

## INDUSTRIAL LAND RENT ON THE UP THANKS TO VIETNAM'S POST-COVID REOPENING

Industrial parks in southern Vietnam saw a 9 percent increase in average land rent prices in the first quarter compared to the same period last year.

An industrial real estate report by U.S.-based commercial real estate services company Jones Lang Lasalle (JLL) revealed that the average land rent price for southern Vietnam's industrial parks in the first quarter was \$120 per square meter, a 9 percent increase year-on-year.

The higher prices were due to a wave of new foreign direct investments into Vietnam following the country's post-Covid reopening, as well as rising business demand to expand production.

Another report by real estate services company Colliers Vietnam revealed that the average industrial land rent price in Ho Chi Minh City was \$190 per square meter in the first quarter, with an occupancy rate of 90 percent. The speed at which land rent prices for southern Vietnam's industrial powerhouses increase has been at around 8-9 percent a year recently, it added.

The fact that HCMC's industrial parks are running out of land plots to rent means that other surrounding regions, like Binh Duong, Long An and Dong Nai, are attracting more investors. Fields regarding industrial real estate like logistics and workshops would see high growth potential this year thanks to a quickly developing e-commerce industry in major urban areas, the report anticipated.

An industry highlight report by property

agent Savills meanwhile said industrial parks saw the most potential among the real estate market during the Covid-19 pandemic, and had the most impressive growth regarding rent and occupancy rates in the first quarter.

John Campbell, associate director of industrial services for Savills Vietnam, said thanks to the reopening of international flight routes, manufacturers can now come to Vietnam to witness projects, sign contracts and establish facilities in Vietnam, among other tasks. It promotes the renting of industrial land and workshops, he added.

Vietnam is encouraging companies to move to the country and providing tax incentives for tech, R&D, renewable energy and smart agriculture firms, said Campbell, adding that the move has provided a great boost for the growth of industrial real estate.

*(Source: Vnexpress)*

## DIGITAL TRANSFORMATION KEY TO VIETNAM'S AMBITIONS OF GETTING RICH AND CLEAN

Digital transformation would be the key for Vietnam to achieve its targets of becoming a high-income country and a 'net-zero' emissions economy, an IFC vice president says.

Vietnam has two big goals by the middle of this century. One is to become a high-income country by 2045 under the Resolution of the 13th National Party Congress and another is to reach net-zero carbon emissions by 2050 as committed by Prime Minister Pham Minh Chinh at the 2021 United Nations Climate Change Conference (COP 26).