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Vietnam Advancing Economic Ties with Thailand, Urging Comprehensive APEC Connectivity

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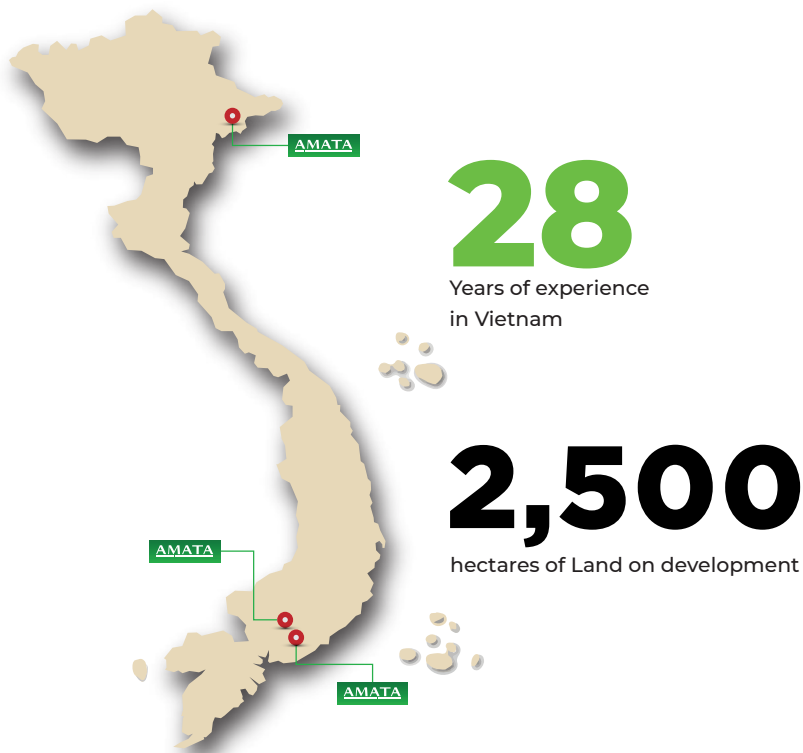


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Vietnam Advancing Economic Ties with Thailand, Urging Comprehensive APEC Connectivity

**APEC 2022
THAILAND**

14-19 November 2022



Thai Prime Minister Prayut Chan-o-cha (R) welcomes President Nguyen Xuan Phuc

The official visit to Thailand and attendance to APEC 2022 by Vietnamese President Nguyen Xuan Phuc, his spouse and senior Vietnamese officials wrapped up with a great success, opening a new chapter in Vietnam-Thailand cooperation, and proving that Vietnam always responsibly and actively promotes comprehensive APEC connectivity and ensures fairness and sustainable development.

The joint statement on the official visit to Thailand is considered to open a new chapter in bilateral cooperation, a move toward the 10th anniversary of the Vietnam-Thailand Enhanced Strategic Partnership in 2023. With APEC 2022, Vietnam continued to put forth highly feasible proposals,

promoting fully connected economies, economic recovery and sustainable development, and offering an important step toward implementation of the Aotearoa Plan of Action on APEC Vision to 2040 where Vietnam is an initiating member.

Thailand hosted a solemn welcome ceremony. Despite being busy with APEC 2022, Thai Prime Minister Prayut Chan-o-cha and his wife welcomed Vietnamese President Phuc at the airport, a special and historic ceremony in the bilateral relationship. During the welcome ceremony at the airport, the host country fired a 21-round gun salute. A formal welcoming ceremony was held at the Government Building of Thailand.

President Nguyen Xuan Phuc had a busy schedule on his two-day official visit to Thailand with 20 events including talks with Thai Prime Minister, greetings to the King of Thailand, meeting with the President of the National Assembly, meeting with the President of the Vietnam-Thailand Friendship Association, meeting with 350 businesses of Thailand and Vietnam,

meeting with some business leaders of Thailand, and attendance to the opening week of Vietnam Goods Week in Thailand. Central agencies and localities also have many bilateral cooperation programs in Thailand.

Importantly, Vietnamese President Nguyen Xuan Phuc and Thai Prime Minister Prayut Chan-o-cha agreed to step up cooperation for celebrating the 10th anniversary of the Enhanced Strategic Partnership. Particularly, the two sides agreed to strengthen the "Three Connects" Strategy: supply chain connectivity; business and locality connectivity; and sustainable growth connectivity. Thai Prime Minister said that the visit of President Nguyen Xuan Phuc ushered in a new era of comprehensive partnership.

The host emphasized that Thailand and Vietnam are economically important countries in the region, both by scale and by development potential. Thailand and Vietnam agreed to reinforce their close economic partnership to speed up socioeconomic recovery in both countries and in the region. The two sides also developed trade, investment, transportation and digital economy. Vietnam and Thailand also agreed to coordinate in implementing a more convenient and faster form of electronic payment for exchanged goods and services,

remove trade obstacles and foster import and export to third countries, with care given to agricultural products, industrial parts, equipment and medicines.

President Phuc affirmed that the two sides will strive to bring the two-way trade to the target of US\$25 - 30 billion by 2025 in a more balanced and sustainable direction; and facilitate cargo and service circulation. Besides, the two sides will facilitate companies of the two countries to strengthen investment and business cooperation, even in new fields such as digital economy, green growth and sustainable development. The important cooperation of infrastructure connectivity, agriculture, development assistance, labor, culture, tourism, business, people-to-people and local diplomacy will be core contents of the Vietnam - Thailand Strategic Partnership. As many as 19 localities of Vietnam and Thailand, and Khon Ken and Da Nang provinces, signed cooperation agreements.

At the end of the official visit by President Phuc, the two sides issued a joint statement with the message "Celebrating the 10th anniversary of Vietnam - Thailand Strategic Partnership: Opening a New Chapter of Stronger Strategic Partnership for Peace, Stability and Mutual Prosperity and five cooperation documents on the implementation of Enhanced

29th APEC Economic Leaders' Meeting Session 2: Sustainable Development

19 November 2020



President Nguyen Xuan Phuc at the 29th Asia-Pacific Economic Cooperation (APEC) Economic Leaders' Meeting

Strategic Partnership in 2022-2027.

After his official visit to Thailand, President Nguyen Xuan Phuc attended the 29th Asia-Pacific Economic Cooperation (APEC) Economic Leaders' Meeting themed "Open. Connect and Balance." The Economic Leaders of APEC met in-person for the first time in four years and released the Joint Declaration on Bio-Circular and Green, a strategic new growth after the pandemic.

Escorting President Nguyen Xuan Phuc on the trip, Foreign Minister Bui Thanh Son said senior leaders of 21 economies conveyed a very strong message of cooperation, dialogue and multilateralism. APEC leaders also exchanged strategies key to overall APEC development in the new stage of development: (1) ensuring free flows of regional trade and investment; (2) comprehensive connectivity between



President Nguyen Xuan Phuc (first row, 6th from right), VCCI President Pham Tan Cong (first row, 4th from right), and other delegates at Vietnam-Thailand high-level business meeting



President Nguyen Xuan Phuc attends a high-level seminar with the U.S.-APEC Business Alliance for Competitive SMEs

➡ economies in hard, soft, digital infrastructure and human connectivity; and (3) successful transition to a balanced, sustainable and inclusive growth model. There is a high consent to requirements for a new, more balanced and comprehensive approach to regional development.

Invited to deliver keynote speeches to many sessions, President Nguyen Xuan Phuc actively proposed many initiatives and emphasized a peaceful, stable, prosperous and sustainable Asia-Pacific. He said APEC members need to act for the common good of the community, to safeguard APEC achievements and values over the past three decades. As Asia-Pacific enters a new stage of development, APEC needs to take the lead in fostering a balanced, inclusive and sustainable growth model and supporting successful green and digital transformation economies. Accordingly, it is necessary to ensure an open, transparent and non-discriminatory trade and investment environment, and couple trade and investment with the 2030 Sustainable Development Goals; and train human resources, especially high-quality workers.

Specially, President Phuc and other APEC members agreed to create more communication channels to narrow differences and maintain high consensus in APEC. This is considered an important enabler of the success of APEC Summit.

Foreign Minister Bui Thanh Son said Vietnam shared new ideas and views on development trends and approaches for APEC in the current challenging period. Vietnam's initiatives, introduced by President Phuc to many gatherings, were highly appreciated by partners. We also shared Vietnam's experiences in economic recovery and development as well as green transformation, digital transformation and important policies.

On the sidelines of APEC 2022, President Phuc hosted many bilateral meetings and contacts with APEC economic leaders like China, the United States, the Philippines,

Singapore, South Korea, Australia, Canada, France, Chile and Peru. He also had meetings with the Crown Prince, Prime Minister of Saudi Arabia and Head of the Hong Kong Special Administrative Region, China and the International Monetary Fund (IMF). The leaders highly appreciated Vietnam's roles in APEC and many international and regional forums and intended to promote bilateral cooperation with Vietnam.

Definitely, the official visit to Thailand and attendance to APEC 2022 by President Nguyen Xuan Phuc, his spouse and senior Vietnamese officials wrapped up with a great success, opening a new chapter in Vietnam-Thailand cooperation and proving that Vietnam always responsibly and actively promotes comprehensive APEC connectivity and ensures fairness and sustainable development. ■

Escorting President Nguyen Xuan Phuc on the trip to Thailand, Mr. Pham Tan Cong, President of the Vietnam Chamber of Commerce and Industry (VCCI) and President of ABAC Vietnam, said that the business atmosphere of Vietnam and Thailand is very good now. We witnessed very exciting bilateral business meetings besides scale and participation. In his message on national development, economic growth and political stability, he called for the Thai business community's participation. They are discussing bringing their investment projects into Vietnam. Thailand is considering investment into some industries while Vietnamese companies are working hard to widen their presence in Thailand. Shortly after President Phuc suggested organizing the Vietnam-Thailand business meeting, nearly 100 Vietnamese companies registered for participation in a week.

VIETNAM - NEW ZEALAND

ELEVATING STRATEGIC PARTNERSHIP IN AGRICULTURE

Vietnam and New Zealand are important partners in agriculture. With a shared commitment to free and open trade that benefits everyone and boosts production and export, both countries are food suppliers for the whole world.

THU HA



Prime Minister Jacinda Ardern at the launch of Vietnam lime and pomelo trade to New Zealand

Vietnam and New Zealand established diplomatic ties on June 19, 1975. Their strategic partnership, established in July 2020, created a new impetus for in-depth and substantive cooperation. The bilateral trade value reached US\$1.3 billion in 2021, representing an annual growth of 26.7%, and US\$1.1 billion in the first nine months of 2022, up 13.6% year on year.

Speaking at the Vietnam-New Zealand Agricultural Connection Conference and Exhibition (AgriConnectionNZ) themed "Strategic Partnership in Agriculture", held within the framework of her official visit to Vietnam, Prime Minister Jacinda Ardern emphasized that agriculture is not only an important economic sector but also part of the cultural identity of the two countries. Highlighting that Vietnam and New Zealand both possess efficient food production systems, she added that this will continue to be a key trade cooperation area of the two countries. A notable example is New Zealand's support for commercialization of new fruit varieties, including the Dragon Fruit Seedling Development Project.

Mr. Damien O'Connor, Minister of Agriculture cum Minister for Trade and Export Growth of New Zealand, affirmed that New Zealand and Vietnam are "godsend partners" in agriculture. Important bilateral agreements on food safety, veterinary and phytosanitary, electronic certification and agriculture have provided a solid foundation to promote agricultural trade cooperation that the two sides are interested in.

He said two-way trade has risen by 59% over the past five years to NZ\$2.39 billion in 2022. This figure will continue to grow with electronic certification for traded agricultural products. This will free up supply chains and

speed up customs clearance and will benefit businesses on both sides. New Zealand is ready to further provide technical support for Vietnam to set up and operate the electronic certification system

Emphasizing the focus of agricultural cooperation in the coming time, Minister Damien O'Connor said, reducing emissions in agriculture will be an increasingly important focus. Both Vietnam and New Zealand are actively supporting the Global Research Alliance on Agricultural Greenhouse Gases (GRA) and the ASEAN Climate Smart Agriculture Initiative. As part of this effort, the livestock emissions measurement and reporting project in Vietnam was approved for implementation. New Zealand is proud to have played a part in developing the project.

Agreeing with this view, Vietnam's Minister of Agriculture and Rural Development Le Minh Hoan said that agriculture is one of the important pillars in Vietnam-New Zealand cooperation. Vietnam highly appreciates New Zealand's interest in agriculture, with a focus on knowledge and technology transfer in the following areas: Market development for agricultural products, high quality crop varieties, animal quarantine, vegetation, dam safety and reservoir operation, food safety, and greenhouse gas emission reduction in livestock farming.

Agricultural trade brought in nearly US\$550 million in 2021, accounting for 41% of total bilateral trade value. The two sides signed an agreement on the clearance facilitation of agricultural, forest and aquatic products with the use of electronic certificates in July 2020. Currently, working groups of the two countries are taking

(continued on P.23)

Further Strengthening Cooperation in Food and Agriculture



VCCI President Pham Tan Cong (R) receives Mr. Grzegorz Piechowwiak, Secretary of State of the Ministry of Economic Development and Technology of the Republic of Poland

“Vietnam and Poland are supposed to further strengthen cooperation in food and agriculture,” recommended Mr. **Grzegorz Piechowwiak**, Secretary of State of the Ministry of Economic Development and Technology of the Republic of Poland, at a meeting with President of the Vietnam Chamber of Commerce and Industry (VCCI) Pham Tan Cong on November 23.

What do you comment on the economic cooperation between Poland and Vietnam?

Economic relations between Vietnam and Poland have developed very well for many years. Vietnam is Poland's most important trading partner in Southeast Asia and Poland is Vietnam's number one trading partner in Eastern Europe. Despite COVID-19, the economic relations between Vietnam and Poland have been still developing very well. In 2021, the two-way trade turnover reached nearly US\$2.6 billion. In the first nine months of 2022, the total import and export turnover of the two countries reached more than US\$2 billion. The main areas of cooperation are agricultural products, pharmaceuticals, cosmetics, green technology and wastewater treatment.

What fields need to be promoted to improve trade ties?
We are working now to accelerate the trade between

Poland and Vietnam.

We recognize that the agricultural and food sectors need to be further strengthened. These are areas that Poland and Vietnam are not competing but complementing each other.

The agriculture ministries and sectors have also carried out many procedures to facilitate the entry of Polish food into Vietnam, such as beef, duck or goose meat.

In addition, the two countries can also promote cooperation in industry or machinery and information technology.

What is the most potential field for cooperation and how should VCCI support business cooperation?

The most promising field is information technology.

I know that the Vietnamese government is accelerating the process of digital transformation, e-

government or smart cities. I hope that with the support of VCCI, Vietnamese companies will be able to access the best offers from Polish information technology companies.

The Polish Chamber of Commerce and the Polish Embassy will promote information on the capabilities of Polish businesses to Vietnamese businesses.

I think, the two sides can coordinate to organize networking sessions or meetings between businesses of the two countries next year. We look forward to VCCI's support in connecting enterprises and bilateral trade promotion activities. ■

VCCI President Pham Tan Cong:

Vietnam and Poland have developed a friendly and cooperative relationship since the 1950s. I am delighted to see that Poland has a strong economy today. With the good traditional relationship between the two countries as well as many areas of potential cooperation, I think that the import and export turnover between Vietnam and Poland will have great growth opportunities. With a population of nearly one hundred million, Vietnam needs to import a lot of items, especially those that Poland has strengths in, such as agriculture, information technology, machinery and equipment.

VCCI is always willing to support Polish businesses to find markets and investment partners in Vietnam so the cooperation between the two sides can achieve the highest efficiency.

SUSTAINABILITY PRACTICES

Helping Businesses to Become More Resilient and Improve Public Images



The business community needs to adopt the Corporate Sustainability Index (CSI) as a tool to support sustainable corporate governance and help companies to self-assess their "health" in social, economic and environmental aspects, said Mr. **Nguyen Quang Vinh**, Executive Vice President of the Vietnam Chamber of Commerce and Industry (VCCI), Chairman of the Vietnam Business Council for Sustainable Development (VBCSD).

HUONG LY

After six years of implementation, how has CSI impacted sustainable corporate governance? What is new in this seventh edition?

After six years of carrying out the Program on Benchmarking and Announcing Sustainable Businesses and promoting CSI application (CSI Program) in the business community, we have found out that Vietnamese businesses are gearing up governance toward a transparent, environmentally responsible business model and community development. This has also produced a positive impact on their business performance.

Specifically, businesses that participate in the program have significantly higher labor productivity, remarkably improve the income of employees and make more social contributions than those that don't. They also have better competitiveness, especially in better-invested product research and development and sustainably guaranteed supply sources.

Sustainability certification will open up opportunities for businesses to improve their public images, attract human resources, and capture new business opportunities thanks to the increased trust of partners, investors and shareholders. Therefore, a majority of CSI Program candidates expressed their desire to continue the Program in the coming years.

2022 is the 7th year in a row that VCCI has launched the Program in coordination with the Ministry of Natural Resources and Environment (MONRE), the Ministry of Labor, Invalids and Social Affairs (MOLISA) and the Vietnam General Confederation of Labor (VGCL). The Organizing Board sorted out 148 finalists from more than 600 candidates and will announce the 99 most outstanding companies at the Announcement Ceremony of Sustainable Businesses in Vietnam on December 1.

The CSI Program 2022 also has first-time candidates who account for nearly 25%, showing that more companies care about the CSI Program and sustainable development



VIETNAM BUSINESS COUNCIL FOR SUSTAINABLE DEVELOPMENT (VBCSD)

**Sustainable Business,
Prosperous Societies**

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in general. Another new content this year is that the Organizing Board only accepted online filing, helping candidates manage their documents and records more easily as well as helping the Judge Council to give scores more favorably than before. In addition to honoring sustainable companies, the core content, the Program also found pioneering businesses that outperformed in three thematic categories: Promote women's empowerment and gender equality in the workplace; Respect human rights and children's rights in business; and adopt the circular economy and response to climate change.

How has CSI been better adapted for the business community, especially small and medium enterprises?

Every year, CSI is updated and upgraded to become more complete, friendlier and closer to detailed and specific criteria to match domestic legal regulations and international standards and requirements. Among 130 CSI indicators in 2022, up to 68% is related to legal compliance requirements, while 32% is associated with sustainable business initiatives. This shows that, only by complying well with legal provisions can companies build a solid foundation for sustainable development in general and are easily appreciated in the Program on Benchmarking and Announcing Sustainable Businesses in particular.

It is necessary to emphasize that regulatory compliance is a basic requirement for all, even SMEs. Therefore, CSI application is not distant for SMEs. Many of the CSI-applied companies said that CSI can effectively help formulate business strategies and plans, review

business gaps, work better and promptly seize new business opportunities.

Particularly, environmental, social and governance matters under the ESG framework have been more focused by VBCSD this year, expressed by ESG integrated into the working agenda of breakout sessions on corporate governance at this year's Vietnam Corporate



Deputy Prime Minister Vu Duc Dam, Chairman of the National Council on Sustainable Development and Competitiveness Improvement, affirmed that sustainable development has become an inevitable trend while addressing the Vietnam Corporate Sustainability Forum 2021



Deputy Prime Minister Vu Duc Dam, VCCI President Pham Tan Cong and other delegates pose for a group photo with representatives of the most sustainable businesses 2021

Sustainability Forum (VCSF), as well as at the plenary session on December 1. ESG is also integrated into the updated CSI 2022.

You have mentioned that ESG is embedded into the CSI Index. Would you tell us more about this standard and its benefits for ESG-applied businesses?

By incorporating ESG into the new 2022 version of the CSI Index, businesses will have a more intuitive approach to their governance through three aspects:

The first is companies' interaction with the natural environment, the natural capital for them. That is illustrated by their activities to respond to climate change, protect biodiversity, conserve natural resources, and reduce carbon emissions as well as air and water pollution.

The second is their impacts on society and community through their programs and activities to protect occupational health and safety, improve working conditions, and fulfill their legal obligations to enhance occupational health and safety, gender equality, diversity, inclusion, human rights and children's rights in business, privacy and data security of customers and partners, or sustainable livelihoods for vulnerable groups via inclusive business models.

And finally, there are principles to be applied when building the corporate governance apparatus at each business, which includes governance, transparency reporting, code of business conduct, increased ownership of shareholders and employees, and independent mechanism of the Board of Directors.

In Vietnam, ESG is becoming an important factor that presents a complete picture of business and facilitates globalization for companies. A recent PwC study surveyed 325 investors from around the world. Most respondents showed their commitment to ESG goals and assigned this as a top priority in their businesses where they have invested. More specifically, companies with high ESG performance evidently have lower risk exposure, higher profitability and better resilience to crises.

In my opinion, an integrated development strategy with innovative ESG solutions can create competitive advantages for businesses, open up potential cooperation opportunities, increase access to capital, and foster sustainable development

What should companies do to effectively integrate ESG into their business development?

I think that in the current context, to meet ESG information disclosure regulations, companies need to take some basic steps. First, to build an effective ESG strategy, they should not just follow the ESG framework to get a high score but really understand ESG values and integrate ESG in decision making. Particularly, to strengthen their



In his keynote speech at the Vietnam Corporate Sustainability Forum 2021, VCCI President Pham Tan Cong said that businesses that have adopted sustainability practices are more resilient against global challenges

leadership in ESG transformation, business leaders and owners need to regularly review and incorporate ESG into core activities.

Second, ESG transformation needs to be done in a synchronous and systematic manner. For businesses in Vietnam, when practicing ESG, many elements in the initial process may not be appropriate, causing a lot of operational inadequacies and negatively affecting time and costs. Meanwhile, each E-S-G element is closely linked to each other and will motivate each other. Therefore, initiatives need to be synchronized and systemized to optimize cost and time and promote common strategic development.

Third, the ESG transformation strategy needs cross-cutting activities, from shaping the vision and goals to taking steps to scale up. ESG transformation in enterprises in general or in private enterprises in particular cannot be done in a short-term but must go through an iterative process, starting with pilot projects and continuous improvement and scaling.

I recommend companies actively study the CSI Index and use it as a tool to support sustainable corporate governance and self-assess their "health" in all economic, social and environmental aspects. This will also support them to practice the ESG framework. In the coming time, VBCSD will organize training courses on ESG, CSI and sustainability reporting for the business community to better support them. That will help them improve their governance capacity and competitiveness and better attract sustainable investment capital into business.

Thank you very much!

Enterprises Working together for National Sustainable Development

Sustainability has become a top priority for many businesses, a critical factor for their success. How have Vietnamese entrepreneurs promoted sustainability in their businesses? Vietnam Business Forum quoted some opinions of business leaders about sustainable business practices.

Ms. DINH THI THU HOAI

DIRECTOR OF VIETNAM BUSINESS COALITION FOR WOMEN'S EMPOWERMENT (VBCWE)



As a member of the Judge Council of the 2022 Program on Benchmarking and Announcing Sustainable Businesses in Vietnam, we are glad that most companies have prepared very well. Some have even made detailed reports for every criterion with convincing proof. Some of them even provide integrated sustainability reports. This is a very good sign because it shows that

businesses are now highly aware of gender equality, as well as other sustainable development criteria. This achievement is significantly attributed to the CSI Program in particular and VBCSD as a whole. We cannot improve what we cannot measure. And the CSI Program is like a "ruler" that helps us see what we are lacking and what needs to improve for sustainable development. After seven years of implementation, CSI has helped bring CSI closer to companies and employees. The sustainable development picture has become much clearer with CSI indicators. Good practice/implementation of CSI criteria is not only for "competing for awards" but really useful for their sustainable development.

Mr. MONTRI SUWANPOSRI

GENERAL DIRECTOR OF C.P. VIETNAM CORPORATION (CPV)

To be a sustainable business community, each business must be sustainable itself, from input supply to production and processing to make products that meet consumer needs but do not cause negative impacts on the environment, thus helping improve the life quality of the community.



In nearly 30 years of doing business in Vietnam, we have concentrated on carrying out sustainability strategies built on three core values of "For the country, for the people, for the company" with social, environmental and economic focuses to be a sustainable enterprise in the present and in the future in Vietnam

Socially, CPV announced the goal of supporting the community in creating access to safe and nutritious food sources for consumers and disadvantaged groups. Environmentally, CPV set environmental targets towards 2030 to reduce greenhouse gas emissions. Regarding business, we focused on sourcing raw materials of clear origin, not breaking the law nor destroying forests. We invest in production technology without harming the environment and employment for people.

Our achievements today are supported by reasonable policies of the Government. We hope to accompany Vietnam toward sustainability in the present and future.

Ms. VERENA SIOW

PRESIDENT AND GENERAL MANAGER OF SAP SOUTHEAST ASIA



Vietnamese companies are still relatively passive on sustainability issues. Many still consider sustainable development as something of extravagance, not something really urgent. They only care, learn and deploy it if required by the market, investors or authorities.

In fact, sustainable development will increasingly be a decisive factor for business success.

This is not only good for the environment, but also helpful for increasing revenue as customers will tend to buy products made by sustainable firms, especially for consumer brands. Moreover, sustainable development helps foster innovation and enable new business models.

Not only to beautify reports or comply with obligatory regulations, companies need to find more sustainable and superior ways of development. This requires a combination of technology and data to create breakthrough leverages.

Ms. DO HOANG ANH

DIRECTOR OF LEGAL AND EXTERNAL AFFAIRS, BRITISH AMERICAN TOBACCO (BAT) EAST ASIA



BAT Vietnam's sustainable development goals always follow the Government's overall goals to join the business community to assist the 2030 National Agenda for Sustainable Development based on 17 United Nations Sustainable Development Goals (SDGs).

BAT is also committed to implementing priorities in three areas: Environment, Society and Governance (ESG). Environmentally,

BAT Vietnam always strives to reduce climate impact along our value chain. We also apply principles of circular economy and zero-waste economy to create more efficient operations, while giving employees the opportunity to make changes and reduce their impact on the environment.

Socially, BAT Vietnam is committed to improving the livelihoods of all farmers in our supply chain by increasing income and crop productivity year by year. BAT Vietnam also strictly follows human rights regulations and ensures close monitoring in our supply chain every year.

Regarding corporate governance, BAT Vietnam is committed to maintaining a culture of integrity and fully complying with BAT's business ethics standards. We also adhere to BAT's international marketing guidelines, marketing responsibly.

When carrying out sustainable development goals, companies will have to spend more money and resources to protect the environment and bring a better tomorrow for stakeholders and the country. Therefore, by regulating its tax policies and preferential policies, the Government should clearly demonstrate its strong commitment to developing a green economy, a circular economy and implement this commitment to every enterprise.

Ms. HOLLY BOSTOCK

CORPORATE AFFAIRS DIRECTOR HEINEKEN

HEINEKEN Vietnam is always looking for opportunities to cooperate with reputable partners to continuously enhance the company's sustainability strategy. Recently, the company has announced its partnership program with WWF-Vietnam to conserve three key river basins of Vietnam with an investment of US\$30 billion. The program will last until 2025, aiming to conserve 3 billion liters of water per year for the Tien, Dong Nai and Red river basins.

Our partners who supply resources to promote circularity and recycling/upcycling/reuse at HEINEKEN Vietnam's breweries are



also crucial components to the company's sustainability strategy. For example, at HEINEKEN Vung Tau, the largest green brewery in Southeast Asia, we have created an ecosystem of 46 companies in the region and contributed more than 200 jobs. There, we are helping to support jobs for the local people and have become an important part of the local economy.

Besides, the recent turbulence around the globe has made sustainable development a topic of interest to almost everyone. This generates a great opportunity for small and medium enterprises in Vietnam, when many large companies are prioritizing sustainability criteria when looking for strategic partners in the domestic market.

To promote stronger sustainable business practices in Vietnam, HEINEKEN Vietnam is committed to supporting the government in promoting sustainable development and environmental protection, one of which is the goal of bringing Vietnam to net zero emissions by 2050 that was announced at COP26.

Currently, regulations & policies on sustainability in Vietnam are putting their focus on manufacturers and import processes; however, along with setting stricter controls and compliance, there also needs to be incentives and a relaxation of regulation to allow companies to be able to meet their targets, as well as attract more investment in sustainability infrastructure into Vietnam.

For example, at HEINEKEN Vietnam, to implement circularity in packaging, we are still sending crushed cans to Thailand and China for recycling. In addition, legal constraints on the direct electricity purchase and sale mechanism between renewable energy generators and large electricity users are also preventing businesses from accessing clean electricity for their production.

Mr. BINU JACOB

CEO NESTLÉ VIETNAM



In Vietnam, regarding sustainability strategy, Nestlé focuses on four key areas: Climate Action, Sustainable Packaging Solutions, Responsible Purchasing, and Water Management. These priorities are intended to contribute to the realization of Nestlé's common goal in the Roadmap to Net Zero Emissions by 2050.

To accomplish this goal, one of the most important things Nestlé is doing is introducing the concept of regenerative agriculture and applying this approach in agriculture in many countries, including Vietnam. Regenerative agriculture is an approach in which agricultural production is directed towards improving soil quality and fertility as well as conserving water resources and biodiversity. Improved soil quality helps increase the ability to absorb CO2 into the soil and create biomass fuel from plants. Better soil quality will increase resilience to the adverse effects of climate change, helping to increase productivity and improve farmers' incomes and livelihoods. These positive impacts will contribute to building a strong foundation for sustainable food production and contribute to Nestlé's climate change goals. ■

OPPORTUNITIES FOR BUSINESSES TO DEVELOP IN NEW CONTEXT

Sustainable corporate governance and business assessment practices based on the ESG (Environmental, Social, and Governance) framework are emerging as a guiding trend for investment on a global scale. In the post-pandemic context, more and more businesses are approaching ESG standards.

At the symposium "Accelerating Mindset and System Transformation to Optimize Sustainable Corporate Governance" recently organized by the Vietnam Business Council for Sustainable Development-VBCSD (Vietnam Chamber of Commerce and Industry - VCCI), Vice President of VCCI and Chairman of VBCSD Nguyen Quang Vinh, said that non-financial factors like ESG have great financial significance for an investment company. According to ESG, in other words, an enterprise that invests in scientific and professional corporate governance is a commitment to sustainable development and will surely reap benefits in all aspects in the long term.

VBCSD said that a special report on measuring the Edelman confidence index found that up to 88% of investors believe that companies that focus on ESG initiatives will offer better long-term profit opportunities than those that don't.

Ms. Do Hoang Anh, Legal and External Affairs Director of British American Tobacco (BAT) East Asia, shared that ESG is now integrated in all business activities of BAT, which has created common values for consumers, employees, communities and stakeholders.

"Through the goals of being carbon neutral, using renewable energy, saving water and maintaining zero waste in landfills while recycling waste and using sustainable sources, the company contributes in efforts to combat climate change, conserve biodiversity and plant forests," said Ms. Hoang Anh.

From 2016 up to now, VCCI with its core as VBCSD has actively promoted sustainable corporate governance practices in the business community through the introduction to businesses of the Corporate Sustainability Index (CSI) and organized the Program on Benchmarking and Announcing Sustainable Companies in Vietnam.

Currently, the application of ESG is still new in Vietnam. However, more and more businesses are interested in ESG practices. Chairwoman of the Board of Directors of Deloitte Vietnam Ha Thi Thu Thanh said that consumers, regulators and investors are the main drivers of this process.

Sustainable corporate governance is no longer a responsibility but has become a factor for businesses to maintain business operations in the new context.

GIANG TU

"Integrating ESG is a challenging topic, but once the Government has committed to net emissions, ESG is no longer a responsibility, but a factor to maintain business continuity and is an opportunity for sustainable development of enterprises in the new context. This is not only the story of public companies and listed companies, but also of all businesses," said Ms. Ha Thi Thu Thanh.

However, Mr. Joe Phelan, Asia Pacific Executive Director of the World Business Council for Sustainable Development (WBCSD), said that businesses are having difficulty identifying risks. ESG risk in annual risk management, even though this indicator has been included in the annual sustainability report.

For risk management, the representative of WBCSD proposed a new three-line model. Accordingly, ESG is integrated through three main pillars: Governance (including the development of governance and reporting mechanisms under the ESG framework, close engagement with stakeholders); management (including developing a multi-resource approach, assessing intrinsic ESG risk and monitoring ESG data/reporting) and finally, internal audit (control and assurance of the accuracy of ESG data in the enterprise, promoting reporting on economic and social impacts of enterprises according to the ESG framework, and closely interacting with the other two pillars).

Corporate strategy consultant Do Thanh Nam emphasized, sustainable corporate governance is an indispensable need of businesses toward long-term and sustainable development, but to practice ESG as well as corporate governance effectively, requires investment and especially a comprehensive mindset change from business leaders. Business leaders must have faith and must commit to action, the sustainable development of the business must create value, and bring good to society. ■





SIP INDEX

For Sustainability of Vietnam's Industrial Parks

Vietnam currently has over 500 licensed industrial park infrastructure construction projects, including nearly 400 being operational with a total area of 123,000 ha in 61 out of 63 provinces and cities, according to the Ministry of Planning and Investment. The number of industrial parks (IPs) has steadily increased over the years.

ANH MAI

In addition to general regulations on planning, investment, environmental protection and labor, IP operation management is governed by Decree 82/2018/ND-CP dated May 22, 2018 on the management of industrial parks and economic zones, replaced by Decree 35/2022/ND-CP dated May 28, 2022 on the management of industrial parks and economic zones from July 15, 2022.

The Program for Promoting Sustainable Industrial Parks in Vietnam in 2021-2025 was launched by the Vietnam Business Council for Sustainable Development (VBCSD) under the direction of its administering Vietnam Chamber of Commerce and Industry (VCCI), the Ministry of Industry and Trade (MOIT), the Ministry of Natural Resources and Environment (MONRE), the Ministry of Labor, Invalids and Social Affairs (MOLISA), and the Vietnam General Confederation of Labor (VGCL). The program is currently being developed and is scheduled for operation in the coming years.

In 2022, VBCSD and the Sustainable Trade Initiative in Vietnam (IDH Vietnam) have been carrying out research and a survey on the status of IPs in accordance with the economic,

environmental, social and governance framework (EESG) with 19 main target categories. The survey, conducted at the managerial level, was made in the form of questionnaires with 118 IPs and in-depth interviews with 45 IPs.

According to the research report on actual situations of some IPs in Vietnam, made with the EESG framework, the issued rate of EESG development policies is low (only 39% have a risk management policy to comply with environmental laws; and 21% have a risk management policy to ensure social compliance; 10% have the policy to promote the circular economy; and 13% have a policy on digital transformation).

Mr. Pham Hoang Hai, Head of Partnership Panel of the VBCSD Secretariat, said that one of the biggest difficulties in sustainable governance is changing mindsets, organizational models, and governance as IPs have operated for a long time (95% of surveyed IPs were established before 2018) and reached a sufficient occupancy rate for symbiotic improvements to be implemented.

Moreover, awareness of sustainable IPs remains weak. In-

(continued on P.52)



VCCI Vice President Bui Trung Nghia (7th from left) at the working session with the Venezuela business delegation

Vietnam-Venezuela Business Cooperation Bolstered

Mr. Bui Trung Nghia, Vice President of the Vietnam Chamber of Commerce and Industry (VCCI), hosted a meeting with Ms. Tatiana Pugh Moreno, Ambassador of the Bolivarian Republic of Venezuela, and a Venezuelan business delegation led by Mr. Oswaldo Hernández, Chairman of Venezuela-Vietnam Chamber of Commerce (CAVENVIET). The meeting at VCCI Head Office in Hanoi aimed to promote business cooperation, especially in agriculture and banking.

QUYNH ANH

Mr. Oswaldo Hernández said Venezuela has opened its market to countries around the world, including Vietnam. Currently, Venezuelan businesses can settle forex payments with foreign businesses.

Venezuela wants to seek opportunities and expand markets with Vietnam; and Vietnam, for its part, can also go to Venezuela to expand markets in Latin American countries.

"Venezuela is strong in the oil industry, but we want to cooperate with Vietnamese enterprises in other fields such as seafood and agriculture. Venezuela imports Vietnamese products like cinnamon, cashew nut and anise through third countries. Therefore, we seek to exchange directly with Vietnamese companies and directly purchase these items. In

addition, we have high demand for apparel and footwear, which are strong exports of Vietnam to the world," he noted.

He hoped VCCI would recommend Vietnamese companies to visit and learn about the Venezuelan market, he added. Currently, Venezuela has a lot of preferential policies for foreign investors, so Vietnamese investors can build production and processing factories in Venezuela to supply products locally and export them to neighboring countries.

VCCI Vice President Bui Trung Nghia said that Vietnam and Venezuela have a long-standing cooperative relationship, but their economic and trade cooperation relations are not commensurate with their potential. Vietnam's economy has developed strongly in recent years. In 2022, Vietnam's GDP is expected to expand 7%. Its economy is highly open, with 16 FTAs signed with countries and regions, such as CPTPP, EVFTA and RCEP.

During this visit, Venezuelan companies met and discussed directly with 60 Vietnamese partners in many fields to seek cooperation opportunities. VCCI Vice President Bui Trung Nghia said many Vietnamese companies can meet cooperation requirements of Venezuelan partners. Therefore, in the coming time, the two sides need to actively exchange information and find specific cooperation directions in sectors like agriculture, consumer goods, apparel, footwear, finance and banking.

Mr. Nghia suggested that the Venezuela-Vietnam Chamber of Commerce work out a plan for Venezuelan business delegations to visit Vietnam in combination with market research, trade and investment promotion between the two countries.

He also affirmed that VCCI is the largest and most innovative agency for business development, willing to support and cooperate with the Venezuela-Vietnam Chamber of Commerce to provide business information and support seeking cooperation, investment and business opportunities for enterprises of both sides. ■

Improving Legal Document Quality

Vietnam has significantly improved the business environment, adopted policies to cut compliance costs for enterprises, reformed administrative procedures, reviewed conflicting and overlapping regulations to remove bottlenecks in business, and amended major investment-related laws. The business environment has been thus more favorable for investors and enterprises.

QUYNH ANH

However, enterprises are still complaining about problems and inadequacies in business. This is partly blamed for the limited quality of legal documents, especially instructive documents.

Limited quality of legal documents

According to the Institute of Legal Science under the Ministry of Justice, after 35 years of doi moi (reform), Vietnamese laws have made progress in both quantity and quality. The relatively consistent legal and policy system has basically matched the socialist-oriented market mechanism and met socioeconomic development and international integration requirements to a certain extent. However, the quality of the legal system remains low. For example, some regulations still do not fit actual socioeconomic conditions and social needs as well as administrative requirements of authorities (especially in the context of the far-reaching impacts of the Fourth Industrial Revolution, digital society construction and international integration). A number of regulations lack predictability and stability, which risks investment and business planning of people and businesses. The lifespan of some legal documents in some fields is not high. Worse, several regulations have even not determined resources for enforcement or not taken practicability into full consideration.

Mr. Dau Anh Tuan, Deputy General Secretary, Director of the Legal Department of the Vietnam Chamber of Commerce and Industry (VCCI), said that despite various actions taken to accelerate reforms, enterprises are still complaining about problems and inadequacies in business. This is partly because of the limited quality of legal documents, especially instructive documents.

As for enforcement documents, according to the VCCI Legal Department, circulars and official dispatches are two important documents that instruct the enforcement of laws, ordinances and decrees. Besides positive aspects, the quality of circulars is still a matter of concerns. For example, circulars still stipulate business conditions, which are prohibited in the Investment Law 2020. Their provisions are not consistent, transparent and feasible, hence troubling businesses. In particular, some circulars were suspended from enactment shortly after they took effect. The abuse of circular

promulgation still seems to continue. In some industries and fields, law enforcement is too dependent on circulars, fueling concerns over the return of "pipe laws" and "framework laws" (laws with extremely generic provisions).

Besides, the quality of official dispatch, a form of administrative document, draws much complaint. For a long time, businesses have been familiar with official dispatches that instruct how laws are enacted. Although this is a contextual solution, it poses many risks that the official dispatches on legal regulations will be created with the entirely subjective will of issuing agencies. Quality, reliability and responsiveness of official dispatches are still of popular concern.

More proper mechanisms for circular issuing needed

To have higher quality legal documents, according to a report on regulatory quality and business facilitation conducted by VCCI, Vietnam needs to be more transparent about the circular development process and publicize draft versions and received feedback.

At the same time, it is necessary to unify criteria on business conditions to lay the groundwork for lawmakers/policymakers to recognize types of regulations allowed to be regulated as well as provide the basis for supervisory organizations/agencies. It is also important to control authorization for instructive circulars right in specialized laws. In addition, there is a need to improve the quality of impact assessment reports where enterprises should be consulted and surveyed for new policies that will have strong effects on businesses and to enhance the transparency of regulations on receipt of business feedback, especially information on handling complaints relating to enterprises in law reviews performed by authorities.

For official dispatches, according to the report, Vietnam needs to have a better control mechanism for their contents to completely prevent legal regulations in official dispatches. There should be a mechanism to increase accountability of authorities in handling and answering business matters; publicize official correspondences to companies on websites by authorities. This will be a very good source for businesses to access information about law applications to similar cases and also a way for authorities to monitor the response and settlement of emerging matters.

The abused promulgation of guiding circulars (even if they are not authorized or may be specified in higher-value legal documents) has made the Vietnamese legal system complicated and of uncertain legislative quality. Therefore, it is necessary to restrict the creation of many guiding circulars. This must be reflected in documents from decrees upwards and must be installed be an effective monitoring mechanism. At the same time, it is important to control circulars on business conditions and administrative procedures right in laws. In specialized laws, it is necessary to pay attention to authorization of instructive circulars where absolutely no authorization of regulations on business conditions is made and authorization of regulations on administrative procedures is minimized.

The failure to attach responsibility of policymakers seems to make light of legislative quality, while legislation has huge impacts on the business operations of enterprises and even on the business and investment environment. Therefore, there is a need to have a mechanism to determine the responsibility of policymakers that cause damage to enterprises.





Market entry conditions for gold traders are still inadequate

Mr. DINH NHO BANG

VIETNAM GOLD TRADING ASSOCIATION

By current law, bullion production, raw gold export and raw gold import for bullion production shall be carried out by the State Bank of Vietnam (SBV). Since the SBV is a governmental agency, not a business entity, there is no need to include the SBV among governed subjects as with companies in the investment law. Therefore, the SBV's bullion production is out of the scope of investment law.

As for gold bar purchase and selling according to current law (Decree 24 of the Government on gold business management) licensed by the SBV to both gold traders and commercial banks, this is likely a conditional business. Or gold production can be removed from the list of conditional business as it has been held and regulated by the SBV (i.e., the market supply is held and managed by the SBV). As for the free market, gold trading should be decided by the market itself.

Reducing time of settling construction procedures

Mr. NGUYEN QUOC HIEP

CHAIRMAN OF VIETNAM ASSOCIATION OF CONSTRUCTION CONTRACTORS

Currently, an investor has to carry out a lot of construction-related procedures for an investment construction project, including project appraisal, basic design appraisal, design appraisal, environmental impact assessment, and fire prevention design appraisal. The investor must complete procedures one by one, and there are many to be completed to start the work. Therefore, the Law on Construction should have regulations to reduce the time and cost of carrying out construction procedures. For example, in Ho Chi Minh City, the "3-in-1" mechanism is currently being implemented. Specifically, individuals and organizations only need to submit a complete application for three procedures at the same time: Basic permit appraisal, technical design appraisal and construction permit appraisal. This has cut a substantial amount of time for these procedures.

In fact, so many projects have two or more investors, consortiums and associates (without establishing a new legal entity) and all investors are recorded on the investment certificate as project investors. Nevertheless, according to Article 6 of the Law on Housing and Article 19 of Decree 99/2015, the investor is not allowed to authorize joint venture parties to sign a house purchase and sale contract or partnership, and associate investors are not allowed to make an agreement on division of housing products of their project but only share profits in cash or shares. This regulation is inadequate and troublesome to investors because they all are project investors legally recognized on legal documents of their project. As project investors, they can utterly make agreement on authorizing remaining investors to sign a house sale and purchase contract, or they are also free to agree on the form of profit sharing from their cooperation, in cash or in project product.

Many "bottlenecks" in pharmaceutical and medical equipment industries

Ms. TRAN NGOC ANH

U.S.-ASEAN BUSINESS COUNCIL

Medical licensing documents set short and unrealistic timelines. When they are due, if they cannot be done, they must be applied for extension. This will cause great pressure if the extension is not made in time because enterprises will not be able to import, resulting in a shortage of drugs and medical equipment.

In addition, a reduction of administrative procedures must be effective. As administrators and policymakers are the same, they tend to keep licensing procedures and request repeated extensions, even in case of amendments and supplements (for example, Decision 1661/2021 of the Prime Minister on annulment of procedures for extending drug registration certificates). It is necessary to radically reform and monitor policymaking to avoid policy abuse.

Vietnam needs to reform policymaking methods. As regulations are created by man, if they want to untie bindings, they simply lift barriers. For example, there is currently no clear regulation on socialization in the health sector. There is a need for clearly governing joint venture and association in the medical sector, clarifying regulations on leasing testers and supplying testers after winning bids to facilitate delivery of medical services to people. At the same time, it is important to enhance management of diversified capital sources. State-funded budget is tightly managed while funds from health insurance payments and voluntary medical examination and treatment services need to be loosened to enable hospitals to actively purchase good machinery, improve health care, and raise the quality of medical care.

Inadequacies of legal documents in the food industry

Mr. TRAN HONG UY

EUROPEAN CHAMBER OF COMMERCE IN VIETNAM (EUROCHAM)

Decree 09/2016/ND-CP of the Government stipulates that all types of salt used in food processing must be supplemented with iodine and flour must be supplemented with iron and zinc. These purposes are very good but the application, without any risk management in use, is universal and obligatory to all, regardless of whether they need it or not. Fishermen must use iodine-added salt to marinate caught sea fish although sea fish are rich in iodine. Fish sauce is rich in iodine but it must also be supplemented with iodine.

Wheat flour accounts for less than 3% of the Vietnamese grain diet. A small percentage of 3% has no community effect but enterprises still must supplement iron and zinc which are very expensive. Instead, food processors are encouraged to use them only. Our food processors have repeatedly sent recommendations regarding the mandatory use of salt with iodine in direct human consumption, daily cooking and solid salted seasoning, but no changes have been made for more than four years now. ■

Enhancing Digital Transformation for Responsible Production and Business

Enhancing digital transformation for responsible business and production is not only a need but also an essential condition in the integration period.

THU HUYEN

Digital transformation is an vital trend

Under the impact of the Fourth Industrial Revolution, digital transformation is a vital trend, a matter of survival for countries, organizations, businesses and consumers around the world, especially in the context of the COVID-19 pandemic. The benefits of digital transformation are recognized not only in the management and operation but also in serving data analysis and making very effective business decisions and strategies.

Affirming this, Mr. Krishnakanth Kodukula, General Director of Zamil Steel Vietnam, shared,

“Digital transformation has also made the delivery of our high-quality products faster and in an efficient manner. Recently, we have also invested in a cloud-based platform at a global level. The new platform will help with standardizing business processes, adopting best practices, converting to the Shared Services model, and using world-leading new technologies such as Artificial Intelligence, Robotic Process Automation, Augmented Reality, Big Data, and others.”

Nestle Bong Sen Factory Manager Urs Kloeti said that digital transformation has created positive impacts on the entire supply chain, improved product quality and consumer experience quality, supported sustainable farming and

accelerated energy & water efficiency at Nestlé’s operations.

“It also supports us on our sustainability journey by reducing our down time by 60% and saving 10 million kWh of energy annually. The impact Digital Transformation has on Energy and Water reduction at our factories, is increasing rapidly, through accurate access to data and the use of Digital Tools to run our processes most efficiently,” added Mr. Urs Kloeti.

The effectiveness of digital transformation in businesses is huge. But, according to experts, digital transformation in businesses, especially small and medium enterprises, is facing many difficulties.

Ms. Bui Thu Thuy, Deputy Director of the Department of Enterprise Development (Ministry of Planning and Investment) said that most new businesses are in stages 1 and 2 - the digitization stage of the digital transformation process. Most small and medium enterprises face many difficulties in digital transformation. Specifically, 60.1% of enterprises faced difficulties in investment costs and digital technology application; 52.3% difficulties in changing business habits and practices as well as lack of internal human resources to apply digital technology; 45.4% lack of digital technology infrastructure; 40.4% lack of information about digital technology; 38.5% difficulty in integrating digital technology solutions; over 32% lack the commitment and understanding of the board of directors and business management.

Mr. Tran Minh Tuan, Director of the Department of Digital Economy and Digital Society (Ministry of Information and Communications), added that although there are new trends in the context of COVID-19, the proficiency level of most businesses in public applications is still limited. Digital technology is relatively limited, only applied in the field of sales, business administration and payment, but processing,



The effectiveness of digital transformation in businesses is huge



manufacturing, supply chain management, and service provision are at a very low level.

"For successful digital transformation, it is necessary to optimize the system; process and implementation stages need to have order and regulations. It is necessary to build systems of quality standards, standards of inspection, control or reporting systems before softening, this requires more human thinking when using," said Mr. Tuan.

Advancing digital transformation

VCCI Vice President Vo Tan Thanh said it is necessary to promote digital transformation for responsible production and business. The "National Digital Transformation Program to 2025, with a vision to 2030" approved by the Prime Minister in Decision 749/QĐ-TTg dated June 3, 2020 has set quite specific goals such as: Developing digital government, improving operational efficiency and effectiveness. Vietnam will be in the group of 50 leading countries in e-Government by 2030, developing and improving the competitiveness of the economy, with digital economy contributing 30% of GDP, the proportion of the digital economy in each industry and field reaching at least 20%; and annual labor productivity increasing by at least 8%.

Currently, digital transformation has taken place in almost all types of businesses and at different levels. Governments and authorities at all levels are also making efforts to build e-Government toward Digital Government. More than 30 cities plan to build Smart City with new technology platforms.

The banking industry has researched and implemented an initial digital transformation strategy with IoT applications that allow customers to access and use banking services, connect with other digital ecosystems on the Internet platform. VPBank's Timo digital bank, TPBank's Live Bank, BIDV's E-Zone, etc.), or provide banking services through an application installed right on a mobile phone (Mobile Banking).

Military Industry-Telecommunications Group (Viettel) is a typical enterprise for the digital transformation of telecommunications enterprises in Vietnam. The Group has promoted digital transformation in governance in all fields: Information technology and digital services, high-tech industrial production, and logistics.

Vietnam Dairy Products JSC Vinamilk has digitally transformed from its corporate culture model. This company has applied an agile model to provide products to customers quickly. Digital transformation is carried out in most activities of administration, finance, human resources, international business and supply chain.

Very large-scale enterprises, possessing a diverse customer base like VinGroup, have built a unified customer management system like VinID, helping customers to integrate and manage information when transacting with businesses in many various services such as payment of household bills, electricity bills, shopping or resort services.

Survey results conducted by VCCI and VNPT at the beginning of this year showed that over 80% of business leaders think digital transformation is becoming more and more urgent; about 65% of business leaders expect to increase investment in digital transformation. High-priority solutions in business today are large-scale remote work, cyber security, e-commerce and marketing, and process automation.

The Southeast Asia Digital Economy Report 2021 predicts that Vietnam's digital economy will reach US\$50 billion by 2025. This further confirms that digital transformation is becoming an important resource to promote socio-economic growth in Vietnam. ■

Currently, digital technology has been used to connect agricultural consumption. Especially when social distancing was applied to prevent COVID-19, and agriculture supply chains were disrupted, localities resorted to digital technology to boost advertising, trade promotion, distribution and consumption of agricultural products and help the agricultural sector get through hardships caused by the pandemic.

QUYNH CHI

This is just one of many positive results of digital technology. Digital transformation in agriculture has been an inevitable trend and a key to the sustainable agricultural development of Vietnam.

Reduced risks and effective management with active digital transformation

Some large firms such as VinEco, Hoang Anh Gia Lai, Nafod, Dabaco, Vinamilk and TH True milk have applied digital technology to control the production, distribution and consumption of products and are highly appreciated by consumers. Without a doubt, digital transformation enables the agricultural sector to improve productivity, quality and efficiency of agricultural production and consumption. The application of Internet of Things (IoT), big data and biotechnology has helped analyze data of the environment, soil, plants and crop growth stages. Based on provided data, producers will make the right decisions (fertilizing, watering, pesticide killing and harvesting), thus cutting costs, reducing pollution of water and land resources, and protecting biodiversity. In fact, digital application to agricultural production has reduced cost and labor by half, cut greenhouse gas emissions by 50% and increased productivity by 30%, thus raising income for farmers. Moreover, digital integration and application to production helps consumers access and track these parameters in real time and assure agricultural product quality. In addition, digital application in agriculture helps strengthen producer-consumer connection and supply-demand connection, and

Sustainable Agricultural Development Boosted by Digital Transformation



Vietnamese agriculture is gradually shifting from traditional to modern agriculture

stabilize selling prices to make agricultural production more efficient and sustainable.

Besides helping business management and administration, digital transformation also makes agricultural management and administration more effective. For the Ministry of Agriculture and Rural Development, information technology application and digitization in operation and management helps companies make decisions faster and more accurately thanks to a smooth, timely reporting system, increased management efficiency and operating performance.

Furthermore, scientific research in agriculture and high-tech agriculture is invested more intensively to create favorable conditions for digital transformation in agriculture.

Digital transformation helps Vietnam's agriculture reduce climate risks and damages. Climate change, with temperature increase and extreme weather, has directly affected all agricultural aspects like shrinking cultivated area, diminishing freshwater flows for agricultural production, increasing intensity of storms, sea level rise and disease outbreak, and worsening biodiversity loss. Unavoidable aftermaths are undermining productivity, quality, and even economic loss in agriculture. Applying AI technology and data analytics to risk management will help give early warning (72 hours before a storm reaches), enabling all stakeholders to take timely response measures, mitigate climate risks and make agricultural production more efficient and resilient.

Changing habits and thinking

Active digital application to agricultural management, production and consumption shows that Vietnamese agriculture is gradually shifting from traditional to modern agriculture, and agricultural production is becoming more efficient and sustainable.

However, although there are successfully applied models, scientific, technological and innovative application for digital transformation in agriculture is still relatively new to farmers and

businesses as well, so digital application is not universal.

In fact, digital application to agriculture remains weak and digital application to agriculture is still modest. According to a survey by the Vietnam Cooperative Alliance, up to 83.5% of cooperatives consider digital transformation necessary but only 18.9% of them have plans with specific action roadmaps and 68% use at least one of the methods of introducing and selling products online.

To have a successful digital transformation for sustainable development, it is necessary to join and coordinate with relevant central and local agencies, and especially farmers to change thinking and approaches. In particular, it is necessary to raise awareness of localities, businesses and especially farmers about the role and importance of digital applications in agricultural production and business. This is a prerequisite in digital transformation. Only when realizing the role and importance of digital technology in agriculture can localities, businesses and farmers actively learn and apply digital technology to agricultural production and business.

At the same time, it is necessary to upgrade and build a modern and synchronous digital infrastructure at a competitive cost, speed up the construction of an agricultural data system, especially data on land, trees, animals, farming areas, growers, agricultural products and services, and digitalization of the ministry's administrative documents. Certainly, implementing this solution will create agricultural integration data and foster digital application.

Mr. Nguyen Duc Nhan, Director of Viet Lotus Digital Technology Application Research Institute (Vietnam Union of Science and Technology Associations), said that central and local authorities need to study and issue practical policies; and actively invest in science and technology for each ecological region and production scale. And, first of all, it is necessary to build a force of farmers who can apply digital transformation to production. ■

Rising Risks to Vietnam's Economy



“Given strong growth through September, we revised up our GDP growth forecast for Vietnam in 2022 from 6% to 7.5%. However, due to slowing external demand and tighter financial conditions, the growth forecast for 2023 is 5.8%. Inflation is expected to rise, before gradually returning below 4%.”

ANH MAI

This remark was made by Mr. Francois Painchaud, IMF Resident Representative in Vietnam and Laos, at the second Vietnam Economic Pulse themed “Extending Economic Recovery – Drivers for Growth” held in Hanoi recently. The forum was jointly organized by the National Center for Socioeconomic Information and Forecasting under the Ministry of Planning and Investment (NCIF-MPI) and the UN Development Program (UNDP) to analyze and assess the economic recovery process after the COVID-19 pandemic and policies sustain growth and development in the coming year.

External headwinds

In 2022, Vietnam outperformed other countries in the region following a rebound in consumer spending, several quarters of robust export growth, and the gradual return of international tourism. GDP growth in the third quarter of 2022 exceeded all forecasts, estimated to increase by 13.67%

year on year, bringing GDP growth in the first nine months of 2022 to 8.83%. Core inflation was still below the annual target (4% per year). However, a global slowdown and heightened risks of financial instability could weigh on growth in 2023 and 2024.

According to UNDP Resident Representative for Vietnam Ramla Khalidi, Vietnam has bright economic prospects, but risks are multiplying. “Evidence of a strong recovery is welcome news after two years of economic disruption caused by the pandemic. Vietnamese households will enter the Year of the Cat in 2023 in better financial shape than a year ago,” she said.

She said that risks to sustaining the recovery are mostly external. War in Ukraine, the economic slowdown in China, rising international interest rates, the strengthening U.S. dollar, and the growing risk of recession in Europe could affect demand for Vietnam’s exports and increase the risks of macroeconomic instability.

There are also domestic risks, especially in the banking and bond markets, which are sensitive to rapidly changing conditions in the property sector. Negative impacts of climate change will increasingly weigh on agricultural production and the health and well-being of communities. Therefore, Ms. Ramla Khalidi said, policymakers must remain vigilant, adjusting fiscal and monetary policy promptly as global conditions evolve.

Defending financial stability

According to Mr. Francois Painchaud, to deal with current challenges, protecting financial stability should still be a top priority. Policies must be carefully calibrated, coordinated, and communicated to manage negative risks and reduce policy trade-offs, especially trade-off between growth and inflation. In the current context, monetary policy should focus on price stability, and consider a tighter monetary policy position if inflation pressure mounts. Although bank asset quality has improved since the end of 2021, negative risks to growth increase, tensions in the property sector and corporate bond markets, tight bank liquidity conditions and higher interest rates require close monitoring of financial stability risks. In addition, fiscal policies need to be more flexible and targeted if inflationary pressures rise.

Dr. Tran Toan Thang, Director of Industry and Enterprise Economic Forecasting Department, NCIF-MPI, said that the economic recovery in 2023 will continue to benefit from the implementation of the 2022-2023 Economic Recovery Program. Vietnam is forecast to maintain the target of stabilizing interest rates and exchange rates, keeping interest rates low to support growth. Regarding fiscal policy, the investment component of the Support Program - rising to about 1.6% of GDP - is expected to be mainly implemented from 2023 onwards. Nevertheless, with a fairly high growth in 2022, Vietnam’s economic growth in 2023 will slow down,

gradually returning to its pre-COVID-19 state, as the domestic demand rebound may not be as strong as that of 2022. Rising raw material prices begin to translate more clearly into production costs. Import and export may increase more slowly than in 2022 due to the prolonged difficulty of Vietnam's main export markets. Foreign investment attraction is forecast to remain low due to increased global economic risks.

He added, with the above internal and external influencing factors, Vietnam's economy in 2023 could be predicted in two scenarios. Scenario 1, economic growth may be only 6-6.2% if risk factors outweigh the established recovery trend in 2022. Scenario 2, more optimistic, economic growth may reach 6.5-6.7% if the recovery process is more favorable and the impacts from the international context are not too significant.

According to experts, despite difficulties, the foundation of Vietnam's economic development is still exports. Elevating the role of the processing and manufacturing industry in growth needs to upgrade value chains and strive to enter higher segments in global value chains. It needs to focus on high-valued agricultural products, which are in high demand in advanced countries. Furthermore, the Government needs to deal with internal economic weaknesses and promote public investment disbursement, and increase funds for socioeconomic recovery.

Dr. JONATHAN PINCUS

UNDP SENIOR INTERNATIONAL ECONOMIST

Growth of exports is still the most important factor influencing Vietnam's economic growth over the long period. Growing exports means producing competitively, but also producing 'dynamic' goods and services that are growing as a share of total global trade. 'Dynamic' goods are often sophisticated manufactured goods, but also higher value-added agricultural products that are in high demand in advanced countries.

The policy implication is that government can use public investment, education, and information to help exporting firms to produce 'dynamic' goods and services for exports.

Mr. NGUYEN QUANG THUAN

CEO OF FIINGROUP

Key risks to the economy include increased social unrest which affects public confidence in the financial system, not only new bonds issuance, in the banking sector and equity market. Refinancing cannot be made under public offerings even with good credit performance issuers.

Besides, another key risk is bond defaults and cross-defaults. Cross-defaults to banks as investors: banking asset quality (although exposure is still very insignificant: below 3% interest earnings assets). This will impact banks as bond issuers and interbank market players. Corporate debt liquidity crunch - Corporate insolvency is also a risk, resulting in deterioration in banking non-performing loans.

Before this reality, in the short term, Vietnam needs to do special reviews on major issuers that pose risks to individual bondholders, real estate credit programs, and stimulate public offering bonds. There is a need for stronger messages from the Government to restore debt market confidence. In the medium term, it needs information transparency. Perhaps, a centralized secondary market may be launched in June 2023 as required by Decree 65. At the same time, it needs to develop and expand grassroots investors and build green credit. ■

(from P.7)

steps to test the electronic certification system and promote market opening procedures for agricultural products.

Over the past time, Vietnam's agriculture sector has received New Zealand's training support for improving the English and management skills of 80 officers at the Ministry of Agriculture and Rural Development and training human resources for the agricultural sector (through the Ministry of Education and Training) with 500 graduate scholarships, with priority given to agriculture, environment and climate change, natural risk management and food safety.

Minister Le Minh Hoan emphasized that Vietnam is carrying out the Sustainable Agricultural and Rural Development Strategy, based on three pillars: Ecological agriculture - modern countryside - civilized farmers. This is an important requirement for Vietnam to actively contribute, in line with international trends, to creating a green, responsible and sustainable agriculture. He hoped that businesses of the two countries would cooperate in building and developing high-tech agricultural value chains, promoting connectivity between the two countries and with global markets.

Vietnam's agriculture will provide favorable conditions for New Zealand businesses to make successful, sustainable long-term investment and business," he affirmed.

The ceremony also witnessed the contract signing for export of Vietnamese green limes and pomelos to New Zealand. These are the fourth and fifth most exportable fruits from Vietnam to New Zealand after mango, dragon fruit and rambutan. Besides, the two sides signed memorandums of cooperation on strengthening horticulture cooperation between New Zealand and Vietnam. TH Truemilk of Vietnam and Waikato Milking Systems of New Zealand also inked a memorandum of understanding on prioritized cooperation.

In the New Zealand-Vietnam Strategic Partnership Action Plan, both countries agreed to encourage further growth of two-way trade, and the signing of Vietnam's Lime and Pomelo Export Plan is an important step forward.

"The agricultural connection event of the two countries marked a historic milestone in the fruitful and mutually beneficial relationship. It is time for the two countries to launch their agricultural partnership for the next century," Prime Minister Jacinda Ardern said. ■

Firms Remain Optimistic about



Most industries have experienced a revenue decrease. Retailing is the brightest spot, with revenue growth of 120%. In addition, transport and logistics recovery amid economic reopening and the rise of mining, petroleum and steel industries, driven by high oil prices and steel prices, also enjoy the limelight.

QUYNH CHI

These remarks are based on VNR500 Ranking (the list of the 500 largest companies in Vietnam) released by Vietnam Report Joint Stock Company in 2022. Taking business performance indicators of all VNR500 companies into account, return on equity (ROE) declined sharply from the previous year, from 16.4% down to 11.2%. Return on assets (ROA) and return on sales (ROS) advanced in overall rankings but varied significantly among industries.

The foreign direct investment (FDI) sector had a much better asset turnover ratio than the other two sectors, reaching 8.4%. FDI firms were also good at cost control, thus raising their return on sales (ROS) from 8.1% to 8.5%. The private sector witnessed significant progress, with growth higher than before the pandemic, specifically ROA from 4.3% to 5.4% and ROS from 5.2% to 6.5%, although ROE had not returned to the pre-

Business Prospects

pandemic level, it remained highest of all, reaching 15.2%. The state business sector was forced to sacrifice business benefits in order to support people and communities to overcome pandemic-caused difficulties through social security activities. As a result, its ROE was minus 8%.

Difficulties and challenges

Given that the world economy is complicated and unpredictable, even beyond forecasts of other countries and international organizations, the path to growth and recovery has become steeper. Enterprises have to continue to face pandemic consequences and have to deal with new difficulties from rising prices of commodities, supplies and input materials, as well as supply chain risks. In addition, Vietnam's economic openness with other countries in the world is very large; potential global economic recession and high inflation will negatively affect the business performance of Vietnamese companies, especially importers and exporters.

The survey conducted by Vietnam Report highlighted the five biggest hardships against VNR500 companies: Volatile prices of energy and input materials; Peer competition; Supply chain risks; Pressure from rising exchange rates; and Weakening consumer demand.

Volatile prices of energy and input materials are the biggest difficulty currently faced by companies. According to the latest statistics, in the first nine months of 2022, input prices annually climbed 6.0%, the highest in 10 years. Notably, the import index also increased as high as 10.7% over 2021, with input imports for production accounting for 90%. Over-dependence on imports caused companies to confront high obstacles from rising prices of inputs for production. According to the survey, 78.8% of respondents saw higher input costs and 19.7% of them reported significant growth in this expenditure. Nearly 50% forecast this trend to continue until the end of 2023. Up to 38% thought that this situation would last beyond 2023.

Emerging world political uncertainties as well as China's Zero COVID-19 Policy caused 77.9% of businesses to worry about supply chain risks, which could extend to 2023 and beyond.

Furthermore, global financial and monetary instability has produced a significant impact on the Vietnamese business community because Vietnam's economic openness is as high as 200% of its GDP, while its resilience and competitiveness are limited. The survey showed that 70% of businesses said they have been pressured by rising exchange rates, with nearly 60% of respondents facing difficulties because of difficult access to capital sources and high interest rates. Stabilizing interest rates and exchange rates has enabled businesses to continue their steady business operations. However, as most central banks in the world have raised policy rates, the State Bank of Vietnam (SBV) decided to widen the USD/VND exchange rate band from 3% to 5% in the second half of October and raise the policy

rate by 1 percentage point. This expanded margin has helped the SBV actively adapt and gain more room to manage unpredictable movements of the international market and to continue tightening monetary policy and rate hikes with the U.S. Federal Reserve (Fed) as well as more than 90 other central banks around the world.

Along with challenges from exchange rates, interest rates and inflation, demand in major economies has weakened sharply; hence, Vietnam's exports may be weakened and export orders of enterprises may be reduced. Natural disasters and epidemics are no longer top problems as a year ago but they still affect the operations of 64.1% of businesses.

Optimistic business prospects next year

With domestic monetary policy being tightened and global demand slowing, Vietnam's economic growth is forecast to slow down steadily in 2023. According to an expert survey by Vietnam Report in November 2022, GDP is expected to grow 7.5% in 2022 and 6.4% in 2023.

Notably, most companies are optimistic about their business prospects in 2023 as compared to 2022, with up to 40.3% of respondents saying that the outlook is slightly better and 26.0% saying it is much better. They also believed in Vietnam's rapid economic growth in 2023, with 35.1% being clearly confident in Vietnam's economic recovery and development in 2023.

As the Fed is reportedly ready to hike policy rates to 4.5% by this year-end, the SBV will face high pressure to tighten policies to ensure monetary and financial stability. Rising inflation will likely prompt the central bank to further hike policy rates. Inflation has been contained throughout much of 2022 but it is now approaching the SBV's target of 4.0%, most recently accelerated from 2.9% year on year in August to 3.9% in September. Inflation is likely to rise further in the coming months and is forecast to peak in the second quarter of 2023. With signs of a global economic slowdown next year, Vietnam's export-oriented economy will be under pressure. Many economic experts in prestigious international organizations such as Fitch and EIU also believed that the continued expansion of the export-oriented manufacturing sector will create the foundation for economic growth in 2023, but the recession in key destination markets will restrict the pace of economic expansion, even as Vietnam continues to increase its share of global exports.

Some economic sectors are forecast to have very strong growth in 2023, including telecommunications - information technology, tourism - entertainment, and transport - logistics. In contrast, industries that rely heavily on exports such as seafood, textile and garment and leather and footwear will have poorer growth prospects. Real estate-construction sectors, which have suffered a lot of hardships from the pandemic and credit policy tightening, are expected to continue to be lackluster. ■



Resolutely Preventing Tax Refund Frauds



The tax sector conducted 55,840 inspections in the year to October 31, or 75.56% of the inspection plan in 2022 and 106.8% that in the same period of 2021. VND51,221.8 billion was processed during these inspections, equal to 138.79% of the amount in the same period of 2021, including VND12,232.8 billion of increased tax; VND1,805.7 billion of reduced tax; and VND37,183.4 billion of reduced loss. Tax fraud is becoming increasingly sophisticated, so the General Department of Taxation has recently sent a message on the resolute handling of tax refund fraud.

LE HIEN

Signs of tax refund fraudulence

The General Department of Taxation (GDT) said that using illegal invoices and declaring reduced input value-added tax (VAT) to file for VAT refunds are tricks detected and fought fiercely by tax authorities.

Tax tricks and frauds are largely found in intermediary stages (F1 and F2) of goods purchase and selling, according to GDT. Intermediaries, after issuing invoices to F1 companies, temporarily halt doing business or flee while revenue and tax declared by intermediaries are deliberately falsified. Sellers (F2) declare small revenue but buyers (F1) declare a large deduction. Payments verified by tax authorities are settled via banks; however, payment for goods and money withdrawal from the bank all take place, by the same person.

In addition, companies with VAT refunds use illegal invoices (purchased from companies without any business activity) or use invoices issued by companies that abandoned their business addresses, changed their operating status and continuously use many different localities to declare and deduct input VAT and apply for VAT refunds.

Enterprises entitled to tax refunds make documents and records to apply for tax refunds but they have no purchased goods, no warehouses and no means of transportation, but buy purchase invoices to legalize their inputs or use invoices issued by enterprises that abandoned their business address (from July 1, 2022 back).

Besides commonly violated VAT refunds, according to GDT, enterprises whose imported goods are electrical components falsified their export value. When importing goods, they declare a very low import value but when others export, they declare a very high value compared to the import price value. The difference is over 50 times while the origin of goods is not clear.

Fighting against tax refund fraud

Mr. Vu Manh Cuong, Director of the Inspection Department, GDT, said that GDT defined that improving the effects of inspection and the fight against tax refund fraud is the most important task. On that basis, GDT introduced consistent and firm solutions to identify violators and take professional inspection measures and promptly recollect refunded tax.

GDT developed and deployed criteria and classification indicators to deal with VAT refund records and identify enterprises having potential VAT refund violations for inspection at the back of VAT refunds. GDT also completed the invoice verification support system at tax offices (which allowed tax authorities to send and respond to invoice verification requests throughout the tax sector); sped up verification time and centralized information for verifying the origin of goods; improved tax refund mechanisms and policies; and developed and launched e-invoices. E-invoices have been deployed to all companies, organizations, business households and business individuals since July 1, 2022 to further control information about VAT refunds and prevent tax loss.

Tax authorities also intensified VAT refund inspections and closely monitored tax refund management, especially of high-risk items, to collect information and capture activities of companies showing signs of VAT refund violations for proper actions.

The tax sector gives priority to close cooperation with banks, customs, police and local authorities, as well as tax authorities in partner countries to verify transactions recorded on tax refund documents. ■

Outstanding Achievements in E-Taxation

The electronic tax declaration system has been launched to all 63 provinces and cities and all tax offices and 99.4% of enterprises are using this service, said the General Department of Taxation (GDT). The system received 15,150,722 records from January 1, 2022 to October 15, 2022.

With the electronic tax payment service, GDT collaborated with 55 commercial banks and 63 tax departments to launch the electronic tax payment service and mobilized enterprises to use this service. 98.6% of companies registered to use the service as of October 15, 2022.

As many as 98.1% of enterprises completed registering the electronic tax payment service with banks. They conducted 2,963,603 electronic tax payment transactions worth over VND648,868 billion and US\$48.7 million since January 1, 2022.

The General Department of Taxation integrated electronic tax payment on the eTax Mobile application with 15 banks (six more banks compared to the launching time) and will continue to expand with other banks in the future. As many as 223,306 downloads, installations and uses were counted as of October 31, 2022. Users performed 102,639 transactions with a total value of over VND375 billion.

GDT officially applied the electronic invoice system nationwide from July 1, 2022 and all business entities and individuals can use e-invoices from that time. Tax authorities received and processed more than 1.8 billion e-invoices as of October 31, 2022. GDT launched the "Lucky Invoice" program nationwide on October 7, 2022. As a result, 53 out of 63 tax departments registered to select lucky invoices and 46 departments successfully organized the program to pick up lucky invoices.

This very important content made a very important contribution to changing habits and forming the habit of buying goods and services that must be invoiced.

After more than seven months of official operation (from March 21, 2022), 37 foreign suppliers successfully registered, declared and paid a total tax of VND3,177 billion, including giant foreign suppliers like Meta (Facebook), Google, Microsoft, TikTok, Netflix and Apple.

Le Hien



Budget Revenue Totals VND1,464.3 Trillion in Jan-Oct

Budget revenue was forecast at VND1,464.3 trillion (US\$61 billion) in the first 10 months of 2022, equal to 103.7% of the consensus estimate (fulfilling 103.6% of the central target and 103.8% of the local target) and up 16.2% over the same period of 2021.

LE HIEN

Slowing domestic revenue

State budget revenue was estimated at VND130.3 trillion in October, according to the Ministry of Finance. Of the sum, domestic revenue was forecast at VND110.1 trillion, an increase of about VND37.1 trillion over September. Domestic revenue in October continued to decline because some industries, fields and consumption markets weakened owing to high costs, growing prices, rising interest rates, exchange rates, and global economic decline. Besides, revenue from crude oil was forecast at VND6.2 trillion, almost equal to the previous month. Budget revenue from import-export balances was estimated at nearly VND14 trillion.

Budget revenue accumulated at VND1,464.3 trillion (US\$61 billion) in the first 10 months of 2022, equal to 103.7% of the consensus estimate (fulfilling 103.6% of the central target and 103.8% of the local target) and up 16.2% over the same period of 2021. Of the sum, domestic revenue was estimated at VND1,157.7 trillion, equaling 98.4% of the target. Given land use tax, lottery tax, capital recovery, dividends and profit sharing excluded, the result met 96.3%

of the estimate. Revenue from crude oil was forecast at VND65.5 trillion. Budget revenue from import and export balances was forecast at nearly VND236.1 trillion, equal to 118.6% of the estimate and up 21.9% year on year.

VND172.3 trillion for tax and fee exemption, reduction and extension

In October, tax and customs authorities continued to implement policies on tax and fee extension, exemption and reduction to support businesses and people. Accumulated till the end of October, as much as VND172.3 trillion of taxes and fees was exempted, reduced and extended, including VND104.3 trillion extended and VND68 trillion exempted or reduced.

At the same time, the authorities continued to intensify revenue management, combat revenue loss and commercial fraud, and improve the efficiency of tax management for e-commerce, business on digital platforms, cross-border transactions. They also urged the handling and recovery of overdue taxes; further reformed administrative procedures, modernized tax collection, expanded the application of electronic invoices, provided electronic services for taxpayers, facilitated and ensured the safety and confidentiality of information.

Besides, as of October 15, 2022, tax authorities performed nearly 53,000 inspections and checked 546,300 tax declarations filed by enterprises. They recommended handling VND48.35 trillion, including VND11.56 trillion paid to the State Budget and VND36.8 trillion collected from revoked refunds and falsified losses. Tax authorities also pressed the recovery and handling of overdue tax, estimated at VND27.94 trillion by late October and rescheduled repayment terms for loans of VND2.41 trillion in October, totaling VND34.9 billion from July 1, 2020 to the end-October of 2022, as per Resolution 94/2019/QH14 of the National Assembly dated November 16, 2019. ■

Customs Authorities Conduct 2,400 Post-clearance Audits, Tax Assessments

This result of the customs sector from 2021 to date was a basis for the Ministry of Finance to assess and rank the Public Administration Reform Index (PAR Index) in 2021, which was recently announced by the ministry. Public administration reform has always been considered a central and cross-cutting task, and the General Department of Vietnam Customs (GDC) has always drastically carried out this work in a synchronous and comprehensive manner in all professional fields. Accordingly, the fact that GDC continued to maintain No.1 position in PAR Index 2021 showed strong efforts in this work and helped create a favorable business environment.

Besides building institutions, the General Department has provided favorable conditions for enterprises to effectively apply the IT system and coordinated in specialized inspections. Customs authorities have also promptly responded to law violations, especially during the COVID-19 pandemic outbreak. In order to create a fair and healthy business environment, GDC has boosted measures to control and combat smuggling, trade fraud and counterfeiting at land border gates, seaports, river ports, airports and other customs locations.

Furthermore, customs authorities have effectively carried out customs clearance and release of goods. They have strictly controlled areas of potential violations; promptly detected and prevented illegal transportation of medical masks, medical supplies, weapons and ammunition across the border; actively coordinated with relevant forces to strengthen patrols and strictly control border areas. At the same time, GDC focused on analyzing and selecting shipments with potential violations, and requested its units to intensify online inspection and monitoring through surveillance camera systems, electronic positioning seal systems, electronic scales and container scanners.

The synchronous implementation of consistent solutions has brought positive results in this work. Accordingly, since the beginning of 2021, customs authorities have handled 23,000 violations with a value of VND6,700 billion, imposed administrative fines on 20,000 cases to collect VND500 billion for the state budget; prosecuted 28 cases and proposed prosecuting 230 cases; carried out 235 inspections, proposed collecting VND320 billion in arrears and paid about VND280 billion to the State Budget. Customs authorities conducted 2,400 post-clearance audits and tax assessments and imposed administrative fines of VND1,000 billion,

Hien Phuc

Customs Decentralizes Settlement of 5 Procedures

To decentralize the settlement of administrative procedures under its jurisdiction, the General Department of Vietnam Customs (GDC) assigned the Import-Export Tax Department, the Customs Supervision and Administration Department and the Legal Department to effectively ensure the timely implementation of five customs administrative procedures.

To ensure the scheduled progress of decentralizing customs administrative procedures from GDC to provincial/municipal customs departments, GDC requested the Import-Export Tax Department to decentralize the procedure of certifying the completion of tax payment obligations (code: 1.007781).

At the same time, GDC requested the Import-Export Tax Department to coordinate with the Customs Supervision and Administration Department to amend and supplement Circular 38/2015/TT-BTC and Circular 39/2018/TT-BTC according to decentralization contents and enforcement recommendations stated in Item 1, Point c, Appendix 12 appended to the Prime Minister's Decision 1015/QĐ-TTg dated August 30, 2022 on the decentralized settlement of administrative procedures under the authority of ministries and equivalent agencies.

GDC requested the Customs Supervision and Administration Department to lead the decentralization of the following procedures: Issuing customs clearance agent staff code (code: 1.007651); extending customs clearance agent staff code (code: 1.007652); re-issuing customs clearance agent staff code (code: 1.007653); and revoking customs clearance agent staff code (code: 1.007654).

GDC assigned the Legal Department and the Customs Supervision and Administration Department to amend and supplement the Customs Law according to decentralization contents and enforcement recommendations mentioned in Section 2, Point c, Appendix 12 appended to Decision 1015/QĐ-TTg.

The Customs Supervision and Administration Department will work to amend and supplement Circular 12/2015/TT-BTC and Circular 22/2019/TT-BTC of the Ministry of Finance according to decentralization contents and enforcement recommendations stated in Item 2, Point c, Appendix 12 appended to Decision 1015/QĐ-TTg.

In addition, GDC requested relevant agencies to study amendments and supplements to the above legal documents in order to reduce and simplify administrative procedures to meet requirements of Resolution 68/NQ-CP dated May 12, 2020 of the Government on the program of reducing and simplifying business-related regulations.

CUSTOMS SECTOR

Efforts for Major Breakthroughs in Simplifying Administrative Procedures

The National Single Window (NSW) has brought about positive changes in the settlement time of administrative procedures. However, changes are varied among procedures and there are no major breakthroughs in simplifying administrative procedures and reducing costs for businesses.

LE HIEN

This remark was made at a workshop that announced the findings from the survey "business satisfaction with implementation of administrative procedures through the National Single Window and specialized inspection procedures 2022" launched by the Vietnam Chamber of Commerce and Industry (VCCI) and the United States Agency for International Development (USAID).

According to the report, enterprises largely said handling procedures on the NSW is more difficult than in the 2019 survey, with 10 out of 12 procedures in favor. This can be explained by the fact that Vietnam was severely affected by the COVID-19 pandemic from January 2020 to the end of the first quarter of 2022, with social distancing applied in many parts of the country. Therefore, carrying out administrative procedures, including import and export

procedures, was also hugely affected.

More companies reported difficulty in procedures for "Medical equipment import license" and procedures for "Receipt number of declaration form of imported cosmetic products" under the authority of the Ministry of Health, with respective growth of 21% and 20%.

In the opposite direction, fewer companies found it hard to complete procedures for "Certificate of technical safety quality and environmental protection for imported motor vehicles" and "Certificate of technical safety quality and environmental protection for specialized vehicles," provided by the Ministry of Transport, with respective declines of 4% and 3%.

Meanwhile, according to VCCI's overall assessment, NSW has brought about positive changes in the settlement time of administrative procedures.

In the time aspect, 10 out of 12 administrative procedures need a shorter time when conducted via NSW than that via traditional methods. The time needed is reduced by 5-25 hours. The biggest time reduction is seen in procedures for "Registration for quality inspection and certification of imported animal feeds" provided by the Ministry of Agriculture and Rural Development, with 25 hours fewer.

The two procedures delivered by the Ministry of Health are exceptions, out of the current general trend. The time needed to apply for "Medical equipment import license" via NSW is up to 632 hours, 84 hours more than the traditional filing method. Similarly, the time needed to receive the "Announcement of imported cosmetic products" is 25 hours more (from 153 hours when applied directly at the Ministry of Health as before, to 178 hours when submitted via NSW).

Ten out of 12 procedures need less time to get settled on NSW than traditional methods, with the amount of time reduced by 26-54%. Notably, the procedure for Import/export licensing for industrial precursors is the only one to have the settlement time cut by over half.

To improve the working performance of the National Single Window, VCCI suggested that NSW soon be integrated with services and utilities like in many other countries, such as electronic payment or electronic phytosanitary certificate (ePhyto) with other ASEAN countries. In the long term, NSW needs to be more centralized to not only provide public services but also offer business-to-business connection platforms. By accessing NSW, companies will not only solve administrative procedures but also find partners and service networks for their production and business activities. ■



Tay Ninh Customs Successfully Accomplishes Targets

With the state budget revenue of VND1,482.74 billion, Tay Ninh Customs Department successfully completed its target.

To further facilitate trade and slash costs for companies by improving their legal compliance, reducing the rate of physical inspections of imported and exported goods and at the same time supporting them to overcome difficulties and obstacles in carrying out customs procedures, actively taking measures to prevent customs law violations, improving legal compliance as per Decision 1399/QĐ-TCHQ On July 15, 2022 by the General Department of Vietnam Customs, Tay Ninh Customs Department recently selected six companies to sign a memorandum of understanding (MOU) on a pilot program to support and encourage businesses to voluntarily comply with customs laws.

Tay Ninh province's importing and exporting activities have been relatively stable since the beginning of 2022 despite numerous difficulties caused by the COVID-19 pandemic.

As many as 2,341 importers and exporters carried out a total of 256,658 customs declarations at Tay Ninh Customs Department as of November 15, 2022. Main imports and exports include food, household goods, apparel, natural rubber, footwear, machinery, equipment, raw materials for export production and agricultural products.

Total import and export value reached nearly US\$16 billion in the period, up 20.8% year on year. The province

witnessed 13,216 means of entry and exit, up 3.496%, and 333,609 passengers on entry and exit, up 2.306%.

Tay Ninh Customs Department collected VND1,482.74 billion for the State Budget in the year to November 15, up 19.14% year on year and equal 128.93% of the authorized target and 123.56% of the revised target. The department aimed to achieve and exceed the target of VND1,500 billion in 2022 assigned by the General Department of Vietnam Customs.

In the fight against smuggling and trade fraud, Tay Ninh Customs also obtained positive results. With busy international border gates, the department was exposed to many potential risks of smuggling and illegal transportation of goods across the border. Before this reality, the authority adopted programs and plans to closely inspect, supervise and control imported, exported and transited goods and vehicles on entry and exit. In addition, the unit effectively coordinated with relevant forces to inhibit hot spots of smuggling and illegal cross-border transportation of goods.

In more than 10 months of 2022, Tay Ninh Customs Department detected and captured 367 cases with 348 violators. The department imposed administrative fines of over VND20 billion on 335 cases; prosecuted a criminal case of illegal cross-border currency transfer (US\$200,000); sent a case to the police of Ben Cau district, Tay Ninh province for further inspection; and transferred six cases to customs authorities in Ho Chi Minh City, Hai Phong and Quang Ninh.

A senior official of Tay Ninh Customs Department emphasized that the above results came from combined solutions, especially effective customs-business partnership, to support, answer and solve business feedback and recommendations in a timely manner. ■

Vietnam's Trade Value Nears US\$650 Bln as of Nov 15

According to the General Department of Vietnam Customs, Vietnam's export value amounted to US\$13.6 billion in the first half of November (from November 1 to 15), with four items bringing home at least US\$1 billion each, including telephones and parts with US\$2.38 billion; machinery, equipment, tools and parts with US\$1.77 billion; computers, electronic products and parts with US\$1.67 billion; and textiles and garments with US\$1.4 billion.

Vietnam's export value totaled US\$326.68 billion in the year to November 15, representing a year-on-year growth of 14.83% or an addition of US\$42.2 billion, compared to US\$284.48 billion in the same period of 2021).

The export value in the first half of November was US\$14.78 billion, with billion-dollar items including computers, electronic products and parts; machinery, equipment, tools and parts; and telephones and parts, respectively earning US\$2.86 billion, US\$1.96 billion and US\$1.06 billion.

Meanwhile, Vietnam spent US\$318 billion on imports in the year to November 15, up 11.74% year-on-year, or an increase of US\$33.42 billion, compared to US\$284.58 billion in the same period of 2021.

In total, Vietnam's export and import value was US\$644.68 billion.

The country had a trade deficit of nearly US\$1.2 billion in the first half of November, thus narrowing its trade surplus to US\$8.68 billion in the year to November 15.

Le Hien



Mr. Nguyen Van Thang, Chairman of the Board of Directors of Dong Nai Rubber Corporation (4th from left), receives the certificate of recognition as one of the Top 10 Sustainable Development Businesses in 2021

VIETNAM RUBBER GROUP

Good Practices in Sustainable Rubber Forest Management

Vietnam Rubber Group (VRG) accounts for only about 30% of the country's rubber area and output; however, it has always played a pioneering and exemplary role in sustainable rubber industry development and sustainable rubber forest management certification. Sustainable development is also one of VRG's important policies to achieve three goals: Economic development, Environmental protection and Responsibility to the community and society.

TRAN HUYNH

Environment-friendly and supportive of the community

The rubber tree in Vietnam originated from the Amazon forests (South America). Introduced from Indonesia in 1897, after 125 years of development, the tree has become an important multi-purpose and cash-earning crop for smallholder farmers in Vietnam. Currently, the rubber industry contributes over US\$7 billion in export value every year and generates incomes for more than 500,000 people in natural rubber and rubber wood supply chains in Vietnam.

VRG has experienced various ups and downs during the long development of the Vietnamese rubber industry. From 78,000 ha initially assigned for management in 1975, VRG has to date developed more than 410,000 ha, including 110,000 ha abroad.

VRG defines sustainable business development as one of the important policies on operations of Vietnam's rubber industry and ensures economic development goals together with social responsibility and environmental protection. The group has developed policies and programs for sustainable development in the 2019-2024 period with 10 specific targets as the foundation and orientation for its sustainable development activities. VRG's sustainable development strategy also insists social responsibility be implemented throughout VRG, including its member companies. Legitimate rights, incomes and livelihoods of employees are always guaranteed by law and based on business performance.

The traditional relationship with the local community is further enhanced through VRG's continued contribution to the Government's rural development and poverty reduction programs. When it invested in Laos and Cambodia, many social security investment projects launched by VRG and its members have been highly appreciated and announced by host governments in many media. At the same time, the group has been increasingly trusted by local people who have become employees of VRG and its member companies.

VRG pays special attention to environmental values by applying new technical measures to reduce carbon emissions in production:



VRG always tries to improve the incomes and the livelihoods of employees

“ VRG is the largest agricultural firm in Vietnam, with a registered capital of VND40,000 billion and 126 member companies, which manage huge land resources and operate in relatively large areas in key economic, security and defense regions like the Southeast, the Central Highlands, the Central Coast, and the Northern mountainous region. At the same time, the group has invested in developing rubber farms in Laos and Cambodia. As VRG always pays attention to biodiversity conservation policy, the firm has successfully planned 5,000 ha of natural forests and will expand protected natural forests to 20,000 ha by 2024. **”**



VRG pays special attention to sustainable development of rubber trees

Reducing chemicals; Growing with more organic fertilizers in use; Installing solar power for rubber processing plants; Building new latex processing processes to reduce electricity and diesel oil (DO) use by 40%; and Using advanced biological waste treatment technology to reuse 1.5 million cubic meters of treated wastewater a year for production (accounting for 25% of total water use). VRG always complies with the current Law on Environmental Protection in Vietnam. Presently, all wastewater treatment facilities of the group meet Vietnam's national standards on wastewater quality.

VRG is currently promoting effective development in five core business areas: Growing, harvesting, processing and selling rubber; Rubber industry; Wood processing; Infrastructure investment in industrial zones on rubber land; and High-tech organic agriculture. During its operation, VRG is recognized as an excellent leader in sustainable development, based on three pillars: Economic development, Responsibility to community and society, and Environmental protection. This is not an easy path for businesses, especially when their business operations are being severely affected by the epidemic.

Promoting sustainable forest management

VRG is currently promoting Sustainable Forest Management Certification for rubber forests according to the Vietnam Forest Certification Scheme (VFCS) and the PEFC CoC Chain of Custody for its member units. In 2019, more than 11,400 ha of rubber was certified VFCS standards. In 2020, an additional 45,000 ha was certified and 100,000 ha was grown according to a sustainable forest management plan. In 2022, 300,000 ha of rubber forests in Vietnam will be certified.

VRG's leadership has devised a development strategy to 2025, with a vision to 2030. Particularly, the group regards sustainable development as a vital trend that every business must achieve if they want to survive in the current period of international economic integration, embedded with three pillars: Economic development, Responsibility to community and society; and Environmental protection. In 2019, the group had 10 affiliated companies recognized as the "Top 100" sustainable businesses in Vietnam. It had 14 units and 20 units in the Top 100 in 2020 and in 2021, respectively.

VRG will continue to expand sustainably managed rubber areas and certified forests in the coming time. Vietnam's

sustainable forest management certification is of great significance to developing the market for legal, clean and traceable wood materials for wood processing and woodwork export. This also affirms the active implementation of sustainable forest management and forest certification, especially when Vietnam's forest certification system has been recognized worldwide.

In the following years, VRG will continue to effectively reconnect with the Forest Stewardship Council (FSC); develop a plan to grow 5,000 ha of forest and a geographic information system (GIS); reinforce sustainability certification by expanding the area for Vietnam's VFCS/FM sustainable forest certification; applying sustainable production techniques for rubber latex and rubber wood as well as cooperate in building solutions for forest conservation and forest restoration and regeneration techniques that meet FSC conditions for sustainable development of Vietnam's rubber industry and for sustainable management and development of the forestry sector as a whole.

VRG's sustainable development mission poses many challenges but also provides many opportunities to realize its vision and mission. In addition to mobilizing and upgrading all internal resources, VRG will continue to strengthen and expand cooperation with domestic and international organizations to update knowledge and approach the trend of the times, share practical experiences and enhance communications on its sustainable development results. ■

By November 2022, 16 member companies of VRG were certified VFCS/PEFC-FM sustainable forest management for over 106,000 ha and 28 factories were certified PEFC-CoC Chain of Custody. In 2022 - 2025, VRG targets to have 139,000 tons of natural rubber and 970,000 cubic meters of wood, certified with VFCS/PEFC and to join the global supply chain.

AMATA

TRANSFORMING TOWARD ECO &



Through 28 years of constant development, Amata has set impressive footprints in terms of industrial estates from the North to the South of Vietnam. With multiple projects in operation and upcoming, more than US\$4 billion of FDI has been invested in Amata's locations from more than 190 investors regionally.

Under the vision of the group to grow the business and socio-economy together with good coexistence between the industries and surrounding communities on the basis of responsibility towards local natural resources and environmental preservation, Amata projects in Vietnam have aligned to set up the specific target toward a 'Low Carbon City by 2040' under the 'Smart City' concept by upcoming 2040. Through the journey to reach such an ambitious target, Amata has collaborated with numerous partners and tenants, as well as participating in many programs organized by the Vietnamese authorities and various associations.

Key strategies for AMATA sustainability

By integrating a sustainable development concept with good business strategy, the company has revised its business plans and moves toward being the developer of a Smart City in the Eastern Economic Corridor. Amata's aim has been set forth to actively respond to the stakeholders' needs and to cope with global changes and emerging risks more efficiently, as well as creating a perfect city which provides opportunities and benefits to all stakeholders. Amata aims to develop the business and grow the socio-economy simultaneously, with the peaceful co-existence between the industries and surrounding communities based on natural resources and environmental conservation.

SUSTAINABLE FUTURE

The core strategic development includes 5 key parts, including (1) Enhancing competitiveness through the Smart City concept; (2) Growing through strategic business partnerships; (3) Creating a safe and environmentally friendly society; (4) Creating opportunities for stakeholders and (5) Building a decent civil society to create benefits for society as a whole.

Persistent efforts in alignment with Vietnamese directions

Amata City Bien Hoa was established in 1994 and is considered one of the first industrial parks and represents a successful model in Dong Nai province. With the experience and knowledge gained over the years, the company has faced both advantages and challenges in its transformation and modernization of processes which have had impacts on communities relying on the daily operations of the industrial park.

Huge efforts have been utilized productively not only from project developers, but also from authorities, factories, citizens and partners to invest and collaborate toward this effective symbiosis model.

Internally, Amata has been putting efforts toward reducing its greenhouse gas emissions through the implementation of many initiatives over the years. The company has replaced high energy consumption equipment with lower energy consumption upgrades, introduced OZONE water treatment into chiller systems to improve the efficiency of the systems and operating cost reductions, and utilized green technology – in the form of using solar cells as sources of renewable electricity supply for office buildings. Employees also participated in the action to help tackle climate change by voluntarily switching off lights during lunch breaks, taking the stairways when possible and adjusting thermostats to 25 degrees Celsius. Through these actions, Amata has achieved a reduction in electricity consumption from fossil fuels by 19% in 2021, based on year-on-year analysis since 2017.

In the latest program, Amata city Bien Hoa has been selected by the Ministry of Planning and Investment and the United Nations Industrial Development Organization to pilot the transformation to an ECO-IP model using the circular economy and the management team to inspire and contribute for the future standardized concept of Vietnam's Industrial



Parks. Amata contributed by sharing its experience and the successful business model applied in Thailand, advised on revisions of institutional frameworks to become feasible with conditions in Vietnam, connected with existing customers for different research and training, and supported authorities in depth regarding policy and regulatory framework creation.

Reviewing the actual conditions based on international standards and frameworks, Amata is now at 50%, or halfway, and planning to reach at least 70% in the next 3 years. Nevertheless, most parties involved in the project agreed that the particular conditions of the country shall be reflected in the standards, which means the adaptation from international standards to optimal local standards. Such new modified standards proposals are being considered as one of the targets for this project as well.

Among many solutions that have been raised, as a pilot project, Amata in Bien Hoa will prioritize three possible areas, including rooftop solar power, sanitized and reused water, and introduce and implement programs such as 'Resource Efficiency' and 'Cleaner Products' with the customers. For those areas to be implemented successfully, the change of related regulations is one of the key important factors. As an example, currently, Amata's treated water is still being discharged daily following the regulations, even though the quality has been verified as being very close to normal water. The savings and future use for such amounts of purified water for other objectives could create more value to communities and further improve business operations as well.

In the latest report, with the possibilities of energy saving





efficiency being estimated at more than 84 billion Dong per year, Amata strongly believes in the support of authorities through ECO-IP project proposals to soon complete the policies, framework and regulations beneficial for all the related communities and improving the competitiveness of Vietnam globally.

Amata's footprint in Vietnam

Amata Corporation, established in Thailand in 1989, is the world's leading industrial city developer. Amata specializes in planning, developing, managing, and marketing integrated industrial estates. The group currently serves over 1,400 tenants with a workforce population of more than 300,000, contributing over \$56 billion USD into various countries' GDP.

Leveraging the success in Thailand, Amata City Bien Hoa Industrial Park officially started business in 1994 with 190 factories and tenants in operation until now, currently with 513 hectares of area in on-going expansion. With more than 28 years of experience in Vietnam, Amata continues to expand business into hot spots of investment, including Long Thanh city (Dong Nai province) from 2015 and Quang Yen Economic Zone (Quang Ninh province) from 2018.

Amata City Long Thanh (1,270 hectares) is located in a

very beneficial strategic location in the Southern area, close to the future airline hub, Long Thanh New International Airport, and along the highway to Ho Chi Minh City and posed to target both commercial and industrial land. Currently, 33 percent of the total area is in development for a Hi-tech Industrial Park and the remaining 67 percent is projected to become an urban community. Amata City Long Thanh is expected to make important contributions to Dong Nai's social-economic development in particular and Vietnam in general.

In the Northern area, Amata City Ha Long, located in Song Khoai, Quang Yen commune with US\$155 million capital (total of 714 hectares), has proactively recruited a more than US\$800 million project from the first customer – Jinko Solar, with more to come. Offering the best strategic location with the huge advantage of easy access to a key logistics hub in the Northern Area, the investors joining Amata City Ha Long also can enjoy the highest tax incentive programs for economic zones.

All three projects are scheduled for full services including long-term land lease, well-equipped ready built factories, commercial offices and related services, which can and will fulfill diversified demands at business scales. ■



CẢNG ĐÀ NẴNG

Member of VIMC



CẢNG BIỂN HÀNG ĐẦU MIỀN TRUNG

Tầm nhìn

Cảng Đà Nẵng sẽ trở thành cửa ngõ giao thương quốc tế hàng đầu của quốc gia và khu vực Tiểu vùng sông Mê Kông.

Sứ mệnh

Chúng tôi nỗ lực không ngừng cho sự thông suốt, nhanh chóng, an toàn của các dòng hàng hóa, con người và văn hóa vì tin rằng điều đó sẽ tạo nên sự thịnh vượng của quốc gia.

Sứ mệnh của chúng tôi là cung cấp các dịch vụ cảng biển hoàn hảo và kết nối các hoạt động trong chuỗi logistics của vùng, quốc gia và thế giới. Bằng cách đó, chúng tôi đóng góp tích cực vào việc tăng vị thế phát triển của địa phương, sự phồn vinh của cộng đồng khu vực và sự phát triển bền vững của quốc gia.



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BITEX

4 Decades of Promoting Education and Pursuing Sustainability Values



BITEX is honored with Second Class Labor Order at its 40th anniversary

Pursuing the goal of becoming a leading supplier of school supplies, office equipment and technology applications for education in Vietnam, Binh Tay Import Export Joint Stock Company (BITEX) has experienced 40 years of promoting education and pursuing sustainability values.

The year 2022 marks the 40-year development milestone of BITEX. Initially named District 6 Import Export Supply Company (SIXIMEX), BITEX has made challenging transformations through many stages of development. BITEX is now proud to be a top supplier of school supplies and stationeries in Vietnam. BITEX is also an official distributor of world-renowned brands including CASIO Calculator and PILOT Pen.

40 Years of Development

Birth of BITEX

Binh Tay Import Export Joint Stock Company (BITEX), formerly known as District 6 Import Export Supply Company

(SIXIMEX), was established in 1982. At that time, the company mainly supplied agricultural, forest and aquatic products and handicrafts, exported to corporations of Ho Chi Minh City and the Central Government.

In the 1990s, the company was granted more business and investment power. During this period, calculators, watches, and stationeries exclusively distributed by BITEX were officially introduced to Vietnamese consumers. Without a doubt, this was the foundation for the future strong development of BITEX.

Significant contribution to education

On its development journey, 1993 was one of BITEX's important milestones, marking its strong transformation along with the country's education reform.

Specifically, with its opportunity to access advanced educational programs in the world and its concerns of cooperation with relevant bodies towards the goal of raising Vietnam's education levels, Mr. Nguyen Xuan Dung, Chairman of the Board of Directors of BITEX, realized that calculator application to schools was very necessary and appropriate in that period. Therefore, he managed to achieve successful negotiations to make BITEX an exclusive distributor of CASIO calculators in Vietnam.

Furthermore, with the enthusiasm and mission of accompanying the education sector, BITEX actively worked with its partner CASIO to research and improve CASIO calculator features to be more suitable for teaching and learning methods in Vietnam. At the same time, BITEX organized periodic training programs for teachers across the country in order to update the latest innovations and increase their opportunity to access new teaching and learning methods applied to teachers and students all over the country, especially in remote areas.

In 1995, to inspire students to love learning and form creative thinking, BITEX held the first CASIO calculator-based math competition in Ho Chi Minh City. Now, BITEX has hosted more than 27 years of supporting CASIO calculator math exams and 17 national exams organized by the Ministry of Education and Training.

The success of calculator-based math competitions is



BITEK diversifies its product portfolio, aiming to meet a wide range of demands, from kindergartens, primary schools and universities to offices

certainly not only a breakthrough for BITEK's business but also inspires learning and practical application to many generations of students.

Expanding a comprehensive education ecosystem

Going beyond the success with calculators, BITEK desired to keep on the journey with knowledge and bring world-class school supplies and office products to consumers in Vietnam. That motivated BITEK to exclusively distribute Pilot high-end pen products and as well as research, manufacture and build European-standard SmartKids and BITEK office equipment brands at reasonable prices for Vietnamese consumers.

Specially, applying technology to education, driven by the robust development trend of modern science and technology, is a top priority at BITEK today. BITEK's strategy is building a foundation of internal resources for inclusive and sustainable development in the future. BITEK aims to serve everyone, from small children and primary students to university students and to office workers.

Sustainable Development Goals

Core values coupled with sustainable development goals

Led by the "Ongoing innovation" philosophy, BITEK always strives to bring the best school supplies and office products to consumers. BITEK's 40-year story is associated with core values that have been created, sustained and developed to this day.

INNOVATION - Innovation is seen as the foundation for all development.

RESPONSIBILITY - Absolute responsibility is promoted at work and in internal and external relationships.



BITEK always focuses on human resource development

SUSTAINABILITY - Sustainability is seen as a driving force, a competitive advantage and a factor for success.

BITEK's sustainability values revolve around People - Education - Community

For human resources

At BITEK, human resource training and development is considered one of the key activities that lays a solid foundation for every step of the progress of the company.

BITEK invests in modern, safe and utility-rich equipment and facilities for employees. In order to improve their professional qualifications, BITEK has provided favorable conditions for them to participate in in-house and outsourced training courses. The budget for training increases dramatically year on year. In particular, BITEK leadership highly appreciates an inclusive corporate culture. 🙌



BITEC presents gifts to teachers in the teacher-supporting program



For education

After 40 years of presence in the market with many transformational milestones, BITEC has always pursued its sustainability values and closely linked its development with Vietnam's general socioeconomic development trends, especially in education.

BITEC's current journey not only spreads love for mathematics to students but also extends to other activities like funding painting, engineering and literature competitions. On the next step of development, BITEC will continue to be consistent in

promoting education to raise the level of future generations.

For community

During the past four decades, BITEC has always worked as a “business for the community” in all four aspects: education, culture, healthcare, and relief. Its achievements in and dedication to the education sector and national development are highly appreciated.

In the business aspect, BITEC always follows the directions and policies of the education sector. In the community aspect, BITEC dynamically and willingly cooperates with the Ministry of Education and Training to introduce practical assistance programs like supporting poor teachers to overcome difficulties; supporting orphans to overcome the pandemic;

supporting frontline forces against the pandemic; and giving a helping hand to school children. The total budget amounts to tens of billions of Vietnamese dong.

Together, BITEC people have made their own mark on each development stage built on the innovative, dynamic, pioneering spirit in all activities during the past four decades that has formed the unique spirit and culture of BITEC. These elements, in combination, have become a solid foundation of strength and made an important contribution to building and affirming BITEC's position in the Vietnamese market. ■



standard
chartered



► Ngân hàng nước ngoài tốt nhất Việt Nam năm 2022 ◀

Chúng tôi cam kết hỗ trợ quá trình phục hồi và tăng trưởng bền vững của Việt Nam, đồng thời, thúc đẩy Việt Nam trở thành điểm đến quan trọng thu hút đầu tư nước ngoài.



The year 2022 marks an important event: the 45th anniversary of Imexpharm Corporation. With the business philosophy of “1,000 years later, lotus still in bloom,” and the belief of “business for social service”, Imexpharm has achieved remarkable successes in business and social security over the past four decades and confidently affirmed its position as one of the leading pharmaceutical producers in Vietnam. The corporation was honorably named Labor Hero by the President of Vietnam in recognition of its great contributions. President of the Board of Directors of Imexpharm **Nguyen Quoc Dinh** shared the important milestones and the success story of Imexpharm with our reporters.

THANH TUNG

IMEXPHARM

45 YEARS OF GLORY AND RESPONSIBLE BUSINESS

In its 45-year history, Imexpharm has confidently asserted its position in the Vietnamese pharmaceutical industry. Could you please introduce some of your outstanding achievements and impressive figures?

In the early days of our operation, we confronted numerous challenges arising from the modest infrastructure system and insufficient human resources. After 45 years of development, Imexpharm has now risen to assert its position in the marketplace and bloomed like a lotus full of vitality. Since the early days of hardship and deprivation, our current factories have increased by more than 76 times by area; our equity has risen by 81 times, and our personnel has been expanded by 60 times. The company's products are currently in 25.8% of Vietnam's pharmaceutical retailers.

With the mission of “Offering effective solutions for social health care”, Imexpharm affirms its mission of providing high-quality products and healthcare services for everyone. Over 45 years of development, Imexpharm has followed the right path outlined by the Board of Directors on the outset to obtain achievements like today. Notably, its three factories meet European standards with 11 production lines that manufacture a diverse range of products, thus contributing to Vietnam's pharmaceutical development.

Up to now, Imexpharm pharmaceutical brands have become familiar in Vietnam's medical and pharmaceutical industry and have been trusted by specialists for treatment effects. Simultaneously, with factories in Cao Lanh, Binh Duong, Ho Chi Minh City and 20 sales branches, Imexpharm is proud to be home to more than 1,200 employees, ensure employment and career development for employees, and contribute to community development.

What are the important factors for Imexpharm to achieve the current success, to stand firm in the market and gain the trust of domestic and foreign investors?

Our success comes from the ongoing efforts of experienced, qualified and well-trained employees who have offered continuous improvements, willingly accepted changes and actively applied advanced techniques and technologies to enhance business performance.

Another important factor is transparent and responsible management to employees, shareholders, customers, suppliers and partners to build an image of a reputable and reliable Imexpharm. But, the most important core is that we have a diverse product portfolio for treatment requirements on both channels - OTC (pharmacies) and ETC (hospitals)

and clinics). Imexpharm's strength rests in new-generation antibiotics, manufactured on an EU-GMP-standard modern production line system, to have highly effective treatment for patients. Products trusted by experts have helped Imexpharm affirm its prestige and brand position in the Vietnamese pharmaceutical market. The typical products include Claminat, Bactamox and Imetoxim. We are also famous for other product lines like Probio for digestive tract, and Cedipect and Cedituss for cough treatment.

Now, we can confidently affirm that Imexpharm's successes and steady progress are crystallized by good investment for product quality, human resources and management systems to bring the best value to customers and consumers.

In the past 45 years, how has Imexpharm focused on sustainable business? What is the company's sustainable development strategy in the coming time?

As a responsible manufacturer, Imexpharm focuses on investing in advanced standards to meet strict health and safety standards for factory workers and minimizing environmental impacts. Therefore, the company's products are also very safe for users' health. When building a new factory, we always conduct thorough due diligence on social and environmental criteria before kicking it off.

Imexpharm's strength rests in antibiotics production. We manufacture antibiotics of the highest standards from world-class input materials and effectively treat wastewater and solid waste to remove antibiotic radicals before discharge into the environment. Simultaneously, Imexpharm has also studied and manufactured new antibiotic combinations and become the first choice for treatment of respiratory infections because they typically have a very low rate of bacteria resistance and a high sensitivity rate. This effort has helped minimize current antibiotic resistance according to warnings from the World Health Organization (WHO).

From the foundation for success, Imexpharm's sustainable



development strategy is built closely on five main pillars of the United Nations Sustainable Development Goals: Human, habitat, prosperity, cooperation, and decent organization.

2022 is also the last year of the 2018-2022 term. What are the key solutions to accomplish your business goals?

Over the past four decades, Imexpharm has always led the domestic pharmaceutical industry in product quality. In the 2018-2022 term, we mainly focused investment on building new factories that meet EU-GMP standards, thus having the largest number of EU-GMP production lines in Vietnam up to now with 11 production lines.

With its transparent and stable financial foundation, Imexpharm is highly appreciated by domestic and foreign investors. In 2020, the company officially had a strategic shareholder, SK Group, a conglomerate from South Korea. We also gained approval for an US\$8 million loan by the Asian Development Bank (ADB) to stockpile input materials, and keep continuous production and business amid the COVID-19 pandemic outbreak to supply enough medicines for people.

Imexpharm is working hard to quickly complete its business goals in 2022. In response to the annual World Antimicrobial Awareness Week (from November 18 to November 24), the company is hosting a series of workshops on "Advice and selection of antibiotics for respiratory infection treatment in the era of drug resistance" for its loyal customers. 10 workshops will be held in nine major cities from mid-November to mid-December.

2022 is the last year to wrap up the 2018-2022 term. This term has focused on building a strong foundation for Imexpharm's breakthrough growth in the coming time. At the same time, we are working together to develop growth target plans for the next term of 2023-2027.

Besides, Imexpharm always regards people as the most precious capital and the most important factor of growth. Therefore, the company pays special attention to building a good working environment and regularly offers policies to attract and retain talented people. At the same time, human development, sustainable career development, and physical and mental health care are always prioritized. Comprehensive human development is always a priority in Imexpharm's development process in the present and in the future. ■

Thank you very much!



EVNCHP

Working Hard to Unlock Future Energy Flows



During its 18 years of development (2004 - 2022), Central Hydropower Joint Stock Company (EVNCHP) always strives to fulfill all assigned targets and tasks, supply electricity for socioeconomic development, national security and people's life, confidently affirm its brand position in the country's renewable energy industry, make important contributions to the cause of national industrialization and modernization, and ensure national energy security.

THANH TUNG

High economic social and environmental performance

EVNCHP was established in 2004 by Southern Power Corporation (EVNSPC), Central Power Corporation (EVNCPC), Hanoi Electricity Corporation (EVNHANOI) and Vietnam Electricity Group (EVN). From 2013 to date, EVNCHP's major shareholders are EVNSPC, EVNCPC, REE Corporation and common shareholders. The name of EVNCHP is associated with two important projects: 170-MW A Luoi Hydropower Plant in A Luoi district, Thua Thien Hue province (costing VND3,234 billion) which became operational and fed into national power grid on May 20, 2012 with an average annual electricity output of 649 million kWh; and 50-MWAC Cu Jut Solar Farm in Cu Jut district, Dak Nong province (average output of 94.71 million kWh), which officially fed into the national grid on April 20, 2019.

Despite facing numerous difficulties and challenges since its inception, EVNCHP has worked hard to manage and operate A Luoi Hydropower Plant and Cu Jut Solar Farm to ensure safety and achieve high performance in all three economic, social and environmental aspects, thus helping speed up local economic restructuring, ensure social security, provide jobs and improve people's living standards in project-impact localities. After 11 years (2012-2022) in the competitive power generation market, EVNCHP has produced more than 6.6 billion kWh of electricity for the national grid. Specifically, A Luoi Hydropower Plant officially reached the milestone of 5 billion kWh of electricity for the national grid at 5:00 pm, December 9, 2020, and over 6.3 billion kWh in the third quarter of 2022 and earned total revenue of more than VND6,800 billion. Cu Jut Solar Farm generated more than 297 million kWh of electricity and made total revenue of VND654 billion. EVNCHP's output, revenue and profit results are always higher than their plans, thus paying more tax to the State Budget and creating a stronger driving force for growing socioeconomic development in Thua Thien Hue and Dak Nong provinces and cities.

In addition to great social and economic contributions, another success of EVNCHP is safe operation of two power plants and supporting equipment as per operation processes provided by National Load Dispatch Center (NLDC). Since their power generators are operational, the company has always ensured safety for people and equipment, had no occupational accidents or operational incidents, fulfilled environmental commitments, and aligned business with environmental protection, resource efficiency, and use of modern and advanced technology, machinery and equipment.

As a publicly traded company, in addition to effective business operation, EVNCHP pays special attention to shareholder management. Since it listed its shares, the company has always complied with regulations of the State Securities Commission (SSC), put transparency and honesty on top, and placed shareholder interests at the highest level. For five consecutive years from 2017 to 2021, EVNCHP was named Top 100 Most Sustainable Business in Vietnam. Therefore, its prestige and brand position in the financial market and shareholder trust have been increasingly confirmed. Given their high business performance, A Luoi Hydropower Plant and Cu Jut Solar Park have importantly helped national industrialization and modernization and contributed to national energy security.

Catalysts from future energy projects

The current success of EVNCHP is apparently resulted from great but silent efforts and contributions of all employees, particularly engineers. Over time, its talented and enthusiastic employees not only capture but also master technology, thus helping bring the EVNCHP brand farther. By effectively



promoting the strength of its human resources, EVNCHP always pays attention to training and improving the quality of human resources and fostering success. EVNCHP's management also always focuses on effectively executing resolutions of the Board of Directors; actively researches, promotes initiatives, improves techniques, increasingly applies advanced information technology and digitization to operation administration; and perfects the corporate governance system to further enhance operational efficiency, deliver highest interests of stakeholders, moves towards sustainable development, and brings practical values to the community and society as a whole.

In recognition of its ongoing contributions to the electricity industry and to the cause of national industrialization and modernization, EVNCHP has been honorably presented numerous noble titles and awards by the Party and the Government, including Third-class Labor Order by the President of Vietnam (2013), Certificate of Appreciation by the Prime Minister (2011), Certificates of Appreciation by the Ministry of Industry and Trade (in 2009 and 2016), Certificates of Appreciation by the Thua Thien Hue Provincial People's Committee (2009 and 2019), Certificates of Appreciation by the Da Nang People's Committee (2012 and 2013), Certificates of Appreciation by Vietnam Electricity Group (2013, 2014 and 2015) as well as many other titles like Top 500 Most Profitable Companies (2016), Top 100 Sustainable Businesses in Vietnam (for five consecutive years from 2017 to 2021), Top 30 Companies with Best Financial Statements (2017-2019), and Top 60 Outstanding Companies for Employees voted by Vietnam General Confederation of Labor (2018).

These honorary awards are both moral facilitators and driving forces for all the leadership and staff of EVNCHP to keep going forward, work hard to reap greater achievements on the development path ahead and contribute more to the cause of national industrialization and modernization. In 2020 - 2025, EVNCHP will continue to stably, continuously and safely operate its power plants. A Luoi Hydropower Plant will produce



an average of 615 million kWh of electricity a year and Cu Jut Solar Farm will generate over 90 million kWh of electricity a year in those five years. EVNCHP defines hydropower and solar power as clean, renewable, environmentally friendly energies, and developing these energies will bring double benefits to economy, energy and environment. For that reason, renewable energy investment is of the company's development strategy.

Besides, to increase revenue and profit and ensure good income for employees and interests for shareholders, EVNCHP will focus on optimizing production and business operations of A Luoi Hydropower Plant to obtain annual profit of over VND200 billion and maximize the capacity of Cu Jut Solar Park to earn annual revenue of over VND190 billion. The company will further improve capital efficiency, optimize cash flows to enhance profitability and dividend, develop repair services for hydroelectric power plants and solar power plants, provide consultancy for project management and project supervision to utilize and promote expertise of its engineers. The firm will also reinforce information technology application to management and operation, ensure stable and safe operation of power plants, and deliver efficient power supply to the national power system. ■

TH GROUP'S CIRCULAR ECONOMY

Helping to Raise Living Standards



TH Group's milk plant

TH Group's circular economy and sustainable development have brought about dramatic changes in the poor western land of Nghe An province. After more than a decade, Nghia Dan district saw the poverty rate fall from 23% to only 6.4% now.

LE HIEN

We witnessed miraculous changes in TH farms, with the clearest proof being better living standards of local people. Growing biomass maize as feed for cows has generated the main source of income for local farmers. A resident in Nghia Phu commune, Nghia Dan district, Nghe An province, said biomass maize is used to feed animals. Each biomass maize crop lasts only 3.5 months.

Especially, it still grows in the cold winter of the north when other food crops cannot. Harvesting biomass corn is also much simpler as no milling is required. Each year, a hectare of biomass maize brings in an income of VND150 million, twice as much as before.

Biomass maize farms in Dong Hieu town, or manure from a closed high-tech dairy farm cluster are part of sustainable development, green economy and circular economy of TH Group.

The high-tech dairy farming and milk processing

project was launched in 2009 when the concept of "circular economy" was still unfamiliar to Vietnamese businesses. TH Group pioneered building a "farm to folk" circular dairy production chain.

Building a circular economy is an vital trend to harmonize business benefits, environment and social responsibility, helping TH dairy farms get closer to the goal of delivering more value to the community and building a sustainable future.

With the "circular economy" as it is called at TH farms, "every waste output product of one stage is an input resource of another stage". Instead of being disposed of, resources are "recycled" to create new values, thereby reducing resource extraction, waste treatment cost and environmental pollution while protecting nature.

This activity can be seen quite clearly in wastewater treatment on TH farms. Wastewater from livestock production after being treated is a source of highly nutritional liquid fertilizer. In particular, this source of nutrients is natural organic compounds, easy to decompose and easily absorbed by plants. With the use of this source of fertilizer, TH farms minimize the use of chemical fertilizers of inorganic origin that can have long-term consequences for arable land and the environment.

of Local People

The remaining wastewater from livestock production is treated with modern, advanced technology and returned to nature in accordance with national standards. At wastewater treatment facilities, a large amount of “activated biological sludge” is recovered. This is a part of nutrients and minerals in wastewater that are absorbed by microorganisms and exist in solid form. After being dewatered and transported to an organic fertilizer factory, this is a source of highly nutritious, easily degradable organic matter that meets the requirements for high-quality organic fertilizer production. Wastewater treatment also generates biogas, which is regenerated into electricity to fuel factories. In the coming time, TH Group sets a goal that wastewater treatment plants can be self-sufficient in energy and unlinked from the national electricity grid.

Similarly, cattle waste at TH farms is treated as a resource. After being collected, it will be sorted, mixed, and matured to

become biological buffers for farms and for organic fertilizer production. Organic fertilizers, biological buffers, and treated manure water become “inputs” of a new cycle, used to fertilize fields and serve farm operations.

Circular processes on TH farms are applied with advanced technology to have high efficiency. Like waste treatment, since 2016, TH farms have invested in mature to water separators. All leftovers and sludge from manure separating, after being pressed, are brought to compost fertilizer factories to manufacture organic fertilizers for cultivation and soil improvement. By 2020, TH Group installed solar panels on roofs of barns and factories (currently installed in five out of nine farms, TH dairy factories, purified water plants, Nui Tien medicinal herb and fruit factory) to generate a “green” power source on the one hand and reduce heat absorption to cool barns on the other. ■



TH Group's dairy cow breeding farm

Mu Cang Chai - Magnificence of Nature

At an average altitude of 1,000 m above sea level, Mu Cang Chai is a magical gift created by the terrain, climate, natural landscape and rich resources.

THANH NGÀ

With a natural area of over 1,200 km²; Mu Cang Chai borders Van Ban district in the North (Lao Cai province); borders Than Uyen district in the West (Lai Chau province); borders Muong La district in the South (Son La province); borders Van Chan and Van Yen districts in the East (Yen Bai province). Mu Cang Chai district has 13 communes and 1 town, the population is over 67,000, including 12 ethnic groups, in which the Mong people account for nearly 90% and the Thai, 5.2 %.

The district center is located in Mu Cang Chai town, nestled in a valley, surrounded by high mountains. The town is divided into the left bank and right bank by Nam Kim Stream, a long stream with a large flow of water all the four seasons murmuring like the sacred music of nature.



The district is surrounded by majestic mountains such as Lung Cung mountain, Nam Co commune, 2,913m high, ranked 11th among 19 highest peaks in Vietnam; Pung Luong peak, Pung Luong commune 2,070m high; Ta Cay Dang and Trang Cay Dang peaks are over 2,000m high, an attractive and challenging destination for photographers, tourists to experience and conquer.



The district features a fresh, cool climate. The annual average temperature is about 19°C, in which the highest average summer temperature is about 24°C. Snow often appears on the mountain peaks and Khau Pha pass area in winter, attracting photographers and tourists to explore and experience.

Historical tradition

The tradition of patriotism and solidarity against foreign invaders of the people of all ethnic groups is a precious capital in the history of Mu Cang Chai. Typically, the Khau Pha guerrilla team, the Che Tao, Lao Chai guerrilla team coordinated with the army to organize hundreds of battles, making many resounding victories in the resistance war. In 1998, Cao Pha commune was conferred "Hero of the People's Armed Forces in the resistance war". Now, the Khau Pha guerrilla team relic is an attractive sightseeing place attracting a large number of domestic and foreign tourists.

On October 18, 1955, the Prime Minister issued Decree 606-TTg establishing Chau Mu Cang Chai under the Thai-Meo Autonomous Region, including 13 communes in Than Uyen, Van Chan and Chau Muong La. In October 1962, Mu Cang Chai became a district of Nghia Lo province. On February 16, 1976, Hoang Lien Son province was established and Mu Cang Chai district of Hoang Lien Son province was established. In 1991, Hoang Lien Son province split into Lao Cai and Yen Bai provinces and Mu Cang Chai became a district of Yen Bai province.

With the desire to conquer nature for survival on the land of heaven, the ancestors chose rocks located in a position with a clear vision to carve shapes such as



mountains, tortoises or like a sheet of paper unfolding before majestic nature. The images carved on the rocks are mostly terraced fields, cranes, heavenly horses, astronomical maps, yin and yang, five elements and many ancient characters and scripts. According to museum experts in Yen Bai province, the owners of the carvings on the ancient rock are the Mong people who carved them in the 16th and 17th centuries. Some of them were carved on the ancient stone beach of Lao Chai commune, with more than 20 blocks. Ancient rocks are scattered on the shifting fields with the volume from 2 to 50 m³. The carvings are the sacred message of our fathers to present and future generations. ■

BAC NINH

Changing Approach to Attract FDI Capitals



Bac Ninh leaders award certificates of merit to outstanding firms in 2021

Attracting foreign investment capital is one of the driving forces for development and is increasingly important to socioeconomic development. Therefore, choosing the right partners and right projects is a mandatory requirement in foreign investment attraction into Bac Ninh province in the coming time.

Contributions of FDI capital

Bac Ninh is located in the economic triangle of Hanoi-Hai Phong-Quang Ninh and in Hanoi capital region where there are many passing highways like Ring 4, Noi Bai-Bac Ninh Expressway and Bac Ninh-Ha Long Expressway. Accordingly, Bac Ninh has great logistics advantages - an attraction to many foreign investors. With a clear approach and an advantageous geographical location, the province has basically become an industrial hub, with modern electronics and high-tech becoming

key industries.

In the 10 months of 2022, the province attracted US\$1.856 billion of foreign direct investment (ranked 4th in the country), including US\$177.21 million from 98 new projects, US\$1.64 billion from 108 existing projects and US\$40.52 million from equity purchase deals.

Bac Ninh province licensed 1,776 FDI projects with a total registered investment fund of US\$23 billion from 39 countries and territories as of October 2022 (ranked 7th nationwide by value).

In recent years, Bac Ninh has managed to attract high-quality, high-tech and high-efficient FDI investment projects. However, as a well-developed province with much experience in FDI attraction, Bac Ninh needs to set new goals to

choose the right partners and improve the quality of FDI projects into the province.

New approach to FDI inflows

The “direction to perfect institutions and policies and improve quality and effect of foreign investment



cooperation to 2030” as per Resolution 50-NQ/TW of the Politburo dated August 20, 2019, underlines selective foreign investment attraction and cooperation where quality, efficiency, technology and environmental protection are used as main evaluation criteria and priority is given to advanced technology, new technology, high technology, clean technology, modern management, high added value, ripple effect and connectivity to global production and supply chains.

In Decision 667/QĐ-TTg of the Prime Minister dated June 2, 2022 on approval of Foreign Investment Cooperation Strategy for the 2021-2030 period, defined directions are: “...Focusing on attracting selective foreign investment; selecting fields, markets and partners to foster development cooperation amid current global and regional context; repositioning investment flows, reducing dependence on risky and potentially disputed markets; prioritizing connectivity with global production and supply chains; attracting green investment, high technology, supporting technology, advanced management and administration methods; building and forming the awareness of “cooperation for development”, strengthening domestic production cooperation with production chains of multinational corporations to elevate Vietnam's position in production chains; raising localization rate and value-added content of domestic companies, organizations and individuals; promoting social responsibility and environmental protection in order to enhance the effect of foreign investment cooperation.”

In order to effectively implement the above resolutions and decisions, Bac Ninh province needs to simultaneously select partners and projects in line with the FDI development plan in the provincial and regional socioeconomic development plan. Accordingly, the province will draw investment capital for electronics technology valley - Yen Phong district, Industrial corridor - Que Vo district, and IT and high-tech park - Tien Du district to focus on manufacturing electronic components, aerospace, high-tech products, semiconductors and microchips. From master plans, the province will devise an investment market research strategy, evaluate and classify investors to match local industries that need to call for FDI and specific needs of foreign investors.

Especially given current development trends, Bac Ninh can focus on attracting FDI circular projects to create sustainable growth in the future. Besides, FDI projects with Economy 4.0 are also a good choice to create development momentum for the province.

Last but not least, Bac Ninh also needs to develop strong Vietnamese enterprises that can compete on par with foreign investors. ■



Advancing IP Development to Draw Investors

To make industrial parks (IPs) a favorable environment to woo investors, Bac Ninh province has spared no effort to develop synchronous infrastructure of industrial parks to entice big investors to Bac Ninh, serving as a driving force of the province's economic growth in the new period.

Bac Ninh currently has 16 large-scale IPs approved by the Prime Minister with a total area of 6,398 ha and 10 smaller industrial clusters in operation. Their combined occupancy is 91.2%.

The province now has 37 planned industrial clusters with a planned area of 1,141.86 ha, with 33 industrial clusters already established with a total area of 1,057.26 ha. 23 industrial clusters are operational on a combined area of 723.25 ha. They are currently housing more than 800 companies and generating jobs for 50,000 workers. Industrial output in industrial clusters grows 12.4% annually on average and accounts for 9.4% of the province's total industrial output.

Bac Ninh province has developed and expanded many new industries and new products such as electronics, robustly boosted by many world-leading multinational corporations like Samsung (South Korea), Canon and Sumitomo (Japan) and Foxconn (Taiwan, China).

Currently, the share of high-tech industrial products in Bac Ninh province is estimated at 86%. The electronics industry accounts for more than 80% of total industrial value. ➡



Based on available resources, the province will take advantage of new investment waves, form industrial development centers and technological research, application and transfer centers, and build information technology parks.

To have better-performed investment projects in IPs, Bac Ninh province is reviewing industrial park planning to better meet investors' needs; intensifying administrative procedure reform and providing policy support to encourage, assist and facilitate investors to bring their projects to the province. The province will continue to attract and develop modern high-

tech industries that are more technologically advanced, more resource- and energy-efficient and more eco-friendly and raise the localization ratio in products. Accordingly, the province will restructure the investment attraction approach, improve the quality of domestic and foreign investment flows, woo high-tech projects, and build green and sustainable product brands.

Bac Ninh will continue to develop transport infrastructure, irrigation, electricity, water, post and telecom systems; upgrade, expand and asphalt all traffic routes to all communes to ensure safe and smooth transportation and trade to provide the most favorable conditions for investors. At the same time, the province will boost multi-modal investment promotion to lease all rentable area in the IPs.

Without a doubt, one innovative and cross-cutting solution of Bac Ninh province is drastically reforming administrative procedures, improving the business environment, attracting foreign and domestic investment, and creating a driving force for economic development. Therefore, Bac Ninh is always committed to providing the best support for investors in production and business. The province is determined to attract high-tech capital-intensive investment projects. ■

(from P.15)

depth interviews showed that up to 50% of IPs have no idea of sustainable IPs; 30% have known and learned about the concept of eco-industrial parks; and 20% understand that sustainable industrial parks need to ensure balanced, simultaneous development of four EESG pillars.

Besides, policies and objectives currently focus on a few aspects instead of all aspects of sustainable development at the same time; IPs hesitate to share financial data; information on investment, generated economic value, including revenue and profit, is conventionally the most basic information which is shared by only a few surveyed IPs. Most IPs do not provide enough information on investment capital, revenue, and taxes. One of the reasons is transparency and availability of these data in the IP governance system.

"Many activities have not been maintained or executed periodically. For example, according to the law, all IPs must equip and maintain fire protection equipment and train personnel to use them, but compliance (with periodic inspection) in industrial zones is varied," Mr. Hai said.

Furthermore, IPs care more about risk management policies (law compliance) than policies that bring sustainable development to them as well as their operators. According to the survey, only 22% of IPs have international management system certificates; 77% do not have company-level audit information on financial, social and environmental aspects.

Vietnam does not have a database on the operational

status of IPs with the EESG framework and their tenants, he added. According to the research report, there is a lack of coordination among stakeholders in IP governance, such as operators, investors and tenants.

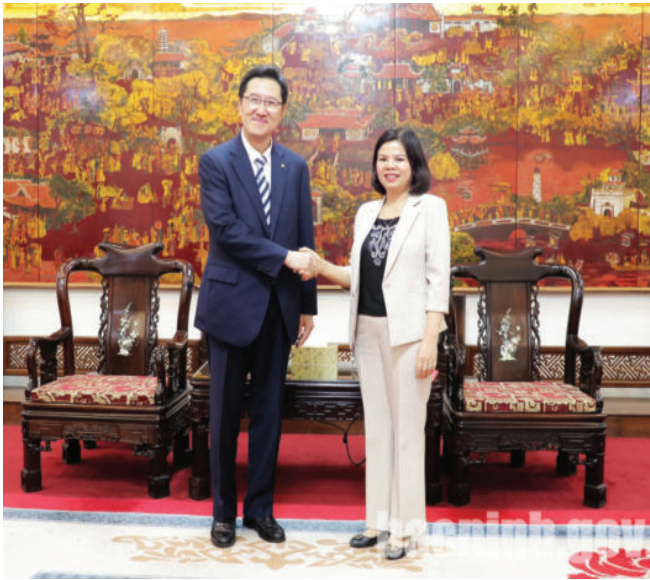
Therefore, after this study, VBCSD will work with experts of the Program Steering Committee and consultants to devise a Sustainable Industrial Park Index (SIP Index) based on the EESG framework, and test the compatibility and suitability of an SIP Index in some industrial zones in Vietnam, Hai noted.

The SIP Index, once completed, will support industrial parks and local authorities to regularly assess, monitor and provide solutions to enhance EESG sustainability of IPs and their operators. At the same time, the measure will promote incentive mechanisms of the government and international investors for businesses that actively invest in solutions for cleaner production, resource efficiency and livelihood and working improvement for workers.

The index will also help central authorities to have an overall picture of the current status of industrial park sustainability, make good policies and promote more sustainable industrial park models, strengthen connectivity of businesses and industries, meet market requirements and help Vietnam achieve relevant international commitments.

Last but not least, the gauge will support establishing central and local sustainable industrial park associations, one of the main objectives of the Program. This will help create a mechanism for sharing, learning, supporting and having a common voice on the path toward sustainable development. ■

AI Development Center to Be Established in Bac Ninh Province



Chairwoman of Bac Ninh Provincial People's Committee Nguyen Huong Giang receives Mr. Ahn Soon Hong, CEO of Hanwha Techwin Company

With a suitable production and business strategy driven by advanced technology application, Hanwha Techwin Company together with the business community have made positive contributions to the socioeconomic development of Bac Ninh province.

On November 8, Chairwoman of Bac Ninh Provincial People's Committee Nguyen Huong Giang hosted a working meeting with Mr. Ahn Soon Hong, CEO of Hanwha Techwin Company (based in Que Vo Industrial Park) to learn about the company's plan for future investment and business development in Bac Ninh.

Hanwha Techwin, affiliated with Hanwha Group (South Korea), manufactures high-tech security equipment. With the attention, support and facilitation of Bac Ninh province, the company has striven to overcome difficulties caused by the COVID-19 pandemic and

maintain stable and effective manufacturing and business operations.

In the coming time, to execute its production and business strategy, Hanwha Techwin Company will expand its production scale and especially establish an Artificial Intelligence Development Center in Bac Ninh province. The center is expected to recruit and train high-tech AI workers in the next three years. The company hoped that the provincial government, relevant agencies and sectors will assist the Center to be deployed and put into operation soon, thus helping constantly improve business quality and performance and build Bac Ninh into a high-tech industrial center of the country.

At the meeting, on behalf of the provincial government, Chairwoman of the Provincial People's Committee Nguyen Huong Giang congratulated and praised the company's efforts, hoping that Hanwha Techwin Company and South Korean companies will help entice other South Korean FDI into Bac Ninh, thereby further consolidating good cooperative ties between South Korea and Vietnam, including Bac Ninh province.

Hanwha Techwin Company's plan for establishing the Artificial Intelligence Development Center in Bac Ninh will be a great step forward and will create strong effects on promoting high-tech research and application for local businesses. Ms. Giang assigned the Bac Ninh Industrial Zones Authority to coordinate with relevant bodies to urgently complete necessary procedures and support the company to launch the center soon.

With the principle that "Bac Ninh always supports businesses and the success of businesses is also the success of the province", Chairwoman Giang affirmed that if there are any difficulties or problems in doing business, the company can report directly to the Provincial People's Committee and its Chair for consideration and settlement as soon as possible. ■



VINH PHUC

Devising New Investment Attraction Strategy



In its socioeconomic development and investment attraction strategies, Vinh Phuc province set a goal that foreign investment must play a role in creating inclusive and extensive economic development. The province will develop a foreign investment sector with higher technological potential and undertake some high-tech stages instead of manufacturing, assembling, processing and adding product value.

HIEN NAM

The province's investment attraction strategy lies in the national master strategy, matches with local socio-economic development strategy; and fits with infrastructure development, market development and human resource development plans.

In the coming time, Vinh Phuc will innovate investment attraction activities to ensure harmonized interests of the government, investors and people; and improve project quality to attract new investment funds by increasing technological content and technical labor; prioritize 4.0 industries such as ICT, digital, nanotech, biotech and new eco-friendly materials that facilitate

socioeconomic development. The province will prioritize projects capable of participating in global value chains; projects engaged in electronics, telecom, mechanical engineering, building materials and new materials; supporting industries for automobile, motorcycle and electronics manufacturing and assembly; industrial park infrastructure development projects; service tourism projects; international universities and service investment projects like finance, banking, insurance, healthcare, and education - training. Besides, the province will focus on attracting investment projects in industrial parks to raise their occupancy rate.

The province will align industrial development with environmental protection; thoroughly handle environmental pollution in industrial zones. It will gradually form industrial zones and encourage automobile and motorcycle

component manufacturing projects.

Vinh Phuc will supplement, call for investors and identify key markets for expansion such as the European Union, the United States, Japan and South Korea.

To realize Vinh Phuc's new investment attraction strategy, as an advisor to the provincial government, in 2022, the Department of Planning and Investment has strongly innovated investment promotions, expanded target markets and intensified access to potential foreign funds in the world.

In late September, Mr. Le Duy Thanh, Chairman of the Provincial People's Committee, hosted a meeting with the Department of Planning and Investment and the Vietnam Initiative Network on developing the Vinh Phuc investment attraction strategy in 2022-2025, with a vision to 2030 as well as resolutions and schemes to encourage and support investment, create favorable business conditions, attract large projects, strategic investors and multinational corporations into Vinh Phuc.

He hoped that attending experts, with their experience and knowledge, will clarify strengths, weaknesses and solutions to find strategic partners to promote and attract investment capital into Vinh Phuc province.

The province will also care about the interests of investors of large projects and strategic investors. It will clearly define the direction of global investment flows to seek solutions for investment attraction.

To draw FDI funds, Vinh Phuc hosted a dialogue meeting with 160 leading banks, investment funds and financial companies in Singapore in late October. Through this meeting, investors learned more about the investment environment and potential projects, as well as how to provide loans and support their investment over time. ■

Promoting Public Investment Capital Disbursement



Since the beginning of 2022, Vinh Phuc Provincial People's Committee has aggressively urged the construction progress of key works and projects, aiming to disburse over 95% of the public investment capital plan for 2022 by January 31, 2023.

MANH DUNG

Aggressively disbursing public investment capital

In 2022, the planned capital allocated to key works and projects in the area has been disbursed for 17 transitional works and projects, two new construction projects, and 13 extended projects from 2021 to 2022.

To ensure the disbursement progress, for projects with a large amount of capital assigned to the plan, Vinh Phuc

province requires regular inspections, urges and proactively removes difficulties and obstacles in the implementation process; resolutely sanctions violated contractors of the projects; focuses on the acceptance of the volume according to the schedule and expeditiously completes the payment documents and procedures.

For projects that have been completed, handed over and put into use, they must expeditiously complete the procedures for approving the final settlement and disbursing capital to contractors on time. The province promptly corrects and remedies violations and will not sign contracts with incompetent consulting and construction contractors.

In particular, the provincial Department of Planning and Investment is responsible for inspecting and reviewing the units that have not completed the detailed allocation of the public investment plan in 2022. The Department proposes the Provincial People's Committee take measures to handle in accordance with the provisions of the Law on Public Investment; strengthen discipline and strictly observe regulations in public investment management, bidding, construction and capital payment; organize detailed planning for each project from the stage of investment preparation to construction implementation, acceptance and payment to

(continued on P.58)

Taking Good Care of Workers' Lives in IPs

As the state management agency for industrial parks (IPs) in Vinh Phuc province, over the years, the Vinh Phuc Industrial Parks Authority has taken good care of workers in IPs, thereby creating motivation for them to work better. Our reporter had a conversation with Mr. Vu Kim Thanh, Deputy Director of Vinh Phuc Industrial Parks Authority, about this activity.

NGUYET THAM

Could you tell us what specific activities the Vinh Phuc Industrial Parks Authority has taken to promote the care of workers in the IPs?

Over the past time, we have closely coordinated with the Provincial Trade Union of IPs to care for the lives and jobs of workers with practical activities such as monitoring and urging enterprises to ensure good implementation of the regimes for employees; timely encouraging and commending typical collectives and individuals in working and production as well as children of union members; improving working conditions for employees; annually organizing many exchange events between units in the IPs.

In recent years, the outbreak of the COVID-19 pandemic has seriously affected the lives and jobs of hundreds of thousands of workers. The Authority and the Standing Committee of the provincial Trade Union of IPs have organized visits to, and given gifts to workers implement "3 on the spot"; coordinated with functional sectors to promptly settle petitions of employees on regimes and benefits upon termination of labor contracts; or suspension of work due to the COVID-19

pandemic. We have proposed the leaders of the Provincial People's Committee to build housing projects and cultural institutions for workers in local IPs.

Besides, Vinh Phuc province has promulgated the investment policy to build five typical models in enterprises equipped with cultural publications, televisions, radio speakers, organizing cultural and artistic activities, physical training and sports for workers to participate in cultural and artistic activities; thereby creating motivation for them to work enthusiastically and feel secure to stick with the business for a long time.

Could you tell us some of your typical movement activities recently implemented in collaboration with other units and businesses?

Since the beginning of the year, we have closely coordinated with the Trade Union of Vinh Phuc IPs and tenants to promote cultural and sports playgrounds for union members and workers. We have also implemented social activities for the community, in order to spread the spirit of love, compassion, "one for all, all for one" among employees in various IPs. Some specific activities are as follows:

On October 15, 2022, at Ba Thien 2 IP, Vina Union Co., Ltd. successfully held the Miss Ao Dai contest in 2022. The contest attracted a large number of employees and workers in the company to participate and cheer for the contest. On the same day, the Union of Vina Union Co., Ltd. also held the Employee Conference in 2022.

On October 24, 2022, at Thang Long IP, the infrastructure developer of Thang Long IP - Vinh Phuc and the National Institute of Hematology-Blood Transfusion successfully organized the program "Blood Donation Day". The program attracted hundreds of cadres and workers at Thang Long IP and neighboring IPs to participate.

On October 2, 2022, the Women's Football Tournament was held for workers in Vinh Phuc IPs. The event was organized by the Trade Union of IPs, with the participation of 20 football teams coming from grassroots trade unions of enterprises in IPs located in the province. The attractive and exciting matches with the enthusiastic cheering of the audience brought success to the tournament, and created motivation for the female workers.

The 7th Patron Vina Co., Ltd Football Championship 2022 organized by the Trade Union of Patron Vina Co., Ltd in Khai Quang IP took place from August 21 to October 9, 2022. 14 male and female football teams who were cadres and employees of Patron Vina Co., Ltd participated in the tournament. The tournament created motivation and spread emulation movements for health training, physical training and sports in enterprises in Khai Quang IP in particular and Vinh Phuc IPs in general.

In order to continue to take care of workers comprehensively, what key tasks and solutions will the province in general and the Authority in particular deploy?

In 2022 and the following years, Vinh Phuc will continue to implement Circular 05 of the Provincial Party Committee on



Creating Many Jobs for Local Workers

Compal (Vietnam) Co., Ltd, one of Taiwan's large FDI firms in Ba Thien Industrial Park, Vinh Phuc province, manufactures and trades computers and computer peripherals. Currently, Compal is a global manufacturer of laptops, LCD monitors and other electronic components. It is ranked in Top 500 largest companies in the world and Top 100 technology companies.

THANH LOAN

The company recruited more than 4,000 employees from January to October of 2022, mainly unskilled workers from Vinh Phuc province and neighboring provinces such as Thai Nguyen and Tuyen Quang. Besides, the company cooperated with colleges and vocational schools in Vinh Phuc province to train and recruit qualified graduates.

As a big employer (with nearly 8,000 Vietnamese employees and over 300 foreign employees), Compal (Vietnam) Co., Ltd always maintains good employee policies by actively increasing wages for employees affected by the COVID-19 pandemic, maintaining quality meals for employees (VND22,000 per meal), and ensuring food safety and hygiene.

After going through tough days of the COVID-19 pandemic, in the late second quarter and early third quarter of this year, Optrontec Vina Co., Ltd. in Ba Thien 2 Industrial Park announced to recruit more workers to speed up production and meet orders this year in confidence that the company will complete and exceed its business goals and plans.

Optrontec Vina, established in 2017, is a 100% South Korean-invested company that makes electronic

components for Samsung Group, a company representative said. Seeing that quality is a determining factor of business success, over the years, the company has actively invested in modernizing machinery and equipment.

To diversify electronic components products and actively source raw materials, in 2021, the company increased investment capital and expanded its No. 3 production workshop to make led-light logos for telephones. Thus, the company's revenue increased steadily despite the pandemic. In 2021, Optrontec Vina made revenue of over VND3,300 billion and paid nearly VND10 billion to the State Budget. In the first nine months of 2022, the company obtained revenue of over VND2,000 billion and ensured stable jobs for more than 1,700 employees each of whom was paid an average salary of VND9-10 million a month.

To raise product quality, minimize defective products in manufacturing processes and gradually address labor shortage, Optrontec Vina has inspired its employees to put forth their initiatives and technical improvements and has timely rewards for employees. At the same time, the company has paid greater attention to their employees' livelihoods, built a green, clean and beautiful working environment, and created an inspirational working atmosphere in each factory and production line.

To become an outstanding parts supplier for the electronic manufacturing industry, Optrontec Vina will focus on investing in technological innovations, modernizing machinery and equipment, and making new competitive products. Besides, it will strengthen training and improve skills for employees to undertake job requirements in many positions. Hence, this will help businesses gradually overcome labor shortages, especially skilled workers at the peak of production late this year, and increase the company's revenue year by year.

Visiting tenants in Vinh Phuc province-based industrial zones, we witnessed a very active production atmosphere, very enthusiastic working spirit and high responsibility of each worker. In 2022, hopefully, tenants will continue to make business breakthroughs and achieve high growth to elevate the investment and business environment in industrial zones in particular and the economic and social development of Vinh Phuc province in general. ■

leadership and direction for implementing Directive 52 of the Central Secretariat on improving the cultural and spiritual life for workers in industrial parks and clusters in the province.

From the perspective of the IPs Authority, we will continue to work closely with trade unions at all levels and enterprises in IPs to take care of workers' lives and jobs.

In addition to proposing to the Provincial People's Committee to build social housing and cultural institutions to serve trade union members and workers in the province's IPs, we will continue to promote the socialization of social housing for workers in IPs by paying attention to attracting investment from outside resources, mobilizing investors and IP infrastructure owners to invest in building social

accommodation for workers.

We will also monitor and urge enterprises to well settle the regimes for workers in IPs in accordance with the labor law, protect the legitimate interests of workers; promote the emulation movements of skilled labor, creative labor, create motivation and emulation spirit for enthusiastic production in enterprises. We will actively urge and mobilize enterprises in IPs to continue strictly implementing the prevention and control of the COVID-19 pandemic according to the new Directives of the Government and the Ministry of Health, to ensure human safety and promote production and business development in local IPs.

Thank you very much!

(from P.55)

ensure compliance with the overall progress of the project and regulations, including the capital portion allowed to transfer sources and extend the time for implementation and disbursement.

For disbursement units that fail to meet the above-mentioned targets, the head of that unit will be held accountable.

Many key projects completed

Since the beginning of 2022, the Provincial People's Committee has assigned targets, asked the local governments to sign a commitment on the progress of site clearance with the investors and shorten the investment processes and procedures to implement projects soon. A special working group to promote the disbursement of public investment capital at the provincial level has also been established by the Provincial People's Committee; assigned leaders of the Provincial People's Committee to closely follow the implementation progress and disbursement of public investment capital of key projects. The Provincial People's Committee sanctions investors, organizations and individuals that intentionally cause difficulties and hinder the progress of implementing and disbursing public investment capital plans.

This fierceness has helped many projects to be completed on schedule as committed, such as the project of the connecting road from Hop Chau-Dong Tinh to Tay Thien scenic area, one of the key projects of the province. By the end of August 2022, the road connecting Hop Chau-Dong Tinh to Tay Thien scenic area with a total length of 4.2km and the total investment of over VND130 billion was officially inaugurated.

This is a route connecting National Highway 2B and National Highway 2C, linking with provincial road 310, Noi Bai-Lao Cai expressway and industrial parks in districts: Tam Duong, Binh Xuyen, Tam Dao, creating favorable conditions to promote tourism development of Tay Thien scenic area in particular, and to promote socio-economic, trade and service activities of the region and the province in general.

Many works and projects invested from the state budget have been completed, handed over and put into use, such as renovating and upgrading provincial road 307 from the center of Lap Thach district to Tuyen Quang, the section from Km 16+600 to Km 25+140; Dam Vac bridge; Ring road 4 section Yen Lac-Binh Duong; ring road 2 of Vinh Yen city, the section from national highway 2B to national highway 2C; Nguyen Van Cu street, section from provincial road 301 to Thanh Xuan valley eco-tourism area, Phuc Yen city; Culture Square and Center of Culture, Sports and Physical Training of Yen Lac district; Vinh Tuong Secondary School; Provincial General Hospital, Provincial Obstetrics and Pediatrics Hospital and Tam Dao Medical Center phase 3.

These key works and projects not only create a driving force for general socio-economic development but also make an important contribution to speeding up the disbursement of public investment capital in Vinh Phuc province. ■

98% of Investment Attraction Plan in 10 Months

According to the report by Vinh Phuc Industrial Park Authority, in 10 months of 2022, industrial parks (IPs) in the province attracted 21 new FDI projects and 28 capital increases for a total investment capital of US\$292.6 million, reaching 98% of the year plan. The province attracted 14 new DDI projects, with a total registered capital of VND2,261.58 billion, reaching 323% of the plan in 2022.

TRAN TRANG



In October 2022, Vinh Phuc IP Authority licensed six projects, including two FDI projects with a total registered investment capital of US\$13 million and four DDI projects with a total registered investment capital of VND78.97 billion. The total newly and additionally registered investment capital in October 2022 was US\$19.1 million and VND78.97 billion.

In the 10 months of 2022, IPs in the province attracted 21 new FDI projects and 28 times of capital increase projects

with a total newly granted and increased investment capital of US\$292.6 million (newly granted: US\$174.04 million; capital increase: US\$118.56 million), reaching 98% of the plan in 2022; attracted 14 domestic investment projects with a total registered investment capital of VND2,261.58 billion, reaching 323% of the plan in 2022.

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As of October 15, 2022, the number of valid investment projects in Vinh Phuc IPs was 443 projects, including 96 DDI projects with a total investment capital of VND24,275.06 billion and 347 FDI projects with a total investment capital of US\$5,679.61 million. In particular, there were 385 projects in operation, accounting for 86.9% of the total projects; 13 projects which were implementing construction and installation of factory machinery and equipment, accounting for 2.9% of the total projects; 36 newly granted projects which were undergoing project implementation procedures, accounting for 8% of the total projects; 5 projects which were performing site clearance compensation, accounting for 1.3% of the total projects and 4 FDI projects which were subject to schedule extension and were undergoing procedures to terminate operations, accounting for 0.9% of the total projects. The realized capital in October 2022 of the projects reached US\$ 32.2 million and VND50 billion.

In the coming time, Vinh Phuc Industrial Park Authority will continue to direct infrastructure developers to speed up site clearance compensation and carry out construction procedures in such IPs as Son Loi, Song Lo I, Song Lo II, Tam Duong I-Zone 2; and Thai Hoa - Lien Son - Lien Hoa - Zone 2 (Phase 1) to start construction as committed. It will urge the implementation of some IP projects including Song I, Song Lo II and Tam Duong I - Zone 2; continue to perform the assigned tasks for the IPs including Phuc Yen, Dong Soc, Tam Duong II- Zone A and Chan Hung under the direction of the Provincial People's Committee. It will also urge infrastructure investors to speed up site clearance compensation for the remaining areas of IPs, namely Khai Quang, Binh Xuyen, Ba Thien II, Tam Duong II - Zone A, to create a clean land fund to attract investment in the coming time.

At the same time, it will continue to effectively carry out on-the-spot investment promotion, discuss with businesses, and prepare technical infrastructure conditions to attract domestic and foreign investment. It will actively connect, contact and work with potential investors and large corporations to explore the business investment environment in the IPs. ■

Strengthening Business Connection

As one of the major industrial centers of auto mechanics, motorcycles and electronics in the North, over the years, Vinh Phuc province has strengthened its support for connection between the province's businesses and FDI enterprises, thereby creating conditions for enterprises in the province to access advanced and modern technology and deeply participate in the global supply chain.

TRAN NGOC

Determining the importance of building linkage chains, Vinh Phuc has implemented activities to support linkages and connect provincial enterprises with FDI enterprises. The focus is on promoting investment and trade, improving the investment environment, and creating favorable conditions for businesses in the province to approach advanced technology and deeply participate in the global supply value chain.

Currently, Vinh Phuc province has 16 domestic enterprises participating in the supply chain of motorcycles, electronics, automobiles, agricultural machinery and mechanical engineering for FDI enterprises in Vietnam. They account for 5% of more than 300 enterprises nationwide that are the first-class suppliers of FDI enterprises, ranking 4th nationwide. Many local enterprises are associated with FDI enterprises and receive support from FDI enterprises in applying advanced management tools, technical standards and appointing experts to assess quality standards.

However, the number of enterprises participating in the direct supply chain for FDI enterprises is very small; the rate of domestic enterprises participating in the supply chain is not high. The reason is that domestic enterprises are small in scale, so they have difficulty in mobilizing resources to invest in technology, have not actively participated in linkages or are not confident enough to meet quality requirements and standards. Besides, the linking capacity is limited, the cost of products of domestic enterprises is too high compared to similar products produced by FDI enterprises.

In order to improve innovation ability, create conditions for the province's businesses to have the opportunity to participate in the supply chain for FDI enterprises, toward the global supply chain, in the coming time, Vinh Phuc will build and establish a specialized group to promote linkages, connecting enterprises in the province with FDI enterprises.

At the same time, the province will develop preferential policies on production premises for DDI enterprises to invest in priority industries of the province; form industrial clusters linking sectors and fields with industrial parks in order to establish an industrial ecosystem; and improve the capacity of the province's DDI enterprises according to each group of enterprises, meeting the requirements of FDI customers to join the global supply chain. ■

Working toward Modern Eco-friendly Industrial Parks

Vinh Phuc province is directing relevant agencies and industrial park infrastructure developers to upgrade the infrastructure of industrial parks and give priority to planting trees and lawns, and protecting the environment to become more attractive to investors.

NGUYET THAM

Mr. Vu Kim Thanh, Deputy Director of Vinh Phuc Industrial Parks Authority, said that some of the new industrial zones in Vinh Phuc once had weeds, rock and soil uncleansed and had only factories for manufacturing. These shortcomings were quickly addressed, showing the province's positive response to infrastructure upgrading and environmental protection in industrial parks. Currently, industrial parks have been covered with green trees and grass.

Khai Quang, Thang Long Vinh Phuc and Ba Thien industrial parks are typical of eco-development. A lot of trees, aged three years or higher, have been planted inside and outside industrial parks to create beautiful and friendly production areas. Khai Quang Industrial Park currently has 77 tenants with more than 43,100 employees. Most tenants feel happy with the green surroundings. Wastewater treatment

system and rainwater drainage ditches were well built to lead wastewater to treatment facilities for treatment before being discharged into the environment.

Thang Long Vinh Phuc Industrial Park started construction in September 2017 on a total area of more than 213 ha in Binh Xuyen district. Sumitomo Corporation of Japan invested in its infrastructure. The developer used fertile soil to grow trees and grass most economically and efficiently and spared more than 20% of the area for green trees, water surface and roads. In addition, the corporation invested in building three canals with a total length of 3.6 km, used not only to drain rainwater and prevent flooding but also to store water for irrigation and ecological balance. Green trees are also planted outside the industrial park, and protected very carefully. This park still has space for new tenants.

Ba Thien II Industrial Park, located on 308 ha in Thien Ke, Ba Hien and Trung My communes, Binh Xuyen district, is invested with a modern, synchronous and sufficient communication system, green trees, lighting system, power grid and water supply network. All wastewater generated by Ba Thien II is collected and treated at a centralized wastewater treatment facility with a daily capacity of 10,000 cubic meters. Internal roads are built with 2-6 lanes, with widths ranging from 19.5 m to 39 m.

Infrastructure development in industrial parks, featuring green trees inside and outside their fences, will create a green, clean and beautiful landscape, reduce greenhouse gas effects, create a friendly environment, ease workers' feelings after stressful working hours, and prevent respiratory diseases. Industrial parks filled with trees and pastures will leave good impressions on investors and open up great opportunities for investment attraction into Vinh Phuc. ■



Boosting Investment Promotion in Key Markets

In early 2022, Vinh Phuc province's investment promotion weakened amid the COVID-19 pandemic outbreak.

Investment promotion and consulting were made online (via social networks and Zalo), via telephone, in writing and documents. When the pandemic was basically controlled in the province and the Government-backed policy on flexible adaptation and response to the pandemic in place, the Vinh Phuc Provincial People's Committee coordinated with the Ministry of Planning and Investment and the Vietnam Economic and Cultural Office in Taipei to organize "Vinh Phuc Investment Promotion Conference in 2022"; launch a cooperation program for Smart Factory development in Vinh Phuc; and host Vinh Phuc-Japan Economic Cooperation Forum.

In addition, Vinh Phuc province promoted friendly cooperation with foreign localities such as provinces in Laos, Akita and Tochigi prefectures (Japan), and Chungcheongbuk province (South Korea). At the same time, the province prepared conditions for introducing its investment environment in Germany; executing the cooperation plan with Tochigi prefecture (Japan) and signing a memorandum of understanding on friendly cooperation with Tuscany region (Italy), formulating cooperation between Binh Xuyen district with Pontedra City (Italy); and signing cooperation agreements and organizing investment promotion events with Taiwan Trade Association in Vietnam, Taiwan-Vietnam Association for Economic Development - Culture - Education, Shook Lin & Bok LLP, Singapore, and Samsung Vietnam Company.

To carry out the investment promotion program in 2022, the Vinh Phuc Investment Promotion Workgroup paid working visits to South Korea, Japan, the United States, Singapore and other countries. In South Korea, Vinh Phuc visited and worked with representatives of many provinces such as Gyeonggi and Chungcheongbuk, and large corporations such as Samsung Group, Korea Circuit Company of Young Poong Electronics Group and BHFlex Company. This is an opportunity for South Korean investors to better understand the province's investment environment when they consider a business location.

Investment promotion and attraction, especially in large and key markets, has been a focus by Vinh Phuc province in recent years to create opportunities for businesses to access and join supply chains for foreign direct investment (FDI) firms and advance to global supply chains.

TRAN NGOC

In October, Vinh Phuc's representatives visited and worked with Malaysian corporations. This is also an opportunity for Malaysian investors and businesses to better understand the local business environment and promote future investment research. Many large Malaysian corporations like MCRB wished to have an opportunity to learn about the investment environment and study real estate projects and industrial parks in the province. The province's representatives made an offer for cooperation with MIDA in supporting investors and developing supply

chains in fields of mutual interest such as automobiles, electricity and electronics, machinery and equipment, medical equipment, aerospace, renewable energy and consumer technology. During a visit to Dell's APCC2 factory in Malaysia, Mr. CT Goh, CEO and factory production manager, highly appreciated the province's initiative in promoting and attracting Dell's suppliers of electronic and computer components. He affirmed that Dell also wants to explore opportunities for cooperation, investment and development in Vinh Phuc in the near future.

Investment promotion has proven government-business cohesion. The government is always ready to accompany and support domestic and foreign investors and act as a bridge for cooperation and exchange of enterprises toward sustainable development. ■



Vinh Phuc Plans to Develop 27 IPs by 2030



Vinh Phuc province was allowed by the Prime Minister to form 19 industrial parks (IPs) with a total area of 5,487.31 ha. The province has to date established 16 IPs with a total area of 3,110.25 ha, which drew registered investment capital of VND15,548,018 billion and US\$212.53 million.

BAO NGOC

Particularly, the planned industrial land area is 2,275.03 ha, including 1,757.2 ha of completely compensated, cleared and rentable land. Industrial parks already leased 1,287.03 ha of land or over 70% of the planned industrial area. Among 16 established IPs, nine are operational: Khai Quang (221.46 ha), Binh Xuyen (286.98 ha), Kim Hoa (50 ha), Ba Thien (325.75 ha), Binh Xuyen II - Phase 1 (42.21 ha), Ba Thien II (308.83 ha), Tam Duong II - Zone A (135.17 ha), Son Loi (257.35 ha), and Thang Long Vinh Phuc (213 ha).

The industrial zone infrastructure in Vinh Phuc province has been built synchronously to meet tenants' needs, including wastewater treatment plants. Some industrial parks have leased out their rentable industrial land area while the rest are carrying out land compensation and site clearance to provide available land funds to new tenants.

The province is conducting land compensation and site clearance procedures for six new industrial parks approved for establishment by the province in the first quarter of 2021: Song Lo II (166.66 ha), Tam Duong I - Zone 2 (156.76ha), Song Lo I (177.36 ha), Nam Binh Xuyen (290.152 ha), and Thai Hoa - Lien Son - Lien Hoa - Phase 1 (145.27 ha). Particularly, Phuc Yen Industrial Park is carrying out procedures to select investors to implement development projects according to the Bidding Law and other relevant laws. Currently, the park has two tenants that hire 16.4 ha of land.

The Management Board of Vinh Phuc Industrial Parks said that Vinh Phuc province is expected to develop 23 industrial parks (four more IPs) in the 2021-2030 period and four more after 2030, bringing total industrial parks in the province to 27 with a combined land area of 6,200-7,000 ha. Vinh Phuc is devising Vinh Phuc Master Plan for the 2021-2030 period, with a vision to 2050, which will be added to the local industrial park development plan. ■

Strong Industrial Growth

The Index of Industrial Production (IIP) of Vinh Phuc province rose by 15.42% year on year in the first 10 months of 2022, the highest 10-month growth in 2019 - 2022. The success was attributed to the close care and support of local authorities to businesses as well as an open, enabling investment environment for business recovery and stability in the wake of the COVID-19 pandemic.

THANH LOAN

According to a report by the Vinh Phuc Statistics Office, most local manufacturers have overcome difficulties and boosted their production to fulfill orders and complete their business plans in 2022. Many have actively invested and applied new technologies to production to cut costs and labor, enhance productivity, and meet the increasing demands of domestic and foreign markets. As a result, the province's industrial production has recovered and developed quickly and sustainably. And, its IIP was quite high for ten consecutive months.

The strongest growth was seen in February, May and June, respectively rising 19.38%, 20.06% and 19.01%. Industrial production was estimated to expand 6.41% in October and 16.77% year on year, thus further affirming that industrial manufacturing already regained growth momentum and the socioeconomic recovery and development policy of the Government has worked well.

In the first 10 months of 2022, the province's IIP was forecast to climb 15.42% year on year, much higher than the corresponding growth of 11.06% in 2021, 6.62% in 2020 and 13.89% in 2019. The processing and manufacturing industry accounted for over 98% of industrial production value and determined the annual industrial growth of 15.58%.

Besides, some processing and manufacturing fields made high growth over the same period of 2021 to positively contribute to the overall industrial growth. For example, the electronics component manufacturing sector jumped 20.54% year on year. Also in October 2022, the labor utilization index of local industrial companies looked up 3.78% month on month and 4.52% year on year. The index has continuously



made month-on-month growth since the beginning of this year, reflecting industrial stability and growth and likely creating breakthrough growth in the coming time.

In addition, 363 companies resumed operations in October, posting annual growth of 16.72% and bringing the total number of companies in the year to October 15, both newly established and resumed, to 1,486.

With the goal of "Taking industrial development as a foundation, developing services and tourism as a spearhead, and considering agriculture and rural development an important task", Vinh Phuc province will focus on building specific mechanisms and policies to attract and release resources to meet effective and sustainable socioeconomic development tasks in the coming time. In particular, priority is given to high-tech electronics industries as the province aims to become one of the industrial centers of the country. ■

Upgrading Infrastructure to Attract Investment



To accomplish the goal in 2022 to attract 25 to 30 new FDI projects with a total registered capital of about US\$300 million, Vinh Phuc province will continue to effectively implement solutions to remove difficulties for FDI projects, effectively support businesses and improve infrastructure, thereby creating a more attractive investment environment.

LE HIEN

Completing industrial parks' infrastructure

Up to now, Vinh Phuc province has 16 established industrial parks (IPs) covering 3,110.25 ha. The planned industrial land area is 2,275.03 ha; the compensated, ground clearance and leasable land area is 1,757.2 ha, the total area of industrial land for lease (including the issuance of the Investment Registration Certificate and the signing of a Memorandum of Understanding) is 1,287.03 ha, accounting for over 70% of the planned industrial land area for established IPs in the province.

Currently, Vinh Phuc province has put into operation 9 IPs that have basic, synchronous and modern infrastructure. Some IPs have been fully occupied such as Kim Hoa IP, Khai Quang IP, and Binh Xuyen II IP (phase 1). The remaining IPs are implementing compensation and site clearance to create a clean land fund to accommodate investors.

Particularly, 6 IPs approved to make investments by the Prime Minister in the first quarter of 2021 are carrying out compensation and site clearance procedures.

Heavy investments in transport infrastructure, electricity and water projects

The leaders of Vinh Phuc Department of Planning and Investment emphasized that investment in technical infrastructure and business facilitation were identified as among the important factors to attract investment capital and develop the society and economy. Vinh Phuc province

has deployed many solutions, and gradually perfected the technical infrastructure in a synchronous and modern direction.

In order to have an appropriate strategy for investment in technical infrastructure, the province has requested specialized agencies and localities to well implement construction planning, review, adjust and supplement appropriate planning, publicize construction planning, create the best conditions for businesses and investors to access information on construction planning. It has implemented the master program on construction and urban development of Vinh Phuc up to 2030, with a vision to 2050; reviewed and synthesized needs for accommodation in industrial parks and clusters as a basis for proposing and implementing housing construction projects for workers.

On the basis of the master plans, the province has strengthened the arrangement and attraction of resources to invest in technical infrastructure with specific solutions such as encouraging the development of production and business to generate long-term revenue for the province; and synchronously and effectively implementing solutions to prevent revenue loss and increase budget revenue.

It has formulated, managed and implemented the planning on both sides of the traffic routes (including investment and investment in renovation, upgrading and new construction) of urban technical infrastructure, created a clean land fund for auction or attract investment projects, thereby generating revenue for the budget.

It has developed mechanisms and responsibilities for the management of traffic corridors at all three levels (province, district, commune) to facilitate the process of renovating and upgrading roads and implementing socio-economic development along two sides of the road.

It has reformed and simplified administrative procedures, improved the investment environment, and increased competitiveness. In the period 2017-2020, Vinh Phuc spent more than VND8,300 billion to develop the infrastructure of the provincial urban area.

Many important technical infrastructure projects in the province include Ring Road 1; the road parallel to the Northern railway route; and Ring Road 3. Besides, the province has actively exploited capital sources, especially mobilizing to attract ODA capital for investment in technical infrastructure development. In addition, the province has actively mobilized and encouraged enterprises operating in the electricity and telecommunications industries to invest in technical infrastructure works of Vinh Phuc urban framework to meet the needs of socio-economic development of the province.

According to the assessment of the Vietnam Chamber of Commerce and Industry (VCCI), Vinh Phuc is one of the localities with a good infrastructure index. It has ranked among the provinces and cities with the best infrastructure for many years. This is an important condition and motivation for Vinh Phuc to continue to promote investment attraction for socio-economic development and realize the goal of soon turning Vinh Phuc into an industrial center of the region and the whole country, and a centrally-run city in the near future. ■

Efforts to Bring Products to Int'l Markets

Thien Quang Electronic Joint Stock Company (Binh Xuyen Industrial Park) has suffered significant impacts from the COVID-19 pandemic, but with its great efforts and determination, the company's leadership has firmly steered the company, helped it constantly develop and become one of the reliable suppliers of security camera products and dash cams to the market. The company has actively invested in modern machinery and equipment, and improved product quality to meet the increasing demand of customers.

In its first year, the company achieved revenue of only VND18.8 billion; its revenue reached VND530 billion in 2020; VND1,277 billion in 2021. In the first nine months of 2022, the company achieved over 73% of the set plan. Especially, after more than three years of establishment, the enterprise increased its investment capital three times to meet the orders of its partners.

With initial success, in 2022, the company decided to invest in a new factory in Thang Long Industrial Park in Vinh Phuc. It is expected that the new factory will create about 400 new jobs. Besides the stable product consumption market in most provinces and cities in the country, Thien Quang has become a reliable supplier of security camera products and dash cams for many big customers in the region and the world.

Vitto Group is another success story. Investing in a factory in Tam Duong II Industrial Park since 2013, Vitto Group has now produced and supplied more than 35 million m2 of tiles to domestic and foreign markets. From the beginning of 2022

Since the beginning of the year, enterprises in Vinh Phuc industrial parks have achieved impressive results. Many enterprises have made great efforts to maintain production and business activities, and bring products to international markets, contributing to local socioeconomic development.

NGUYET THAM

until now, the sales volume reached over 26.3 million m2, up 14% over the same period in 2021; the consolidated revenue reached VND2,900 billion. Currently, it is creating jobs for nearly 2,500 employees with an average income of VND8 million/person/month.

To achieve this success, Vitto has always been consistent with the motto of "innovation in technology to make a difference". The production lines at Vitto's factories all apply advanced technology with the world's leading machinery and equipment systems such as 500m-long Italian Sacmi kilns, modern 12-color Italian System Durst printing machines, Italian Sacmi presses and printing technology applying modern features which have produced thousands of models of wall tiles, tiles and decorative tiles of

different sizes to meet the needs of many customers.

Along with boosting production, Vitto has constantly strengthened and expanded its sales network with more than 100 distributors, 500 showrooms, 30,000 agency stores and branches across the country. Not only affirming its position in the domestic building materials market, and being voted as "Vietnamese high-quality goods" by consumers, many Vitto-branded tiles have been exported to the world market and received positive feedback.

Enterprises in the industrial parks are expected to continue to make breakthroughs in production and business activities and achieve high growth targets, contributing to promoting the investment and business environment in Vinh Phuc industrial parks in particular and the province's socioeconomic development in general. ■

Dong Soc IP Approved with Over VND2,200 Bln of Investment

Deputy Prime Minister Le Van Thanh signed Decision 1119/QĐ-TTg approving the infrastructure construction and operation investment project in Dong Soc Industrial Park, Vinh Phuc province.

Covering 206.66 ha, the project will invest VND2,238.118 billion, including VND335.718 billion directly funded by the investor and VND1,902.4 billion mobilized from other sources. The investor is Vinh Phuc Trading Investment and Investment Corporation.

Deputy Prime Minister Thanh noted that the Vinh



Phuc Provincial People's Committee cannot change the using purpose of the remaining area of Dong Soc Industrial Park without the lawful approval of competent authorities; must ensure conditions for change of land-use purpose during the land lease process and project implementation; direct relevant agencies and investors to review the current status of

farmland in project impacted areas to ensure interests of households and individuals having land allocated as per Article 142 of the Land Law; and review water supply to ensure stable livelihoods of local people and production activity of parties involved.

Le Nam

SMEs Supported for Economic Integration

To make Vinh Phuc one of the industrial centers of Vietnam as per the resolution of the 17th Provincial Party Congress (2020-2025 term), small and medium-sized enterprises (SMEs) are defined to play a key role in the structure economy as they account for up to 97% of total enterprises in the province.

HUONG HAU



According to an official from the Vinh Phuc Department of Planning and Investment, in 2013 - 2020, SMEs contributed more than 15% of the province's gross regional domestic product (GRDP), accounted for 20.8% of the total investment fund; made up for 4.4% of total budget revenue; and created 70,000 new jobs to speed up the labor force shift out of agriculture and rural areas to industry and service sectors. However, to achieve this goal, local SMEs must gradually develop in both number and quality, accelerate scientific and technological application and reforms to enhance productivity and product quality, thus enhancing competitiveness and supplying industrial components for key industries. They can link and cooperate with FDI firms participating in global supply and value chains amid international integration.

After the Law on SME Support took effect, mechanisms and policies on SME development support in Vinh Phuc have been gradually improved to provide a more favorable environment for business development.

In 2013-2020, the province introduced 188 sites, covering 260 ha, for SMEs to carry out their projects; signed land lease contracts of 3,000 ha with more than 500

entities; and granted land-use right certificates of 700 ha to more than 650 companies.

Currently, Vinh Phuc has more than 13,000 companies, with more than 90% being SMEs. Most of them have limited capital, facilities, management skills, business administration, marketing, advertising and branding capabilities.

To promote innovative SME startups, the province supported companies to access loans from commercial banks and credit institutions; developed human resources; introduced investment policies for leased factory construction for SMEs; assisted investment and trade promotion, market expansion, business connection; and helped them enhance productivity, product quality and technological innovation.

In 2013-2020, credit institutions offered more than 17,000 loans worth over VND67 trillion to SMEs; exempted or reduced lending rates on more than VND2,800 billion loans for 413 SMEs; provided preferential loans worth over VND42 billion for nearly 6,000 companies; and rescheduled repayment terms of VND3,300 billion loans for 1,000 companies.

In 2020, before difficulties against SMEs due to the COVID-19 pandemic, the province supported more than 800 businesses to extend tax and land rent payment terms and reduced electricity bills for local companies. The Science and Technology Development Fund lent VND79 billion to 23 scientific and technological application projects and the Environmental Protection Fund lent VND46 billion to 21 companies.

The province organized more than 400 training courses on business administration, business startup and trade promotion skills for SMEs; opened 15 startup conferences, seminars and forums; introduced entrepreneurship as a subject at various colleges and universities in the province.

Through SME support programs, the total corporate investment capital reached nearly VND50 trillion in 2023-2030, accounting for more than 20% of total social investment capital. 19 enterprises were funded more than VND49 billion by the Ministry of Science and Technology, and six companies registered seven scientific research projects. The province also guided 45 companies to register for national quality awards. The activities significantly helped raise the province's total budget revenue to VND32,896 billion in 2021, or 107% of the forecast, to stand among the biggest collectors of budget revenue in the north.

The industry 4.0 trend, based on compliance with commitments to trade agreements such as AFTA, APEC and WTO, poses great challenges that require SMEs to constantly innovate and improve competitiveness to meet market requirements. Vinh Phuc introduced key solutions to this by materializing central SME support policies based on the Law on SME Support; encouraged SMEs to establish new ones; and facilitated business households to be transformed into enterprises.

Vinh Phuc province is developing the SME Support Scheme for the period of 2021-2025 and will submit it to the Provincial People's Council for consideration. If approved in the near term, besides supplementing and concretizing old support policies suitable to the new context, SMEs will receive greater support such as legal advice, business establishment and entry into value chains. ■

CNCTech Aims to Become Leading Industrial Manufacturer in Vietnam

CNCTech Group is classified among the top 3 companies in Vietnam in production by the Japan External Trade Organization (JETRO). Currently, CNCTech has many factories in dynamic industrial localities such as Hanoi, Ho Chi Minh City, Da Nang, Binh Duong and Bac Ninh.

TRAN NGOC



At Thang Long Vinh Phuc Industrial Park, CNCTech Group basically completed construction of the first phase of the VND466-billion Thang Long CNCTech factory - the first DDI project approved for investment in the industrial park invested by Sumitomo Japan. CNCTech is working to expand the scale by 8.2 ha and increase the investment capital by VND298 billion. This is a modern technology production center with a yearly output of 3.5 million products. It supplies products for electronics, telecom, automobile, motorbike and logistics industries to domestic and foreign manufacturers.

Mr. Vu Chi Giang, Vice Chairman of Vinh Phuc Provincial People's Committee, affirmed that the inauguration of Thang Long CNCTech Industrial Complex is expected to anticipate development trends of supporting industries of Vietnamese enterprises in Vinh Phuc province and help improve industrial production value, increase employment for local people, pay taxes to the State Budget, and contribute to local socioeconomic development. He affirmed that the province will consistently reform administrative procedures, improve the investment environment and attract businesses, including DDI enterprises.

Currently, CNCTech Thang Long is installed with 128 processing machines, 80 plastic injection machines and SMT lines and applied with IATE 16949 global quality standards to expand parts manufacturing for the automotive industry. Up to 80% of its output products will be supplied to automobile, motorcycle, electronics and telecommunications firms of Japan, the United States, Israel and the European Union and to leading Vietnamese companies such as VNPT Group, Viettel

Group, Vietnam Post Corporation and Rang Dong Company.

The company also cooperated with DB Schenker Company, one of the world-leading transportation companies, to develop and operate a bonded warehouse and offer services to leading U.S. and international electronic goods. In particular, this is the first bonded warehouse system of TAPA level A certification in Vietnam.

Besides, CNCTech is boosting investment cooperation in electronics, telecommunications and consumer products with major partners from Hong Kong (China), Japan and South Korea such as Mentech Electronics Joint Stock Company that manufactures DC adapters and electronic components, Thien Quang Electronic Joint Stock Company that makes and exports high-quality cameras for European and American markets, VINECO Telecommunication Systems Joint Stock Company that manufactures terminal equipment, and Vietnam CNC Technology Application Joint Stock Company that designs and manufactures automatic lines.

To move toward green and sustainable development, CNCTech has opted for clean production, invested in modern production lines, adopted ISO 14001 standards, and installed solar battery systems. At the same time, the company has sought opportunities for cooperation in social housing development; and strongly developed construction infrastructure and technology services for factories. With continuous innovations, CNCTech wishes to improve and perfect its technology and management capabilities to bring excellent products and perfect services, establish effective investment channels and a friendly working environment, and create a beautiful, prosperous community. ■



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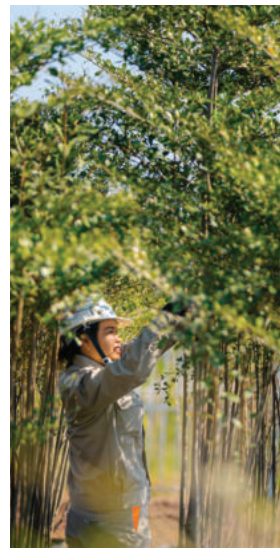
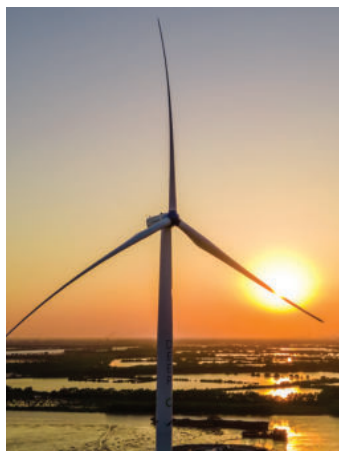


YOUR SUSTAINABLE INVESTMENT LOCATION

PRIME LAND
FOR LEASE

READY-BUILT
FACTORIES

STRATEGIC
LOCATION



PARTNER IN
SUSTAINABILITY

ECONOMIC ZONE
TAX PACKAGE

STRONG LICENSING
SUPPORT



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