanajib CHP plant	'21.2Q	\$ 17.0M	EPC Contract Signed
<b>Total</b>		<b>\$ 168.3M</b>	

## KIND Deal Pipeline: 78 Projects



## Plant, Infrastructure, and Smart City (PIS) Fund

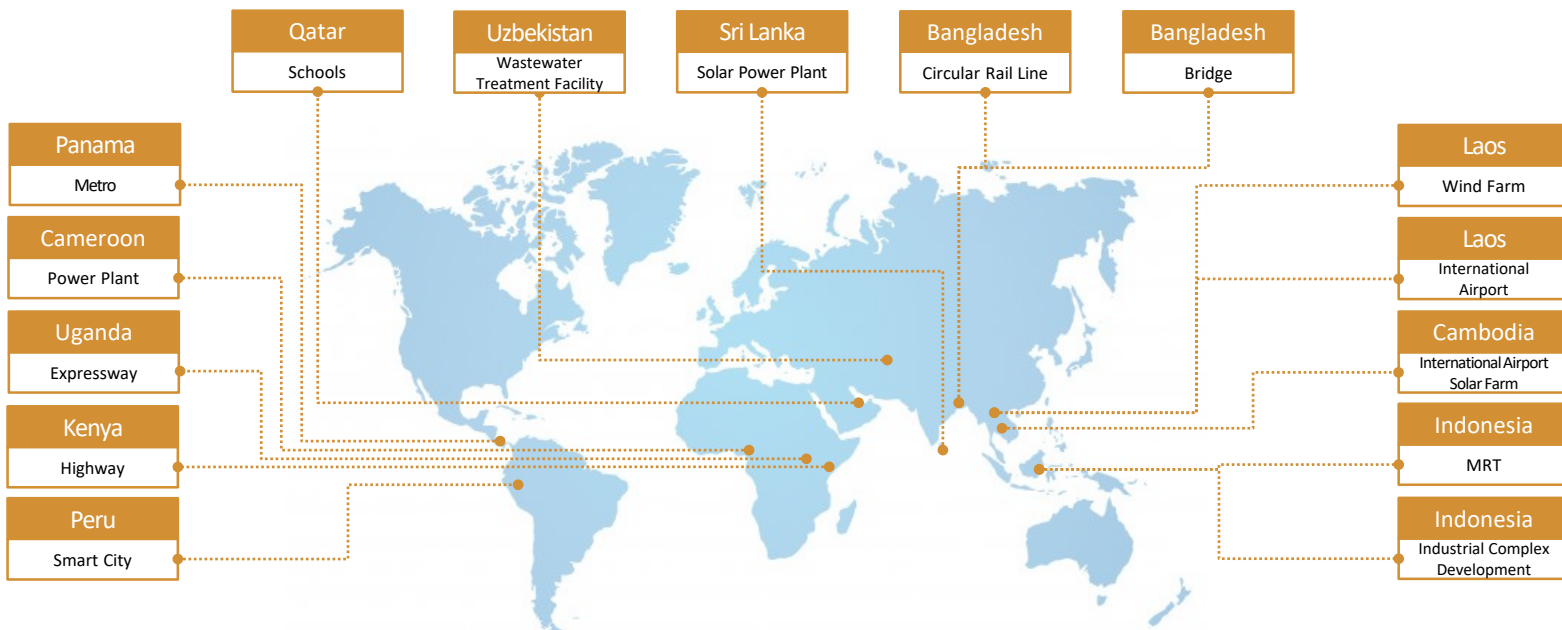
Fund	Plant	Infrastructure	Smart city	Proposal-based
Fund Size	KRW 210 Bil.	KRW 450 Bil.	KRW 240 Bil.	KRW 200 Bil.
Investor	PIS Fund of funds and other financial Investors			
Vintage	2020	2020	2020	2020
Manager	Hanwha Asset Mgt.	KIAMCO	Korea Investment Mgt.	Samsung Asset Mgt.
Investment	On-going	On-going	On-going	On-going

## Global Infrastructure Fund

Fund	GIF 1	GIF 2	GIF 3	GIF 4	GIF 5	GIF 6	GIF 7
Investors	KIND and others						
Fund Size (KIND Share)	KRW 50 Bil (67%)	KRW 80 Bil (44%)	KRW 123 Bil (54%)	KRW 65 Bil (47%)	KRW 110 Bil (45%)	KRW 110 Bil (45%)	KRW 102 Bil (10%)
Vintage	2015	2011	2016	2017	2019	2019	2019
Manager	KIAMCO	Shinhan BNPP	KIAMCO	KIAMCO	KB Asset Mgt.	KB Asset Mgt.	Shinhan BNPP
Investment	Completed	Completed	Completed	On-going	On-going	On-going	On-Going



## Feasibility Study: 10 Projects Going on as of 3<sup>rd</sup> Quarter of 2021



Commissioned by the Ministry of Land, Infrastructure and Transport (MOLIT), KIND is supporting Feasibility Study (F/S) for promising projects in 2021 for the third year in a row. 10 projects were newly selected for F/S in the third quarter of this year. Out of a total of 15 in 2021, 10 projects were submitted through regular open calls, 5 projects were from global partners such as CABI(MDB).

The F/S results will be shared with the project proposers and KIND to seek project development opportunities through mutual collaboration. KIND will continue to support F/S in the last quarter of 2021. Especially, KIND is planning the addition of proposal preparation. This enhancement will be explained in the F/S briefing session, presumably in November, this year.

## 2021 K-City Network: Projects Kick Off with MOLIT Supports

Country	Project
Uzbekistan	Master Planning of a Satellite Smart City in Tashkent
Kenya	Master Planning of a Smart City in Nairobi Central Station Area
Indonesia	Feasibility Study of the New Capital City Housing
Philippines	Master Planning of a Smart City in the Clark Economic Zone

K-City Network Secretariats at KIND nominated consultancies, including Dohwa Engineering Consortium, LH Consortium, for newly selected countries through a competitive bid from 30 July to 17 August 2021. KIND held kick-off meetings for each of the 2021 K-City Network projects on 9 and 14 September 2021 after signing the contract and it was attended by local government, MOLIT, KIND, and consultant firms.

The projects are Master Planning of a Satellite Smart City in Uzbekistan Tashkent Project, Master Planning of a Smart City in Kenya Nairobi Central Station Area Project, Master Planning of a Smart City in the Philippines Clark Economic Zone Project, and Feasibility Study of the Indonesia New Capital City Housing Project. The Indonesian project was the only project selected as a support one this year, following last year. All of the projects that kicked off this year are set to be completed by April of 2022. Although some inevitable delay might happen due to COVID-19, KIND will try to get all of the projects done within the time given.



Kick-off meeting of Indonesian Project on 9 September, 2021

# Join us at



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Organized by  ICAK

Supported by  Ministry of Foreign Affairs



## KIND Major Media Coverages

- [Infrastructure ministry to help Paraguay upgrade light rail transit system](#)
- [K-Construction Team Korea to push forward in Paraguay and Bangladesh](#)
- [Overseas PPP 'Jackpot' for the first time in 10 years... Construction industry to win \\$8 billion in orders this year](#)
- [Up to 1 percentage point cut in interest rates for overseas eco-friendly and infrastructure investment companies](#)

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