

KIND NEWSLETTER

ACTIVITIES – PROJECT DEVELOPMENT DIVISION

3 Projects confirmed via
KR-BD Joint PPP Platform

ACTIVITIES – CORPORATE DEVELOPMENT DIVISION

KIND, K-CITY Network
Implementing Agency

ACTIVITIES – INVESTMENT & FINANCE DIVISION

Sub-GPs of PIS Fund
Successfully Selected



3 Projects confirmed, via Korea - Bangladesh Joint PPP Platform, to be developed by Korean Investors

The Korea-Bangladesh 2nd Joint PPP Platform Meeting was held on January 2020, at Hotel Intercontinental, Dhaka. It was a part of the ongoing collaboration between representatives of the public and private sectors of Bangladesh and Korea under the KIND-PPPA MOU. The 1st Platform Meeting was held on July 2019, where 22 projects were proposed by both side. Among these, KIND and PPPA finalized 3 projects and Korean investors for further collaboration and development during this 2nd Joint PPP Platform. Besides, 8 projects in total were newly proposed by both side in the platform meeting. KIND is seeking proper Korean Investors for the projects that Bangladesh side proposed.

- See Page 7 for more details



Confirmed Projects

- Dhaka Circular Railway
- Matabari-Madunaghat 400kV Transmission Line
- Improvement of Dhaka-Mymensingh Road into Expressway with service lane



K-wave for Railway Infra by KIND

KIND starts to develop various railway projects with Team Korea composed of reputable Korean operators, EPC players and equipment suppliers. As a rapid industrialization and urbanization cause serious traffic congestion and air pollution, there are a lot of development demands for railway infra for mass and eco-friendly transportation. Currently, the projects in Indonesia, Bangladesh, Latin America and etc. are under review.

COVID-19 Impact

Our business never stops even if COVID-19 disturbs

KIND is advising employees to establish a social distance in order to prevent the spread of COVID-19. Here is a good example as follows. After Korea-Bangladesh 2nd Joint PPP Platform Meeting in last January, KIND, PPPA and GS E&C as designated Korean Investor agreed to hold the Joint Working Group (JWG) Meeting every month for 400 kV transmission line Project. However, due to COVID-19 situation, we have decided to have an alternative solution such as a conference call in order to keep the promised milestones. It greatly brought a good effect to check the project status and schedule. KIND is confident that we will deliver a great achievement on time no matter what the situation.



1st KIND Road Show in 2020 postponed due to COVID-19 concern



The 1st KIND Road Show originally scheduled to be held early of March in Asuncion, the capital of Republic of Paraguay has been postponed due to COVID-19 concern. On the Road Show, various sessions such as KIND introduction, financing tool from Korea, proposal of Asuncion LRT(Light Rail Transit) and etc. had been planned but regrettably postponed due to COVID-19 affecting most of countries all around world. It will be rescheduled in due course when this situation is getting under control.

F/S Support Program 2nd Year

7 Projects selected for the 1st half of 2020

Commissioned by MOLIT (Ministry of Land, Infrastructure and Transport), KIND is supporting Feasibility Study(F/S) for promising projects in 2020 for the second year in a row. 7 projects were selected, out of total 26 projects submitted through a public contest. The projects include 'Cebu Economic Housing Project in the Philippines' and 'King Hamade-Causeway Road-Rail PPP project in Bahrain and Saudi Arabia'. F/S works for the 7 projects will kick off after F/S contractors are selected through a competitive bid in March 2020. The F/S results will be shared for owners of the projects and KIND managers to seek for project development opportunities through mutual collaborations. KIND will continue to support F/S in the 2nd half of 2020 after another public project selection process starting in April.

- See Page 6 for more details

Joint development agreed for Dung Quat oil storage facility project in Vietnam



Team Korea (KIND, Korea National Oil Corporation, KORAMCO Asset Management and LT Sambo) and Vietnam-based company (PVOS; Petro Vietnam Oil Stockpile) agreed to jointly develop Dung Quat oil storage facility project in Vietnam on March. The project is the first underground oil storage facility worth of USD 250 million investment & development business in Vietnam. The participation of KIND enables to accelerate this project, which has been delayed since 2013. Based on the agreement, parties aimed to finalize financial close within 2020.

2020 K-City Network Global Cooperation Program
Applications for 'Smart City Global Cooperation Program' begins from January 31, 2020.

Eligible Applicants: Foreign governments (Central and local), Public sector entities

Program Package: Smart city 1) Project Planning Assistance + 2) Field Training in Korea

1) Project Planning Assistance: Project identification, Concept plan, Master plan, Pre-feasibility study, Feasibility study

Target Projects: Smart city development (Project design/development, construction, maintenance; Up to 150 KRW/lot per project), Smart solution development (Development and operation of smart solutions to improve urban services; Up to 500mil KRW/lot per project)

2) Field Training in Korea: Smart city seminars and conferences, Site tour, Technology experience, Consulting

Schedule in 2020: Application (Jan 31 - Mar 20), Project selection (Mar 31), Program Kick-Off (May), Field Training in Korea (May - November), Final Report Services (November - December)

For further information, please contact at kcitynetwork@kindkorea.or.kr / +82-2-6746-7433 / +82-2-6746-7387

KIND nominated as K-City Network Implementing Agency

K-City Network, a Korea-led global cooperative program for smart city, provides support packages including project identification, development and delivering know-how of smart city model Korea has been established. KIND was nominated as a K-City Network implementing agency by signing the contract with MOLIT (Ministry of Land, Infrastructure and Transportation) on March.

KIND as an implementing agency and a developer, will manage the program for the whole process systemically, so that the projects under this program can be developed and realized. In addition to that, KIND will organize overseas cooperative centers for smart city development for better service to the receiving countries.

KIND has received applications from foreign governments and public organizations since January 2020.

New partnerships entered with SH and K-eco respectively

KIND entered into MOU with SH Corporation (Seoul Housing & Communities Corporation) on March. Both organizations mutually agreed to build cooperative relationships so that parties can utilize its technical expertise, human resources and financial capability for overseas smart city and urban development projects.



SH - KIND MOU Signing Ceremony

In addition, KIND and K-eco (Korea Environment Corporation) signed MOU on February. Both organizations agreed to collaborate for developing overseas PPP project especially in the environmental sector including Waste-to-Energy, Water treatment system and so on.



K-eco - KIND MOU Signing Ceremony

KIND adds a new series fund to its fund list for potential opportunities: Global Infrastructure Venture Fund

Global Infrastructure Venture Funds (“GIVF”) will be relaunched with a new LP, KIND, who will commit 20 billion won (USD 15.9 million) to support Korean companies which search for new business opportunities in the global infrastructure market. GIVF can invest up to 10 billion won for a single project based on its own screening criteria. After signing the amendment of agreement for new LP, KIND, the fund will actively support for Korean companies which hope to have investment at an early stage of projects to do feasibility studies, financial modeling, legal reviews and so on.

Financial Advisory in earnest – seeking partners in models

In 2020, Finance Department focuses on the Financial Advisory in full swing. Currently, they are preparing for being ready for projects in CIS region in align with government policy. They are seeking for new partners especially in financial sector to verify financial models they set up. A bidding process is undergoing through Korea E-Procurement Website. We believe that we will have a great partner to uphold our work.



Sub-GPs of PIS Fund were successfully selected

Samsung Asset Management was selected as KIND’s lead general manager of PIS FUND and received 600billion won to create its fund of funds in Oct 2019. Samsung issued a request for proposals last December to select 3 asset manager of its plant, infrastructure and smart city fund. Based on their track records and presentations, Hanwha Asset Management, KDB Infrastructure Investment Asset Management and Korea Investment Management were selected. Each sub-GP firm is planning to accelerate the fundraising for its fund with its deal sourcing capability.



Kazakhstan’s first PPP project, Almaty Ring Road, has been launched with the signing of a financial agreement

The sponsors finally signed a financial agreement on financing the Almaty Ring Road Project in Kazakhstan with a creditors group consisting of multilateral development banks (MDBs), including the European Bank for Reconstruction and Development (EBRD), on February. This PPP concession project calls for the construction of a ring road running 66 km in total length in Almaty, Kazakhstan’s economic capital. It is the biggest PPP project being undertaken in Central Asia. The project will be carried out as a build-operate-transfer (BOT) project that revenues from the operation of the ring road will be paid out as amounts fixed by the Kazakhstan government as Availability Payment during its operation. The total costs for the project will amount to \$750 million. SK E&C, and Turkey’s Alarko and Makyol will be responsible for the engineering, procurement and construction (EPC) of the project, and Korea Expressway Corp. will be in charge of the operation of the ring road.

Jaehyang So: 'Risk: ability to take it personally and professionally is important'

Former WB director on continuous challenges in her life, and the biggest one ever in everyone's – adapting to climate change

The interview started with startling news – at least the interviewer didn't know - that she left the World Bank about a month ago. Why would the most decorated, and highest ranked among all Korean staff at the Bank quit? The answer was so her: She wanted to take up a new challenge.

Being a reader of 'Lunch with the FT' in Financial Times, she knew what to do first for this interview: choose the restaurant. Among choices she offered I chose Momofuku, the one I've heard a lot but never been to. Momofuku Washington DC is the victim of the Asian restaurant franchise's new policy to diversify its menu by branch: they boldly omitted the most popular menu item 'ramen'. Thankfully it kept another famous one, ssäm (lettuce-wrapped rice/meat), so that for share, and main dishes for each were ordered.



While looking vigorous and pleasant as always, she shared her reflections on her World Bank career. The World Bank provides opportunity for staff to work on some of the most difficult challenges in development, for example, leading urban development projects in Afghanistan. World Bank staff embrace these opportunities with enthusiasm, despite the risks to personal security that might prevent others. She worked on many such exciting assignments in countries and in Washington DC, including her latest positions as director of trust funds and partnerships, and senior advisor on 2030 development agenda. Deciding to leave the Bank after 28 years must not have been easy.

"You can put it this way: working in development is 'ultimate venture capital.' Institutions like the World Bank puts its resources into countries perceived uncertain and risky, and out of such venture investments we reap great growth and results." What a fresh point of view! In order to keep learning, she said she didn't stop updating her CV and challenging for new positions every 5 years, and as the result her position changed almost every 5 years in the World Bank. She never hesitated new challenges, and from such various works she got to learn more and was able to contribute more.

"Is it really all fantastic? There must be flaws in it." To my provoking question, she admitted that the largest international financial institution with 15,000 people can't be not-bureaucratic. "And that makes it an easy target. For the same activity or policy all MDBs pursue, many times only the World Bank is criticized - for being the biggest."

We moved to her new career at Global Center on Adaptation (GCA). It was not a coincidence that GCA headquarter is located in the Netherlands. As the threat of climate change gets real, countries like the Netherlands, Norway, Bangladesh must be prepared for the impacts of climate change, such as rising sea level. It is surprising that not many people around us realize how magnificent the impacts will be, we both agreed. We discussed a lot of cases and aspects on the necessity of climate adaptation, and two of her comments are still vividly reminisced: that Korea's expertise and experiences are being much welcomed globally and should be disseminated much more, and that 'water' and 'urban development' sectors do not have any controversy as everyone and every place needs them.

The first comment was memorable as it had the same message with Ms Eunjoo Yi, manager of Korea Green Growth Trust Fund and the first interviewee of Lunch with KIND. And the second one left a strong impression personally because at KIND I am in charge of urban development sector projects. Other comments and explanations she gave to me really much broadened my understanding on climate change adaptation, and I have great expectation for her future activities and contributions at GCA and beyond.

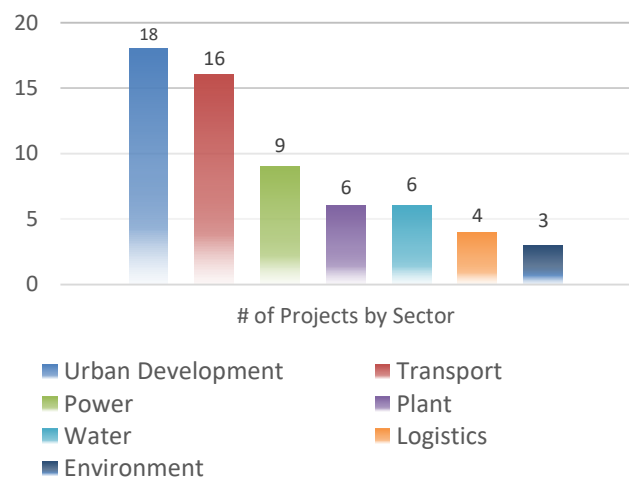
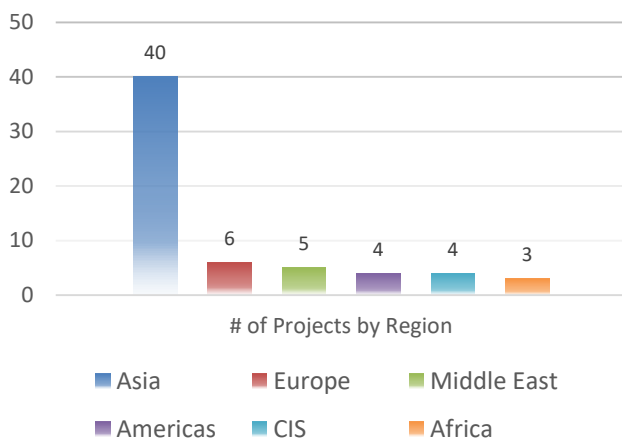
- Interviewed by Ryan Kwangbok Lee, Head of Smart Infrastructure & Urban Dev Dept.
- The editing team would like to make it clear that the concept of this corner was borrowed from 'Lunch with the FT' of the Financial Times Weekend editions.
- Contents and opinions above are those of interviewer's and interviewee's, and do not represent official positions of their organizations.

Momofuku	
1090, St NW, Washington, DC	
Branzino Ssäm	\$21
Chicken Noodle Soup	\$17
Dry Spiced Chicken	\$20
Diet Coke	\$2.5
Total	\$60.5 (+ Tip)

Projects KIND committed Investment for : 5 Projects

Project	KIND Commitment	Status
Kazakh Almaty Ring road PPP ('18. 4Q)	\$ 15.0M	Working for financial closing
Chile Talca Solar Power ('18. 4Q)	\$ 6.5M	Under Operation
Poland Polimery Police PDH/PP plant ('19. 2Q)	\$ 57.0M	Working for financial closing
Plant tender - Middle East region ('19. 3Q)	\$ 5.0M	Bid submitted / Waiting for the result
Chile Maria Pinto Solar Power ('19. 4Q)	\$ 2.0M	Working for financial closing
Total	\$ 85.5M	

KIND Deal Pipeline: total 62 Projects



Projects, for which KIND supports feasibility study in 2020 (as of March)

Country	Project	Country	Project
Philippines	Cebu Economic Housing Project	Philippines	Batangas Gas to Power Project
Bahrain, Saudi Arabia	King Hamade-Causeway Road-Rail PPP project	Turkey	Halkali~Gebze High-Speed Railroad Project
Kazakhstan	Asfendiyarov Hospital PPP Project	Japan	Oita Biomass Power Project
Bangladesh	Chittagong Bay Terminal Project		

Global Infrastructure Fund

Fund	GIF 1	GIF 2	GIF 3	GIF 5	GIF 6	GIF 7
Investor	KIND and others	KIND and others	KIND and others	KIND and others	KIND and others	KIND and others
Fund Size (KIND Share)	KRW 50 Bil (64%)	KRW 80 Bil (50%)	KRW 123 Bil (54%)	KRW 110 Bil (45%)	KRW 110 Bil (45%)	KRW 102 Bil (10%)
Vintage	2015	2011	2016	2019	2019	2019
Manager	KIAMCO	Shinhan BNPP	KIAMCO	KB Asset Mgt.	KB Asset Mgt.	Shinhan BNPP
Investment	Completed	Completed	Completed	On-going	On-going	On-Going

ADB Annual Meeting has been postponed due to COVID-19



COVID-19 has caused most of the business activities to be delayed, including the 53rd ADB Annual Meeting which was supposed to be held on May 2020 in Incheon, Korea. Since Incheon was selected for the Annual Meeting, the Ministry of Economy and Finance cooperated with several governmental organizations including KIND for the “Asia Infrastructure Project Plaza Forum” and related business meetings during the Annual Meeting Events. And KIND planned to host a session explaining KIND’s policies for supporting Infrastructure projects and a consultation time for the project development and financing. The 53rd ADB Annual Meeting will be held on September 2020.

K-City Network : Supported project list to be announced in April

The announcement of K-City Network results has been postponed to April as much more applications are received than expected. KIND as an implementing agency, will review the applications with Ministry of Land, Infrastructure & Transport (MOLIT) and do its best to select as many projects as possible in a limited budget. The results will be announced via each applicant’s e-mail and be checked on KIND’s website.

MOU with GICO for cooperative relationship

KIND is planning to sign an MOU with GICO (Gyeonggi Urban Innovation Corporation) following an MOU with SH (Seoul Housing & Communities Corporation) on March. In the meantime, KIND has built cooperative relationship mainly with the central government and those agencies, and is expanding its network to local government agencies. SH and GICO, having expertise which is acquired by carrying out domestic projects, are willing to enter the overseas infrastructure market with KIND.

Issuing Long-term Corporate Bond

KIND prepares for issuing a long-term corporate bond. As we expand our investment in large overseas projects, we plan for issuing a long-term corporate bond in order to raise funds from the financial market. In this regard, a thorough analysis in the markets is being performed.

KIND recruits for new positions

KIND posted new job openings advertisement for its recruitment. 11 for experienced and 2 for entry level positions were posted, and the whole process is targeted to be done within 2nd quarter. If interested, you can find it on our website. (<http://kind.recruityou.co.kr>)

Looking for potential Korean investors interested in the 3 projects proposed by Bangladesh Govt. on going

KIND is seeking for potential Korean Investors interested in the 3 Projects which are 1. Khan Jahan Ali Airport, 2. Extension of Mongla Port Roosevelt Jetty and 3. Mirpur Integrated Township Development. Several companies have submitted EOI, and, within 2nd Quarter, KIND is planning to visit Govt. of Bangladesh with those firms for the detailed discussion. After that, KIND will select the most proper Korean Investors for each project and recommend them to PPPA of Bangladesh.

Editor's Comment

It has been more than a year since KIND issued first newsletter and I'm newly taking a role of editing on this well-run stuff, so bit excited to leave a trace here.

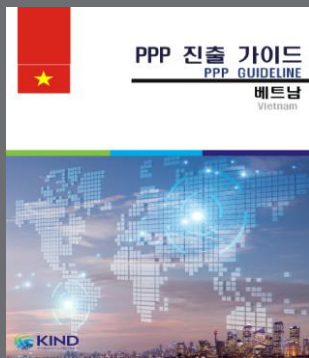
Since its establishment in 2018, KIND has provided a bunch of practicable functions and solutions through the project life cycle (G2G framework service, Overseas Infrastructure Centers, F/S support, GIFs, PIS, and various advisory works) and the public recognize KIND more who is helping Korean players shift their overseas paradigm from EPC to PPP.

However, it is impossible to overemphasize the importance of introduction of KIND 'who we are and what we do' because no matter how good it is, it's useless if people don't use it.

In this regard, communication with various parties by newsletter is one of the powerful co-relationship tools and could be the first stepping-stone to draw the lovely PPP picture so we will do the best on this editing, also will be all ears! Always welcome to knock on the KIND's door and hope that COVID-19 free soon!!



Guidelines to branch out into overseas PPP market published!



With the purpose of supporting potential Korean Investors, KIND published the guidelines to branch out into overseas PPP market. The main targets of these guidelines are small and medium-sized businesses which do not have enough capacity to gather information and expand sales activities. This series consists of five volumes for each country which are Indonesia, Vietnam, Kenya, Uzbekistan and Bangladesh, as of now, and each book explains Infrastructure Investment Opportunities, PPP-related Laws, Case Studies, Information about Key Persons and so on. KIND looks forward to that many Korean small and medium-sized firms can save a lot of time and money to expand their overseas business by making use of the guidelines. If you are interested in this series of guidebook, please give us an email for the request.

- E-mail : ym.seo@kindkorea.or.kr -



Recommendations for preventing COVID-19

General Public Code of Conduct for Prevention



Wash your hands frequently and thoroughly with soap and water.



Do not touch your eyes, nose, or mouth with unwashed hands.



Cover your mouth and nose with your sleeve when coughing or sneezing



Avoid contact with people who have symptoms of fever, cough, or other respiratory symptoms.



Avoid visiting crowded places.



Especially, the elderly · pregnant women · the people with underlying chronic conditions must wear a facemask when going outside.

Code of Conduct to Abide by When Having Fever, Cough or Other Respiratory Symptoms



Wear a facemask.



Avoid outdoor activities and stay at home for 1 or 2 days to monitor symptoms.



Avoid visiting large hospitals and emergency rooms. And contact your local health center or 1339 or Area Code + 120 for consultation.



When visiting healthcare facility (*selected clinics), be sure to wear a facemask and try to use personal vehicles for transportation.



Inform your health care provider of your travel history and contact history with patients with respiratory symptoms before getting a consultation.



Follow guidance provided by health care provider and public health authority.

* Selected clinic information: Check KCDC homepage, contact local public health center, or call 1339 or area code+120