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QUANG BINH

POTENTIAL, SECURE AND
DISTINCTIVE DESTINATION TO INVEST

RESOLUTION 02/2021 TO FURTHER STEP UP REFORMS

FIRMS STILL UNCONCERNED ABOUT IP PROTECTION

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STARTUP FESTIVAL 2021

VCCI President Vu Tien Loc beats the drum to launch the National Startup Program 2021

Promoting Entrepreneurship and Innovation

To promote entrepreneurship among young people and students, the Startup Festival 2021, the biggest event of the Overall Entrepreneurship Program, was recently held in Hanoi.

ANH MAI

The program, organized by Business Forum Magazine under the auspices of the Vietnam Chamber of Commerce and Industry (VCCI), was attended by leaders of central and local agencies, enterprises, universities, startup promotion and support organizations, and especially about 300 young people and students.

VCCI President Vu Tien Loc said Vietnam was one of a few countries to create a miracle in 2020, specifically in realizing the “dual goal” of curbing the Covid-19 pandemic and achieving the growth target. Vietnam is one of a few economies that became a consolation to all humanity about the strength of a sociopolitical system that could withstand a pandemic. Vietnam's economy rose by nearly 3% while the world economy contracted 4%.

“The startup movement was very exciting in spite of the pandemic, we still had over 100,000 new companies in the year,” he affirmed.

StartupBlink's Global Startup Ranking 2020 showed that, in Southeast Asia, both Indonesia and Thailand dropped 13 and 17 places to No. 54 and No. 50, respectively, while Vietnam climbed 13 places to No. 59, the highest position ever achieved by Vietnam. By locality, Hanoi is in the top 200 global startup centers as it jumped 33 steps to 196 (total 1,261 points). Ho Chi Minh City ranked 225 (total 0.995 points). Last year, it was not even listed in this ranking.

In addition, within the framework of top activities of the business community in the year, Vietnam held ASEAN Chairmanship 2020, VCCI proposed and successfully created the ASEAN Startup Network, hosted the Annual ASEAN Startup Forum, and launched awards to honor outstanding digital companies in ASEAN. With these efforts, VCCI led ASEAN to create a foundation for entrepreneurship, innovation and digital transformation.

In 2020, VCCI started a digital transformation project to support domestic SMEs and promoted the market for Vietnamese digital enterprises, he said.

Startup programs of VCCI and the Business Forum Magazine

created broad connectivity of startup networks and startup ecosystems in 30 provinces and cities, with 150 universities and colleges participating in the VCCI's startup network.

“The format of the 2020 National Startup Competition Final changed completely, to online rather than offline. The reason for this change is because we want to give them the opportunity to access the format of the Entrepreneurship World Cup, and this is also a practice step to prepare startups to join the international playground,” Dr. Loc added.

With the National Startup Program 2020, the Organizing Committee has gathered 5,500 startup projects from students. Many have come to life and contributed to economic development and the business community.

The year 2020 also marked the birth of the National Startup Advisory Council - consisting of 16 main members to bring together leading startup experts and advisers in Vietnam. The council helped achieve the goals of the National Startup Program and of the government, to implement high-demand startup training such as startup mentoring and TOT training, angel investor training, startup ecosystem consulting for schools and localities. The council also aimed to build a network of startup advisors in ASEAN.

In 2020, VCCI reaffirmed its leadership in creating innovation startup support by offering business integrity training for startups and lectures to spread the good conduct in the startup community and investors, overcome barriers and risks from corruption to create a transparent business environment in Vietnam.

This activity also marked the cooperation and support of the United Nations Development Program (UNDP) through the grant of the British Prosperity Fund to carry out a project called “Promoting an Equitable Business Environment for New Enterprises in Vietnam”.

In addition to cooperating with UNDP and becoming a GEN member (Global Startup Network), the Organizing Committee of the National Startup Program signed a partnership with the International Francophone Institute (IFI) and HACK4 to expand relations and link mentor networks in the startup ecosystem of the Francophone community and the overseas Vietnamese community.

In 2021, the program will further consolidate and perfect its own startup ecosystem to create effective startup projects. The Organizing Committee will deploy many innovative startup contents together with international organizations and localities. This will be a useful playground to engage the startup community of young people and students, open up many opportunities for young people, and build a team of innovative entrepreneurs in the future. ■

UKVFTA

SHARPENING COMPETITIVE EDGE FOR VIETNAMESE PRODUCTS IN UK MARKET

The official effect of the Vietnam - United Kingdom Free Trade Agreement (UKVFTA) has provided many opportunities for Vietnamese exporters.

HUONG LY



The lower tax rate will help garment products such as suits, coats, gowns, and shirts increase their presence in the UK

A fresh start

As the UK officially left the European Union and the transition ended on December 31, 2020, the signing of the UKVFTA will ensure that bilateral trade between Vietnam and the UK will not be interrupted at the end of the transition period. In addition, based on the EVFTA foundation, the UKVFTA will create a comprehensive, long-term and stable economic and commercial framework for Vietnam and the UK, thus creating a driving force for strengthening and deepening their multifaceted cooperation, especially when both sides have just extended the maintenance of bilateral relationship as strategic partnership.

With the UKVFTA, the two sides' benefits within the EU - Vietnam Free Trade Agreement (EVFTA) are maintained. This bilateral pact is a fresh start to a new development phase of the two countries. The UKVFTA not only liberalizes trade in goods and services, but also integrates many other important factors, such as gearing toward green growth and sustainable development.

The UK is the third largest trading partner of Vietnam in the European region. According to the General Department of Customs, in 2019, the bilateral trade value reached US\$6.6 billion, of which Vietnam earned US\$5.8 billion from exports to the European nation and spent US\$857 million on imports there. In 2011-2019, Vietnam - UK trade growth increased by an average of 12.1% a year, higher than Vietnam's average trade growth of 10%. The growth of total import-export turnover to this market is also high (over 10%).

The UK market space for the growth of Vietnamese products is still very large, as all Vietnamese exports only account for less than 1% of the UK's import value of nearly US\$700 billion a year (2019). However, when the UK left the EU, the incentives generated by the EVFTA will not be applied in the UK market. Therefore, the signing of the bilateral FTA will facilitate reforms, open up the markets and facilitate trade in the two countries, based on relatively positive EVFTA negotiation results, thus avoiding potential trade disruptions as a result of Brexit.

Export potential

According to the Ministry of Industry and Trade, the UKVFTA's tariff incentives will help Vietnamese goods enhance a competitive advantage over their competitors. For the textile and garment industry, the lower tax

rate helps garment products such as suits, coats, gowns and shirts increase their presence in the UK. Previously, other exporters of apparels to the UK like Bangladesh, Cambodia and Pakistan had tariff advantages over Vietnam's products (Bangladesh was also entitled to import duty exemption under the EBA Program and Pakistan also exempts from import tax under the GSP+ Program)

The UK is a high potential but competitive footwear import market. Compared to competitors such as China, the Netherlands, Italy, Belgium and Germany, in 2019, Vietnam was subject to the second highest tariff of 6.7% among 15 biggest footwear exporters to the UK.

The UK rice market is quite large. In 2019, it imported 671,000 tons of rice. According to UN Comtrade, although Vietnam is one of top rice exporters in the world, Vietnam's rice shipments to the UK are still very modest, at 0.2% - ranking 22nd among major rice exporters to the UK. In 2019, rice exported from Vietnam to the UK had a great growth of 376%. Given the tariff was still high in 2019, Vietnam's products found it hard to compete with other countries. With the UKVFTA, the reduced tariff will help Vietnamese rice with more room for export to the UK market.

In addition to tariff preferences, the trade pact provides transparency of quality standard commitments. On the Vietnamese side, this is an important driving force to improve manufacturing activity to meet UK market requirements, as well as its target markets. The improved output quality helps boost exports, not only to the UK but also to many other markets.

Vietnam is currently the 6th largest wooden furniture exporter to the UK market, with an export value of US\$421.8 million, accounting for 3.6% of the UK's import share. Wooden product export to the UK has many opportunities because Vietnamese wood products are well received by the UK market thanks to their highly competitive prices and good quality. Besides, a number of major wood companies in the UK already have production facilities or have signed long-term partnership contracts with manufacturers in Vietnam such as IKEA, the largest wooden furniture retailer in the UK. The FTA not only helps increase wooden furniture export to the UK, but also creates an attractive business environment in Vietnam to woo FDI inflows into its wood processing industry.■

FTAs Foster Apparel and Footwear Exports

Vietnam's textile and garment industry have made great progress and managed to take advantage of free trade agreements (FTAs) such as Vietnam - Korea FTA, Vietnam-Eurasian Economic Union FTA (Vietnam - EAEU FTA), Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and European-Vietnam FTA (EVFTA), according to a report released by the Ministry of Industry and Trade.

Vietnam's textile and garment export turnover reached US\$28.1 billion in 2016 and soared to US\$38.9 billion in 2019, an average growth of 9.55%.

In particular, the trade surplus increased rapidly, from US\$11.1 billion in 2016 to US\$16.9 billion in 2019. Vietnam's textile and garment export value ranked fourth in the world in 2016 after China, Bangladesh and India, and ranked third in 2019 after surpassing India.

In 2020, due to negative impacts of the Covid-19 pandemic from both supply and demand sides, the textile and garment industry was one of the most affected industries along with the tourism, aviation, and footwear industries. Given weakening consumer demand in

the United States and Europe amid restriction measures to curb the pandemic, Vietnam's textile and garment export was hard hit. The U.S. and European markets accounted for about 45% and 18% of Vietnam's textile and garment export value, respectively.

The export value of the textile and garment industry declined 9.29% year on year to an estimated US\$35.27 billion in 2020. This was indeed a good performance level, given that the total world textile and apparel demand shrank by 25%.

In 2020, the leather and footwear industry also faced numerous difficulties because of Covid-19 pandemic impacts, especially when the pandemic developed complicatedly in major importers of Vietnamese footwear

Vietnam earns US\$20 billion from footwear and handbag exports in 2020 despite the severe challenge of the Covid-19 pandemic



like the U.S. and the EU (accounting for 36% and 27% of Vietnam's footwear export value, respectively).

Vietnam's footwear and handbag exports were valued at US\$22 billion in 2019 (up 12% over 2018) but declined to US\$20 billion in 2020 due to the Covid-19 pandemic.

To restore and develop the textile and garment industry, in the coming time, the Ministry of Industry and Trade will carry out trade promotion and export support programs and diversify export markets, avoid risks and ensure rules of origin imposed by FTAs. It will support enterprises to find, connect and expand markets, give priority to tapping domestic consumption demand and avoid dependence on a single market.

The ministry will build and implement the garment and footwear industry development strategy to 2030, with a vision to 2035; work out the program on sustainable development of the garment and footwear industries in 2021-2030 in order to remove input supply bottlenecks, support human resource training, and apply Technology 4.0 to product design, and make the most effective use of new-generation FTAs such as EVFTA and CPTPP.

For the leather and footwear sector, the ministry will focus on solving internal difficulties, maintaining the export market in line with developing the domestic market and expanding sales channels to tap the domestic market. It will strengthen trade promotion programs for Vietnamese footwear products in the U.S. and EU markets, and keep track of market developments to capture information in order to adjust production and business directions in a timely manner. ■

FDI Value Reaches US\$28.53 Bln in 2020

Foreign Direct Investment (FDI) registered in Vietnam hit US\$28.53 billion in 2020 as of December 20, 2020, down 25% year on year, according to the Ministry of Planning and Investment. They disbursed US\$19.98 billion of their registered value, down 2% year on year.

Foreign investors invested in 19 fields, led by the processing and manufacturing industry with US\$13.6 billion (accounting for 47.7% of total registered investment capital), followed by the electricity production and distribution sector with over US\$5.1 billion (18%), the real estate sector with US\$4.2 billion and the wholesale and retail sector with US\$1.6 billion.

As many as 112 countries and territories invested in Vietnam in 2020. Singapore took the lead with nearly US\$9 billion (accounting for 31.5% of total investment capital). South Korea ranked second with over US\$3.9 billion (13.8%). China ranked third with US\$2.46 billion (8.6%), followed by Japan, Taiwan and Hong Kong.

By new project number, South Korea ranked first with 609 projects, followed by China with 342 projects, Japan with 272 projects and Hong Kong with 211 projects.

Realizing Vision of Turning Vietnam into Information Security Power

The project "Training and developing human resources for information security in 2021-2025" has recently been approved by the Prime Minister.

Accordingly, the project aims to organize 3,000 short-term training courses on knowledge, skills and techniques of information security for full-time or part-time information security technicians of State and Party agencies, sociopolitical organizations, enterprises and the national incident response network, and open 1,000 short-term training courses on information security management, profession and skills for leaders and managers of Party and State agencies, sociopolitical organizations and businesses.

At the same time, the project will open 6,000 short-term training courses on information security knowledge and skills for employees working with information technology devices at Party and State agencies, sociopolitical organizations and businesses.

The project also sets out other specific objectives, including training 200 security experts to shield Party and State information systems and sending 150 information security lecturers and researchers to study abroad, including at least 70 doctors; and training 5,000 masters, engineers and bachelors of information security.

Ha Linh

Work Starts on Expanded Hoa Binh Hydropower Plant

The Vietnam Electricity Group (EVN) recently hosted a groundbreaking ceremony of Hoa Binh Hydropower Plant Expansion Project in Hoa Binh province.

The expansion project has a total capacity of 480 MW, including two 240-MW turbines. The first turbine is expected to generate electricity in the third quarter of 2024 and the second will produce electricity in the fourth quarter of 2024.

Once in operation, the project is expected to bring about the following effects: Increasing power generation capacity for the national grid system, utilizing excess water discharged annually in the flooding season of existing Hoa Binh Hydropower Plant for power generation, improving frequency regulation and stability of the national power system; reducing the cost of the system; and reducing the working intensity of existing units to prolong the equipment life and cut maintenance and repair costs.

Prime Minister Nguyen Xuan Phuc said, with a large workload, the tasks assigned to EVN, contractors and related agencies are very heavy, thus requiring their solidarity and unity in construction to ensure the progress, safety, sustainable development, downstream safety and prevent any occurrence of incidents. He also required concerned units to comply with the detailed schedule and quality of each construction item. In particular, Hoa Binh province needs to do well in site clearance, ensure security and safety on the site for construction units.

L.A



INDUSTRY AND TRADE SECTOR

Overcoming Difficulties to Spur

All goals and objectives in the 2020 Plan of the industrial and trade sector were successfully fulfilled to positively contribute to the overall economic growth of Vietnam at 2.91%.

HUONG LY

Overcoming difficulties to complete goals

Minister of Industry and Trade Tran Tuan Anh said Vietnam earned US\$281.5 billion from exports in 2020, up 6.5% year on year, becoming one of the best performers in the world amid the Covid-19 pandemic outbreak. Trade surplus was at a record high of US\$19.1 billion, extending the consecutive years of surplus to five. Vietnam still maintained steady growth momentum, with the import and export value amounting at over US\$500 billion for the second consecutive year.

He added that, given supply chain disruptions, the industry overcame difficulties with a growth rate of 3.36%, higher than the general economic growth. Particularly, the processing and manufacturing sector enjoyed a growth rate of 5.82%, asserting its important role as a driver of economic growth.

Despite the global Covid-19 pandemic, international integration has been not only strengthened but also advanced in many new ways, evidenced by international and regional consensus and appreciation for Vietnam's new initiatives. Vietnam has obtained many important achievements in the negotiation, signing and enforcement of free trade agreements (FTAs), especially CPTPP, EVFTA, RCEP and UKVFTA.

Minister Tuan Anh added that trade promotion has been strongly reformed and promptly adapted to Covid-19 pandemic impacts to effectively and actively support localities and businesses in the country to tap the global market to foster the selling of goods for businesses and farmers. Supply and demand stability, commodity prices, market security and market order have been strengthened, especially amid complicated developments of the Covid-19 pandemic and natural disasters in many localities in the country.

Besides, the Ministry of Industry and Trade has consistently advanced institutional construction and e-government construction.

Challenges in 2021

Prime Minister Nguyen Xuan Phuc pointed out economic challenges in 2021. Accordingly, the Fourth

Industrial Revolution is both a challenge and a very good opportunity for Vietnam to deal with major problems in the country's economic development, including industry, trade, and services. Moreover, protectionism is coming back quite clearly. Obviously, the Covid-19 pandemic has been changing rapidly the structure of global supply chains and rearranging global production centers, and international investment and trade flows. These necessitate the industry and trade sector to make policy responses not only in the short term but also for long-term strategic review.

Prime Minister Nguyen Xuan Phuc noted that, in addition to economic opening and liberalization, Vietnam has become one of 10 countries with the largest openness in the world (the share of imports and exports to GDP in 2019 reached 197.4%), resulting in growing foreign dependence, not only on import and export markets, especially some majors like the United States, China, the European Union (EU), Japan and South Korea, but also on technology and input materials for manufacturing development (the share of imported materials to the total value of imported goods accounts for approximately 90%). Major export-driving industries can join only low-value stages. The response to increasing environmental problems, climate change, and environmental incidents in industrial production is a big challenge to industrial and trade development and economic autonomy.

Before the above challenges, the Prime Minister requested the Ministry of Industry and Trade to clearly define specific tasks and solutions to include in the Action Program to implement the Government's Resolution 01, Resolution 02 and directives in a consistent and firm manner right from the beginning of the year and build a growth scenario.

What the Ministry of Industry and Trade needs to focus in 2021 is accelerating sectoral restructuring, powered by digital transformation,



Development in 2021

especially in manufacturing and processing sector, to create breakthroughs and new motivation for growth in the next stage; focusing on solutions to ensure the balance of electricity supply and demand in 2021 and 2021-2025; stepping up the development of renewable energy sources to supplement electricity sources in line with the Government's current renewable energy incentive mechanisms and policies.

To date, Vietnam has signed 15 FTAs and negotiated two others. To take full advantage of FTA benefits, it needs to focus on raising awareness of these FTAs and of

international integration in the entire political system, localities, associations, business community and the whole society. It needs to effectively carry out action plans to effectively enforce FTAs, and WTO and ASEAN commitments.

The Ministry of Industry and Trade also needs to foster trade promotion and expand markets for Vietnamese exports; remove barriers to enter new markets; and diversify and limit market dependence, Prime Minister Nguyen Xuan Phuc directed.■

In 2020, the processing and manufacturing sector enjoys a growth rate of 5.82%, asserting its important role as a driver of economic growth





One of the key task of the banking industry in 2021 is flexibly operating the monetary policy and closely coordinating it with fiscal policy and other macroeconomic policies to control inflation under 4%

Key Banking Tasks in 2021

On January 7, 2020, the Governor of the State Bank of Vietnam (SBV) issued Directive 01/CT-NHNN on implementation of key tasks of the banking sector in 2021.

According to the directive, implementing the National Assembly's Resolution 124/2020/QH14 dated November 11, 2020 on socioeconomic development plan in 2021, the Government's Resolution 01/NQ-CP dated January 1, 2021 on main tasks and solutions on socioeconomic development plan and State budget estimate in 2021, and Resolution 02/NQ-CP dated January 1, 2021 on continued implementation of main tasks and solutions for better business environment and stronger national competitiveness in 2021, the Governor of the State Bank of Vietnam told SBV units, credit institutions, foreign bank branches (collectively credit institutions) to thoroughly grasp the Government's motto

of action in 2021 of "Solidarity, discipline, innovation, development aspirations" to effectively carry out monetary policies and banking administration solutions in 2021 in order to control inflation, stabilize macroeconomic performance, and support reasonable economic growth.

The Directive outlines overall objectives and tasks of the banking industry in 2021 as below:

Actively, flexibly operating the monetary policy and closely coordinating it with fiscal policy and other macroeconomic policies to control inflation within the target of 4% set for 2021, support macroeconomic stability, revive economic growth, maintain monetary and foreign exchange markets. In 2021, the total means of payment will increase by about 12% and credit growth will be about 12% and these



indicators will be adjusted to real life. Reasonable credit growth will be aligned with improved credit quality, focusing on priority production areas. Risks will be controlled in potentially risky areas.

Consistently implementing forex management solutions to stabilize the foreign currency market and the gold market, gradually transform them into capital sources for production and business activities, support monetary management and macroeconomic stability policies; increase forex reserves when market conditions are favorable.

Further restructuring credit institutions, especially weak units. Actively applying measures to handle bad debts, controlling and limiting new bad debts; strengthening, consolidating and reorganizing people's credit funds to ensure purposed and principled operations; intensely inspecting and supervising operations of credit institutions, especially in risky areas, ensuring safety and compliance with legal regulations.

Speeding up noncash payment, digital transformation in banking operations, renovating and upgrading information technology infrastructure, expanding the digital ecosystem to develop banking products and services; monitoring payment systems to ensure secure and efficient operation; supervising the provision of payment intermediary services to ensure compliance with the law; enhancing

security and safety in electronic payment and card payment; improving the legal framework, mechanisms and policies on payments to ensure consistency and responsiveness to rapid technological changes and new payment models and service development.

Focusing on effective and substantive administrative reform to make the business environment in general and the monetary and banking sector more open, convenient, and supportive for business operations; improving administrative performance and the quality of public employees, ensuring discipline and respect for the law.

Implementing the Vietnam Banking Industry Development Strategy to 2025, with a vision to 2030, the National Comprehensive Financial Strategy to 2025, with an orientation to 2030, and action programs/plans and projects of the banking sector.

To successfully carry out the above objectives and tasks, the SBV Governor required his assistants, based on their functions and duties, to advise him and carry out solutions within their jurisdiction. Central tasks will be: Completing the legal framework for the monetary and banking sector; administering monetary, credit, foreign exchange and gold policies; restructuring credit institutions and handling bad debts; strengthening

inspection and supervision; preventing violations in the banking sector; strengthening operations of people's credit funds, handling weak people's credit funds and intensifying the management and supervision of microfinance institutions; scaling up noncash payment; accelerating digital transformation in banking operations; ensuring security of information technology, electronic payment and card payment; boosting public administration reform; and reforming administrative discipline, civil services and apparatus.

The directive clarified a number of other key tasks for SBV units: Actively advancing international cooperation and integration, promoting bilateral and multilateral cooperation in the banking sector; strengthening relationships and actively taking part in policy-making and initiatives, enhancing the position and the voice of Vietnam and the State Bank of Vietnam at regional/global financial and monetary institutions, forums and other international partners; effectively mobilizing and carrying out programs, projects, consulting and technical support of international partners for Vietnam and the banking sector.

Carrying out professional and effective communications and enhancing information transparency to meet SBV's information requirements and comply with international commitments; proactively implementing appropriate and effective communication plans, strengthening communication coordination before, during, and after introducing new mechanisms and policies to have public consensus; effectively implement the SBV's regulations on speech and information provision; developing and choosing innovative forms for communication and education programs to raise public knowledge of finance and banking; intensifying State management of communications in the banking sector to ensure consistency and uniformity from central to local levels and among credit institutions, finance companies, and banking press agencies. Banking press agencies will closely follow the SBV's instructions, promote policy communications and matters of public concern.

As for SBV branches, the Governor required: Carrying out monetary, credit and foreign exchange policies in their localities; restructuring credit institutions and handling bad debts; strengthening inspection and supervision; preventing acts of violation in the banking sector; stepping up management of operations of people's credit funds; scaling up noncash payment; and ensuring security of information technology and payment operations in their localities.

As for credit institutions, the SBV required: Applying monetary, credit and foreign exchange solutions; restructuring operations and handling bad debts; strengthening internal inspection, supervision and audit; improving risk management and governance; preventing acts of violation in the banking sector; developing modern payment services; accelerating digital transformation in banking operations; and ensuring security of information technology and payment system.

The SBV Governor requested leaders of SBV units, SBV local branches, presidents and general directors of credit institutions, foreign bank branches to be responsible for executing this Directive. ■

More Than 32 Million Jobs Affected by Covid-19 in 2020



According to the survey of the fourth quarter and 2020 on labor and employment conducted by the General Statistics Office (GSO), Vietnam had 32.1 million people aged 15 years and over negatively affected by the Covid-19 pandemic, including those fired, laid off and taking lower pay.

According to the GSO, 69.2% of Vietnamese people experienced a decrease in income, 39.9% accepted reduced working hours or took rotational leave, and about 14.0% had to suspend business in 2020.

The service sector was hardest hit by the Covid-19 pandemic with 71.6% of workers affected, followed by the industry and construction sector with 64.7% and the agricultural sector with 26.4%.

The Covid-19 pandemic not only caused many workers to lose their jobs, but forced many to enter the informal worker force.

Although the number of workers employed in the fourth quarter increased sharply from the previous two quarters, due to the sharp staff cut in the second quarter, the number of workers aged 15 and over in 2020 slumped over 2019. The number of working employees aged 15

years and over was 53.4 million, a decrease of 1.3 million over 2019 (or a decline of 2.36%).

According to the GSO, this development was in stark contrast to the annual employment growth trend in the 2010-2019 period. During this period, more than 600,000 people were added to the workforce each year on average.

The decrease in employed workers in 2020 was unprecedented in the past decade.

In addition, in 2020, as many as 20.3 million people were informal workers, an increase of 119,100 people, while 15.8 million were formal workers, a shrinkage of 21,100 people from 2019. Informal workers accounted for 56.2% of the workforce in 2020, 0.2 percentage points higher than in 2019.

This development was in contrast to the decreasing trend in recent years. In the period 2016-2019 prior to the Covid-19 pandemic outbreak, the number of formal workers increased by 5.6% a year while the number of informal workers increased by 3.6% a year.

The growth rate of formal labor was 1.6 times that in informal employment, leading to a gradual decrease in the share of informal workers over the years.

However, the Covid-19 pandemic in 2020 disrupted the economy, resulting in a decrease in formal workers and an increase in informal workers, thus adding up the share of informal jobs in 2020 after years of continuous decline.

In 2020, the Covid-19 pandemic also caused a decrease in average monthly income of workers in all three economic sectors. Accordingly, the average income of employees is VND5.5 million, down 2.3% from 2019 (or a drop of VND128,000).

The income of service workers decreased most, by VND215,000 per worker, followed by the agricultural sector by VND156,000. The least reduction was seen in the industry and construction sector, by VND100,000 a month. ■

Which Industries to Achieve Strongest Growth in 2021?

Vietnam's next 5-year plan may have two phases: 2021-2022 (recovery phase) and 2023-2025 (acceleration phase). Therefore, in 2021, the Government will continue to loosen the monetary policy and extend the expansionary fiscal policy. The budget deficit may remain high, even in absolute values, as currently priced GDP is revised up.

ANH MAI

Individual investors continue to be key drivers of the stock market

Although Vietnam was not immune to the Covid-19 pandemic, its damage was reportedly lower than that of other countries in the region. In the base scenario developed by SSI Securities Corporation, as other potential Covid-19 pandemic outbreaks still loom large, international commercial flights will gradually resume only from the second quarter of 2021 and international tourist arrivals will increase gradually.

Unlike other economies, Vietnam's economy was not in recession in 2020. However, the unemployment rate in fact increased, savings rate was higher and consumer confidence weakened in 2020. Main economic indicators remained positive in 2021. According to SSI, GDP growth is forecast at 6.5% in 2021. (higher than the Government's plan of 6%). The growth will start to accelerate (to over 7%) from the second quarter of 2021 and keep that momentum till 2022.

Notably, on the stock market, the VN-Index outperformed Morgan Stanley Capital International's Frontier Markets Index (MSCI FM) over the past 5 years. Since the beginning of the year, the VN-Index has grown 12.7% higher than the MSCI FM Index. Like other markets, the mid-cap stock basket has increased 12% more than the VN30-Index component stocks in 2020, ending three-year underperformance to the VN30 basket.

According to SSI's latest analysis, MSCI announced that the share of Vietnam in the MSCI Frontier Markets 100 Index basket will increase from 12.5% to 28.76% in November 2021 after five phases. Currently, Vietnam accounted for 14.2% of this index basket. On the one hand, this may be a positive factor to attract foreign funds into the Vietnamese market in 2021. But it should be noted that MSCI is also consulting on the Argentina market reclassification (from an emerging market) as a frontier market or a standalone market. Nevertheless, it must wait until June 2021 to see if the country will return to the frontier market or not. If this is the case, Argentina may take up a large share of the Vietnamese market in the index basket.

In fact, individual investors continued to be the main driving force for the stock market. The number of newly opened accounts was the highest ever in November. Foreign investors used to account for 15-18% of the total market trading value in previous years. But, as of November 2020,

the share of foreign investors decreased to only 12% and only around 7.7% in recent weeks. Foreign investors sold net more than US\$700 million in the first 11 months of 2020 and only ETFs had a modest inflow of US\$95 million in 11 months.

If foreign capital flows come back in 2021, especially with a higher ratio for Vietnam in the MSCI FM Index, this will be strong support for the stock market next year as individual investors often follow foreign investors' actions.

Which industry is the most promising in 2021?

According to SSI Research, earnings growth of listed companies was estimated at 23% in 2021 after declining 17% this year. The P/E ratio was 16.03 in 2021. According to historical market data, SSI picked the P/E ratio of the last three years because Vietnam's stock market considerably expanded in size and foreign investors made easier investment amid the strong economic growth cycle. The median P/E ratio in the 2018-2020 period was 16.4, with the highest at 21.6 seen on March 22, 2018.

With a market P/E ratio of 16.03 times, according to SSI, the current valuations of most industries already returned to their levels before the Covid-19 outbreak and their earnings will even rebound strongly in 2021. However, the year 2020-2021 may be different, especially given the abundant liquidity and the growing role of individual investors, especially veteran investors. In addition, Vietnam's market valuations are still relatively lower than those of other countries in the region. In the best scenario, capital inflows to the stock market will be the driving force to push the market P/E ratio to a record high as achieved in the past three years in 2021. In the base scenario, SSI used a P/E ratio of 18 for the VN-Index in 2021 (equivalent to a bullish outlook of 12.3%). Particularly, banking and real estate sectors are the two largest sectors in the VN-Index, accounting for 27% and 26% of the basket, respectively. But, it is noted that both sectors are believed to benefit from the pandemic as lending rates declined and liquidity rose, helping raise the Net Interest Margin (NIM) of listed banks, while the risk of bad debts in the second and third short Covid-19 outbreaks was very low. On the other hand, real estate prices continued to look up amid limited supply in Ho Chi Minh City.

Hence, SSI predicted that energy, non-essential consumer goods and real estate sectors will achieve the strongest growth in 2021. ■



Banking and real estate are believed to benefit from the pandemic as lending rates declined and liquidity rose

Land Plot Segment to

According to DKRA Vietnam Joint Stock Company, in 2020, the residential real estate market in Ho Chi Minh City witnessed a decline from 2019 in most segments. Notably, resort real estate “hibernated”. Meanwhile, the vicinity of Binh Duong and Dong Nai enjoyed remarkable development, especially in the land plot segment.

Decline in supply and demand

At the event “Report on the residential real estate market in Ho Chi Minh City and surrounding areas: The market push in 2021” recently organized by DKRA Vietnam Joint Stock Company, DKRA representative said that in Ho Chi Minh City, except for the townhouse and villa segments, which had increased over 2019, all remaining segments had declined in both supply and demand. Meanwhile, Binh Duong emerged with a supply of up to 5,627 land products and about 10,526 apartments, Dong Nai led the new supply of townhouses and villas (2,749 units), the resort real estate segment became stagnant.

According to DKRA, in 2020, Ho Chi Minh City and neighboring provinces recorded about 84 projects for sale (about 13,179 plots), about 8,519 plots of which were sold,

accounting for approximately 65% of the new supply. Projects adjacent to industrial parks, industrial clusters, small ground area, and convenient transport infrastructure strongly attracted investors with good capital flows.

The land plot market in the vicinity continued to occupy the main position in the total supply due to the increasingly scarce land fund in Ho Chi Minh City. Binh Duong province took the lead with about 43% of the new supply in the market (5,627 plots). In Ho Chi Minh City, the new supply came from seven projects (564 plots), equaling 33% of the previous year. The consumption rate reached 59% (about 334 plots), equal to 21% compared to 2019.

On the other hand, the new supply of apartments was concentrated in Ho Chi Minh City and Binh Duong province. The city and surrounding areas recorded



Prevail in 2021

about 88 projects launched for sale (about 30,042 units) in the past year, mainly in Ho Chi Minh City and Binh Duong. The consumption reached about 26,313 units, accounting for approximately 87.6% of the new supply. Binh Duong emerged as the focal point of the apartment market with a series of projects launched for sale, providing about 10,526 units, accounting for 35.1% of the total new supply.

Also according to DKRA, in Ho Chi Minh City, the supply and consumption continued to decrease from 2019. In 2020, Ho Chi Minh City had about 56 projects launched for sale (about 17,579 units), equaling 71.7% of the same period last year. The consumption of the new supply reached 86.6% (about 15,229 units), equal to 66.2% compared to 2019, the grade A apartment led the market while the grade C apartments were almost absent. The Eastern area continued to lead in the new supply and consumption during the year. The primary price level increased sharply, but the liquidity of secondary transactions decreased.

In addition, the townhouse and villa segments had an increase in supply and demand compared to 2019. Specifically, according to a survey by DKRA, the new supply of townhouses and villas increased in 2020, focusing on Dong Nai province (38% of total new supply) and Ho Chi Minh City (34% of total new supply). The market witnessed the emergence of large urban areas of hundreds of hectares, which were well developed and fully equipped.

In general, these urban areas have convenient transport infrastructure locations connecting the suburban districts or the area adjacent to Ho Chi Minh City.

In Ho Chi Minh City, although new supply and consumption increased, but mainly in District 9. Specifically, Ho Chi Minh City had 18 newly launched projects (about 2,504 units), up 59% compared to the previous year. The consumption rate reached 76% (about 1,891 units), an increase of 75% compared to 2019. The Eastern area backed by the information on Thu Duc city establishment continued to be the focus of the market, leading the supply and demand. Except for the Eastern area, the primary prices of premises were almost unchanged, while the secondary transaction slightly decreased due to the impact of the pandemic.

Notably, the supply and consumption of the resort and coastal villas segments was at a record low in five years. In 2020, the supply and consumption of coastal villas decreased to the lowest level in the past five years. The whole market received 541 coastal villas from 10 projects, equal to 21% compared to that of 2019 (2,606 units). The consumption rate reached 44% (about 239 units), equal to 12% compared to the previous year.

Market trading was concentrated on new projects, developed by reputable developers with a complete

ecosystem and operated by international brands. In general, the inventory of coastal villas on the market today comes mainly from old projects that were opened for sale before.

The segments of townhouses and coastal shop houses in the complex have been gradually restored and continue to attract the attention of customers.

At this event, DKRA also said that 2020 was a bleak year for the resort and condotel real estate segments - when they fell into a state of "hibernation". Similar to the type of coastal villas, the new supply and demand for condotels plummeted, almost falling into this state. In the whole year of 2020, there were three new projects opened for sale, providing 525 units to the market, only equal to 5% of the previous year. The consumption rate was about 65% (342 units), equal to 4% compared to 2019. The transactions mainly focused on newly launched projects of large investors with transparent legal procedures and construction progress guaranteed.

Land plot will remain the top investment channel in 2021

According to forecasts from DKRA, the new supply and demand of the land plot segment in 2021 may recover and increase compared to 2020, mainly in neighboring provinces of Ho Chi Minh City such as Long An, Dong Nai, Binh Duong and Ba Ria - Vung Tau. Land plots will continue to be selected as the top investment channel.

In the apartment segment, the new supply will increase sharply in most localities. The demand will increase as compared to 2020, but it is not likely to be as vibrant as 2019. In Ho Chi Minh City, the Eastern and the Southern areas continue to maintain a large proportion of the new supply. Grade A and B apartments will lead the market, while Grade C supply continues to be scarce.

The new supply and demand in townhouses and villas is expected to recover positively and slightly increase compared to 2020. Dong Nai can continue to lead the new supply. In Ho Chi Minh City, the Eastern and the Southern areas still account for a large proportion of the supply. Projects located in large urban areas, well-planned by reputable investors and valued at about VND10 billion/unit, will be a popular choice.

For resort real estate, the new supply of condotels and coastal villas may increase compared to 2020, mainly in familiar markets such as Binh Thuan, Khanh Hoa, Phu Quoc and Ba Ria - Vung Tau. The overall demand of the whole market is still low, there are not many positive signs for sudden changes. In addition, the integrated resort model continues to receive special attention, customers trust the brand of international operation management more than the program with commitment to profit. ■

Resolution 02/2021 to Further Step up Reforms



to thoroughly tackle the matter of concerns, focusing on matters that have concerned enterprises for a long time,” he said.

The second key content is the importance of digital transformation in the new context. If we do not implement changes, we will be eliminated. Moreover, the Government should play a leading role by its greater focus on promoting digital transformation in all governmental activities, services and interactions in the digital environment.

“We must complete e-

government, then move to digital government, and motivate businesses to go digital as well. At the same time, we must create a market where businesses can provide digital services when the Government conducts digital transformation,” said Mr. Hieu.

“We can see positive results in the implementation of Resolution 02/2020/NQ-CP such as the exemption of license fees under Decree 22/2020/ND-CP, reducing the granting time of construction permits (Construction Law 2020) and raising investor protection level (Enterprise Law 2020),” Mr. Hieu noted.

He also admitted that there are still some unfinished tasks, especially the connection to specialized management and inspection of imported and exported goods, and business conditions in many decrees and laws still presenting

trouble for enterprises.

“However, the successful implementation of Resolution 02 in the past term has created a special mark, not only on the approach and the way of action, but importantly on significant improvements of the business environment,” he stressed. ■

The Government recently issued Resolution 02 on improving the business environment and enhancing national competitiveness. The message of Resolution 2/2021 is improving the business environment; enhancing national competitiveness is a constant and continuous central task.

Dr. Phan Duc Hieu, Deputy Director of the Central Institute for Economic Management (CIEM), said that Resolution 02 was drafted in a very new way with targets and contents of Resolution 02/2019 being maintained, and unfinished content to be sped up for completion in 2021.

“There are four contents that the Government places greater emphasis on. The first is innovation. Specifically, this time, the Government saw that our reforms have been mainly conducted within one ministry or branch of authority, e.g. the Ministry of Industry and Trade or the Ministry of Health. However, enterprises are affected by interagency. Indeed, many matters cannot be solved by a single ministry. The new point of Resolution 02 is strengthening coordination of ministries and branches

**Resolution 02/2021
is expected to
continue to step up
reforms to further
improve the
business
environment and
enhance national
competitiveness.**

VAST ROOM FOR GROWTH



Hanwha Life Vietnam is among of life insurers that have the strongest financial status in Vietnam

Stronger financial capacity

The insurance industry continued to be a solid "shield" for the economy and society. Every year, the sector pays a huge sum of insurance indemnities and benefits for beneficiary individuals and businesses and contributes to stabilizing the state budget.

Up to now, Vietnam is home to 69 insurance firms, including 31 non-life insurers, one foreign insurance branch and 18 life insurers, two reinsurers and 17 insurance brokers. Insurance premiums grew by as high as 22% a year in the five years from 2016 to 2020, of which non-life insurance segment expanded 13% and the life insurance segment advanced 28%.

Insurance companies have handled insurance benefits well for their policyholders and are trusted for risk coverage. According to statistics, insurance benefit payment was estimated at VND48,223 billion in 2020, up 11.4% year on year, including VND23,108 billion for non-life insurance and VND25,115 billion for

Total insurance premiums were estimated at VND184,662 billion in 2020, representing a year-on-year growth of 15%, according to the Ministry of Finance.

Non-life insurance premiums were projected at VND57,102 billion, up 8% over 2019, while life insurance premiums were forecast at VND127,560 billion, up 19.6%.

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life insurance (up 10% year on year).

Notably, the financial capacity of insurers is growing steadily. The total assets of insurers reached VND202,558 billion and the total reserves amounted to VND119,540 billion in 2015 but the former figure climbed to VND552,403 billion in 2020, trebling the 2015 value and 20% more than the 2019 value. Of the sum, non-life insurers had VND95,949 billion and life insurers had VND456,454 billion, up 23.3% year on year. Total insurance reserves stayed as high as VND355,240 billion, up 22% year on year, of which nonlife insurers accounted for VND27,125 billion and life insurers had VND328,115 billion, up 22.6%.

Total owner equity was estimated at VND113,523 billion, up 18% year on year, including VND31,035 billion of non-life insurers and VND82,488 billion of life insurers (up 25.2%).

Especially, in recent years, the insurance industry has created a source of medium and long-term investment funds for the economy. In 2015, insurers invested VND160,466 billion





Budget Deficit in 2020 Below 4% of GDP, Public Debt within Limit

The State budget revenue fulfilled 98% of the estimate and rose by VND184 trillion as compared to the adjusted target of the National Assembly of Vietnam in October 2020, said a report released by the Ministry of Finance at the online conference that reviewed State budgetary and financial activities in 2020 and previewed tasks and actions in 2021. The fiscal revenue to GDP was 23.9%.

Many flexible fiscal policy solutions (such as exemption, reduction, extension of taxes, fees and charges and land rents) were launched to remove difficulties for production and business and timely support for businesses adversely impacted by the Covid-19 pandemic. As of December 31, 2020, about VND123.6 trillion in taxes, land rentals, fees and charges were extended, or exempted or reduced.

In 2016-2020, total State budget revenue reached VND6,890 trillion (US\$300 billion), exceeding the plan, a very positive level in the difficult conditions for State budget revenue in 2020 when economic growth was much lower than expected.

The structure of State budget revenue became more sustainable, with the share of domestic budget revenue rising from 68% in the 2011-2015 period to 85.5% in 2020, the share of crude oil-based budget revenue and balanced export and import-based budget revenue sliding from 30% in 2011-2015 to 14.2% in 2020.

The State budget spent over VND18 trillion to overcome

Covid-19 pandemic impacts, as per the Government's Resolutions 42/NQ-CP and 37/NQ-CP.

The central budget used VND12.4 trillion to support localities to address consequences of historic storms and floods and restore production in the wake of natural disasters and the pandemic; supply nearly 37,000 tons of national reserve rice for hunger relief for the people, and deal with the consequences of natural disasters and restore farming.

The highlight in budget spending in 2020 was the quicker progress of funding disbursement than in previous years. By December 31, 2020, spending on investment and development reached 82.8% of the estimate (compared with 62.9% of the plan) and accounting book closing time in 2020 (January 31, 2021) was estimated to reach 92-93%. However, about VND26 trillion of foreign loans for development investment could not be implemented and was forced to be canceled.

The State budget deficit was estimated at VND248.5 trillion, less than 4% of the gross domestic product (GDP). Generally, in five years from 2016 to 2020, the average state budget deficit was about 3.6% of GDP.

In 2020, the Ministry of Finance actively managed the issuance of Government bonds to offset overspending and repay principal in accordance with the state budget's capacity, mainly mobilizing medium and long-term capital (no bonds of shorter than 5-year term) and no further borrowing from international financial institutions like WB and ADB, helping raise national credit ratings.

Government bond terms in 2020 were over 3.5 times longer than 2011, from 3.9 years to an average of 13.94 years, bringing the average term of government bond portfolios to 8.42 years at the end of 2020, nearly 5 times longer than the end of 2011 (1.84 years). The average deposit interest rate also dropped sharply, from 12.01% in 2011 to about 2.86% in 2020.

By the end of 2020, public debt equaled about 55.8% of the GDP and Government debts reached 49.6% of GDP, within the permitted limit. ■

➔ into the economy and the value was VND460,457 billion in 2020, including VND51,308 billion from non-life insurance businesses and VND409,149 billion from life insurance businesses. This sector has created more than 1 million jobs (including employees and agents).

Insurance brokerage also recorded steady growth. Insurance brokers increased from 12 in 2015 to 15 by 2020. The total value of insurance premiums arranged through brokers has steadily grown over the years.

The scale is still small relative to the potential

The insurance market is a useful financial hedge tool for investors. Up to now, insurance has been hedging almost all types of assets of all economic sectors and industries with various types of insurance such as property damage insurance, aviation insurance, marine insurance, credit insurance, agricultural insurance and fisheries insurance.

According to insurance companies, about 80% of major infrastructure construction and economic works invested by the government are covered by insurance. In the event of insurance, these facilities will not use the State budget to cover damage and loss, thus helping ensure fiscal policies.

However, although the Vietnamese insurance market has highly and stably developed, its scale is still small relative to its potential. The ratio of insurance premium to GDP is currently only 3.07%, lower than the average of ASEAN (3.35%), Asia (5.37%) and the world (6.3%). In particular, some potential fields such as import and export insurance, health insurance, natural disaster insurance and public property insurance have not been fully tapped.

Therefore, according to many experts, the Vietnamese insurance market still has vast room for development. Reportedly, a number of natural disaster insurance policies are being researched and developed, which will have extremely important implications on the implementation of the national strategy for climate change. ■

Firms Still Unconcerned about IP Protection

Very few businesses register for protection

Business growth must be accompanied by the ability to encourage, motivate, and sustain innovation. To maximize innovation value, each economy needs to focus on building a clear legal system where intellectual property is officially recognized.

Mr. Le Ninh Giang, Director of the Center for Intellectual Property Technology Application (IPTA), said, in Vietnam, a lot of companies just focus on establishing operations and called for investment funds rather than considered registering for intellectual property protection. Currently, only 18% of small and medium-sized enterprises (SMEs) understand correctly about intellectual property and just 6% of SMEs have an intellectual property enforcement unit. Many businesses have not yet listed their intellectual property as their asset.

In addition, many Vietnamese enterprises invested in building local brands but they remain unknown in the international market when going global. Even, their brands were stolen by foreign firms which registered such brands in other countries before the true owners did it. This caused considerable damage to them.

Giving evidence for this, IPTA Director Giang emphasized that the geographical indication of Phu Quoc for fish sauce was registered as a protected trademark in many countries, Vinataba tobacco brand was lost in many territories, and Duy Loi folding hammocks were deprived of industrial patents/designs in 2001, or Buon Ma Thuot for coffee was deprived of the geographical indication in 2011. These are costly lessons about intellectual property protection.

According to Dr. Nguyen Quoc Thinh from the Institute for Brand and Competition Strategy (BCSI), only a very small number of companies have registered for brand protection. Only 16-18% of companies recognize intellectual property assets. Up to 149 out of 250 companies do not know where or how to register for intellectual property. These raised the alarm for the status of intellectual property protection and branding.

Raising public awareness

At a recent conference on business branding and intellectual property protection held by IPTA and BCSI, experts said, given Vietnam's deep integration, businesses will lose a lot of opportunities if they do not pay attention to intellectual property protection. It was high time they registered internationally to protect their brands and enhance their reputation in the global market as well.

According to lawyer Le Quang Vinh from Bross Law Firm and Associates, without intellectual property protection, companies will lose opportunities to export products and

Brand management is one of the important factors to enhance the attractiveness of businesses to customers and partners and improve their competitiveness on the market. However, many Vietnamese enterprises, especially SMEs, have yet to pay due attention to this matter.

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expand their market while facing legal risks. Besides, they will also lose benefits from free trade agreements such as CPTPP, EVFTA and RCEP.

Thus, in order not to lose their trademarks, they must actively review and quickly register intellectual property rights in foreign markets, he added. In particular, it is important to protect trademarks, designs, inventions and utility solutions. When their intellectual property was appropriated, it was necessary to quickly collect evidence and send a request to reject, cancel or invalidate the validity of intellectual property.

Sharing this point of view, Lawyer Pham Duy Khuong (SB Law Firm) said that Vietnamese companies need to have an international brand registration strategy to protect their brands and

enhance their reputation in the world market. They must consider cost, time, quantity and country of registration. Currently, some countries such as Cambodia, Australia and South Korea allowed registration with reduced procedures.

Furthermore, Mr. Le Ninh Giang, Director of IPTA, said, it is very important to boost communications and social awareness on intellectual property and innovation, especially about the role and connection of innovation and intellectual property in the student and startup community.

Ms. Do Thi Xuan Huong, representative of the Institute of Intellectual Property Science, said, the institute has launched training programs for businesses in economic, technical and legal aspects related to creation and establishment of rights, commercialization and administration of intellectual property, and protection of intellectual property rights. The institute also advises and supports enterprises to explore intellectual property information, conduct protection registration, extension and validity maintenance procedures. ■





On the occasion of the Quang Binh Investment Promotion Conference 2021, the Vietnam Business Forum would like to introduce the Open Letter of the Chairman of the Quang Binh Provincial People's Committee to domestic and international readers, businesses and investors.

OPEN LETTER

Dear investors,

Located in the North Central region of Vietnam, Quang Binh province is a high potential, outstanding destination for domestic and foreign investors as it has many factors helping investors turn ideas into reality.

Quang Binh has a convenient and synchronous transportation system, including National Highway 1A, Ho Chi Minh Road, North-South Railway and Dong Hoi Railway Station, Dong Hoi Airport and Hon La Seaport. Especially, National Highway 12A is the shortest access to Laos and Thailand from Vietnam through the Cha Lo - Na Phau International Border Gate, about 350km.

Quang Binh province has a natural area of 8,000 km², a population of nearly 900,000, a coastline of 116 km, a forest coverage of over 67% (ranked second in the country) with many immense primitive forests and beautiful natural landscape. Natural endowments allow the province vast space for agricultural development, marine economy and forest economy.

Quang Binh has the longest coastal sand stretch in Vietnam with many crystal-clear and beautiful beaches such as Nhat Le, Bao Ninh, Vung Chua, Da Nhay and Hai Ninh. The province is also home to many historical relics and cultural heritages such as legendary Truong Son Road, Tam Co Cave, Long Dai Ferry Terminal and Thanh Mau Temple. Specially, Phong Nha - Ke Bang National Park is twice recognized by UNESCO as a World Natural Heritage with high biodiversity with more than 400 unique, splendid and mysterious caves formed hundreds of millions of years ago, such as Son Doong Cavern - the largest cave in the world, Phong Nha Cave with the longest underground river in the world, and Thien Duong Cave - the most magnificent cave in the world. Besides, Quang Binh has Bang hot spring with a natural temperature of 1050C, suitable for convalescence and disease treatment. By investing in world-class golf courses, Quang Binh has all conditions to become a major tourist center of Vietnam and Southeast Asia.

Quang Binh province has Cha Lo International Border



Mr. Tran Thang, Chairman of Quang Binh Provincial People's Committee

Gate Economic Zone - a transshipment hub, an import and export center for goods and services in Central Laos, Northeast Thailand and the Mekong sub-region; Hon La Coastal Economic Zone in the Southern Ha Tinh - Northern Quang Binh key economic region and eight approved industrial parks. These locations offer space for placing safe and efficient production and processing factories for investors.

With completed and ongoing power infrastructure plus basic advantages for development, Quang Binh is planned to be a major energy development center of the country.

Quang Binh province is home to many outstanding celebrities. Quang Binh people are famous for being industrious and diligent. With the motto "Cooperation for mutual development", Quang Binh is determined to create a breakthrough by accelerating administrative reforms, switching from administrative order to administrative service, and providing the safest and most favorable environment for investors. In addition to applying highest incentives in the incentive framework provided by the central government, Quang Binh also has its own support and incentives for key breakthrough projects, and projects engaged in investment promotion.

Provincial leaders are committed to working together with investors, assisting and facilitating investors to access provincial resources to turn ideas into reality. The success and development of each business is our success. We believe that this will be an opportunity and a driving force for Quang Binh to reach a higher level of development.

Best regards,

**Tran Thang,
Chairman of Quang Binh
Provincial People's Committee**





QUANG BINH

POTENTIAL, SECURE AND DISTINCTIVE DESTINATION TO INVEST

“Potential, Secure and Distinctive” is the theme of the Quang Binh Investment Promotion Conference 2021, the starting activity for the new development phase of 2021-2024. This event takes place on the occasion of the commencement of Quang Trach 1 Thermal Power Plant. This is also an opportunity to boost a new image of Quang Binh province as a promising land for economic development, tourism, renewable energy, agriculture and forestry development.

With internal strengths, constant efforts and burning aspirations for higher development, Quang Binh is a potential, safe, unique and reliable investment destination for all investors. The province is now calling for investment in many potential fields such as tourism, industry, agriculture and services.



UNIQUE AND DISTINCT TOURISM

Phong Nha-Ke Bang National Park - World Natural Heritage

Covering an area of 123,326 ha (in Bo Trach and Minh Hoa districts), Phong Nha - Ke Bang National Park was twice recognized by UNESCO as a World Natural Heritage for its geological value and biodiversity (according to geological and geomorphological criteria in 2003, and biological and ecological diversity criteria in 2015).

Quang Binh is known as the "kingdom of caves" with an estimated 1,000 caves of all sizes which were formed millions of years ago (just over 400 caves have been surveyed and measured) to create unique discovery and adventure products for tourists.

+ Son Doong Cave (announced in 2009) holds the record for being the largest cave in the world (Guinness

World Records) at nearly 9 km in length, 150 m in width and 200 m in height.

+ En Cave is the third-largest in the world with a length of nearly 2 km. It has the largest and most famous cave entrance: 120 m high and 140 m wide.

+ Pygmy Cave is the 4th-largest in the world with a length of 845 m, a height and width of 100m.

+ Other caves of unique and outstanding value in the world and the region include Phong Nha -Tien Son, Thien Duong (Paradise), Tu Lan and Nuoc Nut.





Some tourism types

Discovery and adventure travel

- "Conquering Son Doong" - High-class domestic and international tourist route. Hang En and Tu Lan tours with different time and adventure levels. Activities: camping in caves, trekking and swimming in the underground river, etc.

- Phong Nha - Ke Bang including the Mooc Brook, the Chay River - Toi Cave (dark cave), Botanical Garden, etc. Activities: Zipline, Kayaking, mud bathing and mountain climbing.

- Potential locations: Da Ravine (Dong Hoi), Nuoc Trong Ravine (Le Thuy) and Tam Lu Waterfall (Quang Ninh).

Leisure and sporting tourism

- The 36-hole golf course system has been put into operation and the world-class coastal golf course system is being built.

- Coastal resorts: Many famous beautiful beaches such as Da Nhay, Nhat Le - Quang Phu, Bao Ninh and Hai Ninh.

- Hot spring resorts: Bang mineral hot spring (Le Thuy district), with temperature of 105 C, is building an ecological



and disease-healing resort under the Onsen model (Japan), expected to be put into use in the middle of 2021.

Cultural - historical - celebrity tourism

- Cultural and festival tourism: Fish Worshipping (February), Minh Hoa Festival, traditional boat racing (September), and folk singing.

- Historical and celebrity tourism: Quang Binh Gate, Princess Lieu Hanh Temple, Hoang Phuc Pagoda (700 years of history), and Tam Cave of Young Volunteers

Commercial and tourism infrastructure is being focused on synchronous investment and modernization. Resorts, hotels, and golf courses have been built for tourists of different classes.



Power Plant and carried out procedures to prepare for Quang Trach 2 with a total capacity of 2,400 MW.

* **Solar power:** Located in the tropical northern hemisphere belt, the temperature is characterized by tropical monsoons featured by high temperature distributed evenly all year round. The total amount of radiation is $1,256.04 \div 1,418.86$ kWh per square meter a year. The number of sunny hours in the coastal plain is 1,650 - 1,820 hours. The average daily intensity of radiation by month and year is 4.03 - 4.545 kWh per square meter a day. The total capacity of solar power projects registered in the National Power Development Plan is about 1,241.5 MWp

* **Wind power:** Average wind speed is from 6-6.75 meters per second (at the altitude of 120 m) in the sea and on land. The total capacity of wind power projects registered in the National Power Development Plan is about 3,889 MW.

* Gas fueled electricity

The province is adjusting the plan and calling for investment in a 3,000-MW LNG-fired power plant in Hon La Economic Zone.

NATIONAL ENERGY CENTER

Quang Binh province expects to develop 10 GW of electricity for the national grid (including approved projects added to the revised Power Master Plan VII and power source projects submitted to the Ministry of Industry and Trade and the Government for adding to the National Electricity Development Plan in 2021 -2030 and further to 2045 or Power Master Plan VIII).

* **Thermal power:** EVN started the Quang Trach 1 Thermal



POTENTIAL FOR AGRICULTURAL DEVELOPMENT

Quang Binh province is focusing on climate-adaptive agricultural development as well as achieving the highest added value thanks to scientific and technological advances in export-oriented agriculture and high-tech aquaculture according to VietGAP and Global GAP standards.



- Land used for agricultural and forestry purposes is 720,425 ha, of which forest land accounts for 78%. Especially, with more than 324,000 ha of production forest, timber reserves reach 14.85 million cubic meters - a great potential for forest development and the wood processing industry.

- + Mountainous and hilly areas are advantageous for developing forests and farms, planting medicinal plants, developing eco-agricultural and experience tourism.

- + Delta is suitable for smart, climate-adaptive agricultural development and environmentally friendly organic agriculture, high-quality rice production, feed production and meat processing.

- + Sea and coastal areas have great potential for developing aquaculture, livestock farming, vegetable and fruit production combined with tourism.

- + Especially, with 116 km of coastline and five major estuaries, these areas are ideal places to develop aquaculture, fish farming and catching for export. Especially, deep-water aquaculture uses high technology and automation.

CONVENIENT AND SECURE BUSINESS ENVIRONMENT

Creating a breakthrough with administrative procedure reform is central to attract investment capital into the province.

- E-government is applied for business, customs and tax registration to ensure fast, accurate and effective results.

- The Provincial Public Administration Center quickly handles administrative procedures according to the single-window mechanism. Over 85% of dossiers are delivered on time or ahead of time.

- The Smart Urban Operations Center was established. In 2021, it will apply artificial intelligence (AI) to track the progress of administrative procedures and integrate feedback of people and businesses through its mobile application.

- The amended Investment Law and the amended Law on Enterprises, effective from January 1, 2021, opens up expectations to create breakthroughs in improving the business investment environment, generating opportunities to foster strong development of businesses and investors.

- The province will host regular investor/business meetings to understand their requirements, difficulties and



PM Nguyen Xuan Phuc and investors at Quang Binh province 's investment promotion conference 2018

problems in carrying out their projects and to speed them up.

- In addition to applying the highest incentives in the regulatory framework of the central government, Quang Binh has its own supports and incentives for key groundbreaking projects and other projects where the province encourages investment. ■



Attracting Investment to Turn Potential and Advantages into Driving Force for Socio-economic Development



Press conference on Quang Binh province's investment promotion conference 2021

Full of potential and ambitions, in recent years, Quang Binh province has made enormous efforts to attract more investment funds, especially through investment promotion conferences, and attained remarkable achievements.

Key highlights

The 1st Quang Binh Investment Promotion Conference

The event was held on April 5, 2014 in Dong Hoi City, aiming to introduce investment incentive policies, resources, potential and advantages, projects and investment opportunities to investors. In 2014 - 2015, the



province called for 40 projects in six attractive and highly competitive sectors. At the conference, the Provincial People's Committee granted investment licenses to projects with a total registered investment of VND19,300 billion. The province licensed 13 projects valued at VND8,500 billion engaged in six industries and signed memorandums of understanding on five investment projects with VND7 trillion and US\$200 million.

Speaking at the conference, Mr. Nguyen Huu Hoai, Chairman of the Provincial People's Committee, emphasized that, with the determination for breakthrough development and to become a well-developed province in the region, Quang Binh was committed to working together with investors from initial survey and project planning to construction implementation and especially operation. The province saw the project performance of investors as the socioeconomic development performance of the province. Speaking at the event, Deputy Prime Minister Nguyen Xuan Phuc (now Prime Minister) told the province to complete socioeconomic development planning, especially the connectivity between Quang Binh and other regions in the country and neighboring countries. He noted that provincial authorities must develop a specific roadmap to quickly bring projects into operation to bring about socioeconomic development.



Quang Binh's authorities award investment certificates to investors

Quang Binh Investment Promotion Conference 2018

The conference took place in Dong Hoi City on August 27, 2018, aiming to appeal and attract financially viable investors to Quang Binh, and turn potential and advantages into a driving force for social and economic development. Here, the Provincial People's Committee granted investment certificates and signed investment cooperation agreements with 66 projects with a total investment capital of VND168,869 billion including 36 licensed projects with a total investment fund of VND29,717 billion and 30 agreed projects of 24 investors with VND139,152 billion.

Speaking at the conference, Prime Minister Nguyen Xuan Phuc affirmed, Quang Binh could absolutely be an excellent choice to create new and deep first impressions of a beloved Vietnam. Quang Binh is not simply a miniature Vietnam or a sharp illustration of the hidden and endless beauty of Vietnam, but really Asia's mysterious "blue diamond" to be discovered. Speaking at the conference, leaders of Quang Binh province seriously promised to work out specific solutions to fulfil the Prime Minister's instructions, committed to standing by the side of investors, facilitating and supporting them to invest in the province; consistently carried out preferential and support policies on land lease, infrastructure investment, site clearance, laborer training support; immediately dealt with difficulties facing investors; accelerated

administrative procedure reform, improved local competitiveness, created a stable, open, convenient, transparent, and equal business investment environment, and made investors feel secure with business development.

Quang Binh Investment Promotion Conference 2021

Planned to take place on January 16 and 17, 2021, together with the commencement of Quang Trach 1 Thermal Power Plant, the Quang Binh Investment Promotion Conference 2021 is the starting activity for the new term. This event, happening on the occasion of the commencement of Quang Trach 1 Thermal Power Plant, is also an opportunity to dispel the image of an old year with pandemics, natural disasters, storms and floods, and to motivate the province to look forward to an exciting new year. Through the conference, Quang Binh province hopes to catch the fancy of investors, not only in the tourism sector but also in other fields such as industry, agriculture and services. Quang Binh province is committed to creating conditions for investors to invest in the province on the basis of harmonizing benefits for the people, for the province and for businesses, especially to respect the environment.

This is also an important forum for Quang Binh province and investors to review the process after two years of fulfilling investment commitments in Quang Binh province since the Investment Promotion Conference 2018, thereby focusing on solutions to deal with existing difficulties to speed up ongoing projects. Expectedly, the province will grant investment licenses and investment agreements to 27 investors with 34 projects with a total registered capital of VND94,678 billion (US\$4.1 billion); investment permits will be awarded to 11 investors with 13 projects with VND20,995 billion (US\$900 million); and memorandum of





understanding on investment cooperation will be signed with 16 investors with 21 projects with VND73,683 billion (US\$3.2 billion).

Expectation

Located in the North Central region, Quang Binh is a potential and distinctive destination for investors. The province has a convenient and synchronous transportation system, including National Highway 1A, eastern and western branches of Ho Chi Minh Road, North-South Railway and Dong Hoi Station, Dong Hoi Airport and Hon La Seaport, which are very convenient for transportation and exchange of goods. Especially, National Highway 12A is the shortest way to connect Vietnam with Laos and Thailand through Cha Lo - Na Phau International Border Gate (about 350km).

With a natural area of 8,000 km², a population of nearly 900,000, a coastline of 116 km and forest coverage of over 67% (ranked second in the country), Quang Binh province also has a vast favorable space for agricultural development, especially marine economy and forest economy.

Quang Binh has the longest coastal sand stretch in Vietnam, with many clean and beautiful beaches such as Nhat Le, Bao Ninh, Vung Chua and Da Nhay, and has

many historical and cultural relics and heritages such as legendary Truong Son Trail, Tam Co Cave, Long Dai Ferry and Thanh Mau Temple. In particular, Quang Binh is home to Phong Nha - Ke Bang National Park recognized by UNESCO twice as a World Natural Heritage for high biodiversity, featured by more than 400 very splendid, unique, magical and mysterious caves of all sizes formed hundreds of millions of years ago.

Quang Binh is home to Cha Lo International Border Gate Economic Zone - a transshipment hub, an import-export center for goods and services in Central Laos, Northeast Thailand and the Mekong sub-region; Hon La Marine Economic Zone located in the Southern Ha Tinh - Northern Quang Binh key economic region and eight approved industrial zones. Local infrastructure has also been developed in recent years: Dong Hoi Airport was upgraded to serve 20-25 million travelers a year; Nhat Le 3 Bridge was officially launched in early 2020; the 20-ha Vo Nguyen Giap Marine Park at the foot of Nhat Le 2 Bridge; Dong Hoi Park in Phu Hai Ward that connects expanded Quang Trung Road and to Le Thuy; and coastal golf courses and resorts.

These potential advantages will be introduced as an attractive and reliable investment destination at the



Quang Binh Investment Promotion Conference in January 2021. Provincial leaders are also committed to supporting investors to access provincial resources to turn ideas into reality.

At the conferences in 2014 and 2018, Prime Minister Nguyen Xuan Phuc directly attended (as the Deputy Prime Minister in 2014 and the Prime Minister in 2018) and gave speeches, showing his special care for Quang Binh province.

Especially at the 2018 Conference, he mentioned the oracle of Scholar Nguyen Binh Khiem more than 400 years ago "The strip of Hoanh Son land is a great residence for thousands of generations." This has been proven by history. Besides, Quang Binh is not only a friendly place and a good place for big projects, but also a land of business aspirations and new startups. The Prime Minister emphasized, "The character of central people is like cacti in the desert which is still alive, proliferating, blooming and growing beautiful flowers." With the appearance of "giant cranes in the sky



Quang Binh province is endowed with many beautiful landscapes

of Quang Binh", he believed that greater prosperity and wellbeing will come to beloved Quang Binh.

In particular, when sending the message to investors in Quang Binh province, the Prime Minister wished not to see the "Foehn wind (a type of dry, warm, down-slope wind typical in Quang Binh province) blow away investment promises and resource commitments, the promise of respect to legacies, cultural identities and natural environment". Surely, the message sent by the Prime Minister in 2018 is also the message and the desire of the government and the people of Quang Binh province to investors at the upcoming 2021 Investment Promotion Conference. ■



Developing Infrastructure to Accommodate Investment Inflows

In the 2016 - 2020 period, Quang Binh province has mobilized more than VND93 trillion (US\$4 billion) from the central budget, ODA funds, local budget, corporate investment and people's funds. Public investment capital has been more effectively channeled to important and essential projects such as transport, irrigation, agriculture and rural infrastructure. In particular, the province has paid special attention to major infrastructure projects that create breakthroughs such as airports, economic and industrial zones, transportation routes, water supply, electricity, post and telecommunications. The infrastructure development not only meets socioeconomic development needs, but also helps to draw more investors in the coming years.

Improving connectivity

Efforts to widen roads and build big bridges to modernize and synchronize the transport system are outstanding highlights of the Quang Binh transport sector in 2016-2020. With determination of the entire political system, Quang Binh province has carried out many solutions to mobilize and effectively use resources for modern and synchronous transport infrastructure development. Up to now, Quang Binh has built many important projects to create momentum for socioeconomic

development such as expansion projects of National Highway 1, Nhat Le 2 Bridge, Provincial Road 565 and Mai Thuy-An Thuy Street (Le Thuy district). Importantly, the transport sector has made great progress in construction capacity to undertake many sophisticated large-scale sophisticated projects, especially the research and transfer of modern construction technology of suspension bridges and large-span cable bridges such as Nhat Le 2 Bridge.

In addition to arterial routes that create the driving force for the





Delegates at the conference on reviewing the E-Government Construction Project of Quang Binh province in the period of 2018 - 2020

remarkably improved.

The power grid develops quite synchronously between the source and the transmission network thanks to considerable investment for upgrading high-voltage grid systems and distribution stations to expand the supply coverage to meet consumer needs. In 2020, all communes in the district had access to electricity, of which 98.53% of communes, wards and

socioeconomic development, the province has upgraded many urban roads in Dong Hoi City such as Huu Nghi, To Huu, Nguyen Huu Canh., Nguyen Trai and Pham Van Dong streets, and installed traffic lights and signs at intersections in towns, towns and cities.

Quang Binh has also carried out many solutions to utilize resources for rural transport system development; conducted regular repair and maintenance of national highways 9B, 12A, 15 and provincial roads, and coordinated with the Ministry of Transport to implement the Rural Bridges Construction and Local Road Asset Management Project (LRAMP), which consisted of 11 roads (55 km) and 22 bridges (1,723 m); and maintained 3,086 km of district roads.

Currently, the province is speeding up ongoing projects to quickly put them into operation such as the road from Nhat Le 2 Bridge to Ho Chi Minh Road (including a 3.7-km main road, four 17.3-km extended roads and four 3.9-km city roads); proposing additional investment for construction and upgrading of bridges and culverts to support vehicles of less than 30 tons on all provincial roads (e.g. Duc Nghia Bridge on Provincial Road 570B and My Cuong Bridge on Provincial Road 567B).

In addition, the Provincial People's Committee has also worked with central authorities to invest in building and upgrading important roads such as the North-South Expressway (the eastern section passing Quang Binh province), Quan Hau - Vinh Tuy section and Van Ninh - Tang Ky crossroad on National Highway 9B and a bypassing road on National Highway 12A in Ba Don Town.

With the efforts of the whole political system, over the past five years, Quang Binh province has built and upgraded 1,989 kilometers of roads; built 78 new bridges with a total length of 3,976 meters, 2,663 culverts with a length of 15,584 meters, and 16 spillways with a total length of 559 meters. At present, Quang Binh province has 9,377 kilometers of roads, including 905 kilometers of national highways, 490 kilometers of urban roads, 763 kilometers of district roads, 2,114 kilometers of communal roads, 4,680 kilometers of village roads and 54 kilometers of specialized roads. Currently, all communes have roads capable of supporting motorized vehicles to their administrative centers and 95 out of 128 communes have reached Criterion 2 on traffic in the new countryside construction movement.

More synchronous infrastructure

In addition to strong innovations in transportation, local socioeconomic infrastructure systems have also been

townships had access to the national grid and 99.8% of households had access to electricity.

Telecom and broadband internet Infrastructure systems and services have developed strongly to meet consumers' service demands and make an important contribution to socioeconomic development, ensuring national defense and security. Information technology is widely used, enabling the construction and development of e-government. The wide area network (WAN) of the province is deployed on a specialized data transmission network that connects all provincial and district agencies and 28% of grassroots governmental agencies.

Investment has been focused on education and training facilities. Schools, classes and educational scale have been expanded; educational and training facilities and equipment have been upgraded and modernized. 86% of classrooms and 78% of supporting facilities like administrative offices, libraries, equipment and practical experiments, have been cemented, helping improve the quality of comprehensive education.

In five years, the province has also invested in building technical facilities for science and technology agencies and technical infrastructure for information technology to serve scientific research and technological development. To date, Quang Binh province has also financed technical facilities for scientific and technological research and application, laboratories for quality testing, analysis and measurement to meet up to 80% of local requirements.



Electricity of Vietnam (EVN) organizes a groundbreaking ceremony for the coal importing port and breakwaters under Infrastructure Project – Trach Quang Power Center

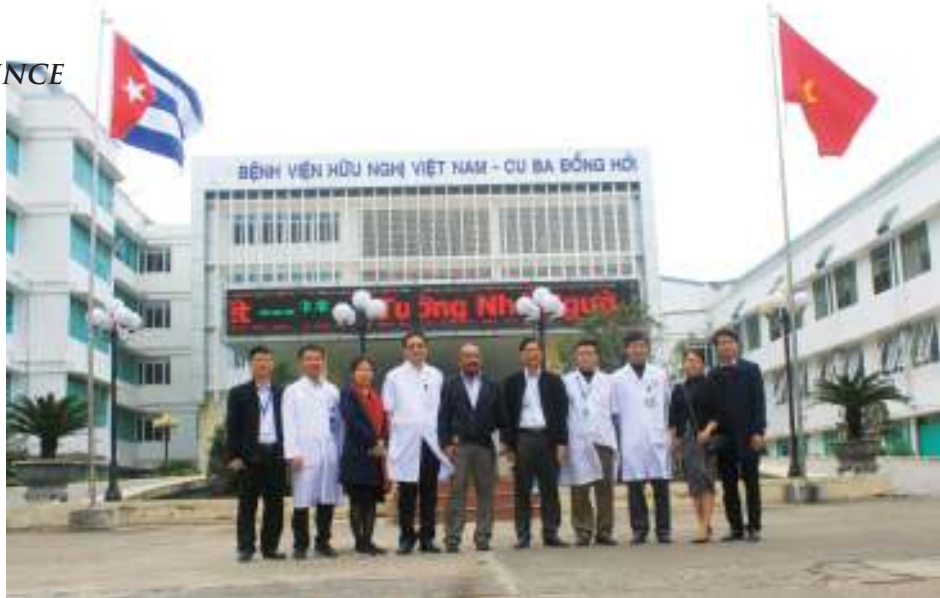


In addition, the medical infrastructure has been gradually improved. At the provincial level, Vietnam - Cuba - Dong Hoi Friendship Hospital was upgraded by the Ministry of Health and served as a provincial general hospital. At the grassroots level, hospitals/health centers were invested to upgrade infrastructure, especially in waste and wastewater treatment facilities, to enhance environmental protection. Many new medical facilities were built while existing ones were given facelifts. All 159 health facilities have working offices, 145 out of 159 commune-level clinics (91.2%) reached national standards. The ratio of hospital beds to 10,000 residents is 21.

Over the past time, the tourism industry has strongly developed in all aspects, especially infrastructure development and accommodation facilities, to improve service quality and diversify tourism products. Currently, the province has 350 accommodation establishments with 5,100 rooms (10,000 beds), of which 84 hotels and tourist resorts are ranked 1-5 stars; nearly 3,000 food and drink facilities designed to serve tourists in local places of interest (21 restaurants meet tourist service standards). Currently, many investors have registered to invest in tourism, focusing on resorts and hotels, like the resort, villa and entertainment complex invested by FLC Group, Sunrise Bao Ninh Tourism and Service Project invested by Truong Thinh Group, and TMS Resort invested by TMS Global Company.

The urban infrastructure system has been expanded and embellished according to the approved planning and the urban face has been increasingly lifted. Dong Hoi City has been upgraded to a second-grade city. Ba Don, Hoan Lao and Kien Giang towns will reach fourth-grade urban areas. Many new residential and urban areas have been established with synchronous infrastructure, providing a spacious, clean and beautiful face to meet the housing fund of local people and create a driving force for economic and social development. The commercial and service infrastructure has been available for retail and distribution channels to ensure smooth circulation of goods from urban to rural areas, especially to remote and isolated areas.

In particular, being aware of the importance of building and developing technical infrastructure and support facilities of economic and industrial zones, the province has centrally directed and prioritized investment for



Leaders and medical staff of Vietnam - Cuba Friendship Hospital receive a Cuban delegation

essential projects, use the central budget to speed up site clearance and build technical infrastructure of industrial zones and some trunk roads in Hon La Economic Zone and technical infrastructure in Cha Lo International Border Gate Economic Zone. The infrastructure system in economic and industrial zones has been invested and constructed in line with development objectives and approved planning criteria. Initially, essential infrastructure items such as road, seaport, water supply, power supply, drainage and water treatment facilities have been constructed to facilitate and motivate the development of industrial and economic zones.

Effort for new goals

Despite considerable investment for development, due to a low starting point and insufficient finance for concentrated



investment, the province's socio-economic infrastructure system is generally poor relative to the whole country in terms of systemization, quality, modernity, equipment, management and operation.

In the 2021 - 2025 period, the province will focus on investing in building synchronous and modern social and economic infrastructure to lay a solid foundation for development; create a breakthrough in socioeconomic development and economic restructuring in order to successfully realize the objectives set out by the 17th Provincial Party Congress and bring Quang Binh to a fast and sustainable development.

Quang Binh will endeavor to mobilize about VND135-150 trillion of investment capital, of which 80% will come from non-government sources and 20% will come from governmental sources. This fund will ensure synchronous connectivity across the province and with other localities in the country, improve transport capacity, ensure smooth and safe traffic,

provide active irrigation and drainage for rice areas, nonfood crops, and aquaculture; proactively prevent floods and storms, respond to climate change and sea level rise; build electrical energy infrastructure and essential and important infrastructure works for economic and industrial zones for investors. Besides, the province has gradually invested in tourist centers and service systems, information and communication systems and electronic credit services; and upgraded facilities for major schools to meet human resource training requirements and for high-quality medical facilities to serve people's needs.

Accordingly, Quang Binh province will strengthen the planning work; mobilize investment capital sources for infrastructure development; consolidate cross-sector coordination in supervision and evaluation of infrastructure investment; and reform project establishment, management and operation methods. The province is confident that, with the support of central authorities and the determination and effort of the whole political system, Quang Binh will achieve new results in mobilizing and effectively using investment resources for infrastructure development to meet socioeconomic development needs and investors' demand. ■





QUANG BINH ECONOMIC AND INDUSTRIAL ZONES

Efforts to Attract Investment

Despite numerous difficulties, Quang Binh province has mobilized resources for developing infrastructure in economic and industrial zones, accelerated administrative reform, and improved support services for projects to facilitate economic restructuring, enhance competitiveness and unlock local potential and strengths.

DUY ANH



Completing infrastructure of Hon La Port Industrial Park is one of the important factors to attract investment into Quang Binh province

Vibrant development

Quang Binh province has been approved by the Government to build two economic zones and eight industrial parks. The economic and industrial zones are conveniently located as they are close to land and water traffic connections and lie within the East-West Economic Corridor that connects Southeast Asian countries to the East Sea.

Hon La is a coastal economic zone in the Nam Ha - Bac Quang key economic region. The economic zone has Hon La deep-water seaport for developing logistics services and international cargo transshipment for the East-West Economic Corridor that is constituted by Myanmar, Thailand, Laos and Vietnam. Lying on the National Highway 1A, it has a convenient traffic connectivity to water and ground transport modes.

Cha Lo Border Gate Economic Zone is an economic and urban center in the west of the province, connected to National Highway 12A, the economic corridor along Ho Chi Minh Road and Hon La Economic Zone. This is a cargo transshipment, import and export hub and a service center of the province with Laos and Thailand. The economic zone is well linked with its peers in the region such as Lao Bao Border Gate Economic Zone (Quang Tri province) and Cau Treo Border Gate Economic Zone and Vung Ang Economic Zone (Ha Tinh province).

Quang Binh also has eight industrial parks covering more than 2,000 ha. The industrial zones are located near to input supply sources, North-South traffic routes for easy commodity transport and distribution.

By the end of 2020, Quang Binh province-based economic

and industrial zones attracted 150 projects with a total investment of nearly VND58 trillion (US\$2.5 billion), including three foreign direct investment (FDI) projects with a total registered capital of US\$18.2 million. In 2020, despite the raging Covid-19 pandemic, local businesses had suitable solutions to run their business well. They made a total revenue of VND1,270 billion and employed nearly 5,000 employees, each of whom is paid VND6-7 million per month on average.

Creating a new posture and growth driver

In the 2016 - 2020 period, tenants in economic and industrial zones created production value of VND14,935 billion (US\$650 million) and cargo export value of VND7,718 billion (US\$335 million). Cargo throughput at Hon La Port reached 6,596 tons and trade value across Cha Lo International Border Gate was US\$9.15 billion, an increase of 60%, the highest growth among border gates between Vietnam and Laos. Tenants in economic and industrial zones helped generate the driving force for economic growth in Quang Binh province.

However, compared with other localities in the country, the growth rate of economic zones in Quang Binh province did not come up to expectations. In order to motivate the development of local economic zones, in July 2029, the Quang Binh Provincial Party Committee issued Resolution 07-NQ-TU on fostering the development of Hon La and Cha Lo economic zones in line with National Highway 12A Economic Corridor to 2025, with a vision to 2030. On that basis, the Provincial People's Committee issued Decision 1919/QĐ-UBND to implement Resolution 07-NQ/TU to build Hon La into a

general economic zone where industrial zones are attached to the sea, tourist areas are associated with unique tourism products, ports and non-tariff areas are associated with Hon La Port and urban residential areas; build Cha Lo Economic Zone into an economic and urban center in the west of the province, an international

transshipment hub for Vietnam, Laos, Myanmar and Thailand through Cha Lo Border Gate; develop inter-regional economic and trade exchanges along the economic axis from Cha Lo Border Gate to the sea through National Highway 12A and Hon La Port to reach countries in the region and around the world. The promulgation and implementation of these guidelines will add new motivations for local economic zones to develop adequately in the coming time.

Diversifying investment resources in infrastructure development

In recent years, Quang Binh province has mobilized central and local funds for building and upgrading synchronous infrastructure in economic and industrial zones.

Particularly, the province has given priority to essential facilities like traffic, water supply and drainage, power supply, cargo transshipment area, border gate system to attract more investors to the province and boost trade across border gates. The Economic Zones Authority has also directed economic zone infrastructure developers to regularly maintain infrastructure systems in economic and industrial zones; regularly monitor and promptly solve infrastructure problems of tenants in economic and industrial zones.

Economic and industrial zones have focused on providing clean water and ensuring electricity and lighting systems for production and business, ensuring environmental sanitation, taking care of flower gardens and ornamental plants to create a green, clean and beautiful environment; strengthened inspection and protection of landscape and traffic infrastructure into construction units in economic and industrial zones; coordinated with relevant agencies to ensure security, order, safety and environment in economic and industrial zones.

In 2021 - 2025, Quang Binh will prioritize the investment fund for technical infrastructure projects in economic zones, including traffic system and resettlement areas in Hon La Economic Zone, internal roads in Cha Lo Economic Zone, commercial, service and urban residential clusters along National Highway 12A, such as Bai Dinh cargo transit and logistics service zone and Hoa Tien urban area.

The province will also continue to implement consistent solutions to strongly improve the investment environment, adopt policies to encourage and incentivize investment projects, and propose that the Government exempt and reduce taxes at a reasonable level and in a suitable time for priority



VCCI and Quang Binh Provincial Economic Zones Authority organize a conference to introduce industrial parks and economic zones of the province

industries and services. By taking advantage of all resources, especially private funding, the Quang Binh Economic Zones Authority will actively call for infrastructure investors, with priority given to water supply, water drainage, environmental sanitation and synchronous traffic connectivity with the external infrastructure;

apply public-private partnership (PPP) investment form to step by step modernize sustainable technical infrastructure in economic and industrial zones.

In addition, Quang Binh will focus on calling capable investors with large-scale modern projects for Hon La and Cha Lo economic zones.

Stepping up administrative reform

In order to create favorable conditions for investors, the Economic Zones Authority has concentrated on boosting administrative procedure reform; reviewed and advised the Provincial People's Committee to reduce administrative procedures; improved the attentive and enthusiastic service of employees to investors. The authority has been always highly appreciated by the Provincial People's Committee for strong administrative reform.

Currently, the authority has built up a database and updated information on investment laws; sought information about potential investors to entice them to the province; connected and recommended domestic and foreign partners about investment projects in economic and industrial zones; and upgraded the website with updated information, reports and topics on potential strengths in local economic and industrial zones.

The agency has also encouraged existing investors to recommend new ones, launched domestic and overseas investment promotion to draw capable investors; and closely coordinated with relevant bodies to assist investors to carry out investment procedures from establishment to operation.





Hon La Economic Zone

Covering 10,000 ha (8,900 ha of land and 1,100 ha of sea water) in Quang Trach district, Hon La Economic Zone is a key development hub of supporting industries under the Southern Ha Tinh - Northern Quang Binh Plan.

It consists of two main areas:

- Tariff area consists of three planned industrial parks (Hon La Seaport Industrial Park, Hon La II Industrial Park and Western Gate Industrial Park), port and port logistics service area, urban residential area, tourism service zone and administrative area, designed for supporting industries, power production, shipbuilding, cement production, glass manufacturing and other supporting industries.

- Non tariff area: Calling for service development investment in the planned area (40 ha). The business performance of the non-tariff area will be associated with the effective investment and efficient operation of Hon La Port designed to link with National Highway 1A, National Highway 12A, Cha Lo International Border Gate, Cau Treo Border Gate and Lao Bao Border Gate form an important gateway to the East Sea for Southern Laos, Northeastern Thailand and the Mekong sub-region.

Cha Lo Border Gate Economic Zone

Located in Minh Hoa district with a total natural area of 53,923 ha.

One of nine key border economic zones invested by the Government in the 2016-2020 period;

An economic and urban center in the west of the province, a transshipment hub, an import-export center for goods and services in Central Laos, Northeast Thailand and the Mekong Sub-region.

Cha Lo International Border Gate is the largest of its kind between Vietnam and Laos, with a total export, import and transit value of US\$1.2 billion in 2020 (US\$1.5 billion in 2019).

The transit time to export and import ports of central Vietnam is 3-5 hours.

- The distance from Cha Lo Economic Zone to:

+ Hon La Port and Vung Ang Port (Ha Tinh): 145 km

+ Lao Bao Border Gate (Quang Tri province): 320 km

+ Da Nang Port: 430 km

- The distance from Hon La Economic Zone to:

+ Vung Ang Port (Ha Tinh): 36 km

+ Lao Bao Border Gate (Quang Tri province): 230 km

+ Da Nang Port: 340 km

No.	Industrial Park	Location	Planned area (ha)	Active tenants	Rentable area to date (ha)	Infrastructure
1	Tay Bac Dong Hoi IP	Dong Hoi City	66.32	18	0	Basically completed
2	Bac Dong Hoi IP		105	31	0	Basically completed
3	Hon La Port IP	Hon La EZ, Quang Trach District	110	18	1,2	Basically completed
4	Hon La II IP		177	4	102.76	Detailed plan approved. Waiting for infrastructure construction investment
5	Tay Bac Quan Hau IP	Quang Ninh District	300	5	133.4	Detailed plan for Phase 1 approved: 198 ha. Calling for infrastructure construction investment.
6	Cam Lien IP	Le Thuy District	450	5	437,84	Detailed plan for Phase 1 approved: 250 ha. Calling for infrastructure construction investment
7	Bang IP		450	1	424	Detailed plan for Phase 1 approved: 135 ha. Calling for infrastructure construction investment
8	Western Gate IP	Hon La EZ, Quang Trach District	122	-	72.6	Detailed plan approved. Calling for infrastructure construction investment

LIST OF PROJECTS SEEKING INVESTMENT FUNDS IN QUANG BINH PROVINCE IN 2021-2023

NO.	PROJECT	LOCATION	LAND FUND	OBJECTIVES	INVESTMENT CAPITAL	INVESTMENT MODE	CONTACT
A AGRICULTURE: 16 PROJECTS							
1	Fruit tree growing in Le Thuy district	Communes: Thanh Thuy/Hong Thuy/Cam Thuy/Sen Thuy/Ngu Thuy Bac in Le Thuy district. Convenient traffic connectivity, near National Highway 1A, about 50 km from Dong Hoi City.	350 ha	Apply high technology to cultivation and processing, meet domestic consumption and export demand. The investor can propose an appropriate project scale that matches the general planning and its demand	2 billion VND/ha	100% investor funds	Department of Planning and Investment
2	High-quality breeding pig and porker development project in Le Thuy district	Khe Giua, Phu Lam in Le Thuy district. Land is owned by Long Dai Forestry and Industry Co.,Ltd. Convenient traffic connectivity, near Ho Chi Minh Road, 50 km from Dong Hoi City.	100-200 ha	Apply high technology to breeding pig and pork farming to enable farmers to develop production and provide organic food sources for consumers	10 billion VND/ha	100% investor funds/Joint venture	Department of Planning and Investment
3	Planting medicinal plants under the forest canopy together with developing community-based ecotourism in Kim Thuy commune, Le Thuy district	Dong Chau Khe Nuoc Nature Reserve in Kim Thuy, Le Thuy district. Convenient traffic connectivity, near Ho Chi Minh Road, 60 km from Dong Hoi City.	100-200 ha	Plant medicinal plants under the forest canopy combined with ecotourism development to conserve and promote natural forest values	1 billion VND/ha	Joint venture	Department of Planning and Investment
4	Planting medicinal plants under the forest canopy together with developing community-based ecotourism in Ngan Thuy, Le Thuy district	Ngan Thuy commune, Le Thuy district. Land is administered by Le Ninh Joint Stock Company. Convenient traffic connectivity, near Ho Chi Minh Road, 55 km from Dong Hoi City.	200 ha	Plant medicinal plants under the forest canopy combined with ecotourism development to conserve and promote natural forest values	1 billion VND/ha	100% investor funds/Joint venture	Department of Planning and Investment
5	Planting medicinal plants under the forest canopy together with developing community-based ecotourism in Phu Lam, Khe Giua and Truong Son	Phu Lam/Khe Giua/Truong Son in Le Thuy/Quang Ninh districts administered by Long Dai Forestry and Industry Co.,Ltd. Convenient traffic connectivity.	40,000 ha	Plant medicinal plants under the forest canopy combined with ecotourism development to conserve and promote natural forest values	1 billion VND/ha	100% investor funds/Joint venture	Department of Planning and Investment
6	Producing and processing organic rice	Production areas in An Thuy/Phong Thuy/Loc Thuy communes in Le Thuy district; and in An Ninh/Van Ninh communes in Quang Ninh district. Processing plants in industrial parks in the province. Convenient traffic connectivity, 50 km from Dong Hoi City.	100-150 ha	At the discretion of the investor	Input cost: 20 million/ha. Factory: 100 billion VND	100% investor funds	Department of Planning and Investment
7	Planting and processing medicinal plants and fruit trees in Quang Ninh district	Hai Ninh/Gia Ninh communes in Quang Ninh district (including areas in wind farms). Convenient traffic connectivity, 10 km from National Highway 1A, 30 km from Dong Hoi City.	150 ha	Apply high technology to cultivation and processing, meet domestic consumption and export demand. The investor can propose an appropriate project scale that matches the general planning and its demand	2 billion VND/ha	100% investor funds	Department of Planning and Investment
8	High-tech agricultural park combined with commercial agricultural supply chain	Northwest of Dong Hoi City. Land is managed by Long Dai Forestry and Industry Co.,Ltd. Convenient traffic connectivity, 10 km from the heart of Dong Hoi City	50-100 ha	Apply high technology to cultivation and processing, meet domestic consumption and export demand. The investor can propose an appropriate project scale that matches the general planning and its demand	5 billion VND/ha	100% investor funds	Department of Planning and Investment



9	Planting medicinal plants under the forest canopy together with developing community-based ecotourism in Hung Trach commune, Bo Trach district	Rao Ma, Hung Trach commune, Bo Trach district. Land is administered by North Quang Binh Forestry and Industry Co., Ltd. Convenient traffic connectivity, 10 km from National Highway 16 about 40 km from Dong Hoi City.	300 ha	Plant medicinal plants under the forest canopy combined with ecotourism development to conserve and promote natural forest values	1 billion VND/ha	Joint venture	Department of Planning and Investment
10	Planting and processing medicinal plants and fruit trees in Bo Trach district	Tay Trach commune, Bo Trach district. Convenient traffic connectivity, 10 km from National Highway 1A, 25 km from Dong Hoi City.	150 ha	Apply high technology to cultivation and processing, meet domestic consumption and export demand. The investor can propose an appropriate project scale that matches the general planning and its demand	2 billion VND/ha	100% investor funds	Department of Planning and Investment
11	Developing maritime aquaculture	Sea waters in Quang Dong commune in Quang Trach district. Convenient traffic connectivity, 10 km from Hon La Port, 65 km from Dong Hoi City.	At the discretion of the investor	Promote the strong potential of Quang Binh marine economy to develop highly valued aquaculture	At the discretion of the investor	100% investor funds	Department of Planning and Investment
12	Developing high-quality breeding pig and pork farming development in Quang Trach district	Quang Chau, Quang Trach district. Land is managed by North Quang Binh Forestry and Industry Co., Ltd. Convenient traffic connectivity, 10 km from National Highway 1A, 60 km from Dong Hoi City.	50 ha	Apply high technology to breeding pig and pork farming to enable farmers to develop production and provide organic food sources for consumers	10 billion VND/ha	100% investor funds/Joint venture	Department of Planning and Investment
13	Growing, tending and processing timber	Tuyen Hoa district. Convenient traffic connectivity, 100 km from Dong Hoi City.	11,000 ha	Apply high technology to cultivation and processing, meet domestic consumption and export demand. The investor can propose an appropriate project scale that matches the general planning and its demand	60 million VND/ha	100% investor funds/Joint venture	Department of Planning and Investment
14	Planting and processing medicinal plants and fruit trees in Tuyen Hoa district	Tuyen Hoa district. Convenient traffic connectivity, 100 km from Dong Hoi City.	1,000 ha	Apply high technology to cultivation and processing, meet domestic consumption and export demand. The investor can propose an appropriate project scale that matches the general planning and its demand	2 billion VND/ha	100% investor funds	Department of Planning and Investment
15	Livestock farming and processing zone in Tuyen Hoa district	Nam Hoa/Kim Hoa communes in Tuyen Hoa district. Convenient traffic connectivity, 15 km from National Highway 12A, 100 km from Dong Hoi City.	100 ha	Apply high technology to livestock farming and processing, meet domestic consumption and export demand. The investor can propose an appropriate project scale.	2 billion VND/ha	100% investor funds	Department of Planning and Investment
16	Planting and processing medicinal plants and fruit trees in Minh Hoa district	Trung Hoa commune in Minh Hoa district. Convenient traffic connectivity, 15 km from Ho Chi Minh Road, 120 km from Dong Hoi City	200 ha	Apply high technology to cultivation and processing, meet domestic consumption and export demand. The investor can propose an appropriate project scale that matches the general planning and its demand	2 billion VND/ha	100% investor funds	Department of Planning and Investment
B	INDUSTRY - ENERGY - TRADE: 22 PROJECTS						
I	INDUSTRY: 14 PROJECTS						
1	High-quality poultry and cattle meat processing factories	Cam Thuy commune in Le Thuy district. Industrial zones: Bang/Cam Lien/Tay Bac Quan Hau/Western Gate of Hon La Economic Zone/Expanded Hon La Seaport. Convenient traffic connectivity.	5 ha/factory	Build environmentally friendly modern livestock and fowl meat processing factories	200-500 billion VND	100% investor funds	Department of Planning and Investment

2	Energy-saving lighting equipment manufacturing factories	Industrial zones: Bang/Cam Lien/Tay Bac Quan Hau/Western Gate of Hon La Economic Zone/Expanded Hon La Seaport. Convenient traffic connectivity.	20-25 ha	The investor can propose an appropriate project scale.	500-1.000 billion VND	100% investor funds	Economic Zones Authority
3	Auto parts manufacturing and assembling factories	Industrial zones: Bang/Cam Lien/Tay Bac Quan Hau/Western Gate of Hon La Economic Zone/Expanded Hon La Seaport. Convenient traffic connectivity.	50 ha	Capacity: 50,000 vehicles/year	2.000 billion VND	100% investor funds	Economic Zones Authority
4	Flooring board or MDF board production factories	Industrial zones: Bang/Cam Lien/Tay Bac Quan Hau/Western Gate of Hon La Economic Zone/Expanded Hon La Seaport. Convenient traffic connectivity.	5-10 ha	Capacity: 150,000 m ³ /year	500,2.000 billion VND	100% investor funds	Economic Zones Authority
5	Beverages breweries	Industrial zones: Bang/Cam Lien/Tay Bac Quan Hau/Western Gate of Hon La Economic Zone/Expanded Hon La Seaport. Convenient traffic connectivity.	20 ha	Capacity: 50 -100 million liters/year	600-800 billion VND	100% investor funds	Economic Zones Authority
6	Agro-processing factories for export	An Ninh/Van Ninh communes in Quang Ninh district. Industrial zones: Bang/Cam Lien/Tay Bac Quan Hau/Western Gate of Hon La Economic Zone/Expanded Hon La Seaport. Convenient traffic connectivity.	6-10 ha/factory	Capacity: 3,000-5,000 tons/factory/year	200-500 billion VND	100% investor funds	Department of Planning and Investment
7	Wood and forest product processing factories	An Ninh commune, Quang Ninh district and Huong Hoa, Tuyen Hoa district. Economic and industrial zones in the province	4 ha/factory	Capacity: From 3-5 million tons of products/year	100 billion VND	100% investor funds	Department of Planning and Investment
8	Export apparel factories	Gia Ninh commune, Quang Ninh district and Quang Phong/Quang Luu/Quang Tien/Quang Hung communes in Quang Trach district. Convenient traffic connectivity.	5-6 ha/factory	Capacity: 3-4 million products/factory/year	200-500 billion VND	100% investor funds	Department of Planning and Investment, Department of Industry and Trade
9	Wood and forest product processing factory upgrading	The branch of Dong Hoi Forest Product Processing and General Trading Company in Dong Son, Dong Hoi City, administered by Long Dai Forestry and Industry Co.,Ltd /Phu Quy Wood Processing Factory of Viet Trung Joint Stock Company in Tay Bac Dong Hoi Industrial Park/the wood processing factory of Le Ninh Joint Stock Company in Le Ninh Farm, Le Thuy district. Convenient traffic connectivity.	4 ha/factory	Invest and upgrade modern high-tech wood processing factories	100 billion VND	Joint venture	Department of Agriculture and Rural Development, Economic Zones Authority
10	Electrical, electronic, telecom and industrial appliances manufacturing and assembling factories	Industrial zones: Bang/Cam Lien/Tay Bac Quan Hau/Western Gate of Hon La Economic Zone/Expanded Hon La Seaport. Convenient traffic connectivity.	20-25 ha	Capacity: 500,000 products/year	500-1.000 billion VND	100% investor funds	Economic Zones Authority
11	Export seafood processing factories	Hon La Economic Zone. Convenient traffic connectivity, 3 km from National Highway 1A, 60 km from Dong Hoi City	4-5 ha	Capacity: 500-1,000 tons/factory	500-1.000 billion VND	100% investor funds	Economic Zones Authority
12	Gas-fired power plants	Hon La Economic Zone. Convenient traffic connectivity, 3 km from National Highway 1A, 60 km from Dong Hoi City	150 ha	3,000 MW	4 billion USD	100% investor funds	Economic Zones Authority, Department of Industry and Trade
13	Hon La non-tariff area	Hon La Economic Zone. Convenient traffic connectivity, 3 km from National Highway 1A, 60 km from Dong Hoi City	40 ha	According to the approved plan	800 billion VND	100% investor funds	Economic Zones Authority



14	Khe Ve Trade Service Area	Cha Lo Economic Zone. Convenient traffic connectivity, along Ho Chi Minh Road and National Highway 12A, about 120 km from Dong Hoi City	16 ha	According to the approved plan	350 billion VND	100% investor funds	Economic Zones Authority
II ENERGY: 02 PROJECTS							
1	Le Thuy 3 Wind Farm – Phase 3	Sen Thuy/Thai Thuy, Le Thuy district. Convenient access to the traffic system, easy connection into the national grid.	30 ha	Capacity: 100 MW	3,600 billion VND	100% investor funds	Department of Industry and Trade
2	Le Thuy 4 Wind Farm	Hoa Thuy/An Thuy/Loc Thuy communes, Le Thuy district. Convenient access to the traffic system, easy connection into the national grid.	15 ha	Capacity: 50 MW	1,800 billion VND	100% investor funds	Department of Industry and Trade
III TRADE: 06 PROJECTS							
1	Mai Market	Hung Thuy commune, Le Thuy district. Convenient traffic connectivity, with National Highway 1A passing, 60 km from Dong Hoi City.	0.6 ha	Invest and operate a southern wholesale market for the district. 200-400 business booths	50 billion VND	100% investor funds	Le Thuy District People's Committee
2	Xuan Son Tourist Market	Son Trach commune, Bo Trach district. Convenient traffic connectivity, with National Highway 16 passing, 50 km from Dong Hoi City	2.8 ha	Build Xuan Son tourist market into a modern mall, ensure environment and landscape for Phong Nha tourist urban center	120 billion VND	100% investor funds	Department of Planning and Investment
3	Smart trade center and entertainment center for tourists in Phong Nha - Ke Bang	Son Trach commune, Bo Trach district. Convenient traffic connectivity, beautiful landscape, 1 km from Ho Chi Minh Road, 45 km from Dong Hoi City	3-5 ha	Serve the shopping and entertainment needs of people and tourists visiting and traveling in Phong Nha - Ke Bang National Park	250 billion VND	100% investor funds	Department of Planning and Investment
4	Ba Don trade, hotel and luxury apartment center	Ba Don ward, Ba don town. Convenient traffic connectivity, 1 km from National Highway 12A, 2.7 km from National Highway 1A, 45 km from Dong Hoi City	3 ha	5-star trade center, hotel and apartment	500 billion VND	100% investor funds	Department of Planning and Investment
5	Central market of Quang Trach district	Quang Trach district. Convenient traffic connectivity, 3 km from National Highway 1A, 50 km from Dong Hoi City	5.5 ha	Build a wholesale market and a trade center in the district center. The investor can propose an appropriate project scale that matches the approved general planning.	140 billion VND	100% investor funds	Department of Planning and Investment, Department of Industry and Trade
6	Trade and public service centers in Quang Trach district	Quang Trach district. Convenient traffic connectivity, 3 km from National Highway 1A, 50 km from Dong Hoi City	12.91 ha/ 8 points of service	Meet commodity exchange demands in Quang Trach district. The investor can propose an appropriate project scale that matches its needs and the approved general planning.	50 billion VND	100% investor funds	Department of Planning and Investment, Department of Industry and Trade
C TOURISM: 12 PROJECTS							
1	Bau Sen ecological resort complex in Le Thuy	Sen Thuy commune, Le Thuy district. Convenient traffic connectivity, beautiful landscape. Near to National Highway 1A, 50 km from Dong Hoi City	280 ha	4-5-star hotel and resort. The investor can propose an appropriate project scale that matches its needs	30 billion VND/ha	100% investor funds	Department of Planning and Investment
2	Tan Hoa coastal ecological resort complex in Le Thuy	Ngu Thuy Bac commune, Le Thuy district. Convenient traffic connectivity, beautiful landscape. 3 km from National Highway 1A, 45 km from Dong Hoi City	50 ha	3-5-star hotel and resort. The investor can propose an appropriate project scale that matches its needs.	30 billion VND/ha	100% investor funds	Department of Planning and Investment
3	Tourist route along Kien Giang - An Ma river	Truong Thuy/My Thuy/Mai Thuy/Xuan Thuy/Lien Thuy/Phong Thuy/Loc Thuy/An Thuy communes and Kien Giang town, Le Thuy district. Convenient traffic connectivity, 10 km from National Highway 1A, beautiful landscape, 50 km from Dong Hoi City	26 km	Items: Tourist boats, marina and support services along Kien Giang River, tap the potential of spiritual tourism combined with ecotourism	50-100 billion VND	100% investor funds	Department of Planning and Investment, Department of Tourism

4	Pha Hác Hai ecological resort complex in Quang Ninh	Tan Ninh/Gia Ninh/Van Ninh communes, Quang Ninh district. Convenient traffic connectivity, beautiful landscape. 2 km from National Highway 1A, 15 km from Dong Hoi City	200 ha	4-5-star hotel and resort. The investor can propose an appropriate project scale that matches its needs.	15 billion VND/ha	100% investor funds	Department of Planning and Investment
5	Phuc Trach ecological resort complex in Bo Trach	Phuc Trach, Bo Trach district. Convenient traffic connectivity, beautiful landscape. Near to western Ho Chi Minh Road, 60 km from Dong Hoi City	50 ha	4-5-star hotel and resort. The investor can propose an appropriate project scale that matches its needs.	30 billion VND/ha	100% investor funds	Department of Planning and Investment
6	Phong Nha ecological resort complex	Son Trach commune, Bo Trach district. Convenient traffic connectivity, beautiful landscape. 1 km from Ho Chi Minh Road, 45 km from Dong Hoi City	185 ha	3-5-star hotel and resort. The investor can propose an appropriate project scale that matches its needs.	30 billion VND/ha	100% investor funds	Department of Planning and Investment, Department of Construction
7	Quang Tho coastal hotel and trade center	Quang Tho Ward, Ba Don Town. Convenient traffic connectivity, beautiful landscape. Lying on the road linking National Highway 1A with the East Sea, 1 km from National Highway 1A, 45 km from Dong Hoi City	2.8 ha	3-5-star hotel and resort	50 billion VND/ha	100% investor funds	Department of Planning and Investment
8	Quang Tho coastal resort	Quang Tho Ward, Ba Don Town. Convenient traffic connectivity, 1.5 km from National Highway 1A, 45 km from Dong Hoi City	24 ha	4-5-star hotel and resort. The investor can propose an appropriate project scale that matches its needs.	50 billion VND/ha	100% investor funds	Department of Planning and Investment
9	Suoi Tam ecological resort, Quang Kim commune	Quang Kim commune, Quang Trach district. Convenient traffic connectivity, 10 km from National Highway 1A, 70 km from Dong Hoi City	10 ha	Develop tourism infrastructure, basically maintain natural forests, protective forests and environmental protection. The investor can propose an appropriate project scale that matches its needs and the approved general planning.	15 billion VND/ha	100% investor funds	Department of Planning and Investment, Department of Agriculture and Rural Development
10	Tourist route along the Gianh River, combined with sightseeing white-nosed langurs on limestone mountains in Tuyen Hoa district	Dong Hoa/Thạch Hoa communes, Tuyen Hoa district. Convenient traffic connectivity, 10 km from National Highway 12A, 90 km from Dong Hoi City	100 ha	Items: Tourist boats, marina and support services along Gianh River, visit and watch white-nosed black langurs on limestone mountains in Tuyen Hoa district	500 billion VND	100% investor funds	Department of Planning and Investment
11	Ngu Hoa hot-spring ecological resort	Ngu Hoa commune, Tuyen Hoa district. Convenient traffic connectivity, 15 km from National Highway 12A, 90 km from Dong Hoi City	30 ha	3-5-star hotel and resort. The investor can propose an appropriate project scale that matches its needs.	15 billion VND/ha	100% investor funds	Department of Planning and Investment
12	Thac But - Minh Hoa ecological resort complex	Yen Hoa commune, Minh Hoa district. Convenient traffic connectivity, beautiful landscape. Near to National Highway 2A, 100 km from Dong Hoi City	100 ha	3-5-star hotel and resort. The investor can propose an appropriate project scale that matches its needs.	15 billion VND/ha	100% investor funds	Department of Planning and Investment
D	INFRASTRUCTURE DEVELOPMENT: 12 PROJECTS						
I	INFRASTRUCTURE IN INDUSTRIAL PARKS: 4 PROJECTS						
1	Building the infrastructure for Bang Industrial Park	Phu Thuy/Mai Thuy communes, Le Thuy district. Convenient traffic connectivity, lying on Provincial Road 16, 10 km from National Highway 1A, 60 km from Dong Hoi City	450 ha	According to the approved plan	4,000 billion VND	100% investor funds	Economic Zones Authority
2	Building the infrastructure for Tay Bac Quan Hau Industrial Park	Luong Ninh/Vinh Ninh communes Quan Hau Town, Quang Ninh district. Convenient traffic connectivity, near to National Highway 1A and Ho Chi Minh Road, 7 km from Dong Hoi City.	300 ha	According to the approved plan	2,500 billion VND	100% investor funds	Economic Zones Authority



3	Building the infrastructure for Hon La 2 Industrial Park	Quang Phu commune, Quang Trach district. Convenient traffic connectivity (near to Hon La Seaport), near to National Highway 1A, 60 km from Dong Hoi City.	177.1 ha	According to the approved plan	1,800 billion VND	100% investor funds	Economic Zones Authority
4	Building the infrastructure for Hon La 2 Industrial Park the Western Gate Industrial Park of Hon La Economic Zone	Quang Hung/Quang Tung communes, Quang Trach district (near to Hon La Seaport). Convenient traffic connectivity, lying along Provincial Road 22, 60 km from Dong Hoi City	122 ha	According to the approved plan	1,500 billion VND	100% investor funds	Economic Zones Authority
II SOCIOECONOMIC INFRASTRUCTURE: 8 PROJECTS							
1	Central Park of Dong Hoi City	Dong Phu Ward, Dong Hoi City. Convenient traffic connectivity, Dong Hoi City	35 ha	Complete infrastructure construction for entertainment and service areas according to the approved planning, serve the demand of residents and tourists in Dong Hoi City	150 billion VND	100% investor funds	Department of Planning and Investment, Department of Construction
2	Research and Training Center	Bao Ninh commune, Dong Hoi City. Convenient traffic connectivity, Dong Hoi City	20 ha	Build high-quality research and training areas. The investor can propose an appropriate project scale that matches its needs.	20 billion VND/ha	100% investor funds	Department of Planning and Investment, Department of Construction
3	Quang Binh Sports Center	Loc Ninh commune, Dong Hoi City. Convenient traffic connectivity, Dong Hoi City	44 ha	Build a sports center according to the approved planning to meet people's needs in Dong Hoi City and Quang Binh province. The investor can propose an appropriate project scale that matches its needs.	440 billion VND	100% investor funds	Department of Planning and Investment, Department of Construction
4	Ba Don South Hospital	Quang Thuy commune, Ba Don Town. Convenient traffic connectivity, 9 km from National Highway 12A, 20 km from National Highway 1A and 60 km from Dong Hoi City	3,3 ha	Build a general hospital to serve people in Ba Don Town. Scale: 100 beds.	100 billion VND	100% investor funds	Department of Planning and Investment
5	Kindergartens, primary schools and secondary schools in Quang Trach district	Quang Trach district. Convenient traffic connectivity, 3 km from National Highway 1A, 50 km from Dong Hoi City	8.93 ha/9 schools.	Meet study demand in the district. The investor can propose an appropriate project scale that matches its needs and the approved general planning.	100 billion VND	100% investor funds	Department of Planning and Investment, Department of Education and Training
6	Sports center in Quang Trach district (phase 1)	Quang Trach district. Convenient traffic connectivity, 3 km from National Highway 1A, 50 km from Dong Hoi City	4.99 ha.	Meet gymnastics and fitness needs in the district. The investor can propose an appropriate project scale that matches its needs and the approved general planning.	50 billion VND	100% investor funds	Department of Planning and Investment, Department of Culture and Sports
7	Healthcare facility in Quang Trach district	Quang Trach district. Convenient traffic connectivity, 3 km from National Highway 1A, 50 km from Dong Hoi City	4.43 ha	Meet healthcare demand in the district. The investor can propose an appropriate project scale that matches its needs and the approved general planning.	100 billion VND	100% investor funds	Department of Planning and Investment, Department of Health
8	Central bus station in Quang Trach district	Quang Trach district. Convenient traffic connectivity, 3 km from National Highway 1A, 50 km from Dong Hoi City.	1.03 ha	Meet travelling and transporting demand in the district. The investor can propose an appropriate project scale that matches its needs and the approved general planning.	20 billion VND	100% investor funds	Department of Planning and Investment, Department of Transport



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