

DECISION No. 146/2004/QĐ-TTg OF AUGUST 13, 2004 ON MAJOR ORIENTATIONS FOR SOCIO-ECONOMIC DEVELOPMENT OF THE SOUTHERN KEY ECONOMIC REGION TILL 2010, WITH A VISION TO 2020

THE PRIME MINISTER

Pursuant to the December 25, 2001 Law on Organization of the Government;

At the proposal of the Minister of Planning and Investment in Official Dispatch No. 7349/BKH-CLPT of December 1, 2003,

DECIDES:

Article 1.- To approve major orientations for socio-economic development of the southern key economic region till 2010, with 2020 vision, for seven provinces and centrally-run cities being Ho Chi Minh city and Dong Nai, Ba Ria-Vung Tau, Binh Duong, Tay Ninh, Binh Phuoc and Long An provinces, aiming to bring into full play the potentials, geographical advantages, natural conditions and infrastructure system in order to build the southern key economic region into one of the dynamic economic development regions with high and sustainable economic growth rate, an actual economic motive force of the country, which plays a decisive role in the national economic growth, takes the lead in the national industrialization and modernization as well as in some important fields, contributes to raising the quality, efficiency and international competi-tiveness, takes the lead in the international economic integration and creates a momentum for the development of Eastern South Vietnam.

Article 2.- Major development targets

1. The annual average GDP growth rate in the 2006-2010 period shall be around 1.2 times and in the 2011-2020 period, around 1.1 times the national annual growth rate. To raise the region's contributions to the national GDP from 36% at present to 40-41% by 2010 and 43-44% by 2020.
2. To increase the per-capita annual average export value from USD 1,493 in 2005 to USD 3,620 by 2010 and USD 22,310 by 2020.
3. To raise the region's contributions to the whole country's budget revenues from 33.9% in 2005 to 38.7% by 2010 and 40.5% by 2020.
4. To speed up technological renovation, striving to reach the average rate of 20-25%/year during the modernization process and gradually increase the proportion of trained laborers to over 50% by 2010.
5. To form high-quality production and social service centers of international and Southeast Asian levels, thus meeting the demands of the whole southern region and foreigners.
6. To strive to reduce the poor household rate to below 4% by 2010 and below 1% by 2020 and the unemployment rate to about 4% by 2020.
7. To stabilize the region's population at about 15-16 million by 2020. To ensure social disciplines, order and safety, firmly maintain security and national defense as well as environmental sustainability in both urban and rural areas.

Article 3.- Tasks and major solutions to boost the development of key branches and domains

1. New tasks of breakthrough nature

To build a general urban center in the west-northwestern area of Ho Chi Minh city, which covers the provinces of Long An and Tay Ninh and Ho Chi Minh city. To develop a high-quality training center in Binh Duong province, high-quality medical centers and high-level job-training centers in Ba Ria-Vung Tau province, industrial nursery (specialized in research into technical and technological innovations for the whole southern region) and to build a general entrepot in Dong Nai province.

To build expressways from Ho Chi Minh city to Vung Tau, Trung Luong and Tay Ninh; and at the same time, to prepare for the construction of Long Thanh airport.

2. On planning adjustment

a/ To speed up the economic restructuring along the direction of developing branches with high-quality goods, modern technologies and high productivity.

- Services should be developed at high speed and with high quality with a view to ensuring high growth rate as well as comprehensive and sustainable development for the whole region.

To concentrate efforts on the comprehensive development of high-quality services, especially financial and banking services, tourism, recreation and entertainment, technological services, telecommunications, international transport; to develop real estates market, capital market and securities market; to efficiently promote financial organizations as well as training, medical service, and scientific research agencies of national, regional and international calibers.

To build Ho Chi Minh city into a high-quality service center of international caliber of the whole country, regarding telecommunications, transport services, finance, banking and tourism.

Trade should strive to catch up with international level and become a driving force for the development of the whole southern region.

To bring into full play the advantages of the seaport system, boosting domestic and international sea transport services, striving to handle 30-40% of the region's import/export volume. To develop the shipping fleet along the direction of developing special-use ships of high tonnage. To boost international maritime services in Saigon, Thi Vai and Vung Tau ports.

To diversify post and telecommunications services, to expand post and telecommunications activities of various economic sectors in the region, especially the provision of international post and telecommunications services. To expand the system of post and telecommunications in rural areas and islands, ensuring that a post office in big cities shall render services for between 20,000 and 28,000 people, in small cities, between 14,000 and 18,000 people and in rural areas, between 4,000 and 5,000 people.

To develop tourism in combination with the protection and restoration of historical and cultural relics and nature conservation regions. To attach importance to the development of key tourist routes. To link tourism in provinces and cities in the region with tourism in other regions of the country. To raise the quality and diversify the forms of tourism, boost the development of tourist information and development consultancy centers in combination with the formulation of a system of tourism security and safety, so as to receive around 10 million tours of people, including 2 million international arrivals, to the southeastern region by 2005; and around 13-14 million by 2010, including 3.2-3.5 million foreign tourists.

- To speed up hi-tech industries, clean industries and supporting industries.

To give priority to the development of spearhead industries of high intellectual and technological contents (informatics, telecommunications, new material technology, micro-biological technology), clean industries and basic industries, which shall serve as foundation for the general development and international integration and act as the core in accelerating the industrialization and modernization process in the region and surrounding areas. At the same time, to develop supporting industries so as to increase localization rates, in combination with the manufacture of accessories and auxiliary products, repair and maintenance... To promote the role of small- and medium-sized enterprises, along the direction of embarking immediately on modern technologies in parallel with environmental protection.

To boost the development of some key industries such as oil and gas exploitation; electronics and software production; machine-tool engineering; electricity, fertilizer and chemical production from oil and gas, agricultural, forestry, aquatic and foodstuff processing; textile and garment industry, footwear, plastics; building materials industry. To raise the proportion of manufacturing industries.

To adjust the arrangement of industries in the region on the basis of exploiting natural resources and geographical positions of underdeveloped provinces such as Long An, Binh Phuoc and Tay Ninh (with low industrial production density), suitable to the characteristics of each industry.

In order to speed up large-scale development, priority should be given to the development of electronics and informatics which shall serve as premise for the development of other domains. The priority development direction is to embark straight on modern technologies and take advantages of being the successor. To bring into full play the region's labor potential in order to boost international cooperation, aiming to tap capital sources and new technologies. To strive for the target that by 2010, electronics and informatics shall become spearhead export-oriented industries, step by step developing synchronously both hardware and software, with priority to be given to software development. To make the southern key economic region a strong center in electronic accessories production, software, telecommunications and informatics in Southeast Asia. To promote investment in hi-tech and software-production industrial park in Ho Chi Minh city. To strive to raise software production value to around VND 1,800 billion by 2005 (roughly USD 150-160 million).

- To boost the commodity agricultural production in service of industrial consumption demands in urban centers as well as export.

To develop intensive farming in order to create raw materials for the development of processing industries in localities and industrial parks, thus constantly increasing the domestic added value in export farm produce. To build areas for production of export farm produce (rubber, coffee, pepper, cashew), including:

Rubber tree-growing areas shall concentrate mainly in Binh Phuoc, Dong Nai (Thong Nhat, Long Thanh, Xuan Loc and Long Khanh communes), Ba Ria-Vung Tau (Xuyen Moc, Tan Thanh and Chau Duc communes) and Cu Chi (Ho Chi Minh city).

Coffee-growing areas shall be in Dong Nai and Ba Ria-Vung Tau. Pepper-growing areas shall concentrate in Xuan Loc and Long Khanh rural districts, Dong Nai province; and Chau Duc rural district, Ba Ria-Vung Tau province. The cashew areas shall be in Long Thanh and Long Khanh rural districts, Dong Nai province; Chau Duc rural district, Ba Ria-Vung Tau province, and rural districts of Binh Phuoc province. The vegetable-growing areas shall concentrate in Ho Chi Minh

city and Tan Thanh, Long Dat rural districts, Ba Ria-Vung Tau province, and Bien Hoa city, Dong Nai province.

Areas under fruit trees shall be in Lai Thieu (Binh Duong province); grape-fruit in Tan Trieu and Bien Hoa city; banana and durian in Long Khanh rural district (Dong Nai province) and longan and custard-apple (Ba Ria-Vung Tau province).

To raise the green coverage percentage, create the “green lung” for urban centers and industrial parks, improve ecological environment and create landscapes for tourism, use land rationally and plant more perennial trees on forest land. To protect headwaters forests, increase and soon stabilize coastal protective forests, especially the submerged forests in Can Gio rural district of Ho Chi Minh city and along the coast of Ba Ria-Vung Tau province, paper raw material forests and South Cat Tien national park of Dong Nai province. To regreen waste land and bare hills in Tay Ninh, Ba Ria-Vung Tau, Dong Nai, Binh Duong and Binh Phuoc provinces in combination with afforestation programs so as to form resorts for ecological tourism and convalescence.

To concentrate investment in offshore fishing means along the direction of replacing the 100-200 CV ships’ wooden shells with those of new materials, ensuring their durability and saving timber. To build a port system, dredge channels and develop fisheries service establishments in Con Dao, Ba Ria-Vung Tau province.

To develop intensive shrimp farming and freshwater-fish farming in irrigation works. To boost aquatic product processing, upgrade and modernize export-processing establishments in Ho Chi Minh city, Ba Ria-Vung Tau and Dong Nai provinces.

b/ To ensure the balanced development with economic and social infrastructure system taking the lead.

- On economic infrastructure system

To compile the upgrading of national highways 50, 20, 22b, Route N2... linking the southern key economic region to the Mekong river delta and the Central Highlands and work out plans on the formulation of new linking routes.

To soon invest in expressways from Ho Chi Minh city to Can Tho province, which is an important traffic axis ensuring the exchanges between Eastern South Vietnam and the Mekong river delta.

To make investment in the construction of Ho Chi Minh city-Long Thanh-Vung Tau expressway, which is also the route linking Ho Chi Minh city to Long Thanh international airport. By 2005, to complete the construction of Long Thanh-Ho Chi Minh city section with 4 lanes. In the 2006-2010 period, to continue building Long Thanh-Vung Tau section. To upgrade the National Highway 13, with the 4-lane 30 km-section from Binh Phuoc crossroad to Thu Dau Mot expected to be completed by 2005.

To continue to upgrade, then proceed to modernize the traffic system in urban centers in the region. To work out plan on perfecting the traffic network of Ho Chi Minh city, attaching special importance to the planning of, and investment in, the development of mass transit, researching into the construction of system of bridges spanning rivers, overhead or under-ground tramways. To plan the traffic development in combination with the planning on construction of civilized urban centers (not permitting the unplanned construction along roads).

To complete the modernization of Tan Son Nhat international airport, to research into the development of the second international airport in Long Thanh in order to share burdens with Tan Son Nhat airport when the latter is over-loaded. To research into the renovation of Co Ong airport in Con Dao in service of tourism and socio-economic development of the island. The construction thereof shall be based on the general efficiency of Con Dao's development.

In the immediate future, it is necessary to efficiently use ports in Ho Chi Minh city area, including Saigon port and a series of ports and wharves of ministries, branches, localities, joint ventures... along Sai Gon river and Nha Be; at the same time, to build at a suitable tempo ports in Cat Lai and Hiep Phuoc areas.

In furtherance of the Polibureau's Resolution No. 20-NQ/TW of November 18, 2002 on the development of Ho Chi Minh city up to 2010, to soon finalize plans on relocating the system of ports along Sai Gon river out of the inner city in a rational and strict manner and at a suitable tempo so as to avoid congestion and wastefulness caused by the relocation process and minimize adverse impacts on production, business, national defense and security. To step by step invest in the construction of Cai Mep and Thi Vai port clusters, which are the trans-Asia road's gateway to the sea, so as to satisfy the transport demand of the whole southern region.

To build general entrepots in order to meet the increasing development requirement of whole region. To research into the construction of general entrepots at places where cargoes can be conveniently and quickly rallied from seaports and transported to different areas.

To perfect, renovate and upgrade routes linking to the Mekong river delta, including two important routes: Saigon-Ca Mau city and Saigon-Kien Luong, which shall be funded with ODA capital.

In the 2004-2005 period, it is necessary to renovate the railway terminals of Ho Chi Minh city, in the 2006-2010 period, to research into the construction of railway route from Ho Chi Minh city to Vung Tau, build a railway system linking the seaport system with industrial parks along the corridor of National Highway 51, the roads from Ho Chi Minh city to Phnom Penh, the Mekong river delta and the Central Highlands according to planning.

To upgrade water-supply and -drainage works, step by step develop the water-supply system according to region's and zone's plannings, along the direction of being modern and on a par with the technological and managerial standards of civilized and advanced urban centers in the region and the world. To renovate the water drainage and waste water treatment systems, putting an end to the situation of waterlogging in urban centers, especially Ho Chi Minh city.

When building plants and industrial parks, waste-treatment works must be constructed simultaneously so as not to cause environmental pollution. To plan and build the systems for treatment of urban garbage and industrial parks' wastes, ensuring green, clean and fine environment in urban centers.

In the 2006-2010 period, to invest in the construction of 40 km-long 500 KV-transmission line and a 500 KV transformer of a capacity of 450 MVA, 181 km-long transmission line of 110 KV and 105 transformers of 110 KV with a total capacity of 4,100 MVA.

- On social infrastructure system

To build cultural centers so as to restore and put traditional cultural activities into order. To invest in and upgrade the existing television towers in the region so as to raise the quality of television broadcasting.

To develop medical establishments, equipment, facilities and services so as to meet the diversified demands of not only local people but also of foreigners working in joint ventures and tourists. To build high-quality medical centers with advanced and modern medical equipment and facilities, avoiding the concentration thereof in Ho Chi Minh city. To rearrange and enhance medical networks in communes, wards and communities, ensuring that 100% villages and communes have medical workers and 100% grassroots and communal health stations have medical doctors.

c/ On the development of urban centers and industrial parks

- To develop satellite urban centers around big cities, which are linked with industrial parks, thus forming urban clusters of large scale. To form new urban centers with a population of between 700,000 and 1,000,000 in Phu My, Long Son, Long Hai (Ba Ria-Vung Tau), Di An-Tan Uyen (Binh Duong), Tam Phuoc, Nhon Trach (Dong Nai). To build a new urban center of about 6,000 ha in the area overlapping Ho Chi Minh city, Long An and Tay Ninh provinces (Duc Hoa, Trang Bang and Cu Chi rural districts). For other big urban centers, to renovate, embellish and modernize the inner areas in parallel with investing in the synchronous infrastructure development.

To plan and renovate rural areas in combination with the formation of peripheral urban centers, expanded district townships and urban centers which are linked to industrial parks; district townships and towns shall be upgraded and further built.

To develop industrial parks and hi-tech parks, to research into the scheme on construction of industrial nursery in the periphery of Ho Chi Minh city, near scientific research centers and hi-tech parks, which shall perform the tasks of renovating techniques and technologies for factories in the South.

To commission hi-tech parks. To encourage investment in industrial parks and export-processing regions, which have been granted licenses. To revise planning on industrial parks in the whole region so as to ensure sustainable and balanced development, of which Ho Chi Minh city's industrial parks shall be built along the direction of hi-tech industrial parks, raising the gray-matter contents in industrial products. To attach importance to the construction of infrastructure outside industrial parks' fence such as dwelling houses, hospitals, schools, job-training centers, trade centers, entertainment and recreation areas... To work out detailed planning and plans on the construction of residential quarters in combination with industrial parks so as to ensure living conditions for those who come from other places to work.

d/ To renew mechanism on domestic and foreign investment attraction

To formulate synchronous mechanism and policies to attract domestic and foreign investment capital, working out policies to mobilize capital for investment in high-quality services and hi-tech industries, policies on export promotion, policies on employment of cadres, and suitable and flexible mechanism for decentralization between the central and local administrations,... so as to make the coordination among branches, localities and between branches and localities close and effective, thus creating favorable environment for attraction of investment capital, and being capable of competing with regional countries.

To adjust the investment structure along the direction of raising efficiency and competitiveness, forming projects of national, regional and local (provincial and municipal) levels, which are managed according to uniform standards; to exploit resources, especially internal resources, and at the same time, create conditions for attracting capital and technologies from outside in order to raise the efficiency and competitiveness of the economy, in conformity with the development planning and economic restructuring.

The above-mentioned investment capital sources shall be firstly given to the development of high-scientific content industries using modern technologies.

Article 4.- Human resource training

To train human resources, especially high-quality human resources, in order to meet the development demand of the region, the southern region and the whole country. To invest in the development of human resources, especially human resources in production domains and spearhead branches (electronics, software production, informatics and automation...). To expand the scope of human resource training in various forms, with attention being paid to the training of skilled workers so as to meet the industrialization and modernization requirements. To combine the training of human resources in the central area and suburban areas, in the southern key economic region and other areas so as to attract the labor force outside the area to participate in economic activities therein.

To rearrange the system of training establishments (universities, colleges and job-training schools), attaching importance to the training of economic and technical majors in service of modern and hi-tech development. To invest in, raise the quality of, and expand training forms of, universities in Ho Chi Minh city and surrounding provinces, taking into account the demands of the Mekong river delta and the Central Highlands.

To build high-quality training centers and job-training centers in Dong Nai province and work out plans on setting up joint ventures with foreign parties.

To research into the construction of scientific research and technology transfer centers of national, regional and international calibre for the whole region, which shall be located near Ho Chi Minh city's hi-tech parks.

Article 5.- The ministers, the heads of the ministerial-level agencies, the heads of the agencies attached to the Government, and the presidents of the People's Committees of provinces and centrally-run cities in the southern key economic region shall have to closely inspect and monitor the implementation of the orientations on socio-economic development of the southern key economic region and formulate suitable five-year and annual investment development programs and projects.

The Coordination Board for development of key economic regions shall direct the Ministry of Planning and Investment in coordinating with concerned ministries, branches and People's Committees in revising development plannings of the whole region in a practical and efficient manner. First of all, to concentrate efforts on revising the overall planning on socio-economic development of the whole key economic region, especially the overall plannings on development of urban centers, economic corridors, industrial parks, seaport systems... To revise socio-economic development planning of various provinces in order to adjust them to suit the new development situation. After revising the overall plannings, branches and localities should soon realize detailed plannings, ensuring the timely notification thereof to grassroots units and people.

The Ministry of Planning and Investment shall assume the prime responsibility for, and coordinate with the concerned ministries, branches and localities in, implementing key investment programs and projects.

The ministries and central branches shall have to coordinate with, and assist provinces and centrally-run cities in the southern key economic region in the course of revising and implementing set programs and projects, ensuring the consistence between each province's and city's planning and the plannings of the region and the whole country.

Article 6.- This Decision takes effect 15 days after its publication in the Official Gazette and replaces the Prime Minister's Decision No. 44/1998/QD-TTg of February 23, 1998 approving the master planning on socio-economic development of southern key economic region from now still 2010.

Article 7.- The presidents of the People's Committees of provinces and centrally-run cities in the southern key economic region, the ministers, the heads of the ministerial-level agencies, and the heads of the agencies attached to the Government shall have to implement this Decision.

Prime Minister
PHAN VAN KHAI