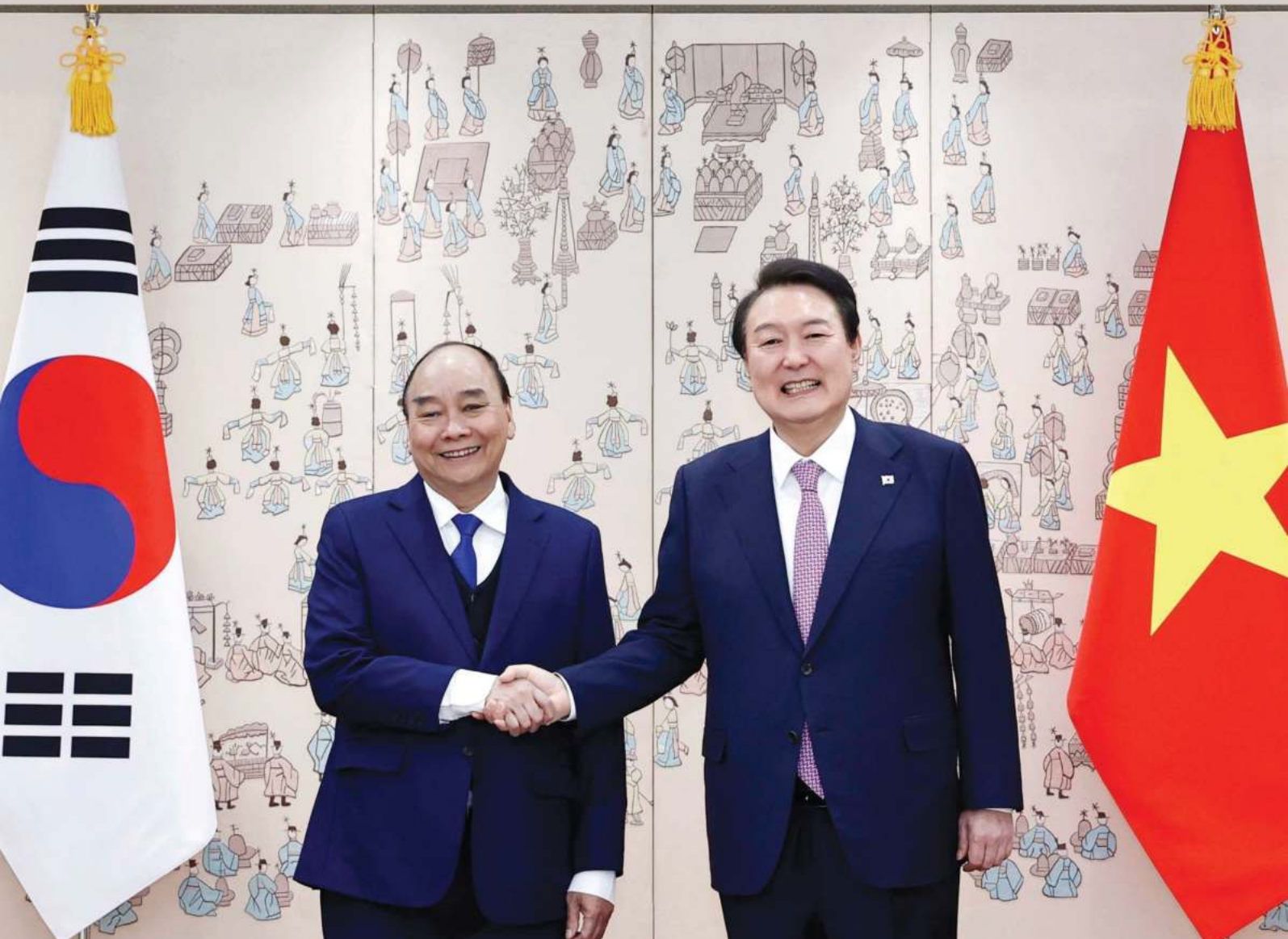


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VIETNAM - KOREA
WORKING COLLECTIVELY FOR SHARED PROSPERITY

REALIZING ASPIRATION FOR PROSPEROUS VINH PHUC

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European Council President Charles Michel (first from left) and European Commission President Ursula Von der Leyen (first from right) welcome Prime Minister Pham Minh Chinh to the ASEAN-EU commemorative summit

FURTHER DEEPENING ASEAN-EU STRATEGIC PARTNERSHIP

Prime Minister Pham Minh Chinh recently attended various activities within the framework of the Commemorative Summit on the 45th anniversary of ASEAN - EU dialogue relations in Brussels, Belgium.

The year 2022 marks the 45th anniversary of ASEAN-EU Dialogue Relations (1977-2022). On this occasion, the Association of Southeast Asian Nations (ASEAN) agreed with the European Union's (EU) proposal to hold a commemorative summit to celebrate the 45th anniversary of ASEAN-EU relations in Brussels, Belgium on December 14, 2022.

This is the first time that ASEAN and the EU have coordinated to organize a commemorative summit on bilateral relations in the EU, attended by senior leaders of ASEAN and EU member countries, since the EU-ASEAN dialogue relationship was established in 1977 and especially after the two sides formed the strategic partnership in 2020.

The summit is of special significance and marks a milestone in the bilateral relationship of the two most

successful regional blocs in the world.

After 45 years, ASEAN-EU relations have developed dynamically and expanded to various fields such as politics-security, economy-trade, culture-society and development cooperation.

Currently, the two sides are working together to implement the Action Plan for carrying out the ASEAN-EU Strategic Partnership for the 2023-2027 period.

On politics and security, the EU emphasized that ASEAN holds a central position in the EU's Cooperation Strategy in the Indo-Pacific, as announced in 2021, and it hopes to bolster extensive cooperation with ASEAN.

The EU is one of ASEAN's leading trade and development cooperation partners. According to ASEAN data, in 2021, the EU was ASEAN's third largest trading partner (after China and the United States) with a total two-way trade value of US\$268.9 billion, 18.6% higher than a year earlier. The EU was the second largest foreign investor (after the United States) of ASEAN with a total investment fund of US\$26.5 billion.

According to EU data, in 2021, ASEAN was the EU's third largest non-European trading partner (after China and the United States).

Regarding COVID-19 response coordination and post-pandemic recovery support, the EU was one of the first partners to actively boost cooperation with ASEAN in the COVID-19 response right from the outbreak.





At the summit, senior leaders in ASEAN and the EU looked back on and assessed the overall journey of the 45-year partnership and set forth important directions for the upcoming development of ASEAN-EU relations. At the same time, they spent time discussing regional and international issues of mutual concern.

The Vietnam-EU relationship has developed substantially in depth and in breadth in recent years. Vietnam is the first ASEAN country to have all frameworks for politics, economic, defense and security cooperation with the EU. There are many mechanisms for specialized cooperation, exchange of delegations and contacts at all levels, especially at a high level.

The EU is the third largest export market, the fifth largest import market and the sixth largest foreign investment source of Vietnam. Regarding development aid, the EU is one of Vietnam's largest non-refundable aid donors.

After more than two years of enforcing the European Union-Vietnam Free Trade Agreement (EVFTA), the trade value reached more than US\$52 billion in the first 10 months of 2022, making Vietnam the 14th largest trading partner of the EU. The two sides are celebrating the 10-year Vietnam-EU Comprehensive Partnership and Cooperation (2012-2022).

The attendance of Prime Minister Pham Minh Chinh and leaders of ASEAN countries at the commemorative summit is of great significance, demonstrating the spirit of active, positive and responsible contribution of Vietnam to ASEAN and to the international community, especially in the context that the region and the world are facing many unpredictable developments and challenges today.

The trip has helped deepen the ASEAN-EU Strategic Partnership, the Vietnam-EU Comprehensive Partnership and Cooperation, and Vietnam's relations with EU member states.

Within the framework of his business trip to Europe to attend the 45th anniversary of the relations between the Association of Southeast Asian Nations (ASEAN) and the European Union (EU), Prime Minister Pham Minh Chinh paid an official visit to the Grand Duchy of Luxembourg, the Kingdom of the Netherlands and the Kingdom of Belgium. ■



**NA Chairman Vuong Dinh Hue (R) meets
with Australian Prime Minister Anthony Albanese**

Vietnam's Strategic Trust with Australia, New Zealand Enhanced

National Assembly Chairman Vuong Dinh Hue's official visits to Australia and New Zealand wrapped up with more than 40 activities in the two countries, opening up many new cooperation opportunities on all Party, governmental, parliamentary and people-to-people exchange channels and pillars of economic relations.

New opportunities

The official visits to Australia and New Zealand by National Assembly Chairman Vuong Dinh Hue and the high-ranking delegation of the National Assembly of Vietnam are practical steps of implementing the important foreign policy of the 13th National Party Congress, which underlines the importance of strengthening in-depth, effective and substantive relations with neighboring countries and strategic partners,

including Australia and New Zealand, key partners in many aspects to Vietnam in the South Pacific region.

The Australia visit took place when the two countries were preparing to celebrate the 50th anniversary of diplomatic relations. At a meeting with the Australian Prime Minister, inspired by important achievements in the bilateral relations over the past time, the two leaders agreed to advocate the consideration of upgrading the relationship to Comprehensive Strategic Partnership at an appropriate time when relevant formalities are completed. This is a positive sign for the bilateral relationship.

The Vietnam-Australia Economic Cooperation Forum was one of the remarkable events of the visit. Knowing that there is a vast room for currently limited trade revenue, NA Chairman Hue raised a question to give explanations to inconsistencies in bilateral investment and trade relations; hoped to see more talks held in the future where attendees will generate motivation and vitality on economic, trade, and investment relations between the two countries.

Impetus for Vietnam-Zealand relations

Following the official visit to Australia, he started his tour to New Zealand.

The Speaker of the New Zealand Parliament welcomed the Vietnamese counterpart and his delegation, saying that the Vietnam-New Zealand relationship, which has grown strongly from a very proud history, was lifted to Comprehensive Partnership in 2009 and Strategic Partnership in 2020.

The two parliamentary leaders agreed on the need to further strengthen economic, trade and investment cooperation and make this field a driving force to boost their two-way relations, saying that free trade agreements to which the two countries are signatories such as AANZFTA, RCEP and CPTPP are important frameworks to promote economic cooperation. Besides the traditional cooperation fields such as education, training, tourism,



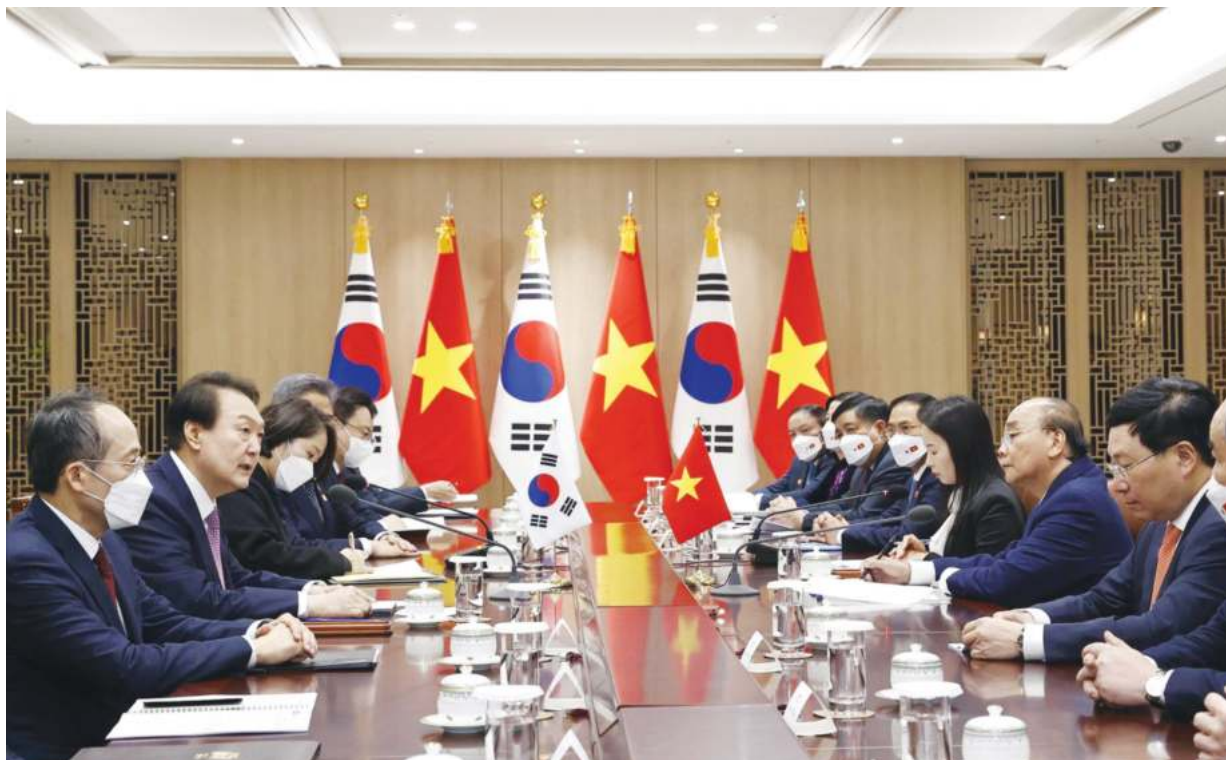
NA Chairman Vuong Dinh Hue and Speaker of New Zealand House of Representatives Adrian Rurawhe hold talks in Wellington, New Zealand

culture, sports, labor, agriculture, forestry and fishery, the two sides need to expand cooperation to new and potential fields such as digital transformation, energy transformation and climate change.

Regarding parliamentary cooperation, Chairman of the Foreign Affairs Committee of the National Assembly Vu Hai Ha said that the cooperation by the two legislative bodies is promoted on both bilateral and multilateral levels and asserts the important and substantive roles of parliamentary cooperation in strengthening the two countries' relations. The two sides agreed to study and build a parliamentary cooperation agreement to provide a regulatory framework for the two sides to promote and deepen cooperation ties in the coming time.

NA Chairman Hue attended the Vietnam-New Zealand Economic Cooperation Forum in New Zealand. Given that, in the current context of unpredictable volatility, having trustworthy friends to work together and share common values of peace, stability, cooperation and development, for the prosperity of each country, for the benefit of businesses and people, is extremely valuable.

Economic, trade and investment cooperation has been growing day by day, he said, adding, "I look forward to seeing strong confidence and optimism of New Zealand businesses investing in Vietnam. We welcome you and will work with you to create new great successes." ■



VIETNAM-KOREA COMPREHENSIVE STRATEGIC PARTNERSHIP

USHERING IN NEW ERA OF BILATERAL RELATIONS

President Nguyen Xuan Phuc was the first head of state to visit the RoK after the country announced the Indo-Pacific Strategy and the ASEAN Solidarity Initiative, while Vietnam was the coordinator for ASEAN-RoK relationship to 2024. Therefore, President Nguyen Xuan Phuc's visit has great significance at both bilateral and multilateral levels, both nationally and internationally.

President Nguyen Xuan Phuc and President Yoon Suk Yeol highly appreciated the rapid and effective development of the cooperative relationship between the two countries, especially since the relationship was upgraded to a strategic partnership in 2009. On the basis of important

During the state visit to the Republic of Korea (RoK) by Vietnamese President Nguyen Xuan Phuc on December 4-6, 2022, President Nguyen Xuan Phuc and President Yoon Suk Yeol issued a joint statement on upgrading the relations between Vietnam and RoK to a comprehensive strategic partnership.

achievements, with a strong belief in the future of cooperation between the two countries, President Nguyen Xuan Phuc and President Yoon Suk Yeol agreed to issue a joint statement upgrading Vietnam-RoK ties to a comprehensive strategic partnership.

The two leaders exchanged major directions and concrete measures to bring political relations and cooperation in defense and security between the two countries to a level commensurate with the new relationship. In particular, they agreed to increase contacts and exchange of high-level and all levels of delegations, and comprehensively promote cooperation in trade, investment, and in development and technology transfer.

Accordingly, RoK will actively consider creating favorable conditions



President Nguyen Xuan Phuc (L) and his Korean counterpart Yoon Suk Yeol pose for a photo during their talks at the presidential office in Seoul, Dec. 5, 2022

for Vietnamese goods to be exported to the country, and support Vietnamese enterprises to participate more deeply in the global supply chain of Korean enterprises. Vietnam will create favorable conditions for Korean businesses to make new investments and expand their investment scale in areas such as electronics, infrastructure development, construction, building specialized technology complexes, green industrial parks and smart cities.

President Nguyen Xuan Phuc and President Yoon Suk Yeol agreed that the RoK would further expand the scale of grant aid, especially for projects in the Mekong Delta, and consider reducing and moving toward the abolition of binding conditions on contractors and origin of goods in the implementation of loans from the Economic Development Cooperation Fund.

The two leaders also advocated promoting cooperation between localities, friendship organizations and peoples of the two countries, strengthening coordination to ensure the legitimate rights of citizens of the two countries residing in Vietnam and the RoK.

The two sides also agreed to strengthen cooperation in urban planning and development, housing and real estate markets, training human resources in the management and operation of traffic, maritime, aviation, roadways, promote the RoK's investment in transport infrastructure under the method of Public-Private Partnership, and soon sign an extension of

the Memorandum of Understanding on sending and receiving laborers to work in RoK, which will expire in February.

President Nguyen Xuan Phuc affirmed that Vietnam consistently supported the implementation of denuclearization, promotion of dialogues and cooperation on the Korean Peninsula, and Vietnam would be willing to coordinate and contribute to this process.

The two leaders agreed on the necessity of ensuring security, safety and freedom of maritime and aviation in the East Sea, maintaining a peaceful, stable environment, legal order and resolving maritime disputes by peaceful means, ensuring the legitimate rights and interests of countries in accordance with international laws, including the United Nations Convention on the Law of the Sea (UNCLOS).

President Nguyen Xuan Phuc and President Yoon Suk Yeol witnessed the signing of many cooperation documents. These included an agreement on the use of Korean ODA loans along with a Memorandum of Understanding on cooperation in diplomacy, culture, sports and tourism, cooperation in the exploitation of essential minerals, cooperation in the electricity and green energy industry, health care and medical sciences; a Memorandum of Understanding on cooperation in Information and Communication Technology; and the Protocol on Cooperation and Mutual Assistance in Customs and cumulation of origin of goods. ■



Since diplomatic relations were established 30 years ago, despite numerous twists and turns in the world and the region, the economic cooperation between Vietnam and the Republic of Korea has always grown strongly and substantively, and become an important pillar in the bilateral cooperation ties.

PHAM TAN CONG
VCCI PRESIDENT

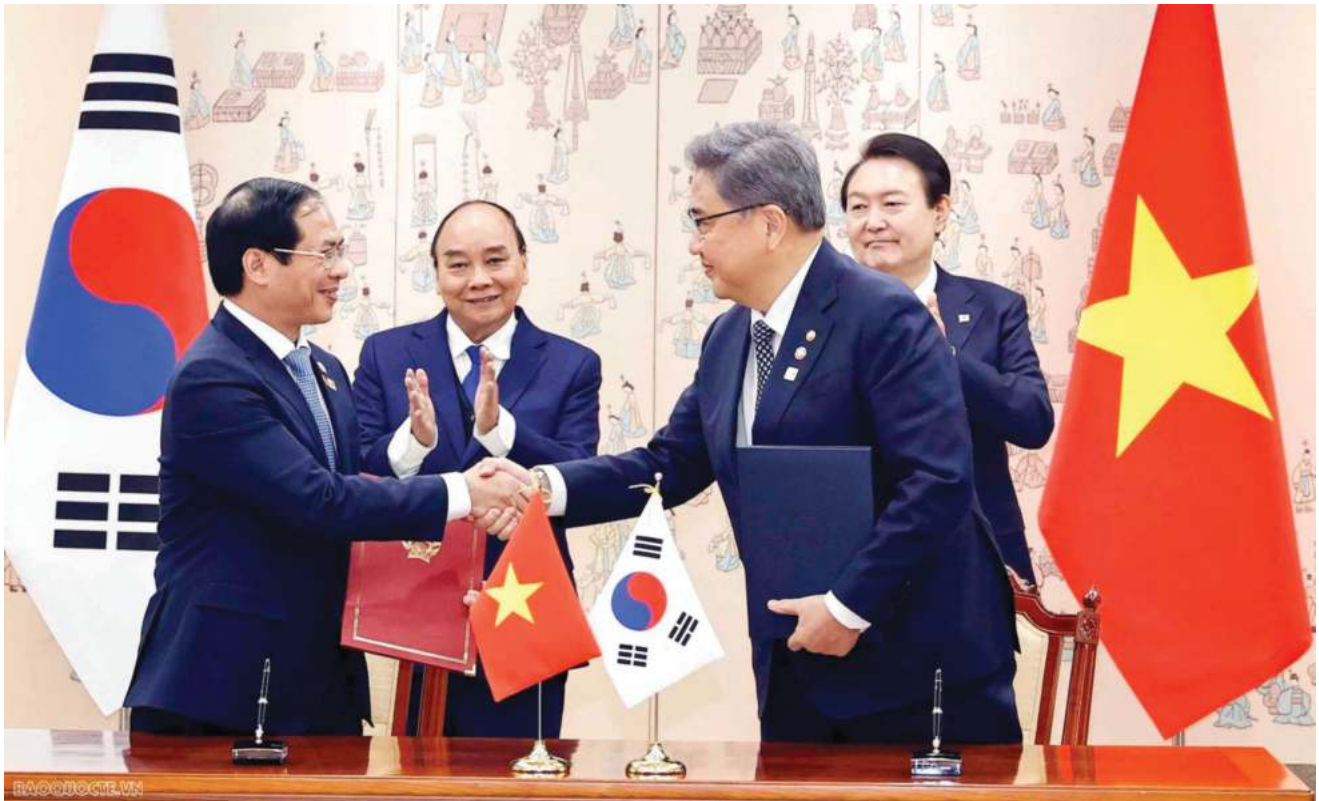
CONSOLIDATING VIETNAM-KOREA ECONOMIC TIES

Currently, Vietnam and Korea have become leading economic partners. Vietnam is Korea's largest economic partner in ASEAN, accounting for 30% of its investment in ASEAN and 50% of its total trade value with ASEAN. Meanwhile, Korea is Vietnam's third largest trading partner after China and the United States, with the two-way trade value reaching US\$78 billion in 2021, and the largest FDI partner in Vietnam with nearly 9,400 projects and more than US\$79.8 billion of registered investment capital. Korean businesses have been investing in 19 out of 21 economic sectors and 59 out of 63 localities, making positive contributions to Vietnam's structural transformation and economic growth. Korean corporations such as Samsung, LG, Hyundai, Posco and Lotte have become very popular names to Vietnamese people. At the same time, Vietnam is a key partner in the "New Southern Policy" of the Republic of Korea.

These achievements have first of all come from the fine bilateral relationship, built on political trust as well as solidly consolidated legal and political foundations. In 2001, the two countries established the "Vietnam-Korea Comprehensive Partnership of the 21st Century". In 2009, the relationship was upgraded to the "Strategic Partnership". The two sides signed the Vietnam-Korea Free Trade Agreement in 2015 and most recently, on December 5, 2022, issued a joint statement on the elevation of their relations to the "Comprehensive Strategic Partnership." Secondly, the two economies are complementary. The third factor is the dynamism and effective cooperation of businesses of the two countries, coupled with the cultural similarity and closeness of the two countries.

Over the past 30 years, VCCI has persistently fostered Vietnamese and Korean business cooperation. Facilitated by close relationships with Korean partners such as the Embassy of the Republic of Korea, the Korea Trade-Investment Promotion Agency (KOTRA), the Korea Chamber of Commerce and Industry (KCCI), the Korea Federation of SMEs (KBIZ), the Korean Chamber of Business in Vietnam (KORCHAM) and Korean companies, VCCI has met well the trading needs of businesses and industry associations of the two countries; and successfully organized many trade and investment promotion programs, and business delegations that escorted senior leaders of Vietnam on their visits to Korea. Every year, VCCI leads 15-20 business delegations from both countries looking for business cooperation and investment opportunities.

In 2022, VCCI together with Korean partners has organized many significant events to celebrate the 30th anniversary of bilateral diplomatic relations. In June 2022, VCCI President led a Vietnamese business delegation to attend the 30th Maekyung Global Forum and the Vietnam Investment



President Nguyen Xuan Phuc and President Korea Yoon Suk Yeol witness the signing of many cooperation documents during his state visit to the Republic of Korea

Promotion Conference in Seoul, Korea. In December, VCCI cooperated with KBIZ to open the "Baekdu Forum in Vietnam 2022" in Quang Nam province and collaborated with KORCHAM to open the "Vietnam-Korea Economic Forum" in Hanoi.

There remains considerable room for development in the Vietnam-Korea relationship. Vietnam is a fast-growing, dynamic economy that plays an important role in the ASEAN region and the global production chain. Vietnam's GDP in 2022, according to the IMF's forecast, ranks 38th in the world. Vietnam has the world's leading open business and investment environment with 17 free trade agreements (FTAs) signed. Along with political stability, abundant and quality human resources and quickly upgraded transport infrastructure and digital transformation, Vietnam is emerging as a new production center of the world and a very attractive destination of the world to FDI flows. Up to now, companies from 139 countries and territories have invested over US\$420 billion in Vietnam.

With a global geopolitical perspective and a vision that Vietnam is aiming to become a developed and high-income country by 2045, there is much room for economic cooperation, business and investment opportunities for Vietnamese and Korean companies, especially in processing, manufacturing, high-tech, digital, smart city, electronics, green economy and circular economy, among other industries. The success of Vietnamese enterprises in deeply participating in

the supply chains of Korean corporations that invest in Vietnam will also make an important contribution to the long-term success of Korean corporations in Vietnam. For that reason, I appeal to the Government and businesses of the Republic of Korea to pay more attention to technology transfer and support Vietnamese enterprises to deeply participate in these supply chains.

Nearly 10,000 Korean companies are doing business and nearly 200,000 Koreans are living and working in Vietnam. More than 200,000 Vietnamese people are living in Korea. With great cultural similarities, plus 30 years of cooperation achievements and in the spirit of "Working together to the future", I am absolutely confident about the bright future of economic, trade and investment cooperation and of the Win2Win business cooperation between the two countries.

2022 witnessed the 30th anniversary of Vietnam-Korea diplomatic relations and began a new chapter of development with bigger goals. Given what has been achieved, with the determination of the two governments, and the close cooperation of relevant agencies and business communities, the Vietnam-Korea partnership promises to grow strongly and contribute to the common prosperity of the two countries. As a national representative of the business community in Vietnam, VCCI is committed to continuing to provide more effective support for businesses of the two countries, actively fostering trade and investment cooperation and elevating the two-way relationship to new highs. ■

VIETNAM - KOREA

WORKING COLLECTIVELY FOR SHARED PROSPERITY



Delegates at the Korea-Vietnam Economic Cooperation Forum 2022

The Korea International Trade Association (KITA), the Vietnam Chamber of Commerce and Industry (VCCI), the Vietnam-Korea Friendship Association (VIKOFA) and Herald Media Group organized the Korea-Vietnam Economic Cooperation Forum 2022 in Hanoi on December 16. The event aimed to celebrate the 30th anniversary of Vietnam-Republic of Korea (RoK) diplomatic relations (December 22, 1992 - December 22, 2022).

HUONG LY - BUI LIEN

Speaking at the forum, Vice Chairman of the National Assembly Nguyen Duc Hai said that Vietnam and Korea have become each other's leading economic partners. Vietnam is Korea's largest economic partner in ASEAN, accounting for 30% of its investment in ASEAN and 50% of Korea-ASEAN trade value.

Meanwhile, Korea is Vietnam's third largest trading partner (after China and the United States), with a two-way trade value amounting to US\$78 billion in 2021. In the first 10 months of 2022, the two-way trade reached US\$73.5 billion, up 15.9% year on year. Korea is also the largest FDI partner in Vietnam with over 9,400 projects and more than US\$81 billion of investment capital as of October 2022.

Korean investors are present in 19 out of 21 economic sectors and 59 out of 63 provinces and cities, making significant contributions to Vietnam's structural transformation and economic growth. Korean corporations such as Samsung, LG, Hyundai, Posco and Lotte are popular among Vietnamese people. At the same time, Vietnam is a key partner in the "Indo-Pacific Strategy" of the Republic of Korea.

NA Vice Chairman Nguyen Duc Hai said that in the face of international economic and political fluctuations, as well as current major economic trends, the Party, the State as well as the National Assembly of Vietnam are well aware of the importance and urgency of changing the growth model and economic connectivity to be more sustainable and more resilient, to maximize internal

resources, combined with optimized external forces. State laws, policies and directions on FDI attraction in Vietnam are currently shifted from simply “attracting” FDI to “cooperating” with foreign investors in the spirit of “harmonized benefits, shared difficulties”, shared responsibility to society and employees, environmental protection and sustainable development. The two countries still have a lot of room and potential for cooperation because of abundant internal resources as well as the strong movement of the Fourth Industrial Revolution, deep regional connectivity and integration, and the cultural identity of the two nations.

“The National Assembly and the Government of Vietnam, by building and perfecting the legal system, will continue to create an open, favorable and fair business and investment environment for foreign investors, including those from Korea, to meet integration requirements as well as international practices in the new development period,” he emphasized.

Delivering a speech to the forum, VCCI President Pham Tan Cong said that the forum theme “Toward a 100-year prosperity” is very meaningful, with implications that the two countries have written on the 20-year success story of cooperation but, with the vision of 100-year prosperity, we are taking the opportunity and working together to write a 100-year success story to deliver century-lasting prosperity for the two countries.

“Toward a 100-year prosperity”, the two countries will work together toward the goal of increasing the bilateral trade to US\$100 billion by 2023 and US\$150 billion by 2030, he stressed. For its goal, Vietnam aims to become an upper-income developed country by 2045. To achieve this goal, Vietnam will need to maintain continuous GDP growth of 6-7% a year, which is a great opportunity for Korean and Vietnamese businesses to develop together.

Madam Oh Young Ju, Ambassador of the Republic of Korea to Vietnam, stated that, in order to promote trade, investment and people-to-people exchanges, Vietnamese and Korean governments are currently discussing methods of cooperation towards the 30-year future, built on the success of the bilateral relationship over the past 30 years.

Mr. Kim Han Yong, Chairman of the Korean Chamber of Commerce and Industry (Korcham), said that nearly 9,500 Korean companies are currently doing business in 59 out of 63 provinces and cities of Vietnam. These enterprises are acting as “bridges” and contributing to the friendly cooperation between the two countries while



VCCI President Pham Tan Cong addresses the Korea-Vietnam Economic Cooperation Forum 2022

maintaining development momentum stretching in many fields and expanding in different regions.

In the future, Vietnam will continue to be an attractive destination for Korean investors thanks to its population of nearly 100 million people and being a link in global goods supply chains, he added. In particular, promoting its strength as a solid bridge, Korcham will make every effort to provide more practical help for the Korean business community in Vietnam in order to boost cooperation ties between the two countries in the coming time.

Dr. Vu Tien Loc, Member of the National Assembly of Vietnam, Chairman of the Vietnam International Arbitration Center (VIAC), and Chairman of the Vietnam-Korea Friendship Association (VIKOF), hoped that the Republic of Korea will continue to take the lead in the second wave of investment flows into Vietnam in the next 30 years. Priority areas for investment cooperation will include startup, innovation and smart economy; processing, manufacturing and supporting industries; cultural industry development; tourism development; and high-tech agriculture and organic agriculture. Along with economic ties, cooperation in science - technology, education - training and health should be further strongly promoted and people-to-people exchange, and cultural and spiritual value sharing need to be spread. ■

EFFORTS FOR BILATERAL TRADE

Trade has always been the spotlight on the relationship between Vietnam and the Republic of Korea. Mr. **Vu Ba Phu**, Director of the Vietnam Trade Promotion Agency (Vietrade) under the Ministry of Industry and Trade, granted an interview on the trade ties between the two countries.



What have Vietnam and Korea achieved in their trade relations?

Vietnam and Korea have developed their diplomatic ties for three decades and worked together to promote the "Comprehensive Strategic Partnership" in various fields such as economy, trade, investment, culture and people-to-people. In particular, the signing and enforcement of the Vietnam-Korea Free Trade Agreement (VKFTA) in December 2015 has been creating an opportunity to foster the continuous growth of two-way trade value.

Besides investment cooperation, trade is always a bright spot in the Vietnam-Korea relationship. In 2021, their import and export value reached over US\$78 billion, up 18.2% over 2020 and equal to 11.6% of Vietnam's total trade value with the world (US\$668.5 billion). And in the 10 months of 2022, the value rose 16.5% year on year to US\$73.5 billion.

At multilateral trade forums, Vietnam and Korea closely coordinate and support each other in multilateral trade frameworks such as WTO, ASEAN and APEC. Especially, at the 11th Meeting of the Vietnam-Korea Joint Committee on Industry, Trade and Energy Cooperation in Seoul, Korea, in December 2021, the two sides agreed to further promote economic integration in the Asia-Pacific region, emphasizing their commitments to working together closely to carry out the Regional Comprehensive Economic Partnership (RCEP) from January 1, 2022, to facilitate economic integration in the Asia-Pacific region, boost trade and investment, strengthen supply chains in the region and spur post-pandemic economic recovery.

What are the opportunities and challenges in trade promotion in Korea?

Despite being affected by the COVID-19 pandemic in recent years, Vietnam-Korea trade kept growing well, and is expected to top US\$100 billion in 2023. To obtain this,

Vietnam's opening to the world is clearly one of the opportunities to boost trade turnover.

Strong commitments to opening the market within the VKFTA framework catalyze Vietnam's export growth to Korea, helping diversify export markets and products, especially agricultural and aquatic products, and its other competitive products.

In the opposite direction, the market is increasingly open. Korean companies are increasing their investment in Vietnam, supporting Vietnamese partners to access many sources of imported goods and materials such as machinery, equipment, technology/technique of high and stable quality at competitive prices, thereby enhancing productivity and export quality.

In addition to the opportunities and resolve of governments and business communities of the two countries, Vietnamese exports to Korea are facing certain difficulties, especially competition from their competitors from ASEAN countries and Asian nations. Moreover, technical barriers and requirements for high standards in Korea are creating great challenges for small merchants in Vietnam.

Language barriers and limited legal knowledge are also concerning Vietnamese enterprises. However, the Vietnamese community in Korea and the Korean community in Vietnam are growing, with about 200,000 people in each country. This is helping narrow language and cultural barriers between the two countries and indirectly support business transactions.

Being aware of the above issues, the Vietnam Trade Promotion Agency (Vietrade) has actively cooperated with relevant agencies like AKC, KOTRA and KOICA to carry out national trade promotion events to boost trade exchange and support businesses of the two countries to bolster trade and business cooperation. In November 2019, Vietrade and

TO HIT US\$100 BLN IN 2023

KOTRA signed a memorandum of understanding on cooperation in trade and investment promotion with the presence of the Vietnamese Prime Minister and Korean President. Within this cooperation framework, the two sides agreed to establish a KOREA DESK to support the businesses of the two countries to expand trade and investment promotion. After nearly three years of operation, the programs have worked well and received strong support and broad participation from Korean entrepreneurs, Vietnamese local authorities, industrial parks and enterprises. KOREA DESK is playing an increasingly important role in fostering trade, business and investment cooperation for the business communities of the two countries, creating a premise to bolster bilateral strengths and overcome existing limitations in trade promotion and market development.

In addition to traditional trade promotion measures, Vietrade, relevant agencies, industry associations and businesses are taking basic steps to help Vietnamese commodities penetrate Korean retail systems.

Do you have any recommendations for Vietnamese exporters?

From a business perspective, in order to effectively take advantage of trade promotion solutions for the sustainable export of Vietnamese goods, we put forth recommendations as follows:

First, businesses need to spend time researching and analyzing the Korean market to clearly determine targeted consumer segments and learn about technical standards on products needed to be met, especially pesticide residue. They need to actively participate in specialized fairs in Korea to understand market needs and have the right responses. Domestic firms also need to work with Korean partners to analyze the market for each specific product together with marketing strategies on social networking platforms.

They need to foster exchanges and cooperation between Vietnamese and Korean trade associations as well as with distributors like Lotte Mart, E-Mart, Home Plus and CJ Home Shopping to increase the chance to sell products to supermarkets and distribution channels in Korea. Vietnamese enterprises will be supported to introduce and sell products on major Korean e-commerce sites such as Coupang and Gmarket to gradually penetrate the e-commerce market there. In addition, it is also necessary to carefully prepare export plans for each item and each target market, and actively interlink enterprises to support each other to meet importers' requirements.

Second, the Korea market prefers quick meals rather than instant, easy-to-cook products that are growing

rapidly, especially in the past five years. In addition, health-boosting and immunity-boosting products like organic products and foods for the elderly have become a major trend. Consuming meat substitutes, protecting the environment with plastic-minimized packaging and adopting the ESG (environmental, social and corporate governance) has also become more popular in Korea.

Therefore, Vietnamese enterprises need to comply with regulations on food hygiene and safety and quarantine procedures for exports. In addition, they need to invest in product development, improve and control product quality, and enhance competitiveness to meet regulations of import markets on quality, food hygiene and safety, traceability and non-tariff technical barriers.

Third, businesses need to concentrate on training human resources with foreign languages, negotiation and trade promotion skills; capture modern consumer trends; know how to update information technology to do business; and boost trade promotion and export promotion to international markets more professionally and effectively.

What are some solutions to improve trade promotion into the Korea market?

Facing numerous challenges from markets where more trade defense barriers are being erected, trade promotion and export support must be boosted with specific solutions in the coming time:

Actively and closely coordinating with Vietnamese trade offices abroad to promptly inform and warn businesses of import requirements and regulations of host countries that are applicable to Vietnamese exports.

Raising awareness of Vietnamese enterprises in improving production techniques, focusing on international production standards and product origin to meet export standards and minimize risks when exporting Vietnamese goods.

Strengthening training and support for enterprises to enrich product development skills, carefully prepare export plans for each product and target market, actively improve product competitiveness to meet product requirements and standards set by importing countries.

In addition, Vietrade will coordinate with relevant bodies to support localities and industry associations in the registration and protection of geographical indications, collective marks and trademarks for potential exports to foreign markets to protect brands, support export development, and minimize imitations and counterfeits exported.

Thank you very much!

Promoting Vietnam-Nigeria Cooperation in Depth and Effectiveness



Nigerian Vice President Yemi Osinbajo, Minister of MARD Le Minh Hoan, VCCI President Pham Tan Cong and other delegates at the meeting

At a recent meeting with the Vietnamese business community in Hanoi, Vice President of the Federal Republic of Nigeria Yemi Osinbajo expressed a deep impression of Vietnam's achievements in socio-economic development in recent years. At the same time, he affirmed that Nigeria always attaches importance to the good and growing friendship between the two countries.

In the coming time, Vice President Yemi Osinbajo of Nigeria wished to expand and promote relations with Vietnam in economics, trade and investment, in which cooperation in agriculture will be the focus. The Vice President suggested the two sides work closely to promote the multifaceted cooperation between the two countries in depth, substance and effectiveness through packages of measures such as enhancing delegation exchanges and contacts to strengthen mutual understanding, trust and open up more opportunities for cooperation in areas where the countries have complementary

With the potential and market size, over 300 million people, of the two countries, Vietnam and Nigeria need to further improve the efficiency of economic cooperation commensurate with good political relations, as well as to meet the great needs of the two markets.

strengths.

Currently, the Nigerian market is witnessing strong growth, in which the private sector also has many breakthroughs, especially in agriculture and industry. With the advantage of young human resources, the Nigerian government is trying to create more favorable conditions to strongly attract foreign investors, including Vietnam, to invest in Nigeria, the Vice President said.

Besides, Nigeria also wished to cooperate and exchange experiences with Vietnam in such fields as digital economy, energy industry development, electric vehicles and solar energy. The Vice President affirmed that he will make every effort to further promote investment cooperation between the two countries. Alongside this, through the Nigerian market, Vietnamese businesses can further penetrate the large African market.

Assessing the potential for cooperation between the two sides, Mr. Le Minh Hoan, Minister of Agriculture and Rural Development of Vietnam (MARD), affirmed that Vietnam always attaches importance to and wishes to promote multifaceted cooperation with Nigeria.

Minister Le Minh Hoan affirmed that the Vietnamese Government is always committed to supporting the business communities of the two countries; creating all favorable conditions for foreign investors, including Nigerian investors, to invest and do business effectively and sustainably in Vietnam. In particular, with the attention of the governments of the two countries, the support of relevant agencies and the efforts and initiatives of the business communities of the two sides, the Minister expressed his confidence that the relationship between Vietnam and Nigeria will constantly develop and become increasingly substantial in the future.

In order to realize the economic cooperation commitments of the two countries' senior leaders, Minister Le Minh Hoan said that Vietnamese and Nigerian businesses will be the pioneering force. The Minister encouraged cooperation not only between large enterprises but also small and medium-sized enterprises, which are the mainstays of developing economies such as Vietnam and Nigeria. In addition, it is necessary to strengthen the connection between enterprises of the two countries in value chains, regional and international supply chains, he added.

According to the Minister, the Vietnam Chamber of Commerce and Industry (VCCI) and the Nigeria-Vietnam Chamber of Commerce and Industry will maximize their roles to facilitate businesses of the two countries to connect, cooperate and invest.

Along with bilateral cooperation, the Minister suggested the two sides coordinate in mobilizing financial resources and technical support from developed countries and international financial institutions to implement investment cooperation projects in the form of tripartite or quadrilateral model, especially in the fields of agriculture, projects to promote green growth, sustainability and responses to climate change.

Mr. Pham Tan Cong, VCCI President, assessed that Vietnamese enterprises still have plenty of room to boost exports to Nigeria. Specifically, in addition to Nigeria's 200 million consumer market, Vietnam's exports can also access the markets of countries across the Economic Community of West African States (ECOWAS) of which Nigeria is a member, as regulations and standards for imported products between markets are quite similar.

VCCI President Pham Tan Cong also said that the room for increasing Nigeria's export turnover to Vietnam is still large, with a population of nearly 100 million and rapid economic growth, with GDP growth this year expected at about 8%. Vietnam is also located in a favorable geographic position in the dynamic Asia-Pacific region, serving as a gateway for countries like Nigeria to access China's market of 1.45 billion people and the ASEAN region's 684 million people.

VCCI President Pham Tan Cong emphasized that the interest and determination of the leaders of the two governments, the business community, and the cooperation between Vietnam and Nigeria will increasingly develop to new heights in the coming time, on par with the potential



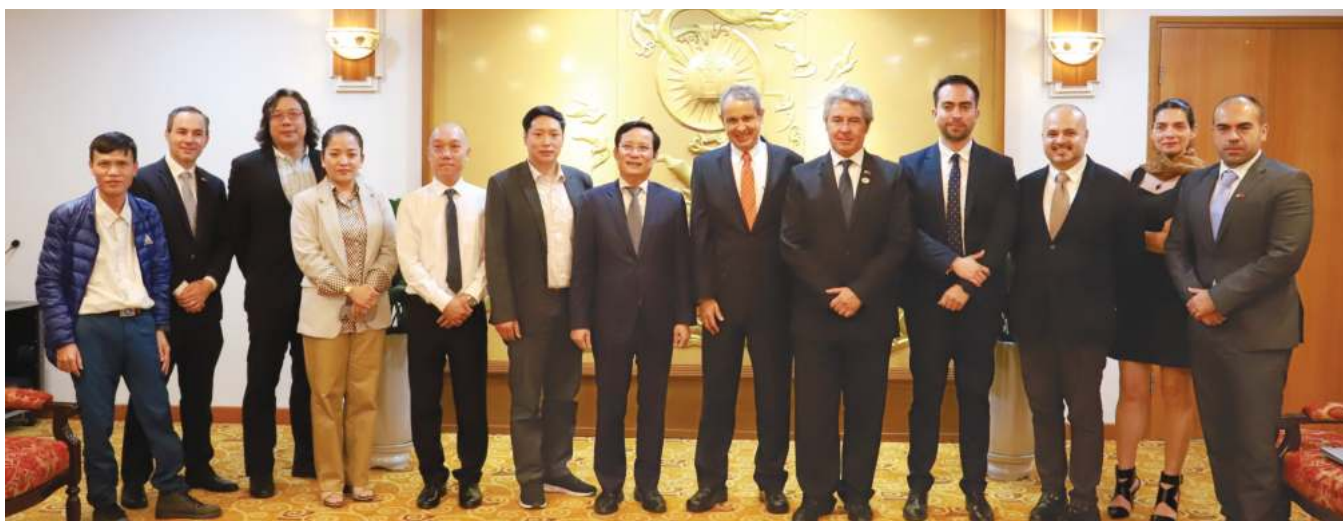
Overview of the meeting between Nigerian Vice President Yemi Osinbajo and the Vietnamese business community

of the two countries.

"VCCI is willing to support Nigerian and Vietnamese businesses in business expansion and investment," said Mr. Pham Tan Cong. In the coming time, businesses of the two countries need to continue to strengthen information exchange, seek cooperation opportunities, especially in a number of strong products such as agricultural and aquatic products, textiles and garments, consumer goods and electronics from Vietnam, or some agricultural and forestry products from Nigeria. In addition, the President of VCCI also suggested that Vietnamese businesses research investment opportunities in Nigeria, especially in the fields of agriculture, information technology, telecommunications and logistics.

Since officially establishing diplomatic relations in 1976, Vietnam and Nigeria have become each other's sincere, reliable friends and increasingly important cooperation partners. The cooperative relationship between the two countries has always been nurtured by generations of leaders and people of the two countries. In particular, from 2019 until now, even in the context of the COVID-19 pandemic, the two countries have actively promoted the exchange of delegations and high-level contacts with the highest frequency in the history of bilateral relations.

The results of economic cooperation between Vietnam and Nigeria have been very encouraging. The two-way trade turnover exceeded US\$500 million, making Nigeria one of the leading trading partners of Vietnam in Africa. Regarding investment, Nigeria also has 39 investment projects in Vietnam with a total capital of US\$3.77 million. This is an important foundation for promoting business cooperation and investment between businesses of the two countries in the coming time. ■



VCCI President Pham Tan Cong receives the Mexican business delegation

MUCH ROOM FOR STRONGER BUSINESS TIES

At VCCI headquarters, VCCI President Pham Tan Cong recently received a Mexican business delegation led by Mr. Lic. Miguel Ángel Landeros Volquarts, President of the Mexican Business Council for Foreign Trade, Investment and Technology (COMCE). Mexican Ambassador to Vietnam Alejandro Negrin also attended the meeting, which aimed to reinforce Vietnamese and Mexican business connectivity to promote bilateral trade, investment and business cooperation.

QUYNH ANH

The Mexican business delegation included trading, overseas investment, agriculture and real estate firms. According to Mr. Miguel Ángel Landeros Volquarts, the cooperation agreement signed by the Mexican Business Council on Foreign Trade, Investment and Technology with the Vietnam Chamber of Commerce and Industry (VCCI) in 2019 is an important agreement, and he hoped to see continued development cooperation in the future.

He said Mexico currently has 21 big exports bringing home more than US\$45 billion a year, including apparel and footwear.

Mexico is also focusing on developing automotive accessories, technology, and aerospace. Vietnam and Mexico are CPTPP members and their relationship will be further promoted.

“In 2023, I hope to lead two more business delegations to Vietnam and welcome Vietnamese business delegations to Mexico to explore the market. This is one of the practical activities to boost Vietnamese and Mexican business connectivity,” he added.

In response to COMCE President, VCCI President Pham Tan Cong said that Vietnam and Mexico have much room for economic development because they are two dynamic and fast-developing economies. The two sides always support each other in international forums.

Vietnam is aiming to become a developed country by 2045, so it needs to maintain annual GDP growth of about 7%, which Vietnam has done well in the past 20 years. By 2045, its economic scale will be very large and create a lot of opportunities for business development. Currently, Vietnam’s GDP is in the Top 40 of the world and its trade value is in the Top 20. In 2022, Vietnam is expected to earn US\$400 billion from exports.

“Vietnam and Mexico both lie close to the world’s major economic powers - the United States and China. This poses both a challenge and an opportunity for the businesses of the two countries to develop. By tapping each other’s markets, the two countries’ companies can also approach these two largest markets in the world. Besides, Vietnam is an active member of ASEAN. Thus, the bilateral business cooperation will be able to make Vietnam and Mexico approach a giant market of over 2 billion people consisting of ASEAN, China and the U.S.,” said Mr. Cong.

VCCI President Cong is also delighted as Mr. Miguel Ángel Landeros Volquarts is also an honorary consul of

Vietnam's Enterprises Have Many Advantages to Invest in El Salvador

El Salvador's first Ambassador to Vietnam Ruben Omar Orozco Burgos confirmed that the two countries should promote economic cooperation at a recent meeting with Mr. Pham Tan Cong, President of the Vietnam Chamber of Commerce and Industry (VCCI).

GIANG TU

The ambassador said El Salvador is a small country with more than six million people; GDP is only about US\$28 billion/year; per capita income is about US\$4,000 /year. And, El Salvador hopes to promote economic, trade, cultural and political relations with Vietnam.

The trade turnover of Vietnam and El Salvador is currently about US\$157.6 million. In which, up to US\$156 million is exported from Vietnam to El Salvador. El Salvador currently exports just over US\$1 million to Vietnam each year with such products as plastic, paper, cardboard and fabrics. Meanwhile, Vietnam's main products exported to El Salvador are electronics, footwear, thread and paper.

"We are very interested in further strengthening the trade relationship between Vietnam and El Salvador," said Ambassador Ruben Omar Orozco Burgos. He also expressed his desire to work with VCCI to promote trade promotion activities, connect trade, and organize forums and fairs to expand trade activities.

Ruben Omar Orozco Burgos said El Salvador's ambition is to become an investment attraction center. "We affirm that Vietnam's investment in El Salvador has many advantages," emphasized Mr. Ruben Omar Orozco Burgos.

Congratulating El Salvador on opening an embassy in Vietnam and congratulating Mr. Ruben Omar Orozco Burgos on taking his term of office as El Salvador's Ambassador Extraordinary and Plenipotentiary, VCCI President Pham Tan Cong emphasized that this is an important event in the two countries' relations.

"The two countries need to step up the exchange of information on investment opportunities to promote bilateral trade and investment cooperation. The establishment of the El Salvador Embassy in Vietnam is a good condition to promote cooperation between the two countries."

Mr. Pham Tan Cong emphasized that the cooperation potential of the two countries is very large. In particular, economic cooperation and business cooperation should be the "pillars" of the cooperation.

With VCCI's function of promoting business support, VCCI President Pham Tan Cong believed that this event will open a new chapter in the cooperation between the business communities of the two countries. Accordingly, the first thing to do is to strengthen the exchange of information on the two countries' markets. The second thing is to support and promote businesses of the two countries to be able to exchange and meet face-to-face.

"We look forward to welcoming many El Salvador business delegations to explore the market as well as seek cooperation opportunities in Vietnam. We hope that during the Ambassador's term, we will work closely to create new changes in business cooperation between the two countries," emphasized VCCI President Pham Tan Cong. ■

Vietnam in Mexico, a practical bridge for businesses of the two countries, and is performing his mission well by bringing a delegation of Mexican businesses to Vietnam.

He added that Vietnam and Mexico are not as distant as they are thought because Vietnam and the U.S. are far apart but their trade turnover still grows strongly. Therefore, there will be no obstacle if their businesses understand and seize the opportunity to boost trade cooperation, especially when they are both already CPTPP partners. Mexico has many high-quality apparel and agricultural products, which can be exported directly to Vietnam without going through a third country, and Vietnam can directly export its strong products to Mexico as well.

VCCI President Pham Tan Cong added that VCCI is a national representative of the Vietnamese business community with more than 200,000 member companies, and

has many branches and offices nationwide. VCCI is willing to provide information and organize face-to-face meetings for Vietnamese and Mexican businesses to further foster trade relations between the two countries and look forward to receiving the support of the Mexican Embassy in Vietnam to connect the business community.

Mexican Ambassador Alejandro Negrin said that Vietnam-Mexico trade relations have grown strongly in recent years, especially when the two countries became partners in the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). Mexico is Vietnam's main partner in Latin America. The two sides are negotiating to elevate their relations, and Vietnam and Mexico will thus have a long way ahead to build more effective cooperation. He also affirmed that the Mexican Embassy is willing to support Mexican businesses to access and learn about the Vietnamese market. ■

Prospects for Closer Cooperation



VCCI Vice President Vo Tan Thanh addresses the conference
"Investing Opportunity Vietnam-Canada"

Five years after establishing the Comprehensive Partnership, Vietnam and Canada have witnessed momentous progress in bilateral cooperation. To further reinforce their friendship, trade and investment cooperation ties, the Vietnam Chamber of Commerce and Industry - Ho Chi Minh City Branch (VCCI-HCM) hosted the conference "Investing Opportunity Vietnam-Canada".

MY CHAU

Impressive trade and investment flows

Speaking at the event, VCCI Vice President Vo Tan Thanh said, since the establishment of the Comprehensive Partnership in 2017, the import and export value between Vietnam and Canada has grown strongly at a double-digit pace. In the 2017-2021 period, annual bilateral trade value grew from US\$3.5 billion to US\$6.03 billion, and to over US\$4.27 billion in the first seven months of 2022. In investment, Canada ranked 14th out of 139 countries and territories investing in Vietnam with 236 projects and over US\$5 billion as of May 2022. Meanwhile, Canada ranked

18th out of 78 countries and territories invested by Vietnam, with 15 projects and nearly US\$87 million.

Although Vietnam-Canada trade and investment ties are currently growing steadily, outcomes are incommensurate with existing cooperation capacity, he said, adding that the two governments need to make efforts to remove obstacles and facilitate companies of both sides to access and exploit each other's markets. "In fact, Vietnamese exporters have noticed an increase in trade remedies that Canada has applied to Vietnamese commodities. Vietnam asked Canada to apply these measures to Vietnamese products in an objective and fair manner in accordance with WTO regulations. For its part, Vietnam wholeheartedly supports Canada's efforts in starting negotiations for an FTA with ASEAN. This will further strengthen Canada's trade relations with Vietnam and with ASEAN member countries as a whole," Mr. Thanh emphasized.

Mr. Tuan Le, CEO of Intrinsic Innovations Vietnam, highly appreciated the cooperation potential of Vietnam and Canada, especially in trade. In 2021, the value of bilateral trade advanced 18.5% from the previous year, making Canada one of the 10 major export markets of Vietnam in the Americas.

Notably, the Vietnam-Canada Comprehensive Partnership is producing more fruits grown by free trade agreements (FTAs) that the two countries have entered. The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) has enabled the impressive growth of bilateral trade since the pact was officially enforced in Vietnam. Together with CPTPP, the opportunity to lift Vietnam-Canada cooperation is more open than ever when ASEAN and Canada officially announced the launch of the ASEAN-Canada FTA negotiations at the end of 2021.

Growth potential from new areas of cooperation

Mr. Andrew Sanden, President of Intrinsic Innovations Vietnam, said that Vietnam-Canada bilateral cooperation has huge potential for growth, particularly business startups and the digital economy which are new but expected to soon achieve outstanding progress. Typically, the Canada success story of FPT Corporation, Vietnam's leading technology firm, has raised confidence for thousands of other digital companies in their journey to reach out to the world. Since its establishment in 2017, FPT Canada has specialized in manufacturing and projects for many partners in North America. The company's first project generated development opportunities not only for partners in Alberta, Canada's fourth most populous province, but also to many other well-known customers in Canada.

Sharing the same view, Mr. Tuan Le emphasized that Vietnam has a very strong startup ecosystem with more than 3,800 technology startups, including 2,000 in Ho Chi Minh

City (65% software and 21% AgTech). The substantial growth of the Vietnamese economic scale and popular accessibility to the Internet and mobile devices are major reasons for huge potential because these factors enable startups to quickly develop and successfully earn profit immediately, even without international expansion. Moreover, a large number of expats and digital professionals in Ho Chi Minh City importantly contribute to local ecosystem development.

According to the StartupBlink annual Global Startup Ecosystem Index 2022 by StartupBlink, a global startup ecosystem map and research center, Vietnam ranked 54th in the world and 5th in Southeast Asia (after Singapore, Indonesia, Malaysia and Thailand). "Vietnam has emerged as an innovation and technology hub in Southeast Asia and this region is looking to bridge the gap with other world-leading economies through digital technology. This is a great motivation for FDI investors, including Canadian businesses, to invest in Vietnam. This is also a reason why my colleagues and I are determined to set foot in the S-shaped country. Intrinsic Innovations aims to cooperate and invest in innovative startups and high-tech companies in Vietnam in education and information technology that are likely to scale out to global markets, especially companies whose founders are interested in the Canadian market," Mr. Andrew Sanden affirmed.

Ms. Linda Truong, Economic Development Investment Director in Calgary City, Alberta province, Canada, said that international innovative startups investing in Canada will receive a lot of support and funding from the local business community as well as the Government-backed investment stimulus programs. Therefore, Vietnamese technology companies need to seize this opportunity to expand their investment and gradually write a business success story in Canada. ■

VIETNAM, POLAND FORTIFY COOPERATION IN F&B INDUSTRY

"Vietnam is an important buyer of Poland's agricultural products and food," said Mr. Alexander Nowakowski, 3rd Secretary for Economic Affairs at the Polish Embassy, at the press conference introducing the campaign "Tasteful Europe" and Vietnam - Poland trade exchange in the food and beverage (F&B) industry. The event was organized by Vietnam Chamber of Commerce and Industry, Ho Chi Minh City Branch (VCCI-HCM), in collaboration with the Polish Chamber of Commerce Promotion Centre (KIGCP).



Press conference on the campaign "Tasteful Europe"

According to Mr. Alexander Nowakowski, in recent years, the agricultural and food sectors have played an important role in the cooperation between Vietnam and Poland. These are sectors in which both Poland and Vietnam have advantages, but their products complement rather than compete against each other. This is not only a great advantage but also a solid foundation for increasing the level of cooperation between Vietnam and Poland in the field of export of agricultural products in the coming time.

(continued on P.39)



Most sustainable businesses 2022 are honored with CSI awards

SUSTAINABLE BUSINESSES IN VIETNAM IN 2022 NAMED

The announcement ceremony of Sustainable Businesses in Vietnam in 2022 was recently hosted in Hanoi by the Vietnam Chamber of Commerce and Industry (VCCI) and the Vietnam Business Council for Sustainable Development (VBCSD).

HUONG LY

2022 is the 7th consecutive year of the Program for Benchmarking and Announcing Sustainable Businesses in Vietnam (CSI Program). The program is organized by VCCI in collaboration with the Ministry of Natural Resources and Environment, the Ministry of Labor, Invalids and Social Affairs, and the Vietnam General Confederation of Labor. The program has received a broad response and participation of the business community

across the country regardless of scale and industry of operation.

The Organizing Committee selected 148 qualified candidate profiles, and 100 of them were singled out as the most outstanding sustainable businesses. In the Top 10 sustainable businesses in the trade, service and manufacturing sectors, State-owned, privately held and foreign-invested companies account for 40%, 25% and 35%, respectively.



VIETNAM BUSINESS COUNCIL FOR SUSTAINABLE DEVELOPMENT (VBCSD)

**Sustainable Business,
Prosperous Societies**

Address: 4th floor, VCCI Building, 9 Dao Duy Anh, Hanoi. Tel: 024 3577 2700 ; Fax: 024 3577 2699 ; Website: www.vbcسد.vn



Mr. Tran Tuan Anh (R) , Politburo member and Head of the Central Economic Commission, and VCCI President Pham Tan Cong deliver an address at the event

In addition to the main categories, the program honored businesses that performed well in three categories: Promoting women's empowerment and gender equality in the workplace; doing responsible business and respecting children's rights in business; and adopting the circular economy and active response to climate change.

Adopted as a basis for assessing corporate sustainability this year, the Corporate Sustainability Index (CSI) 2022 was updated with 130 indicators, of which 68% are legal compliance indicators, mandatory for all businesses, and 32% are sustainability indicators. This showed that just by complying with the law, companies can build a solid foundation for sustainable production and business.

Speaking at the ceremony, Mr. Tran Tuan Anh, Politburo member and Head of the Central Economic Commission, stated that sustainable development is a strategic approach and an indispensable choice for the development models of the Vietnamese business community and suggested that Vietnamese enterprises and entrepreneurs should further promote their initiative, innovation and adaptivity; strengthen cooperation and connectivity to create overall strength; transform business mindset toward responsible business, boost economic growth in harmony with environmental and social benefits; actively promote new economic models to provide more development space; and closely follow development guidelines and policies of the Party, the State and the Government to find new directions and new opportunities, anticipate and embrace trends, and build their own competitive advantages.

Also at the ceremony, VCCI President Pham Tan Cong officially launched the Program on Benchmarking and Announcing Sustainable Businesses in Vietnam in 2023 and underlined that sustainable business will create a better world. Sustainable, responsible business is the foundation for breakthrough and successful development and is the key to enhancing corporate competitiveness. VCCI is committed to always working together with agencies, organizations and businesses in their efforts to build a sustainable business community in Vietnam for the sustainability and prosperity of the nation.

Speaking of the CSI Program 2022, Mr. Nguyen Quang Vinh, Vice President of VCCI, Chair of VBCSD, and Deputy Director of the Steering Committee of the CSI Program 2022, said,



Mr. Nguyen Quang Vinh, Vice President of VCCI and Chair of VBCSD

"Besides positive responses from the business community, CSI and its Program also received great recognition from the Government for positively promoting sustainable business development. Specifically, the Government adopted important policies on sustainable development, including Directive 13/CT-TTg dated May 20, 2019, Decision 1362/QĐ-TTg dated October 11, 2019 on Sustainable Development Plan for the private business sector to 2025, with a vision to 2030, Resolution 136/NQ-TTg dated September 25, 2020 or annual Resolutions 02 (formerly Resolution 19/NQ-CP) on key tasks and solutions for a better business environment and higher national competitiveness, which are all integrated with the CSI Program for scaling up CSI in the business community."

The CSI Program 2022 witnessed nearly 25% of first-time candidates, showing that more and more businesses are interested in the Program and sustainable development in general. The scoring of candidate profiles in 2022 was the highest ever, showing that sustainable governance in business has markedly improved, while information gathering and reporting have also been more effective. ■



SUSTAINABLE BUSINESS - PROSPEROUS NATION



Delegates pose for a group photo at the Vietnam Corporate Sustainability Forum (VCSF) 2022

“Transform, Speed up, Break Through: Sustainable Business - Prosperous Nation” is the overarching theme of the Vietnam Corporate Sustainability Forum (VCSF) 2022 organized by the Vietnam Chamber of Commerce and Industry (VCCI) and the Vietnam Business Council for Sustainable Development (VBCSD) in Hanoi on December 1, 2022.

HUONG LY

At the forum, delegates and development experts all agreed that sustainable business is now becoming a vital trend and a development strategy of any enterprise. This process needs to be built on economic, social and environmental governance (ESG) pillars. Innovation, creativity and digital transformation will drive sustainable business.

Delivering a keynote speech to the forum, VCCI President Pham Tan Cong affirmed that businesses that take the lead in transformation and operation toward responsible production and business to community, society and environment are proving their high adaptivity and resilience to negative external changes, as well as flexible and effective capture of opportunities that the economy offers.

"Businesses should pursue sustainable development models and goals, with special attention paid to building and practicing business ethics standards and progressive business culture," he emphasized.

According to a survey conducted by VCCI with over 10,000 businesses across the country, 56% saw opportunities from climate change, with 30% thinking that it's time to restructure and rearrange production, while 17% think that this is an opportunity to create new tech products and services, and develop more markets for existing products.

Mr. Nguyen Tuan Quang, Deputy Director of the Climate Change Department under the Ministry of Natural Resources and Environment, said that by taking advantage of opportunities to foster sustainability practices, businesses can join the carbon market to create technological innovations, develop production and business from renewable energy sources to enhance competitiveness and deliver sustainable profits.

However, according to experts and businesses, to further successfully implement the sustainable development strategy,

it is necessary to institutionalize low-carbon development models and effectively apply carbon pricing tools. At the same time, enterprises proposed speeding up insurance for production and business activities, and assets of enterprises in certain types of manufacturing exposed to high risks such as crop cultivation and aquaculture. They also suggested further drawing international resources, including public and private financial resources, technology, knowledge and experience to support enterprises to transform production models towards low-carbon emission, green economy, circular economy and active adaptation to climate change.

Mr. Peeyush Sharma, Chief Executive Officer of Coca-Cola Beverages Vietnam Ltd, said that Coca-Cola will continue to invest to improve life for all, from employees to local people, by doing responsible business. The company also launched packaging made from 100% recycled plastic, aiming to cut more than 2,000 tons of new plastic each year in Vietnam. Coca-Cola recently started building a solar power plant in Long An province, costing more than VND3,100 trillion.

Mr. Nguyen Quoc Khanh, Executive Director of the Research and Development Division, Vietnam Dairy Products Joint Stock Company (Vinamilk), said: "Vinamilk's farm system is a typical example of sustainability practices. Practicing regenerative agriculture at Vinamilk's farms, we apply renewable energies such as solar energy and technology systems to reduce methane emissions and use atomic organic carbon technology to reduce methane and reduce farm odors. Besides, we have sustainability actions toward the community."

Mr. Binu Jacob, CEO of Nestlé Vietnam Company, said the company aimed to adopt regenerative agriculture and apply this approach to agriculture in many countries, including Vietnam. Regenerative agriculture is an approach where agricultural production is directed to improve soil,

Raising Quality of Legal Support for SMEs

The Ministry of Justice recently held a workshop in Hanoi to collect opinions on the draft project of “Raising quality and effect of legal support for businesses in the 2021-2030 period” to submit to the Prime Minister, and received various contributions and suggestions for better legal support for small and medium-sized enterprises (SMEs).

Currently, legal support for enterprises has seemingly not been given due attention. There are still some difficulties and obstacles in both regulations and practices, as well as budget and personnel apparatus.

More than 97% of enterprises in Vietnam are small and medium in size, with more than 62% being classified micro in size. They typically have limited resources and often make business investments without a risk-prevention solution. Most only care about direct business/production costs and lack proper care for indirect costs such as legal service and legal team. As legal advice delivered by legal service organizations is not as high as expected, SMEs often face very high risks when a dispute arises.

The objective of the Project “Improving quality and effect of legal support for businesses in 2021-2030”, is first of all, to raise the quality and effect of law information and dissemination and provide legal support for businesses in the coming period. According to experts, there is a need to study and supplement evaluation and monitoring criteria for legal support for businesses so that legal support agencies and organizations have tools for effective advice based on specific indicators, ensure the most efficient and effective use of resources, and accurately measure effective activities to further promote them or make necessary adjustments.

Surveying and classifying businesses by region and locality to provide legal advice and provide what they really need, the draft project determined the focus of legal advice and resources for business support.

At the workshop, panelists said that the current system of legal documents on business is varied, complicated and unstable. Enterprises and legal advisors face difficulties in action. The Government and central authorities are suggested to issue specific

regulations on legal support programs for businesses of specific economic fields, sectors or branches.

Authorities and relevant agencies need to improve the quality and effect of communications on laws on legal support for businesses. Localities need to further improve the professional quality of legal consultants for businesses.

Lawyer Nguyen Duy Lam said the draft project was developed specifically and in detail, inherited from the results of interdisciplinary legal assistance programs for businesses in 2010-2014 and in 2015-2020, and at the same time associated with an interdisciplinary legal support program for SMEs in 2021-2025.

Also at the workshop, a representative of the Business Development Department under the Ministry of Planning and Investment put forth proposals for better legal support for SMEs in the coming time. The representative suggested the Program Management Board:

First, research and supplement evaluation and monitoring criteria for legal support for businesses so that legal support agencies and organizations have tools for effective advice based on specific indicators, ensure the most efficient and effective use of resources, accurately measure effective activities to further promote them or make necessary adjustments.

Second, survey and classify businesses by region and locality to pick up their needs to provide legal advice and provide what they really need. The draft project determined the focus of legal advice and resources for business support.

Third, actively develop and implement activities to regularly update legal knowledge for enterprises and legal support staff; strengthen digital transformation in legal support for businesses.

Fourth, strengthen leadership and management of law support agencies, especially in legal aid law enforcement and monitoring. The government closely manages legal aid agencies and their activities, intensifies inspection, control and assessment of quality of legal aid for legal aid providers throughout the country.

Fifth, study mechanisms for higher quality of legal aid in terms of funding, regime and working apparatus for legal advisors; conduct research and renovations to increase the participation of qualified and reputable law enforcement bodies and legal consultants in legal aid through various forms; and promote all social resources for legal support.

In addition, experts also emphasized the need to study solutions for better working performance of legal consultants; spread legal consultancy by legal advisors and engage companies and legal service organizations in this effort. ■

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water and biodiversity quality to increase productivity and enhance incomes and livelihoods for farmers.

Mr. Nguyen Hong Son, Deputy Director of the Central Economic Commission, emphasized that, to direct enterprises toward sustainability, it is necessary to improve the legal framework, enhance national and local governance capacity, upgrade the business environment, foster public-private partnership, and strengthen international cooperation to create favorable conditions and resources for sustainable development.

At the enterprise level, he recommended changing the mindset, ensuring business integrity, improving

competitiveness and increasing corporate value through sustainable business administration practices, promoting diversity, inclusion and inclusivity in business, pursuing the green economy and circular economy, and adopting the Corporate Sustainability Index (CSI) designed by VCCI.

In addition, many experts emphasized that, in the context of global integration and competition, requirements for business ethics, consumer protection, environmental protection, green economy and circular economy must be raised to create both new standards and technical barriers in market penetration, especially in developed countries. ■

Making Defense Base Closely Linked with Civilian Industry

Policy for strong industrial production development, coupled with the construction of industrial clusters in general and the defense industry in particular, will form industrial fortresses surrounded by supporting industries of high competitiveness to defend the independence and promote the development of a modern industrial country.

Dr. DOAN DUY KHUONG

AUSTRALIA GLOBAL ALUMNI AMBASSADOR



Former Australian Ambassador Craig Chittick grants the Certificate of Appreciation to Dr. Doan Duy Khuong, Australia Global Alumni Ambassador for Vietnam

For an economy, a product resource is a collection of physical assets, infrastructure, technology and other factors created by productive activities for the making of products and the delivery of services. Industrial products are an indispensable means of production and a fundamental resource for the efficient use of other resources to ensure national strength because this often makes an important contribution to four key macro goals: GDP growth and employment; main resources for the development of trade and services; narrowing trade deficit; and key contents for sustainability agenda, including national security and defense.

Given trade wars and armed conflicts in the region and the world amid the influence of the Fourth Industrial Revolution (4IR) as well as climate change and epidemics, we can see three megatrends that strongly affect products and industrial production:

First, the core: Global trade flows are changing rapidly along with the formation and development of international economic integration programs such as CPTPP, RCEP, the "One Road, One Belt" Initiative, and particularly the Indo-Pacific Economic Framework (IPEF). This development has led to two big areas that are being set up: Standards and product supply chains or, in other words, the market require quality products, the most accurate and fast standardized access to goods, because the ultimate goal of economic activity, production, and trade is to get products, not money, as money is just a means to buy products.

Second, sustainable development: Most interactions between natural capital and human capital to create products are created in industrial production. Therefore, industrial production consumes natural resources and causes environmental changes

such as climate change, negative impacts on the living environment, as well as risks of material supply disruptions. The United Nations also warns that ecosystems on earth are degrading or altering and biodiversity is declining at a rate unprecedented in human history. This urgent issue requires a more efficient economic development model in terms of resource use, climate change prevention, pollution reduction and environmental degradation.

Third, industrial cluster: Industrial clusters include businesses, ancillary suppliers, schools, researchers and training facilities that support each other in a given space. The strong concentration of interrelated industrial production in regions is called an industrial cluster. Strong industrial clusters in an area will help strategically position the competitiveness of an industrial cluster in a global product supply chain in terms of productivity, employment and private investment to spur the economy and create powerful innovation.

In addition, world history shows that all nations have to build and defend their countries at the same time. Therefore, there is always a link between the military industry and the civilian industry as the proliferation of breakthrough military tech products such as computers, the internet, communication satellites and GPS appears for military purposes and then for the civilian industry. In particular, many researchers now argue that the flow of technology transfers was reversed following the end of the Cold War and that civilian industries played a leading role in technological development during this digital age.

In Vietnam, in addition to flexible foreign policies, the development of civilian industrial production is foundational for the creation of strategic defense weapons from the very beginning of national construction. For

example, the Kim Quy Crossbow or improved SAM-2 missiles that shot down B52 Stratofortress bombers exactly half a century ago in Operation Dien Bien Phu in the air in the North decided victories in our defense wars.

In the past 10 years, Vietnam's industry has obtained remarkable achievements like increasingly contributing to the economy (accounting for more than 30% of the country's GDP and creating about 300,000 jobs a year on average). However, Vietnam's industry has not been able to meet the industrialization and modernization requirements of the country in recent years, mainly following short-term development goals, lacking sustainability of competitive productivity, quality standards and having weak interconnectivity of industries, including military and civilian industries, in national and global product supply chains.

The 13th National Party Congress clearly states that industrialization and modernization will drive our country to become a modern industrialized country. The 10-year Socioeconomic Development Strategy for 2021-2030 states that the goal is to increase the share of industry in GDP to over 40% by 2030.

To carry out the above task and ensure product resources to maximize foundational strength, it is necessary to have an industrial production policy focusing on the following five contents:

First, research and development on product standardization: In the era of "Internet of things", all products must have appropriate standards and specifications to be automatically interconnectable and achieve maximum performance. The current railway system in our country is not effective mainly because its standards are backward for transportation, loading and unloading freight and moreover, it cannot connect with other transport infrastructure such as roads, waterways, airways and especially with international technical infrastructure.

In addition, all product resources are the result of industrial production, so research, construction and development, as well as international cooperation are needed to perfect product standards such as "Made in Vietnam" and related standards (in all technical, environmental and social aspects) to ensure fair competition among businesses and good product quality for economic development and effective international integration.

Second, lifelong learning in business: We all know that the working class in our country is newly formed and developed. Moreover, besides the training budget, staff time is limited in the context of rapidly changing professions. So, digitally-enabled lifelong learning as it evolves today is an important part of achieving performance goals. Nevertheless, without connecting learning with performance, businesses will never get the benefits of lifelong learning. It is important to ensure that every employee has the opportunity to choose a training goal that they are truly keen on and that will consistently help their job performance and become tied to their personal career development.

Third, improved access to finance: It is necessary to have planning and strategic policies for core manufacturing and industrial sectors in the digital age to have appropriate fiscal and monetary policies to effectively support these industries substantively and professionally. In particular, pricing, tax and bond policies should be researched and effectively managed to support industrial manufacturing sectors with innovative and influential products such as logistics, energy and high technology, rather than create billionaires who get rich on price

differences due to inadequacy of non-market policies such as speculation, collusion, price manipulation, land use planning (changed for the purpose of use based on terms of office of authorities) and double-price land policy.

Fourth, sustainable development: Strengthening worker roles in tripartite labor relations to make sure that an industrial manufacturing market has advanced and sustainable wages, working conditions and insurance policies for the workforce. It is necessary to establish an independent and professional system of owner representation (mainly pioneering industrial manufacturers) to ensure the long-term practical and effective operation of tripartite mechanisms in planning industrial production development policies in the digital age. In addition, it is necessary to develop and gradually apply a more effective economic development model such as from a linear economy to a circular economy. This is also a solution to go firmly on the road to sustainable development with a green, low-carbon economy to achieve the Paris Agreement with net zero emissions by 2050.

Fifth, linking industrial clusters: The development of the industrial manufacturing sector without close regional cohesion will affect competitiveness and maximize advantages while wasting resources and unbalancing the economy of scale in a regional economic ecosystem space and ultimately falling into international debt traps. Hence, it is necessary to have the policy to build industrial clusters, including civilian and military industrial clusters to build and defend the country.

The defense industry has developed advanced technologies to ensure the superiority of national power and civilian industries have benefited from military technology development. Therefore, dual-use applications are very important to commercialize and employ these technologies for both sides and to achieve common development. To ensure sustainable growth, the defense industry needs to improve and strengthen relations with domestic civilian industries.

Keeping the peace is one of the important issues and top priorities for countries and the whole world. There is a historical and global consensus that peace can only be maintained by good deterrent forces. Therefore, having a well-organized defense, developed and closely linked with civilian industries is an indispensable tool to safeguard citizens and defend national interests. Not only armed forces and security forces, but also industries, including the defense industry, are a major component of the all-people national defense. For that reason, developing civilian industrial production in association with the defense industry must be the focus of economic development policies to create miraculous Vietnamese products.

Strong industrial production development policy together with industrial clusters, including the defense industry, will form industrial fortresses with surrounding supporting industries of high competitiveness to protect independence and promote the development of a modern industrial country. Interlinked industries are the highest expression of the undying traditional solidarity of the Vietnamese people and portray a vivid image of green bamboo growing together to form wonderful clusters of bamboo firmly rooted in the Vietnamese motherland to protect the peaceful homeland village against the harshest storms. The industrial cluster development strategy, harmoniously integrated with the foreign policy built on President Ho Chi Minh's philosophy of "fixed to goals, flexible with approaches and actions", will certainly ensure the permanence and power of the nation.■

SOCIAL RESPONSIBILITY

Basic Ethics of Entrepreneurs

Compliance with ethical standards ensures sustainability and huge profit in the long run

According to Dr. Dang Quang Dinh, Institute of Philosophy, Ho Chi Minh National Academy of Politics, social responsibility is understood as the duty of individuals and the social community to take decisions and actions to increase the obligations and rights of each member of society. Social responsibility is also considered the moral responsibility of each individual in solving common concerns, expressed through various factors such as respect for the law, responsibility to the living environment and responsibility to member-to-member relations in the community.

However, “as the downsides of the market economy, people may only care about their own benefits and forget their responsibilities to those around them and to society. Personal interests and desires to get rich at any cost trigger many economic actors to disdain laws and commit fraud, embezzlement and corruption. Hence, raising awareness of responsibility and exercising social responsibility need to be made an indispensable requirement for all citizens, all organizations and the whole society, including entrepreneurs. Once entrepreneurs know how to care about true values, respect for trust, respect for people and the natural environment, their activities will be successful and supported by the social community,” he analyzed.

The doi moi (reform) in Vietnam has unveiled successful persons and enterprises in the market; their activities are always respected for their code of conduct and regulatory compliance. That is the sense of responsibility of each individual and each citizen in the new development stage of the country, the expression of a positive political attitude and civilized behavior in the new era. This is also the strength of each individual and society, a factor that creates effective competitiveness in the market economy in the context of regional and international integration and exchange. In this day and age, progressive humanity has become aware that values, ethical standards and ethical responsibility requirements are still very important for any society and era. Development level and social progress are always associated with value standards and ethical requirements because they are the spiritual foundation and internal force for social

One of the basic contents of Resolution 09-NQ/TW on building and fostering the roles of Vietnamese entrepreneurs in the period of accelerating industrialization, modernization and international integration is to enhance the entrepreneurial responsibility of entrepreneurs during national construction and development.

QUYNH ANH

development and progress.

Resolution 09-NQ/TW clearly states that entrepreneurs in the State-owned business sector have become increasingly mature and qualified to better meet the doi moi requirements and improve State-owned business performance. Businesspeople are growing in number, as demonstrated by their dynamism and business performance. The entrepreneur force has promoted national spirit and a sense of responsibility to society, gradually raised prestige, product brand and corporate brand, and elevated the country's position in the international arena. Many

entrepreneurs have actively taken part in social programs, hunger eradication and poverty reduction programs, gratitude programs and community programs, and established closer ties with the working class, farmers and intellectuals to help strengthen the great unity of the nation.

Before the new requirements of industrialization, modernization and international integration, Vietnamese entrepreneurs are showing certain shortcomings, especially in knowledge, legal understanding, business capacity, management experience, competitiveness and integration, said Dr. Dinh. Some even lack business culture and social responsibility, lack respect for law, take advantage of loopholes to take personal interests and collude with corrupt elements in the state apparatus for localized interests and group interests while exacerbating social evils. Therefore, one of the determined guiding views of the State is building a strong business force, both in number and quality, improving the level and comprehensive knowledge of entrepreneurs, improving ethical qualities, civic consciousness, social responsibility and national spirit of the entrepreneur force, contributing to the cause of industrialization, modernization and international integration, and developing the socialist-oriented market economy.

More appropriate policies needed

To facilitate entrepreneurs to fulfill their social responsibility, the State needs to have more appropriate policies and laws for entrepreneurs in order to realize their aspirations in the new era, he added.

In particular, more attention should be paid to equal treatment to the private economy. The 5th Plenary Congress

of the 12th Central Committee, which took place on June 3, 2019, adopted Resolution 10-NQ/TU on “Developing the private economy into an important driving force of the socialist-oriented market economy”, empowering the private economy to get equal treatment, strong cooperation and fair competition to become a driving force of the economy and make a bigger contribution to the cause of socioeconomic reform and development.

In addition, it is necessary to effectively carry out perfect policies to encourage entrepreneurs to make wholehearted contributions to national development. It is imperative to thoroughly, seriously, creatively and effectively implement Resolution 39-NQ/TW dated January 15, 2019 of the Politburo on the increased effect of economic resource management, exploitation and utilization. It is important to adopt policies and implement measures to facilitate entrepreneurs to invest in technological research and innovation, product and service quality improvement, new product and service research, design and testing. There is a need to focus business investment and development in high-tech parks; effectively promote industrial zones, craft industry villages and specialized farming areas for agricultural, forestry and aquacultural production and processing; adopt policies to encourage and support entrepreneurial development in agriculture and rural areas; improve entrepreneurs’ access to finance, technology and market information; and harmonize interests of entrepreneurs and farmers.

In addition, according to Dr. Dinh, it is necessary to step up administrative reform, especially administrative procedures for entrepreneurs and enterprises, highlight the responsibility of governmental agencies, and facilitate entrepreneurs and enterprises to do successful business; and encourage and take measures to protect entrepreneurs in the fight against corruption and waste. Enterprises need to have innovative perspectives to promote Vietnamese cultural and human values, elevating political positivity, labor capacity and patriotism, dedication and responsibility of Vietnamese people, including entrepreneurs. ■

Climate Bank Needed for Green and Just Transitions

Vietnam’s landmark commitment to net-zero carbon emissions by 2050 is bold and visionary. In making this public commitment, the Government recognized that the conversion from fossil fuels can deliver tangible economic benefits. There is now evidence that the transition to renewable energy will create more jobs than it destroys.

QUYNH CHI

However, the scale of the challenge facing Vietnam and other countries embarking on the journey to net-zero carbon emissions should not be underestimated. Reducing dependence on fossil fuels will affect every sector of the economy, from power generation to agriculture, construction, manufacturing, and transportation.

Estimates of the costs vary depending on the assumptions used in making these calculations. Nevertheless, conservative estimates suggest that Vietnam mobilize an additional US\$15 billion to US\$30 billion per year - that is, investment over and above normal levels of investment - to achieve the net-zero target and sustain rapid economic growth.

According to UNDP Resident Representative Ramla Khalidi, for an economy like Vietnam, international financing will at most provide a supplemental source of capital. Most of the investment requirements will have to be met by domestic sources. As such, increasing the capacity of domestic financial institutions to mobilize long-term capital is at the core of climate transition.

Although Vietnam’s financial system is becoming more developed and diverse, the absence of deep and liquid secondary markets constrains the availability of long-term financing. As recent events in the bond market have shown, governance, corporate disclosure and accountability are key constraints on the development of active secondary markets. Therefore, proactive policies are needed to remove these and other obstacles to increasing the supply of long-term domestic financing for the energy transition and other uses.

Ms. Nguyen Thi Hoang Yen, Deputy Director of the Department of Science, Education, Natural Resources and Environment under the Ministry of Planning and Investment, said Vietnam is currently included in the list of “priorities for energy cooperation” and is in discussions with

(continued on P.39)

Promoting Labor Productivity for Sustainable Growth in Vietnam



Raising labour productivity is the key to economic development

Vietnam's labor productivity has improved in the past years. It grew 5.8% annually on average in the 2016-2020 period, higher than the growth of 4.3% in the previous 2011-2015 period. In 2021, Vietnam's workforce productivity was 4.7%, the highest among ASEAN countries. However, Vietnam still has low workforce productivity, well below that of other countries in the region and the world.

QUYNH CHI

Prerequisite for growth

According to Deputy Minister of Planning and Investment Tran Quoc Phuong, after more than 35 years of doi moi (renovation), Vietnam has obtained remarkable socioeconomic development achievements. Even during the tough time of the COVID-19 pandemic outbreak, Vietnam's economy still maintained positive growth. The change in growth pattern is also fruitful, driven toward

growth quality.

Past successes have pushed Vietnam toward the goals of industrialization, modernization and higher life quality. Vietnam also identified main pillars to realize its aspirations of high growth, which emphasized continued high growth driven by labor productivity and nurtured by an innovative economy to sharpen economic competitiveness, autonomy and self-reliance.

With those requirements, increasing labor productivity is an important factor for boosting economic growth in the long term and is a prerequisite for Vietnam to narrow its development gap with other countries in the region, and move toward the goal of being an upper-income developed country by 2045.

According to the report of the Central Institute for Economic Management (CIEM), in the 2011 -

2021 period, the fundamental policy framework for improving labor productivity was applied in many groups toward macroeconomic stability and enhanced economic competitiveness. It was designed to increase technologically, innovatively and digitally driven productivity; raise the quality of human resources and specific policies that support agricultural, industrial and service sectors. Most importantly, policy thinking on new economic models and activities has been initially completed, based on labor productivity, innovation and motivation for businesses.

At the overall economic level, Vietnam's labor productivity has improved significantly, growing 2.5 times from VND70.3 million in 2011 to VND171.8 million per worker in 2021. Annual labor productivity growth in 10 years from 2011 to 2020 was 6%, with 5.5% in the 2011-2015 phase and 6.4% in the 2016-2020 phase (higher than the planned target of 5%).

However, Vietnam's labor productivity is still much lower than other countries in the region and disparity tends to widen. In agriculture, forestry and fishery, although workforce productivity is low, its growth is relatively high thanks to restructuring. Meanwhile, workforce productivity of the industrial and construction sector is low and unstable, mainly due to the participation of low value-added and labor-intensive segments, and yet to show its role of leading and promoting growth. Labor

productivity of the service sector is bullish but unstable, and heavily reliant on traditional service industries.

According to key economic regions, labor productivity is uneven, with high productivity seen in some big localities (Hanoi, Da Nang, Ho Chi Minh City, Binh Duong and Ba Ria-Vung Tau), mainly driven by two key economic regions of the North and the South. Notably, workforce productivity growth tends to weaken gradually while leading localities cannot drive regional growth. Corporate workforce productivity was VND309.9 million per worker in 2020, representing a growth of 93.1% over 2011. The difference in labor productivity among business sectors is widening.

According to reports, the main barriers for companies to boost workforce productivity are uncertainty in technological investment; poor innovation capacity illustrated by management quality; a workforce that lacks necessary skills; and insufficient capital investment. In addition, institutions and policies are still incomplete, inconsistent and insufficient to undermine the coordination of solutions and determine the roles and responsibilities of central and local agencies in ensuring practical and effective implementation.

Strong institutional reform

According to Deputy Minister Tran Quoc Phuong, to boost workforce productivity in the face of the above bottlenecks, in the coming time, it is necessary to drastically conduct stronger institutional reform so that all resources can be mobilized, allocated and used most effectively; promote and support the private sector to become an important engine of the economy; selectively attract FDI, with priority for high-quality projects, and accelerate more effective labor restructuring.

In addition, there is a need to continue intensive international economic integration, and participate in global trade flows to turn such flows into a driving force for increased reform, competitiveness and labor productivity. It is important to foster and formulate driving forces from key economic regions and growth poles based on connectivity infrastructure, specific mechanisms and new technologies, including digital technology and innovation; prioritize the development of some potential industries; and focus on enhancing the efficiency of the labor market, establishing a strong mechanism to attract talents, expand, popularize and upgrade human resource training facilities.

It is also necessary to continue to drastically change the enforcement mechanism, encourage initiatives and movements to boost national production, enhance State governance capacity and national and corporate competitiveness, improve the quality of the business environment and build a new mechanism to enable all employees to have opportunities to maximize their capacity to contribute to common economic prosperity.

Mr. DANG DUC ANH

DEPUTY DIRECTOR OF THE CENTRAL INSTITUTE FOR ECONOMIC MANAGEMENT (CIEM)

The National Program for Increasing Labor Productivity regards labor productivity as a driving force and a foundation for rapid and sustainable growth based on the effective capture of opportunities of the Fourth Industrial Revolution, digital transformation and regional connectivity and regional development, thus enhancing competitiveness, independence, autonomy and resilience of the economy.

The program is expected to set a target average labor productivity growth of 6.5-7.0% annually. Labor productivity growth of key economic regions and five big cities is higher than the national median. Science, technology and innovation will account for more share to growth. Vietnam will lead ASEAN in labor productivity growth by 2030. The country's Global Innovation Index (GII) of WIPO and E-Government Development Index (EGDI) of the United Nations will respectively stand in the Top 40 and Top 60 countries.

To achieve these objectives, the program offers specific groups of solutions relating to mechanisms and policies to carry out national labor productivity movements; stabilize the macro-economy and boost national competitiveness; speed up innovation and digital transformation; mobilize resources; improve education and training; raise the quality of human resources; reinforce regional development and regional connectivity; launch industry-based solutions; and develop international cooperation.

Mr. GREGOGY LEON

DIRECTOR OF ECONOMIC GROWTH AND GOVERNANCE OFFICE, USAID

Labor productivity is a main growth driver. Vietnam's labor productivity is low relative to many countries in the region. One of the main reasons is that domestic enterprises are still labor-intensive and they are finding it hard to access and apply know-how, foster corporate governance and improve product quality, which directly affects the business performance and competitiveness of small and medium-sized enterprises (SMEs) in the region and the world.

USAID is working with the Ministry of Planning and Investment to support Vietnamese businesses, including women-owned and disadvantaged groups, through access to technology and capital to enhance competitiveness, through direct business activities, market activities and administrative reforms, as well as solutions that impact entire growth models of enterprises to help change business models to transform households to full-fledged companies and scale up small companies. Then, consistent solutions to increase labor productivity, improve human resource quality and foster technological application to industries will be introduced.

VIETNAM ECONOMY 2023

Macroeconomic Stability, Inflation Control to Be Given Priority

The Government of Vietnam clearly defined the overall goal of 2023: Continued priority of maintaining macroeconomic stability, controlling inflation, promoting growth, and ensuring major economic balances.

ANH MAI



Vietnam will continue with the containment of COVID-19 and other emerging diseases. The country will accelerate restructuring and enhance the internal capacity, self-reliance, resilience and adaptability of the economy. The country will effectively carry out the socioeconomic recovery and development program and three national target programs; and foster innovation, green growth and digital transformation.

Main indicators in 2023 include GDP growth of 6.5%, GDP per capita of US\$4,400; the share of the processing and manufacturing industry to GDP of 25.4-25.8%, consumer price index (CPI) of 4.5%; and labor productivity growth of 5-6%.

Challenges in 2023

The Asian Development Bank (ADB) raised its economic growth forecast for Vietnam to 7.5% in 2022 and revised down inflation to 3.5%. According to ADB, Vietnam's economy is performing well amid global economic uncertainty and rising risks to the economic outlook. While trade continues to grow, there are signs that global demand for Vietnamese exports is waning. Therefore, Vietnam's economic growth forecast in 2023 is revised down to 6.3% by ADB due to the weakening of major trading partners.

Dr. Ho Sy Hung, Vice Chairman of the Committee for Management of State Capital at Enterprises, said economic recovery is producing positive results in many aspects, with some returning to pre-pandemic levels. Progress is seen in all areas and all localities. Economic growth is expected at 8% in 2022 while average inflation will rise by more than 3%. Exports are projected to expand by 12% and investment was forecast to grow by 9%.

Goals and targets set for 2023 are not easy to achieve, because external challenges are lingering, he said. The pandemic is still lingering and countries are behaving very differently. Geopolitical

risks and strategic competition among countries are disrupting supply chains, although petroleum prices as well as other goods are trending down, trade and investment protection tend to increase. In particular, the world economy's slight recession (China's growth is as low as 4.5%) undermines trade demand and causes Vietnam's export to face more difficulties. FDI inflows and other resources will slow down. Vietnam's international tourism is unlikely to expand rapidly soon.

Global inflation is showing signs of being controlled by countries, with a moderation trend. The United States may slow down its rate hikes and even make slight cuts from the end of 2023, Mr. Hung added. Thus, external pressures on Vietnam's inflation, interest rate and the exchange rate will be softer. As a result, risks in manufacturing, financial - monetary and real estate sectors will decrease. Nevertheless, these risk factors have not ended globally. High-risk exposures in some economies undermine the financial, monetary and property markets of Vietnam which have integrated deeply into the world. In addition, next year, we may have to accept price hikes of some goods managed by the government (basic salary, electricity price, health care and education).

Public investment can be a lifesaver

According to economic experts, recovery momentum in 2022 will create the foundation and resources for policy administration next year. High growth in 2022 will help realize the 5-year socioeconomic development plan. Well-controlled inflation enables accommodative, prudent (but not tight) monetary policy. Low budget deficit and realized budget revenue provide room for fiscal expansion. Accordingly, it is necessary to maintain and promote the positive influence of this recovery process to create inertia for the economy to keep stable operation.

In addition, many medium and long-term development programs and plans were approved; plans, documents and

SINGAPORE LEADS WITH NEARLY US\$5.78 BLN INVESTMENT

The fact that adjusted capital continues to maintain its growth momentum is a signal that confirms foreign investors' confidence in Vietnam's business environment.

GIANG TU

According to the Foreign Investment Department (Ministry of Planning and Investment), the total foreign investment capital (newly registered, adjusted and contributed capital to buy shares) reached more than US\$25.1 billion, equaling 95% over the same period of 2021.

In the past 11 months, the adjusted capital continued to increase by 18.9%, notably the positive disbursed capital, reaching US\$19.68 billion, an increase of more than 15% compared with the same period last year.

Since the beginning of the year, 1,812 new projects have been licensed, up 14.9% over the same period. Newly registered investment capital in 11 months of 2022 increased by 19.3% over the same period. The number of new investment projects also continued to increase over the same period and increased more than

in the first months of the year.

In addition, there were 994 times of projects registered to adjust their investment capital (up 13.3% over the same period), with the total additional registered capital reaching nearly US\$9.54 billion (up 23.3% compared to the same period last year).

According to the Foreign Investment Agency, the adjustment of capital continues to maintain its growth momentum, which confirms the confidence of foreign investors in the economy and investment environment of Vietnam.

The average scale of capital adjustment/project increased by 4.9% over the same period. In particular, over the past time, many projects in the production and manufacturing of electronic and high-tech products have increased capital on a large scale.

Foreign investors have invested in 19 out of a total of 21 industries. In which, the processing and manufacturing industry led with a total investment of more than US\$14.96 billion, accounting for 59.5% of the total registered investment capital. Real estate business ranked second with a total investment of nearly US\$4.19 billion, accounting for 16.7% of total registered investment capital.

In the first 11 months of 2022, 107 countries and territories invested in Vietnam. Singapore led with a total investment of nearly US\$5.78 billion, followed by Japan with over US\$4.6 billion, and Korea with over US\$4.1 billion. ■

procedures for public investment disbursement were carefully prepared in 2022; packages under the socioeconomic recovery program and national target programs were ratified, so it will be possible to deploy faster next year and create a quicker impact on the economy.

“When the economy declines, increasing public investment is a solution to promote growth. Especially in the current specific conditions, when the room for monetary policy is not much, the room for fiscal policy is still relatively easing thanks to efforts to ensure the budget balance; the ratio of public debt and overspending is low relative to the given ceiling. Therefore, by loosening targets to expand the fiscal policy, more resources for public investment will be increased (expenditure for development investment is about VND730 trillion, nearly VND530 trillion higher than the value allocated for 2022,” he analyzed.

In order for this resource to be most effective, the capital flow for public investment must go in the right direction, to the right destination and on the right schedule so that it can promote economic growth and avoid wasting resources. On the other hand, if the capital flow does not go to the right destination or on schedule, the effect on growth will not be as expected, and on the contrary, it may cause instability. Requirements for fiscal policy expansion associated with public investment efficiency must align with capital flows to areas that affect growth.

Besides, according to Dr. Ho Sy Hung, as Vietnam's manufacturing industry still deals with low-value segments, growth has not reached its full potential and especially increasing labor productivity has not reached the target. During the past economic crisis, many businesses faced difficulties, but that was also an opportunity for businesses to take advantage of support policies or provide them with a break period to upgrade technologies and improve products to break out from low-value production to high value-added sectors. Enterprises and investors should strongly restructure, accelerate digital transformation, reduce costs, enhance publicity, transparency and professionalism, and better manage risks.

In general, the biggest bottleneck of Vietnam today is inconsistent and overlapped management policies and laws. For example, real estate projects confront many difficulties with the Land Law or public investment is still entangled in processes and procedures. Therefore, solving institutional bottlenecks is important to create momentum to promote growth. At the same time, inadequacies in land, financial, real estate, labor, and health markets have been identified and solutions are being applied.

With these advantages, the opportunity to clear bottlenecks in 2023 is huge and the economy will continue to recover and develop sustainably. ■

DIGITAL TRANSFORMATION

Boosting Rural Tourism Development

Decision 922/QĐ-TTg of the Prime Minister approving the Program on Rural Tourism Development in New Rural Development in the 2021-2025 period identifies rural tourism development as a solution and a key task of the National Target Program on New Rural Development in this period. Accordingly, rural tourism development is associated with promoting the potential and advantages of agriculture, craft villages, culture and ecological environment of localities, in order to improve the quality of material and spiritual life of the local people, contributing to rural economic restructuring toward multi-value integration, inclusiveness and sustainable development.

THANH NGA

Building a database and digital map of rural tourist attractions nationwide

According to the Program on Rural Tourism Development in New Rural Development in the 2021-2025 period, the specific goal by 2025 is to develop and standardize rural tourism destinations and products. Each province and city will strive to have at least one recognized rural tourist spot

associated with the local advantages in agriculture, culture, craft villages or ecological environment; 50% of rural tourism service establishments will be recognized as meeting tourist service standards.

Rural tourism development will be promoted in association with the digital transformation process; at least 50% of recognized rural tourist spots will be digitized and connected on tourism promotion pages by digital technology.





By 2025, 50% of rural tourist spots will apply electronic transactions in tourism activities. Each new rural district with tourism potential will strive to build at least one model of a specific agricultural and rural tourism linkage chain. At least 70% of rural tourism establishment owners will receive training and coaching in tourism management, and 80% of rural tourism workers will be trained to serve tourists. Each tourist destination will have at least one staff fluent in foreign languages. A database and digital map of rural tourist attractions nationwide will be constructed.

Investing in rural tourist spots under new rural development criteria

The Program on Rural Tourism Development in New Rural Development in the 2021-2025 period also sets out tasks to upgrade and invest in the development of rural tourist spots in association with the implementation of new rural development criteria.

Specifically, it is necessary to orient, arrange and organize spaces and territories of tourist areas and rural tourist spots in accordance with the potential of tourism development and ensure connections with key tourist routes of regions and localities; design and renovate the architectural landscape and environment in the entire tourist destination space, while preserving the traditional identity and ensuring hygienic, convenient and ecological conditions; reducing investments through the use of local, environmentally friendly materials.

It is important to renovate, upgrade and complete synchronous infrastructure (traffic, electricity and clean water systems, medical and healthcare infrastructure, toilets, parking points and lots, navigation system, digital infrastructure and telecommunications connection, collection and treatment of waste and wastewater) at tourist destinations. It is necessary to

arrange and build points and centers to display, introduce and sell agricultural products, traditional craft village products, and souvenirs meeting quality requirements.

It is essential to improve the quality of operation and management of destinations (tourist management, accommodation management, tourism business management; ensuring security, order, food safety, and environmental protection for rural tourism). It is important to build and develop service infrastructure (rest stops, display points of rural specialties, food, beverage, sanitation, etc.) along traffic routes associated with tourist attractions with reasonable distances.

Developing rural tourism products with local characteristics

The program also sets the task of developing rural tourism products with the characteristics of regions and areas. Accordingly, it will focus on developing tourism products with high quality, diversity and difference, associated with regional identity and characteristics. It will develop new, highly competitive products and keep up with the trends and tastes of tourists. It will support the conservation, restoration and development of craft villages, cuisine, traditional costumes and agricultural activities, cultural and sports performances; restore the production model of specialty and traditional products to serve tourists through practical experiences; preserve and promote cultural spaces, and cultural, historical and revolutionary relics. It will develop and digitize information, explanatory documents on cultural and historical relics, eco-tourism spots and traditional craft villages associated with rural tourism. ■





On the sidelines of the Workshop “Solutions to Enhancing Quality of Tour Destination Connection in Son La Province” recently organized by the Son La Investment Promotion Center, the Hanoi UNESCO Travel Club and Glenda Tower Moc Chau Hotel, our reporter has an interview with Mr. **Nghiem Van Tuan**, Director of Son La Investment Promotion Center, on the local tourism recovery and development orientation in the coming time.

GIANG TU

Son La Strives to Host 5.2 Mln Visitors in 2025

Could you please tell us about the post-COVID-19 tourism recovery of Son La province?

The COVID-19 pandemic severely hit the tourism industry of the country, including Son La province. In 2022 however, trade and tourism recovered strongly thanks to the effective adoption of “Safely adapting to, flexibly, effectively controlling the COVID-19 pandemic.” Son La province applied many tourism development encouragement policies, including Conclusion 94-KL/TU dated January 23, 2021 of the Executive Board of the Son La Provincial Party Committee on tourism development to 2025, with a vision to 2030, and Resolution 41/2022/NQ-HDND of the Provincial People's Council on Son La tourism development support policies in 2022-2026 to unlock local potential, especially Moc Chau National Tourism Area, reservoir of the Son La hydropower plant, highlands, border landscapes, and Moc Chau and Na San plateaus.

In 2022, the Provincial People's Committee recognized the first five qualified tourist sites and attractions according to the Law on Tourism, including Ang Village pine forest tourist area; Dai Yem Waterfall tourist site, Moc Chau district; Pha Din Top tourist site, Thuan Chau district; Vang Forest tourist attraction, Son La City and Hang Mieng Temple tourist site, Van Ho district. The province launched three unique, different and professional new tourism products, including Bach Long Glass Bridge, Nordic Village, and pedestrian streets - night markets in Moc Chau National Tourist Area.

Son La province has 540 tourist accommodation facilities, including 38 hotels (1-5-star class), 502 motels, homestays and facilities of other types. Tourist arrivals to Son La province were estimated at 3.2 million in 2022, 3.51 times that of last year, and tourism revenue was forecast at VND2,800 billion, up 3.29 times.

Given such a number of tourist arrivals, did the accommodation system meet the development requirements of local tourism?

The current number of hotel rooms fails to meet the demand of high-class tourists. Not many hotels meet international standards. A majority are homestay facilities that serve community-based weekend tourism. Accommodation facilities are not adequate to meet the demands and preferences of

inbound tourists. There are not many community tourism sites, with only five recognized to meet standards. Hence, the province still lacks standard community-based accommodations.

Given those difficulties, the Son La Investment Promotion Center will advise the Department of Planning and Investment to actively invite and advise strategic investors to invest in accommodation facilities in the province, especially in Moc Chau, Van Ho, Quynh Nhai, Bac Yen and Muong La.

How has the province paid attention to cooperation with other localities?

This is also one of the promotion activities concerned by Son La province to develop tourism in the expanded Northwest provinces and major markets such as Hanoi and Ho Chi Minh City.

Son La province adopted a tourism development cooperation program between eight expanded Northwestern provinces with Ho Chi Minh City: Taking part in VITM Hanoi International Tourism Fair, Lai Chau Culture and Tourism Week, 18th Ho Chi Minh City Tourism Festival, 16th Ho Chi Minh City International Tourism Fair, the 2022 Asia and Oceania Awards Ceremony, and Son La tourism exhibition at the "Northwest Essence - The Flavors of Lao Cai" Festival. The province also coordinated with Da Nang Department of Tourism to organize a conference on Son La unique tourism products in Da Nang City in 2022.

The province carried out tourism development cooperation with Lao Cai, Hung Yen and Hai Phong, aiming to boost cooperation in tourism promotion and share information and experience in tourism development policymaking. Son La coordinated with related bodies in Hai Phong City to organize festivals and tourism events in two localities to promote tourism; supported tourism business cooperation to assess their tourism products and services; supported and shared experience in developing their eco-tourism and cultural tourism.

Would you tell us the tourism development orientation of Son La province?

As tourism is defined as a key economic sector, a driving force for the development of other industries and an important contributor to a modern and sustainable economic structure, the



Mr. VU VAN TUYEN

DIRECTOR OF TRAVELOGY VIETNAM

Moc Chau is listed among the 12 tourist attractions of the Northern Midlands and Mountains, and among 46 tourist attractions in Vietnam. It is oriented to become a national tourist area. This proves the regional and national special values of Moc Chau.

With outstanding tourism potential, Moc Chau National Tourist Area can deliver regionally distinctive tourist products: Mountain resort, mountain discovery, cavern discovery, midland ecosystem, weekend hideaway, exploratory sports; border tourism and cross-border trade, and cultural identity of northwestern peoples.

Mr. HO XUAN PHUC

DIRECTOR OF HANOTOURS



With eco-tourism and human advantages, Son La has much potential for tourism development. However, the province still has a lot of limitations. Tourism products are not diversified while infrastructure is inadequate for development requirements because investment and financial resources are limited and the business and investment environment is not really attractive.

To tap its potential, the tourism industry must solve many immediate and long-term problems, namely making an overall strategy; classifying tourism resources to make a

master plan and detailed plans on tourist routes and spots. The province needs to give priority to developing and implementing product strategies, especially strong and highly competitive products in cultural and ecological tourism, convalescence, adventure travel and cavern and Da River discovery.

Given its tourist accommodation system, the province needs to call for more investment and create an attractive business environment for companies in Hanoi and neighboring provinces to invest in accommodation facilities, amenities and services to serve large groups of tourists.

Mr. GEOFFREY NGUYEN

DIRECTOR OF VOH TOURISM AND HOTEL MANAGEMENT AND REAL ESTATE COMPANY



Glenda Tower Moc Chau Hotel serves upmarket customers. With 80 comfortable rooms, and a luxurious restaurant with unique cuisine distilled from Northwest cuisine quintessence, Glenda Tower Moc Chau Hotel has served nearly 10,000 guests although it has just been put into operation, thus contributing significantly to Moc Chau tourism

development in particular and raising the quality of Son La accommodation facilities in general. The hotel is not only an accommodation but also a venue for major events of the province.

Based on local tourism potential, supported and directed by the Son La Promotion Center, Glenda Tower Moc Chau Hotel will come up with an appropriate business and management strategy to attract a large number of customers and boost local tourism development.

Executive Board of the Provincial Party Committee issued Conclusion 94-KL/TU dated January 23, 2021 on Son La tourism development to 2025, with a vision to 2030. Key contents included making appropriate mechanisms and policies and breakthrough incentives to attract investment funds in tourism development; focusing all resources on building and developing Moc Chau National Tourist Area, recognized by 2025; developing Son La hydropower reservoir into a national tourist resort; and building Quynh Nhai and Bac Yen into provincial tourist areas in 2021-2030.

In the coming time, Son La province will make Moc Chau National Tourist Area one of the most popular tourist attractions of the Northern Midlands and Mountains and develop Son La hydropower reservoir into a national tourist site. By 2025, the province will strive to accommodate 5.2 million visitors and earn a total tourism service revenue of VND5,800 billion, an average annual growth of 15-20%. Son La will actively focus on building a master plan for tourism development, including synchronous plans on infrastructure and products. To do this, the province will need good tourism products that it has determined to make.

Recently, Son La tourism was honored as a leading natural tourism destination in Vietnam and Asia. This is both an advantage and a difficulty for us when we have to build different tourism

products. At the same time, it is necessary to protect and conserve precious natural resources. Besides, Son La tourism aims to diversify the unique cultural identity of ethnic groups for key tourism.

Tourism development, especially community tourism, needs to preserve and promote cultural values. Investors must understand laws on land, construction, conservation, cultural value promotion, and environmental protection.

To achieve the above goals, Son La province is performing consistent tasks and solutions: Launching tourism communication and education to raise public awareness; building tourism development support policies; enhancing the effect of State tourism administration; focusing on the management of tourism development plan implementation; carrying out tourism infrastructure development projects and detailed tourism development projects in Moc Chau National Tourist Area and Son La hydropower reservoir. The province is concentrating all investment resources for tourism development; developing tourism products, sites, attractions and communities; aligning tourism with agricultural and rural development; speeding up tourism promotion and scientific and technological application to tourism development; and developing and improving the quality of tourism human resources.

Thank you very much!

Improving Human Resource Quality in Ethnic and Mountainous Areas

To develop education and training and improve human resources in ethnic and mountainous areas, Son La province has made much progress in human resources of ethnic minorities, significantly contributing to economic growth and poverty reduction in ethnic and mountainous areas.

Fostering human resource development

Son La province has over 610 schools. Over 99.9% of children go to school and 100% of students complete primary education. 94.4% of people aged 15-60 years are literate. Education types are gradually diversified, with a system of non-public schools and specialized schools. Besides, education for ethnic minorities has been much developed, with boarding schools and semi-boarding schools for ethnic minorities.

As human resource development is a particularly important success factor in local socio-economic development, Son La province launched Plan 37-KH-UBND dated March 3, 2017 on the implementation of Resolution 52/NQ-CP dated June 15, 2016 of the Government on promoting and developing human resources of ethnic minorities in the 2016-2020 period, with a vision to 2030.

As a result, in the 2016-2020 period, over 42,100 rural workers in Son La province received vocational training, including nearly 2,420 commune officials and civil servants being trained with professional qualifications and skills. 87% of ethnic minorities were trained and over 95% were employed.

In 2021, ethnic knowledge was fostered for 275 commune officials in ethnic areas. The contingent of commune officials is 4,150 strong, of which 96.98% have intermediate or higher degrees. 31% of ethnic minorities of working age have access to appropriate vocational training, of which 57% are aged 18-35 years.

Vocational training for rural workers (mainly ethnic minorities) is associated with the National Target Program for Sustainable Poverty Reduction and New Rural Construction, helping access advanced techniques and technologies, professional development and sustainable production. The quality of rural labor in the province has improved. The quality of political, ideological and moral education, life skills training and international integration ability for ethnic minority students has gradually been raised.

Flexible deployment of solutions

Vocational education facilities have focused resources to enhance training quality, and connected with businesses to find and introduce jobs for graduates. The province has effectively deployed vocational education and human resources development mechanisms and policies; strengthened digital transformation and online training, and ensured adaptation to labor market requirements in the context of the Fourth Industrial Revolution. The province has coordinated with businesses to advise and guide students; and diversified vocational training suitable to natural conditions and habits of the population in ethnic and mountainous areas.

The province will review training occupations; create programs, curricula, documents and training duration for vocational education programs for different levels, cultures and languages of ethnic minorities; improve labor market information, promote and expand counseling, career guidance and job introduction for ethnic minorities; and build vocational training cooperation with enterprises.

In the coming time, Son La province will continue to effectively carry out Resolution 09-NQ/TU dated January 21, 2021 of the Provincial Party Executive Committee on human resource development in 2021-2025, with a vision to 2030. The province will focus resources on effectively implementing labor training to improve the quality of human resources from the National Target Program on New Rural Development, the National Target Program for Sustainable Poverty Reduction, and the socio-economic development plan in ethnic and mountainous areas. Son La will consolidate and arrange vocational training schools and enhance the working quality and performance of public service units. ■



IMPRESSIVE SOCIOECONOMIC DEVELOPMENT IN MOUNTAINOUS AREAS

Effectively using State-funded support resources in recent years, Son La province has introduced various policies on socioeconomic development, hunger eradication and poverty alleviation to support ethnic minorities, and attained impressive achievements.

Son La province is home to 12 ethnic groups, and is constituted by nearly 85% ethnic minorities. Over the past time, the province has utilized government-backed investment support programs for the construction of mountainous infrastructure in order to create a driving force for local socio-economic development. As a result, ethnic minorities have significantly improved their livelihoods.

Some localities have effectively implemented programs and projects with the active participation of ethnic minorities and mountainous people.

As a highland district, Thuan Chau is home to six ethnic groups namely the Thai, Mong, Kinh, Kho Mu, Khang, and La Ha. The implementation of ethnic affairs strategy in the district over the past time has positively helped give a clear facelift to rural areas of ethnic minorities. A typical example is Project 2 - Program 135 of the National Target Program for Sustainable Poverty Reduction. Carrying out this program in 2013-2020, Thuan Chau district invested, built, repaired and upgraded 164 infrastructure items with a total budget of VND196.5 billion. The program supported fertilizers and maize varieties for production in ethnic groups and applied new farming models such as fish farming, cow farming, apiculture and pig farming.

Facilitated by central and local policies, Thuan Chau district's healthcare is good thanks to well-invested medical facilities. Ethnic minorities, poor and near-poor people have access to health insurance which is well managed by local authorities. The district has properly invested in schools with well-furnished teaching and learning equipment. In addition, Thuan Chau district has implemented programs and policies on poverty reduction in a timely, effective and right manner, making important contributions to local production development, stability and improvement of people's living standards. By 2020, multidimensional poverty was slashed to 28.5%, a decrease of 20.4% from 2015.

The budget of Program 135 for Yen Chau district from 2020 to date has reached VND12.7 billion, which is spent on building and maintaining traffic, electricity and school systems for local people. In many places, authorities at all levels have



Youth startups help ease poverty and enable prosperity in their homeland

accompanied people in labor and production to help them overcome difficulties and rise out of poverty sustainably.

Mr. Lu Van Chung, Head of Ethnic Minority Affairs Office, Yen Chau district, Son La province, said that from the results of support policies for ethnic minorities, poor communes in the district have gradually created the basic premise for localities to make clear changes in all aspects and helped realize poverty reduction and new rural construction goals. Many minority households have learned to apply science and technology to production and intensive farming to increase crop productivity and actively restructure production toward commercial production to escape poverty. Thus, the poverty rate has significantly declined over the years. Many infrastructure works have been built to give a facelift to the countryside; helped improve education, training and healthcare for people.

Other localities in Son La have also effectively carried out programs and policies to support ethnic minorities. In addition to economic support policies, they have paid special attention to education, health care and culture in ethnic minority areas. Up to now, all mountainous communes where ethnic minorities are living have enough school systems at all levels from kindergartens, and primary schools to junior high schools. All poor communes have classes for students to study. Furthermore, cultural conservation and promotion for ethnic minorities are always important to the province.

Mr. Luong Van Toan, Deputy Director of Son La Ethnic Minority Affairs Committee, said, thanks to ethnic minority programs and policies, Son La province has very effectively reduced poverty rates. Ethnic minorities are leading a better life day by day, enjoying better education, healthcare and social security. Local essential infrastructure system has been increasingly upgraded. ■

Poverty rate, classified by multidimensional standards in Son La province

Year	Poverty rate
2016 (standards applied for 2016-2020)	34.44%
2017 (standards applied for 2016-2020)	18.38%
2021 (standards applied for 2020-2025)	21.66%

Many Component Projects Launched in Ethnic Minority Areas

Carrying out the Prime Minister's Decision 1719/QĐ-TTg dated October 14, 2021 on the National Target Program for Socioeconomic Development in ethnic minority and mountainous areas in 2021 - 2030, with the first phase from 2021 to 2025, and related guiding documents, Son La Provincial People's Committee issued Plan 258/KH-UBND dated October 28, 2022 on the action program with 10 component projects in Son La province.

The budget for 10 component projects is VND1,204.22 billion in 2022, including VND919.42 billion from the central budget, VND49.17 billion from the local budget, VND219.3 billion from loans and VND16.33 billion from other sources.

Specifically, Project 1: Solving shortages of residential and housing land, production land and water for daily life. Project 2: Planning, arranging and stabilizing the population in necessary places. Project 3: Developing sustainable agricultural and forestry production to unlock local potential strengths of production along value chains. Project 4: Investing in essential infrastructure for production and life in ethnic minority and mountainous areas in 126 poor communes. Project 5: Developing education and training to improve the quality of human resources. Project 6: Preserving and promotion of fine traditional cultural values of ethnic minorities associated with tourism development. Project 7: Taking care of people's health, improving the health and stature of ethnic minorities, and preventing child malnutrition. Project 8: Realizing gender equality and solving urgent problems for women and children. Project 9: Investing and developing ethnic minority groups. Project 10: Communication, information and advocacy in ethnic minority areas; inspecting, supervising and assessing the performance of the program.

As directed by the Provincial Party Committee, the Provincial People's Committee actively launched the action program; established a steering committee and a workgroup to assist the program implementation; asked the Provincial People's Council to issue a resolution on principles, criteria, and norms for allocating medium-term and annual state-funded budget for program implementation as well as funding plans in the 2021 - 2025 period, including the 2022 funding plan, for the program implementation. This is the basis for relevant agencies at all levels and branches to make medium-term and annual funding plans, helping carry out the program in a timely, fast and effective manner. Up to now, the program implementation in 2022 has basically met the schedule, requirements and plan.

To further improve the material and spiritual life for ethnic minorities and mountainous people, Son La Provincial People's Committee has focused on directing the following specific tasks and solutions:

- Strengthening communications and advocacy to raise awareness of the political system and people about the position, role and importance of ethnic affairs as well as consistent



Sustainable agricultural and forest production for ethnic minorities

ethnicity policies of our Party and the State; spreading information and communication on contents, purposes, significance and effect of the National Target Program on Socioeconomic Development in ethnic minority areas in the 2021-2030 period, ethnic minority policy programs and projects in order to help ethnic minorities develop production, stabilize the economy, and rise out of poverty sustainably.

- Effectively carrying out projects and policies under the program, coordinating and integrating with ongoing programs and projects in the province, such as the National Target Program on Sustainable Poverty Reduction and the National Target Program on New Rural Development, to improve quality and effect of project and policy implementation on ethnic minorities.

- Strengthening inspection and supervision of program and project implementation in the province to promptly detect and correct errors in implementation; scaling up and rewarding new models and effective ways of doing things; assessing, reviewing and proposing amendments, supplements, and improvements to mechanisms, policies, programs and projects.

- Further preserving, honoring and promoting cultural identity, languages, writings, customs and traditional beliefs of ethnic minorities; managing and organizing festivals of ethnic minorities, enabling people to create an exciting atmosphere for a better spiritual life of ethnic minorities.

With the actions and determination of the Party, authorities, mass organizations and people, we believe that Son La province will achieve all program goals, especially those set for 2022. ■

(from P.19)

Mr. Alexander Nowakowski said that at a recent meeting, leaders of the Ministry of Agriculture and Rural Development of Vietnam and the Ministry of Agriculture and Rural Development of Poland had agreed on the contents of cooperation in the coming time, including the promotion and introduction of popular Polish food products (beef, goose meat, chicken, wild fruits, etc.) into the supermarket system in Vietnam and vice versa. The good news is that Vietnamese consumers increasingly favor high-quality food products originating from Poland, especially sausage products and meat-related products. "As income and quality of life improve, the food selection criteria of Vietnamese consumers have also changed, with more emphasis on safe, nutrient-dense and better-quality food. Polish agricultural products completely meet these requirements. I hope, in the near future, Poland's high-quality food products manufactured according to the standards of the European Union (EU) will appear with greater frequency on the dining tables of Vietnamese consumers, delivering them most interesting culinary experiences," Alexander Nowakowski said.

According to Piotr Harasimowicz, Chief Representative Officer at Polish Investment and Trade Agency in Vietnam, Vietnam is not only one of the leading trading partners but also an important buyer of Poland's agricultural products and food. In 2021, Poland exported more than 143 million EUR worth of products to Vietnam.

In the future, the value of agri-food exports will increase even more, in the context that the Polish business community is promoting trade promotion and investment cooperation with Vietnamese enterprises in the import and export of agricultural products and food processing in order to effectively take advantage of incentives from the EU-Vietnam Free Trade Agreement (EVFTA), as well as other FTAs that Vietnam is implementing.

Mr. Piotr Harasimowicz added that the campaign "Tasteful Europe", sponsored by the EU, promotes EU agricultural products, food and beverages worldwide. Currently, Polish food businesses are promoting this campaign to promote the introduction of Polish products into Vietnam. Accordingly, the Polish business delegation led by KIGCP also had meetings and worked directly with manufacturers, partners, supermarkets in Vietnam; actively participated in food and beverage industry fairs and exhibitions in Vietnam to seek potential import partners and distributors. "The highest goal of this campaign is to bring high-quality Polish food products to penetrate deeper into the Vietnamese market and be more known and chosen by Vietnamese consumers. That's the reason why in the coming time, we will focus on studying consumer demand as well as adjusting the structure of food products exported to the Vietnamese market in the most appropriate and effective way, because the consumer culture in Vietnam are also very different," Mr. Piotr Harasimowicz emphasized. ■

(from P.27)

countries around the world on various international climate finance mechanisms in support of the energy transition. However, the fund that countries donate to Vietnam will only be a small part of the path of economic growth and energy transition. We need to strengthen domestic financial institutions to ensure financing for businesses, investing in socioeconomic development projects, and investing in projects for the energy transition in the medium and long term.

The Joint Program to assist Vietnam in developing an Integrated National Financing Framework (INFF) has the overarching goal of supporting Vietnam in its efforts to reform the mobilization, usage and management of development finance, in order to realize the sustainable development goals (SDGs) until 2030. Under the framework of this Program, the United Nations Development Program (UNDP) collaborated with the Department of Science, Education, Natural Resources and Environment in conducting studies on "Development Banking in Vietnam: Issues and Prospects" and "Review of bottlenecks and recommendations for the development of domestic capital markets in Vietnam."

These are initial studies to provide recommendations

and policy discussions to develop capital markets for private enterprises, ensuring that public financial resources effectively contribute to the achievement of development goals. Most important are recommendations on how to mobilize resources and use investments effectively, thus bringing in sustainable development results.

Researchers from the Integrated National Financing Framework (INFF) program, economists from UNCTAD and SOAS, University of London; and experts with extensive experience in climate finance in different development settings shared global precedents, and the potential contribution of development banking to Vietnam's energy transition. They proposed that a Vietnam Climate Bank be created to contribute to long-term energy financing by providing guarantees for commercial bank loans, organizing structured finance for slow-gestating projects, and even taking equity stakes in projects that deliver important social benefits.

Mr. Thomas Marois, Political Economist and Author of Public Banks, SOAS University of London, made the case for establishing a new Vietnam Climate Bank to drive a green and just transition. There is a need to get the mandate right - a green and just mandate with a public purpose. To be credible and effective, a Vietnam Climate Bank needs a representative Board of Governors. ■

Yen Bai Business Association Set to Further Contribute to Socioeconomic Development



Delegates at the 3rd Congress (2022 - 2027 term) of Yen Bai Business Association

On December 13, 2022, Yen Bai Business Association successfully organized the 3rd Congress (2022 - 2027 term). The congress elected the Executive Committee consisting of 29 members and Ms. Bui Thi Suu was re-elected Chairwoman of Yen Bai Business Association.

NGÔ SAN

At the meeting, Chairwoman Bui Thi Suu said that during the last term, the Yen Bai Business Association excellently acted as a representative of the business community to gather, unite, connect and support businesses; worked as a bridge to link enterprises and authorities; collected recommendations, proposals and reflections; consulted, motivated and encouraged enterprises to deal with difficulties; and informed them of market trends and policies to businesses.

To date, the association

comprises four sector-specific business associations and two local business associations with 168 member companies that regularly join its movements and activities and create stable better-paid jobs for workers.

The association's activities are maintained and developed. It connects local businesses and communicates guidelines and policies to enterprises in a timely manner.

Every year, the business community well fulfills its tax payment obligations and contributes over 60% to the total budget revenue. Typical examples include Thac Ba Hydropower Joint Stock Company, Yen Bai Power

Company, Petrolimex Yen Bai Company, Hoa Binh Minh Group Joint Stock Company, Yen Bai Cement and Mineral Joint Stock Company, Yen Bai Forest Agricultural Products and Foodstuff Joint Stock Company and Viettel Yen Bai Branch. Enterprises employ over 22,000 workers, each with a monthly income of over VND9 million.

During the second term, the Yen Bai Business Association had many activities to advise and connect the government and businesses. Most notably, the district coordinated with the Office of the Provincial People's Committee and other departments and agencies to organize the "Business Coffee" Program where authorities and enterprises exchanged to find the best solutions.

Through various programs, businesses and investors got answers and solutions to their difficulties and this helped form a favorable and open business environment.

Attending monthly and quarterly meetings with the Standing Committee of the Provincial People's Committee and Business Coffee Program, many questions about land policy, administrative procedures and bank loans raised by enterprises were answered.

In particular, recommendations related to project revocation, project investment policy and land recovery were gathered and sent to provincial authorities by the association. Thus, authorities had another additional information channel for their decision-making processes.

In the 2022-2027 term, Yen Bai Business Association will focus on building a strong and professional apparatus, developing members and protecting legitimate rights and interests of members; and stepping up business, production and service promotion to successfully carry out socioeconomic goals and create more jobs for local workers.

Speaking at the congress, Mr. Pham Tan Cong, President of the Vietnam Chamber of Commerce and Industry (VCCI), emphasized that the last term was difficult and challenging for businesses and the Yen Bai Business Association, but the association worked to successfully complete its goals and tasks. It gradually affirmed its role and position in the socioeconomic development of Yen Bai province, exerted increasing influence and affirmed its position and prestige in the Vietnamese business community.



VCCI President Pham Tan Cong awards certificates of appreciation to outstanding collectives and individuals

He added that, as a national representative of the Vietnamese business community, during this term, VCCI is actively reforming its content and mode of operation, with a focus placed on connecting and supporting business associations and enterprises to expand the business community. VCCI affirmed that it will support Yen Bai Business Association in carrying out goals and tasks set by the congress, enabling Yen Bai province to develop quickly and sustainably towards "Green, harmony, identity and happiness" to become a relatively developed province by 2025 and a top-ranked province of the Northern Midlands and Mountains in 2030.

At the meeting, Mr. Do Duc Duy, Secretary of Yen Bai Provincial Party Committee, acknowledged and praised the efforts and contributions of the business community and Yen Bai Business Association to social and economic development.

He directed the entire political system of the province to further support and facilitate the business community. "The province is seeing great development prospects, enabling Yen Bai to build a fairly, comprehensively and sustainably developed province in the northern mountainous region by 2025. To capture those development opportunities, domestic and foreign strategic investors are pouring investment capital into the province. The increase and formation of new companies will help build a stronger Yen Bai business system," he emphasized.

At the congress, Yen Bai Business Association and VCCI awarded certificates of appreciation to outstanding collectives and individuals. ■

Realizing Aspiration for Prosperous Vinh Phuc



President Nguyen Xuan Phuc at a meeting with leaders of Vinh Phuc province, 2021

Driven by the advice of the great President Ho Chi Minh: “We must make Vinh Phuc one of the richest and most prosperous provinces in the North of our country”, for decades, the Party Committee and people of Vinh Phuc province have promoted the spirit of solidarity, dynamism, creativity and innovation in socio-economic development, in order to realize the aspiration for a rich and prosperous Vinh Phuc.

When it was re-established in 1997, Vinh Phuc still faced many difficulties. The budget revenue in the province was just over VND100 billion; the socio-economic infrastructure was poor; the standard of living was low; GDP per capita reached 2.18 million VND/year. However, with dynamism and creativity in attracting investment, the provincial Party committee and authorities at all levels have taken breakthrough directions, helping the locality become the “bright spot” of the whole country in terms of socio-economic development.

In 1998, there were only eight projects with foreign investment capital (FDI) and only one domestic direct investment (DDI) project in Vinh Phuc. However, cumulatively to 2022, Vinh Phuc has 450 FDI projects and 828 DDI projects. The FDI projects came from 20 countries and territories around the world, including developed countries such as the U.S., Japan, and South Korea. From having no industrial parks when it was first re-established, the province today has had 19 industrial parks under planning, of which, 16 industrial parks have been granted investment certificates.

In 2004, Vinh Phuc province was able to balance its

budget expenditures and contribute and regulate the central budget. In 2019, the province's budget revenue reached over VND35,000 billion, ranking 8th in the country and 4th in the Northern key economic region in budget revenue. It has stayed among the top provinces in the country in terms of budget revenue since then.

In 2020 and 2021, despite the great impact of the COVID-19 pandemic, the province's total budget revenue still reached over VND32,000 billion, 282 times higher than the budget revenue for the year 1997. The high increase in budget revenue has created conditions to increase investment resources for socio-economic infrastructure and implement social policies. In particular, it is

estimated that by the end of 2022, the total state budget revenue of Vinh Phuc province will reach nearly VND36 trillion, up 8.5% compared to 2021 and nearly 12% higher than the assigned estimate. This is the highest state budget revenue ever of Vinh Phuc. In which, domestic revenue is estimated at VND30,000 billion (up more than 6% over the same period, nearly 10% higher than the estimate); revenue from import-export activities is estimated at VND5.7 trillion (up more than 22% over the same period, 23.5% higher than the estimate).

Along with economic development, the new rural development program has achieved important results. Specifically, by the end of 2021, the whole province had 100% of communes meeting new rural standards, 11 newly improved rural communes, 36 model new rural villages, 5/9 districts and cities recognized as meeting standards, completing the task of building a new countryside. The system of transport infrastructure has been significantly improved; 100% of national highways have been asphalted; the Hanoi-Lao Cai highway running through the province with five intersections is a favorable condition to connect with the northern provinces and the Red River Delta. Urban infrastructure investment has been a great focus. Up to now, the whole province has nearly 30 urban areas, in which, Vinh Yen city is a grade II urban center that plays the role of an economic-cultural-political center of the province; Phuc Yen city is a grade-III urban center and other urban centers at district level; the urban population rate is about 46%. There are many large and key projects that not only meet the needs of the people but also create important highlights in Vinh Phuc urban space such as Ho Chi Minh Square Park; Vinh Phuc High School for Gifted Students; Vinh Phuc General Hospital; Vinh Phuc Obstetrics and Pediatrics Hospital; and Vinh Yen city amusement park.

In the coming time, the Party Committee and people of Vinh Phuc province will continue to strive to achieve the goal of socio-economic development to turn Vinh Phuc into one of the richest and most prosperous provinces in the northern region of the country. ■

Adopting Uniform and Effective Business Support Policies

Over the past time, Vinh Phuc province has adopted consistent and effective policies to support and facilitate investors and promptly solve their problems. As a result, the number of new and operation-resuming companies in the year to date has reached 1,618, the highest ever in a year.

TRAN TRANG

At present, Vinh Phuc province has more than 13,000 companies, including more than 9,000 in operation. To assist local enterprises, right at the start of this year, Vinh Phuc Provincial People's Committee launched Plan 11/KH-UBND to carry out Resolution 02/NQ-CP of the Government on the main tasks and solutions to improve the business environment and national competitiveness in 2022 (with 30 tracking indicators) to clearly define tasks and solutions for each level and each industry.

Besides, the province applied consistent and effective policies to support businesses, especially small and medium-sized ones; removed difficulties against them in all stages, from business establishment to business conditions, customs clearance and tax payment. The locality also launched investment promotion and attraction events, including the Vinh Phuc Investment Promotion Conference in 2022, Conference on Vinh Phuc in Vietnam-Japan Cooperation and Development Connection in 2022, Southern Taiwan Business Meeting and Conference on Vinh Phuc - Investment Destination for Korean businesses. Vinh Phuc also organized various meetings and dialogues to deal with difficulties facing businesses, hosted 31 meetings of the Business Talks Program; received feedback and provided guidance for them; handled their proposals and recommendations; contacted and worked

directly with many companies; and assisted them to carry out bankruptcy procedures. At the same time, the province introduced 16 investment cooperation and connection programs between domestic direct investment (DDI) enterprises and foreign direct investment (FDI) enterprises.

Vinh Phuc province witnessed more than 1,200 companies established with a total registered capital of more than VND21,000 billion in the year to date, up more than 17% in enterprises and nearly 90% in value from a year ago. By industry, the service industry saw the clearest post-COVID-19 recovery, with 781 companies founded, followed by the industrial and construction sector with 446 new corporates. Besides, the province also saw a rising number of operation-resumed enterprises, with 383 enterprises in the year to the end of November, a year-on-year growth of nearly 17%, bringing the total newly established companies to 1,618 enterprises in 11 months of 2022. These companies will employ more than 9,000 workers.

With its efforts to improve the investment environment and keep high PCI rankings, in the coming time, Vinh Phuc will continue to promote collective intelligence and service spirit of administrative agencies, and always adhere to the viewpoint and principle that "the government always supports and quickly and thoroughly solves difficulties for enterprises". At the same time, the province will strongly concentrate on upgrading infrastructure in industrial parks; direct commercial banks to facilitate enterprises to access preferential loans and request vocational education and training facilities to enhance training quality to meet the recruitment needs of enterprises. ■



Vinh Phuc province has applied many productive policies to support businesses, especially SMEs

Substantial Achievements in Economic Development



High economic growth driven by industry

2022 was a remarkable year for Vinh Phuc province after two years of enacting the resolution of the 17th Provincial Party Congress. The province has not only effectively contained the COVID-19 pandemic, but also reinforced its social and economic recovery and growth, with many targets hitting all-time highs.

Specifically, the province's GRDP was forecast to rise by 9.54% in 2022, the highest since 2014. The economic structure has shifted positively toward the desired pattern, with industry-construction accounting for 64.2%; agriculture, forestry and fishery making up nearly 6.6%; and services contributing 29.2%. Total budget revenue was estimated at VND35,700 billion, an increase of 8.5% from 2021, the biggest annual value ever. Domestic revenue accounted for VND30 trillion, up 6.2% year on year.

Industrial production substantially advanced as manufacturing recovered strongly to the pre-COVID-19 pandemic level. The total industrial production value was estimated to rise by 15.5%, led by the processing and manufacturing sector which expanded 16.5%; and by the electronic component manufacturing which made the highest-growing revenue of 24.3%.

With many efforts and reforms in investment promotion and investment environment improvement, in 2022, Vinh Phuc attracted US\$450 million of FDI capital as planned and VND12,500 billion of DDI capital, higher than the target set in Resolution 57 of the Provincial People's Council. With the care and support of all levels and branches of authority as well as the economic recovery, the province had 1,300 new companies with a total registered capital of over VND13.6 trillion, up 13% in projects. By the end of 2022,

Vinh Phuc had over 13,500 businesses with an aggregate registered capital of over VND160 trillion.

Positive signs in tourism development

After a long period of lackluster performance caused by the COVID-19 pandemic, Vinh Phuc tourism has quickly recovered and grown strongly since mid-March 2022. In 2022, the province was expected to welcome 8.2 million tourists, an increase of more than 4 times in tourist arrivals and 2 times in revenue as

compared to those in 2021. Tourists tended to stay longer and spend more. Average spending per visitor increased from VND450,000 to VND500,000 per day.

In particular, in 2022, Tam Dao was recognized as a national tourist area and Tam Dao town was honored as the world's leading tourist town.

Vinh Phuc was chosen as a venue for the final round and finalist show of the Miss Tourism World Contest 2022. This showed that Vinh

Phuc tourism had already reached new

highs. This is an opportunity for Vinh Phuc to promote the image of an attractive destination and friendly, hospitable people to international friends, building a premise for Vinh Phuc tourism to fly high in the coming time.

In 2023, Vinh Phuc will strive to boost its GRDP growth to 8-9.5%; earn total budget revenue of VND32,398 billion; attract US\$400 million of FDI capital and VND5,000 billion of DDI capital; and create about 16,000-17,000 new jobs.

Standing Vice Chairman of the Provincial People's Committee Vu Viet Van said that, to achieve these goals, the province will focus on effectively implementing five key tasks and three breakthrough stages adopted by the resolution of the Provincial Party Congress; and consistently and effectively carry out tasks and solutions on socioeconomic development as per resolutions and conclusions of central and provincial governments.

The province will strengthen administrative reform, handle obstacles and remove bottlenecks in all sectors and fields; speed up land compensation and site clearance. Vinh Phuc will adopt monetary policies, step up investment promotion activities, upgrade infrastructure in industrial parks; and apply social security policies and raise people's living standards. ■

Vinh Phuc province has successfully advanced socioeconomic recovery and growth in 2022, with all 17 indicators hitting their targets.

TRAN TRANG

Developing Digital Economy, Knowledge Economy

Vinh Phuc Provincial People's Committee recently hosted a workshop to collect opinions from provincial and local agencies for Vinh Phuc Planning for the 2021 - 2030 period, with a vision to 2050. According to the plan, Vinh Phuc will become a comprehensively developed province in all economic, social and environmental aspects. Vinh Phuc's economy will be driven by the digital economy and knowledge economy, and people will lead a high-quality, joyful life. The province will have a progressive culture of rich identity, a harmoniously developed society, a fresh and livable natural environment.

THANH LOAN

Tapping every potential and advantage for development

According to the report draft planning, Vinh Phuc will exploit and promote all potential and advantages for development, with a focus on developing industry, services, tourism and agriculture of high added value; promote creativity, willpower and aspirations of each people; foster entrepreneurship and innovation; exploit new driving forces for growth based on science, technology and innovation; mobilize, rationally and effectively use resources for development; and strengthen management and efficient use of resources, protect the environment and respond to climate change.

By 2030, Vinh Phuc will become a developed province with synchronous, modern social and economic infrastructure that basically meets the criteria applied to centrally run municipalities; achieve inclusive and sustainable economic and social development; and stand among the Top 10 provinces and cities by economic scale. By 2050, Vinh Phuc will be a comprehensively developed city in all economic, social and environmental aspects; and become a centrally governed city with a modern, clean and beautiful landscape, uniquely distinctive architecture, and a prosperous, happy and livable society. Vinh Phuc's economy will be driven by the digital economy and knowledge



economy and people will have high income and quality of life. The province will have a progressive culture, rich identity, harmoniously developed society, and healthy natural environment.

Planning needs to be more closely related to reality

Remarking on the planning, local leaders agreed with the contents reported by consultants at the workshop, adding that planning needed to be more closely related to local reality. For example, in Vinh Yen City, it is necessary to pay attention to investment in building wastewater treatment plants to reduce loads on the existing wastewater treatment infrastructure. Attention also needs to be paid to planning locations for water supply plants, waste treatment facilities and cemeteries.

In Tam Duong district, it is necessary to note changes in population forecast; supplement advantageous industries and occupations to ensure sustainable growth; and plan trade and services based on local conditions.

In Binh Xuyen industrial district, it is necessary to review and supplement specific contents concerning infrastructure development investment for transport, education, healthcare, service and other sectors to serve industrial development. In addition, there is a need to adjust the flow of some rivers running through industrial parks to facilitate and promote industrial development.

In Vinh Tuong district, it is necessary to maximize available local potential and plan construction of a waterway cargo port system in the district in the future.

Chairman of Vinh Phuc Provincial People's Committee Le Duy Thanh told leaders of districts and cities to uphold their sense of responsibility and further define the importance of effective planning and implementation when the plan is approved by the Prime Minister. The consulting unit received feedback and remarks from departments, branches and localities for better planning. When the planning is amended and updated, it is necessary to clearly analyze local advantages as well as difficulties and limitations to work out specific, actionable solutions. ■

Vinh Phuc Successfully Accomplishes Socio-economic Development Goal



An automobile manufacturing line at a Toyota Motor Vietnam factory in Vinh Phuc province

Vinh Phuc province has made good progress in socioeconomic performance in 2022 with all 17 socio-economic indicators having met and exceeded the targets set by the Resolution 57 of the Provincial People's Council on the socio-economic development plan in 2022.

HOANG THAM

The outstanding achievement is the continued effective implementation of safe, flexible adaptation and effective control of the COVID-19 pandemic, maintaining a safe, stable socio-economic development; and taking care of people's health. In 2022, Vinh Phuc's economic growth rate is estimated at 9.2-9.8%, the highest level since 2014, higher than the national average. The total budget revenue is estimated at VND35,700 billion, up 8.5% compared to 2021, the highest level of budget revenue ever.

Up to now, Vinh Phuc has attracted US\$450 million in FDI capital, VND12,500 billion in DDI capital, established 1,300 new enterprises with a total capital of over VND13,600 billion, up 13%; and created nearly 20,000 new jobs. The province's per capita income has reached VND129 million/year, and it is expected to be one of the 10 localities with the highest per capita income in the country. The provincial competitiveness index in 2021 ranked fifth in the country, up 24 places compared to 2020; the provincial administrative reform index was also in the Top 5 nationwide. The province has managed to restore the tourism industry with 8.2 million tourist arrivals, and earned nearly VND3,300 billion from hospitality activities, twice that of 2021. Tam Dao has recently been honored as "The World's Leading Tourist Town in 2022" at the 29th World Travel Awards (WTA).

Vinh Phuc Provincial Party Committee has focused on building the Party through all three aspects of politics, ideology and organization, ensuring solidarity and unity in the process of performing political tasks. It has thoroughly grasped and organized the implementation of the Resolutions of the Central Government in association with the development of action programs suitable to the specific conditions of the locality.

The above results are an important motivation for Vinh Phuc to continue to complete the goals set out for 2023, which has great significance in accelerating the implementation and striving to complete the goals of the 5-year plan for the 2020-2025 period according to the Resolution of the 17th Provincial Party Congress.

In the coming time, Vinh Phuc will continue to focus on five key tasks and three breakthroughs put forth at the Resolution of the 17th National Party Congress of the Provincial Party Committee; remove difficulties and obstacles, unlock resources, promote socio-economic development; focus on social security and improve people's living standards, thus contributing to making Vinh Phuc become increasingly prosperous. ■

Vinh Phuc Has 1,618 New Companies as of Nov 15

Vinh Phuc province had 1,618 new companies and restarted companies in the year to November 15, more than in 2021 (1,224 companies) and the highest since the provincial re-establishment, according to the Department of Planning and Investment. New corporate entities employed 9,343 workers.

The province witnessed 1,235 new business registrations with a total combined registered capital of VND21,148 billion in 2022, up 17.40% in companies and 86.96% in value year on year.

By sector, the service sector took the lead after the COVID-19 pandemic outbreak with 781 companies (accounting for 63.24%) with VND7,100 billion of investment capital, up 24.76% in companies and 1.21% in value.

The industrial and construction sector followed with 446 new companies (accounting for 36.11%) with VND13,970 billion, the largest among sectors, up 7.73% in enterprises and 241.98% in value. They were estimated to create more jobs for 5,097 workers.

In addition, the province saw 383 companies resume normal operations, 16.77% more than a year earlier. These signals clearly showed returned optimism and confidence of the business community which has been reviving quickly.

These optimistic results came from ongoing efforts of all levels and branches of authority in the province for better management, administration and operation. The province has applied many measures to improve the business environment; promptly grasp and deal with difficulties and obstacles to facilitate investors and companies to operate effectively and promote economic growth.

Duy Binh

Striving to Become Developed Industrial Province by 2025

Vinh Phuc will endeavor to be an industrial province, become one of the industry, service and tourism centers of the region and the country, and achieve average annual economic growth of 8.5-9.0% by 2025, said the Provincial Party Committee. The province will aim for a GRDP per capita of VND130-135 million by 2025 and keep budget revenue growth at 6-8% a year on average.

LE NAM

To achieve this goal, one of the five key tasks set out by the province is "Continuing to change the growth pattern, with a focus on industrial development and high-quality services; transforming the economic growth model to improve growth quality and economic competitiveness by enhancing labor productivity boosted by scientific and technological application and innovation" and one of the three breakthrough stages is "Priority is given to developing high-tech electronics industry and making Vinh Phuc a national center of electronics industry."

Vinh Phuc will develop modern commercial services along with traditional markets. The province will particularly encourage and build an e-commerce support policy in the locality; and foster scientific and technological applications, improve the quality of financial and credit activities and payment and trade services. Notably, the locality will develop tourism into a spearhead economic sector. In this regard, Vinh Phuc will focus on carrying out the overall planning and detailed planning for tourism development and tourism branding associated with cultural, historical values and national identity, especially as international tourists are interested in many local landscapes.

On November 11, at the 29th World Travel Awards (WTA) ceremony held in Muscat, Oman, Tam Dao Town of Vinh Phuc was

honored as a world-leading tourist town in 2022. The award not only further elevated the position of Tam Dao tourism in the region and in the world, but also attracted more international tourists in the coming time.

Developing tourism products based on handicraft villages to generate huge economic value helps create jobs and increase income for local people. However, infrastructure, tourism products and quality of tourism human resources there remain weak. For that reason, provincial leaders will focus on restructuring the tourism industry to ensure professionalism, modernity and sustainable development in the coming time. Particularly, the province will make consistent policies and mechanisms to mobilize investment resources for tourism infrastructure development, especially in key tourist areas. The locality will develop tourism markets and products, untap potential strengths of cultural tourism products, festivals, monuments, landscapes, resort, eco-tourism, golfing tourism and MICE tourism.

In the coming time, Vinh Phuc will call for investors to build high-class resorts with links to Xa Huong Lake, Lang Ha, Ban Long Waterfall and Ngoc Thanh tourist attractions to provide effective services for visitors. It will prioritize resources to build Tam Dao, Tay Thien, Dai Lai, Dam Vac, Vinh Thinh and Van Truc Lake tourist areas and boost tourism cooperation with the surrounding provinces of Phu Tho, Tuyen Quang and Thai Nguyen, and the Northwest. ■



Promoting Administrative Reforms to Better Serve People and Businesses

Not only reducing the time and easing people and businesses, but stronger administrative reforms have also enabled Vinh Phuc province's socioeconomic recovery and rapid development.

HIEN NAM

Effectively implementing four one-place actions

Seeing people and businesses as the heart of administrative reform, Vinh Phuc has launched a lot of innovative and creative activities to enhance administration in the past time. The province introduced goals, roadmap and solutions to implement State Administrative Reform Master Program at the request of the Government, which focuses on six contents: Institutional reform, administrative procedure reform, State administrative apparatus reform, civil service reform, public finance reform, and construction and development of e-government and digital government. Every year, the Provincial People's Committee directs relevant agencies and localities to renew the single-window mechanism in handling administrative procedures; effectively carries out the "four one-place actions" principle, including receiving, appraising, approving and returning results at the Provincial Public Administration Service Center and the "single-window" divisions at district and commune levels; and requires civil servants to apologize to people for delays in handling administrative procedures. The province steps up information technology application, uses software to settle administrative procedures to ensure integration and synchronization with provincial and national public service portals and ensure uniformity of the single-window mechanisms to meet requirements for handling administrative procedures in the new situation.

Furthermore, the province enhances publicity and transparency of administrative procedures; regularly reviews, updates and announces newly promulgated, amended, supplemented or annulled procedures; reduces and simplifies by at least 20% the processing time of 825 administrative procedures that need more than 10 working days to get settled; and reduce the time for processing investment certificate procedures from 15 days to 11 days and investment certificate verification time from 40 days to 36 days. The province intensifies inspection and speeds up the process of handling administrative documents at agencies and localities; and steps up settlement of administrative procedures online, especially for administrative procedures of Level 3 and Level 4.

To apply digital technology in administrative reforms, Vinh Phuc has used Zalo software for looking up and notifying the settlement status and results of administrative procedures; interconnected single-window software and express delivery software; provided online payment solutions on the National Public Service Portal by scanning QR codes; digitized and linked electronic administrative records on land between tax authorities, land registration offices, and the Department of Natural Resources and Environment; and provided a chatbot system that automatically responds to people's comments and recommendations.

With its consistent solutions implemented, in the past years, Vinh Phuc has always been in the Top 15 localities nationwide in terms of administrative reform. Its Public Administration Reform Index (PAR Index) ranked 14th in 2018, 10th in 2019, 15th in 2020 and 5th out of 63 provinces and cities in 2021.

Administrative reform to increase investment

Vinh Phuc targets to attract from US\$2 - 2.5 billion of foreign direct investment (FDI) capital and VND20,000-25,000 billion of domestic direct investment (DDI) capital in the 2020-2025 period. Therefore, identifying administrative reform, with focus on administrative procedure reform, as an important factor to attract business investment, the Provincial People's Committee assigned 71

administrative reform tasks to relevant agencies and localities; strengthened the reform of State administrative apparatus, inspected, informed and trained to help people and businesses access new policies on administrative reform.

According to the report of Vinh Phuc Provincial People's Committee, 50 out of 71 administrative reform tasks were performed in the year to September 2022, equal to 70.4% of the target assigned by the Provincial People's Committee. Relevant agencies reviewed 1,050 administrative procedures at all three levels of government and proposed simplifying 43 administrative procedures;



synchronized data from the new National Database on Administrative Procedures with the Provincial Public Service Portal where 1,792 administrative procedures are publicly listed. Specifically, provincial, district and communal single-window divisions received and returned 1,368 administrative procedures, 285 administrative procedures and 139 procedures, respectively.

According to the Provincial Public Administration Service Center, from December 15, 2021 to September 14, 2022, provincial agencies received 91,587 administrative procedures, including 83,209 procedures properly handled in time and before time or nearly 91% of the total. District and commune agencies received 245,672 records, with nearly 95% handled in time and before time. Particularly, provincial agencies received 30,974 online records in the first nine months of the year, or 21.5% of total records, including 6,330 records of Level 3 and 24,643 records of Level 4.

To modernize the administrative system and develop e-government and digital government, Vinh Phuc has prioritized investment resources in building and completing information infrastructure, specialized databases and national databases, especially database on population and land connected to business registration database. From January 1, 2022, the single-window software and online public service portal Igate were integrated at the website address dichvucong.vinhphuc.gov.vn, connecting 744 public services at Level 3 and Level 4 to the National Public Service Portal. From April 2022, the LGSP system of Vinh Phuc province was installed and operated at the Provincial Information Infrastructure Center to form a synchronous system with stable operation and meet management requirements.

Vinh Phuc leaders asserted to continue reviewing, reducing time and optimizing the process of handling administrative procedures; reformed and improved the performance of single-window mechanisms; diversified methods of receiving and handling procedures to enhance customer satisfaction; stepped up development of e-Government and digital government, increased the rate of settling online public administrative procedures of Level 3 and Level 4; and encouraged research, promotion and application of practical and effective initiatives. ■

Toto Vietnam Completes Faucet Factory in Thang Long Vinh Phuc IP

Toto Vietnam Co., Ltd held the Completion Ceremony of Toto Vietnam Faucet Factory at Thang Long Vinh Phuc Industrial Park on December 12, 2022.

Speaking at the ceremony, Mr. Nguyen Xuan Phuong, Director of the Vinh Phuc Industrial Parks Authority, praised and highly appreciated the efforts of investors and construction contractors and their close cooperation with local authorities, and hailed the infrastructure operator of Thang Long Vinh Phuc Industrial Park for overcoming difficulties to have the ground for construction of Toto Vietnam faucet factory before the registered deadline.

When it starts operation, the factory will apply advanced, modern technologies in order to make high-class products, automate equipment and machinery and integrate production stages in order to optimize business capacity; use solar energy to make the most of excess energy sources in production to reduce CO2 emissions in the environment, help environmental protection, and contribute to the civilized and modern development of Vinh Phuc in particular and Vietnam in general.

The faucet factory was granted the first investment certificate on October 19, 2020, with a total investment of US\$100 million. The factory will manufacture and assemble faucets, valves and accessories for bathrooms and kitchens. It is designed to manufacture 600,000 products or 1,200 tons a year and assemble 1.3 million products a year. The project started construction on offices and factories in January 2022.

Mr. Kyoji Asada, General Director of Toto Vietnam Co., Ltd, highly appreciated the support of relevant bodies of Vinh Phuc province, especially the Vinh Phuc Industrial Parks Authority, for the company to carry out the project since it obtained the Investment Registration Certificate.

Vinh Phuc's FDI Value Exceeds Target

In 2022, Vinh Phuc province attracted US\$453 million of foreign direct investment (FDI), equaling 100.6% of the target, and VND12,500 billion (US\$540 million) of domestic direct investment (DDI), exceeding the target set in Resolution 57 of the Provincial People's Council. By the end of 2022, the province had over 13,500 businesses with a total registered capital of over VND160 trillion (US\$6.8 billion).

This good performance comes from the successful control of the COVID-19 pandemic from the second quarter of 2022, enabling Vinh Phuc to immediately adopt an adaptive approach to the contagion, focus on overcoming subsequences, quickly stabilize production and business of enterprises. A series of dialogues were opened to seek measures and solutions to deal with difficulties faced by local businesses. A working group led by the Chair of the Provincial People's Committee, was established to promptly remove difficulties for businesses. The smooth and uninterrupted hotline is highly appreciated by investors and businesses which increased their trust and confidence in the provincial government. Enterprises felt assured when they resumed normal operations, built reasonable production plans, secured stable and efficient operations, and optimized factory capacity.

The province actively carried out localized investment attraction by supporting existing investors and encouraging them to persuade others to come to the province to do business; opened offline and online investment attraction events in conjunction with important political events of the country like Vinh Phuc Conference in Vietnam-Japan Cooperation and Development Event 2022, and Vinh Phuc Investment Promotion Conference - Investment destination for Korean businesses in 2022. These activities affirmed the province's active approach to investors and built the foundation for attracting more investment capital in 2023.

In particular, in September and October, the investment promotion mission led by Chairman of the Provincial People's Committee Le Duy Thanh to South Korea, Singapore and Malaysia launched a series of investment promotion activities, focused on finance, investment, innovation, tourism, education and training. In other countries, Vinh Phuc's delegation had the opportunity to work directly with large corporations, convey the welcome message of the Vinh Phuc investment environment and express hope for the arrival of large corporations in the province.

Nguyet Tham

Vinh Phuc Applying Consistent, Effective Administration in Industrial Parks

INVESTMENT REGISTRATION CERTIFICATE GRANTING CEREMONY

Vinh Phúc, ngày 29 tháng 11 năm 2022



Mr. Nguyen Xuan Phuong, Director of Vinh Phuc Industrial Parks Authority awards the Investment Certificate to Solum Electronics Vietnam Project

The Vinh Phuc Industrial Parks Authority consistently and effectively exercised the State administration of industrial parks (IPs), helping accomplish significant achievements in investment and business activities in November 2022. Vietnam Business Forum has an interview with Mr. **Nguyen Xuan Phuong**, Director of Vinh Phuc Industrial Parks Authority, on the outstanding achievements in November and key tasks in the coming time.

NGUYET THAM

Could you please introduce outstanding achievements in the State administration of the Vinh Phuc Industrial Parks Authority in November 2022?

In November 2022, our State administration of industrial parks was effective in all decentralized areas such as investment promotion, construction, environment, planning and labor.

Investment promotion: we supported and provided information for investors seeking to invest in industrial parks in the province; coordinated with central and local newspapers and radio stations to publicize the investment environment in industrial parks; and collaborated with Vinh Phuc Television and Vinh Phuc Newspaper to inform South Korean investors in local industrial parks to celebrate the 30th anniversary of Vietnam-South Korea diplomatic relations (December 22, 1992 - December 22, 2022). We promoted coordination for Vinh Phuc Innovation Startup Conference 2022; and published 3,000 books on "Vinh Phuc Industrial Parks - Attractive and reliable destinations for investors" in five languages: Vietnamese, English, Korean, Japanese and Chinese, to serve investment promotion for local industrial parks.

Industrial park infrastructure planning, investment and construction: We worked with the Department of Construction to report to the Provincial People's Committee on the formulation of

Dong Soc Industrial Park Plan; consulted the Department of Planning and Investment on adding Binh Xuyen-Yen Lac Industrial Park to the provincial industrial park development planning. We reported to the Provincial People's Committee, together with the Binh Xuyen District People's Committee and infrastructure developers, on land compensation, site clearance, and land allocation at Lot D11 and Lot D12 in Ba Thien II Industrial Park; guided infrastructure investors to make security deposits for investment in infrastructure construction and operation in Dong Soc Industrial Park. We coordinated with relevant agencies and localities to upgrade the infrastructure and surrounding environment of industrial parks; cleared the construction site for Khai Quang Industrial Park and sped up land compensation and ground clearance for Son Loi Industrial Park; granted one construction permit; and announced appraisal results of a project feasibility study report.

Labor management: We approved foreigner-hired job positions for 24 enterprises; granted/renewed 87 foreign work permits; received labor regulations for six enterprises; and rejected certification for 12 cases.

Environmental management: We joined the Appraising Council for Environmental Permits of the Ministry of Natural Resources and Environment for two projects. We took part in the Appraising Council for Environmental Permits of the province for three projects; and coordinated

with Vinh Phuc Department of Natural Resources and Environment in inspecting and granting environmental permits for four projects. We provided sampling and analysis procedures and documents for wastewater and industrial emissions; and identified violations committed by tenants in industrial parks in 2022.

What about investment attraction and project implementation in Vinh Phuc IPs in November 2022?

In November 2022, Vinh Phuc province-based industrial parks attracted 23 new FDI projects and allowed 31 existing projects to increase their investment value, totaling US\$298.08 million, equaling 32% of the value in the same period of 2021 and 99% of the plan in 2022. They also drew 15 DDI projects with VND4,544.7 billion of registered investment capital, equal to 77% of the value in the corresponding period of 2021 and 454% of the 2022 plan. As of November 15, 2022, industrial parks attracted 446 projects, including 97 DDI projects with VND26,558.18 billion of investment capital and 349 FDI projects with US\$5,685.09 million.

Project implementation in industrial parks also looked up in November 2022. Specifically, industrial parks witnessed three more FDI projects start official production. Vinh Phuc province-based industrial parks had 388 projects in operation as of November 15, 2022 (including 319 FDI projects and 69 DDI projects), accounting for 87% of total investment projects. Among 58 projects that have not been operational, 10 projects are under construction, accounting for 2.2%; 39 are carrying out investment procedures, accounting for 8.7%; five are implementing land compensation and site clearance, accounting for 1.2%; and four are delaying progress and completing procedures for operational termination, accounting for 0.9%. Realized capital of investment projects was high as compared to that in 2021 and to the plan in 2022.

So, what are your key tasks of State administration and development of industrial parks?

We expect to license 2-4 new projects and allow 2-4 existing projects to increase their investment capital, with a combined investment capital of US\$10-15 million and VND15-20 billion in December. To achieve this goal, we will carry out the following key tasks:

Investment promotion and attraction: Further strengthening investment promotion and attraction for industrial parks; proactively connecting, contacting and working with potential investors and large corporations to learn about the investment and business environment in local industrial parks, and promptly supporting and solving difficulties facing investors and tenants in industrial parks.

Industrial park infrastructure investment and construction planning management: Solving problems related to industrial parks (Dong Soc, Phuc Yen, Chan Hung, Tam Duong II - Zone A - speeding up Tam Duong II - Zone A); coordinating with investors and relevant agencies to accelerate the progress of operational industrial parks and compensate and clear the remaining area of industrial parks (Khai Quang, Binh Xuyen, Ba Thien II



Ba Thien II Industrial Park

and Tam Duong II - Zone A); urging investors and relevant agencies to speed up the land compensation and site clearance and complete construction procedures for newly established industrial parks; pressing developers to implement industrial park projects.

Effectively administering investment projects (immediately after being licensed): Urging investors to execute projects as committed; monitoring and urging completely constructed projects to start operation; actively coordinating and solving problems for investors; working with relevant agencies to give opinions on investment registration documents; continuing to carry out wastewater and emission sampling and analysis in 2022; effectively administering labor relations and environmental issues; and cooperating with related bodies to control activities in industrial parks; supervising tenants in industrial parks; and working out inspection and supervision plans in 2023.

Reviewing and proposing the Ministry of Planning and Investment to reduce administrative procedures on investment to facilitate FDI attraction; reporting and proposing solutions to strengthen effective connectivity and cooperation of foreign-invested firms and domestic companies as per Resolution 130/NQ-CP dated October 6, 2022 of the Government; preventing COVID-19 pandemic and natural disasters according to the plan and direction of the province; further promoting online public services and settling administrative procedures in single-window divisions; providing services and supporting investors and enterprises to carry out administrative procedures in the course of investing in factory construction and manufacturing; regularly exchanging information and coordinating with the Public Administration Service Center to ensure the settlement of administrative procedures.

Further supporting enterprises to access the National Foreign Investment Information System to follow regulations on receipt and settlement of documents and making periodical reports; consulting and supporting investors and businesses to fulfill investment and labor documents and procedures and expanding advisory on the environment, construction and other fields.

Thank you very much!

Vibrant Development in Industrial Parks



Industrial Parks (IPs) in Vinh Phuc province have made great progress with many infrastructure investment projects licensed for construction and operation. Vietnam Business Forum has an interview with Mr. **Vu Kim Thanh**, Deputy Director of the Vinh Phuc Industrial Parks Authority, on IP development and current planning management of Vinh Phuc province-based industrial parks.

TRAN NGOC

Could you briefly introduce the current development of industrial parks in Vinh Phuc province?

As soon as its industrial parks were established, Vinh Phuc province realized their importance as a driving force to magnetize investment flows, develop industries, create jobs for workers and adopt positive economic restructuring, thus helping give a facelift to local socioeconomic performance and prospects.

With its ongoing efforts to manage and develop local industrial parks, especially in development planning, Vinh Phuc has built and developed a relatively synchronous and modern industrial park system.

Vinh Phuc province was approved by the Prime Minister for 19 industrial parks with a total area of 5,487.31 ha. To date, 16 IPs have been established with a total registered investment capital of VND15,548.018 billion and US\$212.53 million and a combined planned land area of 3,110.25 ha, of

which rentable industrial land area is 2,275.03 ha, of which 1,757.2 ha was completed land compensation and ground clearance. The leased area has reached 1,287.03 ha, accounting for over 70% of the planned rentable industrial land area of established industrial parks.

Currently, nine IPs are operational: Khai Quang (221.46 ha), Binh Xuyen (286.98 ha), Kim Hoa (50 ha), Ba Thien (325.75 ha), Binh Xuyen II - Phase 1 (42.21 ha), Ba Thien II (308.83 ha), Tam Duong II - Zone A (135.17 ha), Son Loi (257.35 ha), and Thang Long Vinh Phuc (213 ha). The infrastructure is relatively synchronous and modern to meet investors' needs. Some IPs have leased out 100% of their rentable industrial area. The remainders are carrying out land compensation and site clearance to create a clean land fund for new investment projects.

For six new IPs approved for establishment by the Prime Minister in the first quarter of 2021, including Song Lo II (166.66 ha), Tam Duong I - Section 2 (156.76ha), Song Lo I (177.36 ha), Nam Binh Xuyen (290.152 ha), and Thai Hoa - Lien Son - Lien Hoa - Area II - Phase 1 (145.27 ha), developers are carrying out procedures for land compensation and site clearance. Particularly, Phuc Yen Industrial Park is implementing procedures to select investors for projects according to the Bidding Law and other relevant regulations. Currently, Phuc Yen Industrial Park has two tenants which registered to hire a total of 16.4044 ha.

Could you please tell us about the difficulties in infrastructure planning and construction of industrial parks?

At present, industrial park planning in Vinh Phuc province is quite large-scale and well done. But in fact, like many other localities across the country, currently, infrastructure planning and construction management in industrial parks in Vinh Phuc province still has certain difficulties. Some infrastructure developers lack coordination with other agencies in compensation, site clearance, and settlement of legal procedures for project implementation. The availability of land funds in industrial parks in investment attraction is small, not attractive or large enough to draw large investors. At present, the licensed, cleared but unready area in industrial parks remains vast but, due to some reasons, this has affected the investment planning, strategy and infrastructure construction capacity of some investors. Project-surrounding residents do not actively cooperate with relevant agencies and local authorities in land compensation and site clearance of industrial parks.

However, with the effort of the political system, Vinh Phuc province and industrial park infrastructure investors have adopted many effective solutions for continued land

compensation and site clearance. In the first nine months of 2022, land compensation and ground clearance in the remaining areas in industrial parks in operation and under construction made more progress than other reporting periods. Binh Xuyen, Khai Quang, Ba Thien (Section I), Ba Thien II and Tam Duong II - Section A industrial parks have created more clean land funds for new investment projects which helped raise the occupancy rate in operational industrial parks to 81%.

Land compensation and site clearance at newly established industrial parks like Song Lo I, Song Lo II, Tam Duong I - Area 2, and Thai Hoa - Lien Son - Lien Hoa also achieved many positive results and accelerated preparations for infrastructure construction in the last months of 2022.

What is your development direction?

In 2021-2030, Vinh Phuc province will develop four more industrial parks to bring the total to 23. After 2030, we will strive to build four more industrial parks to raise the total to 27 with an estimated combined industrial land area of 6,200-7,000 ha. We are preparing to make the Provincial Master Plan for the 2021-2030 period, with a vision to 2050, which is integrated with industrial park plans.

In the coming time, we will actively adopt effective management of industrial park planning and development and will focus on key tasks: Coordinating with relevant sectors and agencies to advise the Provincial People's Committee on investor selection for infrastructure construction investment projects in Phuc Yen Industrial Park according to Decision 124/QĐ-TTg dated January 24, 2022 of the Prime Minister; urging investors and related agencies to speed up the progress of land compensation, site clearance and infrastructure construction investment in operational and newly established industrial parks; and working with investors and related agencies to solve existing problems in Lap Thach I and Lap Thach II industrial parks. We will submit these industrial parks to the Ministry of Planning and Investment for consideration, to be then submitted to the Prime Minister for ratification.

Furthermore, we will review difficulties, obstacles and causes of delayed investment in infrastructure construction and completion in industrial parks in order to promptly remove them and accelerate project implementation. We will closely monitor infrastructure investors to grasp their capacity for and commitments to project implementation, take measures to deal with emerging problems, resolutely revoke investment licenses or look for new investors who are qualified for continuing project implementation or adjusting the planning to shrink the area.

The Prime Minister recently announced a decision on an infrastructure construction and operation investment project in Dong Soc Industrial Park, Vinh Phuc province. In November 2022, we coordinated with the Department of Construction to report the plan for Dong Soc Industrial Park to the Provincial People's Committee. This is a great opportunity for Vinh Phuc to continue developing more industrial parks in the coming time, help increase the available land fund for domestic and foreign investors, and create important momentum for improving the quality of investment projects in the local industrial parks.

Thank you very much!

Vinh Phuc Plans Nearly VND95 Bln for Supporting Industry Development in 4 Years

Vinh Phuc province will spend nearly VND95 billion from 2022 to 2025 on the Vinh Phuc Supporting Industry Development Program in 2021-2025.

Specifically, according to Decision 3663/QĐ-UBND dated December 31, 2021 of the Provincial People's Committee, the program will be funded with VND94.723 billion in four years from 2022 to 2025, of which VND66.1 billion will come from the State budget and VND28.62 billion will be from other sources such as organizations and individuals. The program aims to make supporting industries of Vinh Phuc province a strong link in production chains operated by giant domestic and international corporations.

By 2025, more than 50 parts manufacturers, qualified as first-tier and second-tier vendors, will fully supply automobile, motorcycle and electronics manufacturers and partially meet the demand of giant firms and exporters. Vinh Phuc strives to have 10 domestic parts manufacturers join value chains of giant firms that make world-class products for export markets.

To achieve these goals, the Provincial People's Committee assigned relevant bodies to adopt solutions to develop supporting industries like launching communications and advertising on the mass media, organizing fairs and exhibitions for businesses to introduce and display supporting industrial products; and working out projects on seeking and developing domestic and foreign markets for supporting industrial products.

Last but not least, Vinh Phuc will introduce support policies on high-quality human resource training; research, develop, apply, transfer and innovate production technologies, tested products and materials; and build and operate information portals for local supporting industries.

Thanh Loan



VINH PHUC INVESTMENT SUPPORT SERVICE CENTER

Actively Bolstering Investment Attraction



Vinh Phuc Investment Support Service Center is an assistant to the Vinh Phuc Industrial Parks Authority. Since its inception, the center has significantly supported investors and businesses, improved the investment environment, and actively helped raise the effect of investment attraction.

TRAN TRANG

The center is assigned to provide investment support services, provide investment consulting services, formulate investment projects, survey and map locations, design construction, advise on the establishment of representative offices and company branches, and make environmental impact assessment reports in the course of investment preparation and project implementation; introduce jobs for workers, provide labor for businesses and provide vocational training services for workers; support and provide consulting services for tenants in industrial parks, and carry out administrative procedures on investment, land, environment and labor.

The center has launched various activities like building technical infrastructure, managing and using the funds for infrastructure construction and wastewater treatment, managing construction investment projects, supervising construction and inspecting project quality in industrial parks. The center has promptly resolved difficulties and obstacles for enterprises within its jurisdiction, improved the investment environment and enhanced the Provincial Competitiveness Index (PCI).

Every year, the center signs and performs many consulting and support contracts with investors and businesses; and guides and assists them to carry out investment administrative procedures. Typical big investors include Prime Group, Cammsys Vietnam Ltd, Bang Joo Electronics Vietnam Ltd, BH Flex Vina Ltd, Sindoh Vina Ltd, Nanotech Vina Ltd, and Viet Duc Steel

Company. The center's support is highly appreciated by investors and businesses which are facilitated to carry out administrative procedures quickly to launch projects and start production.

In 2014, the Provincial People's Committee assigned the Vinh Phuc Investment Support Service Center to directly manage and operate Ba Thien Industrial Park, helping it actively attract strategic investors for local socioeconomic development, and offer low and competitive infrastructure rental prices to pull down infrastructure rents in other industrial parks invested by private enterprises. This will help the province draw more projects. Ba Thien Industrial Park, managed and operated by the Vinh Phuc Investment Support Service Center, has worked effectively and facilitated tenants to boost their operations. Companies always appreciate its industrial park management and operation.

In the coming time, the Vinh Phuc Investment Support Service Center will continue to provide services and support businesses; improve professional services for businesses; diversify quality services; and strengthen industrial park management and operation. ■

For more information and support, please contact Mr. Nguyen Van Thuc, Head of Consulting and Service Department.

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Occupancy Rate of Vinh Phuc IPs Reaches 95%

Vinh Phuc province is home to nine well-run industrial parks (IPs) as of December 2022, with an occupancy rate of more than 95%. Some industrial parks have very high occupancy rate, particularly Kim Hoa Industrial Park (100%), Binh Xuyen II - Phase I (100%), Binh Xuyen (98%), Khai Quang (96%), Ba Thien II (83%), and Thang Long Vinh Phuc (82%).

Licensed to build 16 industrial parks with a total area of more than 3,100 ha, including nearly 2,300 ha of rentable industrial land, the available land fund is huge, capable of meeting high demands from investors in the coming time.

To catch the expected investment wave, infrastructure developers of Song Lo I, Song Lo II, Thai Hoa-Lien Son - Lien Hoa, Nam Binh Xuyen and other industrial parks have actively coordinated with local authorities and agencies to speed up land compensation, site clearance, and early investment in construction and completion of the infrastructure of industrial zones for environmentally friendly industries in line with the province's development orientation.

Vinh Phuc will make good use of post-COVID-19 economic recovery, soon put industrial zones into operation, and foster socioeconomic development.

Le Nam

Strongly Supporting Import-Export Enterprises

Recently, due to the recent volatility of the world, enterprises have faced difficulties, resulting in a decrease in import and export activities. To support businesses to ensure the source of raw materials for production, and stay connected to the supply chain of goods, Vinh Phuc Customs has proposed many synchronous solutions to remove difficulties for businesses in the import and export field.

BAO NGOC

In 2022, Vinh Phuc Customs was assigned a target of collecting VND4,615 billion of import and export tax, but in only 11 months, the total tax collected by the unit reached more than VND6,244 billion, an increase of 35.5% over the same period in 2021. Import



and export products were mainly spare parts and material supplies for the production of cars and motorcycles, the production of electronic components; machinery and equipment and raw materials for the production and processing of footwear, textile products, and ceramic tiles.

That result comes from the quick recovery of businesses. Additionally, the province has made a good investment attraction mechanism; import and export activities since the beginning of the second quarter have always been vibrant. It is especially due to the efforts of Vinh Phuc Customs Branch in removing difficulties for businesses.

The customs branch has coordinated with functional sectors to directly meet businesses to step by step remove difficulties in the process of carrying out customs procedures, creating favorable conditions for them to import and export products; improving the professional capacity of the staff, shortening the time for customs clearance of goods; arranging staff round the clock to guide people and businesses to declare customs and submit documents through the customs electronic data

processing system. For the green channel declaration, customs officers must immediately complete the work as soon as the declaration is received. The yellow channel requires customs officers to urgently check the documents, complete them in 7-8 minutes. The red channel allows at most 20 minutes so that the

enterprise's goods can be cleared as quickly as possible.

Besides, Vinh Phuc Customs is also active in implementing administrative reform and applying information technology to its profession with the goal of moving toward paperless customs. Currently, the unit is maintaining the 24/7 operation of the VNACCS/VCIS system, ensuring 100% of declarations and permits are processed through online public services, including showing the origin of imported and exported goods. In particular, the unit is implementing the process of monitoring the goods of the enterprise through the GPS monitoring system, then it is possible to check the number of goods that are stuck at any stage and whether they go on the right route or not.

In the coming time, Vinh Phuc Customs will continue improving service quality, always supporting businesses in carrying out procedures, managing customs, managing tax collection for import and export activities, and creating a transparent and fair import and export environment. It will also modernize the customs industry to remove difficulties and bring maximum benefits to the business community and the whole economy. ■

Vinh Phuc Aggressively Clearing Business Difficulties

Vinh Phuc's economic growth in 2022 reached the highest level since 2014, higher than the national average. Vinh Phuc is among the top 10 highest growth localities in the country. One of the reasons for this success is that the provincial government has aggressively assisted businesses to remove difficulties and supported the development of a more open investment environment.

HUONG HAU

Vinh Phuc was in the top 10 of PCI rankings in 2021, with 69.69/100 points, up 24 places, ranking 5th in the country thanks to its efforts in attracting investment, reforming administrative procedures and focusing on implementing solutions to promptly solve problems for businesses.

Leaders of Vinh Phuc province emphasized that in 2021, the sudden outbreak of COVID-19 caused great difficulties for businesses. To implement the Prime Minister's direction in both fighting the pandemic and promoting socio-economic development, the provincial authorities immediately established a special assisting group tasked with advising and connecting information quickly to the Chairman of the Provincial People's Committee. Accordingly, all information, difficulties and problems from anti-pandemic efforts to broken connection chains or problems in import and export procedures, entry procedures for foreigners, tax procedures and administrative procedures, were passed through this group to directly inform the Chairman of the Provincial People's Committee.

The establishment of a business assisting group at the right time has created very favorable conditions for accessing information. The provincial authorities understand what businesses need and what problems they are facing.

Leaders of Vinh Phuc province shared that maintaining and creating a truly open investment environment was important. According to the report by the Provincial People's Committee, from the beginning of the year until now, the Provincial People's Committee has held dozens of working sessions and dialogues to remove difficulties for businesses. The "Business Coffee" program has held 31 business meetings, received feedback, resolved 281 proposals and recommendations of businesses; directly contacted and worked with 139 enterprises; and created maximum conditions for 335 enterprises facing difficulties.

The supporting forms are flexible, including establishment of a business support team on Zalo of

the Department of Planning and Investment. So far, other departments, agencies and sectors have provided 115 documents for businesses, answered 75,000 emails, received more than 1,700 questions, and exchanged 17,000 messages with businesses and investors about COVID-19 containment, COVID-19 vaccination plan, labor situation, and changes in personal tax code.

Vinh Phuc also introduced 16 investment cooperation and connection programs between DDI enterprises and FDI enterprises. Particularly, the Department of Investment Promotion and Support for Japanese Enterprises in Vinh Phuc since the beginning of the year has received and answered 24 complaints and recommendations of Japanese enterprises; conducted connections for 23 Japanese enterprises to explore opportunities for economic cooperation and exchange.

In particular, Vinh Phuc has implemented the Government's Resolution 115 on solutions to promote the development of supporting industries. Vinh Phuc has also advocated strengthening linkages, cooperation and support between domestic and FDI enterprises, creating conditions for domestic enterprises to gradually approach advanced technology, deeply participate in the value chain, form and attract many supporting industry enterprises. In which, there are over 40 enterprises in supporting industries for the production and assembly of cars and motorcycles. There are over 100 projects in the electronics and informatics industries.

Many enterprises such as Thuan An Industrial Investment Joint Stock Company, Cosmos Technology Co., Ltd., Me Tran Binh Xuyen Electric Co., Ltd; SSP Molding Co., Ltd., Thanh Thang Co., Ltd., Tung Lam Vinh Phuc Co., Ltd., Lam Vien Co., Ltd have continued to operate stably and effectively even during the COVID-19 pandemic, due to the fact that they had created connections to regularly supply a number of products for FDI enterprises in the manufacturing and mechanical engineering.

In the coming time, Vinh Phuc will continue to innovate and improve the quality and effectiveness of activities to support and connect businesses; promptly solve difficulties and problems for businesses by maintaining the operation of the program "Business Coffee", the assisting group of the Chairman of the Provincial People's Committee; Japan Desk, Business Association of Korea, Taiwan, Singapore, and Thailand. ■



Land of Investment Opportunities

In the Northern key economic region, Vinh Phuc province is emerging as an attractive investment destination. All of its 17 social and economic indicators hit their targets set in Resolution 57/NQ-HDND dated December 21, 2021 of the Provincial People's Council.

Highest growth rate in 10 years, new record in budget revenue

Vinh Phuc's economic growth this year was estimated at 9.54%, the highest since 2014, higher than the national median of 8% and higher than the target of 8-9%. The province's GRDP was forecast at more than VND153.1 trillion (US\$6.5 billion), standing in the Top 15 provinces and cities.

Total budget revenue was projected at VND35.7 trillion in 2022, equal to 112.3% of the plan, up 8.8% over 2021. This was the biggest annual revenue ever, setting a new milestone in revenue collection. Domestic budget revenue accounted for VND30 trillion, 9.98% higher than the target and 6.2% higher than last year.

Investment promotion and attraction was strongly accelerated. The province successfully organized some investment promotion conferences with investors from Japan, Taiwan and South Korea; welcomed and worked with many investor delegations from the United Kingdom, Germany, the United States, Japan, South Korea, China, Taiwan, Thailand and others to study the local investment environment and sign cooperation agreements with many organizations and businesses. The province also led some investment promotion missions to other countries like South Korea, Singapore and Malaysia. The province was estimated to attract US\$453 million of FDI capital and VND12,500 billion of DDI capital in 2022.

Production and business activities recovered. Industry thrived. Manufacturers built reasonable production plans and operated stably, efficiently and optimally. The output of local key products increased over 2021, especially with electronic components rising by 24.36%, motorcycle components by 11.02%, apparels by 7.21% and tiles by 6.01%, but automobiles falling by 2.3%.

The service sector has resumed normal activities since the second quarter of this year. Total retail sales climbed 21.28% and transportation revenue looked up 35.46%.

Many effective solutions to investment attraction

In 2022, the province is expected to attract US\$453 million of foreign direct investment (FDI) capital and VND12,500 billion of domestic direct investment (DDI) capital. According to statistics, FDI enterprises in industrial parks employed nearly 117,000 workers in the first 9 months of 2022, an increase of nearly 13,000 workers as compared to the workforce recorded on December 15, 2021.

Recently, the province stepped up trade promotion to

seek opportunities for economic cooperation and investment attraction with countries in the region and the world. Vinh Phuc also introduced many solutions to remove difficulties for FDI projects, support and create a more attractive investment environment for businesses.

In late October 2022, an investment and business promotion delegation of Vinh Phuc province led by Chairman of the Provincial People's Committee Le Duy Thanh arrived in Singapore and Malaysia. In the framework of this business trip, the delegation visited and worked with the Singapore Tourism Board.

Chairman Thanh proposed cooperating with the Singapore Tourism Board to boost Singapore-Vinh Phuc tourism cooperation, especially in golf tourism, MICE, cultural-spiritual tourism and eco-tourism; and support the province to organize short-term training courses to improve the quality of tourism management and tourism investment.

Mr. Keith Tan, General Director of the Singapore Tourism Board, highly appreciated Vinh Phuc province's contributions to the friendly cooperation relationship between Vietnam and Singapore, and pledged to support the province in carrying out investment promotion activities in Singapore and directing investors to research and explore opportunities for cooperation and investment in the province.

Meanwhile, Ms. Juliana, Assistant Chief Executive of Foreign Affairs, the Singapore Tourism Board, said that resort tourism investment needs to pay attention to three important matters: social evils, fire prevention and safety in construction.

Singapore has agencies and hotlines responsible for managing and synthesizing comments, suggestions and recommendations of tourists and residents, she said, believing that, with its geographical location and industry, Vinh Phuc is likely to develop many types of highly commercial tourism.

On October 27, during this business trip, the delegation had a working session with the Malaysian Investment Development Agency - MIDA. Chairman Thanh said that the province has always strived to improve the investment and business environment for investors.

Vinh Phuc is currently ranked high in the Provincial Competitiveness Index (PCI). Its business environment is also highly appreciated for its transparency, resilience and fairness.

Notably, the provincial government always accompanies companies and investors, promptly removes difficulties and obstacles in business, and supports them to develop and seek new investment opportunities in the locality. ■



Resolute to Advance Public Investment Disbursement

To create a driving force to accelerate socioeconomic development and speed up public investment disbursement, right from the beginning of 2022, the Vinh Phuc Provincial People's Committee urged investors and construction contractors to focus their resources on stepping up key projects. The province aims to disburse over 95% of the planned public investment fund set for 2022 by the end of January 31, 2023.

HOANG THAM

According to a report by the Provincial People's Committee, the public investment fund reached nearly VND10.4 trillion in the year to November, including the fund rolled over from the previous year. Of the sum, the provincially managed fund was more than VND5.6 trillion while the rest was managed by districts and communes. The fund planned for 2022 was more than VND8.2 trillion, of which more than VND6.9 trillion was allocated by the Central Government and nearly VND1.3 trillion was added by localities. 100% of the fund was allocated to qualified projects by the province.

With the goal of disbursing 95-100% of public investment this year, Vinh Phuc will firmly request stakeholders to focus on effective solutions to tackle problems and facilitate public

investment disbursement from now to the end of the year. Particularly, investors are required to speed up project implementation; carry out investment procedures, coordinate with local authorities to remove difficulties and obstacles in site clearance; make detailed plans for all investment stages from preparation to construction, acceptance and payment; develop a detailed schedule for each project and keep track of investment progress to make sure that the disbursement value will reach 95% of the plan by the end of January 31, 2023. In case investment matters are beyond their competence, they will report such matters to the Provincial People's Committee and the Chairperson of the Provincial People's Committee to seek appropriate solutions and accelerate public investment disbursement.

Competent agencies will review and advise the Provincial People's Committee to transfer the capital planned for 2022 and the fund stuck in slow-moving projects or inactive projects in 2021 to feasible projects in 2022. The province will resolutely complete site clearance and remove difficulties and obstacles for projects. Defining that site clearance is a priority political task, the locality will promptly deal with existing issues within their competence, seek to speed up land compensation and site clearance; decentralize power and link the responsibility of agency leaders with public investment performance; identify public investment performance as an important criterion to assess the degree of task completion achieved by agency leaders in 2022. At the same time, Vinh Phuc will clarify responsibility and take measures to deal with individuals and agencies if investment projects they undertake are slowly funded.

With the drastic direction and administration, public investment disbursement in Vinh Phuc province reached more than VND5,000 billion, or nearly 73% of the funding plan assigned by the central government, but higher than the national average and some Red River Delta provinces with similar economic development conditions. ■

Electronics Industry Extends Robust Growth

Vinh Phuc province's industrial production expanded in 2022, with the electronics sector growing strongly (up 24.4% over 2021), as the COVID-19 pandemic was contained in the second quarter of 2022 and many manufacturers resumed normal operations with reasonable production plans and optimized factory capacity.

To date, Vinh Phuc province is home to over 200 electronics projects, accounting for about 60% of total projects in industrial parks. From the second quarter of 2022, when the COVID-19 pandemic was controlled, the industry, including electronics, gradually recovered and regained growth. Total revenue of electronic components was estimated at VND194,103 billion in 2022, up 24.4% over 2021; and export value rose by 15%. Notably, the electronics sector has generated jobs for more than 75,000 workers, accounting for 65% of workers in FDI firms in

industrial parks, an increase of more than 8,400 employees from December 15, 2021.

According to authorities, industrial manufacturing, including electronics, will continue to grow strongly in the coming period. In addition, the province will continue to give priority to attracting high-tech electronics development; organize seminars to promote domestic and foreign investment attraction; support businesses to reform, transfer technology, improve productivity and product quality, and create opportunities to deeply participate in global supply chains.

Furthermore, the province will support the cost of making environmental impact assessment reports for investment in high-tech electronics projects to enable investors to spend more financial resources for production and high-tech application for production.

Bao Ngoc

Ensuring Fire Safety in Vinh Phuc IPs

Fires and explosions not only cause damage to people and property but also confuse public opinion, spoil the investment environment, and undermine political security, social order and safety. Therefore, to ensure human and property safety for enterprises and create a favorable investment environment to attract investment, Vinh Phuc Police have stepped up inspection of fire safety, especially for tenants in industrial parks. Therefore, the police promptly point out shortcomings and limitations and guide investors to take remedial measures.

LE NAM

Vinh Phuc province established 16 industrial parks with a combined area of more than 3,110 ha. Their tenants mainly focus on manufacturing electronic components, garments, auto and motorcycle parts, and construction materials. Being well aware of serious fire and explosion consequences, most companies pay attention to and focus on fire prevention and rescue; direct their specialized units to review, inspect and invest in adequate firefighting equipment.

At the fire rehearsal led by the Fire Police in Ba Thien II

Industrial Park, firefighting members were equipped with good knowledge and skills to handle initial fires and explosions; guided to use firefighting equipment; and taught to arrange and assign specific and clear tasks to avoid overlapping or confusion in action. Hydrants are arranged scientifically along roads in the industrial park. Therefore, shortly after fire engines and firefighters arrived at the scene, they extinguished fires.

According to Decree 136 of the Government, infrastructure investors and operators in industrial zones of 50 ha or larger must establish permanent grassroots fire teams. However, inspections showed that a few industrial zones only have part-time grassroots fire teams because infrastructure developers do not understand properly and enough about fire regulations and they do not pay enough attention to this work as a result. Some industrial parks have not yet dug ponds and lakes to reserve water for fire prevention and fighting, installed proper firefighting means, or checked and maintained fire hydrants, some of which were found damaged or unusable.

According to the Vinh Phuc Industrial Parks Authority, being aware of potential risks and extents of damage caused by a fire or explosion, the board annually reviews and reminds companies to pay attention to fire prevention and rescue, regularly check and maintain firefighting equipment and make prompt replacements and supplements. The authority also directs and supervises investors to learn about their fire prevention status in industrial parks according to current regulations and standards. The authority will require establishment of permanent fire teams and full installation of fire equipment as regulated in the Law on Fire Prevention and Fighting.

The Vinh Phuc Industrial Parks Authority also closely cooperates with Vinh Phuc Police and district governments in granting construction permits for projects in industrial parks. If investors fail to meet fire regulations, they will have their construction permits and investment licenses revoked. ■

VPIC1 Creating Over 5,000 Stable Jobs

Vietnam Precision Industry Company Limited 1 (VPIC1) in Khai Quang Industrial Park (Vinh Phuc province) is a 100% Taiwanese-invested manufacturer of components and parts of automobiles, motorcycles, electric vehicles (EV), snowmobiles and medical equipment for the domestic market and for export to European and American countries.

In the past years, with its constant technological and technical improvement in production lines; focus on investment in modern machinery and equipment to free up labor; focus on improvement of productivity and product quality, VPIC 1 has increasingly affirmed its position in manufacturing precision parts and continuously improved its business performance and guaranteed livelihoods for its employees.

Currently, VPIC1 is among top exporters in Vinh Phuc province with 100 containers of goods a month. Mr. Duong Quoc Phi, Director of Import-Export Department, VPIC1,

said: “Over the past time, the company has always been satisfied with the companionship and sharing of the government of Vinh Phuc province in general and Vinh Phuc Customs Branch in particular. To speed up customs clearance time for the company, the customs branch launched a cooperation program of the General Department of Vietnam Customs, companies and Vinh Phuc Customs Branch, which provided a hotline for businesses to report directly to customs authorities at all levels. We highly appreciate the automatic customs clearance system operated by the branch, and the stable operation of the system has helped us and customs officers reduce the time and cost of carrying out customs procedures.”

Thanks to timely solutions of Vinh Phuc authorities to difficulties and obstacles in the way, VPIC1 is working stably and employing 5,000 workers, each of whom is paid VND8-10 million a month.

Ngoc Tung

GREEN URBAN DEVELOPMENT PLANNING IN FOCUS

Over the years, Vinh Phuc province has requested specialized agencies to integrate green criteria in construction planning projects, urban embellishment planning projects and construction investment projects, which has contributed to raising the criteria for urban development and aimed at building a modern and sustainable urban area.

TRAN NGOC

Vinh Phuc has a rapid urbanization rate with nearly 30 urban centers, 9 industrial parks and many industrial clusters in operation, therefore, the planning to develop the green tree system plays an important role, contributing to the formation of landscape spaces that bring aesthetic and environmental and ecological values, and provide a better life quality for people.

In order to improve the proportion of urban green tree systems, the province has organized the formulation and approval of the planning of green tree systems in Vinh Yen city in the period 2010-2030; integrated green tree development in urban construction planning projects, including general planning, zoning planning and detailed planning, ensuring the requirements for green land according to regulations and standards in construction and development of Vinh Phuc urban infrastructure as well as projects on urban renovation and embellishment, investment in the construction of technical infrastructure of urban areas, houses and industrial parks.

The Provincial People's Committee issued regulations on urban green tree management; assigned and decentralized

management of trees in the province; promulgated a list of plants suitable for each route; assigned the target of planting one billion trees in the 2021 - 2025 period for districts to plant in streets, parks, flower gardens, squares, campuses, schools, hospitals, residential areas, industrial parks, industrial parks within urban areas, and other public areas.

Up to now, the area of green land for public use in urban areas (including parks and flower gardens) in the province is about 61 hectares. There are 7 projects of green parks, cultural squares, cultural and sports centers with a total area of nearly 91 hectares that have been approved and are under construction.

Once completed, the green area for public use in the urban area will increase to about 152 hectares. According to the general data of Vinh Phuc's Department of Construction, the area of land and space for green tree development in urban construction planning is about 2,000 hectares, of which the land within the general planning of Vinh Phuc urban area is about 914 hectares and outside the general planning of Vinh Phuc urban area (in towns and urban areas of grade V) is about 1,060 hectares. The province always gives priority to the land fund for the development of urban greenery, aiming to build a green - clean - beautiful urban environment, improving the space and living quality of the people.

Recently, the Provincial People's Committee issued Directive 27 on strengthening the State management of urban green tree development in the province. In particular, it is required that the Department of Construction, People's Committees of districts and cities strictly implement the appraisal and approval of urban planning projects to ensure the targets of the percentage of green land for public use in urban areas in accordance with current regulations and standards. Areas of land for green trees and parks must have high feasibility, capable of connecting with other social infrastructure works of the city and the unit. The province will regularly review roads and parks, develop plans, supplement and replace unsuitable trees; appraise and approve projects that plant trees in compliance with the green tree planning and construction planning as prescribed. ■

Vinh Phuc Attracts 12 Singaporean Projects with Nearly US\$500 Mln

Singapore is the second largest investor out of nearly 140 countries and territories investing in Vietnam, with more than US\$70 billion of direct investment as of October 2022. Therefore, Singapore is considered a potential market targeted by many localities in the country, including Vinh Phuc.

Vinh Phuc province currently has 12 Singaporean investment projects with a total registered capital of nearly US\$500 million. Notably, Vinh Phuc ICD Logistics Center, a joint venture project between YCH Group of Singapore and T&T Group of Vietnam, has become a particularly important project, the first "superport" of the smart logistics network in the ASEAN region.

Besides, Vinh Phuc province attracted 11 other projects from Singaporean investors with a total investment capital of nearly US\$500 million. The FDI fund from Singapore is always rated high quality, mainly for large-scale projects. Currently, the

average investment capital of a Singaporean project is nearly US\$24 million, while the average of an FDI project in Vietnam is more than US\$12 million.

Seizing this opportunity, a Vinh Phuc delegation led by Chairman of the Provincial People's Committee Le Duy Thanh hosted a direct investment promotion conference in Singapore, paid working visits to many corporations of various industries in the country. The event was attended by more than 160 participants which were foreign investment funds, multinational financial groups, banks and large firms interested in understanding the business investment environment in Vinh Phuc in particular and Vietnam in general.

With its potential, strengths, and reasonable and practical incentives and mechanisms, in the future, Vinh Phuc will become an attractive and successful destination for Singaporean businesses, help create a driving force for socioeconomic development and strengthen friendly cooperation relationships for mutual development of Vietnam and Singapore.

Manh Dung

Creating Mechanisms to Promote Business Development



Affirming that small and medium-sized enterprises (SMEs) are an important driving force for economic development, over the years, Vinh Phuc province has issued many mechanisms and policies to support business development.

MANH DUNG

By 2022, Vinh Phuc is estimated to have 13,500 registered businesses with a total capital of over VND160 trillion, of which SMEs account for about 98%. In order to support businesses to overcome difficulties caused by the COVID-19 pandemic, the province has implemented many business support programs. In 2022, the Provincial Tax Department has reduced more than VND1,000 billion of value-added tax, extended the time for paying special consumption tax by nearly VND2,000 billion; and reduced by more than VND145 billion registration fees for domestically assembled cars. Credit institutions have disbursed loans to nearly 3,000 SMEs with outstanding loans of more than VND22,000 billion. The province has approved more than VND37 billion of house-rent support for more than 35,700 employees of 1,092 businesses.

Recently, Vinh Phuc Provincial People's Committee issued Decision 2204 on approving the Scheme to support SMEs in the period of 2022-2025. The scheme focuses on information and legal issues; access to credit, production premises, market expansions. It supports 50% of the cost of participating in international competitions on innovative start-ups. The scheme supports 100% of the contract value of consulting improvement, and in-depth technical upgrading for enterprises to improve

production capacity, meet connection requirements, and become a supplier of leading enterprises in the chain. The scheme supports 50% of contract value successfully registered to sell products and services on international e-commerce platforms.

Local departments, branches and localities are actively coordinating to implement the scheme; assisting businesses in digital transformation; providing business start-up training, business administration; promoting products and services of newly established enterprises on the provincial media; encouraging and supporting enterprises to innovate and improve technology; connecting vocational education institutions with enterprises to improve the quality, and innovating training methods that match the needs of enterprises and the province's socio-economic development orientation.

By 2025, the province is striving to have over 50% of SMEs using digital platforms; create 7,700 new jobs a year; form about five clusters of industry linkages; and increase the contribution to the state budget by 7-10%/year compared to the same period last year.

Thanks to the flexible implementation of supporting policies of the province and the Central Government, SMEs have recovered quickly, creating jobs for nearly 80,000 employees, with an average income of about VND7.3 million/person/month, contributing greatly to local socioeconomic development.■

Vinh Phuc ICD Expected to Make Breakthroughs in Logistics

“Vinh Phuc ICD will make breakthroughs in logistics,” affirmed Ms. Chan Yoke Ping, General Director of T&Y SuperPort Vinh Phuc Joint Stock Company at the Vietnam Logistics Forum 2022. Strategically lying near 20 industrial parks and having multimodal freight transport capacity, including air, sea, ground and rail transportation, Vinh Phuc ICD Logistics Center will provide important infrastructure to support exports and open the door to reach breakthroughs in logistics.

THANH LOAN



T&Y Group, YCH Group (Singapore) and IFC sign a project development cooperation agreement to attract capital funding for Vinh Phuc ICD Logistics Center

Vinh Phuc ICD Logistics Center was built on 83 ha in Binh Xuyen district, Vinh Phuc province, with a total investment capital of over US\$200 million. With a designed capacity of 530,000 TEUs a year, the project, invested by T&Y, “superport” Vinh Phuc ICD has four main pillars of connectivity, sustainability, rapidity and scalability, aiming for five goals of building sustainable infrastructure, smooth logistics with a world-class center, reducing costs for businesses, increasing competitiveness of supply chains and training human resources. This is the first project of the ASEAN Smart Logistics Network. According to the plan, the first phase of the project will be operational by the end of 2022. By last September, the first building of the “superport” was completed. This is an air cargo terminal that will serve surrounding industrial zones, aiming to ease congestion at airports during peak seasons.

Ms. Chan Yoke Ping said, “Vinh Phuc ICD Logistics Center will build an ecosystem to develop infrastructure and multi-modal connectivity with airports, seaports, railways

and roads to provide a seamless transition for all border gates and beyond suppliers, manufacturers and customers. With an integrated approach to enhance skills, technology, systems and automation for the ecosystem, supply chain solutions will become relevant and effective to gradually reduce logistics costs.”

Previously, in August 2022, to connect Vinh Phuc ICD with important links in the supply chain, T&Y started cooperation with Vietnam Airlines Corporation and Vietnam Railways Corporation (VNR). Thus, with the cooperation with Vietnam Maritime Corporation, Vinh Phuc ICD Logistics Center added an important piece in the multimodal transport chain consisting of ground, air, rail and sea transportation.

T&Y SuperPort Vinh Phuc Joint Stock Company is a joint venture between T&Y Group and YCH (Singapore’s largest supply chain management group with current operations all over Asia-Pacific) to manage logistics centers in Vietnam, including Vinh Phuc ICD Logistics Center. T&Y’s strategic goal is to anticipate development trends of the Fourth Industrial Revolution and build a smart logistics network - the foundation for promoting sustainable growth for Vietnam and strengthening the regional supply chain, supporting economic integration efforts and initiatives in the ASEAN Connectivity Master Plan.

The cooperation with leading transport firms such as VIMC, Vietnam Airlines and VNR is an important step of Vinh Phuc ICD Logistics Center in the current global trend of green and sustainable logistics. This not only helps solve challenges relating to logistics costs and improve supply chain performance, but also helps increase initiatives of Vietnam’s logistics industry in the integration process when countries in the region and in the world are actively investing in infrastructure and operating new models of intelligent, efficient and highly connected logistics operations. ■



Appeal of Vinh Phuc Industrial Parks

Vinh Phuc province was allowed to establish 19 industrial parks on 5,487.31 ha by the Prime Minister. To date, 16 industrial parks with a total planned land area of 3,110.25 ha have been formed with a total registered investment fund of VND15,548,018 billion and US\$212.53 million. Of the planned area, the rentable industrial land area is 2,275.03 ha, with 1,757.2 ha already available for lease. Tenants already rented 1,287.03 ha, accounting for over 70% of the planned rentable area.

Currently, Vinh Phuc has nine industrial parks in operation, including Khai Quang (221.46 ha), Binh Xuyen (286.98 ha), Kim Hoa (50 ha), Ba Thien (325.75 ha), Binh Xuyen II - Phase 1 (42.21 ha), Ba Thien II (308.83 ha), Tam Duong II - Zone A (135.17 ha), Son Loi (257.35 ha) and Thang Long-Vinh Phuc (213 ha). The relatively synchronous and modern infrastructure of industrial parks basically meets the demands of FDI and DDI investors. Some industrial parks have already leased out 100% of rentable industrial land, while others are implementing land compensation and site clearance to create an available land fund for new projects.

Since it embarked on Khai Quang Industrial Park, Vinh Phuc Infrastructure Development Joint Stock Company has always created the most favorable conditions for investors. Not only helping them quickly access premises and factories, the company has also provided maximum support for access to closed services in the industrial park and exempted or reduced administration fees and infrastructure service fees in a bid to help them get through tough periods. Therefore, Khai Quang Industrial Park is always one of the best performers with a stable occupancy rate of over 97%.

With infrastructure construction starting from September

Quick land compensation and site clearance to create an available land fund for new investment projects, employment support for enterprises and infrastructure construction investment for industrial parks have generated a unique attraction for industrial parks in Vinh Phuc province.

THANH LOAN

2017, Thang Long Vinh Phuc Industrial Park, covering more than 213 ha, inaugurated the first phase with 100 ha in November 2018. With its financial strength and managerial experience from Thang Long Industrial Park Co., Ltd and Sumitomo Group of Japan, the investor built one of the exemplary industrial parks for Vinh Phuc province. Advanced and modern traffic, power supply, and wastewater treatment systems are impressing secondary investors, even the most demanding ones. Thang Long Industrial Park Co., Ltd hopes to lease 100% of the rentable area in 3-5 years and provide maximum support to 2030 for tenants to go into stable production. At that time, Thang Long Vinh Phuc Industrial Park will be an ideal destination for 80 tenants from Japan, which will employ 40,000-50,000 workers and help boost socioeconomic

development. Currently, the occupancy ratio at Thang Long Vinh Phuc Industrial Park is already 82%.

Lying adjacent to Thang Long Industrial Park, Ba Thien II Industrial Park is rapidly transforming. Since the project was launched, Vina CPK Co., Ltd - the developer - has always focused on infrastructural quality and investor support services. The company has heavily invested in traffic, power grid, water supply, drainage and wastewater treatment systems. The industrial park features a green, clean, nice-looking and eco-friendly production and working environment. The occupancy rate of Ba Thien II Industrial Park is 83%.

Along with special preferential policies of Vinh Phuc province and well-planned infrastructure investment and professional management of industrial park infrastructure developers, industrial parks are generating their own unique appeal to investors and helping raise the outcome of local investment attraction. ■

Aligning IP Development with Environmental Protection



Industrial parks in Vinh Phuc province play an important role in accelerating industrialization and modernization, increasing budget revenue, creating jobs for more than 130,000 employees, and speeding up local urbanization and socioeconomic development. However, the rapid development of industrial parks has produced a considerable impact on the environment, requiring the construction of standard wastewater treatment systems and strict compliance with laws on environmental protection.

MANH DUNG

W the viewpoint of "Never exchange the environment for economic benefit", since its establishment of industrial parks, Vinh Phuc defined that industrial park development must go hand in hand with environmental protection in order to create a sustainable investment environment in industrial parks. In addition to increasing investment capital and developing modern and synchronous infrastructure in industrial parks, the Vinh Phuc Industrial Parks

Authority has paid special attention to environmental protection there.

Mr. Vu Kim Thanh, Deputy Director of the Vinh Phuc Industrial Parks Authority, said, "We have always actively disseminated laws on environmental protection in order to raise awareness of environmental protection for businesses and infrastructure investors. In addition, we regularly urge, inspect and closely supervise enterprises in environmental issues in industrial parks, promptly propose solutions to environmental incidents, and strictly handle violations of laws on environmental protection in industrial parks". In general, investors and tenants strictly abide by environmental laws and no serious violations have been found in industrial parks.

Having started construction in September 2017, the 213-ha Thang Long Vinh Phuc Industrial Park planted green trees to create a green, clean, beautiful space in companies and factories. The investor has dedicated more than 20% of the entire area for trees, water surfaces and roads. With the well-designed and synchronous investment and green space for harmonized and balanced ecology, Thang Long Vinh Phuc Industrial Park continues to be filled by investors and is expected to become a model industrial park with a good, friendly working environment.

Khai Quang Industrial Park also has green trees, wastewater treatment systems, rainwater drainage ditches and other facilities. Besides production and business goals, industrial environmental criteria are always put on top by tenants in the industrial park to create a green, clean and beautiful environment for employees.

Located in Thien Ke, Ba Hien and Trung My communes, Binh Xuyen district, Ba Thien II Industrial Park, covering over 308 ha, is designed with modern communication systems, trees and lighting systems. All wastewater produced in the industrial park is collected and treated at a centralized wastewater treatment plant with a daily capacity of 10,000 cubic meters. Internal traffic roads are built with 2-6 concrete lanes, with width ranging between 19.5 meters and 39 meters to satisfy both high traffic demand and environmental landscape.

In the coming time, in addition to drawing more investment funds, developing industrial parks and ensuring a sustainable environment in industrial parks, Vinh Phuc will focus on communicating environmental laws to tenants and industrial park operators. The province will give priority to attracting environment-friendly high-tech, modern projects; resolutely reject projects with outdated technology that pose high risks of environmental pollution. ■

Presenting a Dynamic Vinh Phuc to International Friends

Over the past years, Vinh Phuc province has actively and proactively implemented cultural diplomatic activities to promote the image of Vinh Phuc in particular and Vietnam in general to international friends.

NGUYET THAM



Vinh Phuc province has actively implemented cultural diplomatic activities. The local agencies, units, mass organizations, districts and cities have focused on producing documents guiding their affiliated units to implement Plan 1262/KH-UBND dated March 9, 2016 of the provincial People's Committee on the implementation of the strategy of cultural diplomacy in the province to 2020, with a vision to 2030, which identifies cultural development, cultural diplomacy in particular as an important factor in the development strategy. It has actively associated cultural diplomacy with the socio-economic development plans of the localities and the province.

Vinh Phuc has actively and proactively implemented cultural diplomatic activities in different forms, building the image of a dynamic Vinh Phuc, a potential and safe destination for tourists and investors. Cultural diplomatic activities are linked with political diplomacy and economic diplomacy through the program of welcoming and working with foreign delegations. The province has integrated cultural diplomatic activities through the program of welcoming and working with foreign delegations, through friendship visits, investment and trade promotion of the provincial leaders and officials in other countries. Vinh Phuc has organized many special cultural diplomatic activities such as the program of Indian Film Week, ASEAN Culture

Day in Vinh Phuc; Photo exhibition on “ASEAN - Peace and Development”; “Slovak Day in Vinh Phuc” and the Photo Exhibition on “Bridge of Friendship between Vietnam and Slovakia; exchange programs with foreign art troupes; cultural exchange programs on the annual anniversary of diplomatic relations between Vietnam and other countries. Recently, the final of the Miss Tourism World 2022 contest took place in Vinh Phuc, the crowned beauty Erina Hanawa from Japan shared, “When I arrived in Vinh Phuc, I felt like I was at home because there are many Japanese investment projects that are operating effectively. In particular, Vinh Phuc is like my country, there are many temples, pagodas, and people come there to pay respect and gratitude to gods and Buddha, to find peace in their souls, to wish and to pray for the best. During the journey in Tay Thien scenic area and Tam Dao town, I live-streamed to convey the most beautiful and true images of Vinh Phuc land and people to friends and people in my country.”

The above activities have contributed to improving the cultural and spiritual life of the people, and strengthening the friendship, solidarity, cultural and artistic understanding between Vinh Phuc and other places around the world. This is also an opportunity to strengthen propaganda and promote the image of a dynamic, developing and integrated Vinh Phuc to domestic and international friends. ■

Facilitating Businesses to Access Preferential Loans



Carrying out Decree 31 of the Government on 2% interest rate support of the State Bank of Vietnam (SBV) for loans to enterprises, cooperatives and business households, SBV Branch in Vinh Phuc (SBV Vinh Phuc) has requested local credit institutions to review eligible borrowers for such soft loans. After nearly six months of implementation, despite high borrowing demand and a large number of eligible borrowers, only a small number can access preferential loans due to many procedural difficulties and obstacles.

QUYNH NGOC

Adhering to the Government's policy and the SBV's guidance on interest rate support for businesses, cooperatives, and business households, SBV Vinh Phuc has directed local credit institutions to inform customers of mechanisms and policies and active contact for borrowing support; and instructed credit institutions to implement interest support programs, remove difficulties

and obstacles, and facilitate eligible customers to access soft loans.

However, after nearly six months, just nearly 1,200 customers are eligible for preferential loans, with only more than 120 customers completing their borrowing documents and 36 customers contacting lenders for access to loans. According to a review report by SBV Vinh Phuc, difficult access to soft loans as initiated by Decree 31 is attributed to many reasons:

Many customers have not provided the required records and proofs of financing purpose or shown proof of business discontinuation in the last two years of complicated COVID-19 pandemic development, based on revenue and collateral accounting tracking systems. Some are even concerned about future post-audits conducted by authorities and they may be forced to repay the loans.

Many credit institutions have found it hard to identify borrowers because they are involved in many fields and industries at the same time, resulting in difficulties in classifying capital use purposes and separating cost and revenue data since soft loans are defined to some supported sectors.

Besides, according to Decree 31 of the Government and Circular 03 of the State Bank of Vietnam, beneficiaries of interest support are enterprises, cooperatives and business households, while the total outstanding loan portfolio of credit institutions consists of more than 50% business households and individuals, most of which do not have business certificates and are not eligible for interest support.

To remove difficulties for enterprises, cooperatives and business households to access preferential loans under Decree 31 of the Government, SBV Vinh Phuc established a hotline to receive complaints about policies, strictly handled credit institutions with shown signs of avoidance or refusal to interest-supported loans for qualified borrowers; coordinated with local credit institutions to organize bank - business programs, informed and assisted customers to understand regulations and tackle existing and emerging difficulties; directed credit institutions to review existing qualified customers with loans from January 1, 2022 and repayment date from May 20, 2022 to capture their borrowing needs.

SBV Vinh Phuc does not apply more conditions and procedures other than those in Decree 31 of the Government and Circular 03 of the SBV, to avoid cases of eligible customers being unable to access interest-supported loans. Leaders of local credit institutions are directly responsible to SBV Vinh Phuc for executing the interest support policies. ■

Gigantic Projects Giving Face Lift to Vinh Phuc Province



Dam Vac bridge is expected to help better tap land resources, and increase the value of many local urban projects



Vinh Phuc Children's Hospital

To become one of the industrial, service and tourism centers of the region and the country by 2025, Vinh Phuc has been carrying out key projects in many industries.

HOANG THAM

On National Day (September 2, 1945 - September 2, 2022), Vinh Phuc province inaugurated two key projects: Dam Vac Bridge and Vinh Phuc Hospital. Starting construction in 2020, Dam Vac Bridge has a total investment fund of more than VND612 billion. The bridge is 310m long, and 13m wide with two lanes. The bridge connects the southern peninsula with Vinh Yen City to create an important traffic and tourist attraction for Dam Vac in

particular and Vinh Yen City in general. The traffic investment project that links the two sides of Dam Vac Lake is expected to help better tap land resources, and increase the value of many urban projects being formed and developed around Dam Vac Lake and southern Vinh Yen City such as Nam Dam Vac Urban Area, Bac Dam Vac Ecological Urban Area (River Bay Vinh Yen), Nam Vinh Yen Urban Area and Dam Vac Golf Course.

Vinh Phuc Hospital is one of the key projects signified by the resolution of the 17th Provincial Party Congress. Costing VND1,510 billion, the 1,000-bed general hospital has a total floor area of 98,874 square meters or equivalent to 98.8 square meters per patient bed, higher than the national standard of 80-90 square meters per bed. The well-built modern hospital provides high-quality health services for people in Vinh Phuc and neighboring provinces. The project is considered a foundation for Vinh Phuc to accelerate the construction of a smart health system, improve the effect of disease treatment, prevention and healthcare and meet socioeconomic development needs.

Started at the end of 2021 by the consortium of Trung Nam Engineering and Construction Joint Stock Company and Quang Loi Company, Vinh Phu Bridge across the Lo River to connect Vinh Phuc and Phu Tho provinces has a total investment capital of more than VND540 billion. The project is expected to be put into operation by June 2023, about five months ahead of schedule. This is an important project in the 5-year socio-economic development plan (2021 - 2025). Once completed, Vinh Phu Bridge will replace current ferries across the Lo River and will increase the trade and economic connectivity of the region. This is also a symbol of solidarity and close relationship between Phu Tho and Vinh Phuc.

Ham Nghi Road linking National Highway 2 to Honda Vietnam Company is being constructed by a consortium of construction contractors. This trunk road enables transportation from Honda Vietnam Company to other places and connects Phuc Yen city with Me Linh district of Hanoi. In addition, since the start of this year, many public investment projects in the health, culture and education fields of Vinh Phuc have been completed, handed over and put into use, including Hop Chau-Dong Tinh Road to Tay Thien Scenic Landscape, Yen Lac-Binh Duong road section on Ring road 4 and Yen Lac Cultural Square and Sports Center.

According to Secretary of Vinh Phuc Provincial Party Committee Hoang Thi Thuy Lan, completing and operating the key economic, cultural and social projects as scheduled is the most practical action to affirm the province's determination to meet the requirements and expectations of all classes of people in the area. Gigantic projects not only meet people's needs but also create important highlights for the urban space of Vinh Phuc, generate driving forces for socioeconomic development and help speed up public investment disbursement in the province. ■

Promoting Start-up Movement



The opening ceremony of Techfest VinhPhuc 2022

Vinh Phuc has regularly secured a high ranking in the Provincial Competitiveness Index (PCI) of the country. Over the years, the efforts of the local government have been recognized and appreciated by businesses and investors.

TRAN NGOC

According to a report by the Department of Planning and Investment of Vinh Phuc province, in the first 10 months of 2022, the number of enterprises entering the market and returning to the market showed signs of improvement, reaching more than 1,530 enterprises. Specifically, in the first 10 months of 2022, Vinh Phuc had 1,123 newly registered businesses with a total registered capital of VND20,531 billion, an increase of 18.7% in the number of businesses and a near doubling of registered capital compared to the same period last year. The number of enterprises returning to the market also tended to be positive with 407 enterprises, up 21.1% over the same period in 2021. In particular, since the COVID-19 pandemic was brought under control, service businesses, including tourism services, have gradually recovered and enjoyed a good growth rate.

In order to achieve the above results, Vinh Phuc province has been very firm in removing difficulties and obstacles, so most of the recommendations and proposals of businesses and

investors are thoroughly and promptly resolved by the local government. Therefore, the business community in the province highly appreciates the efforts of the local government in improving the quality of administration, reforming administrative procedures and creating an open business investment environment. Besides, in the past three years, Vinh Phuc has implemented the model of a public administrative center with all procedures carried out according to the one-stop-shop mechanism through the electronic software system at level 4 from the provincial level to the lowest level.

To promote start-up and creative activities in Vinh Phuc province, on November 18-19, 2022, Vinh Phuc Provincial People's Committee organized the Program of Vinh Phuc Innovation Startup Festival 2022 (Techfest VinhPhuc 2022) with the theme "Initiating innovation - Creating the future". The program included a Scientific Workshop on the Key to Successful Startup Incubation, a Forum on Connecting Innovative Start-up Investments in Vinh Phuc, a Seminar on

Policy on Attracting Investment Resources and Supporting ecosystem development start-up innovation in Vinh Phuc province.

Techfest VinhPhuc 2022 is an opportunity for high-level policy dialogue between experts, managers and the startup community to propose the development of strategies, mechanisms, policies and solutions to promote the development of an innovative startup ecosystem. Vinh Phuc's creativity is in line with reality; building legal corridors and policies for new growth models based on the science and technology foundation associated with innovation.

In the series of activities of Techfest VinhPhuc 2022, the first contest "Searching for creative startup talent in Vinh Phuc" took place, attracting more than 80 innovative startup ideas to register for the contest. After three rounds of preliminary competition, semi-final and final, the Organizing Committee and Jury Council agreed and selected 10 groups of best ideas to award: One first prize, two second prizes, three third prizes and four consolation prizes. Vinh Phuc Provincial People's Committee decided to recognize and award the winners with a total prize of VND208 million. The winners also received many awards from investment packages such as Vinh Phuc Science and Technology Development Fund, and from domestic and international investors with a total value of up to VND30 billion.

At the Opening Ceremony, an exhibition of nearly 100 booths demonstrating the technology, displaying projects, products, services of science and technology, innovative start-ups, typical key products; the signing ceremony of cooperation to build an innovative startup ecosystem in Vinh Phuc province; awarded the contest "Searching for creative startup talent in Vinh Phuc province for the first time" and launched the innovation movement. ■

SPURRING SUSTAINABLE INDUSTRIAL PARK DEVELOPMENT

Vinh Phuc has reportedly built a relatively modern and synchronous industrial park system. Could you please introduce industrial park planning results?

Vinh Phuc province was approved by the Prime Minister to have 19 industrial parks with a total area of 5,487.31 ha. At present, 16 industrial parks have been established with a combined registered investment fund of VND15,548.018 billion (US\$660 million) and US\$212.53 million, covering 3,110.25 ha of land, including planned industrial land of 2,275.03 ha (1,757.2 ha compensated and cleared for infrastructure construction). As much as 1,287.03 ha was leased to tenants, accounting for over 70% of the planned industrial land area of established industrial parks.

Currently, Vinh Phuc has nine operational industrial parks, namely Khai Quang (221.46 ha), Binh Xuyen (286.98 ha), Kim Hoa (50 ha), Ba Thien (325.75 ha), Binh Xuyen II - Phase 1 (42.21 ha), Ba Thien II (308.83 ha), Tam Duong II - Zone A (135.17 ha), Son Loi (257.35 ha), and Thang Long Vinh Phuc (213 ha). The infrastructure of Vinh Phuc-based industrial parks is basically synchronous and modern for investors. Some industrial parks are fully occupied by tenants while others are clearing the site for new investors.

Six industrial parks which were approved for establishment by the Prime Minister in the first quarter of 2021, including Song Lo II (166.66 ha), Tam Duong I - KV2 (156.76 ha), Song Lo I (177.36 ha), Nam Binh Xuyen (290.152 ha); and Thai Hoa - Lien Son - Lien Hoa (145.27 ha, Area II Phase 1), are carrying out procedures for land compensation and site clearance. Particularly, Phuc Yen Industrial Park is selecting investors for projects and leasing 16.4 ha to two tenants.

How was your industrial park infrastructure development in November?



Planning is a stepping stone for building the foundation for developing industrial parks in a sustainable way. Vinh Phuc planning, including industrial park planning, is always one step ahead, coupled with regional and sectoral planning. Vietnam Business Forum is given an exclusive interview by Mr. **Vu Kim Thanh**, Deputy Director of Vinh Phuc Industrial Parks Authority.

NGUYET THAM

In November 2022, we coordinated with the Department of Construction to report Dong Soc Industrial Park zoning planning to the Provincial People's Committee and consulted the Department of Planning and Investment on adding Binh Xuyen - Yen Lac Industrial Park to the provincial industrial park development planning.

We also worked with infrastructure developers to carry out land compensation, site clearance and land allocation at Lot D11 and Lot D12 in Ba Thien II Industrial Park, expanded Khai Quang Industrial Park and Son Loi Industrial Park and guided investors to make a security deposit for their investment projects on the construction and operation of Dong Soc Industrial Park infrastructure.

To promote planning management and infrastructure construction of industrial parks, what specific tasks will you focus on?

Based on results obtained in November 2022, in the coming time, we will continue to focus on the following specific tasks:

Continue to direct infrastructure developers to speed up land compensation and site clearance, complete construction procedures and kick off projects of newly established industrial parks like Son Loi, Song Lo I, Song Lo II, Tam Duong I - Area 2, and Thai Hoa - Lien Son - Lien Hoa - Area 2 (Phase 1).

Urge infrastructure investors to speed up land compensation and site clearance for other industrial parks like Khai Quang, Binh Xuyen, Ba Thien II and Tam Duong II - Zone A to provide an attractive clean land fund for investors.

Solve problems related to industrial parks like Dong Soc, Phuc Yen, Chan Hung, and particularly Tam Duong II - Zone A.

Thank you very much!

VINH PHUC - PREFERRED INVESTMENT DESTINATION



Ba Thien II Industrial Park

Vinh Phuc has been one of the biggest budget contributors in the north for years. With its advantages, potential and open investment attraction policies, the province has built an attractive investment environment.

NGUYET THAM

During his working visit to Vinh Phuc in 2021, President Nguyen Xuan Phuc praised and congratulated Vinh Phuc on comprehensive achievements obtained over the years, especially in socio-economic development and pandemic prevention. Emphasizing the province's important role as a driving force to the growth of key economic regions and the whole country, President Phuc highly appreciated its successes in boosting industrial development, maintaining production chains, and preventing industrial production and business operations from being disrupted by the pandemic. In particular, the province has always led the country in improving the investment environment, attracting investment flows and boosting socioeconomic development. Vinh Phuc is one of the most successful provinces and cities in applying Resolution 10 of the Party Central Committee on private economic development. Hence, the large source of income has enabled the province to take care of the material and

spiritual life of people and is one of the three biggest tax collectors in the Red River Delta. This is an inspirational pride of the province and a clear demonstration of its important role in the regional economy.

Hailing Vinh Phuc province's potential at the Conference on Vinh Phuc in Vietnam - Japan Connection, Cooperation and Development in 2022, Minister Bui Thanh Son said that Vinh Phuc has been an attractive investment destination for many domestic and international enterprises, including those from Japan. Vinh Phuc laid the first bricks for an innovative approach to economic management and paved the way for the doi moi (reform) process in Vietnam. With a long patriotic and revolutionary tradition, the government and people of Vinh Phuc province are very dynamic, creative and always strive to be a key actor in three key economic regions: the North, Hanoi and the Red River Delta. Vinh Phuc is a worthy partner for any investor or business.

Speaking at the conference, Japanese Ambassador to Vietnam Yamada Takio said that Vinh Phuc is one of the Japanese business centers in Vietnam that acts as an important link in the global supply chains of Japanese firms. Thang Long-Vinh Phuc Industrial Park is specially designed for Japanese investors. With a complete investment environment, this place is an easy destination for Japanese small and medium-sized businesses to invest in Vietnam. "Given the above reasons, it is safe to say that Vinh Phuc is the most successful in attracting Japanese investment to Vietnam," he emphasized. He also acknowledged Vinh Phuc's initiatives and actions to support Japanese investors in the past, like setting up a separate Japanese business support agency, giving priority to vaccination for Japanese firms, and quickly processing procedures for Japanese investors, especially for new projects. Ambassador Yamada Takio added that strengthening local relations will help reinforce the overall development and consolidation of Vietnam-Japan relations and pledged to further support Vinh Phuc to boost its image to Japanese investors.

Since the start of 2022, Vinh Phuc has organized many investment conferences where investors from Japan, Singapore and Malaysia have highly appreciated Vinh Phuc's investment environment and viewed the province as a secure and potential investment destination for foreign investors. Mr. Daiki Mihara, General Director of Honda Vietnam, said that Honda chose Vinh Phuc for its Vietnam headquarters and its 70-ha manufacturing complex. Since its investment in Vietnam, Honda has always received valuable support from the province which helped the company tackle obstacles and difficulties in handling administrative procedures, tax payment, site clearance and many more procedures. ■

Vinh Phuc Among Top 10 Fastest-growing Localities in Vietnam

The Vinh Phuc Provincial People's Committee recently hosted a press conference on the performance of the socio-economic development plan in 2022, as well as socioeconomic development directions and tasks in 2023. The committee announced the winning of the "Tam Dao - the World's Leading Tourist Town" Award 2022.

BAO NGOC

According to the report released at the press conference by the committee, in 2022, the gross regional domestic product (GRDP) was estimated to grow 9.54%, the highest since 2014, higher than the national median of 8% and higher than its own target of 8-9%. This brought Vinh Phuc's annual growth in 2020-2022 to nearly 9%, standing among the 10 highest-growing provinces and cities in the country.

Moreover, the economic structure continued to shift toward the desired pattern where the construction-industry accounted for about 64.22%, service about 29.2% and agriculture 6.58% (versus 62.82%, 29.43% and 7.76%, respectively, in 2021). The GRDP per person was estimated at VND127.8 million a year, among the top 10 localities in the country. The total budget revenue was forecast at VND35,700 billion, equal to 111.94% of the target and 8.5% higher than in 2021. Of the sum, domestic budget revenue accounted for VND30,000 billion and import-export tax was VND5,700 billion,

equal to 123.5% of the target and 22.1% higher than a year earlier.

In 2022, Vinh Phuc attracted US\$453 million of foreign direct investment (FDI), 100.6% of the estimate, and VND12,500 billion (over US\$500 million) of domestic direct investment (DDI), down 43% from 2021. By the end of 2022, the province attracted a total of 1,286 projects, including 450 FDI projects with US\$7.41 billion of investment capital and 828 DDI projects with VND125 trillion (US\$5 billion). Industrial production expanded in 2022 because the COVID-19 pandemic was contained from the second quarter. The industrial production value was forecast to rise 15.5%, led by the processing and manufacturing sector which jumped 15.6%.

In 2023, Vinh Phuc will focus heavily and firmly on implementing five key tasks and three breakthrough stages as stated in the resolution of the 17th Provincial Party Congress. The province will continue to remove difficulties, obstacles, and bottlenecks for enterprises to unlock resources for socioeconomic development; effectively carry out the socioeconomic recovery and development program; ensure social security and improve people's living standards; intensify resource management and environmental protection; step up administrative reform, especially administrative procedure reform; enhance law enforcement, corruption resistance and thrift practice; and strengthen national defense and security. ■



Strong Growth in Industrial Manufacturing


As the COVID-19 pandemic was contained, the industrial manufacturing of Vinh Phuc province advanced; manufacturers have resumed normal operations and adopted reasonable production plans to optimize their production capacity since the second quarter of 2022.

Specifically, in 2022, industrial production was estimated to climb 15.5%, driven by the processing and manufacturing sector which expanded 15.6% as compared to 2021. Key products grew well over 2021, particularly electronic components which rose by 24.36%, motorcycles by 11.02%, apparel by 7.21%, and ceramic tiles by 6.01%.

In addition, the province's tourism industry has also been revived. In 2022, tourist arrivals to Vinh Phuc were estimated to reach 8.2 million, over four times that of 2021. Of the sum,



international visitors were forecast at 73,500 and domestic tourists accounted for 8.13 million. Tourism revenue was estimated at VND3,282 billion, up 2 times over 2021. Notably, in 2022, Tam Dao tourist area became the 7th national tourist area of Vietnam and was recognized as the world's leading tourist town in 2022 by the World Travel Awards.



Taking industrial development as a foundation, service and tourism development as the spearhead, and agriculture and rural development as an important task, Vinh Phuc will focus on building specific mechanisms and policies to attract and release resources to meet socio-economic development tasks on the principle of efficiency and sustainability in the coming time. In particular, priority is given to attracting resources for developing high-tech electronics industries and turning Vinh Phuc into one of the country's industrial centers.

Hoang Tham

Addressing Difficulties to Spur Socioeconomic Growth

In 2022, despite the impacts of the world economic recession and the COVID-19 pandemic, Vinh Phuc province's economic and social performance recovered positively as all 17 socioeconomic development, economic growth, budget revenue and investment targets continued to look up, and social security was guaranteed. Vinh Phuc has obtained the highest economic growth since 2014.

HOANG THAM

The economic growth was estimated at 9.2-9.8% in 2022, the highest since 2014. All socioeconomic indicators met and exceeded targets stated in Resolution 57 of the Socioeconomic Development Plan in 2022 of the Provincial People's Council.

Budget revenue was projected at VND35,700 billion, 8.5% higher than in 2021. The province attracted US\$450 million of foreign direct investment (FDI) and VND12,500 billion (US\$500 million) of domestic direct investment (DDI). The Provincial Competitiveness Index (PCI) 2021 ranked fifth in the country, 24 places higher than in 2020. Socio-cultural fields developed strongly. Social security policies were guaranteed. In 2022, the province created 19,730 new jobs and sent 781 people to work abroad.

As of September 2022, Vinh Phuc attracted 442 FDI projects with over US\$7.3 billion from 20 countries and territories. Many large projects are working very effectively and successfully in the province, particularly those engaged in electronics, automobile and motorcycle parts manufacturing. To woo large-scale projects with modern technology, high added value, and environmental friendliness from large investors and multinational corporations, Vinh Phuc has flexibly reformed

and launched innovative investment promotion activities in major markets to introduce its image and position to investors.

The Provincial Party Committee and the Provincial People's Committee adopted many solutions to improve the business environment and support businesses and investors to deal with difficulties. Therefore, business registrations looked up in 2022. The province had 1,238 new companies with a total registered capital of VND21,148 billion in the year to November 15, an increase of 17.4% in companies and 86.96% in value from a year earlier.

Online business registration instead of direct filing produced many practical benefits for people and businesses. Notably, more than 98% of business registration applications were submitted online as of November 15.

Defining industrial development as the foundation, tourism services as the spearhead, and agriculture and rural development as an important task, the Provincial Party Committee, the Provincial People's Council and the Provincial People's Committee of Vinh Phuc introduced many effective resolutions, programs, mechanisms and policies to make transformational changes to speed up economic restructuring and change the growth pattern in the coming time. ■

Building toward GRDP Growth of 8-9.5% in 2023

In the Socioeconomic Development Plan for 2023, Vinh Phuc aimed to achieve a GRDP growth of 8-9.5% in 2023, attract US\$400 million of FDI capital and VND5,000 billion of DDI capital; collect budget revenue of VND32,398 billion and create new jobs for 16,000-17,000 workers.

"To achieve these goals, the province will focus on effectively carrying out five key tasks and three breakthrough stages defined in the resolution of the 17th Provincial Party Congress. Besides, Vinh Phuc will launch consistent and effective tasks and solutions on socioeconomic development according to resolutions and conclusions of the Government and the province; step up administrative reform, handle obstacles and remove bottlenecks in all sectors and fields; speed up land compensation and site clearance; adopt flexible monetary policies, speed up investment promotion, upgrade infrastructure in industrial parks; and implement social security policies and raise people's living standards," said Mr. Vu Viet Van, Standing

Vice Chairman of Vinh Phuc Provincial People's Committee.

In 2023, Vinh Phuc will accelerate reforms and create innovative institutions, mechanisms and policies to remove bottlenecks, especially in land, investment environment and public investment. The province will unleash resources and create motivations for development.

Regarding investment, the province will actively tackle difficulties and obstacles to speed up land compensation, site clearance and public investment, especially key projects, industrial parks, inter-regional projects and urban infrastructure projects.

On planning, Vinh Phuc province will implement the Vinh Phuc Master Plan for the 2021 - 2030 period, with a vision to 2050, after being approved by the Prime Minister.

Previously, the 5-year Socioeconomic Development Plan (2021 - 2025), adopted by the Vinh Phuc Provincial People's Committee on December 29, 2020 defines that Vinh Phuc will be a developed industrial province by 2025, one of the industrial, service and tourism centers of the region and the country.

Le Nam

Many Incentives for Sustainable Supporting Industries

Determining the development of supporting industries as one of the important solutions to increase the ability to attract investment, and help Vinh Phuc to become a large industrial center for the production of cars and motorbikes, and an industrialized province, the province has issued many preferential mechanisms and policies to facilitate enterprises in the field of supporting industry to innovate technology, expand the scale, gradually improve product quality, and participate more deeply in global production networks and value chains.

NGUYET THAM

Accordingly, Vinh Phuc has issued many policies to facilitate the development of supporting industry enterprises. These include the implementation of many activities calling for investment, and many mechanisms and policies to encourage and attract businesses to invest. For example, Vinh Phuc province has supported 100% of the costs of organizing the assessment and confirmation of the capacity of supporting industry enterprises, supporting 70% of the fees for organizing seminars to promote domestic and foreign investment in the field of supporting industry; organizing fairs and exhibitions to connect supporting industries; and supporting 70% of training costs to improve the quality of human resources to meet the requirements of the fields producing supporting industry products.

The whole province of Vinh Phuc currently has 240 enterprises operating in or related to the field of supporting industry, focusing mainly on industries such as the mechanical industry, automobile, motorbike, textile, electronics, information technology, and construction materials. Many enterprises have made good use of the

supporting mechanisms and policies of the Central Government and Vinh Phuc province to actively adjust to increase capital, expand production scale, invest in upgrading production lines, design innovation, product quality improvement, and expansion of consumption markets. This has not only created hundreds of thousands of jobs and increased State budget revenue, but also contributed to promoting the local key industries to develop, as well as increasing the attractiveness of the province's investment environment. For unskilled workers working in supporting industry enterprises, the salary is from VND6-8 million per person per month for technical workers, and for skilled workers the salary can be up to VND 12-15 million per person per month.

Mr. Dau Le Thao, Deputy General Director of CNC Technology Solutions Joint Stock Company (CNC Tech) shared that when investing in Vinh Phuc province, CNC Tech was very fortunate to receive enthusiastic support and assistance from local leaders from ground exploitation to investment license procedures, they were all supported by the province to speed up the progress so that CNC Tech could quickly come into operation. CNC Tech Factory is the first DDI project approved for investment in Thang Long Industrial Park - Vinh Phuc, with a total investment of VND466 billion, and it is continuing to expand by 8.2 hectares, with a total investment capital of VND298 billion.

Recently, Vinh Phuc Provincial People's Committee has promulgated the Supporting Industry Development Program in the province for the period of 2021-2025 with the goal of developing strong supporting industry fields, based on development needs in line with Vinh Phuc province's development direction to 2025 of becoming a developed industrial province and one of the industrial centers of the country. The content of the program is to connect and assist supporting industry enterprises to become product suppliers for domestic and foreign customers; promote foreign investment in the field of supporting industries, helping supporting industry enterprises to apply management technology to meet the requirements of production chains in corporate governance and production management; assist supporting industry enterprises to train in order to improve the quality of human resources; implement research and development, application, transfer and innovation of test production technologies for components, spare parts, raw materials and materials; building and operating the information portal on supporting industries in Vinh Phuc province; and access information to solve the needs of production space.

The Supporting Industry Development Program in Vinh Phuc province in the 2021-2025 period has a total budget of nearly VND95 billion, of which the capital from the State budget is approximately VND66.103 billion and from other sources (donation, contributions from organizations and individuals) is VND28,620 billion, distributed from 2022 to 2025. The program aims at turning the supporting industry of Vinh Phuc province into a link of supplying supporting industry products with high-value content in the complete production lines of large domestic and international corporations and enterprises, towards promoting export.

The formulation and implementation of mechanisms and policies to develop supporting industry flexibly according to phases, in line with the wave of foreign investment and in the direction of in-depth development, have improved productivity and product quality, helping Vinh Phuc create a great attraction for domestic and foreign investors, promoting rapid and sustainable socio-economic development. ■



Improving Quality of Human Resources in IPs

Identifying human resources as a key factor to promote investment attraction in industrial parks (IPs), a critical factor for industrialization and modernization, and promoting socio-economic development, in recent years, Vinh Phuc province has paid special attention to the management and development of human resources

QUYNH NGOC



Vinh Phuc has implemented many breakthrough mechanisms and policies, built sufficient human resources in quantity and quality to meet the needs of domestic and foreign enterprises. Vinh Phuc currently has 19 industrial parks approved by the Prime Minister, with 9 having been put into operation, attracting 446 projects, including 97 DDI projects, with a total investment capital of VND26,558.18 billion and 349 FDI projects, with total investment capital of US\$5,685.09 million.

By the end of November 2022, industrial parks have created more than 130,000 jobs. In order for industrial parks to increase in quantity and quality, Vinh Phuc province prioritizes attracting investment projects using high technology, creating great industrial production value and being environmentally friendly. So, it requires high-quality human resources to meet the production and business requirements of enterprises in industrial parks. In order to concretize the policy of human resource development, Vinh Phuc has issued many resolutions, schemes and plans. Accordingly, on February 25, 2008, the Vinh Phuc Provincial Party Committee issued Resolution 06 on developing human resources for the cause of industrialization and modernization, with a focus on improving the quality of education, regarding general education as the foundation, taking vocational training, training high-quality technical workers as a breakthrough and improving the quality of leaders, managers, civil servants in the political system as the deciding factor.

On that basis, the province has implemented many guidelines and policies on developing high-quality human resources, and upholding the role of human resource training. After more than 10 years of implementing Resolution 06, Vinh Phuc has made a significant breakthrough in the quality of human resources, with many targets reaching and exceeding

the goals set by the Resolution. The network of educational institutions is relatively diverse in terms of training types, qualifications and professions. The recruitment and training of primary, secondary and college levels are carried out flexibly with various forms to meet the vocational training needs of workers and businesses. Recently, Vinh Phuc Provincial People's Committee has issued Plan 241/KH-UBND dated September 17, 2021 on vocational training for 2021 - 2025 period. Accordingly, Vinh Phuc sets a target by 2025, the province will recruit and train 285,166 people; in which, 31,464 people have a college degree, 87,767 people at the intermediate level, 163,846 people at the elementary level, and 2,089 people with high-quality training programs. In 2021, trained workers accounted for 77.2%, with 34.8% being certified with professional degrees and certificates. The respective rates are expected at 78.4% and 36.1% in 2022; 79.6% and 37.4% in 2023; 80.8% and 38.7% in 2024, and 82% and 40% in 2025.

In the coming time, Vinh Phuc province will continue to build a development plan and manage human resources in line with the orientation of attracting investment, planning the development of industrial parks, creating a reasonable balance between labor supply-demand; raising awareness about the quality of human resources in industrial parks, and completing the planning of vocational training institutions associated with industrial parks. The province will review and re-plan the system of education and training institutions in accordance with their geographical location and reasonable scale; develop a vocational education system with many modes and levels of vocational training, especially high-quality training in the direction of application and practice to have high professional qualifications in order to meet the requirements in the context of the industrial revolution 4.0. ■

Attractive to Investors

Binh Xuyen II Industrial Park is invested and developed by Fuchuan Co., Ltd. in Binh Xuyen district, Vinh Phuc province. Since its operation, the park has actively helped local economic development. Besides investing in modern and synchronous infrastructure, the investor also creates a green - clean - beautiful - environmentally friendly production and working environment which has become an attractive destination for investors.

QUYNH NGOC

In 2014, Fuchuan Co., Ltd. was approved by Vinh Phuc Provincial People's Committee to invest and deploy Binh Xuyen II Industrial Park project, with a registered capital of nearly US\$150 million. According to the plan, the first phase of more than 42 ha includes 31.6 ha of rentable industrial land. Since its project launch, Fuchuan Co., Ltd. has paid attention to the quality of technical infrastructure for production and supporting services for secondary investors. After one year of construction, they completed a synchronous technical infrastructure system, including 110/35/22-kV power stations of 126 MVA, a water supply system with a daily capacity of 20,000 cubic meters, asphalted and concrete roads for convenient transportation of goods and services, a rainwater drainage system and a separate wastewater and waste treatment station with a daily capacity of 1,800 cubic meters. In addition, tenants will be provided with support services like finance, banking, customs procedures and transportation and

offered maximum support and incentives of Vinh Phuc province.

With a well-invested synchronous infrastructure system, land rents are competitive. The land rent in Binh Xuyen II Industrial Park is US\$10 per square meter lifetime, lower than that offered by Binh Xuyen Industrial Park, US\$13 per square meter lower than that in Khai Quang Industrial Park and US\$15 per square meter lower than that in Ba Thien II Industrial Park. Particularly, the raw land rent is exempted for tenants until December 31, 2025. Factory rent is from US\$2.7-3.1 per square meter a month. Binh Xuyen II IP has attracted many high-profile domestic and foreign investors. Tenants are mainly engaged in manufacturing electronic components, office equipment, mobile phones and software. Many are expanding their production scale, actively paying taxes to local budget and creating more jobs for workers. Notable investors include Korea Computer Co., Ltd., Young Poong Vina Vinh Phuc Co., Ltd., and Diostech Vina Co., Ltd.

Carrying out its commitments and regulations on investment, Fuchuan Co., Ltd is completing investment procedures for Phoenix Town worker housing project with public services and utilities in Ba Hien commune, with a total investment of more than VND1,000 billion. This project will not only meet the demand for accommodation and services for workers in Binh Xuyen II IP but also for workers in other industrial parks in Binh Xuyen district. Especially, executing Decision 1839 dated July 23, 2020 of Vinh Phuc Provincial People's Committee on adjusting the planning of Binh Xuyen II Industrial Park, Fuchuan Co., Ltd. focused on completing the second-phase development of the project, with a planned area of over 63ha and a total investment capital of US\$18 million, which will be submitted to the Prime Minister for approval.

A well-built synchronous, modern infrastructure of the second phase, Binh Xuyen II Industrial Park will continue to be an attractive destination for investors, generate more jobs and pay more tax for the locality. ■

Budget Revenue Nears VND36 Trillion

Living through difficulties and challenges caused by the COVID-19 pandemic, Vinh Phuc province witnessed strong socioeconomic recovery and impressive growth of industries in 2022. The province's fiscal revenue spectacularly exceeded the assigned target and set a new "record" of nearly VND36 trillion (US\$1.6 billion).

With its efforts, solidarity and determination of the whole political system, levels and branches of government, the business community and people, Vinh Phuc province achieved optimistic socioeconomic recovery in 2022, featuring annual economic growth of 9.2-9.8%, the highest since 2014 and higher than the national average.

The province optimistically attracted more than US\$450 million of foreign direct investment (FDI) as expected and VND12,500 billion (US\$540 million) of domestic direct investment (DDI), equal to 57% of the amount in 2021. About 1,300 new companies were established with total registered capital of over VND13.6 trillion (US\$580 million), 13% more

than a year earlier. The province's industrial production value was estimated to rise by 15.5% in 2022.

Tourism and services revived strongly, with 8.2 million visitor arrivals and tourism revenue of nearly VND3,300 billion, up over 4 times in arrivals and 2 times in revenue from the previous year. The province created new jobs for nearly 20,000 workers and per capita income was estimated at more than VND129 million.

Normalized production and business activities supported economic development and budget revenue growth. Budget revenue was estimated to reach nearly VND36 trillion in 2022, up 8.5% over 2021 and nearly 12% higher than the target. This was the highest-ever budget revenue collected by Vinh Phuc province. Specifically, domestic revenue was estimated at VND30 trillion (more than 6% higher than a year earlier, nearly 10% higher than the target) and import and export duties were valued VND5.7 trillion (up 22% year on year and 23.5% higher than the target).

Hoang Tham

EXEDY VIETNAM CO., LTD

Promoting Fire and Explosion Safety

Exedy Vietnam Co., Ltd (based in Khai Quang Industrial Park, Vinh Phuc province) is a 100% Japanese-invested manufacturer and trader of engine parts, clutches, gearboxes, control parts and motion components. Besides its focus on business development, the company has always paid attention to ensuring fire and explosion safety in production, and regards this as an important and decisive task of company development.

NGUYEN BACH

The company established grassroots fire prevention teams with excellent members selected from production lines (each line has at least one member in charge of fire prevention), trained by Fire Police No. 1, Vinh Phuc Fire Police, once a year and granted certificates. In addition, every month, the company always provides financial support and facilitates grassroots fire prevention teams to train and practice firefighting and rescue skills. The company focuses on furnishing equipment for fire prevention like installing an automatic fire alarm system throughout the company with EXIT lighting system and emergency lighting (maintained every two years), and the

wall firefighting system, which works around the clock and is fully furnished with faucets and hydrants.

Besides, firefighting equipment is periodically tested and fully installed in accordance with safety standards, ease of access and signboards placed at the ease of sight and access for workers. Search and rescue equipment is also invested by the company, including bolt cutters, sledgehammers and rope ladders in case of fire or explosion.

In the coming time, the company will continue to actively and closely coordinate with fire agencies in fire prevention movements; organize training and refresher courses on fire prevention and fighting skills for employees; and increase resources and fully furnish fire equipment to meet fire safety requirements.

With good preparation and compliance with fire safety laws, since its inception more than 10 years ago, the company has not seen any fire or explosion incidents and become one of the examples of fire prevention and rescue, which has been appreciated by local fire agencies. ■



All Administrative Procedures of IPs Authority Delivered Online

The provincial government and industrial park authority of Vinh Phuc province have always seen administrative reform as one of the game-changing tasks and quickly supported enterprises to deal with difficulties and obstacles in business. This has helped raise the Provincial Competitiveness Index (PCI).

The Vinh Phuc Industrial Parks Authority has sped up digital transformation in administrative reform to bring all administrative procedures of Level 3 and Level 4 to the Provincial Public Service Portal, of which Level 4 administrative procedures account for 87%. With 97% of administrative procedures settled ahead of time, organizations, businesses and investors are pleased with local administration because they can perform services anytime, anywhere with less time and cost.

The Vinh Phuc Industrial Parks Authority is the first agency in the province to apply electronic receipts to collect fees and charges of administrative services to best serve organizations,

businesses, investors and citizens. The incoming/outgoing document and administration management system is working stably. In the first nine months of 2022, the system received and sent over 8,200 electronic documents to and from 40 agencies, thus significantly reducing costs as compared to postal services.

In the coming time, the Vinh Phuc Industrial Parks Authority will further improve specialized software for industrial park administration; especially complete the database of industrial zone planning and construction, investment projects and foreign worker management; further enhance the quality and efficiency of online public services, restructure administrative procedure settlement processes, and reuse documents and administrative procedure results to form a complete ecosystem that best serves organizations, businesses, and investors.

The Vinh Phuc Industrial Parks Authority expects this ecosystem will be an effective digital transformation tool for comprehensive administrative reform to enhance efficiency and effectiveness in industrial zone administration.

Nguyet Tham

Vinh Phuc IPs Draw 23 New FDI Projects in 11 Months of 2022



Ba Thien II Industrial Park

Industrial parks in Vinh Phuc province attracted 23 new FDI projects and witnessed 31 FDI projects scale up their investment base with a combined funding of US\$298.08 million, as well as 15 new DDI projects with VND4,544.7 billion of investment capital in the first 11 months of 2022, said the Vinh Phuc Industrial Parks Authority.

In November, it licensed two FDI projects with US\$1 million and allowed four existing projects to increase their registered capital base, including three FDI projects with an additional US\$4.48 million and one DDI project with VND45 billion, and approved the infrastructure construction and operation project in Dong Soc Industrial Park, costing VND2,238.1 billion. In November, the new and added investment capital totaled US\$5.48 million and VND2,283.1 billion.

Vinh Phuc province-based industrial parks housed 446 projects as of November 15, 2022, including 97 domestic direct investment (DDI) projects with VND26,558.18 billion of investment capital and 349 foreign direct investment (FDI) projects with US\$5.69 billion. Of the sum, 388 projects are operational, accounting for 87% of all projects; 10 projects are under construction, accounting for 2.2%; 39 projects are carrying out investment procedures, accounting for 8.7%; and five projects are conducting land compensation and site clearance, accounting for 1.2%. In November, licensed projects spent US\$32.88 million and VND40 billion.

Nguyet Tham

Vinh Phuc Strives to Have 82% of Workers Trained by 2025

Vinh Phuc Provincial People's Committee recently launched Plan 241/KH-UBND on vocational training in 2021-2025, aiming to have 82% of workers trained by 2025, with 84% being granted professional degrees and certificates.

According to the plan, in 2021-2025, the province will recruit and train 285,166 workers, including 31,464 college students, 87,767 intermediate students, 163,846 elementary vocational students, and 2,089 high-quality trainees. On average, over 57,000 people will be enrolled and trained each year, including 25,000 new recruits. By 2025, trained workers will account for 82%, with 40% being granted



professional degrees and certificates.

In 2021, trained workers accounted for 77.2%, with 34.8% being certified with professional degrees and certificates. The respective rates are expected at 78.4% and 36.1% in 2022; 79.6% and 37.4% in 2023; 80.8% and 38.7% in 2024, and 82% and 40% in 2025.

To achieve these goals, the plan sets forth six tasks and solutions: Stepping up information and communications; improving the quality and completing vocational education institution network planning; speeding up socialization of vocational education; increasing private investment in vocational training; and developing cooperation programs between vocational schools and enterprises in worker training and recruitment.

Dinh Ngoc

Korean Businesses Employ Over 70,000 Workers

Vinh Phuc province currently has 230 investment projects by South Korea with a total registered capital of over US\$2.6 billion, accounting for 52% of projects and 35% of total FDI fund. South Korea is the biggest foreign investor in the province.

Korean companies, mainly located in industrial parks, are engaged in industrial processing and manufacturing, high-tech application, parts manufacturing and electronic equipment. They always comply with the policies and laws of Vietnam, pay a big amount of tax, employ many workers, and boost socioeconomic growth of Vinh Phuc province.

Korean firms reported high growth this year, with revenue and export value rising by 14% and 13%, respectively. While paying 10% more tax than a year ago, they have created 2,700 jobs in the year to date, thus employing a total of over 70,000 workers in Vinh Phuc province.

Korean companies in Vinh Phuc always have a close relationship with the Korean Business Association in the province which acts as a bridge for them with the government to work together to address problems in business development and attract more Korean companies into the province.

With the motto "All investors coming to Vinh Phuc are citizens of the province," the province has worked hard to perfect investment attraction mechanisms and policies and regularly hosts dialogues with companies in the province, including those from Korea, to promptly remove difficulties and obstacles in their investment and business activities.

Vietnam-Korea friendly cooperation has been developing positively. The considerable contributions of Korean businesses to Vinh Phuc in the past are a solid foundation for sustainable development of Vinh Phuc's relations with Korean localities and partners in the future.

Thanh Loan

YOUR SUSTAINABLE INVESTMENT LOCATION

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