



LEMNA INTERNATIONAL RECEIVES INVESTMENT LICENSE IN HO CHI MINH CITY FOR FIRST MUNICIPAL SOLID WASTE TREATMENT FACILITY

Deputy Secretary of State Robert Zoellick participates in ceremony

Minneapolis, Minnesota, USA On May 6, 2005 the Government of Vietnam awarded an investment license to the American firm Lemna International to build a facility that will convert more than one thousand tons of solid waste per day into high-quality organic fertilizer for Vietnam's farmers. In a ceremony held at the Ho Chi Minh City People's Committee, Vice Chairman Nguyen Thien Nhan presented the license to Lemna Vice President Poldi Elizabeth Gerard. Mr. Robert B. Zoellick, visiting Vietnam during his first tour of Southeast Asia as the new United States Deputy Secretary of State, participated in the ceremony, along with U.S. Consul General to Ho Chi Minh City Seth D. Winnick.

Lemna International will invest \$36 million in a new Vietnamese company named Viet Star that will design, build, own and operate a Comprehensive Municipal Solid Waste Treatment Complex in the Cu Chi District of Ho Chi Minh City. The facility will treat 1,200 tons of municipal garbage per day, with more than 80% of it converted into high-quality biological compost for Vietnam's farmers and other usable products. "Lemna's proprietary technology is uniquely suited to Vietnam's hot, rainy climate", said Lemna Vice President Poldi Gerard. "It will ensure environmentally sound operation and will protect ground and surface waters." The facility will employ more than 600 people. After 30 years of operation, ownership will transfer to Ho Chi Minh City.

Deputy Secretary of State Robert Zoellick participated in the ceremony, and at a press conference later that afternoon lauded the project as a “creative venture to bring in technology for solid waste disposal.” Emphasizing the benefits of the project for both countries, the Deputy Secretary stated, “It will also create jobs for Vietnam, bring in capital, and also create some possibilities for the U.S.”

In her speech at the ceremony, Lemna Vice President Poldi Gerard emphasized the project’s innovative financing structure, stating, “Lemna, a private company, will provide 100% of funds for the facility, which will provide services to the public sector.” She went on to note that the enterprise will operate under a long-term “put-or-pay” service contract with the City’s Department of Natural Resources and Environment, charging the City a tipping fee, and will also receive revenues from the sale of the compost and recycled plastic created from the municipal solid waste. Gerard thanked the U.S. government for its support of the project, including a grant in 2001 from the U.S. Trade and Development Agency for a feasibility study to characterize Ho Chi Minh City’s waste and test the use of the company’s composting technology in Vietnam.