

BUSINESS FORUM MAGAZINE

VIETNAM Business Forum

THE VIETNAM CHAMBER OF COMMERCE AND INDUSTRY - VCCI

VOL. 01, NO. 16 (1298), NOV 3 - 16, 2020
ISSN 1859-0632



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Creating Strong Effects

**Building ASEAN into
Asian Innovative Startup Hub**



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VIETNAM BUSINESS FORUM

Published by VCCI

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Available on Vietnam Airlines

Licence No.58/GP-BTTTT dated February 18, 2020

Printed by the Trade Union Printing Company

PRICE: VND25,000



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Cover photo: Prime Minister Nguyen Xuan Phuc cuts the ribbon to inaugurate the Southern intersection of Binh bridge, Hai Phong City



VCCI President Vu Tien Loc and EuroCham Chairman Nicolas Audier sign document on regulations of EVBC at an announcement ceremony on the founding of this council

EuroCham, VCCI Join Forces to Advance EVFTA Implementation

The Vietnam Chamber of Commerce and Industry (VCCI) and the European Chamber of Commerce (EuroCham) recently established a new bilateral forum to support the implementation of the EU-Vietnam Free Trade Agreement (EVFTA).

GIANG TU

This new forum, the EU-Vietnam Business Council (EVBC), brings together representatives of the European and Vietnamese business communities to share insights and discuss common challenges in the implementation of this historic mega pact.

First envisioned after the signing of the EVFTA in Hanoi in 2019, its establishment has received high-level support from Vietnam's Minister of Industry and Trade Tran Tuan Anh, as well as former EU Trade Commissioners Celia Malmstrom and Phil Hogan.

Addressing the signing ceremony on October 22, VCCI Vice President Hoang Quang Phong said EVFTA was considered a bright spot and a new strength that Vietnam could utilize to assert its position and quickly restore economic development rate after the Covid-19 pandemic. In the immediate future of the year 2020, in addition to providing information about EVFTA, the Council would organize working groups to gather opinions of businesses in related fields about their difficulties in the implementation process, inadequacies in terms of procedures and policies, from which to coordinate with relevant ministries, branches and agencies to support enterprises.

Jointly led by the chairmen of

EuroCham and VCCI, the board of the Council consists of eight other members – with four from each chamber of commerce. The Council will also establish a number of working groups for companies in similar sectors, connecting Vietnamese and European enterprises to build stronger relationships and increase knowledge-sharing in specific industries, while also helping to smooth the path for the effective implementation of the EVFTA.

The Council will publish regular papers on the progress of the implementation of the EVFTA, and meet with high-level representatives of the European Commission in Brussels and the Vietnamese Government to share updates from companies on the ground.

In force since August 1, the EVFTA is the most comprehensive and ambitious free trade agreement ever signed between the EU and a developing nation, and just the second FTA signed with an ASEAN member state. Now it has entered into force; 65% of EU exports to Vietnam are tariff-free, along with 71% of Vietnam's exports to the European Union. This will rise to almost 99% over the next decade, giving Vietnamese enterprises privileged access to Europe's large consumer market and EU business better access to Vietnam's fast-growing sectors and industries. ■



Dr. VU TIEN LOC

CHAIRMAN & PRESIDENT OF VCCI

Throughout the past years, the Vietnam Chamber of Commerce and Industry (VCCI) and the European Chamber of Commerce in Vietnam (EuroCham) have been side by side, effortlessly promoted the process of negotiation, review, and information exchange on the signing of the EU - Vietnam Free Trade Agreement (EVFTA). We are delighted and grateful for the determination made by the Government of Vietnam and the EU authorities over the past years for the signing of the two agreements.

The EU - Vietnam Business Council is designed to support the Vietnamese business community to enter the EVFTA "highway". On that highway, Vietnamese businesses are sure to face many difficulties. Nervousness is inevitable, but that is not a reason not to take the highway. The Council will represent the voices of Vietnamese and EU businesses in the EVFTA implementation, and acts as a focal point to bring opinions of businesses to the Government and relevant agencies of both Vietnam and the EU.



Mr. NICOLAS AUDIER

CHAIRMAN OF EUROCHAM

The EVFTA is a once-in-a-generation free trade agreement. Over the next decade, it will help boost trade and investment between Vietnam – one of the world's fastest-growing and most attractive markets – and the European Union, the world's largest trading bloc. It is a true 'win-win' for companies and consumers on both sides.

Now the EVFTA has entered into force, it is up to business communities on both sides to make it a success and to ensure that our enterprises and societies can both unlock their full potential. EuroCham is proud to establish this new forum with VCCI, and to reaffirm the strong and effective relationship between our two chambers at the beginning of this new chapter of EU-Vietnam trade and investment relations.



Mr. NGUYEN DO ANH TUAN

DIRECTOR OF INT'L COOPERATION
DEPARTMENT, MINISTRY OF AGRICULTURE
AND RURAL DEVELOPMENT

The council is a very practical step, supporting the business community to maximize the conditions and opportunities offered by EVFTA. This is also a specific step in the process of completing and supplementing activities and cooperation mechanisms so that enterprises have the best conditions to promote production and export activities.

In the agricultural sector, in general, agricultural products will still enjoy many preferences in exporting to the EU market, thanks to the advantages of variety, competitive prices, etc. This is also an opportunity for Vietnamese businesses to look at themselves by meeting a string of stringent requirements on technical standards, quality, and food safety and hygiene standards at a rigorous and uniform level. Satisfying the requirements of EU importers and consumers, Vietnamese goods in general will be equivalent to a guarantee of class and can be exported around the world.

Toward True Gender Equality

The Vietnam Women Entrepreneurs Forum 2020 themed “Ring the bell: For a prosperous and sustainable economy” was recently opened in Hanoi. This is an initiative of the Vietnam Chamber of Commerce and Industry (VCCI), the Vietnam Women Entrepreneurs Council (VWEC), UN WOMEN and the European Union Delegation to Vietnam to call on the business community to join hands to foster the private sector regarding gender equality.

LAN ANH

Not actually gender equality

Dr. Vu Tien Loc, President of the Vietnam Chamber of Commerce and Industry (VCCI), said, Vietnam's core competitiveness in the volatile world is the resilience of Vietnamese businesses, especially women-owned businesses. Vietnam has about 200,000 women-owned businesses out of about 800,000, accounting for 25%. Notably, the rate is about 30% in micro small and medium-sized enterprises (MSMEs). In household businesses, the rate is more than 50%. Women thus decide the future of Vietnam's economy, he said.

“Currently, three most important drivers for the growth of an economy in the future are MSMEs, women and the internet. These three driving forces, once used effectively, boom economic growth,” he affirmed.

Ms. Elisa Fernandez Saenz, Chief Representative of UN Women in Vietnam, said, half of the world's population is women. Thus, an economy that fails to fully tap women's capabilities wastes half of human resources. Women's economic empowerment is not only a social responsibility but also an economically good approach.

Women-owned businesses are facing many obstacles in business, including limited access to resources. They lack qualified human resources, knowledge and ICT skills.

Promoting sustainable development requires women's participation

Ms. Nguyen Thi Tuyet Minh, Chairwoman of VWEC, said, the economy in general and businesses in particular will be unlikely to promote sustainable development if it lacks women's active, responsible and creative participation.

According to the 10-year review report on enactment of the Law on Gender Equality conducted by the Ministry of Labor, Invalids and Social Affairs, 48.3% of the social labor force are women. 70% of women of working age are in the labor force. Nearly 28% of women hold managerial positions in the business. About 45% of employment income belongs to women.

If gender equality is achieved in the economic sector, global GDP will increase by US\$12 trillion by 2025. If gender equality is achieved in the workplace, GDP in the Asia-Pacific region will increase by US\$3.2 trillion. If the gender gap in the labor market narrows by 25% by 2025, global GDP will increase by US\$5.3 trillion.

If a woman is added to the management board, the business will increase by 8-13 points of return on assets (ROE). Companies in the Top 25% of gender diversity have 15% higher returns than the industry median.

Ms. Ha Thi Nga, Chairwoman of the Vietnam Women's Union, enhancing women's economic empowerment and promoting their access to equal opportunities in employment, capacity building, promotion and supply chain participation, will tap the potential and strengths of each gender. This is an important foundation for achieving prosperity and sustainability of each business and each country. ■

Businesses Urged to Accelerate Digital Transformation

Digital transformation in Vietnam has obtained a lot of remarkable achievements in recent years but not made a dramatic leap yet.

However, the unexpected outbreak of the Covid-19 pandemic has resulted in numerous changes in perception, commercial and business transactions. This is considered an opportunity, a rare push for businesses to realize advantages of digital economy and fill the more urgent need for digital transformation.

ANH MAI

Manufacturing capacity shrank, with the biggest problem for businesses being restricted activity/work from home (WFH) requirements, said the Digital Transformation Report: Solutions for businesses to overcome Covid-19 pandemic released by the Enterprise Development Foundation under the Vietnam Chamber of Commerce and Industry (VCCI) in cooperation with the Japan External Trade Organization (JETRO). The report surveyed more than 400 enterprises in Vietnam. According to the report, larger businesses were more affected by short input supply. Meanwhile, small and medium-sized enterprises (SMEs) were affected more heavily by Covid-19 on production capacity which shrank due to restricted activity/WFH, difficulty in stockpile forecast, delayed technical maintenance/support on restricted mobility measures.



☞ Sales of bigger companies were more affected by foreign market shrinkage than SMEs. In contrast, the latter faced difficulty in contacting and seeking new customers and keeping track of current customers and a shrinking domestic market because of Covid-19.

According to the report, on revenue, a very low rate of companies reported a positive revenue growth. More than three-quarters reported reduced revenue, with high ratios of companies suffering from 1-25% and 25-50% revenue decline. More than 18% saw revenue drop by more than 50% because of the epidemic. These figures just showed how seriously the Covid-19 epidemic has impacted businesses.

Covid-19 caused far-reaching influences on manufacturing and business activities, once again sounding alarm on the urgency for digital transformation to quickly overcome the pandemic. The report showed that the perception of digital transformation among Vietnamese enterprises increased as larger firms adopted it before the Covid-19 outbreak. However, the report also stated remarkable contents of concern when digital technology was mainly applied to management, logistics and marketing, while the most important stage - manufacturing - is not really focused.

Notably, most have certain capacities of digital transformation but they are just basic. The digitalization rate of products and services is still low. Digitized products and services account for a small share of total revenue. Major barriers to digital transformation are high cost of digital application, insufficient infrastructure, fears of data leakage and insufficient expertise. The cost is the biggest barrier.

Facing these difficulties, businesses put forth many proposals to the Government hoping for easier digital transformation, said the report. Building of rules and regulations to promote paperless business, providing financial support for digital application and making clear rules and regulations on data management are three most-expected proposals by enterprises seeking to advance digital transformation in Vietnam in the coming time. ■

Building ASEAN into Asian Innovative Startup Hub

“We propose organizing the Annual Startup Forum toward the formation of the ASEAN startup network, toward building ASEAN into an innovative startup hub of Asia and the world”

QUYNH CHI

This proposal was put forth by Dr. Vu Tien Loc, President of the Vietnam Chamber of Commerce and Industry (VCCI) and Chairman of the National Steering Committee for Startup Program, at the ASEAN Startup Forum 2020 themed “Cooperation toward transparency and sustainability in the digital era and new opportunities in the digital era” recently held in Hanoi.

Branding ASEAN innovative startup

Digital transformation is not only for big businesses but for all, including micro, small and medium enterprises (MSMEs), he said. MSMEs will be the owners of the digital era rather than giant ones.

“We have many good practices and experiences in building startup ecosystems in individual ASEAN countries. Now it is the time for us to work together to create the ASEAN startup ecosystem, an ASEAN brand of innovative startups,” Dr. Loc emphasized.

He added that, with digital technology and technology platforms, the world is getting smaller and small businesses will grow and confront giants. SMEs are present in all economies. “So, how can MSMEs conduct digital transformation and grow. This is our responsibility,” said the VCCI President.

For Vietnam, to form a really strong, capable startup force to provide Vietnamese branded products and services with high quality and sophistication, dominate the domestic market and reach regional and even global markets, investment for startup must be tightly focused, said Mr. Pham Dung Nam,

Director of the Office for the National Innovative Startup Ecosystem Support Project to 2025 under the Ministry of Science and Technology. No superficial support for startups is encouraged. Support must be combined with short-term and long-term policies, focused on potentially innovative startups which are likely to have rapid growth in priority sectors of the economy or generate products and services with unique strengths of the region or the country.

In investing in entrepreneurship, the role of the society and the business is extremely important. As for innovation research, the Government can invest in fundamental research, applied research and a part of experimental production, said Mr. Nam. To bring research outcomes from laboratories to the market, apply them to production and business activities to create new products and services with added value for the society, there is a need for responsible investment from social forces, venture capital funds and angel investors, with giant firms playing an important role. There is a need for a really effective public-private partnership mechanism to mobilize financial resources to invest in startups and creative startups.

Notably, according to Mr. Nam, in the national innovation and startup ecosystem, universities play an important role as they provide high-quality human resources for industrial and social sectors and contribute to the increase of intellectual property and intellectual capacity for businesses. Students with many creative ideas and fresh thinking are potential inputs for startup projects.

Four initiatives to promote startup networking

To keep up with modern development trends, Vietnamese universities need to be equipped with sufficient capacity to strengthen scientific research, technology development and technology transfer and form incubators and business accelerators to nurture innovative ideas and spinoffs and startups, Mr. Nam added.

In addition to financial resources, innovative startups need to be supported by a favorable hard and soft technical infrastructure. These include co-working spaces, Internet information technology infrastructure, information and databases, networks and partnerships, especially

Ms. CAITLIN WIESEN

UNDP RESIDENT REPRESENTATIVE IN VIETNAM



Asia is home to more than 60% of the world's youth, about 700 million young people. It is estimated that they account for half of the jobless people in the region. The region has one of the highest young startup rates across the globe, and 40% of these startups are creating jobs. In countries like Indonesia, Malaysia, Vietnam and Thailand, micro, small and medium enterprises (MSMEs)

account for over 70% of the jobs in the private sector.

In UNDP, we have been supporting business development in Asia and in Vietnam through various initiatives. In Vietnam, together with the Vietnam Chamber of Commerce and Industry and the National Startup Support Center under the Ministry of Science and Technology and Youth Unions, we are working to promote business integrity, responsible and impact business, and entrepreneurship among young people. This year, more than 140 young entrepreneurs from 26 provinces have received training on how to protect their business from corruption by adopting business integrity tools and practices from the outset.

UNDP is committed to deepening our support to ASEAN countries and businesses in their efforts to develop a vibrant and sustainable startup environment. We also hope to enhance the partnership between ASEAN countries and other regional hubs around the world.

Mr. GARETH WARD

UK AMBASSADOR TO VIETNAM

Vietnam's startups are very potential. I believe that in the future they will thrive strongly. However, they are still challenged by policies. Policy barriers in Vietnam must be placed in relation to actual policy enforcement and we can then see a complete picture that the startup community is seeing and finding the way to go. Startups are also troubled by cumbersome administrative regulations and sub-licenses.



mentors, trainers and advisors for startups, market development and domestic and foreign investor connection.

"More importantly, it is necessary to foster an enterprising culture that inspires people to confront risks and challenges and tolerate failure as an inevitable stepping stone to success. However, for a country influenced by traditional Asian cultures like Vietnam, changing people's mindset and startup culture takes time and a roadmap, starting from long-term governmental policies," he affirmed.

While the starting point, level and scale of ASEAN economies differ, they share the same purpose toward the formation of a startup community, an enabling startup ecosystem in ASEAN where they can promote investment cooperation and strongly develop the business force, businesspeople and especially MSMEs in ASEAN member countries. To that end, according to Mr. Nam, it is necessary to consider setting up and operating a highly interactive

An open mindset will be a good idea to solve difficulties for startups. We can completely listen to them to know where they are stuck to find solutions. We can respond quickly and troubleshoot regulations in the shortest possible time instead of letting startups wait too long. This is also a way that the UK takes to have more big businesses. We have many strong businesses because of robust policy support. Initially, they are just small startups but, after a short time they become billion-dollar firms. This is what Vietnam can absolutely learn from.

In addition, technology is the key to the future. When startups want to grow fast, technology must be prioritized because technology application will help improve productivity, lower product costs and help improve product competitiveness.

Mr. PHAM DINH DOAN

CHAIRMAN OF PHU THAI GROUP, CHAIRMAN OF THE ASEAN DIGITAL STARS STARTUP HERITAGE PROJECT



The ASEAN Startup Forum is an initiative of Vietnam in the cooperation framework with the ASEAN Digital Startup Heritage Project (Digital STARS). Extending the focus of ASEAN BAC 2019 on Industry 4.0, ASEAN BAC 2020, themed "Digital ASEAN: Sustainable and Inclusive", emphasized the impact of the digital era; connectivity of economic development and social development: Sustainable and inclusive; and demonstrated the pioneering character of the business community: innovative and responsible for the sustainable development of the region.

The Covid-19 pandemic has seriously affected economies in the region, disrupted production, weakened demand and broken supply chains. However, from a positive perspective, this is a boost that inspires businesses to adopt digital transformation. Supporting MSMEs in digital transformation will also provide equal opportunities and foster innovation and inclusive growth.

Therefore, the focus of the project is to help MSMEs readily respond to opportunities and challenges of the digital age and to the rapidly changing business environment to be able to grow stronger and more sustainable. Supporting MSMEs for digital transformation will also bring equal opportunities for vulnerable groups such as women, young entrepreneurs and the poor, and put people at the center and leave no one behind.

digital online recruitment platform to connect national startup ecosystems of 10 ASEAN economies (ASEAN Startup Ecosystems Supporting Digital Platform), thus fostering collaborative relationships, online information sharing and partnership connections among stakeholders in the ASEAN startup ecosystems.

In addition, we need to consider the possibility of mobilizing resources to form a type of venture capital fund or a funding assistance program for innovative startups from ASEAN member economies and organize accelerated entrepreneurship skills training programs for creative startup groups in ASEAN member economies.

In particular, according to Mr. Nam, it is possible to periodically organize events on ASEAN Startup Community Connection Day, which can be held alternately in each country to facilitate meetings and exchange experiences, demonstrate products, services and connect startups with investors. ■



At the 34th ASEAN Summit, Indonesia initiated and encouraged ASEAN leaders to adopt the ASEAN Outlook on the Indo-Pacific, which is intended to enhance ASEAN centrality as the underlying principle for promoting cooperation with ASEAN-led mechanisms as platforms for dialogue and implementation of the Indo-Pacific cooperation. With respect to building an integrated, cohesive and dynamic ASEAN, Vietnam Business Forum conducted an interview with Indonesian Ambassador to Vietnam **Ibnu Hadi**. **Nguyen Mai** reports.

Toward Global

Would you please tell us about the role of Indonesia in building ASEAN into a stronger and more sustainable community?

At the 34th ASEAN Summit in Bangkok in 2019, Indonesia initiated and encouraged ASEAN leaders to adopt the ASEAN Outlook on the Indo-Pacific that will serve as the guideline for ASEAN to establish its engagement in the Asia-Pacific and Indian Ocean regions. This outlook is intended to enhance ASEAN centrality as the underlying principle for promoting cooperation with ASEAN-led mechanisms as platforms for dialogue and implementation of the Indo-Pacific cooperation. The Outlook put forward several main areas of cooperation, including maritime cooperation, connectivity, and UN Sustainable Development Goals 2030, as well as economic and other areas of cooperation.

ASEAN identity has been long used in the forum without being defined clearly. Indonesia has taken the initiative to propose the Narrative of ASEAN Identity (NAI). When adopted, this document will serve as the binding factor of this regional organization as a shared identity will develop a stronger sense of one community. In addition, ASEAN identity is expected to strengthen ASEAN's central and strategic role in cooperation with the ASEAN relevance. Hopefully, the Narrative of ASEAN Identity document will be adopted by the ASEAN leaders at the 37th ASEAN Summit in November 2020.

To promote the integration of ASEAN economic community and deepen its cooperation with the world's major economies, what should the ASEAN business community do?

ASEAN economic community is one of the three pillars of the ASEAN Community that is designed to facilitate businesses in the region receiving access to Southeast Asia's capital, technology, market and labor. ASEAN has made considerable efforts toward its regional integration and has a number of trade agreements that can bring more benefit to the business community.

In order to promote regional integration, ASEAN business community needs to enhance its qualifications as well as advance its labor forces' capacity, including in foreign language skills. ASEAN business community should also be more aware of the opportunities provided by the AEC, increase the sharing of information and experience, and improve its communication with each other in the interest of exploring many opportunities offered by a more inclusive and integrated ASEAN economic community.

For instance, ASEAN has been working on building a mega trade pact, the Regional Comprehensive Economic Partnership with several partners that is expected to be signed later this year. Once signed, it will be the world's biggest free-trade agreement which will serve as an engine for economic recovery post-Covid-19.

ASEAN

What is the role of ASEAN in the Indo-Pacific region?

Since its establishment on 8 August 1967, ASEAN has witnessed a drastic transformation internally, as well as in its relations to other countries or organizations. Starting with only five founding members, ASEAN today has united 10 Southeast Asian countries as its members and gained increasing reputation and position in the Asia-Pacific region, as well as around the world. During its 53 years of existence, ASEAN has recorded several notable achievements. I will highlight two of its considerable achievements.

With regard to the Indo-Pacific, ASEAN has been playing an important role in preserving peace and stability in the region. The establishment of ASEAN Community was a substantial step toward regional integration. Moreover, ASEAN's Treaty of Amity and Cooperation (TAC), that focuses on the peaceful settlement of disputes and cooperation, has been endorsed by 40 parties including the ASEAN members and the five permanent members of the UN Security Council. In addition, ASEAN has showed a consistent stance in the maintenance of peace and stability in the East Sea through the Declaration on the Conduct of Parties in the East Sea (DOC) in 2002 and the ongoing negotiations for the Code of Conduct of Parties in the East Sea (COC), which are expected to conclude soon.

A peaceful and stable ASEAN have also contributed positively to the economic development of the region. With its ASEAN Economic Community, ASEAN has established a single and open market with many economic opportunities. Its Economic Community Blueprint 2025 envisions an integrated and cohesive regional economy, a competitive and dynamic ASEAN, enhanced connectivity and sectoral cooperation, a resilient, inclusive, people-oriented ASEAN, and a global ASEAN. ASEAN also works on building a mega trade pact - Regional Comprehensive Economic Partnership with several partners that is expected to be signed later this year during the 37th ASEAN Summit. Once signed, it will be the world's biggest free-trade agreement which will serve as an engine for post-Covid-19 economic recovery.



VCCI President Vu Tien Loc receives Indonesian Ambassador Ibnu Hadi at the VCCI head office

Could you tell us what prospects does ASEAN hold for the coming time?

The biggest challenge for ASEAN is to maintain its relevance and its role in the ever-changing global situation. In order to stay relevant, ASEAN needs to bring concrete benefits to its people by being more adaptive and open to carrying out reforms that can ensure efficiency and effectiveness including its decision-making process.

However, since its establishment ASEAN today has united the 10 Southeast Asian countries and gained more reputation and position in the Asia-Pacific region as well as in the international arena.

ASEAN-led mechanisms built by ASEAN in its 53 years of existence have proved to be one of the forums to bring together many major powers. Apart from its cooperation with dialogue partners (Australia, Canada, China, European Union, India, Japan, Republic of Korea, New Zealand, Russia, and the United States), forums like ASEAN Plus Three (APT), East Asia Summit or ASEAN Regional Forum have become important cooperation frameworks in promoting peace and prosperity in the region. Each forum serves as a platform for fostering constructive dialogue and cooperation in various issues.

Thank you very much!

More Consolidated Partnership Needed to Drive ASEAN Forward



“It is time to rethink and reshape our global supply chain model, to foster greater economic resilience and sustainability in the long-run,” said Ms. **Dato’ Shariffah Norhana Syed Mustaffa**, Ambassador of Malaysia to Vietnam, when asked about the post-pandemic recovery efforts for stronger ASEAN business communities. **Thu Ha** reports.

How do you evaluate the development path of ASEAN since its inception to the present?

Fifty-three years into the establishment of the Association of South East Asian Nations (ASEAN), and five years into the launch of the ASEAN Community, ASEAN is confident in its standing as the fifth largest economy in the world, a trade powerhouse, and a compelling investment destination. Such achievements are not to be taken for granted, as they are the outcomes of decades of trust-building, cooperation, and mutual market opening.

Each ASEAN member has been making great efforts in realizing the strategic goals set out in the Declaration on ASEAN Community Vision 2025 on ensuring peace, security, and long-term resilience with an active, competitive, and intensively-connected economy based on a strong sense of cohesive and common features. With its increasing central role, solidarity, and prestige, ASEAN is becoming steadily stronger, and expanding its multifaceted relations with powerful countries, as well as regional and global partners in order to materialize shared goals on peace, stability, and equal and sustainable development.

Under the ASEAN economic pillar, for instance, ASEAN has developed the ASEAN Economic Community (AEC) 2025

Monitoring and Evaluation (M&E) Framework to ensure the timely and effective implementation of the AEC Blueprint 2025. The AEC 2025 M&E Framework serves as a key reference for institutionalizing and implementing monitoring and evaluation mechanisms in the AEC, as well as a reference for AEC sectoral bodies in developing and operating the M&E mechanisms and its respective sectoral work plans. The AEC 2025 M&E Framework also helps the development of sound M&E plans and the implementation of relevant activities to assist in understanding and analyzing the progress and dynamics of regional economic integration.

Moreover, ASEAN has also developed the AEC 2025 Consolidated Strategic Action Plan (CSAP) that complements the AEC 2025 Blueprint by serving as a single reference document intended to inform stakeholders of the key action lines that will be implemented in pursuit of ASEAN economic integration agenda from 2016 to 2025. It will be reviewed and updated periodically to take into account developments over the ten-year period of the AEC Blueprint 2025 implementation and facilitate stakeholder feedback on ASEAN economic integration priorities.

As part of the review process, a Mid-Term Review on the implementation of the AEC Blueprint 2025 is also in place, which is being undertaken this year.

How do you assess Vietnam as Chair of ASEAN in 2020?

As ASEAN Chair during this time of unprecedented challenges, Vietnam’s theme of ‘Cohesive and Responsive’ is best suited to the current situation. Indeed, Vietnam’s handling of the Chairmanship with the introduction of video-conferencing was effective in bringing the ASEAN Leaders together to agree on common policies for greater regional integration.

Vietnam’s success in containing Covid-19 enhances the credibility of Vietnam’s leadership role as ASEAN Chair in the regional fight against the Coronavirus.

What are the economic prospects of ASEAN in the coming time?

With its growing economic prowess, ASEAN is becoming a significant global player in its own right. ASEAN’s enhanced role in the global economic community is more important today than ever, given increased global uncertainties.

ASEAN should continue to leverage existing and future ASEAN-led or ASEAN-centered mechanisms. The timely conclusion of the RCEP is one such mechanism. Once implemented, RCEP will not only represent the largest free trade area in the world, but also serve as an ASEAN-led framework for regional trade architecture. This is also a true testament of a strong economic partnership between ASEAN and the RCEP Participating Countries’ commitment in keeping markets open for trade and investment, as well as

strengthening the sustainability and resiliency of regional and global supply chains.

Furthermore, as multilateral trade comes under pressure, there is a need for ASEAN to play a more active role in upholding the open and rules-based multilateral trading system under the World Trade Organization (WTO). ASEAN's priority should be in ensuring that the WTO remains effective, including in its dispute settlement function, and also that it remains relevant by taking into consideration changing trade realities.

In terms of ASEAN's effort to create a highly integrated and cohesive economy, greater focus should be given to initiatives beyond market opening, with specific efforts on improving trade facilitation, transparency, and regulatory cooperation as well as providing efficient financial services. Efforts are still needed for ASEAN to improve its intra-ASEAN trade and investment linkages, placing urgency for ASEAN to accelerate the full operation of its various trade facilitation initiatives. Similarly, reform efforts in the area of investment must be continuously pursued, especially given the fact that other competing markets are vigorously pursuing their own reform efforts.

Equally important is the deepening of financial integration, which is key to economic stability as well as economic connectivity. While the level of financial integration in ASEAN is rising, there is still ample room for further progress. ASEAN needs to make long-term investments in financial infrastructure and be supported by sound institutional and legislative frameworks. Given the right balance of policy mix and the availability of digital infrastructure, financial integration in ASEAN could accelerate in the years ahead.

It is also worth noting some key progress made towards further economic integration, such as the onboarding of 10 ASEAN Member States in the Live Operation for the exchange of the ASEAN Trade in Goods Agreement (ATIGA) e-form D via the ASEAN Single Window (ASW).

Digitalization and e-commerce are also becoming more important and proven as enabling tools for micro, small and medium enterprises (MSMEs) to access markets that were once out of their reach. In October 2019, the Report of Google, Temasek, Bain & Company on "e-Conomy Southeast Asia" indicated that the internet economy of Southeast Asia is forecast to triple its current size, to reach US\$300 billion by 2025.

What should ASEAN countries do to build stronger communities, especially after the pandemic?

The Covid-19 pandemic has adversely impacted the well-being of the people and global socio-economic growth, and this has brought about disruptions to the economy, especially in sectors such as travel and tourism, manufacturing, retail and other services sectors, as well as supply chains and the financial markets. It is time to rethink and reshape our global supply chain model, to foster greater economic resilience and sustainability in the long run.

In responding to the Covid-19 pandemic, ASEAN has developed the Hanoi Plan of Action (HPOA) on Strengthening ASEAN Economic Cooperation and Supply Chain Connectivity in Response to the Covid-19 Pandemic,

which was endorsed by the ASEAN Leaders at the 36th ASEAN Summit, held virtually on 26 June 2020. Having the HPOA in time is an evidence of ASEAN's concerted effort, centrality and determination in identifying and addressing trade disruptions, with ramifications, on the flow of essential goods, including food, medicines, and medical and other essential supplies in the region. It is hoped that this initiative will further strengthen the resilience of supply chain connectivity in this region in the future.

ASEAN is also developing the ASEAN Comprehensive Recovery Framework (ACRF) and its Implementation Plan, both of which are scheduled to be submitted to the Leaders at the 37th ASEAN Summit. Taking into account inputs from all three pillars of ASEAN, the Framework will guide ASEAN's Covid-19 recovery efforts with a view to mitigating the profound and multidimensional impact of the pandemic, preserving supply chain connectivity, supporting economic recovery and improving the stability and resilience of the region's economy, while staying vigilant of subsequent waves of infections.

ASEAN should also continue to cooperate with its Dialogue Partners, external partners and international organizations to address the challenges of the Covid-19 pandemic, emerging and re-emerging infectious diseases and other public health emergencies.

Besides that, enhancing collaboration and sharing of experience with ASEAN's partners in research, development, production, and distribution of vaccines, providing access to medicines for Covid-19 and other diseases in future public health emergencies, and making them available and affordable to all as global public goods are extremely pertinent.

As ASEAN has a strong appetency for technology and innovation, there is great potential for digital and e-commerce platforms to be further enhanced to facilitate cross-border economic activities, especially during this challenging time of Covid-19 pandemic, where travel bans and restrictions are imposed by almost all countries around the world. This will allow businesses especially the MSMEs to operate and remain competitive in the regional and global markets in the face of global uncertainties.

For other emerging trends and issues that constantly arise like growing inequality, the emergence of disruptive technologies, climate change, unsustainable production and consumption, the shift in geostrategic balance, and demographic shifts, ASEAN will need to address these issues from a whole-of-community perspective that is inclusive and sustainable, taking into consideration various existing initiatives that are already in place, the diversity in its membership, and its collective standing in the global economy.

The private sector in this region also plays an important role in bolstering government initiatives in the post-pandemic recovery efforts, which include restarting the economy, rehiring, and restoring business and consumer confidence. In order to drive ASEAN forward in an international environment full of greater challenge and uncertainty posed by Covid-19, it is also crucial that the ASEAN forge greater Public-Private-Partnership (PPP) in this region.

Thank you very much!

"Vietnam as ASEAN Chair has properly shown the spirit of cohesion and proactive adaptation"



This is the assessment of Mr. Chanthaphone Khammanichanh, Chargé d'Affaires of the Lao People's Democratic Republic, in an interview with the Vietnam Business Forum on the position of ASEAN, as well as Vietnam's contribution in ASEAN year 2020. Giang Tu reports.

How do you evaluate ASEAN's position in the century of Asia?

In 50 years since its inception, from a regional organization, ASEAN has become a strong community with an increasingly enhanced position and role in the international arena. ASEAN has been increasingly asserting its position as a strong deeply integrated organization and an indispensable partner of countries in the world. After five decades of development, ASEAN has basically transformed its substance and officially became a community on December 31, 2015. Over half a century of development, ASEAN has been praised by international public opinion as an effective association, playing a central role in the overall structure of the Asia-Pacific region. The establishment of the ASEAN Community has enhanced the position and strategic value of ASEAN, attracting more and more attention from external partners for the common goal of peace, stability and development. Many countries and international organizations in Asia, Europe and Latin America wish to continue partnerships with ASEAN. The ASEAN Regional Forum (ARF), established in 1994, with the spirit of "promoting peace and security through dialogue and cooperation in Asia and the Pacific", initiated the mechanism for dialogue and consultation on security and politics in the region. In economic terms, ASEAN has

created a vast market of 630 million people, with a total GDP of US\$3 trillion, growing by 4.7% a year. ASEAN is also attractive to countries because it helps build economic links through free trade agreements (FTAs), creating a market of three billion people with a total GDP of US\$20 trillion.

Vietnam has 25 years of membership in ASEAN. Especially this year, as Chair of ASEAN 2020, how do you assess Vietnam's role and contribution to the growth of the region?

That Vietnam became ASEAN's member in 1995 has been one of the most important milestones in the history of Vietnam's foreign affairs since the establishment of the diplomatic service in 1945 and has also been a milestone in the ASEAN development process. This historic event has important implications, bringing Southeast Asia from confrontation to dialogue, from suspicion to trust, from division to solidarity. Immediately after joining ASEAN in 1995, Vietnam actively promoted the remaining countries in Southeast Asia to join ASEAN, namely Laos, Myanmar and Cambodia, respectively in 1997 and 1999. Thereby, the dream of an ASEAN comprising all 10 Southeast Asian countries has come true.

Over the past 25 years, Vietnam hosted the 6th ASEAN Summit, successfully assumed the role of Chair of the 34th ASEAN Standing Committee

(ASC) (July 2000-July 2001), ASEAN Chair 2010, and is currently working to fulfill the role of ASEAN Chair 2020. With many important initiatives and contributions such as the expansion of the EAS or the establishment of the ADMM + mechanism, Vietnam has actively been working together with other ASEAN members to maintain ASEAN's central role in the evolving regional architecture. Vietnam has been proactive and responsible when participating in ASEAN's affairs, including institutional building for ASEAN such as the ASEAN Charter (2008), the ASEAN Community Building Roadmap (2009-2015), Master Plan 2009, 2015, and 2025, ASEAN Community Vision after 2015, 2025 and beyond, and the comprehensive implementation of all three pillars of the ASEAN Community.

Vietnam has been greatly challenged by the Covid-19 pandemic, but as the Chair of ASEAN, the country has tried to lead ASEAN countries to together overcome those challenges in a very successful way. Vietnam has hosted an online summit, the first time ever in ASEAN. As Chair of ASEAN, Vietnam has launched various initiatives on ways of connecting to organize meetings from senior level, ministerial level, to expert level to prevent and address the impact of the pandemic. The organization of online conferences has been also a very good, appropriate and very successful initiative so far this year. From the beginning of the year until now, under the leadership of Vietnam, despite the pandemic, ASEAN held the 36th ASEAN high-level meetings, the Foreign Ministers Meeting - AMM 53, and ASEAN + 3. Vietnam together with other member countries have identified a common theme for 2020 as a Cohesive and Proactive ASEAN in order to accelerate the process of building community and promoting ASEAN's role in a volatile world. Over the past nine months, Vietnam's efforts as ASEAN Chair have properly demonstrated the spirit of cohesion and proactive adaptation. Along with the solidarity and cohesion between ASEAN member countries and the support and close cooperation of partners, ASEAN has ensured the effective implementation of its goals in 2020 and overcome difficulties and challenges, perhaps most notably initially controlling the Covid-19 pandemic, and at the same time taking steps to overcome the consequences of the epidemic, recover and develop.

In the context of the current pandemic, what should ASEAN do to effectively prevent Covid-19 and address the socio-economic impact of the pandemic on people in the region?

At the meeting at all levels of ASEAN and ASEAN + 3, ASEAN and its partners have the same purpose: for all parties to exchange experiences on how to prevent and deal with the impact of the Covid-19 pandemic. ASEAN has also established a mechanism for exchange and mutual consultation to jointly organize the implementation of agreements between ASEAN leaders, ASEAN ministers, as well as in ASEAN's cooperation with partner countries. To work together effectively to fight Covid-19 and address the socio-economic impact of the pandemic on the people of the region, ASEAN must unite and support each other among member countries, as well as the bloc's joint efforts with external partners to prevent, monitor, control and respond to the impact of the epidemic.

Toward comprehensive development, maintaining stability, safety and sustainability, what should ASEAN countries do to take advantage of cooperation and solidarity with countries outside the region?

ASEAN should continue to strengthen its joint efforts to ensure an environment of peace, stability and cooperation in the region so that it can take advantage of cooperation and solidarity with countries outside the region towards global development, maintaining more stability, safety and sustainability.

In addition, ASEAN needs to carry out well the content of the ASEAN Vision 2025, because this vision will strengthen the community toward the ASEAN Community, that it will be a truly people-oriented, people-centered community, promoting peace and stability in the region; enhancing maritime security and cooperation; promoting inclusive and innovative-based growth; enhancing ASEAN's resilience; making ASEAN a model for regional cooperation and promoting ASEAN's global role.

Maintaining regional peace, stability and security continues to be an important priority in the ASEAN Vision 2025. ASEAN will continue to propose measures to strengthen solidarity, unification and uphold its role and focus on maintaining regional peace and security. It will also continue to play a central role in the evolving regional architecture.

Thank you very much!

Vietnam Agriculture Advancing Integration into Global Value Chain



The complicated development of the ongoing Covid-19 pandemic has adversely affected people's livelihoods, economy and society, and disrupted global agricultural supply-consumption chains. However, Vietnam has still managed to ensure food security as it has made due investment in high-tech and sustainable agriculture.

Deputy Minister of Agriculture and Rural Development **Tran Thanh Nam** shares with Vietnam Business Forum's reporter on this issue. **Minh Ngoc** reports.

Vietnam is confronting numerous difficulties and challenges such as natural disasters, epidemics and extreme climate. Agriculture, as a pillar of the economy, has still ensured food security. What do you think about this?

Resolution 26-NQ/TW defines "Building a comprehensive modern and sustainable agriculture, developing large-scale commercial production, generating high productivity, quality, efficiency and competitiveness and firmly ensuring national food security both in the short term and in the long term." Vietnam's agricultural sector not only ensures national food security but also exports many highly valued products.

At the back of the Covid-19 pandemic outbreak, food and foodstuff need to be addressed for growth. As for food, Vietnam needs to ensure the output of 43.5 million tons of rice for domestic consumption and for export. As for foodstuff, the country will expand the farming of cattle and poultry. It will harvest 20 million tons of vegetables, 13.5 million tons of tubers and fruits, 9.5 million tons of aquatic products, 5.8 million tons of meat, 1.2 million tons of milk, and 14.6 billion eggs. The country will strive to achieve an export value of US\$40-41 billion. The agriculture including forestry, cultivation, fisheries and husbandry will play a key role in boosting GDP growth in the new period. The four pillars of agriculture have helped the sector's GDP growth in particular and the country's GDP growth in general although 2020 has so far witnessed numerous difficulties and challenges exposed to the agricultural sector like the Covid-19 epidemic, climate change and natural disasters such as drought and saltwater intrusion in the Mekong Delta, floods in the central region, hails and thunderstorms in the north.

In the coming time, the agricultural sector will still face various challenges caused by epidemics and natural disasters. Therefore, it has prepared scenarios to accelerate production when the disease is under control. It is necessary to focus on promoting production, overcoming difficulties and supplying food in all circumstances; focus measures to control epidemics, prevent food price hikes. It will prepare best conditions to boost production and find new markets for disease-controlled export commodities.

High-tech agriculture is an advantage and a solution for sustainable agricultural development. In your opinion, where is Vietnam standing in relation to other countries in the region?

Agriculture is one of main drivers of economic growth and sustainable development. Developing a high-tech agriculture that is competitive, climate-resilient and well integrated into regional and global supply chains is one of the current major priorities of ASEAN countries.

The Covid-19 pandemic gave rise to the export drop of agricultural, forest and aquatic products to major markets such as China, the United States, and the European Union (EU) while the ASEAN market emerged as a bright spot. For a long time, ASEAN has been considered a potential but tough market because there are products similar to those made by Vietnam while their prices are cheaper. Many countries in the region like Thailand have a more developed agriculture. However, the Covid-19 pandemic is providing many opportunities for Vietnamese agricultural products to conquer this market.

Determining that high-tech agriculture is essential for organic

and productive agriculture, the Party, the National Assembly and the Government have introduced many guidelines and policies to accelerate high-tech application to agriculture and modernize agriculture and rural areas. Government policies have attracted many large businesses to upgrade their competences and form powerful agricultural groups along value chains to enhance the quality and value of Vietnam's agricultural products, stabilize the domestic market, and win competition in the international market.

Some typical large companies include VinEco, Vinamilk, Hoang Phat Fruit, Nafoods, TH True milk, Dabaco Vietnam, Masan, Lavifood, Ba Huan and Bien Dong. At present, Vietnam has 1,292 high-tech agricultural cooperatives out of 15,592 agricultural cooperatives. The country has developed 1,484 food safety chains. In addition, the Government has supported establishing three high-tech agricultural zones to create nuclear technology for some greenfield zones (in Phu Yen, Bac Lieu and Hau Giang).

In the coming time, to successfully carry out agricultural restructuring policies, apply advanced technology to agricultural production for domestic and export markets, the Government of Vietnam will further improve the investment and business environment, create a favorable environment to attract businesses to invest in high-tech agricultural development and advance deeper and more effective integration.

Food safety is the minus point of some Vietnamese agricultural products when exported to the world market. What solutions will the Ministry of Agriculture and Rural Development take to deal with this matter?

Joining new-generation trade agreements such as CPTPP and EVFTA provides great opportunities but also poses challenges for domestic agricultural production. In addition to increasing food quality and safety requirements from importing countries, importers also raise barriers to protect domestic production, leading to difficulty for Vietnam's agricultural exports to enter foreign markets.

The Ministry of Agriculture and Rural Development has directed and launched many solutions, with focus placed on reviewing legal documents concerning execution of free trade agreements like EVFTA and CPTPP to propose the Government for timely adjustments to match international integration purposes. In particular, the ministry has promoted communications on incentives and advantages of each agricultural product line to agricultural enterprises; attracted and assisted them to invest in downstream processing to increase domestic value content and understand EVFTA regulations for proper application and gain benefits from this trade agreement; built market development strategies for agricultural products with the EU market and attracted EU companies to invest in Vietnamese agriculture to link Vietnam's agriculture with the global agricultural value chain.

Thank you very much!



Joining new-generation trade agreements such as CPTPP and EVFTA provides great opportunities and also poses challenges for domestic agribusinesses

Vietnam Can Become ASEAN Logistics Center



Vietnam can become an ASEAN logistics center, Mr. **Le Duy Hiep**, Chairman of the Vietnam Logistics Business Association (VLA), said in an interview granted to Vietnam Business Forum on Vietnam's logistics development. **Huong Ly** reports.

What do you think about logistics development in Vietnam in recent years? Can Vietnam become an important logistics center in the global supply chain?

The logistics service industry has witnessed a lot of positive progress following the Prime Minister's Decision 200/QĐ-TTg dated February 14, 2017 on approval of the Action Plan for logistics service competitiveness improvement and development to 2025.

According to the Logistics Performance Index (LPI) 2018 released by the World Bank (WB), Vietnam ranked 39 out of 60 surveyed countries and 3 in ASEAN after Singapore and Thailand. In 2020, the World Bank had no ratings because of the Covid-19 pandemic. The logistics service industry grew by 12% -14% a year. Outsourcing rate increased, reaching over 60%. Logistics accounted for about 4% of GDP and logistics cost was 16.8% of GDP (in 2018).

More than 95% of logistics service companies are SMEs. The biggest obstacle to Vietnam's logistics service industry is higher cost than developed countries in the region, thus weakening export, import and economic competitiveness. New technological application remains low. There is no effective cooperation between logistics service providers and shippers, especially agricultural products.

Vietnam has a geopolitical advantage as it lies on an important maritime route of the world, which accounts for about 85% of East-West freight transport and connects mainland China with ASEAN countries. Vietnam's imports and exports are transported mainly by sea, accounting for over 90%. The country has road, air and railway networks linking to GMS, ASEAN and European countries. The GDP growth was high before the Covid-19 pandemic outbreak. In addition, Vietnam signed many new-generation free trade agreements (FTAs), most recently the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the EU-Vietnam Free Trade Agreement (EVFTA), under which reduced tariffs will robustly boost imports, exports, production and investment, thereby creating the premise for freight, transport and logistics infrastructure, helping the logistics service industry to develop quickly. Besides, Vietnam is a destination for redirected global supply chains as a result of the Covid-19 pandemic. Therefore, I believe that Vietnam

can become a logistics center of the ASEAN region by the 2030s and will then advance further.

Can you judge the impact of Covid-19 on the logistics sector in Vietnam?

The Covid-19 pandemic has produced a strong impact on economies and social life of the world, disrupting and reversing global supply chains, including logistics. The country's logistics service industry is hit by that negative impact. From 20% to 50% of logistics service providers, depending on service types, suffered from operational shrinkage and revenue reduction. Air, railway and road transport services were hardest hit. Currently, Vietnam's logistics service industry is recovering but logistics businesses are still facing numerous difficulties.

What should logistics companies do to restrict Covid-19 impacts and create momentum to promote business development recovery?

Enterprises have started restoring production and business. The Government has made specific and effective decisions, action plans and measures to support enterprises to quickly overcome this difficult period.

VLA has launched an action plan to help service companies overcome this difficult time. The program focuses on three main goals: Increasing corporate finance, advancing digital transformation in logistics services and developing high-quality logistics human resources.

The association promptly sent requests from enterprises to the Government and central authorities to offer low lending rates and reduce or delay tax payment. For example, corporate income tax is reduced by 50% to 10% and seaport and airport fees are slashed. Specifically, a 50% discount or exemption of infrastructure fees in Hai



Phong are applied in one year. A 20-30% reduction of toll fees for BOT roads and expressways is applied to freight vehicles in six months to one year. A 30% discount of inspection fees is applied to vehicles. The Ministry of Transport and the Ministry of Finance have measures to control foreign container shipping lines by increasing surcharges and charges in the time of pandemic; strictly control ports, depots, CFSs and ICDs; not increase the cost of lifting containers, loading, unloading, and storing freight to support businesses; delay or exempt social insurance premiums for employees in 2021; and introduce new customers and markets to VLA members.

In addition, VLA members are actively carrying out consistent solutions like cutting down on administrative spending for enterprises; strengthening international cooperation, not depending on certain markets and customers; and making use of new-generation FTAs, especially EVFTA. Companies need to recruit enough qualified personnel and provide necessary training for existing employees and new recruits.

They need to accelerate scientific and technological application in the context of capital shortages. VLA needs to support its members in this work by promoting e-DO project research and application and boosting learning and exchange among major members that

are applying new technological solutions in logistics services and help its members apply them to daily activities. On the other hand, they need to expand e-commerce, e-logistics, digital technology and government portal to expand operations in the time of pandemic.

What do you forecast about logistics development trends in Vietnam?

Given active digital transformation in the logistics service industry, transnational e-commerce development and rapid e-logistics development, especially after Covid-19, directly serve people's daily needs. The Industrial Revolution 4.0, with disruptive breakthroughs in artificial intelligence, integration of artificial intelligence with the internet of things (IoT) and modernization tools begin to change the panoramic landscape of the global logistics industry.

Our economy is recovering and developing when the Covid-19 pandemic is controlled. Exports and investment will grow strongly in the coming time. The enforcement of new-generation FTAs, especially EVFTA, will create conditions for Vietnam's logistics service industry to develop strongly and actively restore and develop the supply chains.

Thank you very much!

Vietnam's logistics ranks third in ASEAN only to Singapore and Thailand

Vietnam Attracts US\$23.48 Bln in FDI in 10 Months

Vietnam has attracted US\$23.48 billion worth of FDI in the first 10 months, equal to 80.6% of the figure in the same period last year, according to the Ministry of Planning and Investment (MPI).

By investment sector, foreign investors have invested in 18 fields, of which the processing and manufacturing sector ranked first with total investment capital of US\$10.7 billion, accounting for 45.7% of total registered investment capital. Electricity production and distribution came second with over US\$4.8 billion, accounting for 20.5%, followed by real estate, wholesale and retail with a total registered capital of nearly US\$3.5 billion and US\$1.4 billion.

Among the 109 countries and territories investing in the country, Singapore is the largest, with US\$7.51 billion, followed by the Republic of Korea (RoK) with US\$3.42 billion, and China with US\$2.17 billion.

Foreign investors have invested in 59 provinces and cities, in which Bac Lieu province continues to lead with investment capital of US\$4 billion, accounting for 17% of the total. sign. Ho Chi Minh City ranked second with US\$3.4 billion, accounting for 14.6%. Hanoi City ranked third with US\$3.13 billion, accounting for 13.3%, followed by provinces of Ba Ria - Vung Tau, Binh Duong, Hai Phong city.

Thu Ha



Actively Planning State Reserves for Flood Victims



The historic flooding in October 2020 pushed people in Central Vietnam into multiple difficulties. In that context, in order to promptly support people in central provinces, the General Department of State Reserves has directed local reserves agencies to actively work out plans for emergency relief taken from State reserves for people to deal with catastrophic consequences. To learn more about this matter, our reporter has an interview with Mr. **Do Viet Duc**, Director General of the General Department of State Reserves. **Le Hien** reports.

Could you please tell us how you have directed your agencies to ensure safety of State assets and reserves?

Ensuring the safety of State assets and reserves is one of our central tasks. Immediately after receiving information about tropical depression on the mass media or storms from the National Center for Hydro-meteorological Forecasting, the General Department of State Reserves telegraphed local reserves agencies to launch key tasks as follows:

Arranging personnel to be on duty around the clock, regularly monitoring and updating developments of low depressions, storms, rains and floods in order to take prompt shielding and responding measures when any situation occurs.

Checking warehouses and reserves; taking preventive measures to ensure the safety of humans, assets and reserves; actively coordinating with local authorities where warehouses are located, reserves are stored and state reserves agencies are headquartered, to be ready to respond to, cope with, handle and

promptly solve any arising issues.

Heads of regional and local State reserves agencies that are importing and exporting national reserves must actively plan to deliver reserves to ensure absolute safety of people, assets and quality of reserves.

In addition, we've requested regional and local reserves agencies to check equipment and foods stored in the stockpile, and plan timely delivery to local support people in flooded areas.

To quickly assist people in Central Vietnam to overcome difficult times, the Prime Minister decided to deliver emergency food, materials and equipment to people in these provinces. Could you please tell us more about this?

In order to promptly support people in the central region to overcome difficult times and gradually restore their normal life, the Prime Minister signed decisions on exporting national reserves for five central provinces. To urgently bring rice to them, on October 19, the General Department of State Reserves assigned regional departments of State reserves to deliver emergency relief to flood-hit people, specifically 5,000 tons of rice: Quang Binh 1,000 tons, Quang Tri 1,000 tons, Thua Thien Hue 1,000 tons, Quang Nam 1,000 tons, and Ha Tinh 1,000 tons; materials and equipment: Quang Binh province (05 high-speed boats, 136 sets of tarpaulins, 4,800 life jackets, 2,000 round buoys and 460 light life-rafts), Quang Tri (03 high-speed boats, 20 sets of tarpaulins, 2,000 life jackets, 2,000 round buoys and 100 light life-rafts), Thua Thien Hue (03 high speed boats, 28 sets of tarpaulins, 2,000 life jackets, 1,000 round buoys, and 30 light life-rafts and 02 power generators), Quang Nam (05 high speed boats; 30 sets of tarpaulins, 2,000 life jackets, 1,000 round buoys, and 30 light life-rafts and 02 power generators), and Ha Tinh (04 high speed boats, 200 sets of tarpaulins, 5,560 life jackets, 166 life-rafts and 04 power generators).

We also sent a written request to Provincial People's Committees to have early plans to take on reserves; direct their personnel to receive food and equipment and work with regional state reserve bodies in charge to deliver reserves to flood victims as soon as possible to deal with flooding consequences.

What specific actions have you taken to deliver enough relief in the shortest time to effectively respond to floods and storms?

In order to ensure State reserves are delivered to beneficiaries at the earliest possible time, we have directed our local subordinates to focus on implementing the following solutions:

Preparing personnel, means of transport and reserves for immediate delivery upon the decision of the Provincial People's Committees; ensuring the timeliness and compliance with allocation and reception plans announced by the Provincial People's Committees.

Requesting regional and local reserves agencies to take advantage of assistance from local authorities; closely coordinate with competent local agencies in charge of receiving reserves; promptly export, transport and deliver reliefs to localities according to approved plans.

Regional and local reserves agencies have worked with competent local agencies to strengthen inspection and supervision of the use of reserves to ensure the right use of reserves delivered.

Thank you very much!

Aggressively Combating Smuggling and Fraud in E-commerce

The National Steering Committee for Preventing Smuggling, Trade Fraud, and Counterfeit Goods (National Steering Committee 389) in which the core is the customs force has developed a plan to further prevent smuggling, trade fraud and counterfeiting in e-commerce in the coming time.

The plan is designed to strengthen coordination of central and local forces in managing, detecting, combating, and promptly and effectively preventing smuggling, commercial fraud and counterfeiting in e-commerce; and gradually perfect mechanisms and policies on e-commerce. At the same time, it helps clean up the business environment, create consumer confidence and promote sustainable e-commerce development.

The Ministry of Public Security has directed police forces at central and local levels to work with other forces to actively grasp situations, collect information and documents, actively detect and inspect acts of violation committed by organizations and individuals; fight against struggling and counterfeiting gangs, strictly deal with conspirators, leaders and complicated cases in e-commerce; and receive, investigate and handle cases with signs of criminal violation transferred by other agencies.

PM Demands Strengthen Prevention and Strict Handling of Cigarette Smuggling



The Government Office released a document conveying the Prime Minister Nguyen Xuan Phuc's direction to prevent tobacco smuggling, illegal trading of e-cigarettes and heating cigarettes.

In this regard, the Prime Minister assigned the Ministries of Finance, the Ministry of Industry and Trade, the Ministry of Public Security, the Ministry of Defense, People's Committees of provinces and cities (especially routes, border areas and border gates) to direct relevant forces to closely coordinate and strengthen management,

patrol, control and prevent smuggling, illegal import, transportation and trading of cigarette, cigars, electronic cigarette and heating cigarette.

Violations will be strictly handled as per the Government's Decree 98/2020/ND-CP dated August 26, 2020 on sanctioning of administrative violations in trading and production of counterfeit goods, banned goods and consumer rights protection.

They should set up schemes to fight and strictly deal with lines, gangs, traffickers of smuggled cigarettes.

The National Steering Committee 389 where the customs is the core force monitors and urges local authorities to fight against cigarette smuggling.

The Prime Minister asked the Vietnam Tobacco Association to exchange and provide information on organizations and individuals that smuggle, transport, store and trade smuggled cigarettes.

Severe Punishment to Those Related to Smuggling in Lao Cai Province

The National Steering Committee for Preventing Smuggling, Trade Fraud, and Counterfeit Goods (National Steering Committee 389) said the lax management of competent authorities resulted in the storage of smuggled goods in Lao Cai province.

The National Steering Committee 389 was recommended to clarify responsibility of leaders of local management units in connection with this case.

"In this case, smugglers used a 10,000-square-meter warehouse to store a variety of illegal goods. After the incident happened, the National Steering Committee 389 was advised to direct the handling of collective and individual responsibilities," said Mr. Dam Thanh The, Head of the National Steering Committee 389.

Regarding this case, Nguyen Thanh Binh, Deputy General Director of the Market Management General Department, said, July 7, the General Department worked with the Mobile Police Department, the Cyber Security Department, the High-tech Crime Prevention and Fighting Police Department (Ministry of Public Security) and relevant bodies in Lao Cai province to check sellers via social networks.

Through inspection, competent forces discovered that many items were smuggled, including clothes, shoes, eyewear, watches, cosmetics, and household items. A total of 160,897 goods in stock were seized.

Seized goods also showed signs of counterfeiting protected trademarks in Vietnam.

According to the inspection conducted by market watchdogs, Mr. Tran Thanh Phu, born in 1992 (residing at 162, Nguyen Tri Phuong, Lao Cai City) is the representative owner of these goods. On September 10, market watchdogs of Lao Cai completed procedures to hand over the case file to the police. ■

MoF Collects Opinions for 2021 State Budget Estimates

The Ministry of Finance released a public report on State budget estimates for the fiscal year of 2021 in order to promptly, fully and accurately provide key information in connection with the Government's judgement on the fulfilment of State budget tasks in 2020 and budgetary revenue and expenditure plans in 2021. The report will be submitted to the 14th National Assembly (NA) for consideration and approval.

The report consists of four parts: Budgetary status in 2020, budgetary estimate in 2021, State budgetary and financial plan in 2021-2023; and the appendix.

Currently, the report on State budget estimate in 2021, to be submitted to the National Assembly by the Government, is being publicly posted on the website of the Ministry of Finance in order to collect comments from organizations and individuals to make sure that State budget estimates are increasingly transparent and effective, helpful for socioeconomic development and community purposes.

Huong Hau

138,000 Import Declarations Subject to Specialized Inspection at Hai Phong Customs

More than 138,000 import declarations subject to specialized inspection, or more than 18% of total import declarations, were filed at the Hai Phong Customs Department in the first nine months of 2020.

Of the sum, 30,973 declarations were about quality inspection, 30,793 declarations about quarantine, 9,403 declarations about food safety, and 1,318 declarations about cultural inspection.

In addition, up to 65,621 declarations were subject to specialized management (managed by license).

In September, the department handled only five violations in connection with declarations subject to specialized inspection, involving more than VND2 billion. From January to September, 40 violations were found with a total value of VND78.4 billion.

Also in the reviewed period, 222 export declarations were subject to specialized inspection and management, including two declarations about quarantine and 220 declarations about specialized management.

Le Hien

GDC Train HS Codes for Seafood Firms

The Vietnam Association of Seafood Exporters and Producers (VASEP), in collaboration with the General Department of Vietnam Customs (GDC) and the Worldwide Fund for Nature (WWF), in Vietnam organized a training course on HS code for correct application for seafood enterprises.

The course is designed to remove obstacles and boost import and export performance of seafood enterprises, and help them apply HS codes correctly and comply with relevant regulations.

HS code is an important requirement for seafood importers and exporters, especially in the context of international integration and stringent requirements.

However, there are disparities in HS codes of Vietnam from other countries in EU and ASEAN countries, thus troubling export and import activity of seafood companies.

More Sanctions against Tax Evasion in Customs

According to the recently issued Decree 128/2020/ND-CP of the Government, if a taxpayer commits tax evasion in the customs field

with aggravating circumstances, each aggravating circumstance will be subject to a fine increase by 0.2 times but not more than three times in total of evaded tax evasion amount.

Decree 128/2020/ND-CP clearly specifies acts of tax evasion, e.g. using illegal or incorrect documents for tax declaration, self-modification of documents that result in short tax amount or tax refund, and acts of violation that result in lower tax amount than the real amount.

The decree also clearly states that, if the taxpayer commits one of the above acts and is not prosecuted for criminal responsibility, he/she will be fined one more time of the evaded tax amount in the absence of aggravating circumstances. However, if he/she violates the above acts with aggravating circumstances, the fine level will be incremented by 0.2 times but the value will not exceed three times of the evaded tax amount.

In addition to the above fines, Decree 128/2020/ND-CP also applies remedial measures, forcing the full payment of evaded tax amount for acts of violations.

HCM City Customs Collects VND81 Trillion for State Coffers

The value of exports and imports across Ho Chi Minh City border gates totaled US\$88.2 billion as of October 13, 2020, down 2.97% year on year, including US\$43.3 billion of exports, up 1.05%, and US\$44.9 billion of imports, down 6.56%, said the HCM City Customs Department.

The decline in imports and exports directly impacted budget revenue collected by the department. High-taxed commodities (automobiles, steel and petroleum products) tumbled.

Meanwhile, importing activity was stable thanks to lower taxes (most were levied 0% tax as a result of FTAs). Thus, the tax growth, mainly driven by VAT, could not offset the reduced tax.

The tax revenue collected by the HCM City Customs Department was VND81,213 billion as of October 22, 2020, equal to 67.1% of the target of VND121 trillion, down 15.7% year on year.

Thanh Hoa Customs Almost Finishes Yearly Budgetary Target

Thanh Hoa province reported the import and export value of more than US\$6.6 billion in the first nine months of 2020, up 18.54% year on year, according to Thanh Hoa Customs Department. Of the sum, the export value was more than US\$2.3 billion, up 10.73% and the import value was over US\$4.3 billion, up 23.46%.

In particular, the taxed import and export value was more than US\$3.6 billion in the nine-month period, up 29.1%. Most taxed items picked up from a year ago. Specifically, gypsum and coal soared by 90.77%. Machinery and equipment value surged by 432.83%.

Thanh Hoa Customs Department collected more than VND8,577 billion for the State Budget in the nine-month period, up 6.67% year on year, equal to 91.25% of the target of VND9,400 billion.

Crude oil imported by Nghi Son Petrochemical Refining Co., Ltd contributed 65% of the budget revenue, or VND5,614 billion in the reviewed period. In addition, Nghi Son 2 Power Co., Ltd started to import machinery and equipment for the Nghi Son 2 BOT Thermal Power Project from late 2019, and also helped increase tax revenue of this item by 310.62% to more than VND1,765 billion.

Given this pace, Thanh Hoa Customs Department was estimated to obtain more than VND9,236 billion of tax revenue in the 10-month period, up 8.39% year on year and equal to 98.26% of the full-year target.

LH



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Attracting Foreign Investment into Domestic Credit Rating Agencies

This matter is emphasized in the Asian Development Bank (ADB)'s publication "The Potential for Foreign Investment in a Domestic Credit Rating Agency in Vietnam". Vietnam is ASEAN's sixth largest economy and the region's fastest growing economy. The United States - China trade war over the past 18 months has accelerated the shift of manufacturing activity from China to Vietnam. Relative to other Asian countries, Vietnam has been the least impacted by the coronavirus disease. Despite the expected short-term decline in economic growth in 2020, the economy of Vietnam is expected to return to its growth trajectory in 2021 and stay on this path as the region's fastest growing economy.

The Vietnam corporate bond market has grown rapidly since 2017 and issuances of US\$12.8 billion in 2019 were larger than those for Indonesia and the Philippines. Private placements accounted for 94% of corporate bond issuances in 2018 and 2019 following easing of disclosure requirements and issuance conditions. However, the lack of a credit culture poses significant risks to the bond market and the financial sector, particularly as individual investors currently own almost a fourth of all bond issues.

According to the report, lack of demand for credit ratings in the past has been the limiting factor for a domestic credit rating agency in Vietnam. Two domestic rating agencies have been licensed by the Ministry of Finance (the first in 2017 and the second in March 2020). They are yet to become operational. The recently passed Securities Law of 2019 requires some public bond issues

A reliable and reputable rating agency is one of the missing pieces in the rapidly growing corporate bond market in Vietnam. Attracting a global rating agency to invest in one of the domestic rating agencies in the present or in the future is crucial for that credibility.

QUYNH CHI

(but not private placements) to be rated by a domestic rating agency effective January 2021.

Further, draft regulations that guide the implementation of the new Securities Law require few, if any, bond issues to be rated unlike other ASEAN markets that mandated credit ratings for public - and often private - offerings during their formative years.

Vietnam's policymakers are keen to see an orderly growth of a healthy bond market and have expressed a strong commitment for a domestic credit rating agency. The report said, the growth in the corporate bond market since 2017 is sustainable and the business case for a global rating agency to enter the Vietnamese market through a technical service agreement is compelling. A technical service agreement would provide a low-risk entry.

The country's market participants would prefer to see a collaboration of local institutions with a global rating agency.

This would lead to an ideal blend of global

best practices with a local understanding of culture, businesses, and practices. Further, technical cooperation between a global rating agency and a domestic rating agency will elevate the credibility of the domestic rating agency (through the reputation of the global rating agency for its analytical rigor and governance processes) and lead to greater market acceptance and usage of the domestic rating agency's ratings.

The more these bonds are rated - either through changes in the credit culture or regulations - the clearer the case will be for an international rating agency to go beyond a technical agreement and invest equity in either one of the established or a new domestic credit rating agency. ■

Vietnam, WB Sign Deal to Cut Carbon Emissions and Reduce Deforestation

Vietnam's Ministry of Agriculture and Rural Development recently signed a landmark agreement with the World Bank's Forest Carbon Partnership Facility (FCPF), unlocking up to US\$51.5 million for Vietnam's efforts to reduce carbon emissions from deforestation and forest degradation between now and 2025.

With this Emission Reductions Payment Agreement (ERPA) in place, Vietnam is expected to reduce 10.3 million tons of carbon dioxide emissions from six north central provinces of Thanh Hoa, Nghe An, Ha Tinh, Quang Binh, Quang Tri and Thua Thien Hue to

receive US\$51.5 million from the FCPF.

Vietnam's Emission Reductions Program is designed to address the underlying causes of forest loss in the country's North Central Region and by so doing reducing emissions from deforestation and forest degradation. The program will also support forest restoration.

The region was chosen for its critical biodiversity importance and socioeconomic status. The program area covers 5.1 million ha of land (16% of the land area of the country), of which 3.1 million ha are currently forested, and includes five internationally recognized conservation corridors.

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VSS Deploys Insurance Payment on E-transaction Portal



The Vietnam Social Security (VSS) and the Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV) signed an agreement on connection of bilateral payments and cash flow management, which was officially launched and put into operation on the VSS Electronic Transaction Portal.

Accordingly, starting from October 15, 2020, through the utility channel of 24/7 social insurance payment on the VSS Electronic Transaction Portal, companies can easily look up and settle monthly payment of social insurance, health insurance and unemployment insurance premiums for their employees. People can also look up and renew their health insurance policies by themselves or continue to pay voluntary social insurance for themselves and for their relatives in a quick, accurate and convenient way.

Specifically, by using utilities provided by BIDV (like BIDV SmartBanking, BIDV Online and BIDV Business Online), performing public services on the National Public Service Portal (<https://dichvucong.gov.vn>) and using 24/7 VSS Electronic Transaction Portal (<https://dichvucong.baohiemxahoi.gov.vn>), people can settle payment for renewing health insurance policies for their families and for voluntary social insurance. Organizations and enterprises can make monthly payment of social insurance, health insurance and unemployment insurance premiums for their employees.

Previously, VSS and BIDV successfully connected and implemented the bilateral electronic payment system on a national scale on September 1, 2019 to provide electronic collection and payment of social insurance, health insurance and unemployment insurance, thus giving modern, multi-channel payment facilities to organizations and individuals nationwide.

Thus, in addition to providing most favorable conditions for payment of social insurance, health insurance and unemployment insurance, the expansion of the VSS - BIDV bilateral payment system will further help enhance the competence of monitoring,

supervising and gathering social insurance, health insurance and unemployment insurance funds quickly, accurately and effectively, helping VSS to be active with its revenue, expenditure and cash flow management. At the same time, it helps VSS meet the Prime Minister's requirements for delivery of Level 4 online public services and non-cash payment policies of the State Bank of Vietnam.

In particular, given the complicated Covid-19 pandemic development, VSS has cooperated with BIDV and some commercial banks to bring more online payment services for organizations and individuals onto National Public Service Portal and banking transaction platforms (Internet banking, mobile banking and digital banking) to ensure safety in disease prevention. This is an important step in the cooperation program between VSS with BIDV and other commercial banks to modernize revenue and expenditure affairs at VSS, and deliver best utilities to organizations and individuals when they deal with social insurance, health insurance and unemployment insurance. ■

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CIRCULAR ECONOMY

Sustainable Approach for Vietnamese Businesses

The circular economy is an inevitable choice for Vietnam to overcome limitations of the traditional growth model. Circular economy development helps Vietnam avoid dependence on outside economies, especially on raw materials and fuels for production.

According to the United Nations Industrial Development Organization (UNIDO), the circular economy is a closed cycle of production where waste is recycled to become an input for new production, thus reducing all negative impacts on the environment and protecting the ecosystem and human health. The circular economy brings four basic benefits by making the most of resources: Economizing resources, protecting the environment, promoting economic development, and generating social benefits. The circular economy development is gradually becoming a trend for all nations, especially developed countries where resources are limited, and as the world's resources are increasingly depleted.

Speaking at the Workshop on “Circular economy: Sustainable approach for Vietnamese businesses”, Deputy Minister of Planning and Investment Tran Quoc Phuong affirmed that Vietnam is one of the countries making a lot of effort for sustainable development, and has achieved many important results. However, Vietnam is also facing an increasing amount of generated waste while the source of materials and fossil fuels is increasingly exhausted. Adopting the circular economy model will help Vietnamese businesses achieve their sustainable production and consumption goals. The transition to a circular economy is

a great opportunity for Vietnam to develop rapidly and sustainably, not only achieving its economic, social, environmental and climate goals, but also helping realize the 2030 Agenda for Sustainable Development.

Sharing the same point of view, Mr. Nguyen Quang Vinh, General Secretary of the Vietnam Chamber of Commerce and Industry (VCCI), said, the circular economy is also a solution to improve the competitiveness and resilience of each economic platform. The transformation also helps protect supply security, respond to climate change and foster innovation.

He added that although the public awareness of the circular economy and its benefits is clear and improved, most waste is still dumped into nature, environmental problems have not been resolved, and resources are exhausted. This reality requires a transition to a more rational economy. The circular economy is the future of business, the future of manufacturing and business activity.

“Every business needs to gradually adopt the circular economy by themselves and this is a practical action to achieve green growth and mitigate environmental pollution and climate change,” Mr. Vinh emphasized.

Mr. Tran Quoc Trung, Deputy Director of Economic Zones Management Department under the Ministry of Planning and Investment, affirmed that circular economy is the future of business. Vietnam has been mobilizing domestic and international resources to scale up the green-field industrial zone model across the country, build new green-field industrial zones and convert conventional industrial zones into green-field industrial zones. Priority is given to completing the regulatory system and guidance for implementation of green-field industrial zones (circulars and handbooks), and building a database to support green-field

Ms. LE THI NGOC MY

HEAD OF SUSTAINABILITY AT HEINEKEN VIETNAM COMPANY

Circular economy practices have brought benefits to both business and society, especially local people affected by the circular economy. To cope with climate change, the company actively carries out the circular economy, takes part in environmental protection and pursues sustainable development. Heineken has almost no waste needed to be landfilled because 99% of the waste is reused and recycled during the production cycle.

Currently, five out of six Heineken factories are using renewable energy. In 2019, the company purchased 40,000 tons of rice husks, agricultural products and by-products for production for VND52.6 billion from local people.

industrial zone development.

Regarding opportunities and challenges of the circular economy, Dr. Nguyen The Chinh, former Director of the Institute of Natural Resources and Environment Policy under the Ministry of Natural Resources and Environment, said Vietnam has many opportunities to develop the circular economy. For example, the world is pursuing the circular economy trend; Vietnam is completing the socialist-oriented market economy institution; encouraging and creating a mechanism for the development of the private economy; Vietnam has been moving towards the Industry 4.0; facing pressures of resource shortage, environmental pollution and waste increase; and the circular economy development is socially consented and supported.

He also pointed out development challenges of the circular economy: Right understanding of the nature of the circular economy; circular economy aligned with technological innovation and designing; the absence of a legal corridor and a set of criteria to identify circular economy; coordinated sharing and cooperation of stakeholders in circular economy development; the shortage of qualified experts; and waste sorting and cleansing before being reused or recycled.

Therefore, in order to develop the circular economy in Vietnam, there is a need for having a clear legal corridor, conducting extensive research and developing the circular economy. Besides, it is necessary to create a mechanism to form market momentum; increase exchanges and knowledge from international experiences combined with high technology and Industrial Revolution 4.0; develop the circular economy with a roadmap and priority. Vietnam needs to sort waste at source. ■

Promoting Responsible Business Practice in Vietnam

Regulatory system of Vietnam on responsible business practice is extensive and compatible with the “protect, respect and remedy” framework provided in the United Nations Guiding Principles on Business and Human Rights (UNGPR), however a national plan on ensuring responsible business practice is needed to attract higher quality investment to Vietnam.

This is one of the main recommendations of a Preliminary Assessment of the Regulatory Framework on Responsible Business Practice in Vietnam, recently launched at a national consultation workshop co-hosted by the Ministry of Justice (MOJ) and UNDP Vietnam in partnership the Government of Sweden in Hanoi. Vietnam is a signatory of many international commitments on trade, labor and other responsible business practice standards to guide domestic law. The assessment recommended that the country should prioritize improvement of the regulatory framework to ensure protection of vulnerable groups in global value chains.

“Responsible business practice is essential to ensuring economic growth,” Swedish Ambassador Ann Mawe said in her opening remarks. “In our experiences, economic growth does not come at the cost of social or environmental development. Sweden has an excellent track record in this regard, making responsible business practice an important component of business development, balancing growth with social dialogue in the workplace and sustainability.”

In Vietnam, efforts at promoting responsible business practice have been driven through the lens of sustainable development. The country leaders have recently shifted their focus from a purely economic development strategy, to one of sustainable development. As early as 1998, the Politburo has issued Directive 36-CT/TW to strengthen environment protection during the industrialization and modernization of Vietnam. Very recently, in late 2019, the Prime Minister issued Decision 1362/QĐ-TTg approving a plan for sustainable development of the private sector. A key viewpoint of the decision is to “develop the private sector in an effective and sustainable manner, ensuring a close, reasonable and harmonious combination between economic efficiency, social responsibility, and natural resources and environment protection.”

“Based on three pillars of protection, respect and remedy, responsible business practice is, first of all, the conformity of laws and regulations,” Deputy Minister of Justice Nguyen Khanh Ngoc said. “Promotion of responsible business practice in Vietnam aims at the balance between continued economic growth and sustainable development. It can be done thanks to the improvement of relevant laws and regulations and their enforcement.”

UNDP Resident Representative in Vietnam Caitlin Wiesen highlighted the opportunity for Vietnam to advance responsible business practice. “Covid-19 has disclosed pre-existing inequalities and vulnerabilities in our systems, including in how we do business,” she said. “Vietnam has shown tremendous leadership in managing the pandemic. Recovering from and co-existing with Covid provides Vietnam with an opportunity to extend this leadership and build forward better, by rebuilding businesses that are responsible to the people and the environment. They can continue to drive economic growth without compromising sustainable development.”

Ms. Caitlin Wiesen noted that responsible business should not be seen as another layer of regulation or as an administrative burden, but rather, an essential foundation for ensuring Vietnam’s continued economic, social and environmental development – vital to the achievement of the Sustainable Development Goals. ■



HAI PHONG

Accomplishing “Dual Goals”, Creating Strong Effects

Hai Phong City has obtained remarkable development and great success in the 2016-2020 period, which are attributed to high determination and effort of the whole political system and entire people. Vietnam Business Forum has an interview with Mr. **Nguyen Van Tung**, Chairman of the City People's Committee, on this topic. **Ha Thanh** reports.



Could you briefly introduce Hai Phong City's socioeconomic development results in the first 10 months of 2020?

In the first 10 months of 2020, Hai Phong City has strictly adhered to central guidance on Covid-19 pandemic prevention. For the time being, the city has no Covid-19 positive cases.

The recent months witnessed significant reduction in the number of foreign enterprises seeking investment opportunities in the city. However, we have still made efforts to improve the business investment environment to affirm its attractiveness to investors. With the decisive leadership of city leaders, we have achieved ‘dual goals’ while effectively controlling the Covid-19 pandemic, maintaining political stability, defense and security, social safety and order, advancing production and business activities, and completing major economic targets. The city has promptly allocated over VND368.3 billion to support people in difficulty caused by the Covid-19 pandemic. The city reported a GRDP growth of 11.39% in the first nine months, higher than the country's growth. Other indicators also fared well, including the index of industrial production (IIP), domestic budget revenue and foreign direct investment (FDI) value.

These results came from the effort of the Party Committee, People's Council and People's Committee of Hai Phong City to follow the instructions of the Central Government, and the Prime Minister on measures for Covid-19 pandemic prevention and control. The city has spent VND1 trillion preventing the pandemic. Hai Phong was the first locality to establish interagency stations to control the contagion at

entrance and exit gates and establish pandemic prevention groups in all villages and residential areas across the city.

During the Covid-19 pandemic outbreak, the city's business investment environment continued to be improved. The city managed to reduce administrative procedures, increase the quality of online public services and help businesses reduce travel time for administrative procedures. In particular, the automatic customs clearance system and the automatic customs management system at seaports facilitate rapid import and export for businesses.

As for investment sectors, despite not being equipped with the National Online Investment Procedures System, the city's investment registration agency always supports investors and businesses when they prepare documents and carry out investment procedures through email box and postal services. Thereby, investors can carry out investment procedures even when they are still abroad, not present in Vietnam.

The city has strengthened investment promotion through many communication channels and introduced local advantages to investors such as: (i) Synchronously developed transportation and deep seaports, international airports and highways; (ii) Abundant and well-trained workforce; (iii) Well-invested technical infrastructure in economic zones and industrial zones; (iv) Stable tax policy, with many levels of incentives and reductions; (v) civilized and modern social infrastructure, available utility services for the community, investors and foreign experts among others.



Prime Minister Nguyen Xuan Phuc awards Ho Chi Minh Order to the Party Committee, government and people of Hai Phong City

What are the city's highlights in improving the business investment environment and enhancing competitiveness?

Hai Phong City's Provincial Competitiveness Index (PCI) in 2019 ranked 10th out of 63 provinces and cities, and 4th out of 11 provinces and cities in the Red River Delta, climbing six places over 2018. This was the second time the city stood among the Top 10 by PCI and had good economic governance quality. The city's Public Administration Reform Index in 2019 reached 84.35 points, ranking 4th out of 63 provinces and cities. The Satisfaction Index of Public Administrative Services (SIPAS) in 2019 reached 92.22%, securing the second position out of 63 provinces and cities, up seven places against 2018.

In the first 10 months of 2020, Hai Phong City has issued all new and revised investment certificates online. Currently, 99% of enterprises conduct tax declarations electronically; 99.5% pay tax online; 100% receive VAT refund online; 99.99% declare customs procedures online; and 100% use digital signatures in tax declaration and electronic customs.

The total number of Level 4 online public services is 165, or 8.6% of the total, up 1.65% over the same period last year. The city has completed synchronization of the status of administrative procedure settlement from the electronic single-



Hai Phong City is leading the country in economic growth and making an important contribution to the country's development. Particularly, its socioeconomic infrastructure has developed dramatically in the past term. The total investment resources for transport infrastructure development reached a record level, nearly VND44 trillion, with a series of strategic projects launched.

In addition to the works of the Government such as Hanoi-Hai Phong-Quang Ninh Expressway, Tan Vu-Lach Huyen Bridge, Hai Phong has heavily invested in traffic works to connect important regional development such as: Song Hoa Bridge (connecting with Thai Binh province), Dinh Bridge, Quang Thanh Bridge (connecting with Hai Duong) and other socio-economy-driven works such as: Hoang Van Thu Bridge, intersection south of Binh Bridge and many others.



Excerpt from Prime Minister Nguyen Xuan Phuc's statement at the Hai Phong City Party Congress for the term 2020-2025

window system and online public services with the National Public Service Portal for citizens and enterprises to look up the status of administrative procedure settlement on the National Public Service Portal.

Currently, 100% of the city's schools are applying electronic and non-cash payments for most of the payment contents. The city has accelerated electronic payment for electricity, water and social insurance bills. Currently, Hai Phong is piloting the collection of fees and charges for settlement of administrative procedures for some online public services on the City Online Public Service Portal, aimed to ensure connectivity with the National Public Service Portal.

Business support has been further promoted. The City People's Committee has issued and effectively carried out the Support Plan for Human Resource Development Training for small and medium-sized enterprises (SMEs) in 2020. The Department of Planning and Investment has enhanced support for business registration procedures and opened business registration accounts for people and businesses when they submit documents online.

For public investment capital, in 2020, the city has allocated VND12,407.9 billion for local public investment projects, including VND1,481.7 billion





From left to right: U.S. Ambassador Daniel J. Kritenbrink, Chairman of Hai Phong People's Committee Nguyen Van Tung, Minister of MoIT Tran Tuan Anh, VCCI President Vu Tien Loc at the MOU signing ceremony between Exxon Mobil-JERA Co Inc and Hai Phong People's Committee on development of an integrated LNG gas power project in Hai Phong city, within the framework of the Indo-Pacific Business Forum

from the central budget and VND10,926.2 billion from the city's budget. By the end of August 17, 2020, VND4,690.1 billion was disbursed, accounting for 37.8% of the plan assigned by the city (VND12,407.9 billion) and equaling 58.1% of the plan assigned by the Prime Minister (VND8,073.5 billion, including VND536.6 billion from the central budget and VND4,153.5 billion from the city's budget).

On March 23, 2020, as soon as the Covid-19 pandemic began affecting the city's socioeconomic development in general and investment construction in particular, the City People's Committee issued many guidance documents to push disbursement of public investment capital.

To make a breakthrough in PCI rankings, how are the city's agencies and localities dealing with low-score sub-indices?

On July 29, 2020, the City People's Committee issued Plan 194/KH-UBND on PCI improvement for the year 2020-2021. This is a comprehensive plan that focuses on addressing two declining sub-indices and further improving eight other component indices to achieve better performance in 2020. The city has specifically concentrated on implementing five solutions as follows:

First, municipal and local agencies must carry out the PCI Improvement Plan, with high focus on the fields they are involved in. The PCI Improvement Plan must be further detailed by municipal and local agencies and localities which must have plans to support people and businesses to prepare and complete administrative records to increase the success rate of people submitting valid records the first time and reduce as much as possible the rate of amendments and supplements.

Second, municipal and local agencies must assess the satisfaction of people and businesses at the City Electronic



Hoang Van Thu Bridge connects the center of Hai Phong City with the New Urban Area of the northern part of the Cam river

Information Portal and at their single-window divisions.

Third, they must equip public employees with communication skills, especially those working at single-window divisions, to improve service quality for people and businesses carrying out administrative procedures.

Fourth, they need to accelerate the construction of e-government in the city.

Fifth, they must increase communications on improving the investment and business environment and deeply enhancing the city's competitiveness in order to boost the image and position of Hai Phong City in the doi moi (renovation) period.

Thank you very much!

New Approach of Investment Attraction Needed



Hai Phong City has always been proactive in attracting foreign direct investment (FDI) flows and especially those redirected into the region. To find out more, Vietnam Business Forum has an interview with Mr. **Tran Viet Tuan**, Director of Hai Phong Department of Planning and Investment. **Hoai Nam** reports.

Could you please tell us your potential market research and selective investment promotion in the past months and plans for the full year of 2020?

According to Decision 758/QĐ-UBND dated March 17, 2020 of the Hai Phong City People's Committee approving the "Hai Phong Investment Promotion Program for 2020", we have focused on attracting high-quality investment projects with advanced environment-friendly technologies. We attracted US\$825.57 million of FDI in the year to September 30, equal to 75.28% of the value in the same period of 2019 and 51.6% of the full-year plan in 2020.

We have licensed some large-scale projects such as the US\$200 million factory of USI in Vietnam, the US\$19.8 million Cuu Long carton paper production project, the US\$19.9 million project of Chee Yuen, US\$19.91 million Project 18 of BW Nam Dinh Vu Industrial Development Company Limited. Besides, we allowed some large projects to hike their investment fund like Lite One Project with US\$68 million more, PHIHONG Project with US\$31 million more, Regina Miracle International Vietnam Project with US\$140 million more, and Long Vuong Plastic Factory Project with US\$40.2 million more.

Could you please tell how the city has supported enterprises in their projects?

When foreign investors are seeking investment opportunities and carrying out investment registration procedures in the city, we always work together to support them in various forms like providing a guide book on the investment environment including procedures, and forms of investment; consulting, and supporting document reviews through email and telephone. Accordingly, since the beginning of 2020, despite the impact of the Covid-19 pandemic, we have granted 23 new foreign-invested projects and allowed five existing projects to raise their investment value.

In addition, we have assisted more

than 50 companies affected by the Covid-19 pandemic and urgently settled investment procedures for investors to carry out projects troubled by the pandemic, making them feel secure when they invest in the city.

How do you assess changes in State management of investment?

In 2004, Hai Phong was the first locality in the country to deploy a modern investment service model with independent and specialized single-window division. Up to now, 100% of our agencies and units are using the single-window mechanism, including all 20 departments, all 15 districts, all 217 communes, wards and towns. Some new innovative models are being effectively deployed, such as the friendly single-window model and interconnected electronic single-window model.

Departments and localities have strictly followed regulations on land, construction, environment, business and investment registration and related administrative procedures to facilitate businesses. In 2016, it took on average 2.3 days to settle a new establishment and a change in investment registration. At present, it takes less than two working days or just 1.5 days. All documents are filed online. The time of granting construction permits and land-use rights certificates is reduced by 33-50%. The time of processing valid investment procedures is reduced by over 60% for domestic investors and 30% for foreign investors. The time to get connected to the medium-voltage power grid is 19 days at most on the single-window division. Over 99% of tax declaration and tax payment are conducted online and over 97% of declarations on collection and payment of social insurance, health insurance and unemployment insurance premiums are handled electronically.

At the same time, the city has supported local businesses and investors to tackle emerging hardships at regular meetings. Since September 2016, we have advised the Hai Phong People's Committee to hold 35 monthly business meetings and resolved 295 out of 312 proposals submitted by them





The conference on connecting banks with enterprises to support those hard hit by the Covid 19 pandemic



(accounting for 94.55%) and the rest of 17 proposals (accounting for 5.45%) are being settled by relevant agencies. In the first nine months of 2020, due to the distress of the Covid-19 pandemic, the Hai Phong People's Committee managed to host only two meetings with them, one in June 2020 and the other in September 2020, with seven out of 18 proposals completely solved (accounting for 38.89%) and 11 remaining proposals (accounting for 61.11%) being settled. In addition, the Hai Phong People's Committee has regularly urged competent agencies to give timely answers and strengthened coordinated settlement among relevant agencies and localities. At the same time, districts are required to hold monthly business dialogues on the 10th day and the gathering hosted by the municipal government is held quarterly on the 15th day of the last month of the quarter. Since October 2019, districts have made monthly business meeting plans. Some localities have not received requests from local enterprises. Thuy Nguyen, Kien An, Ngo Quyen and Hai An districts have successfully hosted many business meetings.

Moreover, the Hai Phong City People's Committee and relevant agencies have all publicized their contact hotlines, launched online Q&A sections on websites and opened business support websites. The city provides support for foreign investors on the website, haiphongdpi.gov.vn.

How have you built a FDI attraction scenario for the upcoming time?

As international investors are restructuring their manufacturing and supply networks across the globe, we need to take quick reform action to accommodate them.

Therefore, in the coming time, Hai Phong will continue to make more concerted efforts to further improve the investment and business environment, facilitate and support businesses to



deal with the Covid-19 pandemic; reduce the settlement time of administrative procedures, apply information technology to the settlement of administrative procedures; actively promote and invite well-branded multinational corporations to invest in the city, especially from developed markets with strong capital, management skills, and cutting-edge technology such as the United States, the European Union (EU) and Japan. We will strengthen the linkage of domestic and foreign enterprises in order to facilitate domestic firms to enter value chains. In addition, we will focus on preparing the ground, speed up the formation of industrial zones to accommodate foreign investment projects in addition to synchronous transport infrastructure, social infrastructure, water supply and communication systems to create the most favorable living and working environment for investors. The city is expected to have 10 more industrial parks approved in the near future to ensure the clean land fund for investors and capture an investment wave from multinational corporations into Vietnam and Hai Phong City.

Thank you very much!

INDUSTRY AND TRADE SECTOR

Effort to Spur Socio-economic Growth

Mr. Bui Quang Hai, Director of Hai Phong Department of Industry and

Trade, said, despite being negatively affected by the Covid-19 pandemic, the industry and trade sector has flexibly and drastically carried out the government-backed "dual goals": Seriously preventing, combating and controlling the pandemic and focusing on solving difficulties and promoting production and business to achieve the highest socioeconomic growth. In the first nine months of 2020, Hai Phong City's Index of Industrial Product (IIP) was estimated to rise by 14.02% year on year, higher than provinces and cities like Hanoi (+4.3%), Ho Chi Minh City (-4.9%) and Quang Ninh (+8.1%), and 5.84 times higher than the country's growth. Total retail sales of consumer goods and services were estimated at VND104,060 billion in the period, up 7.14% year on year (versus 0.7% growth of the country) and the import and export value was forecast at over US\$14 billion. Currently, the Covid-19 pandemic is developing very complicatedly and the entire political system, including the industry and trade sector, has worked hard to realize the "dual goals" of preventing and combating the Covid-19 pandemic and maintaining and developing economic activity.

In the last months of 2020, the Department of Industry and Trade is determined to achieve the highest possible industrial and commercial development indicators by carrying out a number of key tasks and solutions: (i) Actively and promptly implementing directives of the Prime Minister, resolutions of the Government, instructions of the Ministry of Industry and Trade, the City Party Committee and the City People's Committee in Covid-19 pandemic prevention and control; (ii) Grasping situations of local enterprises and key industrial and commercial projects to promptly deal with



Given numerous difficulties and challenges caused by the Covid-19 pandemic, Hai Phong has still managed to achieve a relatively high economic growth rate. This achievement partly comes from the industry and trade sector's effort of successfully carrying out the dual goals of controlling the pandemic and promoting trade and production, thus contributing to the city's socioeconomic growth.

DUY ANH

emerging problems in production and business activity and speed up construction progress; (iii) Closely monitoring changes in supply and demand, commodity prices in the market, especially commodities that may imbalance supply and demand due to sudden demand for pandemic control to take timely measures to manage or send recommendations and proposals for market stabilization to competent authorities; (iv) Advising the City People's Committee to launch action plans, programs and decisions, building industry and trade development projects like the Supporting Industry Development Program, Market Development Program, Industrial Restructuring Project and Commodity Export Development Project.

At the same time, the industry and trade sector will ensure stable electricity supply for the city's socioeconomic development, especially key high-tech projects; implemented the National Program on economical and efficient use of energy in Hai Phong City in the 2020-2030 period; continue to implement the Domestic Market Development Support Program and the "Buy Vietnamese" Campaign that

encourages Vietnamese people to give priority to Vietnamese goods in their shopping decisions; and launch "Hai Phong Promotional Month Program 2020". The sector will accelerate e-commerce application to production and business; widely and effectively boost industrial promotion; and support enterprises to boost and diversify exports and import markets and seek new markets.

Furthermore, it will coordinate with relevant agencies and local authorities to perfect investment procedures, add development plans, and build industrial complexes. It will continue to review and streamline administrative procedures within its jurisdiction and bring more online public administrative services of Level 3 and Level 4. It will also conduct inspection into regulatory compliance in the field of industry and trade. ■



DEPARTMENT OF HOME AFFAIRS

Actively Applying IT to Recruitment

In recent years, administrative reform, led by the Department of Home Affairs, has played a very important role in strong socioeconomic development. This is a key “bottleneck” to increase component sub-indices. Therefore, in 2019, most indicators relating to administrative reform increased or stayed high. For example, the Provincial Competitiveness Index (PCI) ranked 10 out of 63 provinces and cities, the Public Administration Reform Index (PAR Index) ranked 4 and the Satisfaction Index of Public Administrative Services (SIPAS) ranked 2. These were important highlights to create successful breakthroughs in Hai Phong City’s administrative reform.

In addition, public employee recruitment has been reformed and improved by the Department of Home Affairs and assessed to be innovative in the industry. Since 2011, the Hai Phong City People’s Committee has taken various innovative actions with public employment recruitment. The content of entrance examinations is built into a list of documents and questions on specialized professional and common knowledge. With the consent of the Ministry of Home Affairs of Vietnam, since 2013, Hai Phong City became the first locality in the country to hold computerized civil servant recruitment examinations for three subjects: Professional knowledge, information technology know-how and foreign languages.

In 2016, fulfilling the decision of the Hai Phong City Party Committee on “continued reform of public employee recruitment examination to improve personnel quality in the new context”, with the consent of Prime Minister Nguyen Xuan Phuc, the Hai Phong City People’s Committee piloted some public employee recruitment

The Hai Phong Department of Home Affairs has played an active role in raising the city’s Provincial Competitiveness Index (PCI) to the best-performer group of the country and improving the quality of public employee exams by successfully applying information technology.

HOAI NAM

contents in the city before the Government issued a decree to this effect like piloting public employee recruitment in two rounds as per Decree 161/2018/ND-CP of the Government in 2018.

Since then, Hai Phong City has successfully hosted two public employee recruitment exams for a total of 665 contestants and employed 172 new civil servants.

Public employee recruitment, carried out in two rounds: Multiple-choice exam on computer and interview exam, is a new change in employing civil servants. These exams assess candidates objectively and substantially and recruit qualified ones for administrative agencies, with contents covering foreign language proficiency and professional skills and qualifications.

This is an important step of innovation in which candidates and employers directly exchange (questions - answers and conversations). This tests professional qualifications and computer skills on the one hand and, through interviews, assesses their general knowledge and understanding of employers who candidates intend to work for, attitude, behavior and communication skills on the other hand. Therefore, the department has helped recruit civil servants with professional qualifications, foreign language skills and practical knowledge for government agencies in the city.

With reformed recruitment contents, driven by information technology application, the quality of public employees working for public service delivery units in the city has been raised. This is an important success of the Hai Phong Department of Home Affairs and makes Hai Phong City a typical example for nationwide scale-up. ■



Building Hai Phong into Green and Modern City

The Hai Phong Department of Construction has actively and effectively advised the City Party Committee, the City People's Council and the City People's Committee to complete tasks concerning the construction field, and played a considerable part in building Hai Phong into a green and modern port city.

HOAI NAM

Accordingly, the Department of Construction has advised the Hai Phong City People's Committee to approve the following projects: Ground leveling and surface water drainage planning, water supply planning, urban wastewater drainage planning, urban and rural solid waste collection and treatment planning, construction plans for seven districts, new urban area planning and industrial zone planning among others. Approved planning and projects have given a facelift to the urban space.

Many green parks and car parks have been completed, including Tam Bac Green Park, Viet Tiep Green Park, Sea Dragon Park and some central entertainment areas. Inner city roads have been renovated, upgraded and expanded. The city's mechanism to support materials and mobilize public resources to upgrade alleys, sidewalks, electric lighting systems and urban greenery has really become more practical for building a civilized city.

The department has carried out the plan to renovate old apartment buildings and put into use five new apartment buildings with a total of

1,638 apartments. Remaining apartments continue to be deployed as planned. Currently, the city has completed 39 out of 51 first-grade urban criteria (ranked fourth nationwide) and the urbanization rate of the city has reached 46.73%.

Knowing that green parks and trees are the lungs of the city and must be developed together with the urbanization process, the Department of Construction has advised and endeavored to build the 21-ha central park in the heart of the city with famous items like Nguyen Du, Le Chan and Kim Dong flower gardens, creating the most important scenic central green space of the city. It functions as the "green lung" that regulates the air of the city. The Department of Construction has planted 1,045 trees along Pham Van Dong Road to form a green strip to welcome people and visitors to the city from the junction with Hanoi - Hai Phong Highway and assisted local people to grow 3,148 trees (as per Resolution 05/2018/NQ-HDND of the City People's Council) along 146 roads to create green spaces for the city.

Furthermore, the Department of Construction has also accomplished many main targets in its plans, with a focus placed on key areas and key stages. The department has also launched programs to execute Resolution 45 of the Politburo on building and developing Hai Phong City to 2030 and further to 2045. Administrative reform and corruption resistance are launched from grassroots levels to reduce procedures, reduce time and reduce costs for people and enterprises.

By promoting the results achieved in recent years, in the 2020 - 2025 term, the Party Committee of the Department of Construction will concentrate on three breakthrough stages to fulfill its specific tasks of building a clean and solid Party Committee; enhancing the leadership capacity and combating strength of Party organizations; and successfully completing tasks and contributing positively to the goal of completing the industrialization and modernization and building Hai Phong into a green, civilized and modern port city. ■

Improving Infrastructure to Propel Socio-economic Development

Hai Phong is a city of construction works and bridges. This is the remark and praise of Prime Minister Nguyen Xuan Phuc to the Party, government and people of Hai Phong City who have been making great efforts to build many projects, particularly traffic projects from 2016 to date, to improve connectivity and spread the city's successes in line with socioeconomic development goals to 2030 and further to 2045 as stated in the Politburo's Resolution 45-NQ/TW.

HA THANH



Mr. Nguyen Duc Tho, Director of Hai Phong Department of Transport

Hai Phong - home to construction works

Mr. Nguyen Duc Tho, Director of Hai Phong Department of Transport, said, Hai Phong City had only 38 bridges with a total length of only 10 km before 2015; however, since 2016, it has brought into use 34 new bridges with a total length of over 17 km and planned to have 12 more.

To attract investment funds for traffic projects, the department has actively advised the Hai Phong Municipal People's Committee. Especially, following the issuance of Resolution 45-NQ/TW of the Politburo, it has consulted the People's Committee on the "traffic infrastructure development and traffic congestion prevention scheme to 2030 and beyond" scheme, which features the overall picture of transport infrastructure development with a focus on regional connectivity and urban upgrading by building new roads and overpasses. Typical projects include Hanoi-Hai Phong Expressway, Tan Vu-Lach Huyen Expressway (with Lach Huyen Bridge), a road linking Ha Long City with the Hanoi-Hai Phong Expressway, National Highway 10, Quan Toan-Cau Nghin Road, and National Highway 5.

Besides, for waterways, the department has actively coordinated with central agencies, especially the Ministry

of Transport, to propose improving inland waterways to upgrade waterborne transport capacity. At present, modes of cargo transport at Hai Phong Port are restructured, mainly by road (accounting for over 80%), by waterway (15-16%) and by rail (1%).

In fact, if transportation volume picks up, pressures on the road traffic will strengthen. For the time being, the railway is still not able to transport much but it is also necessary to lay the foundation for planning railway construction to connect ports, especially Lach Huyen Port.

Cat Bi Airport has been upgraded into an international airport. Accordingly, many airlines have opened flights to the airport. Currently, nine flight routes from Hai Phong to other localities operate more than 60 flights a day. Moreover, Aviation Corporation of Vietnam is expanding Cat Bi International Airport with four projects expected to be completed by the beginning of 2021 to increase the capacity to 4-8 million passengers a year and 13 million passengers a year in the following years. After 2045, a new airport will be built.

For Lach Huyen international seaport system, Berth 1 and Berth 2 are operating very well. As a deep-water seaport (at a depth of 14 meters), it can serve vessels of 160,000 metric tons, with a direct route to the West Coast of the United States. This will be a huge competitive advantage for shipping companies and ship owners. In addition, Hai Phong Port Joint Stock Company is carrying out investment procedures for construction of Berth 3 and Berth 4, which is expected to start construction in the first quarter of 2021 and to be completed and operated by 2023. The Department of Transport will continue to coordinate with the Ministry of Transport to attract potential investors to the next berths.

Director Nguyen Duc Tho affirmed that Hai Phong is strictly executing public investment projects as per Decree 59/2015/ND-CP of the Government. It has split management boards to improve management capacity and use public investment funds in the most effective way. The department has two investment divisions (set up from the merger of some boards): Hai Phong Traffic Construction Investment Management Board and Hai Phong Urban Development and Civil Construction Investment Management Board.



Hoang Van Thu Bridge, in the shape of Seabird Wing, is designed by Vietnam, invested, managed and built by Hai Phong city. It was completed and put into use in just 24 months. The success is attributed to the resolution of the investor and construction contractors

Hai Phong - home to bridges

Mr. Do Tuan Anh, Director of the Hai Phong Traffic Construction Investment Management Board, said, right after being assigned tasks, since early May 2019, the board has quickly strengthened its operational structure, reviewed and sped up the construction progress of existing projects and attracted new qualified and enthusiastic contractors to effectively execute local traffic projects.

Despite the complicated Covid-19 pandemic, with close direction of the city leadership, the high determination of localities and specially the resolve of construction contractors, they have managed to prevent the Covid-19 pandemic and ensure construction progress.

Therefore, many projects were inaugurated to celebrate the 65th anniversary of Hai Phong liberation (May 13, 1955-2020). Typical projects include Hoang Van Thu Bridge, the 3-level intersection in the south of Binh Bridge, flyovers on National Highway 5, urban roads (funded by the World Bank), a road linking Lang Am Bridge to Nhan Muc Bridge in Vinh Bao district, a road linking National Highway 5 and urban areas in Hai An district, Road 359 (from Regiment

238 to Nui Deo intersection), and a coastal road.

Additionally, the city has focused on building and developing connections with neighboring provinces such as Hai Duong, Thai Binh and Quang Ninh by building Song Hoa Bridge connecting Hai Phong City with Thai Binh province, Dinh Bridge and Quang Thanh Bridge connecting Hai Phong with Hai Duong and blueprint Lai Xuan Bridge and Rung Bridge connecting Hai Phong with Quang Ninh province.

At the same time, the city is coordinating and directing investors to speed up necessary preparations to soon launch their projects to welcome the 16th City Party Congress like upgrading National Highway 10 from Da Bac Bridge to Kien Bridge; upgrading Provincial Road 359 (second-phase);



Tan Vu - Lach Huyen Overpass (5.44 km long, 29.5m wide, four lanes, and speed limit of 80 kmph) is the longest sea-crossing bridge in Vietnam and one of the longest in Southeast Asia



Groundbreaking ceremony of Quang Thanh Bridge

☞ building Rao 1 Bridge, Passenger Terminal 2 - Cat Bi International Airport, Berth 3 and 4 in Lach Huyen International Gateway Port invested by Hai Phong Port Joint Stock Company.

Addressing the 16th Hai Phong Party Congress (2020-2025 term), Prime Minister Nguyen Xuan Phuc affirmed that Hai Phong has focused total investment resources for transport infrastructure development from 2016 to date, with a record value of nearly VND44 trillion. The city has carried out a series of strategic projects such as 46 bridges with a total length of nearly 20 km. The central government has invested to build traffic works to connect localities in the region like Hanoi-Hai Phong-Quang Ninh Highway and Tan Vu Bridge-Lach Huyen; Hai Phong City has actively invested in local projects like Song Hoa Bridge, Dinh Bridge, Quang Thanh Bridge and Hoang Van Thu Bridge.

Moreover, all constructions have met technical and progress requirements of investors. Many are even completed ahead of time to facilitate socioeconomic



Le Hong Phong overpass

development of Hai Phong in particular and the region in general. The success of Hai Phong City is attributed to many contractors, notably HJC Group and Thang Long Mechanical Construction Joint Stock Corporation.

The effect of centrally and locally invested projects on regional and national economic development is positive and stimulating domestic and foreign investors and companies. ■

Strengthening Customs and Business Partnership

The Hai Phong Customs Department manages customs affairs in Hai Phong City, Hai Duong, Hung Yen and Thai Binh provinces. In the past years, the department has stepped up administrative procedure reforms and customs modernization and achieved important results. Thus, the department has fulfilled State budget collection tasks, supported companies to boost imports and exports; improved the business investment environment, facilitated trade and met development and integration requirements.



Mr. Nguyen Kien Giang, Deputy Director of Hai Phong Customs Department

The department defines administrative reform and customs modernization as an indispensable requirement for economic development, an overall solution to tackle challenges and difficulties arising from rapidly increased volume of goods and pressures of reducing the customs clearance time and minimizing inspections amid rising and complicated violation of customs laws in the context of unchanged customs personnel. Under the leadership of the Party Committee, the Hai Phong Customs Department has carried out many specific measures, including promoting online public services; actively researching

and applying information technology in all professional activities; improving internal management methods; applying risk management measures in all areas; effectively operating and using modern equipment delivered by the General Department of Customs such as online surveillance camera systems, fixed scanner systems, mobile scanners to enhance productivity and working performance of public servants.

Besides, the department has strengthened customs-business partnerships. Mr. Nguyen Kien Giang, Deputy Director of Hai Phong Customs Department, said, "One important objective set by the Hai Phong Customs Department is to carry out solutions to realize customs-business partnership; expand customs-business interaction channels to promptly grasp and remove problems and difficulties for businesses and improve the effect of supervising public affairs performed by its employees. On April 1, 2020, the department piloted an assessment system integrated on ECUS and VNACCS software. Immediately after registering customs declarations, companies can actively assess the service quality of customs officers and customs formalities online instead of using manual written records as before. Assessment results will be automatically sent to the information receiving system at the department. All comments, suggestions and assessments delivered by companies on service quality catered by civil servants are received and promptly inspected and verified. Bad acts and mistakes are strictly handled.

In order for businesses to understand the purpose and significance of the assessment and actively respond to it, the Hai Phong Customs Department has consistently launched many measures to inform the implementation and guide the use of the system on its website, post it at customs locations or assign officials to explain and guide enterprises to use the system. At the same time, the department regularly reviews and collects system shortcomings like features and interfaces for fixing and upgrading for best experiences for businesses which can easily give feedback and information on performance of public employees, professional stages and the unit at the service on one paper.

With its efforts for administrative reform and business facilitation, over the past time, the Hai Phong Customs Department has obtained encouraging achievements: Basically completing the task of State budget collection, with higher revenue year after year. The total tax revenue and payment in the 2015-2020 term was VND292,152 billion, equal to 157.79% of the value in the 2010-2015 term. At the same time, the department has effectively controlled and prevented smuggling, trade fraudulence, and illegal cross-border transport of goods. ■



HAI PHONG TAX DEPARTMENT

CONSTANT GROWTH

Starting with poor backward facilities, weak personnel and underperforming apparatus on the first days of operation, after 30 years, the Hai Phong Tax Department has made great progress in all aspects and fields toward modernity and professionalism.

HA THANH

Unforgettable memories

On August 7, 1990, the Council of Ministers issued Decree 218/ND-HDBT on establishment of the State tax collection system directly under the Ministry of Finance. Like other localities in the country, the Hai Phong Tax Department was established from the merger of three revenue collection organizations, namely commercial and industrial tax department, State-owned tax department and agricultural tax department.

On the first day of establishment, the department had 13 divisions and 12 district tax agencies with 759 employees, of which 12% held university degrees, 36% had intermediate degrees and the rest were at elementary levels. At that time, the working location was scattered in many places where facilities were very poor and outdated. Work was mainly manual.

Strong growth

After 30 years of development, the Hai Phong Tax Department has matured in all aspects and has over 800 employees, of whom over 90% hold university degrees or higher, with over 27% holding postgraduate degrees. The organizational apparatus has 13 functional divisions and nine regional and district tax agencies. The Party cell was upgraded to attach to the City Party Committee. With 652 members, it has 16 branches and grassroots Party cells. Trade Union, Youth Union and Veterans Association in the department are completely unified.

At the same time, the Department of Taxation has deployed synchronous information

technology applications in tax administration. In 2014, the centralized tax management system model (TMS) was launched to replace 16 tax management support applications deployed in different tax offices to meet data processing requirements for tax administration processes to better serve taxpayers as well as tax authorities, and meet reform requirements to facilitate and reduce time and costs for taxpayers, improving tax administration outcome.

Furthermore, the technical infrastructure system met accurate connectivity and transmission requirements across the sectors from the Tax Department to tax offices, the State Treasury, related agencies, commercial banks and the City People's Committee to solve administrative procedures, enhance transparency, simplify tax administrative procedures and support taxpayers.

Impressive numbers

In its early days, in 1990, the revenue of the Hai Phong Tax Department was only VND91 billion but the figure soared to over VND27 trillion in 2019 (nearly 300 times higher than the first year) and is expected to top VND33 trillion in 2020.

Central and local authorities recognized and awarded many prizes on the 30th anniversary for its ongoing efforts to make a dynamic, creative port city of Hai Phong and develop in the right trajectory as specified in Resolution 45-NQ/TW of the Politburo and the Action Plan 76 of the City Party Committee. ■

Fostering Investor Support

In the face of complicated Covid-19 pandemic developments, Hai Phong City in general and the Hai Phong Economic Zone Authority in particular have actively taken effective and flexible plans and measures to prevent the pandemic outbreak and achieve all planned targets of investment attraction and economic growth.

HOAI NAM



The Hai Phong Economic Zone Authority grants licence for USI electronics manufacturing facility invested by Universal Global Technology Co.,Ltd

Affiliated to the Hai Phong City People's Committee, to exercise State management of Dinh Vu-Cat Hai Economic Zone and industrial zones in the city, the Hai Phong Economic Zone Authority (HEZA) has made every effort to create favorable conditions for enterprises to invest in projects and develop their business operations.

Mr. Bui Ngoc Hai, Deputy Director of the HEZA, said, due to the outbreak of Covid-19 pandemic, the authority has made great efforts on pandemic prevention; strengthened support and solved difficulties for businesses and investors. Specifically, it has set up contact hotlines to timely capture information; guided and supported anti-pandemic measures; coordinated and facilitated foreign experts to enter and work after taking quarantine measures; implemented consistent administrative procedures of Level 3 and Level 4 in order to shorten time and reduce costs; temporarily suspended inspections, promptly solved problems within their competence, and requested competent agencies to deal with matters beyond their jurisdiction.

In addition, the authority has focused on speeding up site clearance and infrastructure construction investment in industrial zones to hand over land to investors as in VSIP, An Duong, Nam Cau Kien and Deep C industrial zones. It has accelerated the establishment of new industrial parks to promptly attract investment waves from Japan and South Korea and FDI projects relocated from countries hurt by the Covid-19

pandemic, trade wars and investment restructuring of major countries, while boosting new advantages of Vietnam and Hai Phong City in Cau Cuu, Xuan Cau, Trang Due (Phase 3) and Nam Trang Cat industrial parks.

With the efforts of the HEZA to prevent the Covid-19 pandemic and support investors, industrial and economic zones have attracted 26 new FDI projects with US\$445.797 million of investment capital and allowed 17 existing FDI projects to increase their registered investment fund by additional US\$324,882 million, totaling US\$770.68 million, since the beginning of this year. These projects are largely involved in processing and manufacturing industries. Local industrial parks have attracted many famous giant corporations in the world such as LG Display, LG Electronics Vietnam Hai Phong, LG Innotek Hai Phong, GE, Regina Miracle International Vietnam and Bridgestone, as well as domestic business groups like Vingroup and Cat Hai - Cat Ba 3 cable car project invested by Sungroup.

In response to the Prime Minister's policies and directions on attracting high-quality foreign investment flows into Vietnam in the coming time, the HEZA will prepare places, resources and human resources to attract foreign investors. Currently, some giant corporations are seeking to invest in projects in Hai Phong. Typical examples include USI electronic circuit board manufacturing and assembly project (Taiwan) and Pegatron electronics project (Taiwan). ■



CAT HAI DISTRICT

Toward Modern Tourism, Service, Industrial Center



The 11th Congress of Cai Hai District Party Committee

As a driving force of Hai Phong development, Cat Hai is expected to become a modern tourism - service - industrial center and a key point of marine economic development of the dynamic port city in the near future.

THANH NAM

Dynamic and creative island district

During five years of carrying out the Resolution of the 11th District Party Congress (2015-2020 term), supported by central and municipal governments and endeavored by the Party Committee, authorities and people of the district, Cat Hai has made development breakthroughs and established a new face as a dynamic and creative island district that relentlessly pursues inclusive innovation, industrialization, modernization and extensive international integration.

Mr. Nguyen Quang Vinh, Vice Chairman of the Cat Hai People's Committee, said, key drivers are economic infrastructure, transport infrastructure and urban infrastructure investment projects that provide an important premise for the development of the district, the city and the country. Cat Hai has risen to be a leading locality of the city with key and

mainstay economic sectors of Hai Phong.

In the service sector, Lach Huyen International Port is on the way to become the largest port logistics service center in the north in the near future. In the industrial sector, Vietnamese branded products made by Vinfest Automobile Manufacturing Complex (Vingroup) have claimed a position and created competition on the world market. Especially in the tourism sector, the cable car system of Sungroup, Flamingo Cat Ba Luxury Resort Complex and 5-star Mgallery Hotel generated impressive highlights on the roadmap to achieve the potential of the Cat Ba biosphere reserve, all connected to a synchronous ground transport system and Tan Vu - Lach Huyen Bridge, now considered to be the most modern of its kind in Southeast Asia.

As a breakthrough for an impressive 5-year development of the tourism and service industry, Cat Hai has achieved the highest-ever growth of 17% a year. By the

end of 2019, tourist arrivals exceeded the target by 41% and tourism and service revenue reached over VND1.8 trillion, 2.4 times that of the target set in the Resolution of the 11th District Party Congress.

In addition, the total investment fund reached VND102,459 billion, 13.66 times that of the target set by the Resolution. The economic growth averaged 14.6% a year, with the highest record of 16% made in 2018. The economic structure was shifted in the right direction, with the tourism and service sector playing a leading role. Cat Ba district has gradually become an ecotourism center of the country and the world. Local budget revenue increased rapidly and sustainably, with the targeted value achieved three years ahead of schedule. In 2019, the local budget revenue reached VND680.247 billion, 6.2 times higher than the goal detailed in the Resolution.

The district's culture, education and social security have significantly progressed. The people's material and spiritual life has been improved. National defense and security has been consolidated. National security sovereignty of waters and islands have been strengthened. Political security, social order and safety have been maintained to create a stable, safe and favorable environment for socioeconomic development. Although the Covid-19 pandemic broke out on a large scale and adversely affected the key economic sector of the district, with the high determination of the entire political system and the consensus of the people and enterprises, all nine criteria of new rural development in Cat Hai were completed. The district is preparing documents to submit to the city government and the central government for being recognized as "Cat Hai - a district qualified for new rural standards" in the

fourth quarter of 2020.

Stepping into the future

Vice Chairman Nguyen Quang Vinh affirmed that results achieved by the district in the 2015-2020 term were extremely important, but there remain difficulties, challenges and limitations to be overcome. For the time being, domestic and global developments are changing amid the strong impact of the Industrial Revolution 4.0, fierce trade conflicts among major economies, and especially the Covid-19 pandemic that disrupted traditional structures. Based on the Politburo's Resolution 45-NQ/TW on Hai Phong construction and development to 2030, with a vision to 2045, Cat Hai has the honor of becoming a key development engine of marine economy for Hai Phong City and for Vietnam as a whole.

Therefore, the 12th Cat Hai District Party Congress (2020-2025 term) identified three breakthroughs in the term: (1) Mobilizing maximum resources, potential advantages to develop Cat Ba into a national and international tourist center; (2) Investing in developing modern technical infrastructure, with focus on building synchronous traffic infrastructure; and (3) Improving the effect and efficiency of leadership, administration, and promoting administrative reform. When the three breakthroughs are successful, Cat Hai district will become the city's economic locomotive and a smart island with synchronous transport infrastructure; Cat Ba Island will become a national and international ecotourism center; Cat Hai Island will become a port service center, a logistics service center, a high-tech park with a green, clean and beautiful environment. ■



Some major targets in 2020 - 2025:

The economic growth averages 16.5% a year. The economic structure is constituted by over 80% tourism and services, over 15% of industry and less than 5% of agriculture, forestry and fishery. Tourist arrivals will reach five million or more (including 1.7 million international visitors). Local budget revenue will amount to VND840 billion and non-state budget revenue will account for VND250 billion. The district will basically balance its budgetary revenue and spending. The total investment development fund will exceed VND20 trillion a year. Per capita income will be VND90 million a year (with no poor households). All six communes meet new rural standards.



Cable car route linking Cat Hai Island and Cat Ba Island

LE CHAN DISTRICT

Accelerating Administrative Reform



The 24th Congress of Le Chan District Party Committee

Le Chan is one of the fastest growing districts in Hai Phong City. In order to fulfill socioeconomic goals, the district determines that administrative procedure reform has created a transformational change in public officials' responsibility, attitude and duty performance.

According to statistics, every year, the single-window division of the district receives and processes more than 23,000 administrative documents, of which over 98% are settled in time to give practical help for local people and enterprise. Many administrative procedures are streamlined by the district to reduce the service time, for example issuing business certificates (in 1-3 days), construction permits for collectives and individuals (10 days from 15 days), land-use rights certificates (30 days from 45 days). Consistent reforms are conducted on tax policies, business support concerning tax and tax declaration, electronic tax declaration and payment. 99.1% of enterprises pay tax online. The time spent on tax administrative procedures for enterprises has been reduced to 114 hours a year (down 52 hours compared to 2019). With its efforts in administrative reform, despite the negative impact of the Covid-19 pandemic, the district's economy still grew fairly well in the first nine months of the year. The industrial output value, managed by the district, was estimated at VND276.100 billion, equal to 73% of the full-year plan and up 12% year on year. Total retail sales were projected at VND13,642.3 billion, equal to 73% of the yearly plan and up 16% year on year. VND92.734 billion of public investment was disbursed in 9 months of 2020, equivalent to 51.3% of the yearly plan. Total State budget revenue was estimated at VND565.688 billion from January to September 2020, equal to 55% of the plan assigned by the city and down 23% year on year. ■

HAI AN DISTRICT

Promoting the Role of “Seaport Center, Key Logistics Hub”



The 3rd Congress of Hai An District Party Committee

In the past term, the Party, authorities and people of Hai An district have made great effort to achieve important, positive results in all areas. Mr. Nguyen Cong Han, Deputy Secretary of the Hai An District Party Committee, Chairman of the Hai An District People's Committee, said, the district has completed and exceeded 23 out of 25 targets stated in the Resolution of the 3rd District Party Congress. The district's economy continued to grow strongly. The economic scale was 3.2 times higher than the beginning of the term. The GDP growth was 27.01% a year, 1.5 times higher than the city's growth. The district completed the budget revenue target right from the first year and exceeded the target set out in the Resolution by VND2,000 billion in the whole term, representing an annual growth of 28.43%. The district managed to attract and mobilize more investment sources from all levels, sectors, and many large investors to invest in the locality and form logistics services, air and sea transportation services and industrial zones.

To achieve development goals in the new 2020-2025 term, Hai An district will introduce breakthrough solutions: Strongly and synchronously developing transport and urban infrastructure; attracting and accelerating projects to develop industrial, service and urban zones; proactively taking advantage of investment resources for technical and social infrastructure development; (ii) Strongly changing the leadership and administration of authorities at all levels; building a strong contingent public employees with outstanding qualities and capacities, with innovative, creative, enterprising and responsible thinking; resolutely removing bad public servants; tightening their duty discipline; (iii) Further promoting administrative reform, improving the quality and effect of serving businesses and people. (iv) Strengthening budget revenue and expenditure discipline; promoting the leadership of the Party and engaging the political system in budget collection tasks, and creating resources for investment, construction and development. ■

AN DUONG DISTRICT

Toward Modern Industrial District by 2030



Mr. Le Van Cuong - Vice Chairman of People's Committee of An Duong District

This is the target and determination of the Party and the government, expressed by its overall goal of "Further enhancing the leadership capacity and fighting strength of the Party, promoting the strength of great public unity; mobilizing all resources to realize the goal of making An Duong a model new rural district by 2025 and a civilized and modern industrial district by 2030".

Mr. Le Van Cuong, Vice Chairman of An Duong District People's Committee, said, the Party, the government and people of An Duong district has worked hard to promote its achievements in 2019 and overcome difficulties and challenges in 2020.

An Duong has focused on attracting investors by offering good business location, and ensuring security, order and stability. The district has thus attracted a record investment in three industrial parks (Nomura Industrial Park, Trang Due and An Duong with 1,400 small and medium enterprises). This is a favorable condition for An Duong to follow the city's guided planning and positively contribute to the city's budget revenue.

The district will concentrate on building infrastructure as a breakthrough momentum for development in the 2015-2020 period and beyond. Accordingly, with strong investment from various sources, the transport and urban infrastructure has been rapidly developed. Priority and focus has been placed on road traffic system.■

KIEN AN DISTRICT

Economic Development with Many Optimistic Indicators



In response to the 2020 theme of Hai Phong City "Strengthening discipline of State budget revenue and expenditure; further improving the investment and business environment", Kien An district has thoroughly grasped and strictly implemented Resolution 07-NQ/QU dated December 17, 2019 of the Executive Board of the District Party Committee on targets, tasks and solutions in 2020.

Accordingly, the district has been focusing on comprehensive development of economic, cultural and social fields, effectively utilizing revenue sources, outperforming budget collection and spending tasks approved by the District People's Council. Kien An district has taken measures to support and facilitate enterprises and investors to do business and make investment in the locality.

Thanks to the effort and unity of the entire political system and the drastic direction and administration of the government to address all existing difficulties, the district's economy continued to grow well in the first nine months of 2020. The budget revenue was estimated at VND163.14 billion, reaching 48% of the full-year plan and 1% higher than the same period of 2019. The industrial output value managed by the district was forecast at VND393.89 billion, equal to 73.8% of the plan and up 8.24% year on year. The total retail revenue of goods sold was estimated at more than VND5,100 billion, equal to 71% of the plan and up 15.86% over year on year. The production value of agriculture, forestry and fishery was forecast at VND87.05 billion, equal to 69.21% of the plan and up 3.48% from a year ago.

In the coming time, Kien An district will effectively carry out urban management solutions, ensure environmental sanitation and urban development; strengthen land-use management.■



DUONG KINH DISTRICT

Promoting the Role of “Southeast Gateway” of the City

In recent years, the economy of Duong Kinh district has enjoyed stable development, with the share of industry, trade and services increasing and the share of agriculture shrinking. The business and investment environment has been remarkably improved.

In 2019, the district was estimated to collect VND230.918 billion for the State Budget, 23.19% higher than the plan and expected to fetch VND254.208 billion for the State coffers in 2020. Since 2015, the district has universalized preschool for children aged 5 years or younger, Level 3 universal primary education, Level 3 universal secondary education, basic universal high-school and vocational education, and Level 2 universal illiteracy (the highest level). The poverty rate is forecast to fall to 0.3% by the end of 2020, a decrease of 2.52% compared to 2015.

For the 2020-2025 term, Duong Kinh district will strive to unlock its potential and advantages; increase more investment flows and focus resources for economic and urban development, with priority given to developing trade and services; build a synchronous and modern technical infrastructure system, create breakthroughs in urban development and investment attraction; improve administrative performance at all levels; boost education and healthcare development and apply science and technology; develop culture, social progress and equity, and constantly raise people's material and spiritual life; maintain sociopolitical stability, ensure national defense and security; strengthen the construction of a clean and strong Party to build a civilized and modern Duong Kinh district. ■

CENTRAL VOCATIONAL COLLEGE OF TRANSPORT NO. 2

55 YEARS DEDICATED TO QUALITY HUMAN RESOURCE DEVELOPMENT

Over 55 years (June 8, 1965 - June 8, 2020) with the efforts in vocational education of teachers and students, the Central Vocational College of Transport No. 2 has actively contributed to the provision of quality human resources for Hai Phong city in particular and the transport sector and the country in general.

Constant growth

Mr. Dang Van Phi, Vice Rector of the school, said: The Central Vocational College of Transport No. 2 was established on June 8, 1965, formerly known as the Shipbuilding Mechanical Engineering School. In the development process, the school was renamed Ship Building Mechanical Engineering Worker School No. 1 (1985), Technical Professional College of Transport No. 2 (1992), Central Transport College No.2 (2004), Central Vocational College of Transport No. 2 (2007).

Over the course of 55 years of development, the school has trained human resources with good political qualities, good morals, a professional conscience, a sense of discipline, industrial manner and knowledge and capacity to practice the profession commensurate with the training qualifications. The school provides the workforce for enterprises, industrial zones and export processing zones in the shipbuilding industry and a number of occupations serving the transport industry.

In recent years, in harmony with the development and integration of the country, as a prestigious training unit of the transport industry and Hai Phong city, the college has promoted cooperation with other domestic training and production units such as Cam River Shipbuilding Joint Stock Company, 189 Shipbuilding Company, Northeast Shipbuilding Industry Joint Stock Company, Pha Rung Shipbuilding Company Limited, LG Display Vietnam Co., Ltd., Van Der Leun Vietnam, FPT Telecom Joint Stock Company, and a number of companies from Japan, Germany, the Netherlands, and Korea to create conditions for students to have opportunities to practice and work abroad to improve skills.



Up to now, the school has a system of lecture halls, laboratories, workshops, spacious working areas, libraries, specialized classrooms and equipment to fully meet the needs of learning and teaching. The school currently has 268 staff members, including 58 postgraduates, 109 engineers/bachelors, 6 people with college degrees and 83 car driving instructors.

Accordingly, the school is training more than 1,200 college and intermediate students and over 3,000 students in other systems with 13 college majors, 14 intermediate majors and 21 elementary careers. More than 70% of students, after graduating from college have stable jobs in their chosen profession, the rest are in the military service under the State's regulations and participate in other fields.

Milestones of success

Mr. Dang Van Phi, Vice Rector of the school, emphasized: Currently the school is being selected to invest in a high-quality school according to Decision 761/QĐ-TTg dated May 23, 2014 of the Prime Minister with five international key occupations (Ship shell manufacturing technology, Automotive technology, Welding, Metal cutting, Industrial electricity), one ASEAN key profession (Shipping electricity). Accordingly, the school has received and used effectively the State's investment in training equipment with the value of over VND45 billion for metal cutting (over VND20 billion), Automotive Technology (over VND10 billion), Shipbuilding technology (VND6 billion), and Shipping Electricity (about VND9 billion).

The school is currently organizing a training course for a Shipping Electricity and continuing to enroll free training of one vocational class for Shipbuilding Technology at college level under the transfer program of the Federal Republic of Germany with high-income job opportunities.

Training of high-quality human resources

At the same time, to spread the "new wind" under Directive 10/CT-TTg and Directive 24/CT-TTg of the Prime Minister to support and promote the training of high-quality human resources into reality, with the support of 100% of vocational training fees for 9+ grade students from the State, the school on the one hand has actively coordinated with the Center for Vocational Education of Kien An District and An Duong District to attract 9+ grade students. On the other hand, the school has cooperated closely with businesses in before-training, in-training and after-training phases.

Before training, it is involved in building curriculum, economic and technical norms, building a question bank. In training, it is to receive students to practice vocational skills in the business. After training, it is to take part in assessing and receiving students after graduation. Trinh Van Hieu, a student of Industrial Electricity course, has just joined an internship at UMC Electronics Vietnam Co., Ltd. (Hai Duong), said: "The school's training environment is very good, satisfying the actual needs of working in the business. The training program has a practice rate of 70%, the theory of 30%, which is appropriate, so it is easy to understand and helps us to learn quickly. In addition, we are 100% free of tuition fees, so we also have many advantages in vocational training. Especially when we do internships, we also receive an additional VND5 million /month and free lunch."

Accordingly, from 2018 up to now, the number of recruits for the school's disciplines has basically been stable. In which, there are a number of disciplines receiving more students, such as: Industrial Electricity, Automotive Technology. However, there are still two fields of study that are still difficult to recruit, namely Shipbuilding Technology and Welding (Because according to Circular 36/2012/TT-BLĐTBXH, Shipbuilding Technology and Welding are two jobs are heavy, toxic and dangerous, thus affecting the psychology of students' parents). Facing that situation, in terms of the development advantages of Hai Phong city, the school decided to open more training for a number of professions such as Trucking business, Logistics

Mr. Dang Van Phi, Vice Rector of the College, shared that by 2025, in order to join the top 70 schools to meet the criteria of high quality schools according to Decision 1363/QĐ-TTg of the Prime Minister, the school has prepared in terms of training programs, facilities and teachers. In which, the most important stage is still the teaching staff. Therefore, the school has been working on a roadmap to strengthen and foster teachers who meet the prescribed standards.

With the efforts and achievements in the teaching and learning process, the Central Vocational College of Transport No. 2 was awarded many noble titles by the Party and the State, such as Third-class Labor Medal in 1985, 1990; Shootout Flag of the Council of Ministers in 1986; Second-class Labor Medal in 1995; First-class Labor Medal in 2000; Third-class Independence Medal in 2005, Second-class Independence Medal in 2010 and various certificates of merit awarded by all levels, branches of the Central agencies and Hai Phong city. ■

Deserved to Be Top 70 High-quality Schools in Vietnam



MOU signing ceremony between Maritime College No.1 and Hiroshima National College of Maritime Technology College (Japan)

With great effort, Maritime College No. 1 has now grown in terms of both quality and quantity, including improvement in organizational structure, staff and teachers, facilities, equipment and training modules to adapt to the global integration process. The school is honored to be in the Top 70 high-quality colleges, as stated in the Prime Minister's Decision 1363/QĐ-TTg approving the adjustment and supplementation of the Project "Developing high-quality colleges to 2025".

LE NAM

Solid foundation

Ms. Vu Thi Hai Van, Vice Rector of Maritime College No. 1, said that the school was established on May 4, 1972 with the original name of the School of Maritime Technical Workers. During the development process, the school changed its name to Maritime Secondary School (1990), upgraded to Maritime High School No.1 (1996) and on February 1, 2007, officially became Maritime College No. 1.

After more than 48 years of development, Maritime College No. 1 has two campuses (the first located at 498 Da Nang, Dong Hai 1, Hai An, Hai Phong City, covering 31,060 square meters and the second one in Dong Hoa, Kien An, Hai Phong, covering 80,004 square meters) and seven workshops (ship hull welding; metal lathing; metal cold-working; engineering - welding; ship engine repairing; automotive technology; and warehousing), simulation divisions (Simulators for ship steering, ARPA

system simulators; GMDSS/ECDIS simulators; ship engine room simulators; logistics simulators and accounting); 10 practice rooms (Marine equipment practicing; charting, navigation practicing; ship engine operation practicing; supporting marine engine practicing; marine diesel engine practicing; electricity and electronics engineering; electronic - electronic equipment practicing; air conditioning practicing and technique; and local air-conditioning installation practicing); five laboratories (Physics - chemistry; electrics - electronics - automation; mechanical and hydraulic engineering; non-destructive testing, technological research and development); two classrooms (Multi-purpose and English); five training centers (Sports; basic safety and advanced safety; crew skills; special cargo ships (oil, liquefied gas and chemicals); one crew practice area; one training fleet (20,000-DWT M/V AN HAI vessel, international shipping) and one electronic library with 36 cabins with modern equipment and easy access to the information portal.

The school has a total number of 168 lecturers and staff, including 1 doctor, 106 masters, 61 bachelors especially, all lecturers have high practical knowledge and foreign language proficiency from B1 or higher.

Moreover, the school's leaders, lecturers and staff not only regularly improve knowledge but also promote and expand multifaceted cooperation with domestic and international organizations, enterprises and related schools such as in Japan, Germany, Korea, Belgium and Australia, to improve professional qualifications, practice skills, advanced technology of the G20 countries. The school's lecturers also take part in the training program of Vietnamese maritime trainers in Japan in cooperation with the Vietnam Maritime Administration and Seamen's Employment Centre of Japan (SECOJ). 30 lecturers of the school have been sent to the program and certified as a simulation instructor specializing in ship control and ship engine operation in Japan. Thereby, the lecturers when coming back to Vietnam have passed their knowledge to other lecturers and become the core force to ensure the training quality of the school.

An important step forward

Vice Rector Vu Thi Hai Van added that, under Decision 761/QĐ-TTg of the Prime Minister which approved "Project to develop high quality vocational schools until 2020", Directive

(continued on P.55)



Hoang Truong Always Strives for Best Value and Quality of All Projects

Hoang Truong Construction and Transportation Co., Ltd specializes in construction, traffic and irrigation works grounding, and manufacturing and trading of construction materials, commercial concrete, hot asphalt concrete. In order to deliver highest-quality products to all projects, over the past 17 years, the company has actively applied the world's modern and advanced equipment and technology to its concrete production and construction activity.

In asphalt concrete and commercial concrete production, Hoang Truong is heavily investing in and upgrading the machinery system and applying the ISO 9001:2008 quality management system to production processes. Currently, the company has three commercial concrete mixing plants and six asphalt stations in Cau Rao, Cau Tien Cuu, Hoanh Bo, Uong Bi, Mong Cai (Quang Ninh) and Hai Duong. Its cement concrete mixing plants feature modular items with forced mixing, circular and horizontal tanks. The air compression systems are installed with a fully automatic electronic

control system. Hot asphalt concrete products are rigorously tested through direct monitoring and inspection at production facilities and in laboratories. All of its products must satisfy Vietnamese TCVN technical and quality standards, American ASTM standards and British BS standards. To ensure stable quality of concrete, the company has bought hundreds of specialized trucks of 10-30 tons. Hoang Truong's concrete products are present in many provinces such as Hai Phong, Quang Ninh, Hai Duong, Thai Binh and Nam Dinh.

Mr. Pham Van Hong, Chairman of the Board of Members, said the company is a leading supplier of



✎ asphalt and commercial concrete in Hai Phong and coastal markets. In order to further promote its advantages in the construction materials industry, Hoang Truong will further learn from domestic and foreign partners to apply advanced scientific and technological achievements to construction material manufacturing to create environment-friendly products and offer best choices of cost, price and economic efficiency for its partners.

In construction, to improve quality, reduce construction time and ensure labor safety at construction sites, Hoang Truong Construction and Transportation Co., Ltd has actively invested in modern machinery and equipment and taken quality as a measure of effectiveness. In addition, by employing elite engineers and highly skilled and qualified technical workers, the company has gained trust of investors to execute many key traffic and irrigation projects of the country, Hai Phong City, Hai Duong and Quang Ninh provinces. Its typical projects include Hanoi-Hai Phong Expressway, Ha Long-Van Don Expressway, the coastal road system (the first phase), Cao Xanh, Ha Khanh B and Quang Ninh urban areas. The company cleared the construction ground for a container warehouse investment project of VINALINES in Hai Phong City and for the Olympia Urban Area in Hai Phong City. Hoang Truong provided asphalt for Trunk Road 388 in Minh Tan Town, Kinh Mon district, Hai Duong province and the 18-hole international golf course in Ngoc Xuyen Ward, Do Son district, Hai Phong.

In addition to focusing on developing key industries, the company's leadership also aims to expand investment in real estate in some localities such as Hanoi, Quy Nhon (Binh Dinh), Nha Trang (Khanh Hoa) and Phu Quoc (Kien Giang). The most recent project is a 28-story trade tower at the Nguyen Van Linh - Vo Nguyen Giap intersection in Le Chan district, Hai Phong. Together with the Japan AEON Trade Center, this project will establish a trade complex in Le Chan district in particular and Hai Phong City in general. Being firm with three main strengths: people, equipment and financial resources, Hoang Truong is confident to further conquer new goals and positively contribute to the development of Hai Phong City in particular and the country as a whole. ■



As among the most advantageous industrial zones in Hai Phong city, DEEP C industrial zones are located adjacent to the Hanoi-Hai Phong-Quang Ninh Expressway and to Lach Huyen International Port (capable of accommodating ships of up to 40,000 DWT). DEEP C industrial zones have synchronous infrastructure, attractive investment incentives, a friendly investment environment and reliable and conscientious support which has produced a strong appeal to investors, especially foreigners.

THANH NAM

Focused investment

Mr. Bruno Jaspaert, General Director of DEEP C, said, DEEP C was formerly known as Dinh Vu Industrial Zone (DVIZ). Over 23 years of development, DEEP C has turned Dinh Vu - Cat Hai Peninsula from a deserted swamp into a modern industrial zone with more than 100 FDI investors from many countries like Japan, South Korea, the United States and Germany. Currently, the industrial zone has now expanded, from an original area of 161 ha to more than 3,000 ha to form DEEP C Industrial Zones.

Therefore, Dinh Vu Industrial Zone today is also known as "DEEP C Hai Phong I".

With a well-prepared plan, DEEP C has experienced a significant change. Previously, more than 50% of investors in DEEP C Hai Phong I were Vietnamese, but most tenants are now foreign investors. So, what matters is how to attract FDI projects. In addition to land, they need support services for sustainable development. Therefore, what convinces FDI investors is the current infrastructure system and services that DEEP C can put in place to meet development needs in 20-30



years. Apart from the land fund to attract industrial investors, DEEP C also reserves land for green spaces, plans to grow mangrove forests in that region and plans to use renewable electricity for manufacturing in the industrial zones.

Positive effects

As soon as DEEP C Hai Phong I, covering 541 ha, was planned and its infrastructure invested, many investors came to study the location. To date, DEEP C Hai Phong I has almost leased out its rentable land to more than 100 projects. The remaining area of 10-12 hectares was also registered by investors. In DEEP C Hai Phong I, the petrochemical section has attracted 30 projects engaged in different fields like chemical, lubricant and LPG storage facilities to form a fuel supply center for resident projects. With a system of liquid cargo jetties designed to receive vessels of 10,000 - 20,000 DWT, tenants in the petrochemical section can directly use this facility and pipe racks for chemical and petrochemical trading. This is an attractive feature of DEEP C Hai Phong I. The unique idea of a shared liquid cargo jetty system not only makes DEEP C different from other industrial zones, but also helps tenants save costs and resources as they do not need to invest in building their own facilities.

Mr. Bruno Jaspaert added that DEEP C is focusing on developing DEEP C Hai Phong II (645 ha) in Nam Dinh Vu Peninsula, directly connected to Lach Huyen deep-water port and located in the center of Dinh Vu-Cat Hai Economic Zone. This is a general economic zone - a multi-sector marine economic center that meets social and economic development needs of Hai Phong City, the northern coastal region and the whole country. As a result, DEEP C Hai Phong II is attracting a new FDI wave, particularly automobile and electronic equipment

manufacturing projects and different production complexes. In fact, Hai Phong has a lot of potential to become a "high-tech electronics center" as it lies near the south of China and easily imports materials from Guangdong and Shenzhen of China for product assembling in Hai Phong and exports to other countries in the world through Lach Huyen deep-water port. In the next three years, there will be a strong FDI inflow in electronics here.

DEEP C Hai Phong III, covering 520 ha in the Lach Huyen Port area, is likely to become an international logistics center for cargo import and export. Therefore, DEEP C is planning to invest in constructing a bulk terminal to connect with Cat Ba area. That development may take many years but a potential FDI investor is studying the site and may start investing early next year. In addition, DEEP C pays attention to investing in infrastructure for industrial zone development in Kien Thuy district, a component of Hai Phong industrial zone development plan.

Mr. Bruno Jaspaert frankly said, "Despite the great support of Hai Phong City in the past time, I hope that the city will have more reforms and innovation in the coming time, including investing in bonded warehouses, simplifying customs procedures, developing and attracting high-quality human resources, attracting international universities to invest in the city, improving education and training quality, and increasing power supply for manufacturing in industrial parks to make Hai Phong a modern industrial and logistics center of the region and the country, as per Resolution 45/NQ-TW of the Politburo."

23 years of continuous innovation and development is a testament to DEEP C's outstanding efforts to generate a friendly investment environment, provide reliable and dedicated support for partners to do business here and actively contribute to local socioeconomic development. ■

QUANG THANG REFRIGERATION ELECTRICAL ENGINEERING CO., LTD

VIETNAMESE BRAND OF INTERNATIONAL QUALITY



Starting as a small-scale cooperative with a very small production facility covering just over 100 square meters, after more than 20 years of development, Quang Thang Refrigeration Electrical Engineering Co., Ltd is now running a spacious factory covering over 10,000 square meters. The company has well-qualified professional, dynamic and experienced human resources and has adopted cutting-edge governance systems and quality management systems of international standards.

This is the foundation for the company to make products of beautiful designs, high quality, optimal workable solutions and reasonable costs, and meet the maximum requirements of domestic and international partners and customers.

NGUYET THAM

In order to build prestige and brand name in the market, Quang Thang always uses “perfect construction quality, progress and product warranty” as a guideline to serve customers and places top priority on market development, both in breadth and in width. Therefore, the company’s products win the trust of customers. Currently, Quang Thang is focusing on making main products like condensers, evaporators, refrigeration clusters and industrial refrigeration equipment. The company’s typical products are evaporator lines and condenser lines, the first and only product of international quality to be completely made by a Vietnamese company. Customers will spend less time to have the products ordered, delivered, maintained and guaranteed, thus reducing cost and obtaining higher profit.

In addition, the bus air-conditioner is one of the products that strengthens the brand reputation of Quang Thang, a product favored by customers for its outstanding features: Installed size technically suitable for passenger bus requirements; reliable and stable operation despite fast speed, strong vibration and shaking, high ambient temperature and humidity, exposure to rainy weather, sunshine, dust, engine smoke and grease; high cooling effect, compact size and lightweight. The product is easy to operate, repair and maintain. The product is auto-temperature adjusted and protected from operational faults. The 24-V control system ensures safety for operators and passengers on board.

Mr. Nguyen Trong Thang, Director of Quang Thang Refrigeration Electrical Engineering Co., Ltd, said, “With more than 20 years of experience in refrigeration electrical engineering, we are proud to bring industrial refrigeration products of 80% localization rate to our customers. Our



products are manufactured in a modern factory furnished with complete lines to utilize domestic raw materials to a maximum and ensure European high-quality standards.”

In order to pursue sustainable development and integration, the company leadership attaches great importance to training and developing human resources with high professional qualifications and practical experience to meet strict requirements of customers. Currently, Quang Thang is staffed by more than 80 highly qualified employees who are young dynamic engineers graduated from famous domestic and foreign universities. The company organizes regular inhouse training courses for employees and sends them to attend intensive training courses in developed countries to master advanced modern equipment and technology.

In addition to investment in personnel, Quang Thang seriously invests in facilities, equipment and machines, boldly innovates technology, reforms governance to improve business performance, productivity and competitiveness in domestic and international markets. In 2017, the company decided to invest in expanding factories, synchronous equipment lines and modern technologies to make products of international quality for domestic and export markets. In early 2020, the Hanoi Branch of Quang Thang officially came into operation at 536A Minh Khai Road, Vinh Tuy Ward, Hai Ba Trung District, Hanoi City.

However, due to the impact of the Covid-19 pandemic, since the beginning of this year, the company’s business performance has been significantly affected. The pandemic broke out just as the company “made every effort” to expand its manufacturing operations, resulting in multiple difficulties. But with a solid foundation of development and the leadership of an experienced director, Quang Thang Refrigeration Electrical Engineering Co., Ltd firmly withstood economic challenges, and stands ready for domestic and international cooperation.■

“ With the effective Government-led pandemic control, Vietnam is highly appreciated by the international community and this success will be an opportunity to draw a new wave of redirected global investment flows in the coming time. Taking this opportunity, Quang Thang plans to explore some international markets to boost exports in the coming time.

To do this, we hope that the government and local authorities will support and facilitate us to access land funds and introduce more policies to assist domestic businesses to develop. For example, they should review import tariffs, supplement the list of domestically produced goods, and encourage companies with high localization rates. Then, domestic companies like Quang Thang will be able to improve their capacity and competitiveness, and especially, affirm the national brand “Made in Vietnam”. ”

**Mr. Nguyen Trong Thang,
Director of Quang Thang
Refrigeration Electrical
Engineering Co., Ltd**

TIEN PHONG PLASTIC JOINT STOCK COMPANY

Pioneering Imprints



Tien Phong Plastic company is honored with the first-class Labor Order conferred by State President on its 40th anniversary

Established on the 70th birthday of President Ho Chi Minh (May 19, 1960), after 60 years of development, Tien Phong Plastic Joint Stock Company (NTP) has always made great efforts to develop its business growth quality, take the lead in many fields and spread the Vietnamese brand of Tien Phong Plastic on the market.

HA THANH

At present, Tien Phong Plastic has production facilities in Hai Phong, Nghe An, Binh Duong with a yearly output capacity of 190,000 metric tons and can make more than 10,000 types products, including the most unique products in Vietnam such as HDPE pipes with a 2,000mm diameter. In addition, a network of nine distribution centers, more than 300 distributors and more than 16,000 retailers has helped NTP brand to be present in 63 provinces and cities in Vietnam and has a large market share of plastic pipes. These impressive figures have affirmed the strength and leadership of Tien Phong Plastic in the construction plastic industry.

Small planning - Big significance

In 1965 - 1975 when the country's resistance war against foreign invasion entered a fierce period, the army and people of the North vigorously endeavored to boost production and dispatch human forces and resources to the South. The calls and slogans for working much harder for the South were really inspirational. Particularly, the "Small Plan" Movement, directly launched by President Ho Chi Minh for teenagers and children, also brought about great effects.

The biggest mark of this movement is the formation of Tien Phong Plastic Factory. After the national reunification, NTP and the whole country entered the stage of restoring and

rebuilding production. In 1975 - 1990, NTP met social needs for plastic products. The year 1990 witnessed a transformational change of NTP when the leadership of Tien Phong Plastic adopted a daringly revolutionary innovation with the motto "Selling what the market needs, not what we have". At that time, NTP made a landmark decision: Stop making traditional products and shift to produce UPVC, HDPE and PPR plastic pipes for construction works. Since then, NTP has been equated to generic plastic pipes. That wise breakthrough step completely changed Tien Phong Plastic.

In 1992, Tien Phong Plastic Factory was upgraded and transformed, and officially operated as a company model. In 2004, it went public and set an important milestone in the development process.

“*In only 10 years (2010-2019), the Company had over 1,405 technical innovations, protected the environment, brought about much more profit and lifted the “Tien Phong Plastic” brand to a new high.***”**

Spreading "Vietnamese brand"

In the past 60 years of development, Tien Phong Plastic has entered the mind of Vietnamese consumers with its premium products. NTP's products are widely used for civil construction and national key projects of water supply and drainage, agricultural production, urban development, buildings, bridges and chemical handling all over the country.

To affirm its determination to become the "No.1 brand in the Vietnamese plastic pipe industry", Tien Phong Plastic always focuses on investing in modern production lines and machinery, imported from top-tier European and Japanese firms. Currently, the company is applying quality management standard systems (ISO 9001: 2015), environmental management standard systems (ISO 14001:2015), energy management standard systems (50001:2011), occupational health and safety management standard system (45001: 2018) as well as well using management tools such as KPI, TPM, 5S and Lean Six Sigma. In addition, the firm focuses on developing high-quality human resources by recruiting and training excellent engineers and skilled workers to master advanced technologies.

In 2009, the company invested in building a new, modern factory powered by advanced technologies on an area of nearly 20 ha in Duong Kinh district and expanded it in 2018. In 2012, NTP invested more than VND120 billion to build a factory with a designed capacity of 20,000 tons of products a year in Nam Cam Industrial Park, Nghe An province, and a factory in Dong An II Industrial Park, Binh Duong province, which was scaled up in October 2019 after 12 years of operation. By investing in production in all three regions of the nation, Tien Phong Plastic has created jobs and stable incomes for thousands of workers and become the largest supplier of plastic pipes in the country.

Furthermore, NTP also boldly took the lead in investing a lot for modern technological lines supplied by world-leading prestigious brands such as Battenfeld - Cincinnati, Unicor and Krauss Maffei - Germany, Amut - Italy, and Corma - Canada. Especially, the HDPE pipe with Vietnam's largest diameter of 2000mm has been made and supplied for water supply projects such as Da river, Duong river, Lam river and Dong Nai river and installed under the sea to lead saltwater (nearly 10 km in length) to aquaculture areas and processing facilities



Over the years, Tien Phong Plastic has won dozens of domestic and international awards such as the Gold Cup of the National Quality Award, Asia-Pacific Quality Award, Vietnam Gold Star Award and Vietnam Value - the National Brand. Especially, Tien Phong Plastic was honored with many awards by the Party, the State and the Government such as Labor Hero in the doi moi era (1994 - 2005), Labor Orders of the First, Second, and Third Class, Third Class Independence Order (2010), Second Class Independence Order (2015) and Emulation Flags of the Government. Many employees of the company were also presented valuable awards.

of Minh Phu Seafood Corporation. Besides, Tien Phong Plastic's PE pipe production lines manufacture conduits for underground electric cables of Vietnam Electricity Group and underground telecom cables of Vietnam Posts and Telecommunications Group (VNPT) across the country.

From 2010 to 2019, Tien Phong Plastic invested in new factories and new technological lines. In 2019, the company made a total output of 95,450 tons, an increase of 75% over 2010, revenue of VND4,759 billion (up 145%), tax payment of VND324.7 billion (up 33.4%), profit of VND471.2 billion (up 50.3%), and average monthly income of an employee of VND13.7 million (up 67%). Especially, in the past 10 years, the company has paid more than VND2,661.7 billion to the State coffers, ensured stable jobs for over 1,300 employees, and always affirmed its Top 10 position in the Hai Phong business community.

In addition to business focus, Tien Phong Plastic places a strong emphasis on community activities. Pursuing sustainable development with the community, NTP has always been considered a good example of the city and the whole country in charity and community development. Over the past 10 years, the company has participated in more than 20 humanitarian programs, and donated more than VND30 billion to about 70,000 beneficiaries. In particular, the Bridge of Love Program, launched by Tien Phong Plastic in October 2017, has built 60 bridges worth dozens of Vietnamese billion dong across the country, supported tens of thousands of students and residents in Dien Bien, Lai Chau, Cao Bang, Yen Bai, Hoa Binh, Thanh Hoa, Ben Tre, Tra Vinh, Ca Mau, Kien Giang, Can Tho and other localities.

Needless to say, in the past 60 years, Tien Phong Plastic has excelled its task of building and fighting to protect the country while fulfilling the task of developing business and positively contributing to the socioeconomic development of Hai Phong City. At the same time, the company has advanced innovations and technological application, modernized equipment, renovated working thinking and developed human resources to achieve sustainable development and deliver a solid foundation for the company in the market. These are the important foundations for Tien Phong Plastic to successfully overcome challenges in the next stage and adorn the glorious tradition built by previous generations of employees. ■



HANG KENH JOINT STOCK CORPORATION

HELPING HAND FOR HAI PHONG TO GROW INTO NORTHERN COASTAL MEDICAL CENTER

Hang Kenh Joint Stock Corporation (HAKO) is acting as a helper for the health sector of Hai Phong City to become a medical center of the northern coastal region, Mr. **Hoang Manh The**, Chairman cum General Director of HAKO, in an interview granted to Vietnam Business Forum. **Hoang Tham** reports.

With 60 years of development, how has HAKO accompanied the city's socioeconomic development?

Hang Kenh JSC was formerly known as Hang Kenh Carpet Company, established in 1961 from Hang Kenh Wool Carpet Factory. In 1976, it was upgraded to Hang Kenh Carpet Company. On January 1, 2006, in response to State and Party policies, Hang Kenh Carpet Company was decided by the Hai Phong City People's Committee to be converted into Hang Kenh Joint Stock Company.

Before 2015, HAKO mainly manufactured and traded wool carpets and made shoes and base paper for export. The firm employed thousands of employees.

By 2020, the corporation has eight member units and particularly has developed a system of hospitals, clinics and medical service units. It has invested in many modern high-rise buildings in a short time with best construction quality to change the appearance and urban landscape of Hai Phong City.

In 2015 - 2020, the



corporation's business performance has been stable and sustainable. All business targets and tasks have exceeded their initial plans, thus ensuring employment, income and benefits for employees and making a positive contribution to the State budget. After five years, HAKO's revenue increased by 2.64 times, the profit before tax rose by 6.54 times and the dividend paid to shareholders soared 3.8 folds. Its registered capital climbed by 12.5 times. Its tax payment to the State coffers grew by 2.55 times. Its employees' average income rose by 2.2 times. HAKO has always supported and actively contributed to Hai Phong City's socioeconomic development.

Carrying out the Government's Resolution 05 on health socialization, HAKO invested in three major international hospital projects in the downtown of Hai Phong City and Vinh Bao district. Would you tell us about this new investment field?

The Government's Resolution 05 on health socialization is a big and right policy of the Party and the State. HAKO quickly grasped this policy and proactively planned the development strategy with appropriate steps to shape its major business development approaches: Restructuring the company and products to increase service value, gradually reducing the share of industrial production value to make HAKO a multi-business corporation with the core value being the hospital system.

From the first polyclinic, HAKO invested VND1,000 billion in building a 21-story Hai Phong International Hospital with 500 beds in Le Chan district, furnished with cutting-edge equipment, staffed by high-quality health workers and specialists who used to work for famous central hospitals and Hanoi, to facilitate people to gain convenient access to advanced medical techniques right in Hai Phong City. The hospital has been in operation since January 2015, employing nearly 1,000 nurses, doctors, technicians and service staff. The hospital has built its brand name and trust in Hai Phong and the North Coast.

Hai Phong - Vinh Bao International Hospital was marked with the hallmark "Welcoming the 16th City Party Congress, the term 2020 - 2025". We have decided to apply the first-year fee rate equal to that applied at the district-level State-run hospital as an expression of gratitude to the Party, authorities and people of Vinh Bao district and help the locality ensure social security.

The corporation's success in the health sector is just the first step. We will continue to improve the mechanisms, policies and organizational structure, polish the brand, further improve service quality and effect of medical examinations and treatments for people; and develop Hai Phong into a medical center of the North Coast. Currently, we are preparing to invest in international hospitals in Thuy Nguyen, Tien Lang, Kien Thuy and Cat Ba districts and a geriatric hospital in Cat Bi to expand our healthcare system to better serve local people.

How should Hai Phong City further improve the business investment environment? What do you expect from Hai Phong City in the 2020-2025 term?

In my opinion, the first thing the city must do is carry out comprehensive public administration reform. Procedures must be public and transparent. Time will be spent less on investment procedures to facilitate businesses to access planning, land, construction procedures and capital sources. Then, businesses will be able to quickly launch and operate investment projects to enhance their investment efficiency. The city should have specific policies on support, exemption or reduction of land rent and tax, especially in the health sector.

Given the strong development foundation that Hai Phong has built in the past period, in the next term, with solidarity, dynamism and creativity of the Party Committee, the People's Council and the People's Committee of Hai Phong City, I believe that Hai Phong City will achieve breakthrough development, basically complete industrialization and modernization by 2025 and become a modern, civilized and sustainable industrial city by 2030.

Thank you very much!

10/CT-TTg and Directive 24/CT-TTg of the Prime Minister to support and promote the training of high-quality human resources, especially in recent years, with the attention of the Vietnam Maritime Administration (Ministry of Transport), the General Department of Vocational Education (Ministry of Labor - Invalids and Social Affairs) and its own capital, the school annually spends VND4-5 billion and tens of billion VND of investment capital from other programs on quality improvement.

The school has effectively upgraded equipment and facilities for training and coaching, for example: upgrading to a smart swimming pool (VND7 billion), equipment system of ship control and ship engine operation (VND15 billion), and dormitory for students. In 2021, ADB will invest VND125 billion to upgrade the Ship Control Simulation System, Boat Room and Repair Workshop, and Ship Engine Room Training Simulator System.

The school has continuously ensured enrollment quality, especially for students (grade 9 onward) (accounting for 60% in Hai Phong, the rest are in localities across the country). Accordingly, every year, the school issues about 10,000 certificates. There are also training programs for captains, chief engineers, chief electricians, operating officers. Up to now, there are over 10,000 seafarers trained by the school working around the world.

Based on Decision 934/QĐ-LĐTBXH of the Minister of Labor, War Invalids and Social Affairs on "Pilot training at college level for 22 key international professions", the school organizes two college classes of high quality international level under the program transferred from Germany, majoring in ship control and the profession of ship engine exploitation.

Moreover, according to Vice Rector Vu Thi Hai Van, on May 28, 2020, with the cooperation and assistance of the General Department of Vocational Education, Maritime College No. 1 was honored to be chosen by the Aus4skills to pilot the Receiving and Stocking module of the Training on Strategy Development and Evaluation on Performance Capacity-Based Training (CBTA) in Project "Promoting the participation of enterprises in Vocational Education activities in the 2016-2020 period".

The results achieved over 48 years of development are positive signals encouraging staff, lecturers and students to strive to bring the school to the top 70 high quality schools of the country and honored to be in the Top 20 when the school turns 50 years old. ■



Hanoi - Hai Phong Beer company is honored with the first-class Labor Order conferred by State President on its 55th anniversary

HANOI - HAI PHONG BEER JOINT STOCK COMPANY

Product and Service Quality in Limelight

The company was initially named Viet Hoa Ice Factory and later renamed to Hai Phong Soft Drink Enterprise, Hai Phong Beer - Soft Drink Factory and Hai Phong Beer Company. In October 2004, the company was equitized and transformed into Hai Phong Beer Joint Stock Company. In October 2005, it became a member of Hanoi Beer Alcohol and Beverage Joint Stock Corporation and renamed to Hanoi - Hai Phong Beer Joint Stock Company.

Constant innovation and development

Deputy Director Pham Quoc Khanh said that when it was established, it was headquartered at 16 Lach Tray, Ngo Quyen, Hai Phong City. After surveys showed that water quality and reserves at 85 Le Duan, Quan Tru, Kien An, Hai Phong City met standards for beer production, the company asked the city

After 60 years of development (June 15, 1960-2020), with the close guidance and support of central and local authorities and with the solidarity, enthusiasm, dynamism and creativity of all the staff, Hanoi - Hai Phong Beer Joint Stock Company has overcome difficulties and hardships to grow in both "quantity and quality".

HA THANH

for this land to build a brewery. At that time, the company decided to borrow money with relatively high interest rates to construct a brewery to make high-quality beer, equipped with Germany's cutting-edge technology.

In recent years, the company has boosted production and accumulated finance for production expansion. It has moved production areas from 16 Trach Tray to 85 Le Duan and synchronously upgraded the modern beer production line to 75 million liters a year to meet local beer demand.

With its boldness and determination, the company currently employs nearly 300 employees who are paid a monthly average income of VND8.6 million each and generates jobs for thousands of people. The revenue increases year by year (averaging 10-15%) to stand among top producers of the beer - wine - beverage industry, an exemplary company of the industry and trade sector of Vietnam and a big taxpayer for Hai Phong City. Its

employees enthusiastically donate money to local and central charities and social funds each year.

Shining prestige and brand name

Deputy Director Pham Quoc Khanh said, quality and service are the gauge of consumers of prestige and brand name of a beverage product. This factor has become the guideline for the company. The company has invested in advanced modern technology; however, personnel and consumption systems are always placed atop.

To date, a majority of the company's employees are qualified and skilled as they graduated from universities and colleges. They are relatively young, dynamic and enthusiastic. At the same time, the company attaches much importance to training in beer production techniques for its employees to raise expertise and skills to meet professional requirements and provide best service for customers. It has built and applied the ISO 9000, ISO 22000 and ISO 14000 quality management systems.

Moreover, the company always cares about the environment and complies with State regulations on the environment. It periodically assesses the environmental impacts and treats wastewater and waste carefully, which is highly appreciated by Hai Phong City and the Hanoi Beer Alcohol and Beverage Joint Stock Corporation.

In recent years, especially after the Covid-19 pandemic outbreak, together with fierce competition from many domestic and foreign brewers in tax incentives and selling prices, Hanoi - Hai Phong Beer Joint Stock Company has always made great effort to improve its product properties (1-liter HABREW beer keg, 330-ml Haiphong Silver bottle and 330-ml Amber Beer bottle. The products are favored by consumers for good quality, modern design and convenient use, food safety and hygiene).

With its effort and determination to overcome all difficulties and challenges in the past 60 years, Hanoi - Hai Phong Beer Joint Stock Company has



Deputy Director Pham Quoc Khanh is introducing 1-liter, 2-liter HABREW beer kegs for home service during the Covid-19 pandemic outbreak

obtained many extraordinary achievements. Hanoi - Hai Phong Beer Joint Stock Company is honored to receive many noble awards from the government like Labor Order, First Class (2015) and Emulation Flag of the Government (2014) and many certificates of merit from central and local agencies. These awards have affirmed the company's goal of long-term sustainable development to become one of leading units in the beverage industry that helps local socioeconomic development, generates good employment for local people and increases incomes for its employees.■





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