



## LEGAL UPDATE

### THE INVESTMENT POLICY FOR THE INVESTMENT PROJECT ON CONSTRUCTION AND INFRASTRUCTURE BUSINESS OF KIM THANH 2 INDUSTRIAL PARK (PHASE 1)

On 22 January 2025, the Prime Minister of Vietnam issued Decision No. 211/QĐ-TTg on the investment policy for the project on the construction and commercial operation of infrastructure for Kim Thanh 2 Industrial Park (Phase 1) in Hai Duong Province ("**Decision 211**"). This Decision 211 marks a significant milestone in the development of industrial parks in the region, fostering economic growth, attracting investment in supporting industries, and driving urban infrastructure development.

#### 1. Overview of Kim Thanh 2 Industrial Park Project

Pursuant to Article 1 of Decision 211, Kim Thanh 2 Industrial Park (Phase 1) ("**Industrial Park**") covers a total area of 234.63 hectares (including 18.68 hectares of river area to be preserved in its current state) and is located in Dai Duc and Tam Ky Communes, Kim Thanh District, Hai Duong Province.

The Industrial Park is developed by Hung Yen Investment and Development Corporation ("**Project Developer**"), with a total investment capital of VND 3,403 billion, of which the Project Developer's contributed capital is VND 513.85 billion. The operational term of the Industrial Park is 50 years from the date of investment policy approval. The Industrial Park must be implemented within 30 months from the date of land allocation by the State.

The Industrial Park is designed as a supporting industrial park, attracting investment in supporting industries, processing industries, and high-value-added sectors. Additionally, the Industrial Park will feature comprehensive social amenities, including worker accommodation, commercial services, healthcare, cultural and sports facilities, and green parks to serve the needs of employees.

This is the largest industrial park in Kim Thanh District and Hai Duong Province, with 437.24 hectares designated for the Industrial Park development and 71.89 hectares

allocated for infrastructure integration and adjacent residential areas.

#### 2. Strategic Advantages of the Industrial Park

Kim Thanh District holds a strategic geographical position, facilitating economic, cultural, and social exchanges within and beyond the province. The district currently has three existing industrial parks—Lai Vu, Phu Thai, and Kim Thanh—with Lai Vu and Phu Thai achieving over 90% occupancy, while Kim Thanh Industrial Park is in the process of land levelling and infrastructure development. Furthermore, Kim Thanh District has completed Phase 1 of the East-West Trunk Road Project and is implementing Phase 2. The district is also expediting the construction of the Kim Xuyen Interchange on National Highway 5, with a total investment of over VND 1.8 trillion. These infrastructure improvements significantly enhance the attractiveness of the Industrial Park for large-scale enterprises and key industrial sectors.

In the Kim Thanh District Regional Master Plan to 2030, with a vision to 2050, the district is set to develop a comprehensive industrial-agricultural-urban-service economy, with industry as the key driver. Special emphasis is placed on high-tech industries, supporting industries, and processing industries.

#### 3. Implications for Businesses and Investors

The development of the Industrial Park will not only expand the region's industrial space but also play a crucial role in urbanisation and modernisation. The surrounding infrastructure will be expanded, renovated, and upgraded to support the phased development of the Industrial Park.

Investors in this Industrial Park may benefit from various investment incentives, such as tax exemptions, preferential land access, and other investment support measures in accordance with prevailing laws. However, they must also comply strictly with investment regulations,



land use requirements, environmental protection laws, and water resource management regulations.

According to local authorities, this project will increase local incomes, provide job opportunities for workers relocating from other provinces, and contribute to the development of key industrial sectors.

#### **4. Conclusion**

Decision 211 represents a significant step forward in Hai Duong Province's industrialisation strategy and presents a key opportunity for investors looking to expand their operations in supporting industries and processing industries. With its strategic location, infrastructure advantages, and supportive policies, the Industrial Park is expected to become a major industrial hub in the region. Businesses and investors should closely monitor further developments to plan their investments effectively, leverage available opportunities, and ensure legal compliance.

#### **Contact Information**

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