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Historic Opportunity to Usher in New Era of Global Development

ASEAN BAC 101, JBC 24:

Advancing Economic and Trade Ties in Southeast Asia





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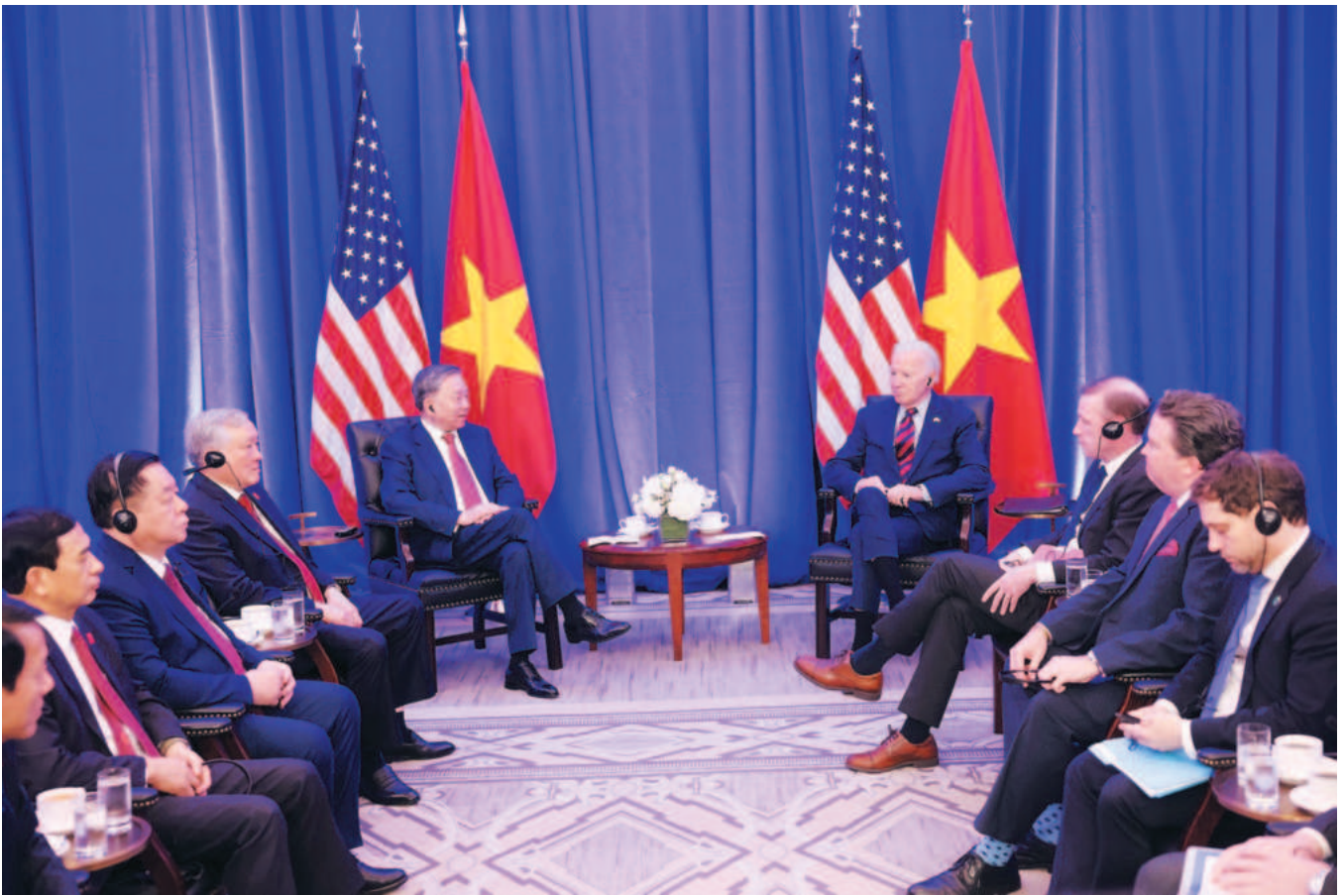
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HISTORIC OPPORTUNITY TO USHER IN NEW ERA OF GLOBAL DEVELOPMENT



General Secretary and President To Lam (L) meets with the United Nations Secretary-General António Guterres

General Secretary and President To Lam, accompanied by his spouse and a high-ranking Vietnamese delegation, successfully concluded their working visit to the United States from September 21 to September 25 (local time). During this trip, they participated in the UN Summit of the Future and the 79th session of the UN General Assembly, engaging in approximately 40 important activities. The visit conveyed the message of a peace-loving Vietnam, with a focus on sustainable development and future.

ANH MAI

This marks General Secretary and President To Lam's first working trip to the United States in his new position, as well as the first time a Vietnamese General Secretary and President has attended high-level meetings at the UN General Assembly.

For a better future

The 79th session of the UN General Assembly held special significance as both the UN and Vietnam approach the 80th anniversary of the UN - the world's largest multilateral

organization - and the 80th anniversary of the Democratic Republic of Vietnam, presenting an opportunity to advance toward a new future and development path for both the UN and the world.

In that context, the UN hosted a series of events during the General Assembly High-level Week, with the focus being the Summit of the Future themed "Multilateral solutions for a better tomorrow" and the General Debate of the UN General Assembly with the overarching theme of "Leaving no one behind: Acting together for the advancement of peace, sustainable development and human dignity for present and future generations", to call for enhanced international cooperation and consolidation of multilateralism where the UN centrality promotes the implementation of common

goals, especially the Sustainable Development Goals.

In his remarks at the Summit of the Future, General Secretary and President To Lam said that in this era of rapid scientific and technological advancements, sustainable development and human interests must be at the forefront and the ultimate goal. He asserted that scientific and technological achievements must drive social progress. They should be human-oriented and promote human emancipation and development, while continuously enhancing the quality of life and ensuring the wellbeing of humanity for generations to come.

He said, at this critical juncture, strengthening solidarity, cooperation, and mutual respect is essential to countries. We must uphold international law and the UN Charter and resolve disputes through peaceful means. Major countries must act responsibly and should share scientific and technological research advancements to foster collective growth. The UN and regional organizations, including ASEAN, must lead in advancing cooperation and coordinating efforts to tackle global challenges and harness opportunities from scientific and technological advancements.

Speaking at the General Debate of the 79th session of the UN General Assembly, attended by 155 heads of state and government of UN member states, along with representatives of international and regional organizations, General Secretary and President To Lam said that the world is undergoing transformative changes of historic significance. Although peace, cooperation and development remain the dominant trends, they are facing new and more serious difficulties and challenges. Strategic competition among major companies is becoming broader, fiercer and more confrontational. Political disputes and conflicts rapidly intensify.

He expressed a desire to share Vietnam's vision for a future that is peaceful, stable, cooperative, prosperous, and sustainable





General Secretary and President To Lam delivers remarks at the UN Summit of the Future

for all. First, as peace and stability are the foundation of a prosperous future, there is a need to promote the observance of international law and the UN Charter by all states. We must tirelessly strengthen solidarity, sincerity and trust among nations, uphold dialogue and eliminate confrontation.

Second, equitable development for every state, community and individual must be ensured amid diverse economic, social and cultural conditions. Every resource must be effectively unleashed, marshaled, and utilized for development according to each country's needs.

Third, smart global governance frameworks with long term

vision for science and technology should be urgently created, particularly emerging technologies such as artificial intelligence. This will ensure we make progress and enjoy the benefits of achievements while actively preventing and repelling threats to peace, sustainable development and humanity.

Fourth, innovative thinking should be adopted to build a transformative and inclusive future, focusing on digital transformation, green transition, and global governance transformation.

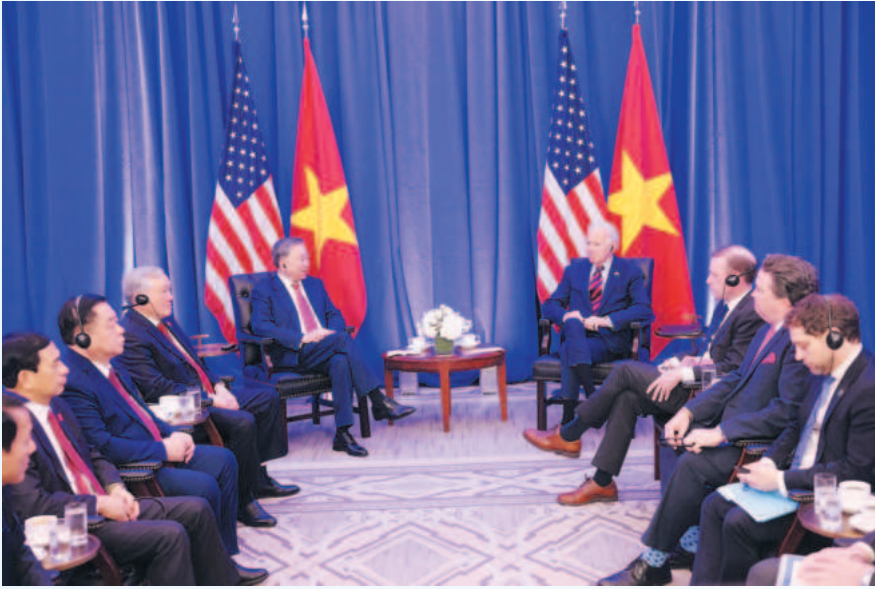
Fifth, people must be placed at the center in delivering on the visions. People should be the center, goal and driver of all policies and actions at all levels. Investment should focus on the holistic development of the youth, enriching their knowledge and culture, grounded in shared values and a sense of responsibility and contribution.



General Secretary and President To Lam witnesses the exchange of the MoU between Petrovietnam and Kellogg Brown & Root during the business roundtable held as part of his participation in the 79th session of the United Nations General Assembly and official meetings in the US

Fostering cooperation and investment between leading US businesses with Vietnam

The working trip to the US by General Secretary and President To Lam concurred the first anniversary of Vietnam-US Comprehensive Strategic Partnership and active preparations for celebratory events for the 30th anniversary of Vietnam-US diplomatic relations establishment in 2025. This was an important occasion for the two sides to review the achievements generated by the new cooperation framework and discuss major approaches and measures to maintain the positive, stable and substantive development momentum of the relationship in the coming years. During the working trip, he had



General Secretary and President To Lam of Vietnam and President Joe Biden of the United States during their meeting in New York on September 25

important bilateral meetings with leaders of the US Government, attended and spoke at celebratory events of the 30th anniversary of Vietnam-US diplomatic relations establishment and the first anniversary of Vietnam-US Comprehensive Strategic Partnership, as well as meetings and working sessions with leading US officials, businesses, experts and scholars.

Notably, General Secretary and President To Lam met with US President Joe Biden. President Biden affirmed that the United States supports a strong, independent, resilient and prosperous Vietnam and continues working to bolster the partnership on the basis of respect for each other's independence, sovereignty, territorial integrity and political institution, making the bilateral ties a model for healing and cooperation for future construction.

Both leaders expressed their delight over the outcomes of the comprehensive strategic partnership after one year of upgrading in accordance with the interests and aspirations of both sides, contributing to maintaining peace, stability, cooperation and development in the region and the world.

To continue maintaining the stable and effective development momentum of the new framework and move toward the 30th anniversary of Vietnam-US diplomatic relations in 2025, the two leaders agreed that the two sides need to work closely to effectively carry out the Vietnam-US Joint Statement in 2023.

During this occasion, General Secretary and President To Lam met with leading US technology companies and investment firms, including Google (former CEO Eric Schmidt), Apple, Meta, Super Micro, Blackstone, Warburg Pincus, AES, Pacifico Energy, and SpaceX.

US businesses highly appreciated Vietnam's priority policies on economic development, especially its commitments to removing institutional obstacles and barriers, and helping businesses overcome difficulties and boost activities. They also discussed cooperation opportunities across many fields where Vietnam has potential and expressed their intent to invest in the country soon. They also believed in the country's economic achievements and pledged to prioritize supporting Vietnam to maintain and ensure its commitments to sustainable development. US firms also hoped that the Vietnamese government will enhance policy facilitation to enable long-term cooperation and investment activities.

General Secretary and President To Lam said that there is considerable potential for bilateral cooperation, fueled by the

internal strengths of both countries and the momentum generated by the US-Vietnam Comprehensive Strategic Partnership. He urged the relevant agencies of both countries to further implement the major policies and directions of the Comprehensive Strategic Partnership, expressing hope that U.S. investors would explore and expand their investments in science and technology, innovation, research and development, green economy, digital economy, circular economy, knowledge economy, chip, semiconductor, artificial intelligence (AI), internet of things (IOT), new energy, renewable energy, finance and financial center, biotechnology, healthcare and other fields.

At the business roundtable organized by the US-ASEAN Business Council (USABC), the US Chamber of Commerce (USCC), and the Business Council for International Understanding (BCIU) in coordination with the Ministry of Planning and Investment and the Embassy of Vietnam in the US, he witnessed the handover ceremony of signed documents between Vietnamese and US businesses, including the cooperation agreement on energy transition and research on energy technology transfer between Vietnam National Oil and Gas Group (PetroVietnam) and Kellogg Brown & Root Inc.; the memorandum of understanding on research and provision of software solutions in electricity and oil and gas sectors between PetroVietnam and GE Digital International LLC; the cooperation agreement on liquefied natural gas (LNG) between PetroVietnam Technical Services Corporation (PTSC) and Excelerate Energy, Inc.; the memorandum of understanding on AI, semiconductor and data center construction in Vietnam between Sovico Group and Supermicro; the cooperation agreement on aviation between Vietjet Aviation Joint Stock Company and Honeywell; the cooperation agreement on natural gas production between Wealth Power Group Vietnam and Eternal Natural Resources Company. ■

According to statistics, the bilateral trade value between Vietnam and the U.S. exceeded US\$110 billion in 2023, marking the third consecutive year above US\$100 billion and reinforcing the U.S. as Vietnam's largest export market. In terms of investment, the U.S. remains one of Vietnam's leading partners, with major American corporations actively investing in the country, while an increasing number of Vietnamese companies are also investing in the U.S.

After one year of implementing the Comprehensive Strategic Partnership (September 10, 2023 - September 10, 2024), the bilateral cooperation has produced many positive achievements. Two-way strategic cooperation across many fields continues to be strengthened through active contacts and delegation exchanges at all levels. Economic, trade, and investment cooperation remain important driving forces in the bilateral relationship. In the first eight months of 2024, bilateral trade value increased by 22% year-on-year, reaching nearly US\$88 billion.



Prime Minister Pham Minh Chinh welcomes the ASEAN Business Advisory Council (ASEAN BAC) delegation

ASEAN BAC 101, JBC 24

ADVANCING ECONOMIC AND TRADE TIES IN SOUTHEAST ASIA

The 101st meeting of the ASEAN Business Advisory Council (ASEAN BAC) and the 24th meeting of the Joint Business Council (JBC) are two important events aimed at advancing economic and trade cooperation in Southeast Asia. Mr. Nguyen Quang Vinh, Chairman of ASEAN BAC Vietnam and Vice President of Vietnam Chamber of Commerce and Industry (VCCI), emphasized that this is a valuable opportunity for business and government leaders to discuss sustainable development strategies, shaping a prosperous future for ASEAN.

HUONG GIANG

What is ASEAN BAC Vietnam's stance on the key topics of this meeting?

ASEAN BAC 2024 is prioritizing Heritage Projects to enhance connectivity and resilience in the region. Vietnam enthusiastically supports the focus on digital transformation as a key driver for economic integration, particularly through proposals for pilot zones and the ASEAN Digital Economy Framework Agreement (DEFA).

Vietnam strongly supports transforming ASEAN into an interconnected digital market, opening new opportunities for businesses. Regarding the green energy transition, Vietnam highly appreciates the discussions on the Carbon Border Adjustment Mechanism (CBAM) and the need for a coordinated policy framework across ASEAN. The country is also ready to support initiatives like the ASEAN Net Zero Center and the ASEAN Carbon Excellence Center, crucial drivers toward a sustainable and environmentally friendly future for the entire region.

Vietnam fully agrees with ASEAN's goal of becoming a "global supply chain powerhouse." Strengthening public-private partnerships, attracting investment in R&D, and enhancing intellectual property protection are essential steps to realize this vision.

This is a timely and crucial moment for ASEAN to assert its position on the global supply chain map.

Additionally, investing in emerging industries has garnered significant attention. Vietnam recognizes the immense potential in sectors such as high-value agriculture, high-tech manufacturing, and the digital economy. Vietnam emphasizes the importance of addressing existing trade and investment barriers within ASEAN to boost intra-regional trade and attract more foreign direct investment.

We believe that by eliminating these barriers, ASEAN can achieve stronger growth, enhance intra-regional trade, and increase the overall

competitiveness of the region.

Why was the Corporate Sustainability Index (CSI) selected as a Heritage Project to enhance connectivity and resilience in ASEAN?

On behalf of ASEAN BAC Vietnam, I presented the Heritage Project: "CSI – For Corporate Sustainable Development," which is the Corporate Sustainability Index. In Vietnam, the CSI is recognized as a valuable tool for supporting sustainable corporate governance, and it has been successfully implemented.

The CSI is recognized by both the business community and the government, having been integrated into recent government policies on corporate sustainable development.

In addition to the general index, which can be applied to all types of businesses, the CSI has been tailored into specific indices for key economic sectors, including fisheries and leather and footwear, with plans to expand to other sectors in the future. This is a successful practical model that can be replicated across ASEAN.

ASEAN BAC members highly value this project and express a desire to collaborate with ASEAN BAC Vietnam to implement it in other ASEAN countries. Through the ASEAN BAC International Secretariat, we will connect with interested countries (initially including Thailand, Indonesia, Cambodia and Singapore) to support them in developing a CSI tailored to each nation's conditions. The "ASEANization" of this CSI will demonstrate Vietnam's leadership role in regional cooperation on sustainable development.

What were Prime Minister Pham Minh Chinh's key directions at the recent ASEAN BAC meeting?

Prime Minister Pham Minh Chinh affirmed Vietnam's continued support, alongside other ASEAN countries, to help Laos successfully organize the 44th-45th ASEAN Summits and related meetings. He emphasized the crucial role of the ASEAN business community in the bloc's development.

Prime Minister Pham Minh Chinh also proposed that ASEAN BAC and ASEAN countries focus on five cooperation



The overview of the 101st meeting of the ASEAN BAC

areas: building institutions and policies, enhancing economic connectivity through infrastructure, mobilizing resources, developing high-quality human resources, and building and managing smart, modern, and innovative enterprises.

In the face of global challenges, including the long-term impacts of the COVID-19 pandemic, geopolitical conflicts, strategic competition and non-traditional security challenges such as climate change, natural disasters, pandemics, aging populations and resource depletion, ASEAN has demonstrated resilience, flexibility and proactive adaptation. This has allowed the region to maintain growth and continue playing a crucial role in the global supply chain. The ASEAN economy remains on a solid and positive trajectory, with an estimated economic growth of 4.6% in 2024, continuing to be a bright spot in the global economic landscape.

Prime Minister Pham Minh Chinh highlighted that the key to this success lies in the crucial role of the business community. ASEAN governments have always regarded businesses as the backbone of the ASEAN economy and the foundation for long-term and sustainable growth in the region. With their role as enablers, ASEAN governments continue to support and create the best conditions for the business community.

During this meeting, ASEAN BAC Chairman Oudet Souvannavong and the ASEAN BAC Chairs from other countries extended their condolences to Vietnam for the losses caused by recent Typhoon Yagi and flooding. In response to an initiative by ASEAN BAC Vietnam, supported by other ASEAN BAC members, the Council pledged a donation of US\$50,000 to assist Vietnam in overcoming these disasters. ■

Prime Minister to Meet with Vietnamese Entrepreneurs on October 13

Prime Minister Pham Minh Chinh will convene with Vietnamese entrepreneurs and business associations in celebration of the 20th anniversary of Vietnamese Entrepreneurs' Day (October 13, 2024). This gathering is scheduled for 8:00 a.m. on Friday, October 4, 2024, at the Government headquarters.

According to the Government Office, Prime Minister Pham Minh Chinh has approved the proposal from the Vietnam Chamber of Commerce and Industry (VCCI) to hold a session between the Government Standing Committee and entrepreneurs, emphasizing the important role the Vietnamese

business community on this occasion.

This meeting represents an important opportunity for entrepreneurs in Vietnam, as the meeting underscores the Government's commitment to recognizing and supporting their contributions to national innovation and development. The gathering aims to reinforce the goal of fostering a prosperous and developed country.

During the meeting, the Government Standing Committee and representatives from many ministries and agencies will engage with business leaders to discuss the current landscape of entrepreneurship in Vietnam. They will also explore proposed solutions for enhancing institutional frameworks to unlock resources and stimulate enterprise development. ■

Promoting Vietnam-New Zealand Cooperation

The discussion between the Vietnam Chamber of Commerce and Industry (VCCI) and the ASEAN New Zealand Business Council highlighted opportunities for trade, investment and sustainability cooperation. Both sides are committed to strengthening relations and promoting green practice.

GIANG TU



VCCI Vice President Nguyen Quang Vinh presents a gift to Elizabeth Bell, Executive Director of the ASEAN New Zealand Business Council

On September 18, ASEAN New Zealand Business Council Executive Director Elizabeth Bell met with VCCI Vice President Nguyen Quang Vinh to discuss cooperation areas between Vietnam and New Zealand, along with broader ASEAN initiatives.

He expressed his appreciation for the support between ASEAN member countries, especially the role of Vietnam in hosting events like the 101st meeting of the ASEAN Business Advisory Council (ASEAN BAC) held in Hanoi. He emphasized the importance of cooperation in supporting Laos, particularly in sharing hosting responsibilities during its ASEAN chairmanship.

“Our full agenda reflects the close collaboration among ASEAN countries. The meeting covered such topics as the legacy project on connectivity, supply chain transformation and corporate sustainability,” said Vinh. He further highlighted the Corporate Sustainability Index (CSI), a Vietnam-led initiative being implemented across ASEAN countries, including Thailand, Singapore and Indonesia. The focus on sustainable business practices and green

transformation is a significant legacy project for Vietnam and ASEAN.

The discussion highlighted the role of ASEAN BAC in providing recommendations to ASEAN leaders. Vinh mentioned the comprehensive report presented at the recent ASEAN Economic Ministers Meeting in Luang Prabang, Laos, detailing the contributions of ASEAN businesses to regional economic development.

Elizabeth Bell acknowledged the long-standing relationship between the ASEAN New Zealand Business Council and ASEAN BAC for the past 11 years. She highlighted the relevance of priority sectors like digital transformation and renewable energy for both New Zealand and Vietnam, adding that New Zealand has been actively involved in ASEAN-backed projects, including funding research on the ASEAN Single Window to promote trade facilitation through digital solutions.

She emphasized the opportunities for New Zealand businesses in Vietnam, especially in the renewable energy sector. “There is a growing interest in renewable energy projects, such as offshore gas fields and wind farms in southern Vietnam. New Zealand companies are keen to collaborate in this space,” said Bell.

Bell also discussed New Zealand’s contributions to the digital transformation in ASEAN and expressed interest in further strengthening trade relations between Vietnam and New Zealand. With the 50th anniversary of diplomatic relations between the two countries in 2025, she highlighted plans to bring a delegation of New Zealand business leaders to Vietnam as part of the celebrations.

Vinh welcomed this initiative and emphasized VCCI’s readiness to collaborate on organizing workshops and seminars to promote business activities between the two nations. He expressed optimism about the future of trade and investment relations between Vietnam and New Zealand, noting the strong political trust and growing economic ties. ■

Strengthening Vietnam-Argentina Business Ties in Agriculture and Industry



VCCI General Secretary Tran Thi Lan Anh receives the delegation from the Argentine Ministry of Economy

General Secretary of Vietnam Chamber of Commerce and Industry (VCCI) Tran Thi Lan Anh recently hosted a meeting with a delegation from the Argentine Ministry of Economy, led by Mr. Augustín Tejada Rodriguez, Undersecretary of Agri-Food Markets and International Integration. The delegation included Argentine Ambassador to Vietnam Marcos Antonio Bednarski and other representatives from the Ministry of Economy and the Argentine Embassy in Vietnam.

ANH MAI

At the meeting, Ms. Tran Thi Lan Anh highly appreciated the strategic partnership with Argentina and emphasized the importance of deepening Vietnam-Argentina Comprehensive Partnership. During 51 years of diplomatic relations (1973-2024), Vietnam-Argentina friendship and cooperation have been continuously strengthened and

developed in all fields. Vietnam is the 6th largest trading partner and the 5th largest export market of Argentina in the world. Argentina is Vietnam's second-largest trading partner in Latin America, following Brazil. Vietnam is a key partner in Argentina's South-South cooperation in Southeast Asia.

Undersecretary Augustín Tejada Rodriguez highly appreciated the close cooperation between the two countries, adding that Argentina is the third largest economy in Latin America, with a gross domestic product (GDP) of about US\$640 billion and

an export value of US\$87 billion. Argentina's agro-industrial sector accounts for 15-17% of GDP, 64% of exports and 15% of total employment.

"Argentina is implementing many programs and policies to boost agro-industrial investment, production and exports. These include streamlining procedures to reduce bureaucracy, cutting taxes to enhance producer profits, and adopting a flexible monitoring system to maintain high quality and health standards. Additionally, the country is leveraging innovations in biotechnology and agricultural technology to significantly improve productivity and competitiveness," he noted.

Vietnam is one of Argentina's main trading partners, the fourth largest agricultural and industrial export destination with US\$3.2 billion for 8.9 million tons of commodities, he added. From 2007 to 2022, Argentina's exports to Vietnam increased tenfold, with the main products being soybean meal, corn, leather and fur, cotton, beans and shrimp. After the drought in 2023, the export value to Vietnam reached US\$1.87 billion (up 44% in value and 92% in volume). In 2023, Argentina imported US\$1.39 billion from Vietnam, primarily consisting of industrial goods.

"Argentina has great potential to increase export volume and diversify products. In the coming time, we will open an office on trade and agriculture at the Argentine Embassy in Vietnam," he said.

VCCI Secretary General Tran Thi Lan Anh said that VCCI signed a cooperation agreement with the Argentine Chamber of Commerce and Services (CAC) in 2019,

(continued on P.19)

Vietnamese Enterprises Set for Year-End Recovery

The General Department of Vietnam Customs reported that Vietnam's total export turnover in the first half of September 2024 was US\$14 billion, down US\$6.73 billion from the latter half of August. Despite slight declines in some key sectors, many businesses are optimistic about growth in the coming months, supported by improved logistics and lower shipping costs.

HUONG LY

Trade surplus exceeds US\$18 billion

Typhoon Yagi likely contributed to the decline in exports in early September by disrupting supply chains and delaying sea freight in northern provinces. Affected factories may have reduced production, impacting key sectors like computers and electronics. However, agricultural exports such as fruits, seafood and coffee remained strong. As of September 15, total export turnover reached US\$279.38 billion.

In the first half of September, import turnover was US\$14.55 billion, down nearly US\$3 billion from the second half of August. By September 15, total imports reached US\$261.34 billion.

Thus, total export-import turnover as of this period stands at US\$540.72 billion, with FDI enterprises contributing nearly US\$367 billion, and the trade balance showing a surplus of US\$18.04 billion.

Despite the decline in exports and imports due to Typhoon Yagi, many businesses remain optimistic about growth prospects in the remaining months of the year. One positive factor is the reduction in international shipping costs across all routes, particularly on the Asia-West Coast of the U.S. and Europe routes, where rates have decreased by 20-30%. Tran Tri Dung, General Secretary of the Vietnam Logistics Business Association, shared: "Some shipping lines have introduced direct routes from Vietnam to the U.S. West Coast, reducing transit times to just 20 days, saving businesses significant costs."

Other shipping routes have seen a 15-25% drop in costs, benefiting exporters. Lower freight rates have allowed some companies to boost their structural steel exports by over 20% to the U.S., Europe, Canada and Japan, with expectations of an additional 10% increase in orders. More ships and increased shipping frequency have improved delivery speed and efficiency, helping businesses expand their markets and attract new customers.

The Vietnam Maritime Administration said that in the first seven months of the year, nearly 500 million tons of

goods passed through ports nationwide, up 15% from 2023. This demonstrates significant improvements in Vietnam's seaport capacity to meet rising international freight demands. Notably, the Cai Mep-Thi Vai port area saw container throughput reach 3.329 million TEUs, a 38.4% increase, affirming the port's important role in connecting Vietnam to global markets.

Enhancing business support

In the upcoming fourth quarter, regulatory authorities have advised businesses to closely monitor global shipping freight rates to implement timely responses to potential market disruptions. This is an important factor in maintaining competitiveness and ensuring the efficiency of trade activities, especially as the global market remains highly unpredictable.

Mr. Tran Thanh Hai, Deputy Director of the Export-Import Department (Ministry of Industry and Trade - MoIT), remarked that the global economy continues to face significant uncertainties, including escalating international conflicts such as the Russia-Ukraine war and the recent Israel-Hamas conflict. These tensions threaten to spread to neighboring countries, posing risks to the global supply chain. Additionally, the ongoing inflation in many countries remains a major challenge, particularly as major economies like the U.S. and EU implement tight monetary policies, making the economic outlook more uncertain.

Hai also cautioned about excess production capacity in China, which could increase competitive pressures in the international market. As global consumer demand declines, low-cost Chinese goods may be aggressively exported to other countries, potentially threatening Vietnam's export markets.

However, Hai remained optimistic that Vietnam's exports will surpass the initial growth target of over 6% set at the beginning of the year. If favorable conditions continue, annual export growth could even reach double digits, driven by businesses' efforts to diversify markets and capitalize on opportunities from free trade agreements (FTAs).

To boost export growth, MoIT will implement many measures to support businesses. This includes continuously updating industry associations on export market trends, enabling companies to adjust production plans and identify new opportunities. MoIT will also hold trade promotion conferences with Vietnam's overseas trade offices to help businesses access new opportunities more quickly. MoIT will direct overseas trade offices to regularly share information on international market regulations, standards, and conditions affecting export-import activities. This information will be recommended to local authorities, associations, and businesses so they can prepare suitable business strategies.

Additionally, MoIT will continue negotiating and signing FTAs with potential trade partners, opening up opportunities for Vietnamese businesses to penetrate international markets. To maximize the benefits of the implemented FTAs, MoIT will carry out various promotional activities, both online and offline, to introduce the advantages and incentives from the FTAs to the business community, helping them fully capitalize on export growth opportunities. ■

Vietnam Accelerates EPR for Sustainable Growth

C asean Vietnam recently held a workshop on Extended Producer Responsibility (EPR), bringing together experts and representatives from many sectors, including manufacturing, packaging, agri-food and finance. The event highlighted EPR's role in waste management and sustainable development.

GIANG TU



Participants at the workshop on Extended Producer Responsibility

The workshop served as a platform for policymakers and business leaders to discuss how EPR can support Vietnam's circular economy and Net Zero emissions target. As EPR requires producers to manage their products' life cycle, it is an important tool for encouraging recycling and promoting eco-friendly practices.

Mr. Nguyen Trung Thang, Deputy Director of the Institute of Strategy and Policy on Natural Resources and Environment (ISPONRE) under the Ministry of Natural

Resources and Environment (MONRE),

updated participants on the current EPR policy framework and its implementation roadmap. He said that while Vietnam has made significant progress, it still faces challenges such as improving recycling infrastructure, developing the recycling industry, establishing green finance mechanisms, and finalizing recycling standards. He emphasized that effective EPR implementation is key to advancing the circular economy and achieving long-term sustainability goals.

Ms. Truong Hanh Linh, Partner in Risk Consulting and ESG at KPMG Vietnam, discussed international best practices and their relevance to Vietnam, saying that Vietnamese companies recognize the importance of EPR; however, they face challenges in governance, costs and technology. She emphasized the need for better collaboration among government, businesses and consumers to promote sustainability. She also introduced the Circular Transition Indicator (CTI) model to help companies measure the impact of their EPR efforts and track progress in circularity.

During the panel discussion, business representatives shared their experiences with EPR, addressing the complexities of implementation in their respective industries. They emphasized the need for policies that support green finance, capacity-building initiatives, and the creation of standards for businesses adopting EPR. The collaboration between enterprises and government was highlighted as essential to overcoming current obstacles and ensuring an effective EPR transition.

Representatives from MONRE also reiterated the government's commitment to formalizing the recycling industry and attracting investment to support businesses in EPR adoption. They emphasized the importance of policy coherence and innovation to drive sustainable development.

This workshop is part of Vietnam's broader effort to embed EPR into its national sustainability strategy, showcasing the collective commitment of both public and private sectors to overcome challenges and unlock the potential of EPR for circular economy development. As Vietnam continues on its path toward sustainability, EPR will increasingly contribute to reducing environmental impacts and promoting responsible production and consumption. ■

Sustainability Expo 2024 to Promote Green Vision in Thailand

C asean Vietnam recently hosted the SX Roadshow 2024 – Vietnam, promoting sustainable development and highlighting Sustainability Expo 2024 (SX2024), ASEAN's largest sustainability event. SX2024 will take place from September 27 to October 6 at Queen Sirikit National Convention Center in Bangkok, Thailand.

H.E. Urawadee Sriphiromya, Ambassador of Thailand to Vietnam, emphasized the importance of balancing society, people and the planet for sustainability. She called for collective efforts to ensure no one is left behind in the global sustainability movement.

The second SX Roadshow in Vietnam featured activities for youth, businesses and policymakers, including the "Trash to Treasure" art contest, a field trip to Yen Phong Industrial Park, and a workshop on Extended Producer Responsibility (EPR). A Press Briefing also introduced the upcoming SX2024 expo.

SX2024, held annually, brings together over 600 experts and 400 sustainable businesses from around the globe. The event features exhibitions, talks and networking opportunities, centered on the theme "Sufficiency for Sustainability – Good Balance, Better World."

Ms. Tongjai Thanachanan, Managing Director of C asean, stressed the role of individuals and businesses in driving sustainability efforts. Fraser Property Vietnam (FPV), a key partner, shared their initiatives in tree planting and blood donations. At SX2024, FPV aims to foster new collaborations and raise awareness of sustainability.

Mr. Nguyen Hai Son, Chief Representative of C asean Vietnam, highlighted the organization's role in promoting sustainable development across ASEAN. As the first C asean branch outside of Thailand, C asean Vietnam is committed to fostering business sustainability, leadership, and arts across the region. The SX Roadshow is part of these efforts, aiming to inspire sustainable investment and international collaboration.

Giang Tu



TAX SYSTEM REFORM FOR ENHANCED SUPPORT TO TAXPAYERS



Vietnam aims to modernize tax administration comprehensively by aligning with international practices

On April 23, 2022, the Prime Minister issued Decision 508/QĐ-TTg on ratification of the Tax System Reform Strategy to 2030. Accordingly, Vietnam's tax policy system will be synchronously and consistently completed in accordance with international practices while matching resource requirements for implementation of the 10-year Socioeconomic Development Strategy 2021-2030.

Vietnam will synchronize major taxes, fees and charges such as value added tax (VAT), special consumption tax, export tax and import tax, corporate income tax, personal income tax, resource tax, agricultural land tax, non-agricultural land tax, environmental protection tax, other fees, charges and revenues of the State Budget.

To implement the Tax System Reform Strategy to 2030 according to Decision 508/QĐ-TTg, GDT developed and submitted to the Ministry of Finance the action program for implementation of the strategy as per Decision 2438/QĐ-BTC dated November 22, 2022 of the Minister of Finance and the Tax System Reform Plan to 2025 as per Decision 2439/QĐ-BTC dated November 22, 2022 of the Minister of Finance to specify the goals and solutions for each 5-year and annual period to comprehensively reform tax management.

Closely following the strategy and the action program for the 5-year plan, GDT built and released the Medium-term Tax Administration Plan in 2023-2025 for implementation of the Tax System Reform Plan to 2025 according to Decision 218/QĐ-TCT dated March 22, 2023 of the GDT General Director with key reform contents in key areas of tax administration to ensure consistency and compliance with the proposed orientations, objectives, viewpoints and solutions.

To effectively carry out the Tax System Reform Plan to 2025, GDT General Director Mai Xuan Thanh requested that it is extremely necessary to evaluate the implementation results of the Tax Administration Reform Plan in 2023-2024 to propose key tasks for tax

The General Department of Taxation (GDT) recently held a mid-term review conference on the implementation of the Tax System Reform Strategy through 2030. Mr. Mai Xuan Thanh, General Director of GDT, said that achieving the strategy's goals must align with practical needs, prioritizing maximum support for taxpayers.

LE HIEN

management reform in the coming time.

He requested the Reform and Modernization Board, which is responsible for implementing all opinions and additional solutions proposed (if any) from relevant units and working with each relevant unit to evaluate and specify each target in the strategy, to report on the matters of concerns to GDT for consideration and decision.

“Remarks and proposed options for executing plans must be substantial and practical, with special attention paid to general plan objectives. Relevant agencies need to continue to research, complete and deploy comprehensive digital transformation solutions to tax administration mentioned in the plan to facilitate and support taxpayers and enable effective tax administration,” he noted.

At the conference, an official from the Reform and Modernization Board stated that specific key targets will be established for each area, allowing for a comparison of achievements and shortcomings against these targets. The reform contents will be assessed based on their implementation results, categorized as: completed, completed on schedule, not completed, and not implemented as planned.

At the function, representatives of GDT units remarked and reviewed their responsible implementation results of the strategy and proposed solutions and action plans to add reform goals within their jurisdiction upon GDT's recommendations.

The Tax System Reform Strategy to 2030 underlines institutional reform; innovation and communicative capacity strengthening, and support for taxpayers; and innovation and capacity strengthening for tax registration, tax declaration, tax payment, tax exemption, tax reduction, tax refund, tax statistics and tax accounting. At the same time, the strategy gives emphasis on modernization of the information technology system for tax administration; modernization of facilities, administration and finance; and modernization of fiscal revenue forecasting. ■

Tax Relief for 26 Localities Affected by Typhoon Yagi

The General Department of Taxation (GDT) recently issued Official Letter 4062/TCT-CS to tax departments of 26 provinces and cities, namely Quang Ninh, Hai Phong, Thai Binh, Nam Dinh, Hoa Binh, Lao Cai, Yen Bai, Son La, Lai Chau, Dien Bien, Ha Giang, Cao Bang, Bac Kan, Thai Nguyen, Tuyen Quang, Phu Tho, Vinh Phuc, Lang Son, Bac Giang, Bac Ninh, Hai Duong, Hanoi, Hung Yen, Ha Nam, Ninh Binh and Thanh Hoa, delivering solutions to support organizations, individuals, and businesses heavily affected by Typhoon Yagi and subsequent flooding.

HIEN KIEN

In response to the Prime Minister's directions in Official Dispatch 92/CD-TTg dated September 10, 2024 on solutions to address Typhoon Yagi consequences and subsequent floods, The GDT urged tax departments in provinces and cities affected by Typhoon Yagi and the subsequent floods to offer guidance to taxpayers impacted by the disaster.

On tax payment extension, according to the Tax Administration Law 38/2019/QH14, taxpayers who suffer damage caused by Typhoon Yagi 3 and subsequent floods and meet regulations on material damage caused by natural disasters, catastrophes, epidemics, fires, unexpected accidents or other force majeure cases as prescribed by the Government (Clause 27, Article 3, Tax Administration Law 38/2019/QH14) will be granted a tax payment extension. The tax payment extension may last up to two years from the expiration date of the original deadline for taxpayers facing material damage due to force majeure events affecting their production and business. If operations are halted due to the relocation of facilities at the request of authorities, the extension is limited to one year. During the extension period, taxpayers will not incur fines or late payment fees for overdue taxes.

On fine exemption for tax violations, Clause 1, Article 140 of the Law on Tax Administration clearly stipulates that taxpayers who are fined for administrative tax violations and suffer damage from force majeure cases specified in Clause 27, Article 3 of this Law shall be exempted from fines. The total amount of exempted fines shall not exceed the value of damaged assets and goods.

Pursuant to Article 9 of the Law on Corporate Income Tax and its guiding documents, enterprises are allowed to deduct expenses when determining taxable income for corporate income tax for expenses on the value of losses caused by natural disasters, epidemics and other force majeure events

that are not compensated. The value of losses incurred from natural disasters, epidemics, fires, and other force majeure events that are not compensated is calculated as the total value of losses minus any compensation received from insurers or other organizations and individuals as stipulated by law.

On special consumption tax reduction, taxpayers manufacturing goods subject to special consumption tax and encountering difficulties due to natural disasters or unexpected accidents are entitled to tax reduction.

The tax reduction level is determined on the basis of actual losses caused by natural disasters or unexpected accidents, but not exceeding 30% of the tax payable in the year of the damage and not exceeding the value of damaged assets after compensation (if any).

Regarding resource tax, taxpayers who encounter natural disasters, fires, or unexpected accidents that cause damage to declared and taxed resources will be considered for exemption or reduction of tax payable for the amount of lost resources. In case the tax has been paid, such tax will be refunded or deducted from the resource tax payable in the following period. Enterprises will also receive a 50% reduction in non-agricultural land tax if their land and houses are damaged.

For individuals and business households affected by natural disasters, their personal income tax, special consumption tax, and resource tax will be reduced. In particular, the personal income tax rate will be reduced tantamount to the level of damage but not exceeding the amount of tax payable. The special consumption tax to be reduced is determined based on the actual damage caused by natural disasters or unexpected accidents but not exceeding 30% of the tax payable in the year of damage and not exceeding the value of damaged assets after compensation (if any). The resource tax will be reduced corresponding to the amount of lost resources. In case the tax has been paid, such tax will be refunded or deducted from the resource tax payable in the following period.

For business households that suffer material damage caused by natural disasters, directly affecting their production and business, their tax payment deadline will be extended for no more than two years from the date of such deadline. Taxpayers will not be fined or have to pay late payment fees calculated on the tax debt during the extended period.

The GDT also requested provincial and municipal tax departments to inform and disseminate the support policies related to tax extension, exemption, and reduction to organizations, individuals, and businesses. They should guide these entities in implementing the policies and coordinate with relevant agencies to promptly address issues related to administrative procedures. Tax departments are to provide tax records and documents held at tax agencies regarding the determination of damage value, as requested by affected organizations, individuals, and enterprises. They are to assign officers to assist taxpayers promptly and support damaged entities in restoring tax records, including tax declaration records, tax exemption and reduction records, tax refund records, and tax payment extension records. This includes documentation related to the determination of damage value for organizations, individuals, and enterprises. ■

DIGITAL SOLUTIONS

Key Trend in Customs Modernization



The customs sector has proposed key solutions to enhance state management and advance digital and smart customs

Implementing digital customs and smart customs is important for realizing Vietnam's digital transformation policy. This aligns with the ongoing trends in administrative procedure reform and the modernization of customs operations, enhancing efficiency and responsiveness in the sector.

LE HIEN

Digital transformation - a key task

Recently, the General Department of Vietnam Customs organized a preliminary review of its digital transformation efforts. This included the introduction of a comprehensive business model for digital and smart customs, as well as the dissemination of new regulations on financial management.

Leaders of the General Department of Vietnam Customs emphasized that implementing digital transformation in the customs sector is both an important requirement and a key task, reflecting global trends in customs operations, particularly in developed countries, and aligning with the goals set forth in Vietnam's customs reform, development and modernization process.

In recent times, the customs sector has achieved remarkable results in digital transformation. However, to fully realize the goals of implementing digital and smart customs, there is still a considerable workload ahead. This requires more effort and determination from all civil servants, public employees and workers in the sector. Leaders in the customs sector stress the importance of thoroughly understanding guiding documents and resolutely and effectively executing tasks related to digital transformation. In particular, there is an urgent need to implement digital customs and smart customs according to the established timeline, ensuring that quality standards are met.

Three important tasks on digital transformation

Le Duc Thanh, Director of the Department of Customs Information Technology and Statistics at the General Department of Vietnam Customs, presented a report on the results of digital transformation efforts during the first six months of the year. He also outlined the direction for the orientation for the last six months of 2024.

In the first months of 2024, the General Department of Vietnam Customs maintained its focus on leading and directing digital transformation development. This included issuing comprehensive guidelines for managing plans, consolidating the Steering Committee, and organizing meetings to ensure effective implementation of digital transformation development.

According to Thanh, the three key tasks in implementing digital transformation in the customs sector include building a strong information technology system; facilitating connection and data sharing between the IT system of the General Department of Vietnam Customs and the National Population Database (Project 06 of the Government); deploying the National Single Window Mechanism and the ASEAN Single Window Mechanism.

In addition, the customs sector has worked hard to ensure the security and safety of the VNACCS/VCIS System and its satellite information technology systems. Efforts also include the development and deployment of a document management and operation system for both the General Department of Vietnam Customs and local customs departments.

From now until the end of the year, the customs sector will concentrate on effectively executing digital



Digital transformation in the customs sector is an important requirement and a key priority

transformation tasks. These include improving the legal environment and processes to align with the requirements of digital transformation in customs. The sector will also integrate online public services on the National Single Window Portal with the National Public Service Portal. Other key tasks involve deploying digital border gates and digital seaports, building a strong information technology system, and implementing Project 06 of the Government, as well as the National Single Window and ASEAN Single Window mechanisms.

Building digital customs, smart customs in line with international standards

At the conference, Au Anh Tuan, Director of the Customs Control and Supervision Department at the General Department of Vietnam Customs, introduced the overall business model for digital and smart customs. The primary objective of this model is to leverage new technological advancements in accordance with international standards, thereby meeting the demands of smart governance.

The management of enterprises, import-export, and transit goods, as well as the oversight of means of transport entering, exiting, and transiting, will be comprehensively handled. The goal is to stabilize operations, enhance automation beyond current systems, and address the shortcomings of existing information technology. This system will have the capacity to integrate, connect and share information with ministries, agencies and businesses through the National Single Window Mechanism, while also being prepared to exchange customs data with regional and global partners.

With these objectives, digital customs and smart customs will be developed to meet the requirements for processing customs procedures and supervision for exported, imported and transit goods. This will include overseeing transport vehicles and passenger luggage on a digital platform that integrates satellite systems, ensuring that all customs procedures are managed within a single system. The creation of a unified, comprehensive database will enhance customs management, optimize resource utilization, and provide convenience for customs declarants. ■

10 Export Categories Generate Nearly US\$30 Bln in Additional Revenue

Vietnam's export value reached US\$265.44 billion in the first eight months of 2024, reflecting year-on-year growth of 15.9%, according to the General Department of Vietnam Customs (GDC). Remarkably, ten export categories each generated at least US\$1 billion more compared to the same period in 2023.

The 10 billion-dollar export groups include computers, electronic products and components with the value rising by US\$10.40 billion; machinery, equipment and parts by US\$5.89 billion; telephones and components by US\$3.23 billion; wood and wooden products by US\$1.92 billion; textiles and garments by US\$1.82 billion; cameras, camcorders and components by US\$1.61 billion; footwear by US\$1.59 billion; vegetables and fruits by US\$1.18 billion; coffee by US\$1.05 billion; and plastic products by US\$1.03 billion.

Collectively, these ten categories contributed an additional US\$29.72 billion compared to the previous year, accounting for 81.5% of the overall increase in export value.

The main export markets for these exports are the United States, the EU, China, South Korea, Japan and ASEAN.

By export market, the 10 largest markets all grew strongly in the reporting period.

Six markets saw an increase of at least US\$1 billion. Export shipments to the United States valued US\$78.2 billion, an increase of US\$16.08 billion; to the EU valued US\$34.08 billion, an increase of US\$5.08 billion; to China worth US\$38.1 billion, an increase of US\$1.7 billion; to ASEAN valued US\$24.45 billion, an increase of US\$2.84 billion; to South Korea valued US\$16.83 billion, an increase of US\$1.3 billion; and to Hong Kong (China) valued US\$8.1 billion, an increase of US\$2.27 billion.

Huong hau

VIETNAM ECONOMY REMAINS RESILIENT AMID EXTERNAL UNCERTAINTIES

This statement was made by Mr. Shantanu Chakraborty, ADB Country Director for Vietnam, at a press briefing on the Asian Development Outlook (ADO) September report released in Hanoi recently.

The Asian Development Bank (ADB) projected a positive economic outlook for Vietnam, forecasting its gross domestic product (GDP) growth at 6% in 2024 and 6.2% in 2025.

According to ADB, export-oriented industries remain the main driver of growth. The gradual return of new orders and consumption revived manufacturing growth in the first half of 2024, with further momentum expected for the whole year. The manufacturing purchasing managers' index edged above 52.4 in August 2024 and continued to expand, indicating a recovery in consumption-led manufacturing. External demand for major electronics exports fueled industrial production. However, subdued global economic prospects left some uncertainty. Industry was forecast to grow by 7.3% in 2024 and expand by 7.5% in 2025. Construction could further pick up if major infrastructure projects could be implemented as planned.

Other sectors were also expected to show modest growth. Services were forecast to continue expanding by 6.6%, supported by revived tourism and the recovery of associated services. In August 2024, retail sales improved by 7.9% year on year, lifting sales in the first eight months of 2024 by 8.5% at current local prices (5.3% in real terms). This growth level remained lower than the 10.3% growth over the same period last year, showing sluggish domestic demand. Agriculture benefited from rising food prices and was expected to expand by 3.4% in 2024.

On the demand side, fiscal expansion and monetary easing will continue to support consumption, which has remained subdued. Public investment will be crucial for economic recovery and growth in 2024. According to ADB, continued fiscal support and substantial state investments will further stimulate demand during the second half of 2024. However, persistent corporate bond issuance will continue to put downward pressure on the property sector, previously a key driver of domestic consumption. Domestic demand is expected to remain relatively weak through 2024-2025.

Notably, trade recovery and positive FDI flows will be key growth drivers. The uncertainty of the continued

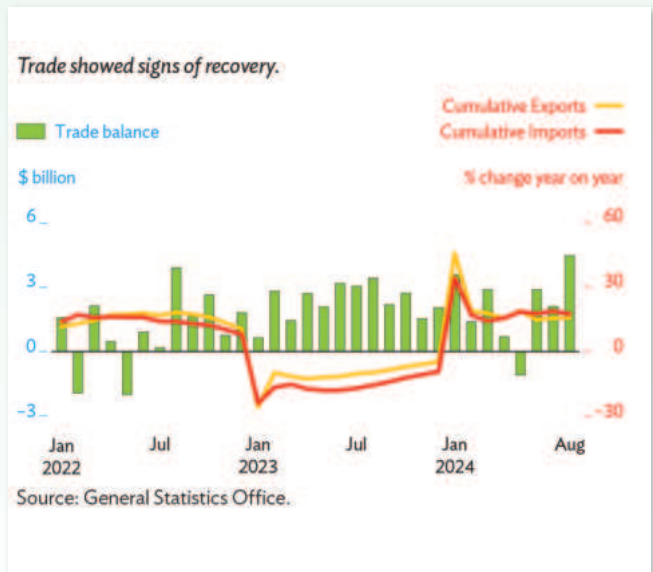
“Vietnam’s economy showed robust recovery in the first half of 2024 and continued to maintain momentum despite global uncertainties. This steady recovery has been driven by improving industrial production and a strong rebound in trade.”

LAN ANH

restructuring of global and regional supply chains hampers trade prospects. Imports and exports will likely grow by over 10% this year and slightly higher next year, with the gradual revival of external demand. Robust trade activity was expected to help maintain the current account surplus estimated at around 2% of GDP in 2024. As manufacturing activity revives, pushing up imports of production inputs, the current account balance was projected to narrow to 1.5% of GDP in 2025.

Shipments of mobile phones, computers and electronic products have increasingly contributed to overall export growth. The proportion of these items in total export value has steadily grown. In 2011, they accounted for just 12% of total export turnover. By 2014, this share doubled to 24% and almost tripled to 33% by 2023. The average growth rate of electronics exports from 2011 to 2023 was 26.7%. This robust growth made it the largest export group for Vietnam by 2023, with a value of US\$117.3 billion, accounting for 33% of the total export turnover. Additionally, the rise in Vietnam’s electronics exports underscores the global supply chain shift in high-tech products, with the country playing an increasingly significant role.

Despite a modest increase in inflation in the first half of 2024, the inflation projection remains at 4% for both



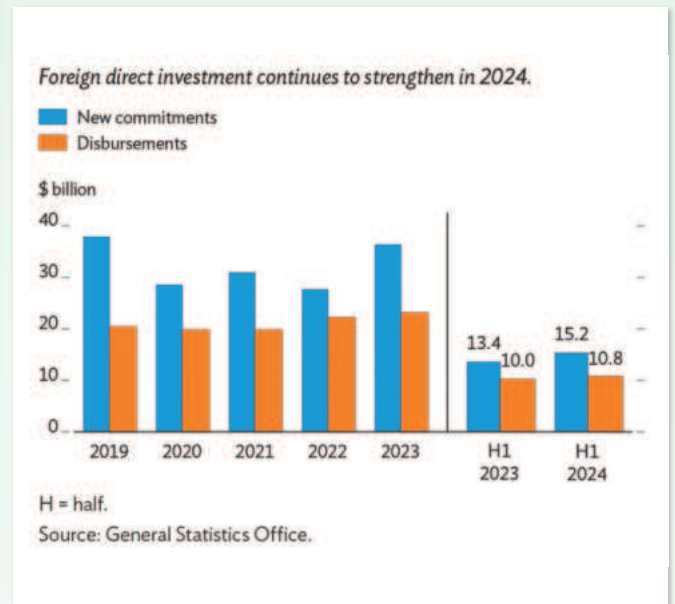


Vietnam's industry is projected to grow by 7.3% in 2024 and 7.5% in 2025

2024 and 2025. Factors such as wage hikes and government-controlled price adjustments were expected to push inflation upward. However, monetary easing by the United States Federal Reserve (Fed) would help alleviate some inflationary pressure. Coordinated policies are thus crucial to support the economic recovery, considering relative price upticks and weak demand. In the near term, according to ADB, loosening monetary policy must be closely coordinated with implementing fiscal policy to effectively boost economic activity. Monetary policy will pursue the dual objectives of price stability and growth, even as policy space is limited. The heightened risk of nonperforming loans due to the economic down cycle restricts the prospect of additional monetary easing.

Despite optimistic outcomes, there are significant uncertainties on Vietnam's economic outlook. ADB said, domestically, the real economy continues to show weaknesses in its underlying structural foundations. Domestic demand will require stronger execution of fiscal stimulus measures. Externally, subdued global prospects could further hamper demand, adversely affecting exports, manufacturing activity, and employment. Vietnam's exports face increasing competition due to trade diversions from global value chain reconfigurations for products, such as garments, textiles and electronics, as well as risks from heightened geopolitical tensions and rising protectionism.

"To maintain growth momentum through 2024 and 2025, preserving macroeconomic stability with a more balanced mix of monetary and fiscal policies is essential, complementing comprehensive governance reforms. Weaker than expected external demand will require



further policy measures to boost business activities to stimulate domestic demand," ADB analyzed.

While the State Bank of Vietnam (SBV) continues to pursue an accommodative monetary policy, its capacity to do so has become significantly constrained. Consequently, there is increased urgency for enhanced fiscal support, increased public investment disbursements, and further reforms in governance to alleviate the burden on monetary policy in bolstering the economy, according to ADB. ■

Comprehensive Solutions Needed to Enhance Credit Absorption Capacity

As of September 17, 2024, credit growth across the financial system has shown improvement, reaching 7.38% compared to the end of 2023, up from 5.73% during the same period last year. The private commercial joint stock bank sector recorded an increase of 8.6%, capturing 45% of the market, marking the highest growth in the system.

QUYNH CHI



Many banks are boosting capital mobilization strategies to meet the anticipated rise in credit demand in Q4 2024

While credit growth has improved, it remains below the 2024 target. Deputy Governor of the State Bank of Vietnam (SBV) Pham Quang Dung, said that credit growth across all sectors has shown positive trends aligned with economic restructuring goals. The private commercial joint stock banks have maintained a credit structure consistent with broader market trends, with credit for the trade and service sector rising significantly and accounting for approximately 50% of outstanding loans in that sector. Credit continues to be directed toward production, business activities, and priority sectors, with consumer credit showing signs of recovery. Outstanding loans for living needs and credit extended through credit cards increased by 4.93%, though this is a slight decline of 0.2% compared to the same period last year.

Pressure on bank credit continues to rise as other capital mobilization channels in the economy face significant challenges and have yet to prove effective. The real estate market remains unstable, impacting many related industries and consumer demand for housing. Additionally, the global economy is experiencing slow growth, with a complicated international market and persistently high interest

rates, which in turn affect domestic interest rates and exchange rates, said Dung.

He said that both bad debt and potential bad debt are on the rise, with risks increasing as the policy of restructuring debt repayment terms and maintaining debt classifications continues. The credit absorption capacity of businesses and individuals is low, with many companies reducing or halting production due to a lack of orders, leading to dissolutions, closures and weakened financial health. A trend of tightening and cutting spending among consumers has resulted in low credit demand.

Moreover, natural disasters and floods have caused significant damage, impacting the lives and businesses of customers and creating further challenges for commercial banks in their operations.

Experts said that in the last months of the year, businesses will require capital to enhance production and operations, leading to an anticipated increase in capital demand across the economy. In response, many banks are implementing capital mobilization strategies to bolster their financial capacity and meet the projected surge in credit demand for the fourth quarter of 2024. Currently, banks have a lot of room for credit growth, with the private banking sector utilizing less than 70% of their assigned targets.

Since early September 2024, several banks, including OCB, ACB, Dong A Bank, OceanBank, Agribank, Bac A Bank, VietBank, GPBank, NCB, BVBank, and PGBank, have raised their deposit interest rates. Short-term deposits (1-2 months) now offer interest rates around 3.4% to 3.5% per year, up about 0.2% per year. For 3-month deposits, rates have risen by 0.1% to between 3.8% and 4% per year; 4-month deposits offer 4.05% per year, and 5-month deposits offer 4.1% per year. Many banks have set long-term deposit rates exceeding 6% per year for terms of 18-36 months. Commercial banks are reducing costs and implementing policies to lower lending interest rates, thereby facilitating greater access to bank credit for individuals and businesses.

To enhance the economy's capital absorption capacity and foster business development, Deputy Governor Pham Quang Dung said that the State Bank will continue to implement monetary policy in a proactive, flexible and timely manner. This will involve effective coordination with fiscal policy and other macroeconomic strategies to promote economic growth, stabilize the macroeconomy and control inflation. The SBV will adopt proactive and flexible credit management solutions aligned with macroeconomic trends and inflation, facilitating access to credit for businesses and individuals. Efforts will focus on strengthening credit quality, ensuring safe and healthy credit growth, maintaining stable deposit interest rates, and striving to reduce lending rates. The aim is to enhance credit availability for production, business needs and consumer demands.

The SBV will resolutely implement social housing credit programs and initiatives for the forestry and fishery sectors. It will continue to restructure debt repayment terms and maintain debt classifications according to regulations, while also addressing the impacts of natural disasters by supporting affected individuals and businesses in accessing bank credit to restore their operations.

To promote the recovery of aggregate demand and enhance credit absorption capacity, Deputy Governor Dung emphasized the need for comprehensive policies from ministries, branches and localities, in addition to solutions from the banking sector. Specifically, efforts should focus on improving the investment and business environment and encouraging consumer spending. It is necessary to refine the legal framework to provide clear and synchronized guidance on the implementation of newly amended laws. Traditional growth drivers such as investment, consumption and exports should be prioritized. Accelerating the disbursement of public investment capital, increasing the attraction of social investment and high-quality foreign direct investment (FDI), and promoting trade activities are important. Continued efforts to stimulate domestic consumption will play a vital role in driving economic recovery.

In particular, it is important to continue effectively implementing policies for the exemption, reduction and extension of payment deadlines for taxes, fees, charges and land use fees. Efforts should be made to accelerate the resolution of challenges and promote sustainable development in the stock market, corporate bonds and real estate sectors. Maintaining stable and appropriate prices for goods regulated by the State is important to avoid impacts that could exacerbate domestic inflation and affect the production and business activities of individuals and enterprises. It is also important to enhance the capacity of enterprises to absorb capital, along with providing support mechanisms such as the SME Guarantee Fund and the SME Development Fund to facilitate access to capital for small and medium-sized enterprises. ■

followed by an agreement with the Chambers of Commerce and Industry of Santa Fe, Córdoba, and Entre Ríos in 2023 during the Vietnamese National Assembly Chairman's visit to Argentina. Furthermore, VCCI has hosted several high-level delegations from Argentina, including three cooperation events with the Argentine Embassy in Hanoi to welcome the Argentine President's visit to Vietnam.

"Over the years, VCCI and the Argentine Embassy have maintained a strong cooperative relationship, collaborating on many fields such as organizing events during visits by high-ranking Argentine leaders. They also regularly share information about each other's trade and investment promotion activities, ensuring that the business community remains informed and engaged," she added.

The two countries have much potential for agricultural cooperation, she said, explaining that Argentina needs to export agricultural products and agricultural machinery to Vietnam (currently Argentina is applying for a license to import pork and white offal of cows to Vietnam). In addition to its regular imports, Argentina has opened its market to four types of fruit from Vietnam: lychee, dragon fruit, mango and longan (Argentina has opened these two types of fruit but Vietnam has not yet agreed on quarantine).

Moreover, the two countries can boost cooperation in industries where Vietnam has strengths and Argentina needs to import, including mobile phones, electronic products, footwear, and textiles and garments.

CAC and VCCI established the Vietnam-Argentina Business Council to enhance collaboration. However, due to the impacts of COVID-19 and the economic slowdown, the council has not yet been able to implement specific actions. Anh hoped that businesses will be more active in establishing connections and affirmed that VCCI is willing to welcome CAC's delegations to Vietnam and increase information exchange between the two sub-committees.

"The two sides need to further strengthen their cooperative relationship and deepen cooperation ties between the two regions, especially after MERCOSUR signed a trade agreement with the EU and prioritized Asia, especially ASEAN, as the focus for further development. Vietnam also expressed hope that Argentina will support the prompt initiation of Free Trade Agreement (FTA) negotiations between Vietnam and Mercosur, as well as between ASEAN and Mercosur," she said. ■

Binh Minh Plastics, SCG Join Forces to Deliver Clean Water to Remote Areas

Binh Minh Plastics JSC and SCG recently launched the “Loving Water for the Future” project in Quang Nam province. This project reflects their commitment to sustainability and the principles of “Better You, Better Vietnam.”

VAN LUONG

This year, the project in Quang Nam province has a total sponsorship of VND1.35 billion and includes three key activities: providing water to Ga Lee Village, a handover ceremony for the water system renovation in Hoa Binh village with a gift-giving event, and a "Green Mid-Autumn Festival" for children of the Co Tu and Gie Trieng ethnic groups in Ta Bhing and Ta Poo communes.

Binh Minh Plastics and SCG held the Handover Ceremony for the Water Supply Project in Ga Lee village, Ta Bhing commune, Nam Giang district, Quang Nam province on September 14, 2024. The project involves installing a new water supply system with a total of 3,000m of HDPE pipes installed in 45 days with the participation of Binh Minh Plastics technical team and the joining hands of Ga Lee villagers. According to Mr. To Ngol Kia, Chairman of Ta Bhing Commune People's Committee, three years ago, the area experienced severe floods that washed away the water system, leaving residents struggling for clean water. Now, local authorities and the community are thrilled as the project provides clean water to 240 households, benefiting over 400 members of the Ca Tu and Gie Trieng ethnic communities with a safe and reliable source.

Mr. Chaowalit Treejak, General Director of Binh Minh Plastics Company, shared: “As a leading enterprise in Vietnam's construction materials plastics industry, we are committed to the sustainable development of the country. Through this project, we believe that



Mr. Chaowalit Treejak, General Director of Binh Minh Plastics Company, emphasized the company's vision to improve health and enhance the quality of life for the community

providing clean water to people in mountainous areas not only fulfills their essential daily needs but also offers an opportunity to improve health and enhance the overall quality of life for the community.”

Mr. To Ngol Kia, Chairman of the People's Committee of Ta Bhing commune, shared: "This project is extremely meaningful for the people of Ga Lee village. For over three years, the villagers have not had access to a stable source of clean water. Thanks to this project, their quality of life will significantly improve."

The handover ceremony for the water system renovation project and a gift-giving event were held at Hoa Binh village in Tam Ky city. The project upgraded the water supply system to provide high-quality drinking water for 49 orphans, 22 elderly residents and 71 children with disabilities in the village.

Binh Minh Plastics and SCG also organized the Green Mid-Autumn Festival for around 1,000 Co Tu and Gie Trieng children in Ta Bhing and Ta Po communes, Quang Nam province. For the first time, these children enjoyed festive activities like performing arts, folk games, lantern processions and lion dances, all while promoting environmental awareness. The event also included 1,000 gift packages and 70 scholarships for vulnerable individuals.

Starting in 2022, over the past three years of the “Loving Water for the Future” project, Binh Minh Plastics has installed 39,700 meters of plastic water pipes, delivering clean water to 1,597 households in remote areas across Vietnam. The project shows the strong commitment of Binh Minh Plastics and SCG to improving the quality of life for Vietnamese people, for a sustainable Vietnam - “Better You, Better Vietnam”. ■



The “Loving Water for the Future” project donates gifts to orphans, elderly residents, and children with disabilities in Hoa Binh village, while also upgrading the water supply system



LAMORI Resort is beautifully situated in a tranquil ecological setting

LAMORI RESORT & SPA

New Era of Luxury Awaits in Tranquil Nature

LAMORI Resort & Spa has launched a new chapter with a series of soft opening events aimed at exceeding the expectations of discerning travelers. Positive feedback from visitors nationwide inspires the resort as it prepares for its official opening.

HOA THU

To the first sight of customers at LAMORI, the resort is neatly located and nestled in an extremely tranquil ecological space where customers fully enjoy pure nature, not too far from the center of Tho Xuan district. The cool fresh air plus chirping birds and gentle winds through the treetops creates an extremely romantic space.

The tourist area is tightly embraced by two hills covered with primeval forests, which are already majestic, and now further refined by a modern resort called LAMORI.

LAMORI covers an area of 133 hectares, inviting visitors to explore the resort via electric car. The thoughtfully designed pathways offer a fresh experience at every turn, ensuring each visit feels uniquely captivating.

The restaurant area is designed with the symbol of three lotus petals blooming on the lake and the chain of luxury villas is nestled in cool green gardens. The cohesive architecture brings a peaceful picture and a strong impression of the North Central countryside. Visitors can immerse themselves in the natural elements of earth, water and air, providing a sense of comfort and relaxation. The highlight is the Mountain Cave Suite, offering a unique experience nestled within the cool hills.

Besides the Mountain Cave Suite, the Over Water Villa and Over Water Bungalow, appearing to float on the lake

surface, are equally impressive. If visitors need a panoramic view of the entire forest landscape, the hilltop “penthouses” are an optimal choice.

Last but not least, at LAMORI, visitors can also enjoy exquisite cuisine with a rich menu and freely participate in interesting activities like relaxing at the spa, going to the gym and swimming. ■



Milky Way Bridge offers stunning views, making it a favored destination

IMPROVING CONSUMER RECEPTION OF OCOP PRODUCTS



Hanoi consistently ranks among the top localities in the country for the number of OCOP products

Recently, many trade promotion initiatives have ensured stable output for agricultural products and One Commune One Product (OCOP) items from Hanoi, which have been well-received by consumers. OCOP products feature diverse types and designs while maintaining high quality. Additionally, the growing distribution network and consumption channels enhance consumer confidence in selecting these products.

MINH NGOC

Bridging OCOP products to consumers

Hanoi consistently ranks among the top localities in the country for the number of OCOP products. Trade promotion activities, advertising, and efforts to connect distinctive products with both domestic and international consumers have received significant attention and been effectively implemented by many departments. According to assessments from districts and communes, developing points of sale to showcase and sell these products in conjunction with rural tourism and craft villages presents a valuable opportunity to introduce high-quality goods

crafted by local artisans to tourists. This initiative not only enhances the visibility of local products but also supports consumption across different areas of Hanoi.

To enhance access to OCOP products, Thuong Tin district has been encouraging the establishment of two stores dedicated to displaying and promoting these goods in local areas. This initiative not only boosts the consumption of local products but also provides residents with greater opportunities to access and enjoy unique, regional offerings from both inside

and outside the city. Ms. Nguyen Thi Lien, a resident of Hong Van commune, shared her experience as a regular customer at the OCOP store: "I find many OCOP products from Hanoi and other provinces that meet my family's needs. When I buy OCOP products, I feel assured about their origin and quality. I hope Hanoi will have more reputable and reliable supply and promotion points, making it easier for people to access quality products."

According to preliminary statistics from the Hanoi Coordination Office of the New Rural Development Program, the city currently has over 100 points for introducing and selling OCOP products. Among these, more than 20 OCOP points are linked to tourism and craft villages, including Van Phuc silk weaving village, Bat Trang ceramics village, and Duong Lam ancient village in Son Tay. Other notable locations include Van Tu sewing village and Son Ha woodworking in Phu Xuyen district, Ha Thai lacquer craft village in Thuong Tin, community tourism in Hong Van commune, and the Khanh Phat Store in Tan Linh commune, which showcases local milk products and offerings from Ba Vi district. These sites serve not only as reliable venues for promoting typical products from Hanoi and across the country, but also as trusted shopping destinations for consumers and tourists alike.

To ensure that OCOP products are always welcomed by consumers

Since 2019, Hanoi has evaluated and classified over 2,769 OCOP products. Following their recognition, these entities have consistently enhanced product quality to



Hanoi's OCOP products showcase unique local specialties

ensure food safety and hygiene, while also focusing on packaging design and brand development. Many products have successfully reached international markets, including Dai Thanh late-season longan from Quoc Oai district, Minh Duong vermicelli from Minh Duong Food JSC in Hoai Duc district, Dong Phu organic rice from Chuong My district, milk products from Ba Vi Farm Milk JSC, and Van Duc vegetables from Gia Lam district.

By the end of 2023, Hanoi had established 10 creative design centers for introducing, promoting, and selling OCOP products and craft village offerings across districts namely Phu Xuyen, Gia Lam, Ung Hoa, Dong Anh, Chuong My, Thanh Tri, Thuong Tin, Hoai Duc and Ha Dong. In 2024, the city plans to recognize an additional 5-10 models of these centers. The development of these points of sale is important to the city's distribution system, providing cooperatives and businesses with greater opportunities to showcase and promote OCOP products to consumers and facilitating the introduction of high-quality goods to other regions in the country.

The Hanoi Department of Agriculture and Rural Development describes Hanoi as "the land of hundreds of occupations," where traditional products and crafts reflect

the skill of local artisans and the city's rich cultural heritage. Currently, Hanoi has 1,136 active agricultural cooperatives, 1,695 farms, 149 linkage chains, and over 164 high-tech application models. Additionally, more than 5,000 agricultural products feature QR code traceability, alongside renowned items such as Son Tay's Mia chicken, Soc Son yellow sticky rice, and Dai Thanh late-season longan from Quoc Oai district. These exceptional products have been integrated into Hanoi's OCOP Program, enhancing their economic value while promoting regional culture.

Nguyen Xuan Dai, Director of the Hanoi Department of Agriculture and Rural Development, said that Hanoi is committed to completing the OCOP program a year ahead of schedule. To achieve this, districts, towns and cities must continue to support entities in evaluating and reclassifying expired products, as well as assist in upgrading annually assessed OCOP products to enhance their competitiveness.

The department will also maintain regular inspections and monitoring of OCOP product quality, aiming to establish OCOP as a strong brand recognized and trusted by consumers in Hanoi and throughout the country. ■

TURNING TRADITIONAL HERBS INTO 3-STAR OCOP PRODUCTS



The OCOP point of sale in Ba Vi district offers a range of local herbal products

Recognizing the significance of traditional Dao medicine in Ba Vi district, physicians Ly Thi Bich Phuong and Ly Thi Bich Hue initiated the formation of the Phuong Hue Cooperative of Dao Ethnic Herbal Medicine in 2016. Since its establishment, the cooperative has successfully developed and produced four distinct tea varieties that comply with Hanoi's 3-star One Commune One Product (OCOP) standards. These include Gurmar tea, *Solanum trilobatum* tea, *Ardisia silvestris* tea, and *Gnetum montanum* tea.

DINH BAO

In Ba Vi district, nearly 2,000 Dao people have long relied on the abundant flora of Ba Vi Mountain for their traditional medicine practices. For centuries, the Dao community has expertly harnessed local plants to develop medicinal remedies, earning widespread trust and recognition for their time-honored knowledge.

According to Ms. Ly Bich Hue, Director of the Phuong Hue Cooperative of Dao Ethnic Herbal Medicine, the Dao people in Ba Vi often utilize their free time to forage for medicinal plants in the mountains, which they then store and sell to traditional medicine shops. Recognizing the benign nature of traditional medicine, she envisioned leveraging local resources to foster

economic development. Transforming naturally grown plants into branded herbal products under the Phuong Hue Cooperative of Dao Ethnic Herbal Medicine has been a challenging journey, involving extensive research and effort. But despite many setbacks, the cooperative successfully developed a range of convenient and effective products for customers.

Leveraging a solid foundation in oriental medicine, along with the region's rich raw materials and abundant local labor, Hue has advanced the integration of herbs into marketable products. These natural, safe products not only preserve and enhance national cultural values, but also offer health benefits, significantly contributing to the well-being and economic improvement of local communities.

According to Ms. Hue, the Dao people of Ba Vi traditionally used herbs by drying them and boiling them for bathing and drinking. Today, the cooperative has embraced scientific advancements in its manufacturing process to meet the pharmaceutical industry's strict standards and continually improve product quality. The herbal processing facility is equipped with modern machinery and adheres to a closed production process to ensure high-quality and effective products. The cooperative is also preparing to submit its dossier to the Ministry of Health for appraisal to achieve GMP (Good Manufacturing Practice) certification.

Leveraging precious herbal raw materials and traditional medicine, the Phuong Hue Cooperative of Dao Ethnic Herbal Medicine has successfully developed teas that meet 3-star OCOP standards. Notably, *Ardisia silvestris* tea, known for its efficacy in treating stomach ailments, has been validated by scientific studies for its benefits in alleviating sore throat, clearing heat, detoxifying, and cooling the body. Another unique offering, *Gnetum montanum* tea, is derived from a valuable medicinal herb with properties that alleviate wind, eliminate dampness, disperse cold, reduce inflammation and treat conditions such as rheumatism and gout.

These tea products not only preserve and promote the cultural heritage of the Dao people but also enhance the income of local communities.

Ms. Nguyen Phuong Oanh from Ha Dong district, a regular user of the cooperative's teas, shared: "I am highly impressed with the OCOP-standard teas from Phuong Hue Cooperative of Dao Ethnic Herbal Medicine. These teas are more than just enjoyable; they also offer significant health benefits. *Ardisia silvestris* tea has helped alleviate my stomach pain, while *Gnetum montanum* tea has been effective in reducing the pain associated with rheumatism."

Mr. Duong Trung Phong, Vice Chairman of the Ba Vi Commune People's Committee, commented: "The OCOP products, particularly the four types of tea from precious medicinal herbs produced by Phuong Hue Cooperative of Dao Ethnic Herbal Medicine, exemplify the skill and excellence of Dao traditional preparation. These products are a source of pride for Ba Vi commune. They not only preserve and promote traditional cultural values but also generate additional livelihoods for local residents, contributing significantly to the economic development of the Ba Vi mountainous region." ■

Dong Anh Advancing Modern Rural Development



Dong Anh district's agricultural sector is shifting toward concentrated production, establishing specialized areas to ensure quality and food safety

The promotion of new rural development, combined with urban transformation criteria, has quickly modernized villages in Dong Anh district, enhancing their urban living conditions.

NGUYEN MAI

Beacon of new rural development

According to the Hanoi Coordination Office for New Rural Development, Dong Anh district has implemented a range of solutions aimed at sustainable poverty reduction and improving residents' quality of life. Vice Chairman of the District People's Committee Nguyen Anh Dung emphasized efforts such as constructing and repairing homes for low-income households, providing fertilizers, rice seeds and breeding livestock, and offering tuition exemptions and health insurance support for near-poor families. As a result, the district has eradicated poverty. Additionally, Dong Anh has promoted the movement "All People Unite to Build a Cultural Life," encouraging cultural, artistic and sports activities and preserving traditional arts. Consequently, 153 out of 155 villages and hamlets now meet cultural standards.

Agriculture plays an important role in the socio-economic development of Dong Anh district. To boost residents' incomes, the district invests annually between

VND10-15 billion to help farmers adopt technological advancements in agricultural production. Emphasizing ecological and organic farming, the district focuses on applying scientific techniques to establish high-value cultivation and livestock models. The agricultural sector is transitioning toward concentrated production, creating specialized areas that ensure quality and food safety.

In the district, many specialized models have been developed, focusing on high technology and scientific advancements in production. Dong Anh currently maintains specialized and concentrated agricultural production areas effectively. These include 800 hectares for yellow sticky rice in Thuy Lam, Lien Ha, Duc Tu and Viet Hung communes. There are also 800 hectares for safe vegetable production in Van Noi, Tien Duong, Nam Hong, Bac Hong, Nguyen Khe, Co Loa and Tam Xa communes. Additionally, 200 hectares are dedicated to growing peach blossoms, kumquats, lilies, and

ornamental flower pots in Uy No, Tien Duong, Tam Xa and Vinh Ngoc communes. Corn production spans 100 hectares in Tam Xa and Vinh Ngoc communes, while fruit-growing areas, including pink bananas and grapefruit, cover another 100 hectares in Tam Xa, Vinh Ngoc, Hai Boi and Dai Mach communes. Furthermore, Dong Anh has a high-tech model for safe vegetable and orchid production on 7.23 hectares. It also features 20 hectares of safe vegetable production following the VietGAP model and organic practices through cooperatives such as Khai Hung, Song Hong, Bac Hong RAT, Ba Chu and Hai Anh Co., Ltd. The district supports 53 large-scale livestock models, investing in modern livestock barns.

Investing significantly in rural development

Mr. Nguyen Anh Dung said that to achieve the goal by 2025, all of the communes will meet advanced new rural standards, and 50% will achieve the model new rural standards. In the coming period, Dong Anh will direct and guide communes to invest in and implement the missing criteria while enhancing the criteria already met. The focus will be on maintaining and improving the quality of these criteria in alignment with the advanced new rural standards and model new rural areas, in connection with urban development.

The district has adopted the motto "Easy to do first, difficult to do later," identifying communes that fully meet the conditions for completing new rural criteria. Those communes, with resources from the district and commune budgets as well as mobilized community support, will be recognized for completing new rural construction and





The recognition of many communes meeting new rural standards reflects the achievements of the local government and residents

➔ advanced new rural status. The district has integrated its criteria into a comprehensive set for advanced rural development, comprising 12 groups of criteria and 36 specific indicators, ensuring effective use of investment resources. Additionally, the district emphasizes public awareness to encourage community participation in the New Rural Development Program. The implementation process includes close monitoring to promptly address any difficulties and obstacles, said Dung.

Mr. Tran Van Ban from Luong No village (Tien Duong commune) pointed to the park in front of his house and expressed his happiness: "This area used to be an empty lot where many families used to build barns for livestock. Wastewater from these barns flowed directly into the lake, causing significant environmental pollution. On hot days, the stench was so strong that families had to close their doors, yet the smell still lingered. Now, thanks to the New Rural Development Program, this empty lot has transformed into a playground and a space for community activities. Both mornings and afternoons, this area is bustling with community engagement."

Nguyen Ba Huy, head of Luong No village, said that Tien Duong commune has rapidly transformed from an agricultural area facing many challenges into a locality with well-developed infrastructure. The quality of life for residents has significantly improved since the implementation of the new rural development initiative.

Evaluating the progress of new rural development in Dong Anh district, Ngo Van Ngon, Deputy Chief of the Hanoi Coordination Office for New Rural Development, said that the recognition of many communes meeting new rural standards reflects the achievements of the Party Committee, government, and residents. This aims to ensure that people benefit from the policies of the Party and the State. While the communes are transitioning to wards, they remain committed to the program. The collaborative efforts of the State and the community have led to valuable results in building a new rural area. ■

BA TRAI

A Vibrant Transformation

Once a humble mountainous commune, the charming countryside of Ba Trai has transformed dramatically. Clean concrete roads weave through the area, while vibrant flower-lined alleys and spacious, tranquil homes create a picturesque and peaceful atmosphere.

NGOC DAN



Headquarters of the Ba Trai People's Committee

Unanimous in new rural development

Mr. Hoang Van Chuyen, Chairman of Ba Trai People's Committee, said embracing the principle of collaboration between the State and the community, the construction of rural roads sparked enthusiastic support from the people right from the start. Among the households donating land for road construction, Mr. Nguyen Van Binh said, "I won't deny I have some regrets, but when I think it through, giving up this land brings many benefits. A wider road will make travel easier for

everyone, and with my property facing the road, its value will surely rise.”

Mr. Le Van Hai, a 77-year-old veteran, said: “In the past, traveling was very difficult because the commune was full of dirt roads which were dusty in the sun but muddy in the rain. Students came home from school dirty from head to toe after school time. What we have today comes from the government-led good work in mass mobilization and trust building. People are willing to join hands and make contributions, depending on their ability. As a result, the roads in the commune are becoming more spacious, clean and airy.”

According to Chuyen, since the new rural construction movement was launched, road expansion has been strongly promoted among the people. After the good success of the first concrete road, more roads were built. Up to now, most main roads have been concreted. Only nooks and crannies are still being concreted for the time being.

In addition to donating land for road construction, residents in Ba Trai commune also enthusiastically participated in donating land to build the cultural house of the village. Mr. Ngo Quoc Hien said: “I voluntarily donated the land because this project would serve the needs of my family and my neighbors and provide a healthy gathering place for villagers. I am very happy to have made contributions to this work.”

Toward building an advanced new rural area

Chuyen said, to effectively build new rural areas, the Party Committee and the People's Committee of Ba Trai should focus on making rules, working out specific plans and informing all officers of the rules and plans in order to mobilize public resources. This very important issue requires the participation of the entire political system to “make people understand, know, discuss, work and inspect” together with the locality to complete the assigned tasks. There were also many difficulties arising from implementation.

Therefore, to be successful, incumbent leaders, old leaders and Party members took the lead in setting an example to muster the strength of all people. By mobilizing many resources, especially the combined resources of national target programs, power grid, roads, schools, clinics and cultural houses basically meet the mandatory standards.

According to a report by the Ba Trai People's Committee, the total income was VND1,068 billion in 2023. The economic structure was shifted toward an expected pattern where agriculture, forestry and fishery accounted for 58% and industry, construction, trade and services made up 42%. Per capita income was VND69.7 million in the year. The commune currently has only two poor households (accounting for 0.05%) and 69 near-poor households (1.85%).

In sociocultural fields, the commune has effectively propagated Party and State policies and laws, mobilized the entire people to actively participate in patriotic emulation movements in the commune like “Building new rural areas and civilized urban areas” movement associated with the “Building bright, green, clean, beautiful and safe villages, hamlets and alleys” movement. The commune has upheld a



Local leaders focus on developing the agricultural economy, especially tea villages linked to community tourism

civilized lifestyle in funerals, weddings and religious activities and festivals. Up to 96.7% or higher of households were certified “cultured families” and 89% garnered the title in three consecutive years (2021-2023). All 10 villages of the commune were accredited to “cultured village” titles. In education and training, the teaching staff of five schools all meet and exceed the given standards and the quality of teaching and learning of secondary schools, primary schools and kindergartens remains high.

In the past year, the Ba Trai People's Committee awarded prizes worth VND14.1 million in total to 77 secondary and primary students with excellent national, municipal and district-level academic achievements, and presented gifts worth VND11.5 million to 24 students passing university entrance exams with 24 points or higher. In the first six months of 2024, the committee awarded 100 students who won medals at city and district distinction contests with a total value of VND21.05 million, sourced from the commune's scholarship fund. Population and family health work was well implemented.

Local leaders have regularly paid attention to developing the agricultural economy, especially tea villages associated with experiential tourism and community tourism. Currently, the commune still has 471 ha of tea, harvesting 8.5 tons per ha on average or 4,003.5 tons in total. Ba Trai tea brand was certified 3-star OCOP standards from 2022.

To further promote these achievements, the Party and government of Ba Trai commune will continue to mobilize the strength of great solidarity of the people and complete socioeconomic development targets set at the beginning of the year. Economically, the total income of the commune was expected to reach VND1,110.4 billion in 2024, of which agriculture, forestry and fishery will contribute 60% and industry, construction, trade and services will make up 40%. The per capita income was forecast at VND72 million in the year. The commune will also maintain political security, social order and safety; build a clean and strong Party, government and political system; and complete the program of building Ba Trai commune into an advanced new rural commune, thus giving a helping hand to the development and renovation of Ba Vi district. ■



Thuy Ung Handicrafts Exported Abroad

Thuy Ung commune in Thuong Tin district, Hanoi, is renowned as the only village in the country specializing in crafting combs from buffalo and cow horns. These durable, aesthetically pleasing combs are not only convenient but also highly profitable, making them sought after for export.

BAO DAN

Thuy Ung is an affluent craft village of Hanoi City. Its handicrafts are built on the diligence and expertise of craftspeople. To make a beautiful, complete horn handicraft, the craftsman has to do a lot of things, from preliminary horn processing, drying, grinding, cutting and shaping to polishing. As a result, useful items like horn combs, bowls, plates and costum jewelry like necklaces, bracelets and earrings gradually take shape. In folk culture, horn is considered a symbol of wealth, strength and luck, and in fengshui, bring peace and luck to the owner. Unlike plastic items, horn combs come in many different designs, are more fashionable, more durable, and can be decomposed in a very environmentally friendly way.

Mr. Nguyen Van Chi, Director of the Hanoi Rural Development Subdepartment, said: Hanoi is home to many traditional trades that have thrived for centuries. To enhance these industries and boost rural incomes, the subdepartment has actively supported and monitored the development of Thuy Ung comb-making village, facilitating growth and empowerment for local artisans. In addition, with the support of all levels of authority, sectors and units, Thuy Ung horn comb-making industry has gradually thrived, helping preserve and develop the cultural identity and core values of the craft village, and expand the domestic and export markets.

Mr. Le Van Thuy, owner of a handicraft workshop in Thuy Ung, said that his family produces handicrafts from pearls and snails according to designs from Japanese partners. "Previously, I only made horn combs like many other families in the village. In 1995, a group of Japanese tourists visited the craft village and placed an order, and I have been making the product for them since then. Currently, my family is making about 2,000 product codes for Japanese customers. In addition to basing on their designs, we have also constantly changed our own designs to meet modern consumption trends," he added.

Mr. Nguyen Van Thuan, a long-time craftsman, said: Previously, horn pressing, sharpening and other stages were mainly manual, but Thuy Ung craftsmen now apply science and technology to production. Furthermore, many handicraft companies have realized the importance of product design, so they have invested significantly in designers, attended exhibitions and researched markets. Products of craft villages have therefore become increasingly established in import markets.



The local horn combs are stylish, durable, and eco-friendly, unlike plastic items

Ms. Le Thi Thuan, Vice President of Thuy Ung Horn Comb Craft Village Association, said that the comb-making profession has existed for more than 400 years. In recent years, the career has developed strongly with the main materials being bones, horns, pearls and snail shells. In particular, powered by scientific and technological progress, producers have invested in machinery to make products shinier, more sophisticated and larger quantities. In the past, the village mainly produced combs. In recent years, Thuy Ung villagers have diversified their portfolios, with more than 1 million products made a year, mainly fine-art handicrafts and jewelry. With this new development, local villagers are enjoying an increasingly prosperous life, even higher than some bamboo and rattan making villages and other crafts in neighboring villages.

Mr. Nguyen Van Chung, Secretary of Hoa Binh Commune Party Committee, said that the commune has two traditional craft villages: Thuy Ung horn comb-making village and Phung Cong carpentry village. With a population of over 4,000, Thuy Ung has many craftspeople. Sometimes, nearly 90% of households are engaged in handicraft production. Happily, Thuy Ung villagers not only make horn combs but have now diversified their products, also aimed for export to bring in higher income to craftspeople. The commune has also strived to turn Thuy Ung into an attractive tourist destination in Hanoi. ■

TRACH XA

A Village with Over Millennium of Craftsmanship



The Trach Xa tailoring craft is recognized as part of the national intangible cultural heritage

Upholding a proud tradition, artisans of Trach Xa village in Hoa Lam commune, Ung Hoa district, Hanoi, craft exquisite Ao Dai (traditional Vietnamese dress) with skill and dedication. Whether traveling or working in their village, they preserve the elegant artistry of this traditional Vietnamese dress. Their exceptional craft earned Trach Xa national recognition, being listed as a national intangible cultural heritage in February 2024.

BAO NGOC

Preserving the soul of the countryside in every dress

Situated approximately 45 kilometers from Hanoi's center, Trach Xa is renowned for its traditional dress tailoring, a craft that has been passed down through generations. The villagers have migrated to many regions, spreading their expertise and establishing prominent dress-making brands, including well-known tailoring shops on Luong Van Can street in Hanoi.

A distinctive aspect of Trach Xa craft village is the predominance of men in the tailoring profession, a tradition rooted in historical practices where women were only permitted to assist men. However, societal changes have since

granted women equal opportunities in the craft. Today, Trach Xa village boasts around 300 households engaged in tailoring, providing employment for over 600 workers. The village's average annual production value reaches approximately VND7 billion.

Artisan Nghiem Xuan Dat, Director of the Trach Xa Dress Tailoring Village Cooperative, noted that traditionally, craft secrets were passed down from elders to their sons rather than daughters. This practice came from the historical demands of the profession, which required frequent travel and bespoke tailoring at clients' homes. The craft requires diligence, precision, and meticulous attention to detail to ensure each garment is flawlessly constructed.

As a result, Trach Xa tailors have developed unique techniques that are not easily mastered. Today, many women in Trach Xa have been trained in the craft and have successfully advanced it, exemplified by establishments such as My Hanh tailor at Nga Tu So intersection and Thanh Chau tailor on Mai Hac De street. Meanwhile, boys in the village have traditionally been introduced to tailoring at a young age, around 6 or 7 years old, and receive extensive training throughout their formative years.

Le Van Thuy, a skillful artisan in Trach Xa's dress-making tradition, emphasized that despite numerous changes over time, the village's tailoring craft remains steadfastly traditional. Local artisans continue to adhere to the classic five-panel dress and have resisted blending their techniques with modern trends. A distinguishing feature of Trach Xa's dress-making is its use of vertical hand-stitching, in contrast to the horizontal hand-stitching commonly employed elsewhere. This vertical technique offers a strong needle support point and ensures a rapid, even, and aesthetically pleasing stitching process.

"The vertical hand-stitching technique allows the worker to conceal the needle and thread lines beneath the stitching, unlike the horizontal technique, which often leaves thread lines visible on the inside of the garment. This method enables Trach Xa artisans to completely hide the needle and thread lines within the fabric," Mr. Le Van Thuy said.

The village is home to many skilled artisans recognized for their craftsmanship. Trach Xa's garments have been showcased at numerous craft fairs in Hanoi. Today, Trach Xa is not just a traditional craft village but also a cultural destination, attracting both domestic and international tourists.

Preservation and development

Trach Xa village has undergone significant

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VINH PHUC PROMOTING GREEN GROWTH AND SUSTAINABLE DEVELOPMENT



Thang Long Vinh Phuc Industrial Park - an appealing destination for investors

Vinh Phuc province prioritizes not only attracting major investors and high-tech projects, but also scientific, technological, and environmentally friendly projects. It supports cleaner production companies to reduce pollution, fostering a green environment and promoting sustainable growth.

NGUYET THAM

Emphasis on developing green industrial parks

Currently, Vinh Phuc province is home to 16 industrial parks (IPs), including nine in operation: Khai Quang (221.46 ha), Binh Xuyen (286.98 ha), Kim Hoa (50 ha), Ba Thien (325.75 ha), Binh Xuyen II - Phase 1 (42.21 ha), Ba Thien II (308.83 ha), Tam Duong II - Section A (135.17 ha), Son Loi (257.35 ha), and Thang Long Vinh Phuc (213 ha). According to the Vinh Phuc Provincial Plan for the 2021-2030 period, with a

vision to 2050, approved by the Prime Minister, Vinh Phuc will have 24 industrial parks with a total scale of 7,000 ha by 2030.

Recognizing the importance of a green, clean, and attractive environment in industrial parks, Vinh Phuc has focused on attracting sustainable investors and creating a nature-friendly workplace for workers. Investors have revitalized internal roads with landscaping and mandated that each tenant allocate at least 10% of their area for greenery, water surfaces and traffic routes. As a result, investors and tenants also clearly understand the importance of building "green lungs" in IPs. This approach has helped create green areas in IPs, protect the environment and improve worker health as well as wellbeing in communities around IPs.

At Thang Long Vinh Phuc Industrial Park, developer Sumitomo Corporation has invested in trees, lawns and ornamental plants to create a "green lung." This aims to lighten the impact of factory environments while helping workers unwind after hours. The company devoted 20% of the total area for trees, water surfaces and roads. The industrial park is currently planted with many kinds of trees with large canopies to create landscapes and reduce environmental pollution.

Additionally, the company has constructed three canals totaling 3.6 km along internal roads to manage rainwater, prevent flooding, and store water for irrigation, enhancing the

ecological balance. This commitment to environmental friendliness is a key factor in making Thang Long Vinh Phuc Industrial Park an attractive destination for Japanese investors and major global corporations.

Vinh Phuc has successfully attracted two investors, SHINEC Joint Stock Company and Vinh Phuc Industrial Park and International Services Joint Stock Company, granting them the Certificate of Infrastructure Development for Phuc Yen Industrial Park. The total investment is nearly VND 2,000 billion, covering over 111 hectares in the Phuc Thang and Nam Viem wards of Phuc Yen city. The project has a lifespan of 50 years. According to the investor's schedule, infrastructure construction at Phuc Yen Industrial Park will take place from the second quarter of 2025 to the first quarter of 2027, with operations starting in the second quarter of 2027. Upon completion, the park will feature a modern infrastructure system prioritizing high-tech investment projects in mechanical engineering, precision engineering, medical machinery and electrical equipment. Additionally, the design will optimize green spaces to minimize environmental impact.



Vinh Phuc province prioritizes attracting high-tech, environmentally friendly projects

Prioritizing eco-friendly green projects

Toward building a green, sustainable environment, Vinh Phuc has always been consistent in its stance of not attracting investment projects that risk environmental pollution. In 2018, Vinh Phuc rejected a US\$350 million textile factory project proposed by TAL Group (Hong Kong) due to concerns about its potential negative environmental impacts.

To date, this stance was further affirmed in Decision 2906/2021 of the Provincial People's Committee on approving the list of investment projects, restricted projects and prohibited projects in 2021-2025. Specially, in the Provincial Planning for the 2021-2030 period, with a vision to 2050, Vinh Phuc proposed environmental protection plans associated with socioeconomic development. In particular, the province will focus on attracting strategic investors of electronics, automobiles, motorbikes, pharmaceuticals and high-quality agriculture that work towards sustainable development goals and catch up with the Net Zero trend in the world.

Established in 2016, Solum Vina Co., Ltd in Ba Thien II Industrial Park, a 100% South Korean-invested US\$20 million company, specializes in manufacturing and processing electronic components for the production and assembly of televisions, computer displays, mobile phones and electronic shelf labeling (ESL) for electronics companies, with a monthly capacity of 10,000 products. To adopt green manufacturing as required by famous electronics companies like Samsung, Apple, Panasonic and Sony, the company actively invested in modern production lines, highly automated in all production stages; built a high-tech research and development center; and coordinated with Vinh Phuc Vocational College to train skilled high-tech workers for the province.

To minimize environmental pollution while still ensuring production and business efficiency, Prime Group Joint Stock Company in Binh Xuyen Industrial Park always actively



Solum Vina Co., Ltd., Ba Thien II Industrial Park

improves production lines, machinery and equipment to create products of the best quality. In particular, the company invested in the most advanced digital ceramic printing lines to replace the previous flat printing technology. Furthermore, to ensure worker health and the surrounding environment, it invested in many items and projects, including air-cooling systems for production lines (costing more than VND750 million). In locations where dust is generated, it also installed vacuum cleaners to collect dust.

Moving toward green growth and sustainable development goals, raising the green index and improving the investment and business environment, Vinh Phuc has focused on implementing various solutions like strengthening communications and raising the thinking and awareness of the business community in green production, environmental friendliness; promoting reforms and simplifying administrative procedures to facilitate businesses and people to access and enjoy local environmental support programs, policies and services as well as green practices.

Furthermore, the province has fostered the exemplifying role of leaders of governmental agencies at all levels and raised their awareness and actions towards green practices; consistently adhered to the viewpoint of not trading environment for economic growth; prioritized green projects with little negative impact on the environment and minimal impacts on climate change; and inspected and oversaw manufacturers, traders and service providers in their compliance with environmental laws, especially key projects with large emission sources. ■

INVESTOR PERSPECTIVES ON VINH PHUC INVESTMENT LANDSCAPE

In recent years, Vinh Phuc has demonstrated a steadfast commitment to fostering an optimal environment for investors while proactively addressing business challenges. This approach has earned the province considerable trust and high regard from both domestic and international companies. As a result, Vinh Phuc has established itself as an attractive destination characterized by an open and transparent investment landscape.

NGUYEN MAI

Looking back on the Conference on "Vinh Phuc in Vietnam-Japan cooperation and development connection in 2022", a representative of Sumitomo Corporation, the developer of Thang Long Vinh Phuc Industrial Park project, said, before selecting Vinh Phuc for their project, Sumitomo surveyed 30 locations in the north and 20 in the south. Sumitomo gave three reasons for

choosing Vinh Phuc province for its investment: First, Vinh Phuc has rich natural conditions and a lot of trees that make Japanese investors feel comfortable and remember their homeland. Second, Vinh Phuc has an advantageous geographical location, with a developed transportation system, helping investors easily access major traffic routes in Vietnam. Third, the complete infrastructure and the support of provincial leaders are also important factors for the firm to choose Vinh Phuc for investment.

To date, Thang Long Vinh Phuc Industrial Park is strongly attractive to domestic and foreign investors, especially those from Japan.

In 2023, despite negative impacts of global and domestic economic slowdown, thanks to its flexible and creative approaches and enabling mechanisms and policies, Vinh Phuc successfully attracted a motorbike, automobile and vehicle engine assembly project from Polaris Group, one of the 500 largest companies in the United States. The US\$40-million project is built on over 12 ha of land in Ba Thien II Industrial Park (Binh Xuyen district) to make motorbikes, spare parts and accessories for automobiles and other motor vehicles. This is the group's second factory in Vinh Phuc and the 20th worldwide, which shows that the firm truly believes and expects Vinh Phuc will be the site of new successes.

Managing Director of Polaris Group Matthew Justin Kantrud highly appreciated the investment and business

environment in Vinh Phuc province in particular and in Vietnam in general. He emphasized that the enthusiastic attention, help and support of Vinh Phuc leaders and agencies have facilitated the group to expand its investment plans, believing that, with its effective support mechanisms and policies along with its investor support and sharing solutions, Vinh Phuc will continue to be an attractive and



Jahwa Vina Co., Ltd., Khai Quang Industrial Park

successful destination for investors in the future.

(from P.29)

Nearly 10 years of operation in Ba Thien II Industrial Park (Binh Xuyen district), Vietnam Garments Manufacturing Limited (Hong Kong) has continuously expanded its production scale to become a garment supplier for giant retailers in the US, Europe and Asia through world-class fashion brands and labels like Burberry, Brooks Brothers, Banana Republic and Tommy Hilfiger in recent years. The company always highly appreciates the investment and business environment in Vinh Phuc province, which is built from a geographical location, favorable natural conditions, quality infrastructure and investor support services at all levels. The provincial government consistently supports investors by listening to their needs and swiftly addressing challenges. This has made the company quite satisfied with the investment climate.

At a working session with Chairman of Vinh Phuc Provincial People's Committee Tran Duy Dong on August 8, 2024, Mr. Song Young Hee, CEO of Signetics, a semiconductor company affiliated with Youngpoong Group of Korea and employing over 1,000 people with production branches in the U.S. and the Netherlands, said that Vietnam is the next target for the company's collaboration and investment expansion. He highly appreciated the investment environment and investment attraction policies of Vinh Phuc province and decided to choose Vinh Phuc as its investment destination in the coming time. After surveying the Vinh Phuc investment environment, Signetics found that Ba Thien Industrial Park is suitable for its production scale and business strategy. He hoped that Vinh Phuc province will continue to facilitate the company to implement the project.

The investment environment in Vinh Phuc is highly regarded by both current and potential investors, as well as by experts and leaders of global business associations. During a recent meeting with Mr. Tran Duy Dong, Mr. Hong Sun, Chairman of the Korean Chamber of Commerce and Industry in Vietnam (Korcham), appreciated Vinh Phuc's investment climate and expressed his commitment to encouraging further investments from Korean companies in the province. "Korcham has recently organized some workshops on high technology and semiconductor technology where many businesses showed their interest. I am confident that Vinh Phuc will attract more new investors, with many Korean companies looking to expand into Vietnam and specifically into the province in the coming time," Sun emphasized.

To further improve the effectiveness of investment attraction and create momentum for socioeconomic development, Vinh Phuc will continue to direct relevant agencies, localities, and units to carry out consistent and effective solutions, including the focus on researching and building incentive mechanisms and policies to attract strategic investors. The province will streamline administrative procedures in the investment sector, innovate investment promotion strategies, and quickly address challenges for companies. This approach aims to encourage existing investors to expand and attract more foreign firms.

At the same time, Vinh Phuc province will maintain and reform conferences, meetings and dialogues with companies, business associations, foreign chambers of commerce in Vietnam, and business support organizations to objectively grasp matters of concern and introduce solutions to deal with them. The province will publicize policies and legal regulations and projects in search of investment capital on relevant websites to ensure providing complete and useful information for enterprises and investors. ■

transformation, with new shops and tailoring establishments emerging along the village roads, modern homes being built, and residents enjoying improved livelihoods. Mr. Nghiem Van Mien, Head of Trach Xa village, noted that the dress tailoring profession is currently experiencing strong growth. Of the village's 520 households, 80% are involved in the craft, with 200 households operating large-scale shops and handling substantial orders.

What distinguishes the Trach Xa craft village is its commitment to traditional hand-sewing techniques, which include unique methods that set it apart. Each dress is tailored to individual measurements rather than being mass-produced. Additionally, young people in the village are embracing and expanding the craft, ensuring its continued development and vitality.

Despite facing many challenges, Trach Xa sewing village has successfully preserved its traditional craft across generations. Today, the village comprises about 540 households, with approximately 90% involved in tailoring.

Mrs. Nghiem Thi Mui, a resident who married into Trach Xa, shared that although her husband, originally from the village, was unable to pursue the profession due to illness, their three children have embraced the village's craft. "Since they were 10 years old, my children have learned the trade from skilled artisans in the village," she said.

What distinguishes Trach Xa as a unique brand is the meticulous craftsmanship that ensures the hem of each dress remains soft and flowing. This requires great precision in measuring and cutting. The tailor must carefully hold the needle vertically to avoid deviations, sew the hem evenly, and select fine, smooth, durable threads to achieve a high-quality finish.

Nguyen Van Chi, Director of the Hanoi Sub-department of Rural Development, noted that each craft village in the capital has its own distinct identity, producing unique and sophisticated items that reflect national cultural heritage. Trach Xa traditional craft village in Ung Hoa District, renowned for its dress-making, has the potential to develop into a creative design center model. This center would focus on introducing, promoting and selling OCOP products and craft village goods, while also integrating tourism. Such a model promises to provide a platform for designers and artisans to showcase their work, introduce traditional products, and create distinctive items like dresses and traditional costumes. Enhancing the integration of tourism and visitor experiences will be important for adding value to the craft village. ■

Prioritizing Investment in Semiconductor Projects

By prioritizing investment in high-tech sectors, mechanical engineering, electronics and supporting industries, especially semiconductors, Vinh Phuc province has attracted major semiconductor corporations from Korea, Taiwan, the United States, and other regions, aiming to establish itself as a key electronics hub in the country.

MAI LIEN



Jawa Vina Co., Ltd., Khai Quang Industrial Park

Taking advantage of being an important link in the redirecting trend of supply chains in Southeast Asia, Vinh Phuc province has focused on attracting high-tech investors, with special attention to semiconductor manufacturers and electronic chipmakers. Accordingly, the province has accelerated administrative reforms and introduced attractive incentives and support policies. It has also enhanced the infrastructure of high-tech parks, developed plans for training high-quality human resources, and prepared clean land in industrial parks for investment-oriented projects. Additionally, it has reformed investment promotion efforts, actively engaging in domestic and international conferences to showcase the province's investment environment.

According to statistics, computers, electronic products and semiconductor products of Vinh Phuc have been asserted in traditional markets; sought to be exported to new markets such as the US, ASEAN, Japan, South Korea and strongly shipped to EU markets like the Netherlands, Germany and Czech Republic. Many major firms in the province, such as Heasung Vina Co., Ltd., Pratron Vina Co., Ltd., Jawa Vina Co., Ltd., and Power Logics Vina Co., Ltd., have proactively navigated challenges and seized opportunities arising from Vietnam's

deeper integration into the global economy to expand their production and strengthen their market positions.

Young Poong Electronics Vina Co., Ltd. (Binh Xuyen II Industrial Park) is a 100% South Korean-invested producer of flexible printed circuit boards (FPCBs) and surface mount technology (SMT) circuit boards. After more than eight years in Vinh Phuc, the company has continuously expanded its factories and become a trusted partner of many giant corporations such as Samsung and LG. In particular, since December 2020, the firm has exported its first batch of products to Apple Inc. (USA), the world's leading technology company, solidifying its position as a top producer of electronic circuit boards.

Mr. Hawng Jin Ju, General Director of Young Poong Electronics Vina Co., Ltd., praised the investment environment in Vinh Phuc, citing it as a key reason for

the company's decision to expand its factory in Vinh Tuong district, complementing its existing facilities in Binh Xuyen district. In the coming time, the company hopes to further support and facilitate the province to remove obstacles and speed up project progress in Dong Soc Industrial Complex.

With strong digital development, the increasing demand for electronic products such as tablets, mobile phones and laptops, local manufacturers of electronic components and semiconductors continue to have many big orders from leading tech partners in the world like Apple, Dell, Sang Sung and Google. Therefore, the province has leveraged its existing strengths to maintain the electronics manufacturing industry as a key driver of industrial development, focusing on high-value segments. It has also enhanced industrial park infrastructure to address environmental concerns and provide essential services like telecommunications, electricity and clean water, all tailored to meet tenants' standards and elevate the semiconductor production chain.

Vinh Phuc province aims to enhance its business climate by ensuring a strong legal environment, robust infrastructure and excellent business services. The province will support businesses by promptly addressing obstacles and facilitating stable operations for sustainable development. ■

VINH PHUC ATTRACTS 53 FDI PROJECTS IN 8 MONTHS

In the first eight months of 2024, Vinh Phuc province issued investment registration certificates for 53 FDI projects, totaling over US\$498 million. This represents a 3.92% increase in projects and a 6.38% rise in capital compared to 2023, exceeding the assigned plan by 24.53%.

HOANG THAM

Vinh Phuc designated 2024 as an important year for achieving the goals outlined in the Resolution of the 17th Provincial Party Congress for the 2020-2025 term. To this end, the province has been striving to enhance the investment and business environment while implementing a targeted investment attraction strategy. Key initiatives include actively seeking new strategic investors and nurturing relationships with existing ones. Additionally, Vinh Phuc has developed mechanisms and preferential policies to promote collaboration between foreign and domestic investments, focusing on priority sectors for investment attraction.

Additionally, Vinh Phuc is committed to developing industrial clusters and value chains to enhance domestic added value and product competitiveness. The province has focused on promoting administrative reforms to improve each component of the provincial competitiveness index, thereby elevating the quality of services provided to residents and businesses. Efforts will also be made to advance digital transformation and

enhance the effectiveness of investment promotion activities, including on-site initiatives. To further these goals, Vinh Phuc aims to strengthen coordination and collaboration with central agencies, neighboring provinces, and various state management bodies and associations involved in investment promotion.

As of August 15, 2024, Vinh Phuc issued investment registration certificates for 53 FDI projects, comprising 26 new licenses and 27 capital adjustment projects. The total registered capital stands at US\$498.13 million, reflecting a 3.92% increase in project numbers and a 6.38% rise in total capital compared to the same period last year, exceeding the assigned plan by 24.53%.

The processing and manufacturing sector remains the primary focus for FDI attraction, accounting for 50 projects and US\$408.13 million, which represents 81.93% of the total registered FDI capital. Vinh Phuc aims to establish itself as one of the largest industrial centers in the country, particularly in high-tech industries, electronics and automotive manufacturing, as outlined in the Provincial Planning for 2021-2030, with a vision to 2050. The province has identified the processing and manufacturing industry as a key priority for investment attraction.

To support these goals, Vinh Phuc is committed to enhancing the investment environment and improving provincial competitiveness. The province aims to accelerate the processing of administrative procedures and selectively attract high-tech processing and manufacturing projects, as well as smart, environmentally friendly industries that emphasize high added value and efficient resource utilization. These efforts are expected to significantly contribute to the growth of the Gross Regional Domestic Product (GRDP) and boost state budget revenues. ■



Barriers to Operating ICD Project to Be Removed Soon



Mr. Duong Van An, Secretary of the Vinh Phuc Provincial Party Committee at the meeting with T&Y SuperPort Vinh Phuc JSC, led by CEO Yap Kwong Weng

Mr. Duong Van An, Secretary of the Vinh Phuc Provincial Party Committee, recently held a meeting with Mr. Yap Kwong Weng, CEO of T&Y SuperPort Vinh Phuc Joint Stock Company, and its partners. The discussion focused on addressing challenges to accelerate the Vinh Phuc Inland Container Depot (ICD) project in Binh Xuyen district with the goal of bringing it into operation as soon as possible.

NGUYET THAM

At the meeting, CEO Yap Kwong Weng said that the ICD project has completed a 10,000 m² bonded warehouse on 2.3 ha and is preparing to build three additional warehouses and a dry port on 13 ha. The company has received licenses from the General Department of Vietnam Customs and the Civil Aviation Authority, along with international certifications for customs clearance. Next, the project aims to evolve into a smart multimodal logistics center utilizing advanced technology and clean energy, enhancing logistics in northern Vietnam and beyond.

However, the company has encountered some difficulties in implementation. The company hoped to receive support from Vinh Phuc province to deal with the policy of carrying

goods directly to the airport runway to reduce cost and time and increase business efficiency; determine land prices to enable the company to pay one-time land rent for the entire project; and speed up land compensation and site clearance to execute the next items of the project in Binh Xuyen district.

Emphasizing the role and importance of the ICD to economic development a dynamic locality without any large-scale seaport or river port like Vinh Phuc, Secretary of the Provincial Party Committee Duong Van An stated that the implementation of the ICD project is consistent with the province's policy of attracting high value-added export-driven projects and bringing more economic value to the province while facilitating local

companies to conduct import and export activities. Remarking on project difficulties faced by the company, An said that Vinh Phuc will always support companies and remove difficulties and obstacles for them, including the ICD project of the company.

Logistics is a new field, he said, adding that determining land prices for the project thus needs to be studied to ensure regulatory compliance, especially the amended Land Law passed recently by the National Assembly. He also assigned the Department of Natural Resources and Environment to hire a consulting unit to work with the land valuation council to study and soon announce land prices. The Binh Xuyen People's Committee was tasked to coordinate with relevant units and the company in site clearance and land handover for project execution.

An advocated digital transformation, green transformation and circular economy in the business development strategy of the company, suggesting that the company pay attention to the security and safety of goods during transportation to ensure aviation security; mobilize resources to complete existing items and soon put the project into operation. Regarding the company's recommendations on merchandise import and export activities at the airport, the province will report to the central government to direct competent agencies to resolve them according to their authority.

T&Y SuperPort Vinh Phuc Joint Stock Company is a joint venture between T&T Group of Vietnam and YCH Group of Singapore, a leading logistics firm with over 6,500 employees across Asia. In Vinh Phuc, the company completed and operated the first phase of Vinh Phuc Logistics ICD Center with a cargo clearance capacity of about 400 tons a day, meeting the demand for container cargo transportation in the province and northern provinces. ■



The launch ceremony of Polaris Group's second factory in Vinh Phuc province



Guests tour Polaris Group's new factory

Polaris Group Inaugurates Second Factory in Vinh Phuc

In 2023, Polaris Group announced an increase in its investment in Vietnam by commencing the construction of a 12-hectare factory in Ba Thien 2 Industrial Park, with a total investment of US\$36 million. This facility will focus on producing large-displacement motorbikes. It marks Polaris Group's second project in Vinh Phuc province and its 20th factory worldwide.

Alongside its first operational factory, the completion of this second factory will help achieve the capacity target of producing 10,000 motorbikes and 30,000 large-displacement engines per year for export. This project is also expected to create jobs for 600 local workers.

During the ceremony, Tran Duy Dong praised Polaris Group for efficiently executing procedures after receiving the investment certificate and launching the project on schedule. He said that the factory's operation will benefit investors, enhance the value of industrial production, create jobs and income for local workers, and boost the province's state budget revenue.

He also urged Polaris Group to adhere to Vietnamese laws and foster cooperative relationships with local authorities. He emphasized the importance of developing production and business practices that protect the

Recently, Polaris Group (USA) inaugurated a factory in Ba Thien 2 Industrial Park. The ceremony was attended by Mr. Tran Duy Dong, Chairman of the Vinh Phuc Provincial People's Committee; Ms. Courtney Beale, Deputy Chief of Mission, U.S. Embassy Vietnam; and representatives from many provincial departments and sectors.

BUI LIEN

ecological environment, prevent fires and explosions, ensure labor safety and promote harmonious relationships between employees and employers. He also highlighted the need to improve the lives of employees.

With the motto of placing enterprises at the center of development, Vinh Phuc is committed to creating a favorable business environment and implementing administrative reforms. The province will prioritize training high-quality human resources to support businesses, including Polaris Group.

To advance its economy toward a digital and knowledge-based model, Vinh Phuc province will prioritize attracting high-tech projects in the coming period. This includes a focus on clean energy, the computer and electronics industries, civil electricity, semiconductors, mechanical engineering support sectors, and the automotive and motorcycle industries.

Polaris Group ranks among the 500 largest enterprises in the United States, specializing in the assembly of motorcycle engines, automobiles and other transportation means. The group currently operates 20 plants worldwide, with two located in Vinh Phuc province. Its first factory in the province was established in collaboration with Northstar Precision Vietnam Co., Ltd in Khai Quang Industrial Park. ■

SONG LO II INDUSTRIAL PARK

Well-Prepared to Attract Investors



Perspective of Song Lo II Industrial Park project

With its synchronous and modern infrastructure, strategic location in the heart of Song Lo district, convenient transportation connections, and plentiful labor resources, Song Lo II Industrial Park is poised to be an appealing destination for investors.

TRAN TRANG

Song Lo II Industrial Park, invested by Vinh Phuc Infrastructure Development Joint Stock Company, began construction in late June 2023 in Dong Thinh and Yen Thach communes, Song Lo district, Vinh Phuc province. The 165.65-ha industrial park cost a total of more than VND1,500 billion for construction. Song Lo authorities have actively removed obstacles in land compensation and site clearance, and facilitated infrastructure investors to speed up their construction progress and put their factories into operation soon. Up to now, Song Lo district has handed over 152.7 ha of land to Vinh Phuc Infrastructure Development Joint Stock Company (project investor); and approved the land compensation and site clearance plan of 160.6 ha at a cost of more than VND471 billion. The remaining area of 6.6 ha, owned by 90 households, will need site clearance soon. Additionally, the company has invested over VND561.5 billion in infrastructure development, land compensation, and site clearance.

To build Song Lo II into a model, modern and standard industrial park, the investor has applied advanced technologies to create a green ecosystem and meet high standards from tenants. The developer designs a synchronous infrastructure system, integrated with an



Chairman Tran Duy Dong of the Vinh Phuc Provincial People's Committee inspects conditions at Song Lo II Industrial Park

environmentally friendly green space, builds a modern wastewater treatment plant, and installs a solar power system to produce electricity and protect the environment. It also adopts strict technical criteria like a maximum construction density of 60% and a height limit of no more than five floors.

As expected, Song Lo II Industrial Park is set to attract sectors such as mechanical engineering, electronics, electrical equipment, construction materials, textiles and garments, leather and footwear, cosmetics production, and vegetable and fruit processing. Once operational, the park is expected to generate approximately 13,000 jobs. ■

Samsung E&A Vietnam Aims to Invest in Environmental Solutions



Mr. Tran Duy Dong, Chairman of the Vinh Phuc Provincial People's Committee at the working session with Samsung E&A Vietnam

Mr. Tran Duy Dong, Chairman of the Provincial People's Committee of Vinh Phuc, recently hosted a working session with Samsung E&A Vietnam Co., Ltd on environmental investment cooperation in the province.

NGUYET THAM

At the meeting, Mr. Kang Hansu, Chief Representative of Samsung E&A Vietnam, said that the company, established in 1970, is a subsidiary of Samsung Group of Korea. With 12 global offices and over 10,000 employees across 15 countries, the company currently manages 450 projects in many fields, including water and wastewater treatment, recycling, operation and maintenance of urban and industrial water systems, waste management, air pollution prevention and soil restoration.

In 2022, Samsung E&A began expanding its investment in clean water and wastewater treatment sectors in Vietnam. Also in the year, the company established a strategic partnership with DNP Water

Investment Joint Stock Company (DNP Water). DNP Water is a leading private water supplier in Vietnam. Its water infrastructure system has a total designed capacity of 1 million cubic meters a day, currently serving customers in 41 provinces and cities. It aimed to increase the designed capacity to 1.5 million cubic meters a day in the next development phase. With this strength, the company wished to invest in and provide environmental

solutions including water resource management, municipal solid waste treatment, domestic wastewater and industrial wastewater, contributing to the sustainable development of Vinh Phuc province.

Also during the working session, Mr. Tran Duy Dong affirmed that Vinh Phuc has strong industrial development and always pays attention to environmental protection for sustainable development. Appreciating the extensive experience as well as new technologies of Samsung E&A Vietnam Co., Ltd. in environmental industry, he agreed in principle on its cooperation with Vinh Phuc province in environmental fields that the province is interested in, including water supply for people, municipal and industrial wastewater treatment, and solid waste treatment.

Dong requested Samsung E&A Vietnam Co., Ltd coordinate with DNP Water to propose optimal technological solutions at competitive prices to implement environmental projects in Vinh Phuc; work with infrastructure investors in industrial zones to build wastewater treatment plants; and at the same time, research and build waste treatment plants based on the approved planning.

Last but not least, Dong assigned the Center for Investment Promotion and Business Support to coordinate with relevant agencies to provide information on planning, clean water projects and waste treatment projects in the province to facilitate investors to implement projects in the coming time. ■

Vinh Phuc Industrial Parks Secure 33 New Investment Projects

According to the Vinh Phuc Industrial Parks Management Board, from January to August 2024, the industrial parks attracted 33 new investment projects, comprising 24 foreign direct investment (FDI) projects and nine domestic direct investment (DDI) projects. The total newly granted and increased investment capital reached approximately US\$402.1 million and VND3,060.53 billion.

BAO NGOC



Exedy Vietnam Co., Ltd. (Khai Quang Industrial Park) - a 100% Japanese-owned company

In August 2024, the Provincial Industrial Parks Management Board issued new investment registration certificates for two projects, which included one FDI project with an additional registered capital of US\$24.9 million and one DDI project with an increased registered capital of VND100 billion.

In the first eight months of 2024, the province's industrial parks attracted 24 new FDI projects and saw an increase in capital for 25 existing FDI projects. The total newly granted and increased investment capital reached approximately US\$402.1 million, comprising US\$173.9 million in newly granted capital and US\$228.2 million in increased capital. This represents 90% of the total for the same period in 2023 and fulfills 115% of the 2024 plan.

Additionally, the industrial parks attracted nine domestic direct investment (DDI) projects and experienced capital increases for six DDI projects, totaling VND3,060.53 billion. This includes VND1,894.51 billion in newly granted capital and VND1,166.02 billion in increased capital, which is equivalent to 54% of the investment capital compared to the same period in 2023 and achieves 204% of the 2024 plan.

As of August 15, 2024, there are 493 valid investment projects in Vinh Phuc's industrial parks. This includes 117 DDI projects with a total investment capital of VND37,784.64 billion and 376 FDI projects with a total investment capital of approximately US\$6,742.89 million.

The Vinh Phuc Industrial Parks Management Board will enhance state management across all sectors, with a particular focus on administrative reform and improving the investment and business environment. The board will support investors and enterprises while urging industrial park developers to actively advance infrastructure projects, thereby accelerating investment attraction. ■

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