

# KIND

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- Nepal UT-1 Hydropower Project Foundation Stone Laying Ceremony *p.2*
- KIND Held SME Partner's Day *p.2*
- Grand Opening: Ukraine Reconstruction Cooperation Center *p.3*
- Infrastructure Initiatives Skyrocket with Fourfold Capital Limit Surge *p.4*
- KIND Secures Priority Negotiation Rights for Water Supply Project in Bangladesh *p.5*



# Nepal UT-1 Hydropower Project Foundation Stone Laying Ceremony

The foundation stone laying ceremony of Nepal UT-1 Hydropower project was held in Kathmandu, Nepal, on September 12<sup>th</sup>. The event was attended by approximately 400 participants, including Minister of Energy from Nepal Shakti Bahadur Basnet, Ambassador of the Republic of Korea to Nepal Park Tae-young, Ambassador KOEN CEO Kim Hoi Cheon, KIND Auditor Huh Tae Soo and Doosan Enerbility CEO Chung Yeon-In.

The UT-1 Hydropower project is a 216 mega-watt greenfield run-of-river hydropower plant on the Upper Trishuli River in Nepal. The project is being developed by Nepal Water and Energy Development Company Private Limited (NWEDC), the Project Company, a special purpose vehicle invested by KOEN, KIND and IFC, etc.

This project has been developed under a 35-year (including five-year construction period) build, own, operate and transfer (BOOT) model, and will supply power to the Nepal Electricity Authority (NEA), the off-taker, under a 30-year Power Purchase Agreement (PPA).

With the goal of completion by the end of 2026, the construction process is progressing smoothly. After completion, the project is expected not only to provide stable electricity to Kathmandu and surrounding areas but also to contribute significantly to Nepal's long-term power supply and to the export to neighboring countries.



# KIND Held SME Partner's Day

On July 21<sup>st</sup>, KIND held partner's day for SME(Small and Medium-sized Enterprise). The aim to hold this partner's day was to lay the foundation for vitalizing the PPP business and provide a useful information to develop overseas PPP business owned by Korean SME. The CEO and Executives from 13 SMEs attended this event.

The event began with a welcoming speech by Mr. Won Byung-chul, vice executive president of the Business Development Division of KIND and then introducing recent market trend for PPP projects as well as the government support program. Subsequently, Korea Western Power Co. shared its best practice for its successful renewable power tender named the Mana Solar Power Project in Oman and Incheon International Airport Corporation introduced its ongoing investment project named Batam Hang Nadim Airport Expansion. The event concluded with a Q&A session, during which, all participants discussed their own idea about how to develop potential projects effectively and efficiently.

KIND holds regular event such as PPP seminar, Partner's day at least twice a year as an overseas PPP project promotion agency. The next event is scheduled in the end of this year, and the event will be held along with an introduction session for F/S and other support programs. This event which focused on case study on actual investment and successful financial closing is expected to be highly popular among Korean SMEs engaged in overseas investment projects in the future.



## Grand Opening: Ukraine Reconstruction Cooperation Center

On September 15<sup>th</sup>, KIND opened the Ukraine Reconstruction Cooperation Center in Warsaw, Poland. The opening ceremony was attended by officials from both countries, including Minister of MOLIT (Ministry of Land, Infrastructure and Transport), Ambassador of Korea to Poland, CEO of KIND, Chairman of Polish Investment & Trade Agency, Director of Confederation of Builders of Ukraine and others.

The Ukraine Reconstruction Cooperation Center is part of bilateral cooperation between Korea and Poland made last July to enhance cooperation on Ukraine Reconstruction and Polish Infrastructure. KIND plans to establish a close network with local institutions via this Cooperation Center as a hub encompassing Central/Eastern Europe and provide strong support for Korean companies' overseas business for PPP projects through this platform for Ukraine Reconstruction.

Since June, KIND has been participating as a facilitating institution for a high-level dialogue between the MOLIT of Korea and the Ministry of Infrastructure of Ukraine to seek the cooperation opportunity on Ukraine reconstruction projects. Recently, KIND took the first step in supporting Ukraine's reconstruction by committing to provide technical assistance for the establishment of a master plan for smart cities and urban transportation in Ukraine.

Mr. Lee Kang-hoon, CEO of KIND, stated, "The Ukraine Reconstruction Cooperation Center will provide the latest information on Ukraine reconstruction and bring potential business opportunities to Korean companies and serve as a platform for networking with various participants from other countries."



## KIND Held Internal Capacity Building Session on Hydrogen Business



As part of its efforts to promote ESG and frontier projects, KIND held a lecture session for the employees on hydrogen business on September 26<sup>th</sup>. The Lecturer was Mr. Son Byung-Soo, Executive Vice President of the Hydrogen Business Team at POSCO Holdings. KIND's President, Mr. Lee Kang-Hoon, and Mr. Lee Sang-Wook, Head of the Strategy & Planning Division, also attended, leading discussions on topics such as the current status of overseas expansion in the hydrogen business sector and ways to support and participate in this sector.



During the event, which lasted approximately 2 hours, a comprehensive presentation was given on various aspects of the hydrogen business, including an overview and outlook of the hydrogen industry, related business opportunities and areas, production locations, target markets, technology acquisition strategies, and the current status of major projects. Subsequent Q&A sessions helped build consensus on the importance of developing and supporting hydrogen business.

Meanwhile, KIND newly established ESG-New Growth Industry Projects Task Force in 2023, which has been operating, with the goal of developing business opportunities through ongoing discussions with various stakeholders within the ecosystem of newly emerging industries including hydrogen production, transportation, and carbon capture and storage.

## Infrastructure Initiatives Skyrocket with Fourfold Capital Limit Surge

South Korea's commitment to global infrastructure and urban development projects received a substantial boost as the National Assembly recently passed a bill to increase the legal capital of the Korea Overseas Infrastructure and Urban Development Corporation (KIND) from KRW 500 billion to an impressive KRW 2 trillion. This strategic move represents a significant milestone in KIND's journey to boost global infrastructure and urban development projects.

KIND, established with an initial legal capital limit of 500 billion KRW, had been operating near its financial threshold, thanks to contributions from various stakeholders, including public institutions and financial organizations. The total capital had grown to an impressive 443.6 billion KRW, making it clear that an increase in the legal capital limit was imperative to facilitate more significant investments.

Over its five-year, KIND has emerged as a key player in global infrastructure and urban development initiatives in Korea. Its portfolio includes commitments to invest approximately \$4.7 billion in 12 different countries and the establishment of a \$1 billion PIS (Plant-Infrastructure-Smart City) fund.

Commenting on this transformative development, the CEO, Lee Kang Hoon, stated that the increased capital limit sets the stage for KIND to effectively pursue its mission, which is to "Support global infrastructure and urban development for sustainable growth." Furthermore, he sees this development as a pivotal turning point that will enable KIND to contribute significantly to emerging areas of interest such as clean hydrogen and Small Modular Reactors (SMR), all while advancing global sustainability.



## KIND and KOMIPO Singed MOU for Joint Development and Cooperation

KIND and Korea Midland Power (KOMIPO) have signed a memorandum of understanding (MOU) on August 18<sup>th</sup>. Mr. Won Byung-chul, Head of Business Development Department at KIND, and Mr. Kim Dong-jun, Head of Future Business Division at KOMIPO attended this MOU signing ceremony.



This MOU includes mutual exchange of information regarding overseas projects, joint development of promising opportunities, and, when necessary, any formation of a Task Force team. Furthermore, It includes KIND's intention to support and investment cooperation for KOMIPO's overseas projects, as well as KOMIPO's intention to priority investment opportunities within KIND's projects.

Based on the MOU, KIND and KOMIPO are committed to expanding their participation in overseas projects. Our ongoing efforts aim to facilitate increased involvement of Korean construction firms in areas such as design, procurement, and acquisition of construction contracts.

## KIND Secures Priority Negotiation Rights for Water Supply Project in Bangladesh

Korea Overseas Infrastructure & Urban Development Corporation (KIND) has taken another step onto the global stage by securing priority negotiation rights for a water supply project in Bangladesh. The Ministry of Land, Infrastructure and Transport and KIND announced on the 21st that they reached an agreement regarding this matter at the 5th Korea-Bangladesh Joint PPP Platform meeting held on August 20th.

The Bangladesh water supply project is aimed at supplying industrial water of up to 250,000 tons per day to an industrial zone within the BSMSN Economic Zone in Chattogram, Bangladesh, with an estimated project cost of around \$1 billion. The construction period is set at 5 years, and the operation period is 30 years, with the Chattogram Water Supply and Sewerage Authority (CWASA) in Chattogram as the project client.



With the domestic company's priority negotiation rights secured by KIND, the consortium led by TAEYOUNG E&C plans to submit a final proposal and negotiate the project contract with the Bangladesh government, bypassing the open bidding process. Through this, KIND is expected to enhance efficient project execution, strengthen cooperation with Bangladesh, and contribute to improving water supply infrastructure and regional economic development.

As Bangladesh has a legal framework for Government-to-Government (G2G) infrastructure development cooperation, KIND plans to continue exploring PPP projects through consultations with the government. At the same time, they intend to support projects that secure priority negotiation rights to effectively connect them to actual contract awards for our domestic companies.

## KIND with Team Korea Builds Solar Farm in Texas

Korea Overseas Infrastructure and Urban Development Corporation (KIND) has recently signed an investment agreement and membership interest purchase agreement (MIPA) for Solar Farm in Texas, USA, with a capacity of 459MWdc.

The project, which involves the construction of a large-scale solar power plant, is planned to be situated in Concho County, located in the central region of Texas, USA. The estimated total investment cost for the project is approximately 450 million dollars.

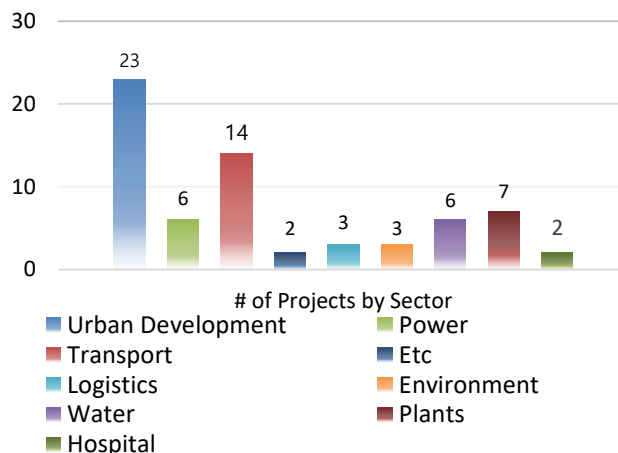
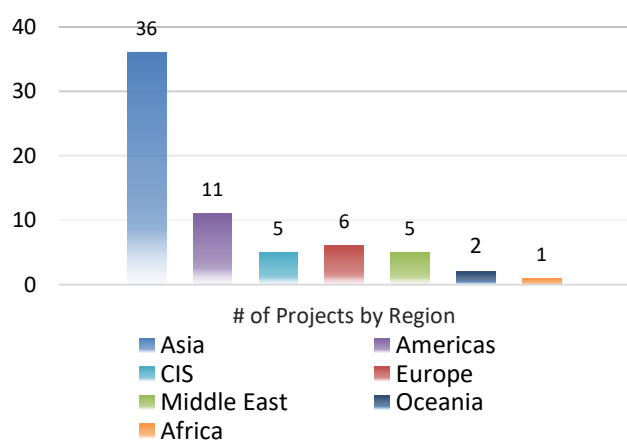
KIND has partnered with prominent Korean industry players to bring this project to fruition. SK E&C (Engineering & Construction) will be in charge of the Engineering, Procurement, and Construction (EPC) aspects of the solar farm. Hyundai E&C (Hyundai Engineering & Construction) and TopSun have been selected as key suppliers for high-quality solar modules. To pave the way for entry into the global advanced renewable energy market, not only major corporations but also public funding from KIND and PIS funds have joined forces, adding significant meaning to this endeavor.

KIND has secured its business development capabilities and Environmental, Social, and Governance (ESG) investment track record by participating in the renewable energy project in the United States from the initial stages of development. KIND is committed to ongoing efforts for further ESG project development and investment.

## KIND's Committed Investment : 20

| Project   | Time   | Commitment     | Status                        |
|---|--------|----------------|-------------------------------|
| Kazakh Almaty Ring Road PPP                                     | '18.4Q | \$ 15.0M       | Constructing                  |
| Chile Talca Solar PV Power Plant                                | '18.4Q | \$ 6.5M        | Operating                     |
| Poland Polimery Police PDH/PP plant                             | '19.2Q | \$ 57.0M       | Constructing                  |
| Chile Maria Pinto Solar PV Power Plant                          | '19.4Q | \$ 3.5M        | Working for financial closing |
| Nepal UT-1 Hydropower   | '20.2Q | \$ 55.1M       | Constructing                  |
| Chile Guadalupe Solar PV Power Plant                            | '20.2Q | \$ 3.8M        | Operating                     |
| Vietnam Hung Yen Industrial Park                                | '20.4Q | \$ 3.8M        | Constructing                  |
| Indonesia Probolinggo Port                                      | '20.4Q | \$ 1.2M        | Working for financial closing |
| Saudi Arabia Tanajib CHP Plant                                  | '21.2Q | \$ 17.0M       | Constructing                  |
| Vietnam Hanoi Social Housing                                    | '21.3Q | \$ 4.6M        | Working for financial closing |
| Pakistan Lower Spat Gah Hydropower                              | '21.4Q | \$ 70.0M       | Working for financial closing |
| U.S.A. Chicago Hotel  | '21.4Q | \$ 11.6M       | Working for financial closing |
| Equity Investment in Chile PMGD Portfolio Solar PV Power Plants | '21.4Q | \$ 6.3M        | Constructing                  |
| Fund Investment in Chile PMGD Portfolio Solar PV Power Plants   | '21.4Q | \$ 10.2M       | Constructing, Operating       |
| Indonesia Karian Water Treatment                                | '21.4Q | \$ 5.5M        | Working for financial closing |
| Philippines Cebu Affordable Housing                             | '22.1Q | \$ 10.2M       | Working for financial closing |
| U.S.A. Trumbull Gas Combined Cycle Power Plant                  | '22.1Q | \$ 75.1M       | Constructing                  |
| Latin America Combined Cycle Power Plant                        | '22.3Q | \$ 67.5M       | Working for financial closing |
| Malaysia Pengerang Energy Complex                               | '22.4Q | \$ 25.0M       | Working for financial closing |
| England Botley BESS   | '23.2Q | \$ 7.5M        | financial closing             |
| U.S.A. Texas Solar PV Power Plant                               | '23.3Q | \$ 18.6M       | Working for financial closing |
| <b>Total</b>  |        | <b>\$ 475M</b> |                               |

## KIND Deal Pipeline: 66 Projects



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

| Fund         | Plant   | Infrastructure | Smart city                        | Proposal-based | Shinhan PIS | EIP PIS      |
|--------------|---|----------------|-----------------------------------|----------------|-------------|--------------|
| Fund Size    | KRW 210 Bil.                                    | KRW 450 Bil.   | KRW 240 Bil.                      | KRW 200 Bil.   | KRW 76 Bil. | KRW 107 Bil. |
| Investor     | PIS Fund of funds and other financial investors |                |                                   |                |             |              |
| Vintage Year | 2020  | 2020           | 2020                              | 2020           | 2023        | 2023         |
| Manager      | Hanwha AM                                       | KIAMCO         | Korea Investment Real Asset Mgmt. | Samsung AM     | Shinhan AM  | EIP AM       |
| Investment   | On-going  | On-going       | 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 70 Bil. (50%) | KRW 123 Bil. (54%) | KRW 65 Bil. (46%) | KRW 110 Bil. (45%) | KRW 110 Bil. (45%) | KRW 103 Bil. (10%) |
| Vintage Year           | 2014              | 2011              | 2016               | 2017              | 2019               | 2019               | 2019               |
| Manager                | KIAMCO            | Shinhan AM        | KIAMCO             | KIAMCO            | KB AM              | KB AM              | Shinhan AM         |
| Investment             | Completed         | Completed         | Completed          | Completed         | Completed          | Completed          | Completed          |

## KIND Participated in 2023 WSCE and Hosted Launching Ceremony of 2023 KCN Program

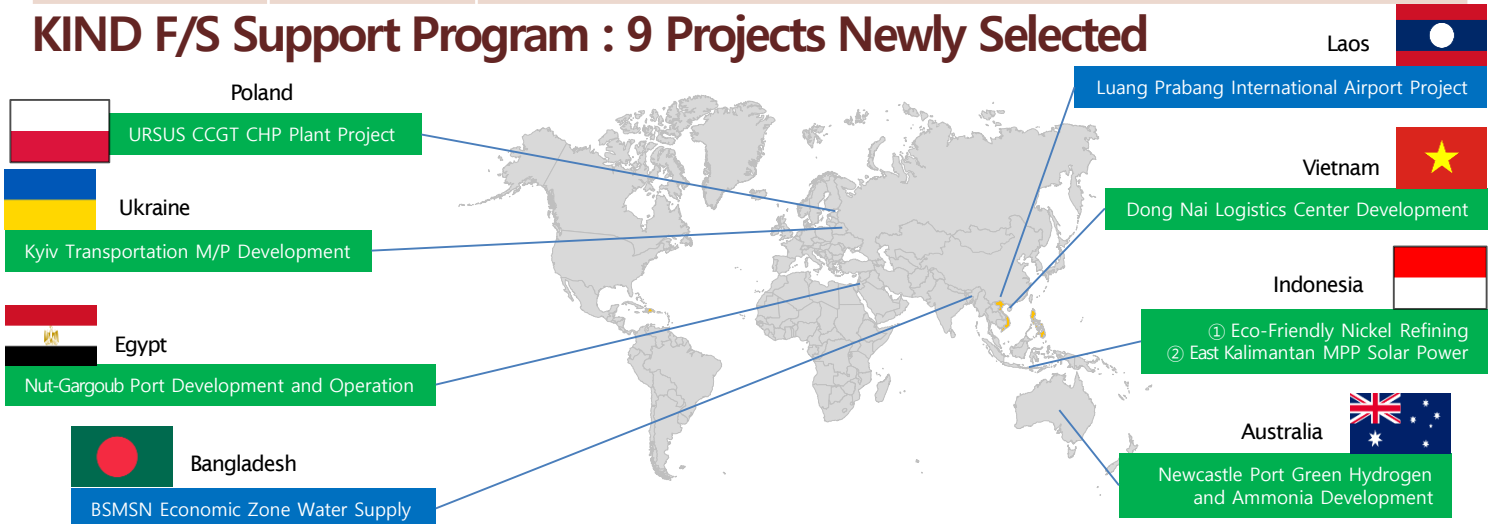
KIND participated in the 2023 World Smart City Expo (WSCE), organized by the MOLIT, held from September 6th to 8th at KINTEX. During the event, KIND operated the K-City Network (KCN) booth and hosted the "Launching Ceremony of 2023 KCN Program."

In collaboration with KAIA, KIND operated a promotional booth for three days at the expo, where they introduced the process of KCN Program and showcased the outputs of KCN projects to foreign government officials and domestic and international companies. The K-City Network promotional booth attracted more than 300 attendees, including officials from foreign governments such as Iran, Cameroon, and Thailand.

Furthermore, on September 7th, KIND hosted the Launching Ceremony for the newly selected KCN projects for 2023. During this meeting, KIND presented the plans and strategies for smart city and smart solution project planning in four countries and four cities. Discussions were held with foreign government representatives regarding the implementation of these projects. Based on the feedback and input received during the meeting, KIND will continue to engage in discussions to ensure the successful execution of the 2023 KCN projects. Starting in October, on-site surveys will be conducted at the target locations to initiate the projects in earnest.

| Country    | City             | Project Information   |
|------------|------------------|---|
| Ukraine    | Uman             | Establishment of a smart city master plan for enhancing transportation infrastructure and promoting tourism industry in Uman City           |
| Indonesia  | New Capital City | Pre-feasibility study for the construction of a smart city command and control center to support the successful development of a smart city |
| Egypt      | Badr             | Establishment of a master plan to transform Badr into a smart city with excellent living conditions   |
| Azerbaijan | Karabakh         | Establishment of urban data platform master plan and provision of policy advice to develop the Karabakh region into a smart city            |

## KIND F/S Support Program : 9 Projects Newly Selected



< Project list and countries newly selected in 3<sup>rd</sup> quarter 2023 >

Commissioned by the Ministry of Land, Infrastructure and Transport (MOLIT), KIND is sponsoring the Feasibility Study (F/S) Support Program. Seven F/S projects and two proposal preparation support projects were newly selected in the third quarter.

The selected projects include Poland URSUS CHP Project, Australia Newcastle Port Green Hydrogen Project, Indonesia Eco-Friendly Nickel Refining Project, Ukraine Kyiv Transportation Planning Project, etc. Bangladesh BSMSN Water Supply Project and Laos Luang Prabang Airport Project have been decided for proposal preparation support. Furthermore, in September, KIND added two projects, the Vietnam Dong Nai Logistics Center Project and the Egypt Port Development Project, as direct support projects.

As of 2023, KIND is currently supporting a total of 16 projects, with 13 of them being applied through regular competitions by domestic project proposers, and three projects have been supported for the purpose of government-to-government (G2G) cooperation.

## 2022/23 EIPP Final Reporting and EIPP Dissemination Seminar Held



From September 21st to 22nd, KIND hosted the 2022/23 EIPP Final Reporting and EIPP Dissemination Seminar in Jakarta, Indonesia. KIND provided an opportunity to share the final research results of each EIPP project and the strategies of Korean companies for entering Indonesia.

During the Plenary Session, Gichul Jeong, Vice President of KIND, delivered the opening remarks, followed by a response from Ibu Tri Dewi Virgi, Acting Deputy Minister of Bappenas. Subsequently, Hyundai Motor Group and LX International presented case studies demonstrating Korean companies' entry strategies into Indonesia. In the Working Group Session, each EIPP project manager presented the research results and generated further improvement suggestions through active discussions with relevant Indonesian government departments.

At the EIPP Dissemination Seminar held on the 22nd, KIND shared the outcomes and accomplishments of EIPP projects with Korean companies and also introduced strategies for entering the new capital city of Indonesia. Notably, Bapak Agustomi Masik, director of the IKN authority and Igor Immanuel Pardoman, senior expert of the IKN Authority, presented investment attraction methods and policies for the new capital city, creating a platform for information sharing among Korean and Indonesian government agencies and companies.

The Final Reporting and EIPP Dissemination Seminar strengthened economic cooperation between Korea and Indonesia and laid an important foundation for Korean companies to enter the new capital city of Indonesia. The 4th year of EIPP is scheduled to proceed with the Launching Seminar in November, after going through the process of gathering opinions from Bappenas, conducting open bidding, and contract signing.

## MOUs for Cooperation in Ukraine's Reconstruction

KIND has signed a Memorandum of Understanding (MOU) with the State Agency for Restoration and Development of Infrastructure of Ukraine in September for the detailed execution of the Reconstruction Cooperation MOU, which was previously agreed upon between the Ministry of Land, Infrastructure, and Transport (MOLIT) of the Republic of Korea and the Ukrainian Ministry of Infrastructure in May. The objective of this MOU is to establish a foundation for cooperation between two countries by sharing information related to Ukraine's reconstruction project implementations.

Furthermore, an additional MOU has also been signed with Oschadbank, a state savings bank of Ukraine, to assist with financial support and the identification of investment projects. This is a strategic move to support the activities and fundraising of Korean enterprises hoping to enter the Ukrainian reconstruction market.

During the MOU signing ceremony, more than 20 delegates, including Minister Won Hee-ryong of MOLIT and KIND's CEO Lee Kang-hoon, were in attendance. On the Ukrainian side, over 120 participants attended, including Deputy Prime Minister for Reconstruction Yulia Svyrydenko, Head of the State Agency for Restoration and Development of Infrastructure of Ukraine Mustafa-Masi Nayyem, Oschadbank Deputy CEO in charge of Corporate Business Yuriy Katsion

Through this MOU, KIND expects to expand Ukraine reconstruction projects, discuss cooperation projects, and actively promote the establishment of a network for Korean companies to participate in reconstruction.



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