

THE PRIME MINISTER

Decision No. 34/2009/QĐ-TTg of March 2, 2009, approving the Master Plan on Development of the Tonkin Gulf Coastal Economic Belt up to 2020

THE PRIME MINISTER

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

At the proposal of the Ministry of Planning and Investment in Report No. 4332/TTg-BKH of June 17, 2008; and considering opinions of concerned ministries, branches and localities on the Master Plan on Development of the Tonkin Gulf Coastal Economic Belt.

DECIDES:

Article 1. To approve the Master Plan on Development of Tonkin Gulf Coastal Economic Belt up to 2020, with the following principal contents:

I. SCOPE OF THE TONKIN GULF COASTAL ECONOMIC BELT

The Tonkin Gulf coastal economic belt section in the Vietnamese territory covers Quang Ninh province and Hai Phong city, with a land area of 7,414.8 km² and a population of nearly 2.9 million, representing 2.24% of the national land area and 3.44% of the national population.

II. DEVELOPMENT OBJECTIVES

1. General objectives

To develop the Tonkin Gulf coastal economic belt into a dynamic economic zone able to drive the whole northern region, becoming a motive force

in economic, scientific and technical development cooperation with China and ASEAN countries and linking with other coastal areas nationwide to form a fast developing coastal economic belt, which boosts and links with other inland regions for common development.

2. Key objectives

- To build a complete transport system in the economic belt, especially the main coastal road from Mong Cai to Do Son and seaports and airports for connection with the two Vietnam-China economic corridors and the southern Chinese coastal region in the economic belt, facilitating the trade expansion and active and effective development cooperation with China and ASEAN countries.

- To concentrate on developing the motive region and central urban centers along the economic belt, creating a breakthrough in boosting the fast and sustainable development of the entire economic belt matching the southern Chinese coastal region.

- To form and develop a number of major industries, including high-class sea-island tourism, shipbuilding, thermoelectricity, mining, mechanical engineering, building material production, petrochemical industry and aquaculture and processing up to the regional advanced level.

- The economic growth rate will be 1.4-1.5 times the national GDP growth rate. By 2020, the Tonkin Gulf coastal economic belt will contribute about 6.5-7% of the national GDP and its per-capita GDP will reach USD 3,500- 4,000 on average.

III. ORIENTATIONS FOR ORGANIZATION OF THE ECONOMIC BELT

1. To build complete trunk roads

To concentrate on completely building and modernizing the Mong Cai- Ha Long- Hai Phong- Ninh Binh trunk road, facilitating convenient and smooth traffic between Vietnam and Chinese provinces in Yunnan through the economic belt. In

the 2009-2010 period, to invest in upgrading the Cam Pha-Mong Cai section to grade-III delta road and building a road with 4-6 lanes running through Cai Bau island (along with building Van Tien bridge) to the Ha Long-Mong Cai expressway. To build important expressways, Hanoi-Hai Phong and Noi Bai-Ha Long, and put them to use before 2015. After 2015, to further build the Ha Long-Mong Cai section. To consider the construction of the Quang Ninh-Hai Phong-Ninh Binh expressway for connecting Quang Ninh with Hai Phong and the economic belt with southern provinces, the expressway network nationwide and the southern Chinese coastal expressway system.

2. To develop the motive region

To quickly develop a number of important economic zones and industrial parks, linking with big urban centers into a stretch of motive regions and key areas of breakthrough nature along the economic belt.

a/ To develop Van Don economic zone (Quang Ninh) with its main functions as a high-quality sea and island eco-tourism zone, a high-grade service center and an international trade hub in the direction of rapidly developing eco-tourism and forming a high-quality sea and island eco-tourism center of regional and international magnitude. To diversify forms of tourism on both islands and the sea. To build a number of high-grade entertainment and recreation zones, including golf courts, in the heart of Cai Bau and some other islands. To develop clean industries and export. To build modern trade centers serving tourism. To develop the rearing of marine resources for export and tourism. To develop agricultural production towards establishing farms and hi-tech agricultural zones. To protect and develop forests on islands for environmental protection combined with sightseeing;

To build roads crossing and surrounding Cai Bau island and roads on important islands, meeting the socio-economic development and defense and security maintenance requirements of the economic

zone. To make preparations for the construction of Van Don airport after 2010. To build Van Hoa port; to renovate Cai Rong port into a tourist port. To complete the piers on Quan Lan, Minh Chau, Ngoc Vung and Ban Sen islands for tourist purposes. To rearrange population areas; to build on Cai Bau an urban center with beautiful and modern architecture of regional and international magnitude.

b/ To develop Dinh Vu-Cat Hai economic zone (Hai Phong) into a modern international trade center of the northern region and the whole country and at the same time a main seaward gate of the two corridors and one economic belt. To encourage development of various industries in the economic zone, including shipbuilding, thermoelectricity; mechanical engineering, electronics, high-quality consumer goods production; petrochemical industry; port industry, port services; production of information equipment and automation equipment; production of new materials and hi-tech materials; assembly and manufacture of heavy equipment; production of high-quality plastic products, detergents and cosmetics; agricultural, forest and aquatic product processing; trade in services, export and import, tourism. To build non-tariff zones with highest incentives. To build modern urban areas and public service zones in the economic zone;

To build a synchronous infrastructure system in the economic zone; to upgrade Hai Phong port and build new ports in Dinh Vu area. To proceed with the construction of Lach Huyen international gateway port. To upgrade Cat Bi international airport. To build a complete system of intra-economic zone roads, roads leading to ports and power supply, water supply and drainage systems, meeting the development requirements of the economic zone.

c/ To develop Hai Ha industrial park (Quang Ninh) into a big industrial and seaport center strongly attracting investment, with its functions as a large-scale heavy industry center of the

northern region and the whole country; a port-service and ocean-shipping center; and a big gateway of the whole region, creating conditions for further economic cooperation with China and exploitation of the Chinese market, especially southern China, through this economic belt. In the immediate future, to expeditiously establish an industrial park, build external infrastructure facilities, particularly seaports, shipyard and trunk roads (national highways 18 and 4B, an expressway to Mong Cai); to build related urban and service areas and key industrial facilities. By 2020, to basically complete the construction of Hai Ha industrial park and seaport in connection with Mong Cai international gateway city into a big industrial, seaport and financial center and a big and modern free-trade zone in the region;

d/ To develop Dam Nha Mac industrial-service park (Quang Ninh) into a multi-function industrial-service park linking with Hai Phong city, Lach Huyen port and Dinh Vu area. From now to 2010, to set up Dam Nha Mac industrial-service park. After 2010, to build a seaport and roads linking with Hai Phong, national highway 18 and Ha Long city; to build industrial works, urban areas, administrative center, trade and tourism areas. After 2015, to build a bridge or a tunnel crossing Bach Dang river and linking with Dinh Vu; a railroad linking with the Yen Vien-Bai Chay railroad and a synchronous road system in the industrial park. By 2025, to basically complete the construction of this industrial-service park;

e/ To develop Hai Phong city into a big and modern port service and ocean-shipping center, holding a considerable position in the region and the world. Hai Phong's economy will be structured to comprise seaport, industry and service. To strongly develop port, shipbuilding, machine tool and hi-tech industries, high-quality consumer goods and export production, food processing, tourism and general services. To build an international Vietnam China trade fair and exhibition center

functioning as a main hub to promote economic and trade cooperation between the two countries through the two corridors and one economic belt. By 2020, to build Hai Phong into a civilized and modern port city with an inner-city population of 1.4-1.5 million;

f/ To develop Ha Long city into a development center of the northern key economic region, playing a role as one of the two central cities of the Tonkin Gulf coastal economic belt. Ha Long will develop toward taking tourism and services as development cores in order to boost other industries and incrementally reducing industrial coal mining. In the immediate future, to focus on vigorously developing tourism, building Ha Long into a modern national and international sea-tourism, entertainment and recreation center. To coordinate with Chinese localities in the economic belt in building tourist infrastructure, particularly high-class entertainment and re-creation facilities, and organizing trans-national tourist routes (by road and waterway) through the economic belt. To strongly develop trade and services in order to make Ha Long a big trade center in the economic belt. To develop port industries and services in association with the construction of Cai Lan port of appropriate scale, meeting the requirement of environmental protection in Ha Long Bay for tourist development;

To comprehensively build and incrementally modernize the urban infrastructure system, to renew the economic structure suitable to the functions of a tourism-service-port industry city. To further expand and upgrade Ha Long into a grade-I urban center with a population of some 300,000-330,000 by 2010 and over 600,000, including more than 500,000 urban dwellers, by 2020.

g/ To expeditiously build Mong Cai international border-gate city, the starting point of the Tonkin Gulf coastal economic belt, into a modern international border-gate city, a center for trade in goods and services between Vietnam and China, a big regional center for tourist resort.

entertainment and recreation and a center for export processing, fashioning and assembly;

First of all, to upgrade national highway 18A, the Mong Duong-Mong Cai section, expanded to Tra Co-Mui Ngoc, to grade-III delta road standards. To build the Mong Cai-northern Phong Sinh-Hoanh Mo-Bac Cuong border road and fish-bone roads leading into the inland. To build roads on Vinh Thuc island to serve tourism. To comprehensively develop the transport, electricity supply and water supply and drainage systems in the city. To build Van Gia port capable of handling 3-5 million tons of cargo a year (one million tons/year in the initial stage), meeting the domestic and international trade requirements.

To develop the processing of agricultural, forest and aquatic products for export, processing of industrial products for export to China and assembly of components imported from China for export to ASEAN countries. To build modern commercial infrastructure systems (including trade centers, department stores, transaction offices, representative offices and international trade fair-exhibition centers). To cooperate with China in building Mong Cai free trade zone after the "bilateral special economic zone" model with common incentive policies for both sides in order to boost economic and trade cooperation between the two countries and to strongly integrate with ASEAN countries.

IV. ORIENTATIONS FOR BRANCH AND DOMAIN DEVELOPMENT

1. Developing of leading industries in the economic belt

a/ Industries

To prioritize the development of fundamental and key industries and those with high added value in combination with the development of labor-intensive industries, striving for an industrial growth rate of around 18- 19%. By 2020, the

Tonkin Gulf coastal economic belt will basically have a big and modern industry in the region.

To prioritize resources and incentive policies for a number of leading industries and products such as coal mining, thermoelectricity, shipbuilding, machine tool, steel production, building material production, petroleum, electric motor production, forest and aquatic product processing, textiles and garments, export and high-quality consumer goods production. To synchronously combine industrial development with infrastructure development in each locality.

- Coal mining: To invest in technological renewal of existing mines and scale up pit exploitation. To strictly manage illegal coal mining. From now to 2010 and afterwards, to strictly implement the Vietnam's coal mining development strategy and planning already approved by the Prime Minister. To gradually reduce coal export through planned management measures, aiming to protect natural resources and guarantee the national energy security. To rationally arrange dump sites, and control and properly treat coal dusts in the process of coal transportation and processing;

- Power: To speed up the construction and commission of Uong Bi II, Cam Pha I and II, Ha Khanh (Quang Ninh) and Tam Hung (Hai Phong) thermo-power plants. To start building Mao Khe, Mong Duong and Thang Long coal-fired power plants and Cai Lan diesel oil power plant (Quang Ninh). To build a big thermo-power center in Hai Ha industrial park after 2010. To develop the use of wind energy and solar energy in coastal rural areas and on islands. The total electricity output in the economic belt will reach 2,500- 3,000 MW by 2010 and over 6,000 MW by 2020.

- Shipbuilding: To concentrate resources on vigorously developing the shipbuilding industry. To build the Tonkin Gulf coastal economic belt into a big shipbuilding center of Vietnam by 2020, and a big and modern shipbuilding center of the region and the world, which will be capable of

building cargo ships of up to 200,000- 250,000 DWT and other special-use ships such as oil tankers, container ships, project ships, petroleum exploring and exploiting ships, tourist ships, fishing ships of big capacity and military ships up to international standards.

To further upgrade and expand Pha Rung- Bach Dang, Ben Kien and Nam Trieu shipyards (Hai Phong); to complete the construction of Cai Lan shipbuilding industrial park, Ha Long and Ha An shipyards (Quang Ninh) to meet 80-85% of the northern region's river ship repair requirement and 45-50% of the country's sea-going ship building and repair requirements. After 2010, to build a number of big shipyards together with support industries in Dinh Vu- Cat Hai industrial park and Hai Ha, Dam Nha Mac and Quang Vinh industrial parks (Tien Lang). To synchronously develop industries in support of shipbuilding, gradually increasing the localization rate;

- Steel: To quickly develop steel production, meeting the increasing steel demand of the region, especially of the shipbuilding industry. To further expand the existing steel mills. To construct other steel mills, particularly steel cast, steel sheet and high-quality steel plants. To prioritize the construction of large-scale steel mills in Dinh Vu-Cat Hai and Hai Ha industrial parks in service of the shipbuilding industry. By 2010, the steel production capacity in the economic belt will reach over 5 million tons/year and about 15 million tons/year by 2020;

- Building materials: To strongly develop cement production into a spearhead industry. To upgrade existing cement plants to the advanced level so as to increase productivity and raise product quality and protect the environment. To speed up the construction of production chains II of Chinfon and Huong Duong cement plants for their commission before 2010. To further invest in the construction of Cam Pha, Thang Long and Lam Thach (Quang Ninh) cement plants. By 2010, the

total cement output in the economic belt will reach 11-12 million tons/year. To rationally reorganize establishments producing building stone, clay and sand for the efficient exploitation of building materials in the localities while protecting the environment and tourist landscape;

- Mechanical engineering: To develop the mechanical engineering industry in order to make the area a strong mechanical engineering center of the northern region. To selectively invest in the construction of modern production establishments equipped with advanced technologies. To prioritize the development of mechanical engineering in service of shipbuilding, port and mining industries. To develop the manufacture of machinery and electric equipment; manufacture and assembly of motor vehicles; repair and assembly of heavy equipment, heavy vehicles and lifting equipment; manufacture of construction machines, machinery and equipment in service of cement, textile and garment, agricultural, forest and aquatic product processing industries. To prioritize the development of products for ship building and repair;

- Other industries: To expand traditional industries producing products of great demand in the area, such as ship paints, light powders, general detergents, calcium carbide, accumulators, packaging plastic, construction plastic, industrial plastic, electronics, electro-refrigerating articles and other consumer goods. To develop textile, garment and leather industries in service of export, prioritizing the attraction of textile, garment and leather projects into industrial complexes in districts to employ rural workers. To develop the agricultural and aquatic product processing industry, building modern processing establishments and producing high-quality products for urban centers and tourist resorts in the economic belt and for export. To prepare conditions for the construction of a petrochemical plant in the economic belt after 2010 (in Dinh Vu-Cat Hai or Hai Ha industrial park);

- Development of industrial parks: To speed up

the construction of infrastructure in existing industrial parks for attracting investment in order to raise their occupancy rate. To rationally develop new industrial parks and complexes. It is expected that by 2020, the entire economic belt will accommodate 25 industrial parks with a total land area of more than 22,100 ha, including nearly 10,000 ha for industrial construction. Besides, to develop medium- and small-sized industrial parks and complexes in districts, boosting the restructuring of labor and rural economy.

b/ Tourism

To quickly and sustainably develop the economic belt's tourism in close association with Hanoi capital and southern China. To rationally organize tourist space in the entire area. To selectively invest in key tourist resorts, forming big tourist centers of national and international magnitude in coastal areas and a number of islands. To prioritize the development of sea-island tourism on such remote islands as Co To and Bach Long Vi for both economic development and defense as well as security maintenance.

To quickly develop Ha Long tourist zone into a big and modern tourist center of regional and world class. To build synchronous and modern tourist infrastructure facilities in the area. To prioritize the attraction of foreign investment in large-scale tourist projects, creating high-quality tourist products attractive to visitors. To further upgrade and modernize Do Son entertainment and recreation tourist zone and Cat Ba high-grade eco-tourist resort zone in association with Ha Long tourist zone.

To quickly build essential infrastructure in Van Don economic zone in order to attract investment in the construction of Van Don-Bai Tu Long high-quality sea-island eco-tourist zone. To develop Mong Cai-Tra Co-Vinh Thuc tourist zone into a big tourist center, functioning as an important hub to attract visitors from southern China through this economic belt. To promote investment in the

construction of southern Ha Long urban, eco-tourist and cultural center, incrementally forming a modern tourist complex along Quang Ninh coast (from Hoang Tan island to Tuan Chau, Ha Long, Bai Tu Long, Van Don, Mong Cai and Tra Co) of regional and international magnitude.

To form inter-regional tourist routes connecting with Hanoi and neighboring tourist sites. To enhance cooperation with Chinese localities in the two corridors and one economic belt in organizing transnational tours. To cooperate with ASEAN countries in organizing transnational tours. To step up tourist advertisement and promotion in order to call for investment and attract visitors. To try to attract around 7.5 million tourist arrivals, including 2.8-3 million international arrivals, by 2010 and 18-20 million arrivals, including 8-10 million international arrivals, by 2020.

c/ Trade and service

To fully tap the comparative advantages of the Tonkin Gulf coastal economic belt for trade development at high rates, strongly directing towards export and firmly integrating into the international markets, particularly Chinese and ASEAN markets. To strive for the economic belt's average total goods circulation and service turnover growth rate of 17-18% in the 2008-2010 period and over 20% in the 2011-2020 period.

To develop department stores and modern trade centers in cities, towns, industrial parks and economic zones. To build a big and modern commercial center in Hai Phong, which will function as a main commercial hub and integration center of the northern region and the two economic corridors and one economic belt. To invest in the construction of Mong Cai trade center, which will play the role as the economic belt's main gateway for trade with China and ASEAN countries. To develop appropriate-sized department stores and trade centers in association with the tourist zone of Ha Long, Mong Cai, Van Don, Cat Ba and Do Son and towns and township centers. To consolidate

the trade networks from the provincial to communal level, forming a market for smooth goods circulation, boosting production development and meeting people's needs.

To step up export, particularly to China; to renew the structure of export goods, planning to develop key export groups in response to China's export demands and each locality's advantages. To step up the export of refined products while limiting the export of crude and raw materials. To minimize the export of coal needed for domestic consumption. To completely build Mong Cai border-gate economic zone, upgrade Hoa Nh Mo and Bac Phong Sinh border gates for expansion of goods trade between the two countries' localities in the economic belt.

To diversify on-spot export activities such as temporary import for re-export, transshipment, transit, entrustment, bonded warehouse and other export and import services. To strive for an average export growth rate of 24-25% in the 2009- 2010 period and over 25% in the 2011- 2020 period. To build non-tariff zones in border-gate areas, economic zones and duty-free shops in cities, commercial centers, big tourist centers, airports and key sea ports, aiming to boost on-spot export.

To comprehensively develop services towards diversification to meet production and daily-life needs. To prioritize the development of high added-value services such as transport, financial, banking and telecommunications, making services really a dynamic industry creating more jobs and making great contributions to the economy. To increase banking operations in the area. To create favorable conditions for attracting big domestic and foreign banks and foreign companies to make financial investment and open branches in Hai Phong, Ha Long and Mong Cai. To build in Hai Phong a big and modern financial center of regional and international scale.

To strongly develop road, railway, waterway and air transport services. To exploit to the utmost

the "open-door" advantages for the development of diverse port and ocean-shipping services. To open express transport routes (by road and sea) to Chinese localities in the economic belt, meeting the goods trade and movement demands of people, particularly visitors. To develop express sea routes to southern provinces and express ocean-shipping routes to islands, meeting people's travel demands and boosting the development of the island economy.

To develop information and communication services towards modernization, higher quality and competitiveness, meeting the regional and international integration requirements. To develop other services meeting production requirements and people's daily needs.

2. Fishery

To develop fishery towards large-scale commodity production, strongly oriented to export. To strongly restructure fishery production toward a lower fishing rate but higher aquaculture and service rates; to associate production with processing and resource protection, ensuring sustainable development. The total fishery output in the economic belt will reach 220,000 tons by 2010 and about 400,000 tons by 2020, including 120,000- 130,000 tons of exploited products and 270,000- 280,000 tons of reared products; and the export turnover will reach USD 600-700 million.

To step up offshore fishing, particularly in the fishing grounds of Bach Long Vi and middle-gulf area, in the joint fishing zone, raising the offshore fishing proportion to 65-70%. To develop large fishing fleets with modern equipment in association with investment in fishery infrastructure and offshore fishing services. To reorganize on-sea production after the model of cooperation or joint venture; in the immediate future, to develop the model of offshore fishing teams or groups based on fishing trades for mutual support in production, product sale and safety at sea. To rationally reorganize onshore fishing in order to protect and

develop resources while ensuring coastal inhabitants' livelihood. To restructure production in Ha Long Bay and Bai Tu Long areas and around islands, reducing onshore fishing while developing aquaculture and tourist services. To comprehensively develop fish ports and storm shelters for vessels as well as search and rescue centers along the coastline and on such important islands as Bach Long Vi, Cat Ba and Co To, in order to boost offshore fishing, meeting the requirements of developing the sea economy and maintaining defense and security.

To develop aquaculture, particularly rearing at sea, with advanced technologies, ensuring environmental sanitation and sustainable development. To form aquaculture zones in the direction of intensive farming and higher productivity. To step up the rearing of aquatic animals in brackish water, particularly shrimps for export. To expand the rearing of mollusks (oyster, mussel...) in estuaries and coastal areas and around islands. To prioritize the strong development of the rearing of fish and sea specialty animals by industrial methods in combination with tourist development, particularly in the areas of Bai Tu Long, Co To, Van Don, Tien Yen and around Cat Ba island, step by step building the on-sea marine animal rearing in the Tonkin Gulf coastal economic belt into an industry of regional advanced level.

To further upgrade and modernize the existing processing establishments; to build modern aquatic product-processing establishments turning out high-quality products of international standards. To build Hai Phong into a big fishery service center of the Tonkin Gulf, an aquatic breed and feed production center and a scientific-technical, aquatic product processing, trading and exporting center of the northern region.

3. Agriculture and forestry

To develop agriculture in the economic belt towards ecological agriculture, efficiency and sustainability. To stably develop food production.

To maintain the food crop area till 2020 at 140,000-145,000 ha and food production will reach 0.9-1 million tons, meeting the food security requirements in the area. To further restructure crops suitable to the ecological conditions in each area, developing the model of urban agriculture for tourist and service development. To strongly develop the production of clean, safe and high-quality vegetables; to expand areas under flowers and bonsai in outlying areas. To step up the application of scientific and technological advances to production. To prioritize the development of farm and hi-tech agricultural zone models, considering this a breakthrough in agricultural production in the economic belt in the coming period. To develop husbandry towards commodity production, raising the husbandry proportion in the agricultural production value to over 40% by 2010 and 55-60% by 2020. To prioritize the development of husbandry in the direction of farm and industrial production in association with processing.

To further step up the socialization of forestry to achieve both economic and social purposes, environment improvement and tourist sightseeing. To raise investment capital for the protection and development of forests in such key protection areas as Yen Lap, Dien Vong and Trang Vinh reservoirs and Ha Dong lagoon, coastal mangrove forests and island forests. To step up the zoning of special-use forests for re-generation, particularly Cat Ba national park, nature conservation zones and tourist sites. To build consolidated timber raw material zones of about 200,000 ha to serve export processing, and about 30,000 ha of special-use forests for environmental protection and ecological development. To encourage commercial investment in production forests towards intensive farming and high productivity, combining forest planting and protection with forest product processing and tourist business.

4. Infrastructure

a/ Transport: To synchronously build and

modernize transport infrastructure systems, meeting the fast development requirements and attracting investment.

- Roads: In couple with the development of trunk roads along the economic belt, to invest in upgrading and building roads linking the economic belt with the two economic corridors, with Hanoi capital and big economic centers of the Red River delta region, creating a chain network in the whole region. To maintain the size of national highway 5, and build expressway 5B in combination with improving the corridors along the route and support facilities in order to raise transport quality and capacity on the whole route. To upgrade and expand national highways 4B, 18C and 279 up to grade-III or -IV standards and all provincial and inter-district roads in the economic belt up to grade-IV standards. To build other transversal roads linking trunk roads with urban centers, industrial parks and economic zones. To construct coastal roads within the framework of the project on construction of coastal roads along the country from Mong Cai to Ca Mau in support of the development of sea economy and combination with defense and security maintenance;

To mobilize all resources (including public labor) and efficiently integrate programs and projects in the area for rural transport development, particularly in mountainous areas and islands. To prioritize the construction of roads, water and power supply facilities on offshore islands, satisfying people's daily-life and production needs.

- Railroads: To combine the upgrading of existing railroads with the construction of some express railroads, meeting the fast development requirements of the northern key economic region and the two economic corridors and one economic belt. From now till 2010, to upgrade the Kep-Chi Linh section and build the Ha Long-Cai Lan section. To proceed with the construction of the Yen Vien-Pha Lai railway (single track of 1,435 mm); to further upgrade and electrify the Hanoi-Hai Phong railroad and expand it to Dinh Vu-Cat

Hai industrial park. In the 2016-2020 period, to build Hanoi-Hai Phong express railroad (double track of 1,435 mm). To study the construction of Ha Long-Mong Cai and Hai Phong-Thai Binh-Nam Dinh railroads for connection to the North-South railroad;

- Seaports: To further upgrade and expand Hai Phong port complex capable of handling around 30 million tons of cargo by 2010 then 2020. To proceed with the construction of Lach Huyen international gateway port functioning as a ocean-shipping hub, meeting the ocean-shipping demand of the northern region and goods transit for the southwestern region of China. The port capacity will reach 6 million tons of dry cargo and 1 million tons of liquid cargo by 2015 and 26-40 million tons of dry cargo and 9-11 million tons of liquid cargo by 2020; the port can accommodate ships of 50,000- 80,000 DWT. To proceed with the construction of Nam Do Son port for economic development and defense.

To completely build Cai Lan port with the handling capacity of around 7-8 million tons by 2010 and 16-20 million tons by 2020, and capable of receiving ships of up to 50,000 DWT. However, in the development of Cai Lan port, particular attention should be paid to the environmental protection of Ha Long Bay and the tourist development requirements. To further upgrade Mui Chua port into a gateway port of the western mountainous region of Quang Ninh and Cao Bang as well as Lang Son provinces. To build Vau Hoa port to serve Van Don economic zone. To expand Van Gia port (Mong Cai) for the handling capacity of 1 million tons by 2010, then 3-5 million tons, meeting the development requirements of Mong Cai area and acting as a gateway for goods export and import with China. To invest in Dam Nha Mac seaport complex into a part of Lach Huyen gateway port. To construct Hai Ha port in association with Hai Ha industrial park, to serve transport to the markets in northern Vietnam and southern China.

To further upgrade and expand Cam Pha and

Cua Ong coal ports and maintain the size of Southern Cau Trang port. To build a new oil port in Hon Gac (or Hon Ac) area, which will be able to receive ships of 30,000 DWT, and a special-use port for Cam Pha steel mill. To construct a large and modern Hon Gai passenger port up to international standards to serve express North-South passenger transportation and international sea tourist routes.

- **Airways:** To upgrade and expand Cat Bi international airport (Hai Phong) to grade 4E, being capable of receiving 800 passengers at peak hours and A321, B767 and equivalent aircraft. After 2020, to further invest in the upgrading the airport so as to be able to receive B747-400, B777 and equivalent aircraft. To proceed with the construction of Van Don airport for operation in the 2016-2020 period with the capacity of around 500,000 passengers/year, which will be further expanded after 2020 with a capacity suitable to the development of the economic zone.

b/ **Electricity supply:** To comprehensively build power grids, ensuring stable power supply with high quality in the entire economic belt, particularly for urban centers, economic zones, industrial parks and big tourist and service zones. From now till 2020, to upgrade the existing electricity grids; build important new transmission lines in synchronism with transformer stations for Hai Phong, Ha Long and Mong Cai cities and such urban centers and economic zones as Mong Duong, Hoanh Bo, Cam Pha, Van Don, Tien Yen (Quang Ninh); Var Cach, Dinh Vu, An Lao, northern Cam river (Hai Phong). To prioritize investment in power supply systems for important islands like Cat Ba and Vinh Thuc. To develop diesel-fired electricity generation, wind energy and solar energy on remote islands such as Bach Long Vi, Co To, Minh Chau and Quan Lan;

c/ **Water supply and drainage:** To upgrade and expand the existing water plants in Hai Phong, Do Son, Ha Long, Cam Pha, Dong Trieu, Mong Cai. To completely build water supply facilities in urban centers, economic zones, industrial parks, big

tourist and service zones. To attach importance to the construction of water supply and environmental sanitation facilities in rural areas. By 2010, over 80% of the rural population in the economic belt will be supplied with clean water, which will rise to 100% before 2020. To build synchronous and modern water drainage systems (separately for rainwater and daily-life wastewater) and wastewater treatment zones in urban centers, industrial parks and tourist resorts in the area;

d/ **Information and communication:** To develop information-communication infrastructure with modern technologies, meeting the international integration requirements. To expand radio and television coverage to all border hamlets, communes and islands. To expand mobile phone coverage in the whole economic belt, including sea areas and important islands. To prioritize the construction of synchronous and modern coastal and sea communication systems, ensuring regular high-quality information and communication, meeting sea-economy development, defense and security maintenance requirements and serving search, rescue and salvage activities at sea

5. Science and technology

To develop modern science and technology, creating a motive force for fast and sustainable development. To strongly apply advanced industrial techniques to production, particularly in such important areas as electrification, computerization, mechanization, chemicalization, biotechnology and new materials in order to raise the efficiency and competitiveness of the economy. To actively support the process of information technology transfer to serve production and daily-life activities. To encourage and support enterprises and localities in establishing the brands of advantageous and typical products of the region. To step up cooperation with scientific research institutions at the central level, universities and foreign countries in training, scientific research and transfer of new science and technology to production.

6. Social affairs

a/ *Training and education*: To develop and qualitatively improve education and training towards standardization, modernization and socialization, aiming to raise the intellectual level and quality of human resources in the economic belt. To complete the lower secondary education universalization program by 2010, then the upper secondary education universalization in the whole region by 2020. To step up the socialization of education in order to meet socio-economic development requirements. To effectively implement the program on building permanent schools, striving to raise the percentage of schools reaching national standards. To continue realizing state policies on preferential treatment for teachers in mountainous and difficult areas, prioritizing the training of local teachers.

To scale up university, collegial, professional secondary and vocational training for such advantageous fields as mining, power, shipbuilding, mechanical engineering, building materials, tourism, construction, fishery, electric techniques and electronics. To expand alignment with universities, training establishments at home and abroad in order to quickly build up high-quality labor forces for the shipbuilding industry, meeting the development requirements in the coming period. To develop vocational colleges and intermediate schools in each locality. To speed up the construction of Hai Phong tourism school, contributing to turning out high-quality human resources for tourism in the economic belt. To prioritize the attraction of foreign direct investment in the development of high-quality training institutions in the area. To encourage big enterprises in the locality to participate in the development of vocational training for local workers. To try to raise the percentage of trained labor in the economic belt to over 50% by 2010 and over 70% by 2020.

b/ *Healthcare*: To synchronously develop healthcare networks from the provincial to grassroots level, striving for the targets that by 2010,

over 80% of the communes in the economic belt will reach the national standards on healthcare, which will rise to 100% before 2015. To completely build provincial hospitals; to further invest in material foundations, equipment and health workers for district hospitals and regional general hospitals. To synchronously develop preventive medicine centers in material foundations and equipment, meeting people's demands for disease prevention, medical examination and treatment. To completely build Hai Phong marine medicine center. To build the second establishment of Viet-Tiep hospital to perform the function of a regional general hospital, and build in Hai Phong and Ha Long cities a number of general hospitals with highly qualified health workers and modern equipment, capable of providing medical examination and treatment for foreigners working in the area and foreign tourists.

c/ *Culture and sports*: To further realize the target of "building and developing an advanced Vietnamese culture deeply imbued with national identities". To synchronously build grassroots cultural, sport and information institutions according to the general planning of the sector. To prioritize investment in institutions serving community cultural activities such as cultural and sport centers, cultural houses, parks, entertainment and recreation zones. By 2010, 100% of households in the region will be able to listen to radio and 85-90% of households view television. To consolidate the systems of propagation and information supply to deep-lying, remote and island areas.

d/ *Other social domains*: To continue the effective implementation of the national target program on employment, programs on socio-economic development in mountainous and island areas and national target program on poverty reduction. To elaborate specific plans on employment, hunger elimination and poverty reduction in a way suitable to local conditions, prioritizing investment for ethnic minority areas, deep-lying, remote and island regions. To efficiently

incorporate the hunger elimination and poverty reduction program with other programs and projects in the area. To well implement social policies towards families of fallen heroes and invalids, people with meritorious services and other social policy beneficiaries.

7. Environmental protection and sustainable development

To strictly protect the ecological environment in Ha Long Bay. To apply strict measures to minimize adverse environmental impacts of coal mining and processing, industrial production, tourist activities, sea port exploitation and sea-shipping. To strictly control the dumping of solid wastes and discharge of polluting wastewater into the Bay. Wastewater from industrial parks, hospitals, and production and processing establishments shall be treated up to standard B before being discharged into common water drainage systems. To calculate the rational development sizes of ports and industrial projects around Ha Long Bay, aiming to protect the world heritage site under UNESCO regulations.

To strictly manage fishing activities in the region, especially high-sea, onshore areas and around islands. To severely handle the exploitation by explosives, electrical shocks, chemicals and fishing tools of destructive nature. Not to develop small vessels for onshore fishing. To enhance the training in, and propagation about, environmentally friendly aquaculture measures for fishermen. To widely popularize the models of clean rearing and ecological rearing in order to raise product quality and protect the environment.

To strictly manage coal mining in Quang Ninh area. To effectively prevent then put an end to illegal coal mining. To set aside rational land funds for afforestation in compensation for forest areas destroyed by open-cast coal mining in Dong Trieu, Uong Bi and Cam Pha areas. To build spoil dumping sites at least 500 m far away from rivers and streams and 1 km from population areas.

To establish a stable and sustainable protective forest system. To develop forestation in coal mining areas. To restore and develop headwater protective forests, coastal and island forests. To strictly protect Cat Ba national park, nature conservation zones and cultural and historical forests already established; to build other conservation zones and restore rare and precious gene sources, particularly ecological systems in combination with tourist sightseeing.

To synchronously build and incrementally modernize wastewater drainage systems, solid waste collection and treatment systems and smoke, dust and noise treatment systems in urban centers, economic zones, industrial parks and tourist zones. To plan consolidated garbage burial sites for every area strictly according to regulations of the Ministry of Construction. By 2010, each city or town in the economic belt will have at least one garbage processing establishment; 100% of solid wastes and hazardous wastes in urban centers and industrial parks will be collected and treated.

To strictly manage the waste discharge by vessels operating on the sea, particularly Ha Long Bay and its vicinities. To strictly observe the technical regulations on loading and unloading of cargo, oil and hazardous chemicals. To early build up a strongly equipped full-time force to prevent and promptly cope with oil spills in the economic belt.

To enhance environmental management. To strictly provide the appraisal of environmental protection plans in the process of considering and approving development projects, particularly those likely to cause great pollution such as chemical facilities, seaports, ship-building and thermo-electricity facilities. To encourage enterprises to apply advanced and clean technologies to protect the environment.

To diversify capital sources for environmental protection. To increase budget allocations for environmental management and protection. To

adopt policies to support production establishments in building waste treatment facilities. To mobilize production and business establishments in the area to contribute funds for the construction of waste treatment systems on the principle that "beneficiaries pay and polluters remedy pollution." To step up environmental education among urban and rural people.

8. Defense-security enhancement and consolidation

To enhance and consolidate defense and security in the economic belt in line with the defense strategies of the northeastern region and the whole country, aiming to firmly maintain political security, social order and safety, particularly in border regions, sea areas and islands and facilitate economic development.

To comprehensively build up modern forces for border management and sea and island management and protection. To increase investment and capability for important defense zones, ensuring high mobility, combat-readiness and active response in any circumstance. To build firm defense zones along the coast, on islands and along important island lines (Bach Long Vi, Cat Ba, Tran, Co To, Vinh Thuc) meeting the sea and island protection and economic development requirements. To ensure close coordination among the armed forces and local militia and self-defense forces and people in firmly maintaining political security and sovereignty in border regions, sea areas and islands of the country.

To specifically plan exclusive sea areas and islands for defense and security tasks; to experimentally build economic-defense zones on important islands in the spirit of the Government's Resolution No. 27/2007/NQ-CP of May 30, 2007, promulgating the Government's action program for realization of the Resolution of the 4th plenum of the Xth Party Central Committee on Vietnam's Sea Strategy till 2020.

To closely combine socio-economic

development with defense and security maintenance. Sea and island defense requirements must be taken into account in the arrangement of economic works and the population, creating a chain of population areas, public offices and factories, which will be able to cooperate with and rescue one another when necessary. Meanwhile, the construction of such defense establishments along the coastline and on islands as wharves, technical-logistic foundations, maritime safety and military medical systems should be studied to serve defense and security and socio-economic development in the area.

To continue sending people to settle on Bach Long Vi, Tran, Mau Chau, Ha Mai, Thanh Lan and Co To islands to develop economy and protect the northern sea areas and islands of the country.

9. Orientations for economic belt development cooperation

The contents of international cooperation on the development of the two economic corridors and one economic belt in general and the Tonkin Gulf coastal economic belt in particular are very rich. Hence, in the coming period, cooperation should be further intensified towards multilateralization and diversification of forms and areas of cooperation on the principle of respect for each other's independence, sovereignty, territorial integrity, equality and mutual benefit. To prioritize cooperation with China and ASEAN countries with a view to well tapping the area's potential and advantages for fast development. To expand cooperation with countries having great economic potential and with regional international organizations on key development projects.

For cooperation with China in the coming period, based on the Vietnam-China bilateral economic and trade cooperation agreement, a memorandum of understanding on cooperation in the two economic corridors and one economic belts, and each country's advantages, it will focus on the following principal areas:

a/ Infrastructure construction: To step up cooperation on the construction of communication systems and border-gate infrastructure, especially the Hanoi-Ha Long-Mong Cai expressway in association with the two economic corridors for connection with the coastal expressway network in southern China. In the immediate future, to cooperate on upgrading national highway 18A and the Kep-Bai Chay-Cai Lan railway up to international standards. Subsequently, to cooperate on the construction of the Ha Long-Mong Cai expressway and Ha Long-Mong Cai-Donxing-Fangchenggang railroad, connecting the railway networks of the two countries, targeting at the construction of a trans-Asian railroad in the future. To expand cooperation on the construction of important seaports, forming a convenient and efficient ocean-shipping hub and network, creating conditions to boost the Tonkin Gulf coastal economic belt in particular and the two economic corridors and one economic belt in general.

b/ Tourism: To cooperate on the formulation of a master plan on tourist development in the Tonkin Gulf coastal economic belt in particular and the two economic corridors and one economic belt in general. To organize international tourist routes (by road, air and sea) between the two countries' localities in the two economic corridors and one economic belt; to build a sea tourist route around the Gulf. To step up cooperation on the construction of tourist infrastructure and on tourist business. To encourage and create favorable conditions for Chinese enterprises to invest in the construction of hotels and high-class entertainment and recreation facilities in such key areas as Ha Long, Van Don, Cat Ba and Mong Cai. To further facilitate tourist departures. To expand cooperation on the training of tourist personnel, particularly tourist guides in Chinese language, promoting investment in and propagation and advertisement for tourism. To coordinate in organizing the Tourism Year of the Tonkin Gulf coastal economic belt and annually organizing trade fairs and exhibitions on tourism

alternately in each province in the economic belt.

c/ Trade: To step up trade development cooperation between the two countries' localities in the economic belt, particularly in official trade, market management and smuggling and trade fraud combat. To create favorable conditions for Chinese enterprises to invest in Vietnam and Vietnamese enterprises to trade with Chinese partners. To boost cooperation on the development of border-gate economic zones, particularly the construction of Mong Cai border-gate economic zone and the bilateral special economic zone in Mong Cai. To coordinate in building general service centers, including car stops, fill-in stations and other service facilities at border gates, port gates and along the two economic corridors and one economic belt. To expand cooperation in other services such as financial and banking, transport and post and telecommunications. The two countries will cooperate on building, and mobilizing ASEAN countries and international organizations to participate in building a financial fund for the development of the Tonkin Gulf coastal economic belt.

d/ Industries: To further intensify industrial development cooperation, particularly in industries in which China has advantages such as thermo-electricity, shipbuilding and production of shipbuilding equipment, petrochemistry, mineral exploitation and processing, building materials production, manufacture of electrical appliances, aquatic animal rearing and processing. To enhance contact with the Chinese side in identifying cooperation projects and create favorable conditions for Chinese enterprises to invest in industrial development in the Tonkin Gulf coastal economic belt.

e/ Fishery: Cooperation on the survey and assessment of marine reserves and capacity of fishing marine resources in the Gulf and common fishing grounds, thereby providing for an appropriate fishing scale for each side in order to

protect resources. To step up cooperation on *resource management and protection: fishing* ground surveys and study; research into and transfer of fishing and rearing technologies, particularly in the production of breeds and the development of on-sca rearing for export and tourist purposes;

f/ Agriculture: To expand cooperation on the research into, and transfer of, agricultural and forestry production and processing technologies; on production and supply of plant varieties and animal breeds of high yield and high quality; production of high-quality farm produce for which *China has demands, such as rice, foodstuff* vegetables and fruits, flowers, ornamental plants, pharmaceutical plants and husbandry products. To create conditions for Chinese enterprises to enter into joint ventures to produce varieties and breeds and build hi-tech farming zones in the economic belt. To step up cooperation on the protection and development of headwater protective forests and *management of water sources in common basins.*

g/ Science and technology: To work out plans for regular and long-term cooperation with China for *joint general surveys in the Gulf*, aiming to establish a synchronous database for the effective and sustainable management and exploitation of resources and the environment in the Gulf. To prepare material foundations and personnel for cooperation on oil and gas prospecting and exploration in mines lying across the demarcation line and mines in overlapping areas off the coast of the Gulf when necessary. To intensify cooperation on information exchange, personnel training and scientific research. To promote international cooperation on the development of future sea trades in the Gulf.

h/ Cultural and social affairs: To expand cooperation on education and training, healthcare, culture and arts, exhibition, physical training and sports and other social areas. To step up the exchange of cultural, sport, art performance activities between localities in the economic belt

for better understanding of each other's customs and habits, thus contributing to further tightening the friendly relations between the two countries.

i/ Environmental protection: To closely cooperate with Chinese localities in the economic belt on environment observation, forecast and protection, particularly marine environment, ensuring the sustainable development in the entire economic belt. To step up cooperation on *maritime safety and response to oil spills and treatment of* marine pollution caused by oil spills. To expand cooperation on search and rescue and natural disaster warning. The two countries will cooperate on building a unified system of search and rescue centers in the economic belt, and *working out plans* on close coordination for effective search and rescue.

V. IMPLEMENTATION SCHEDULE

1. The 2009- 2010 period: To form some motive territories; to substantially construct infrastructure in the economic belt; to attract domestic and foreign investment in key projects and motive regions, creating conditions for fast development in the subsequent period.

2. The 2011-2020 period: To further invest in developing synchronous and modern infrastructure facilities in the economic belt. To completely build important facilities in economic zones and industrial parks. To completely build and commission Mong Cai bilateral special economic zone, Lach Huyen, Hai Ha and Van Gia ports, Van Don airport, tourist resorts, high-grade entertainment and recreation centers and other service facilities for faster development after 2020.

VI. SOLUTIONS AND ORGANIZATION OF IMPLEMENTATION

1. Bilateral coordination solutions

On the basis of the agreement in the

Memorandum of Understanding on the “two corridors and one economic belt” cooperation program between the Vietnamese and Chinese governments, the two sides should closely coordinate in performing the following tasks and solutions:

a/ To coordinate in formulating joint plans on development of the Tonkin Gulf coastal economic belt in their respective territories: The two sides shall consolidate and intensify activities of the working group on two economic corridors and one economic belt within the framework of the Vietnam-China Committee for Bilateral Economic Cooperation in order to organize and coordinate in the making of joint plans on development of the economic belt in the territories of the two countries, and at the same time elaborate joint action programs for implementation in the coming period. To set up specialized expert teams in a number of important domains for coordination in elaborating master plans, programs and specific plans in each domain, and at the same time organize the implementation of the master plan and matters already agreed upon by the two sides;

b/ To accelerate the plan on cooperation on the construction of the transport system in the Tonkin Gulf coastal economic belt: Based on Article 6 of the Memorandum of Understanding on the “two corridors and one economic belt” cooperation program, the Ministry of Transport shall exchange ideas and reach agreement with the Chinese side for coordination in the formulation of plans on development of the transport infrastructure systems in the two corridors and one economic belt in general and the Tonkin Gulf coastal economic belt in particular. To further the plan on cooperation on the construction of traffic works as agreed upon in the two corridors and one economic belt. To early build an expressway along the economic belt from Hai Phong-Ha Long to Mong Cai (firstly upgrading national highway 18 to grade-III delta road) for connection with the expressway network in southern China. To coordinate in building Hanoi-

Hai Phong and Hanoi-Ha Long expressways; to build roads for trade between the two countries' border regions and roads connecting principal border gates to inland economic centers.

To proceed with cooperation on upgrading Kep-Bai Chay and Hanoi-Hai Phong railroads up to the 1,435 mm international standards; to build the Pha Lai-Ha Long-Cai Lan railroad; to prepare conditions for cooperation on continued construction of the Pha Lai-Ha Long-Donxing-Fangchenggang section for connection to the railway networks of the two countries. To cooperate on the development of seaports, creating outlets for the two corridors and one economic belt.

c/ To cooperate on stepping up trade liberalization and customs clearance facilitation. The two sides will jointly create a favorable environment to boost trade liberalization in the Tonkin Gulf coastal economic belt. To intensify cooperation to improve and facilitate customs clearance at border gate pairs, firstly at the Mong Cai-Donxing international border-gate pair, then at other pairs. To boost cooperation and promote the “single inspection” customs clearance model at all principal border gates in the economic belt, facilitating the cross-border trade between the two countries.

To actively expand cooperation on cargo and passenger transportation between the two countries. To improve cross-border cargo and passenger transportation conditions, applying the form of GMS cross-border transport permit already agreed in the GMS Cross-Border Transport Agreement of April 2006. To consider the opening of transnational passenger transport routes in order to boost tourist and trade development cooperation.

d/ The Ministry of Industry and Trade shall coordinate with Quang Ninh province in discussing and reaching agreement with Quangxi province (China) on coordinated planning and cooperation on the construction of Mong Cai free-trade zone (after the model of bilateral special economic zone); and at the same time reaching agreement on the

uniform status of this free-trade zone, thereby drawing experience for application to other zones in the economic belt, aiming to boost trade between the two countries and with the region and the world.

2. Solutions for Vietnam

a/ To establish and compete a legal framework, mechanisms and policies for the Tonkin Gulf coastal economic belt. Based on this master plan's orientations, concerned branches and localities shall review, supplement and concretize policies, aiming to bring into play all resources and economic sectors at home and abroad for the fast development and modernization of important industries and motive areas. To identify necessary big projects, industries and sectors of breakthrough nature in order to work out policies for focal and concentrated investment. To prioritize investment capital sources for the construction of infrastructure in Van Don economic zone. On the basis of the Regulation on Organization and Operation of Van Don economic zone, which was promulgated under the Prime Minister's Decision No. 120/2007/QĐ-TTg of June 20, 2007, ministries, branches and localities shall continue concretizing peculiar preferential policies to attract domestic and foreign investment for the economic zone's fast development in the coming period.

To further improve and renew policies for border-gate economic zones. To review the implementation of the Prime Minister's Decision No.53/2001/QĐ-TTg of April 19, 2001, on policies applicable to border-gate economic zones, in order to supplement and renew policies and measures to support trade development in these areas, particularly investment, export, taxation, financial and monetary policies for border-gate economic development.

To establish and consolidate legal grounds and train human resources for international integration. To further improve the legal framework according to the roadmaps for integration into WTO, APEC and other multi-lateral and bilateral cooperation

forums. To attach importance to building and training judges, lawyers and foreign-relation officials of Quang Ninh province and Hai Phong city who will be capable of negotiating on and promptly handling international economic and commercial disputes in the course of cooperation for development of the economic belt.

b/ To create breakthroughs in human resource development: To work out active policies on human resource training and development, early building high-quality workforce meeting the fast development requirements of the economic belt in the context of cooperation and integration. To diversify forms of training and vocational training, raising the quality of local young laborers, particularly for such advantageous branches as mining, thermoelectricity, shipbuilding, mechanical engineering, maritime, tourism and fishery. To step up professional training and fostering, raise the capabilities of cadres and officials engaged in economic management or external relation activities. To enhance the capacity of training institutions in the area. To encourage big enterprises to participate in vocational training for local workforce. To apply preferential policies to attract outstanding experts and entrepreneurs and highly qualified scientists to work for a long time in the economic belt.

To align with universities, training or vocational training centers in Hanoi in order to expand the scale and forms of training. To further attract FDI in human resource training and development. To expand international cooperation, particularly with China, on training in various forms so as to early build up a high-quality workforce for spearhead industries in the economic belt.

c/ Scientific, technological and environmental solutions: To renew the management of science and technology in line with the market mechanism and international integration requirements. To intensify the application of new technologies through transfer of technologies, especially foreign

advanced technologies, in order to renew technologies, thereby raising the quality and competitiveness of spearhead products. To prioritize the attraction of investment projects with advanced and modern technologies in the economic belt.

To encourage various economic sectors to invest in technological renewal. To apply preferential policies on credit, tax reduction and exemption and land lease for scientific and technological development. To adopt mechanisms to simultaneously encourage and compel enterprises to invest in technical renewal and application of new and appropriate technologies to production. To expand cooperation, particularly with China, for scientific and technological development. To take advantage of assistance and support of foreign countries and international organizations in the fields of training, scientific research, technological application and renewal.

To intensify environmental protection. To apply synchronous measures in terms of technique, mechanism and policy, propagation and education aiming to protect natural resources and the environment in the economic belt, especially the environment of Ha Long Bay, ensuring fast, efficient and sustainable development. To strictly manage the discharge from polluting sources. To encourage enterprises to apply clean technologies and environmentally friendly technologies to production.

d/ To mobilize and efficiently use investment capital sources for development: The economic belt's investment capital need from now till 2020 is estimated at over USD 50 billion, including USD 5-7 billion in the 2009-2010 period. To satisfy this capital need, synchronous and active solutions should be applied to attract capital sources as many as possible in all forms, focusing on the following principal solutions:

- To intensify propagation and advertisement on the economic belt's advantages and investment

opportunities. To identify priority projects and geographical areas and levels of priority in order to call for investment from all economic sectors in production and business development at the Tonkin Gulf coastal economic belt.

- To apply such incentive policies as incorporate income tax and import tax exemption and reduction, land tax, land rent and land use levy exemption and reduction, supports for ground clearance and re-settlement for domestic and foreign enterprises building infrastructure of industrial parks and economic zones. To reserve with priority budget capital and preferential credit sources to support investments in the construction of important infrastructure facilities. To establish an Investment Fund for the Economic Belt Infrastructure Construction. To consider the establishment of a company for investment development of the Tonkin Gulf coastal economic belt (like the one set up by China in Quangxi Tonkin Gulf Economic Zone) to deal in capital and create channels for the attraction of capital sources for development of infrastructure and spearhead industries in the economic belt.

- To use investment capital for proper purposes and reduce capital waste and loss, particularly in construction. To simplify lending procedures; to expand lending forms and eligible borrowers, creating conditions for all economic sectors to access this capital source. To efficiently incorporate programs and projects in the area for more efficient use of funds. To expand the raising of capital through issuing various bonds to raise capital for important works.

- To continue with administrative reform and create an open and convenient environment for investment. To adopt policies to encourage big business groups and enterprises to invest in production and business development in the Tonkin Gulf coastal economic belt.

- To encourage people and individuals to expand and develop their production and business,

particularly agricultural and forestry production, aquaculture, farm economy, tourism and services. To create favorable conditions for the private economy to develop without any restrictions on scale, production and business lines, industries and geographical areas. To step up the mobilization of people's contributions (in cash or public labor) in accordance with the State's regulations to the construction of rural infrastructure, particularly in mountainous areas and islands.

- To renew mechanisms for FDI attraction, to formulate synchronous mechanisms and policies for attraction of FDI capital sources in conformity with the integration process. To create all favorable conditions for attracting foreign investors, particularly Chinese investors, to develop production in the economic belt. To properly adjust mechanisms for attracting FDI investment, directing the FDI capital sources into priority industries. To encourage big projects capable of creating the competitive edges and projects producing exports. To step up investment promotion, coordinating with Chinese localities in the economic belt in organizing conferences to advertise and introduce the investment environment and exchange experiences on investment promotion and attraction.

- To promote close coordination between branches, localities and international organizations so as to campaign for negotiations on ODA projects, prioritizing infrastructure development. To formulate specific projects, actively mobilize investment capital and allocate domestic capital as a basis for calling for financial assistance. To take advantage of international organizations' aid money in such areas as nature conservation, hunger elimination and poverty reduction, rural clean water, environmental sanitation, healthcare and education in mountainous areas and on islands. To expand BOT, BT and other forms of investment.

3. Organization of implementation

a/ To quickly study relevant matters: To attain

the development objectives of the economic belt, the two countries should coordinate in quickly formulating a joint master plan on development of the Tonkin Gulf coastal economic belt in their respective territories and the general cooperation program for submission to the two Governments for adoption, serving as the bases for branches and localities to organize the implementation;

b/ To build the Tonkin Gulf coastal economic belt forum: The two sides shall coordinate in organizing a common forum on cooperation for development of the Tonkin Gulf coastal economic belt and specialized forums on important industries to exchange ideas and reach agreement on relevant matters and plans for development cooperation purposes;

c/ To intensify information and propagation work: The two countries will coordinate in periodically publishing a bilingual journal or joint bulletin (in Vietnamese and Chinese) so that the two sides have conditions to inquire more into the economic development situation and cooperation on the areas related to the economic belt; to disseminate in time to concerned agencies and organizations specific research findings, which will serve as a basis for the formulation of programs and projects on development of the Tonkin Gulf coastal economic belt.

d/ Assignment of implementation responsibilities

- The Ministry of Planning and Investment shall assume the prime responsibility for, and coordinate with concerned ministries, branches and localities in, formulating joint action programs clearly stating the assignment of responsibilities and specific coordination; coordinate with the Ministry of Finance in balancing and mobilizing investment capital sources for the development of the economic belt; act as a coordinating body of the Vietnamese side for coordination with the Chinese side in formulating the joint master plan for the entire economic belt in the two countries' territories; work out programs and master plans for cooperation on

development of the Tonkin Gulf coastal economic belt and coordinate in their implementation; act as a key body to assist the Government in coordinating concerned ministries and branches in organizing and supervising the implementation of the master plan, programs and plans for cooperation on the development of the Tonkin Gulf coastal economic belt;

- Concerned ministries and branches shall formulate specific action programs for implementation of the master plan; incorporate the development objectives and orientations of this master plan into their development plannings nationwide; coordinate with Quang Ninh province and Hai Phong city in balancing resources for the development of the economic belt according to the master plan; formulate specific cooperation programs, plans and projects in the economic belt and organize their implementation;

- The People's Committees of Quang Ninh province and Hai Phong city shall review, adjust and supplement their master plans on socio-economic development till 2020, incorporate the development objectives and orientations of this master plan into their master plans; draw up specific cooperation plans and projects and organize their implementation. The Planning and Investment Services of Quang Ninh province and Hai Phong city will act as major bodies assisting their People's Committees in coordinating with concerned ministries and branches in organizing, examining and supervising the implementation of the master plan and programs and plans for cooperation on the development of the Tonkin Gulf coastal economic belt within their localities;

- Concerned ministries and branches shall coordinate with the Ministry of Defense in formulating and implementing socio-economic development projects related to defense, ensuring the uniformity between economic development and defense without breaking major defense plannings already approved by the Prime Minister;

- Annually, the People's Committees of Quang Ninh province and Hai Phong city shall coordinate with concerned ministries and central branches in reviewing and evaluating the implementation of this master plan in order to propose competent authorities to promptly adjust and supplement the master plan to suit the new situation.

Article 2. This master plan will serve as orientations for the formulation of plannings, plans and investment and development investment cooperation projects of specialized branches and concerned localities in the Tonkin Gulf coastal economic belt.

Article 3. This Decision takes effect 45 days from the date of its signing.

Article 4. Ministers, heads of ministerial-level agencies, heads of government-attached agencies and presidents of the People's Committees of Quang Ninh province and Hai Phong city shall implement this Decision.-

Prime Minister
NGUYEN TAN DUNG