

Government
No. 525/TTG

SOCIALIST REPUBLIC OF VIETNAM
Independence--Freedom-Happiness

Hanoi, 2 November 1993

INSTRUCTION BY THE PRIME MINISTER On policies and methods for continued economic and social development in mountainous areas

INTRODUCTION

Over the last few years, the economic and social situation in many mountain localities has improved and many successful cases of local development have been observed. Resolution Number 22 of the Politburo, issued in November 1989, and Decision Number 72 by the Council of Ministers (now the Government), issued in March 1990, have played an important role in this process. However, progress in the mountain areas and among ethnic minorities is still slow. Many good policies and regulations have been issued but have not yet been implemented in the field.

By the end of September 1993, the Government held a national seminar on socio-economic development in mountainous areas. It aimed at a revision of guidelines for such development at improved implementation of Resolution 22 and Decision 72.

After analysing the situation in the mountainous areas and considering suggestions from various sectors and local authorities, the Prime Minister has decided to issue the Instruction presented below. It is intended to provide policies and regulations for continued improvement in the economic and social situation in mountainous areas, thus being a follow-up to Resolution 22 and Decision 72. It also follows the resolutions made by the Fifth Plenum of the Party Central Committee (for the Seventh Legislature) on 'Renovation and Socio-economic Development in Rural Areas'.

The immediate objective is to speed up the socio-economic development in the mountains and in areas inhabited by ethnic minorities so as to reach the targets set for 1994 and 1995. Preparations should also be made for continued development after 1995.

1. CHANGED ECONOMIC STRUCTURE IN MOUNTAINOUS AREAS

The change in the economic structure for mountainous areas takes the national objective of industrialisation as one of its main starting points. It aims at a gradual realisation of the large potentialities in production based on forests, cash crops, fruits, medical plants, and large-scale animal husbandry. It also seeks to utilise the potential in mining industry and in processing of products from agriculture and forestry. The new structure must be adapted to the demands from the national and international market and must consequently be flexible, allowing for gradual change from time to time.

In agriculture, suitable systems must be established for cropping and animal husbandry based on the natural

conditions in each locality and in accordance with experience of production in similar ecological zones. In many areas, large-scale production of cash crops and fruit can be established. The experience so far clearly indicates that, although very important in many areas, food production cannot constitute the foundation for development of the mountainous areas. Food production should instead be concentrated to other areas which have suitable conditions for intensive and high-yielding production of various food crops. Given the high current national food production, the task is now to organise supply of food to the mountainous areas in exchange for products originating from the rich natural resources in those areas.

In forestry, it is important to protect existing forests, assist natural regeneration, and establish forest plantations. Areas of forest should also be designate as protection forest, special-use forests, and production forests. The ecological systems, including the vegetation cover, should be restored. Methods for use of the forest resources should be developed which are suitable for different types of forest.

In industry, the reorgorganisation that has already started should continue. Many enterprises, including small and medium-size ones, may need to make investments in order to maintain or expand their production. For enterprises for which there is no strong reason to maintain the state as owner, bold changes in ownership should be considered such as merging them with other enterprises and turning them into share-holding companies.

In mountain areas, the main direction of industrialisation should be towards processing of local raw materials, mainly form agriculture (including cash cropping), forestry, and mineral exploitation. Production of construction materials such as cement, bricks, and tiles should also be undertaken wherever the local conditions are suitable. The Ministry of Heavy Industry is urgently asked to set up a production system suitable for the mountainous areas, stimulating production and processing of raw materials from agriculture, forestry and other sectors. The local authorities should stimulate the creation of small and medium-sized enterprises. The central authorities should concentrate on large enterprises of national importance, such as steel mills, large hydro-power plants and so on.

Provinces in mountainous areas are encouraged to seek partners from the region, from other areas in the country, or from abroad, for joint investments in industrial development in mountainous areas. The provincial authorities are to prepare projects and call for foreign funds for the implementation of such projects. With regard to investments from abroad, the State Committee on Cooperation and Investment is to assist local authorities in mountainous regions to find foreign partners and also to disseminate the Government policies on foreign investment in mountainous areas to potential foreign partners.

2. FOREST PROTECTION COMBINED WITH FIXED CULTIVATION AND SEDENTARISATION

The issue of forest protection combined with fixed cultivation and sedentarisation is a most important one for all mountain provinces. Instruction 462 dated 11 September 1993 provides comprehensive guidelines for protection and management of forests and for exploitation of wood. Sectoral and local authorities are now to follow these guidelines.

During the two years 1994-1995, efforts should be concentrated to protection of the existing forests. The current destruction of forests must simply be stopped. A significant share of the funds for projects within Programme 327 as well as funds originally intended for use in reforestation can be used for protection of existing forests may be used for this purpose. All provincial and district authorities should prepare a plan for the gradual solution of this problem. The present fixed cultivation and sedentarisation programme should only be continued in areas where forest protection is well established and where there are only a few shifting cultivators. In those areas reforestation should be carried out in accordance with established plans and projects.

The Ministry of Forestry, the Ministry of Agriculture and Food Industry, and the General Department of Land Management as well as local authorities should immediately 'close the forest gate' in the following kinds of forests:

- watershed forests;
- special-use forests;
- forests on rocky mountains;
- poor forests which need to be protected in order to regenerate by natural means.

The designation of different kinds of forests should also be finished. The designation should be followed by allocation either to State Enterprises or army units for management or to local people for protection and assisted natural regeneration.

In cooperation with the authorities concerned, both at the Centre and in the provinces, the Committee Ethnic Minorities and Mountain Issues, is to provide guidance to local authorities in their work to assist compatriots who still practise itinerant farming and nomadic residence, (or who have fixed residence but still carry out shifting cultivation), to convert to fixed cultivation and sedentary living. In places with favourable conditions, this work should be finished during 1994 or 1995. In other areas, the aim should be to finish it by the end of 1996.

For households who practise itinerant farming and periodically shift residence, an area for cultivation should be allocated to each household, able to provide sustainable and adequate supply of food. The households would be given responsibility for management and protection of an area of forest which must not be burnt or destroyed in other ways. The households would obtain land as follows:

- In natural forests and forests established with State funds, a defined area is to be allocated to each family for protection. If it is a production forest, the family will be entitled to a defined share of the harvest upon exploitation.

- In natural forests which are being assisted to regenerate naturally, families are to be allocated an area for restoration and protection. Upon exploitation, the households are entitled to a defined share of the harvest.

- For bare land and degraded hills, the State is to allocate funds for the establishment of various kinds of special-use forests and watershed forests as well as for production forests with a rotation of above 20 years. The State is also to provide credits to households for reforestation in the form of agro-forestry.

Ministry of Forestry and the Ministry of Finance will define suitable sizes of plots to be allocated to households and also propose how to share the harvest in production forests between the Government and the households. The proposals are to be presented to the Government for approval.

Families who have a fixed residence but still practice shifting cultivation can obtain a defined area of forest land for assisted natural regeneration or plantation. The Government can assist such families either in cash or by provision of food for up to a few years. Further, forest extension groups should be set up in all mountain Communes, to provide guidance in production technology.

The provincial People's Committees are to instruct units of the Border Guard to accept areas of forest land, for protection of natural forests, for assisted natural regeneration, or for plantation of new forests. These activities should be combined with the duty to protect the border. The Border Guard will obtain support from the Government for these assignments.

The provincial People's Committees should be given full contractual obligation to carry out projects. They will then be responsible to the Government for implementation of the projects and the use of resources in cash and food allocated. Government authorities at the Centre who are responsible for appraisal and approval of local projects should speed up the process so that the projects can be initiated in late 1993 or early 1994. The procedures for approval of projects should also be revised and simplified, thus facilitating for staff in mountainous areas to follow them.

Organisations such as the Youth League, the Women's Union, the Farmers Union, and the Union of War Veterans should be mobilised for the purpose of informing its members of the importance of environmental protection. To the extent suitable, these organisations could also participate in the implementation of projects.

The provincial Forest Inspectorate should be reorganised,

placing it under the direct authority of the provincial authorities. In this way, increased effectiveness can be ensured. The Ministry of Forestry will provide guidelines for this reorganisation, including setting of rules and regulations for staff and provision of training. The Forest Inspectorate should not only set up its check-points along the roads but should also be present both at the 'forest gate' and deep in the forests. The Forest Inspectorate should also gradually improve its transportation facilities and its capacity for fighting forest fires and combating insects and other pests. It should also strive to improve the living conditions for its staff.

3. ESTABLISHMENT OF INFRASTRUCTURE

3.1. Transportation Network

The Ministry of Transportation and the provincial authorities are responsible for management of the road system in the provinces. Each of the roads in the Province should be classified according to its function, for example as a national road, a provincial road, a feeder road, or a road leading to the national border. The roads should be maintained or upgraded in accordance with this classification.

Priority should be given to national roads and important provincial roads. Roads from district centres to communes and other local population centres should be improved. Roads within communes should gradually be upgraded, allowing the use first of pack animals, then of motorbikes and finally of four-wheel vehicles. By the end of 1995, all district centres should be accessible by car throughout the year, in both the dry and the wet season. By the year 2000, motorable roads in the districts should reach all centres of population and economic activity in that communes. Roads from commune centres to the villages are to be constructed by the local population in accordance with their needs and capacity.

All provinces are to establish a plan for upgrading and construction of roads. Funds may be available from the Centre of from Provinces, Districts, and Communes. The State also provides certain services, such as construction of bridges and culverts. It also supplies dynamite and makes steam rollers and other road-making equipment available. The Ministry of Transportation should prepare a request for supplementary funds to be used during the remainder of 1993 and also prepare an expenditure plan for 1994-1995 so that the Government can include the corresponding amounts in the State Budget for 1994. The Government is also requested to develop suitable policies with respect to credits, interest rates, taxes, and so on which will serve to attract funds from various economic sectors to the transport sector in mountainous areas.

3.2. Water Supply

Efforts should be concentrated to the consolidation or construction of small irrigation systems. All provinces should identify which irrigation systems need to be upgraded

and where new ones need to be constructed and should calculate the corresponding costs. Wherever suitable, small-scale irrigation systems should be combined with small-scale hydro-electric generation.

State grants should primarily be used for domestic water supply in highland areas, particularly in the nine priority Districts identified in cooperation with the UNICEF project for water supply and construction of wells and reservoirs in highlands and other rural areas. The aim should be to complete this assignment by 1996 (according to previous plans, it was to be finished by 1998-1999).

The Ministry of Aquatic Resources and the Ministry of Health will provide technical guidance and follow-up the construction of the hydraulic works. In particular, they will control that the water supplied for domestic use in mountainous areas is of good quality. The local People's Committee are responsible for the implementation of the projects and have to ensure that technical standards are followed.

There should be a clear division of responsibilities between the Ministry of Health and the Ministry of Labour, War Veterans, and Social Affairs in the cooperation with UNESCO concerning the construction of wells and water reservoirs.

3.3. Energy Supply to Mountainous Regions

For highland communes, the most cost-effective way to secure the supply of electric power, particularly for lighting purposes, should be used. Whenever suitable, a connection to the national electricity grid should be made. In such cases, the State will bear the cost of constructing the power line and transformation to below 35 kV. However, in certain areas, the conditions may necessitate production of electricity by diesel generators or in small and micro hydropower stations. The Ministry of Energy should supplement plans made for the supply of electricity to highland and mountainous areas for the period 1994-1995 and proceed to implement the activities planned.

In cooperation with the various sectoral branches concerned, the Ministry of Heavy Industry is to find a suitable way to link enterprises engaged in the production and installation of diesel generating plants and hydropower stations. The Government will procure the diesel generating plants and the hydropower plants and resell them (or supply them for free to certain areas) in accordance with plans and needs of the various provinces. The Government will also organise erection of the power line down to the household level, gradually expanding the production and installation of such units.

Attention should also be given to the search for and testing of other forms of energy suitable for certain areas, such as solar and wind power.

3.4. Post and Telecommunication

The General Department of Post and Telecommunication is to

ensure that there are telephone connections to all districts and also to other important points in the mountainous areas. This is particularly important where the road network is poor. Further, already in the first quarter of 1994, the telecommunication problems should be solved for all border posts.

4. EDUCATION, TRAINING, HEALTH SERVICES, CULTURE, AND INFORMATION

4.1. Education, Training, Science and Technology

Together with local authorities, the Ministry of Education and Training is to revise the contents and methodology of teaching and learning. The size of classes should also be set in accordance with the conditions prevailing at the provincial and district levels. In time for the school year 1995-1996, an elementary school combining grades 1 through 3 should be established in all mountain villages, attracting school children of the corresponding age groups. One boarding school for grades 4 and 5 should be set up per four to five villages, particularly for the purpose of providing training to children from remote villages where there is no complete primary school. Whenever needed, textbooks should be provided in the language of the ethnic groups concerned.

Boarding schools should be established or developed at the provincial level for students belonging to ethnic minorities, primarily with the purpose of creating an adequate supply of teachers for children in the mountainous areas. The programme for teaching and learning should be improved, with particular emphasis given to the combination of theory and practice. New technology should also be utilised. An attempt should be made to engage all students who have graduated from the lower level boarding schools for ethnic minorities.

Border guards and other Government staff should be engaged in the local training programmes, particularly for literacy campaigns. Such staff are entitled to special allowances for this work.

Four university centres should be established, in Da Lat, Buon Ma Thuot, Thai Nguyen, and Hoa Binh. (Certain buildings previously used as hotels or guest houses can be integrated in the university centres.) The Ministry of Education and Training should make the necessary preparations for this task.

Increased importance should be attached to the use of technological advances for productive activities in the mountainous areas, in areas such as agriculture and forestry and processing of raw materials from these sectors.

Together with the Ministry of Labour, War Veterans, and Social Affairs, the Government Committee on Organisation and Personnel is to develop policies concerning the supply of teachers and other Government staff for work in mountainous areas in general and in the highlands in particular. Incentives should be available, able to attract teachers and other staff from lowlands to work in highland areas. Staff

belonging to ethnic minorities should be encouraged to work in highland areas. Students who have graduated from universities and colleges and work in mountainous areas are to receive 100% of their salary level immediately after taking up service. Other ways of stimulating graduates to work in mountainous areas should also be sought. The real payment for graduates working in mountainous areas might be increased to twice the basic salary level; the annual vacation period might be prolonged, perhaps doubled; and so on. Local solutions should be sought together with village heads and hamlet elders.

4.2. Health Care and Social Affairs

The cultivation and use of opium is a serious problem. Local people should be informed its effects and mobilised to stop growing the crop and to organise successful programmes for curing addicts.

In each Province concerned, the local authorities should find out where poppy is grown. In cooperation with the local people, a shift of cultivation to other plants suitable to the local conditions should be carried out. A time limit should be set for this duty. Suitable compensation must be arranged for the first few years after the shift is made, to compensate for the decreased level of income. Payment in the form of food is one possibility. In some localities, plants of Artemisia species are being grown and artemicine is extracted. The Ministry of Health should provide guidance on cultivation methods and quality control, provide tools and instruments, and organise sales and marketing. Those trading, transporting and smuggling opium should also be brought to trial and punished severely.

Adequate cure for addicts should be established. This requires supply of certain medicines facilitating the cure. The Ministry of Health is responsible for the search for such medicines. Centres for addicts should be set up (perhaps the youth Unions could be given the responsibility for operating such centres), and work opportunities for former addicts should be created.

The provincial authorities are to prepare a plan for the reduction of malaria, goitre, and diarrhoea, in a first phase for the time until 1995. In a second phase, covering the time 1995-2000, the incidence of malaria and goitre should be significantly lowered. Particular attention should be paid to the prevention of outbreaks of epidemics (for example of malaria). Should epidemics break out, they must be fought vigorously.

All provinces are to survey the situation with regard to leprosy. All efforts should be made to limit and gradually repel the illness. In the short term, people affected by leprosy should be gathered in centres for care. The facilities for daily life and cure in existing centres should be checked and if necessary improved. In certain cases, the best solution may be to move the centre to a locality providing better conditions. The Ministry of Health should prepare a plan and a cost estimate to present to the Government regarding the health staff needed for the fight

against leprosy.

Health care in the mountainous areas should be strengthened. In particular, the network of health care centres should be extended to all districts. Local health workers should be assigned at the commune level in accordance with the local situation and as required for health care by the local people. Health services should also be available in villages and hamlets. This level should, indeed, be the basis for the rural health service. Over the next few years, it should be ensured that every Commune has a health centre with staff (at present 90 Communes lack such services). Mobile health teams should also be set up. They are required particularly in highland areas where the network of health services is still weak.

Medical staff who work in communes and townlets in mountainous areas are to enjoy the same benefits with respect to salaries and allowances as those indicated above for teachers.

4.3. Culture and Information

The expansion of radio broadcast and television should be continued into mountainous areas and areas inhabited by ethnic minorities. By the end of 1995, all districts should have access to television. The quality of radio broadcasts in minority languages should be improved. They should concentrate on practical themes such as selection of production methods, the new ways of life now being opened, and information about outdated customs and superstition. Small radio receivers should be produced which can be sold at a low price to the inhabitants in the mountains. Perhaps they could even be subsidised in areas facing special problems.

Mobile information teams should be set up. The teams should be equipped with electric generators and video playback equipment. Suitable and practically-oriented programmes should be developed. The teams should travel to Communes in the highlands and other remote areas. Together with the provincial authorities, the Ministry of Culture and Information should develop proposals on how to set up and equip such teams and also on how to attract people to staff them.

The State will finance the production of different kinds of books with contents designed to suit the real situation of people in the mountains and in areas dominated by ethnic minorities. The State will also continue to subsidise newspapers for children's groups and for Young Pioneers among pupils in schools in the mountainous areas, as it has been doing since the beginning of 1993.

Cultural activities and popular art should receive increasing attention. The cultural heritage of different ethnic groups should be preserved and utilised. Healthy traditional festivals should be studied and supported.

5. SUPPLY ESSENTIAL COMMODITIES AND MARKETING OF PRODUCTS

5.1. Food Products

For cereals, the provincial authorities are to make an investigation of the situation in all Districts and Communes with regard to periodic food shortages. Both the extent of and the reasons for hunger must be found. On that basis, solutions should be developed for the Districts and Communes concerned, gradually reducing the need for relief supplies between harvests. At the Commune level, specific proposals should be found for the families concerned. For example, funds could be provided (perhaps in the form of bank loans given to trusted organisations among the people in the Commune, as stipulated by the State). In the short term, before harvests of food crops become adequate, loans could be in the form of cereals. For households which are short of labour, relief to be provided must be limited with respect to time and amount.

All provincial People's Committees are to define the needs of cereals in the Province and how the province can obtain amounts which are not produced within the Province (through purchase or exchange with Provinces which have a surplus of cereals) or through government assistance (defined in terms of time and amount).

5.2. Other Kinds of Food

For other kinds of foods (such as fish sauce providing necessary protein, dried fish, different kinds of fish paste, glutamate, instant noodles, etc.) the various trading enterprises belonging to the Ministry of Commerce and the Provinces are responsible for the distribution to mountain and highland areas and for the setting up of sales points in Communes and at markets in such areas.

5.3. Other Goods

The policy of supplying other essential goods (such as iodised salt, vegetable oil, writing paper, cloth, iron and steel) to State-owned sales points, enabling them to be sold at subsidised prices should be continued. The Ministry of Commerce should find a way to secure the supply and sales of such commodities to people living in the mountainous areas. Exemption of turn-over tax for enterprises carrying out business in mountain areas should be considered.

Members of ethnic minorities living in highland areas with special difficulties will be provided with certain commodities on a grant basis, such as iodised salt, vegetable oil, and kerosene. Together with the Ministries concerned (Finance, Commerce, and Health), the State Committee for Ethnic Minorities and Mountain Issues is to present a proposal on which products and which quantities are to be provided in this way, and prepare the associated budget for presentation to the Government.

From 1994, the supply of iodised salt should be guaranteed to all mountain provinces. Everyone should be made aware of the value of iodised salt and thus start using it. The Ministry of Health is responsible for this issue and should prepare a plan without delay.

5.4. Trading Network

The Ministry of Commerce should continue to upgrade the network of State-owned trading in mountain provinces and establish new sales outlets wherever needed, so that the network reaches all communes. New markets should be created in mountain and highland areas accessible by road. New fairs should also be established.

Provincial People's Committees in mountain areas are responsible for supply of subsidised products. They also have to follow up and control which prices are in reality charged in the localities.

6. IMPLEMENTATION

First, implementation must be organised in accordance with the various programmes set up under the authority of the various central and provincial Government bodies (which govern both the supply of funds and the field implementation). The sectors concerned should develop guidelines for the local authorities responsible for field implementation and also present those guidelines to the Government.

The local People's Committees must strengthen their staff so that they become able to implement the local programmes. The Chairmen of provincial and district People's Committees in mountainous areas have the responsibility for the implementation, including guiding the activities and coordinating the use of resources from various bodies Also in Provinces and Districts which have both mountains and plains but where the mountainous area is important, the Chairmen of the provincial and district People's Committee have to be directly involved in projects.

Provincial and district authorities should learn from successful cases where advanced techniques and production methods have been applied, so that such experience can be spread. The Ministry of Science, Technology, and the Environment and the State Committee for Ethnic Minorities and Mountain Issues are to provide guidance in these matters.

Ministries and other central Government bodies should establish adequately staffed specialised units responsible for mountain issues (the Ministry of Commerce and the Ministry of Education and Training have for example already appointed a Vice Minister to be in charge of such issues). The specialised units would have the responsibility to supervise, follow up, and control the implementation of the various programmes and projects and in particular draw conclusions from the field experience, thus facilitating the development of improved structures and policies.

Ministries and provincial authorities should prepare plans for engaging and training staff to work with issues related to mountainous areas and ethnic minorities and should also set up units with such staff as soon as possible.

CONCLUSION

In short, more attention and guidance needs to be given to the process of renovation of organizations guidance of staff, and improvement of methodologies of work in mountainous areas. This is necessary in order to follow the directives issued by the Seventh Plenum of the Party Central Committee (Fifth Legislature) and also Resolution 22, Decision 72, and the present Instruction which all aim at creating an improved socio-economic situation for people in mountainous areas and also in other areas inhabited by ethnic minorities over the next several years.

In accordance with this Instruction, the State Committee for Ethnic Minorities and Mountain Issues and the ministries concerned are to assist the People's Committees in mountainous provinces to prepare programmes and projects so that implementation can be initiated already during the remaining months of 1993 and continue during 1994 and 1995. Special attention should be given to development of suitable policies. The State Planning Committee, the Ministry of Finance, other ministries, and other organisations concerned are to cooperate in the preparation of local plans for 1994 and 1995, to be presented to the Government.

PRIME MINISTER

Vo Van Kiet (signed)