

Infrastructure attracts investment to north Việt Nam

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Đỗ Trung Thoại (third left), chairman of the Hải Phòng Economic Zone Authority, answers questions from delegates at the seminar on “Mega Infrastructures Make Difference in the North” in HCM City on Wednesday. — VNS Photo

Viet Nam News HCM CITY — The newly established five modal (rail/road/air/river/sea) infrastructure network has brought a great deal of investment to the Red River Delta, especially Hải Phòng, delegates told a seminar held in HCM City on Wednesday.

Hans Kerstens, international business development manager at Deep C Industrial Zones, said in the last five years the north has become the most popular investment destination for foreign companies.

Almost US\$60 billion has been invested there since 2011, outperforming the south by nearly \$9 billion, he said.

Availability of prime industrial land adjacent to the new infrastructure developments in combination with reliable power, water, wastewater treatment and, unconditionally, the best tax package available in Việt Nam are some of the reasons why many more investors have decided to come here, he said.

Vũ Duy Mật, deputy director of Cát Bi International Airport in Hải Phòng, said the airport, upgraded last year, has been a success story in terms of both passengers and cargo.

In the first quarter of this year passengers and cargo throughput increased by 47 per cent and 48 per cent year-on-year.

The presence of a second airport (besides Nội Bài Airport in Hà Nội) capable of handling cargo via international routes is an imperative to comfort investors in the mobile phone and electronics business, he said.

Phạm Hải Mạnh of the Ministry of Transport's Maritime Project Management Unit said a major game changer in the north has been the construction of the new Hải Phòng International Gateway Port (also known as Lạch Huyện Port).

Until recently Hải Phòng only had a port with a limited draft of seven metres. The new Lạch Huyện Port, which will become operational next year, will allow vessels with a draft of 14 metres or 100,000DWT to berth in Hải Phòng, eliminating the need to tranship from places like Singapore or Hong Kong and reducing the time to markets.

Hải Phòng in particular has received a lot of interest among foreign investors, Đỗ Trung Thoại, chairman of the Hải Phòng Economic Zone Authority, said.

It is home to 490 FDI projects worth almost \$14 billion by some major players like LG, Bridgestone, Knauf, Regina Miracle, Nipro Pharma, and Flat Glass.

The integrated infrastructure, especially the transport system, has been one of the biggest factors in this.

Its investment environment too has greatly improved, especially in terms of administrative procedures, enabling businesses to get licences and customs and tax declarations faster, he said.

He expected the investment wave in the city to strengthen further when large national transport infrastructure works are completed soon.

He hailed the active support offered by local authorities to investors.

The province has approved a list of projects requiring FDI investment in 2016-20, with a focus on environment-friendly ones, he said.

Kerstens said investors in the Deep C Industrial Zones can enjoy the convenience of transportation by sea, road, rail, and air.

They have so far attracted over \$3 billion worth of investments from various countries in 70-odd projects.

The zone supports customers by providing an integrated support package in an unconditional and transparent way to allow them to do business hassle-free, Kerstens said.

Nearly 100 business people attended the seminar on “Mega Infrastructures Make Difference in the North” organised by Beluxcham together with various IP authorities, Deep C Industrial Zones, and KPMG. — VNS

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