

# **VIETNAM'S SOCIO-ECONOMIC DEVELOPMENT STRATEGY FOR THE PERIOD OF 2011-2020**

## **VIETNAM GOVERNMENT**

The Eleventh Congress of Vietnam Communist Party has reviewed the implementation of Socio-economic Development Strategy for the period of 2001-2010 proposed by the Ninth Party Congress and has made decision on the Strategy to continue promoting industrialization and modernization, developing fast and sustainably; upholding the whole population strength, building up our country to be an industrial one with socialist orientation..

### **I. NATION'S SITUATION AND INTERNATIONAL CONTEXT**

#### **1.1. Nation's situation**

Over 10 years of implementing the socioeconomic development strategy for the period of 2001-2010, we have taken advantage of opportunities and favorableness to overcome many difficulties and challenges, especially negative impacts of two financial-economic crises in the region and the world. The nation has gained considerable and important achievements, getting out of underdeveloped condition and entering the group of developing countries with medium income level.

Many primary objectives of the Strategy for the period of 2001-2010 have been implemented; new developments have been reached in the production force, production relations and international integration. The economy has grown fast with the average rate of 7.26%/year. Up to 2010, the average GDP per capita has reached US\$1,168. The economic structure has been shifted in a positive way. The socialist oriented market economy regulation has been continually improved. Important achievements have been obtained in many aspects of cultural and social fields. People's physical and spiritual lives have been significantly improved; freedom in belief and religion has been respected; gender equality has seen many progresses; democracy in the society has been continually expanded. The work in foreign affairs and international integration has been widely, deeply and effectively implemented; national defense and security have been strongly maintained, which creates a peaceful and stable environment as well as increases more resources for national development.

There are many changes in nation's physiognomy. Political and social areas are stable. Nation's position and strength are significantly stronger. Vietnam's position in international arena has been improved, which creates important premises to speed up the nation's industrialization and modernization and to improve the quality of people's life. The above achievements are attributed to the promotion of the whole nation's strength as

well as great efforts, creation and activeness of the whole army, the whole population, enterprises' community and the whole political system under right leadership of the Party and effective management of the State.

However, the achievements have not yet commensurate with the country's potentiality. The economy has not yet developed sustainably. The quality of growth, productivity, effectiveness and competitiveness of the economy are still low. The macro- economic balance has not been really firm.

The mobilization and effectiveness of using resources for development are still limited. The economic growth is largely based on the extensive development elements with slow movement to intensive development. There are some insufficiencies and even pressing matters in the areas of culture and society. The environment is heavy polluted in many places. Market economy regulation, human resources and infrastructure quality are still hindrances to the development. The foundation for Vietnam to become a modern, oriented, and industrial country has not yet been fully established. There are hidden factors that can cause political-social instability and threat the national sovereignty.

The above limitations and weaknesses are partly due to objective causes, but mostly due to subjective ones. The thought of socioeconomic development as well as the mode of the Party's leadership of are slowly to renovate and not yet met nation's development requirements. There are still many limitations in some areas of State management and law system. Limitations still exist in the civil servant apparatus system. The arrangement for implementation is still shortcoming and has not created significant changes in effectively dealing with critical and breakthrough steps as well as with pressing matters of the society. People's right of control has not been fully upheld. Discipline and rules are not strict enough. Corruption and wastefulness are still serious matters and not yet been repulsed.

From the practical situation of developing the nation and the results of implementing 10-year Strategy, the following is main lessons learnt:

*Firstly*, uphold democracy, provoke collective strength of the whole nation, combine nation's strength with the era's strength, effectively mobilize and use all resources for nation's development.

*Secondly*, attach special importance to the quality, effectiveness and stability of development, ensure macroeconomic stability, and harmoniously deal with relations between the speed and quality of growth.

*Thirdly*, ensure national independence and sovereignty; strongly maintain social-political stability, actively integrate into the world and create favorable environment for the

nation's development.

*Fourthly*, ensure the close combination between strengthening the Party's leadership with improving the effectiveness of State's management as well as fully upholding people's right of control.

## **1.2. International context**

Our country enters a new strategic period in the context the world is changing fast, complicatedly and unforeseeably. Peace, cooperation and development will continue to be the general trend in the coming decades. However, conflicts among ethnic groups and religions, fights for resources and territories, and terrorism may increase together with other global issues such as poverty and hunger, epidemic diseases, climate change, natural disasters, among many others which force nations to have policies to react and cooperate to take actions.

The Asia-Pacific region continues developing dynamically and having more diversified forms of association and cooperation. Nevertheless, there still exist implicit factors that can cause instability, especially fights for gaining influence and sovereignty of oceans, islands and resources...

ASEAN countries enter a new cooperation period under the Charter of ASEAN and build their Community based on three backbones: politics-security, economy, and culture-society; the cooperation with partners continues to develop with in- depth direction. Besides, ASEAN also has to deal with regional general challenges.

Economic globalization continues to develop in terms of the scope, extent and form of expression with both positive and negative impacts, and complicated mixture of opportunities and challenges. Multinational companies play an increasingly big role. The process of internalization in the production and work allocation takes place more deeply and widely. The participation into the global production network and value chain becomes a requirement to economies. Inter-dependence, integration, competition and cooperation among countries become more and more popular. Knowledge based-economy develops strongly; hence, humankind and knowledge become a crucial factor for the development of each country.

After the global financial-economic crisis, the world will enter a new development period. Interrelations in strengths of economies and global development face will have changes with the appearance of new linkages. The position of the Asia, especially of China, in international economy is getting higher. The process of restructuring economies and adjusting global financial regulations will take place aggressively in associated with new advances in science, technology and economical usage of energy and resources. On

the other hand, the crisis still left behind with severe consequences with emerging protectionism which is a great barrier to international trade. The international economy, though, starts to recover; the growth pace over initial years is still weak with high risk and instability.

The above mentioned nation's situation and international context lead our country to be at new position with great advantages and opportunities as well as severe difficulties and challenges in the implementation of socioeconomic objectives and in the protection of its independence, sovereignty, territorial unification in the coming strategic period.

## **II. DEVELOPMENT VIEWPOINTS**

### **2.1. Fast development has to go side by side with sustainable development; sustainable development is a throughout requirement in the Strategy.**

Sustainable development is a foundation for fast development and fast development is to create resources for sustainable development. It is necessary to ensure a sustainable economic development, macroeconomic stability and economic security. Actively facilitate the transfer in the economic structure as well as the change in the growth model with first priority given to the quality, productivity, effectiveness and competitiveness; pay attention to the intensive development and a knowledge based economy. Economic growth should be combined with the implementation of social advance and equality, continuous improvement of people's life quality, strongly cultural development and democratic promotion. Socioeconomic development should be always accompanied with environmental protection and improvement. Our country has conditions for a fast development and the fast development is also an urgent requirement. Therefore, a fast and sustainable development should always be attached to each other in the planning, scheme and policies for socioeconomic development.

Special attention should be paid to maintaining socio-political stability, strengthening national defense and security, firmly protecting the independence, sovereignty, territorial unification for the country to develop fast and sustainably.

### **2.2. Make comprehensive renovation in line with the country's economy and politics for the purpose of building up a socialist Vietnam with a strong country, rich people, democracy, equality and civilization.**

Patiently and drastically implement the renovation. Renovation in politics should be consistent with the economic renovation with an appropriate roadmap; focusing on completing regulations of socialist oriented market economy, renovating the Party's leadership mode, building a socialist jurisdiction nation, extending democracy in the Party and the society in associated with strengthening discipline and laws in order to

foster comprehensive renovation, promoting overall strength of population for the purpose of building socialist Vietnam a strong country with rich people, democracy, equality and civilization. The implementation of this objective should be considered highest standard to evaluate the effectiveness of the renovation and development process.

### **2.3. Practise democracy, uphold at most human factor, and consider human the subject, the main resource and objective of the development.**

Guarantee human rights, civil rights and other conditions for people to develop comprehensively. Improve capacity and create mechanisms for people to fully implement their control right, especially the direct democracy in order to strongly promote all creative abilities and ensure high consensus in the society, which is the motivation for developing the nation. Uphold the advantages of Vietnamese population and people, improve human resources quality, take care of proper benefits and incessantly improve physical and spiritual life of all people as well as implement social equality.

### **2.4. Strongly develop production force with increasingly higher level of science and technology; at the same time, finalize production relations and socialist oriented market economic regulations.**

It is necessary to remove all obstacles and to create favorable conditions for liberating and developing the above mentioned production force; to foster the scientific and technological application, mobilize and effectively use all resources for development. Fast and harmonically develop economic components and forms of enterprises. Strengthen potentials and improve the effectiveness of state economy. State economy plays a decisive role and it is an important physical force for the State to orient and regulate the economy, contributing to the stability of macro economy, creating environment and conditions for economic components to develop together. Develop the collective economy with diversified forms of cooperation where co-operative is the core. Encourage the development of forms of organizing production and business with joint ownership where joint-stock enterprises takes the majority so that this economic form becomes popular in the economy to foster the socialization in production, business and ownership. Create favorable conditions for private sector to strongly develop and become a driving force of the economy. Encourage the development of foreign invested economic sector as planning.

Create a transparent, equal, and competitive environment. Develop comprehensively and completely with continuous modernization of all types of markets. Continue improving the mechanisms of managing, distributing, mobilizing and effectively using all resources to ensure the equality in sharing benefits, which creates motivation for facilitating the

socioeconomic development.

## **2.5. Build up an economy with increasingly high independence and self-control in the context of a more intensive integration into the world**

Promoting internal force and nation's strengths as well as taking advantages of external force and era's strength are crucial and decisive factors for fast and sustainable development and for building up an independent and self-control economy. It is necessary to incessantly reinforce economic potential and overall strength for pro-actively and actively integrate into the globe in an intensive and effective manner.

Develop domestic enterprises force with many strong brand names and high competitiveness to take control of the domestic market, expanding the external markets to contribute to guarantee the independence and self-control of the economy. In international integration, we should always take active role to adapt to changes in situations for ensuring the effectiveness and benefits for the nation.

## **III. STRATEGIC OBJECTIVES AND BREAKTHROUGH PHASE**

### **3.1. General objective**

*Strive to make our country an modern oriented industrial one by 2020 with socio-political stability, agreement, democracy, discipline; people's physical and spiritual life is clearly improved; the independence and territorial unification are firmly maintained; Vietnam's position in international arena is continually improved; creating firm premises for higher development in the next period.*

### **3.2. Main objectives in economic, cultural, society and environmental development**

#### ***a) In economic development***

Strongly develop production force, building appropriate production relation, comprehensively establish regulations of the socialist oriented market economy. Attach economic development with environmental protection and green economic development. Make transfer in growth model from mainly developing extensively into a harmonious/appropriate combination between intensive and extensive development with attention being paid into improving both the quality and effectiveness. Foster the economic structure transition, implement the economic restructure focusing on restructuring manufacture and service industries attached with economic zones; speed up the restructure of enterprises and adjust the market strategy; quickly increase national output, added value and competitiveness of products, of enterprises and of the whole country.

Strive to achieve an average increase in GDP rate of 7-8%/year. GDP in 2020 will be equal to 2.2 times of that in 2010 in purchasing power parity. Average GDP per capita in real price will reach US\$3,000.

Ensure macroeconomic stability. Build up a modern and effective industrial, agricultural, and service economic structure. The proportion of industrial and service industries accounts for about 85% of GDP. Value of high-tech products reaches around 45% of GDP. Value of manufacture industry makes up 40% of the total industrial manufacture value. The agriculture develops towards modern, effective and sustainable directions; many products have high added value. The rate of labor working in agriculture accounts for about 30-35% society's labor force. Aggregate productivity factor contributes at least 35% to the growth; annual energy consumption decreases at 2.5 – 3% of GDP. Practise saving in using all resources.

Infrastructure is fairly comprehensive with some modern projects. The urbanization rate achieves more than 45%. Communes that meet new rural standard account for about 50%.

#### ***b) In socio-cultural development***

Build up a united and democratic society with rules, equality and civilization. Up to 2020, human development index (HDI) will reach medium high group of the world; population growth rate will be stable at 1.1%; life expectancy will reach 75; there will be 9 doctors and 26 hospital beds per 10,000 people<sup>1</sup>, health insurance will be applied to all population; trained labors will reach above 70%, vocational training will account for 55% of total labors of the society; the rate of poor households will decrease 2-3%/year on average; social security and welfare and community health care will be guaranteed. Real income of people will be 3.5 times higher than that of 2010; income gap among areas and groups of population will be narrowed. Rudimentary house will be eliminated; rate of solid houses will reach 70% with an average of 25m<sup>2</sup> construction floor area/person.

Training and education, science and technology will meet requirements of the country's modernization and industrialization. Up to 2020, there will be some aspects in science; technology, education, and health achieve advanced and modern level. There will be 450 students per 10,000 people.

Build up an advanced culture with in-depth national identities; advanced and happy families; people have chances to develop comprehensively in intellectual, ethic, physical and creativity aspects, having sense of civil responsibility and conforming the law.

#### ***c) In environmental development***

Improve environment quality. Up to 2020, forest covering ratio will be raised to 45%. Almost all urban and rural inhabitants can get access to clean and hygienic water. 100% of new business and manufacture facilities will apply clean technology or be equipped with devices that help reduce pollution and waste treatment; more than 80% of existing business and manufacture facilities meet environmental standards. Urban areas from type 4 and above and all industrial zones and export processing zones will have a centralized system for waste water treatment. 95% of regular solid waste, 85% of toxic waste and 100% of health waste will be solved in line with standards. Improve and restore environments in heavily polluted areas. Restrict harmful effects of natural disaster. Actively and effectively deal with climate change, especially the rise of sea water level.

### **3.3. Strategic breakthroughs**

- (1) Improve socialist oriented market economy regulations with the core to create an equal and competitive environment, and to make administrative reform.
- (2) Quickly develop human resources, especially high quality human resources; concentrate on the comprehensive renovation of national education system.
- (3) Build an infrastructure system that synchronizes with some modern projects, and focus on traffic system and big urban infrastructure.

## **IV. ORIENTATION IN DEVELOPMENT, INNOVATION OF GROWTH MODEL, AND RESTRUCTURING OF THE ECONOMY**

### **4.1. Improve regulations of the socialist oriented market economy; ensure macroeconomic stability; effectively mobilize and use resources**

Comprehensively and modernly improving regulations of a market economy is an important premise for fostering the process of restructuring the economy, changing growth model, and stabilizing macro economy.

Further renovate the establishment and implementation of the law to ensure equal and transparent competition among enterprises of various economic components. Innovate the work of scheming, planning and managing the economy according to market mechanism, and well implement social policies. Deploy a system of appropriate mechanisms and policies, especially financial and monetary mechanisms and policies in order to increase growth quality, to ensure safe and sound development of the economy.

National financial policies shall appropriately encourage and effectively contribute and use all resources for socio-economic development; distribute benefits more and more



equally. Continue improving policies and tax system, price management mechanism, law on competition, controlling monopoly in business and protecting consumers, and policies on income, salary and wage. Balance budget actively to ensure an appropriate accumulation ratio for investment capital; and strive to gradually reduce budget deficit. Continually renovate financial mechanism and policies applied to state owned enterprises. Strictly manage loans from and payment to foreign countries; maintain Government and State debts in safe limit. Strengthen National Assembly and people's council's roles in supervising national budget.

Monetary policies shall be active and flexible, foster stable growth, control inflation, and stabilize money value. Comprehensively establish a legal framework for banking activities. Extend forms of payment through banks and payment without using cash. Flexibly manage policies on interest rate and exchange rate in accordance to market rules. Renovate policies on foreign exchange management; step by step extend the scope of capital transactions to gradually omit the situation of using foreign currencies as a means of payment within Vietnamese territory. Enhance State Bank's role in planning and implementing monetary policies. Closely combine monetary with financial policies. Consolidate the work of inspecting and supervising financial and monetary activities.

Respect the right on free trading and ensure the equality among economic components. Continue further innovation and raising the effectiveness of state owned enterprises operation, especially economic groups and corporations; facilitate the privatization of state owned enterprises, establish some strong and multi-owned economic groups, in which the State plays governing role; clearly define the State ownership and the right to do business in these enterprises. Create favorable condition for collective economy to develop in a diversified manner and to expand its scale; develop reasonable mechanism and policies that assist economic organizations to cooperate in training and improving staff, expanding their market, applying new technology and getting access to capital. Encourage the development of various types of enterprises, forms of organizing the production and doing with joint ownership, especially joint stock enterprises. Strongly develop private sector economy. Attract foreign investment that have modern and environment-friendly technology as well as strengthen connections with domestic enterprises.

Implement National Targeted Program on developing enterprises in associated with enterprises restructuring process. Provide support to strong development of small and medium sized enterprises. Create conditions for forming big enterprises that can compete in the market. Develop entrepreneurs in quantity and management capability that have moral and social responsibility. Strengthen the close connection between employers and employees.

Establish the comprehensiveness and throughout operation of all types of markets.

Develop goods and services market in the direction of trade and investment liberalization. Develop financial market with complete structure, fast increasing scale, extended operation scope, safe operation and being effectively managed and supervised. Effectively develop and control the stock market. Soundly develop the real estate market, supplement and complete the law and policies on land to create favorable conditions to converse land into important and effective resource for development and to ensure the harmony among benefits of the State, people who hand over the land using right and investors. Overcome the situations of wastefulness and corruption of public land. Develop the labor market, encourage types of work transactions. Quickly develop the science and technology market; encourage and support activities in science and technology in accordance to market mechanism.

#### **4.2. Strongly develop industry and build it towards the direction of modernity and improving the quality and competitiveness to create foundations for an industrial country**

Restructure industrial production in the technical and economic field, region and new value. Increase the volume of science and technology as well as the proportion of domestic value in products. Selectively develop processing and manufacturing industry, high tech industry, energy industry, mine ores industry, metallurgy industry, chemical industry, and national defense industry. Give priority to the development of products which have competitive advantage and possibility to join in the production network and global value chain in such industries as high technology, mechanics, information and communications technology, and pharmaceuticals... Strongly develop supportive industry. Pay attention to the development of industry that serves agriculture, rural areas, clean energy and new materials together with application of technology on saving energy and materials. Step by step develop biological and environmental industry. Continue developing industries that use many laborers.

Promote the effectiveness of industrial cluster and zones, foster the development of industry under the form of cluster and group of products, create big scope and highly effective industrial complexes; complete the construction of high- tech zones and set up some research areas for technical renovation and technological improvement. Reasonably allocate industries over the whole territory in order to ensure a balanced and effective development among areas.

Develop the construction industry to meet advanced level in the region. Quickly approach and self-control modern technologies; improve the capacity in assembling industry in order to meet requirements of domestic construction and international bidding. Strongly develop the construction material industry, especially high quality materials.

#### **4.3. Comprehensively develop agriculture towards the direction of modernity,**

## **effectiveness and sustainability**

Take advantages of tropical agriculture to develop the massive production of goods with high productivity, quality, effectiveness and competitiveness. Quickly increase output and export turn-over of agricultural products to improve income and living standards for farmers and to firmly ensure national food security. Build the model of production and business that are appropriate with each type of trees and animals. Encourage the gathering of cultivated land to develop households' camps, farms and agricultural enterprises that are suitable with the scope and conditions of each region. Closely and harmoniously connect benefits among manufacturers, processors and consumers, between the application of technique, technology and the organization of production, between agriculture development and new rural development. Basically renovate the mode of organizing business in agricultural products, firstly in the business of hulled rice; ensure the reasonable distribution of benefits in each step from manufacturing to consumption. Develop a storehouse system for agricultural products that contribute to the regulation of market demand and supply. Continue renovating and building organization models to develop cooperative economy to be in line with market mechanism. Keep close control of conversion of agricultural land, especially from land for rice cultivation to land used for other purposes, with the assurance of benefits of rice planters and rice planting localities. Reallocate the structure of crop plants, harvests and varieties that meet the market demand and reduce damages from natural disasters and epidemic diseases. Speed up the application of advanced science and modern technology in production, processing, maintenance; giving priority to the application of biological technology to create many crop plant varieties, domestic animals and production processes that achieve high productivity, quality and effectiveness; quickly increase added value per unit of cultivated land. Support the development of high-tech agricultural zones. Facilitate the breeding under the forms of industry and semi-industry that ensure the quality and safety against epidemic diseases.

Sustainably develop forestry. Have clear planning and suitable policies for developing forests: productive forest, protective forest and special used forest with improved quality. The government makes investment and has comprehensive policies to manage and develop protective forest and special used forest, at the same time, ensures that the ones who accept extensive agriculture and protect forests will have a stable life. Encourage organizations and individuals of all economic components to invest in productive forests; attach forestation for materials to processing industry right from the planning and investment projects; use income from forests to develop forests and get rich from forests. Sustainably and effectively exploit sources of seafood in associated with national defense, security and protection of sea environment. Develop aquaculture in accordance to the planning with focus on products that have strengths and high value; comprehensively build the infrastructure for breeding areas; foster the application of scientific and technological advances in production and processing; improve the

productivity, quality, and competitiveness as well as meet requirements on food safety. Build up the Vietnamese aquaculture to reach advanced level in the region.

#### **4.4. Strongly develop service industries, especially services with high value, great potential and competitiveness**

Develop service area to reach a higher growth rate than that of manufacture area and GDP growth rate.

Concentrate on developing some advantageous service industries that have high density of knowledge and technology such as: tourism, maritime, aviation, telecommunications, information technology, and health. Form some service and tourism centers with regional rank. Enlarge domestic market, strongly develop domestic trade; diversify foreign markets, effectively exploit markets under free trade agreement and potential markets, speed up export, and decrease trade gap; strive to balance export and import. Actively join into global distribution network, quickly develop distribution system for products with competitive advantages both inside and outside the country, and build up brand names for Vietnamese goods. Diversify products and types of tourism and improve the quality to achieve international rank. Modernize and enlarge services with high added value such as services in finance, insurance, securities, logistics and other supporting services. Strongly develop services on science and technology, training and education, culture, information, sport, employment and social security.

#### **4.5. Quickly develop infrastructure, especially transportation infrastructure**

To basically establish a comprehensive system of infrastructure with some modern projects is a strategic breakthrough and an important factor that foster the process of restructuring the economy and changing growth model. Concentrate on reviewing and completing the planning of infrastructure structure all over the country and in each region, especially traffic, hydroelectricity, and irrigation to ensure the economical use of resources, social and environmental effectiveness, and environmental protection.

The government concentrates its resources to invest in constructing roads, high speed railway of North-South route, and some sea ports and airline ports meeting international standard as well as urban infrastructure in Hanoi and Ho Chi Minh City. Encourage and create conditions for economic components, even foreign investment, to join in infrastructure development by all types of investments. Step by step synchronously establish the North-South transport axis and East-West corridor axis to guarantee the connection of transportation means; building road transport routes towards outside the country that meet international technical standards.

Comprehensively develop and step by step modernize irrigational system; pay attention

to building and enhancing the system of sea and river dykes, pumping stations, works on salt prevention and getting out flood, etc. Quickly develop electricity source and complete electricity net system together with the use of energy saving technologies to guarantee the sufficient provision of electricity for development demand. Modernize information-telecommunication industry and information technology infrastructure. Develop a system that provides clean and hygiene water to urban areas, industrial zones and rural inhabitants. Basically resolve the issues of water drainage and waste water treatment in urban areas.

#### **4.6. Harmoniously and sustainably develop regions, build up new urban and rural areas**

Review, adjust and supplement the planning, develop appropriate mechanisms and policies for regions all over the country to develop together; promote advantages of each region, create the connection among regions. Foster the development of focal economic zones to create spill-over motivation to other regions; at the same time, create conditions for faster development in areas with difficulties, especially in border and island areas, Southwest, Highland, Northwest and the west of Central provinces. Select some localities with dominant advantages, especially the coastline ones to establish some economic zones functioning as locomotive for the development. The implementation of development orientations shall be attached to solutions for dealing with climate change, especially the issue of sea water rising to ensure the sustainable development.

*Delta area:* Develop high-tech agriculture. Establish areas for concentrated goods manufacturing based on reorganization of agricultural production and application of technical advances. Make planning for large areas specializing in rice cultivation as goods and strengthening rice intensive cultivation. Modernize processing and preservation industry. Develop industrial and service industries serving agricultural production development. Develop industrial zones, groups of industrial products and high- tech services; save land in big urban areas to establish great economic centers of the whole country with regional rank to function as a leading role and having spill-over impacts on the development of other areas.

*Mountainous and midland area:* Strongly develop forestry production, industrial plants, fruit-trees and cattle feeding; form concentrated goods manufacture areas, firstly being materials for processing and exporting industry. Protect and develop forests. Effectively make full use of land potential, hydroelectricity and minerals; build water reservoir and develop small irrigation in associated with hydroelectricity. Encourage the development of industry and services having high demand on using land. Develop rural transportation and ensure roads for cars to communes all four seasons round, and step by step build roads for cars to small villages and mountain villages. Further alleviate poverty and improve the living standard for various ethnic minority people. Basically renovate the

organization of state-run farm and afforestation yards. Pay attention to developing the socioeconomic infrastructure in border areas, especially at border gates.

*Sea areas, coastline areas and island areas:* Strongly develop sea economy in corresponding to sea position and potential of our country; attach the development of sea economy to the guarantee of national defense, security, and sea sovereignty protection. Quickly develop some coastal economic and industrial zones with priority on development of industries in energy, shipbuilding, cement, and processing high quality aquatic products, etc. Speed up urbanization rate, create strong sea economic centers heading to the sea and attaching to diversified development of service industries, especially the ones with high added value such as services on export, import, tourism, fishery, seagoing vessel repair, etc. Develop island economy that corresponds with the position, potential and advantage of each island. Effectively plan and develop salt industry to meet the demand of the nation and to guarantee life for salt workers.

*Urban development:* Renovate policies and mechanisms; improve the quality and closely manage urban development planning. Step by step form an urban system with comprehensive, modern and environment-friendly infrastructure, including some big cities and many small and medium cities that are reasonably located over regions; pay attention to the development of mountainous urban with strong development of coastal urban areas.

Promote the role as economic, cultural, scientific and technological centers of Hanoi and Ho Chi Minh City as well as the roles of centers in each region and locality; concentrate on human resources development, information dissemination, knowledge dissemination, technology transfer and economic structure transition promotion. Form groups of products to create fast spill-over effect and high effectiveness in the connection between production and market, between the center and periphery.

Have policies to strongly develop housing for people, especially for policies targeted people and those with low income.

*Build up new rural areas:* Plan the rural development in associated with urban development and allocation of inhabitant areas. Strongly develop industry, services and trade villages that are associated with environmental protection. Deploy programs on building new rural areas corresponding to characters of each region and maintain special characters of Vietnamese rural areas. Foster the construction of rural infrastructure. Create favorable environment to deploy all investment abilities in agriculture and rural areas, especially the investment of small and medium sized enterprises that attract many laborers. Effectively implement Program on training 1 million rural laborers each year.

Well implement programs on housing support to the poor and policy targeted people,

housing for inhabitants in storm and flood areas; to reasonably arrange inhabitants to ensure the security in areas hit by flood, areas with collapsed mountains, riverside and coastline.

*Form and develop economic corridors and belts:* Create comprehensive connection in infrastructure to form North-South economic axle, East-West economic axles, and trans-Asia economic corridors. Form clusters and groups of industrial products and services to connect central urban areas along economic corridors. Establish big centers for economic cooperation and development at border gates on economic corridors.

#### **4.7. Comprehensively develop cultural and social fields in harmony with economic development**

Make strong development steps in culture and society. Increase the investment from government and foster the mobilization of social resources for socio-cultural development. Improve policy system, closely connect economic objectives and policies with social ones; well implement social advance and equality in each development step and each policy that are appropriate with specific conditions to ensure fast and sustainable development.

Raise income and living quality for the people. Create equal opportunities in getting access to resources for development and in receiving basic services and social welfare. Further effectively carry out policies on sustainably reducing poverty, especially in the poorest districts and other areas with special difficulties. Encourage methods of getting rich that are in conformation with the law; quickly increase the number of households that have income at medium high and above. Reduce the gap between the rich and the poor.

Complete the system of policies and mechanisms on providing public services that are in line with socialist oriented market economic regulation. The government incessantly increases the guarantee level of essential public services for people.

Well implement policies on labor and jobs in order to encourage and promote the laborers' capability to the maximum level to set up career and to enrich them. Ensure harmonious labor relations; improve the quality and conditions of working environment. Foster vocational training and job creation. Increase the quality and effectiveness of activities on bringing Vietnamese laborers to work in foreign countries. Develop a diversified and increasingly widened and effective social security system. Support learners and jobs creation for policy targeted people and the poor, especially the ones in rural and urbanized areas. Strongly develop and diversify insurance system: social insurance, unemployment insurance, industrial accident and disease insurance, etc. Encourage and create favorable conditions for laborers to get access and participate in

various types of insurance. Well implement preferential policies and incessantly increase the living standard for individuals with national merit. Extend forms of social support and relief, especially for people with difficulties.

Comprehensively and synchronously develop cultural fields, both promote nation's good value and acquire mankind cultural quintessence; well deal with relations between the economy and culture so that the culture is a spiritual base for the society and a motivation for socioeconomic development and international integration. Concentrate on building up safe and sound cultural life, lifestyle and environment; attach much importance to the culture of leadership, management, business and behavior. Pay attention to building up Vietnamese personality in terms of ideology, intelligence, ethics, lifestyle, constitution, nation's self-respect, social responsibility, and sense of obeying the law, especially among young generation. Uphold good traditional value, build Vietnamese advanced and happy families; well implement gender equality and women advancement; take care of and protect children rights. Ensure the right of free belief and religion of citizens as regulated by the law. Encourage the freedom in creativity in cultural, literature and artistic activities to create many products of high value, broad spill-over effect and being worthy to nation's stature. Build up and synchronously upgrade cultural and sport institution system. Pay attention to the preservation and development of nation's cultural heritage. Improve the level of cultural enjoying of people.

Increase the quality of information, newspaper, internet and publishing system. Ensure people's right to be informed and opportunities to get access to information, especially for those in remote areas and ethnic groups. Continue renovating the management mechanism, fostering socialization in cultural and information fields, and forming sound cultural market. Resolutely oppose criminal and social evils; reduce heroin and prostitution evils; effectively prevent traffic accidents. Improve the quality of the movement in which the whole population stand together to build a cultural life; build up united, democratic, laws conformity, civilized and sound communes, wards, streets and villages.

#### **4.8. Strongly develop health cause and improve the quality of healthcare work for the people**

Concentrate on strongly developing the system of healthcare and improving the quality of health services. The government continues increasing the investment as well as fostering socialization in order to quickly develop health system and to enhance basic health network. Strengthen the capability of communes' medical stations; complete the construction of hospitals at district level; upgrade provincial and central hospitals. Build more specialized hospitals with high standards in Hanoi, Ho Chi Minh City and some regions. Build some hospitals for medical examination and treatment with regional rank.



Encourage economic components to establish specialized medical units with high quality. Shortly overcome the current situation of being overloaded in big hospitals. Innovate the operation mechanism of public health units towards the self-control, open and transparent direction. Guarantee providing equal, effective and quality health services. Standardize the quality of health services and hospitals for step by step reaching regional and international standards. Comprehensively renovate and complete appropriate policies on health insurance, medical examination, and treatment as well as hospital fees; develop roadmaps to implement health insurance for the whole population. Well implement policies on medical examination and treatment for policy targeted people, the poor and for children; provide healthcare for the elderly. Strengthen the training and increase in the quality in professional knowledge, medical ethics, and sense of responsibility of health staff. Strive to have doctors in all communes and wards by 2020. Strongly develop preventive health to avoid the occurrence of significant epidemic diseases. Continue restraining and strongly reducing HIV infection. Decrease the rate of undernourished children; improve the quality and effectiveness of food safety guarantee. Quickly develop medicine industry and health equipment. Strongly develop folk medicine in combination with modern medicine.

Develop and implement national strategy on improving health and stature of Vietnamese people. Foster the development in public physical exercises, public sport and high performance sport. Well implement policies on population and family planning to maintain the birth level for replacement, ensure reasonable gender balance, and improve the quality of population. Foster socialization in areas of health, population – family planning, and in the area of physical exercises and sport.

#### **4.9. Improve the quality of human resources comprehensively renovate and quickly develop the education and training**

Development and improvement of the quality of human resources, especially high-quality human resources is a strategic breakthrough and a decisive factor to the process of restructuring the economy and conversing growth model. This is also a long-term competitive advantage to ensure the fast, effective and sustainable development of the socio-economy. Pay special attention to the development of proficient management staff, experts, enterprises' managers, skilled laborers, and leading staff in science and technology. Train human resources to meet diversified and multi-level requirements of technological and development level of all fields and careers. Closely connect enterprises and facilities using laborers, training institutions and the State to develop human resources meeting the society's demands. Carry out high quality human resources training programs and projects in main and key fields and industries. Pay attention to recognizing, improving and upholding talent people; provide training to human resources for knowledge economy development.

Education development shall really be national leading policy. Concentrate on improving the quality of education and training; respect the education on ethics, lifestyle, creative capability, practical skills and ability to set up business. Basically and comprehensively renovate Vietnamese education in the direction of standardization, modernization, socialization and international integration, in which the renovation of educational management mechanism and the development of teachers and management staff are the critical points. Renovate financial mechanism and accredit education and training quality in all studying levels. Build up a sound educational environment and closely connect schools with families and society.

Extend pre-school education, complete the universalization of age 5 pre-school education. Universalize primary and secondary education with increasingly higher quality. Strongly develop and improve the quality of vocational training and professional education. Review and complete the planning and implement the network planning for universities and colleges across the country. Comprehensively implement solutions to increase quality of university education, ensure self-control mechanism in associated with improving social accountability of training and education institutions. Concentrate on investing in some high-quality and key universities, departments and specialties.

Strongly renovate teaching and learning content, program and teaching method in all studying levels. Make actively preparation for the implementation of new general education program starting from 2015. Extend and improve the quality of foreign languages training. The government strengthens its investment, and at the same time, foster the socialization and mobilization the whole society to take care of education development. Fast develop and improve education quality in areas with difficulties, mountainous areas and those with ethnic groups. Foster the movement of encouraging the students' studying and talents; build up a learning society; expand modes of remote training and the system of community learning centers. Well implement equality in learning opportunity and social policies on education.

#### **4.10. Science and technology development is really the key motivation for process of fast and sustainable development**

Direct the focus of scientific and technological towards serving the industrialization and industrialization, developing intensively and contributing to speeding up the productivity, quality and effectiveness as well as improving the competitiveness of the economy. Synchronously implement tasks of capacity enhancement, management mechanism innovation, and fostering scientific and technological application.

Quickly improve the scientific and technological capacity with focal and main points. Comprehensively develop and effectively use material facilities and human resources. The government concentrates on investing in national focal missions, scientific and

technological solutions for key products, and, at the same time, mobilizing all social resources for developing science and technology. Associate goals of scientific and technological tasks with socio-economic development ones at each level, sectors, locality and agencies.

Strongly and comprehensively renovate the organization and mechanism of management and operation of scientific and technological activities. Uphold the role and effectiveness of key scientific and technological organizations in the implementation of key scientific and technological tasks. Strongly develop science and technology market. Basically innovate mechanisms in using state expenditure, developing and deploying scientific and technological tasks in the direction of considering the objectives and effectiveness of application a leading standard; changing non-productive science and technology units to self-control and self-responsibility ones. Develop science-technology enterprises, technological innovation funds and hedge funds. Synchronously build up policies on training, attracting and well treating talents in science and technology. Practise democracy, respect and promote free thought in research activities as well as the creativity of intellectual circles for the development of the country.

Foster research–development and application of technology; reasonably and comprehensively develop socio-science, natural science, technical science and technology. Socio-science carries out the tasks of reasoning research, reality review, development trend forecast, providing foundation for building ways and policies on developing the country in new period. Strongly direct research and application of science and technology in associated with development requirements of each industry, each field, and each product and in attachment to training, production and trading. Develop and implement programs on innovating national technology, firstly in key industries and fields and priority given to high technology; quickly apply science and technology in agriculture and rural industry; reasonably use technologies that require many laborers. Quickly form some strong research-application units that are able to receive and improve technology as well as create new technology and in attachment to production and business activities. Effectively promote national key laboratories. Maintain policies to encourage and support enterprises of all economic components in renovating technology, taking self-control of products with high technology density, and giving priority to small and medium sized enterprises. Properly take care of basic research that has focal points and are in line with nation's development requirements.

Pay attention to developing scientific and technological industries and fields being foundation for knowledge based economy development such as: information technology, biology technology, new material technology, environment technology, etc. Concentrate on the development of high technology with significant added value in some industries and fields.

Establish a system to evaluate results and effectiveness of scientific and technological activities. Seriously implement regulations on intellectual property right.

#### **4.11. Protect and improve environment quality, actively and effectively deal with climate change**

Raise the sense of environmental protection, associate environmental protection objectives with socio-economy development. Renovate mechanisms on resources and environmental protection. Put environmental protection contents in development strategy, scheme and plan for industries, fields, regions as well as in programs and projects. New invested construction projects shall guarantee requirements on environment. Strictly implement the roadmap for dealing with facilities creating environmental pollution. Complete legal system on environmental protection; create strong enough sanctions to prevent and handle violated actions. Overcome recession, restore and improve environment quality. Well implement programs on afforestation, effectively prevent deforestation, forest fire; increase area of nature reserves. Effectively manage and deploy natural resources, guaranteeing environment and ecological balance. Pay attention to green and environment-friendly economic development. Carry out stable production and consumption; step by step develop “clean energy”, “clean production”, and “clean consumption”.

Foster work on research, forecast, and evaluation of effect in order to effectively implement preventive solutions against natural disasters and National targeted program on dealing with climate change, especially sea water raise; enhance international cooperation in order to carry out combined actions and take advantages of support from international community. Foster socialization of environmental protection work.

#### **4.12. Strongly maintain independence, sovereignty, territorial unification, ensure political security and social order; extend external relations, actively integrate and improve the position of Vietnam in the international arena**

Enhance national defense potentiality, guarantee independence, sovereignty, territorial unification in mainland, airspace, territorial waters, and island in all situations. Strongly maintain peace and stability in order to build up and develop the country.

Arrange national defense and security position to be in line with new situation. Attach national defense with security. Closely combine national defense and security with socio-economic development in each territorial locality, in planning work, and in projects and programs. Guarantee political security and social order and safety with special attention to key regions and localities. Expand modes of mobilizing resources for building national defense and improving guarantee capability of national defense industry. Combine programs in order to build economical-national defense areas in border and island areas.

Establish people's army and public security forces which are comprehensive, revolutionary, formal, seasoned, and gradually modern; protect Fatherland, Party, State and people; maintain political stability, social order and safety; crush all intrigues of rival influences, all intention and actions violating sovereignty and territorial unification; avoid passive and surprised situation.

Well implement foreign policy, enhance international cooperation, create peaceful and stable environment and take advantage of all resources from outside to develop the country. Be active in international integration; contribute to fast and sustainable development, building an independent and self-control economy. Responsibly carry out international commitments. Uphold the roles and resources of Vietnamese community in foreign countries in their investment in the country.

Continue to improve investment in the environment, create favorable conditions in order to strongly attract international capital sources; attract big investors with high technology and source technology; and expand export market.

## **V. IMPROVE THE CAPACITY AND EFFECTIVENESS OF STATE MANAGEMENT TO GUARANTEE THE SUCCESSFUL IMPLEMENTATION OF THE STRATEGY**

### **5.1. Well undertake State functions, correctly solve the relationship between the State and the market**

Comprehensively build up and improve the quality and effectively implement law system and socio-economic development policies; better implement social welfare and security; protect and support people who are vulnerable in market economy. Guarantee macro economic stability and economic security in all situations.

Build and organize the implementation of strategy, scheme and plan through resources and policies that direct socio-economic development processes and business system to necessary fields and localities to meet the objectives and requirements of the development. Effectively manage and use national assets, well implement ownership function to state-owned enterprises. Provide essential products, goods and services that private economy area not yet able to make or does not would like to make; control monopoly and protect consumers.

Strongly develop human resources and socio-economic infrastructure to meet development requirements.

Guarantee national defense and security, effectively carry out foreign policies of the

Party, maintain socio-political stability, create more and more favorable environment for national development.

The State manages and controls the economy through the law, schemes, plan and regulating instruments on the basis of respecting market rules. Enhance supervisory work, especially supervising financial market; actively regulate and reduce negative impacts of the market, without leaving everything for market to decide or incorrectly intervening or making distorted market relations.

## **5.2. Complete State's apparatus, create strong movement in administrative reform**

Foster legislative and judiciary reform, renovate thought and law development process, and improve the quality of law system. Continue to build up a socialist legitimate State, ensure the implementation of explicit assignment rule, close and effective coordination among legislative, executive and judiciary bodies.

Concentrate on building state pure and strong administration system to ensure consistent, throughout and effective management. To establish and direct the implementation of overall program on administrative reform for the period 2011-2020 in all phases: regulation, apparatus and civil service employees organization, modernization of national administration to correspond its position is one of contents in strategic breakthrough. Continue completing Government system, improving effectiveness of macro management, especially the quality of schemes, establishing regulation, forecast capacity and responsive capability of policy in the condition of market economy and international integration. Review and evaluate organization model and operation quality of local authorities in order to set up appropriate organization model that ensures correctly and effectively assignment function, responsibility, and authority which are close to the reality; not organize people's committee at district and ward level.

Complete mechanism of decentralization, ensure consistent management of scheme and development directions, and, at the same time, respect the active role, sense of responsibility, increased capability of each level, each agency and unit. Extend democracy in associated with enhancing discipline, and order in state administration system and in the whole society.

Establish corps of staff and public service employees who possesses good virtues, dedicate to serving people, and who are high professionalism.

Put administrative procedure reform requirements right in the process of establishing regulation, reviewing actual experience and enhancing dialogues between the State and enterprises and people; promote the roles of consultancy organizations and independent consultancy experts in the establishment of regulation and national standard on

administrative procedures; significantly reduce existing procedures. Make publicity of administrative standards and rules so that people can supervise their implementation. Increase the transparency and responsibility of public mission. Foster the application of information technology in management and control of state administrative system at all levels.

### **5.3. Enhance the fight against corruption and wastefulness**

To patiently, strictly and effectively carry out the fight against corruption and wastefulness is a very important task which is both urgent and long-term for the work of building up the Party and the State. Comprehensively carry out solutions such as completing regulation and the law, improving ethics virtue of public service employees, implementing democracy, disclosure and transparency, enhancing supervising work, creating mechanism for people to supervise work relating to State budget and assets, raising effectiveness of appropriate bodies, strictly dealing with corruption and wasteful actions, step by step reforming basically salary regime for staff, officials and public service employees suitable with development condition of the country.

Promote the role of Fatherland, people's organizations and mass information bodies in recognizing and fighting against wastefulness and corruption.

### **5.4. Enhance the Party's leadership; uphold the ownership of people in establishing of State apparatus.**

In the context where our Party is the only ruling one with socialist legitimate State of and for people, the Party's mode of leadership shall mainly made by the State and through the State.

Renovating Party's mode of leadership, enhancing democracy in the Party and upholding ownership of people are important contents of political renovation which is implemented in line with economic renovation. Pay attention to expanding direct democracy in building up the Party and authorities to overcome the situation where the Party relaxes its leadership or takes the task of administration that should have been done by the authorities.

Review the pilot implementation of Party Congress at all levels when electing secretary at committee level, people are those who directly elect the leader at commune level, and where the two titles of committee secretary and people's committee chairman are unified in order to get and scale up experience, contribute to the renovation of leadership method as well as enhanced leadership of the Party, improve management effectiveness of the authorities and promote ownership of the people, especially direct democracy.

Complete mechanisms for people to contribute opinion, make social critics and supervise work of the Party and the State, especially on socio-economic policies, important development scheme, plans, programs and projects. Regulate regimes on providing information and accountability of government bodies to people. Complete and well implement regulation on democracy at grass-root level. Promote the roles of socio-political organizations, of social organizations and of each person in living management and community life organization in accordance to the law.

## **VI. IMPLEMENTATION OF THE STRATEGY**

To successfully implement the Strategy on socio-economic development for the period of 2011-2020 is the focal task of the whole Party, the whole people, the whole army, all levels and agencies from central to grass-root ones. It is necessary to concentrate to well implement the following tasks:

All levels of party executive committees, party committees, party civil affairs committees profoundly and thoroughly direct contents of Strategy in the whole Party, the whole people, the whole army, all levels and industries; strengthen the leadership to create the consistency in both awareness and action for effectively implementing development objectives and directions mentioned in the Strategy, especially the direction to implementing strategic breakthroughs in an effective manner.

Party committee and National Assembly direct the establishment and completion of law system and supervise the implementation of Strategy.

Civil affairs committees of the Party and of the government direct the establishment and implementation of long-term development planning in industries, products, territorial areas and construction to ensure the taking advantage and effective use of all resources of the country. Direct the construction and organize the effective implementation of growth model conversion process, economy restructure, 5-year socio-economic development plan, national programs, and strategies on industries and products.

Build up mechanism and put into routine the monitoring, checking and evaluating the implementation and timely adjusting the Strategy based practically on actual situations. During the process of Strategy implementation, if there appears issues needed to be renovated but there is no guideline and policy mechanism in place, the Central Committee, Politburo will make decisions on the pilot implementation.

Uphold the role of Vietnamese Fatherland Front and people's organizations and social organizations; establish mechanisms for promoting intelligence and people's force in the implementation and supervision of the Strategy./.