

THE PRIME MINISTER

Decision No. 1114/QĐ-TTg of July 9, 2013, approving the master plan on socio-economic development of the Central Vietnam's northern and coastal region through 2020

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

Pursuant to the Government's Decree No. 92/2007/QĐ-CP of September 7, 2006, on formulation, approval and management of socio-economic development master plans, and the Government's Decree No. 04/2008/ND-CP of January 11, 2008, amending and supplementing a number of articles of Government's Decree No. 92/2006/ND-CP of September 7, 2006;

At the proposal of the Ministry of Planning and Investment,

DECIDES:

Article 1. To approve the master plan on socio-economic development of the Central Vietnam's northern and coastal region through 2020 (below referred to as the master plan), with the following principal contents:

I. POSITION AND ROLE

The Central Vietnam's northern and coastal region (below referred to as the region) is a strategic area of special political, economic, social, national defense and security importance; is of strategic significance and has important advantages in the expansion of economic exchange, and is concurrently a center for cargo transshipment with the Central Highlands provinces, Laos, Cambodia, the northeastern region of Thailand, and Myanmar, and the door of the East-West economic corridor to international maritime routes and for exchanging cargo with other countries in the world.

II. DEVELOPMENT VIEWPOINTS

- The region's socio-economic development must conform with the national socio-economic development strategy and Vietnam's marine strategy, and ensure consistency with sectoral development master plans.
- To bring into full play the potential and advantages of localities in the region, especially industrial, service and marine economic advantages; to step up economic restructuring and change the growth model toward effectively using natural resources and protecting the eco- environment; to take solutions for proactively preventing and responding to climate change.
- To synchronously develop urban centers, residential areas and technical and social infrastructure systems to be environmentally friendly. To focus

on building urban centers with conditions and advantages as the core of spill-over effect to promote development and into economic centers of each sub-region.

- To closely combine economic development with development of social welfare, education and training, health and culture in association with realization of social progress and justice in order to step by step improve people's lives; to step up hunger elimination and poverty reduction and reduce the social development gaps among different areas and ethnic groups in the region.

- To focus on training and development of human resources, especially high quality human resources, to meet market demands, and associate development of human resources with development and application of advanced sciences and technologies.

- To closely combine socio-economic development with assurance of national defense and security, maintenance of political stability and social order and safety, and assurance of defense of land and marine borders.

III. DEVELOPMENT OBJECTIVES

1. Overall objectives:

To build the region into the one which will develop in a dynamic, rapid and sustainable manner, an important bridge of the whole country in international exchange and cooperation; to maintain political stability and social order and safety, associate marine economic development with assurance of national defense and security and protection of sovereignty over the sea and islands of the country. To basically improve material, cultural and spiritual lives of people and step up hunger elimination and poverty reduction, especially for ethnic minority people and people in extremely disadvantaged communes and former resistance bases; to intensify protection and improvement of people's health. To minimize effects of natural disasters, floods, storms and drought and protect the eco-environment; to effectively respond to climate change, especially sea level rise.

2. Specific targets:

a / Economically:

- The region's GDP by 2020 will be around 2.2 times the figure in 2010 (calculated according to comparative prices); the economic growth rate will reach 7.5%/year during 2011- 2015 and 9%/year during 2016-2020; per-capita GDP will reach around VND 53 million (USD 2,500) by 2020, equal to around 76% of the country's per-capita GDP.

- To restructure the economy toward intensive development, focusing on tapping comparative advantages of the region; the proportions of industries and services in GDP will increase from 35.7% and 37.2% in 2010 to 38.6% and 38.1% by 2015 and 41.9% and 39.9% by 2020, respectively; the proportion of agriculture in GDP will decrease from 27.1 % in 2010 to 23.2% by 2015 and 18.2% by 2020; the rate of agricultural labor in the total workforce will drop to around 32% by 2020.

- By 2015, the region's export turnover will reach over USD 10 billion, an increase of 16- 18%/year; during 2016-2020, the export growth rate will be maintained at over 20%/year and the rate of technology renewal will reach 20- 25%/year on average.

b/ Culturally and socially:

- The region's population growth rate will be maintained at 1.1 %/year on average by 2020. The region's population will be around 20 million by 2015 and around 21.2 million by 2020. The region's rate of poor households according to the new poverty line will decrease 2-3%/year on average.

- By 2020, to reach preschool education universalization standards for 5-year children; 95% of children in eligible age will go to primary schools; 100% of primary schools will satisfy national standards; the region's education and training and vocational training sector will reach development indicators of educational disciplines and levels equal to the country's average levels.

- To reduce the malnutrition rate among under-5 children to below 10% by 2020, and the mortality rate among under-1 children to 19.396‰ by 2015 and 11‰, by 2020.

- To create jobs for around 400,000 people (including around 180,000 during 2011-2015 and around 220,000 during 2016-2020). By 2020, the rate of unemployment in urban areas will be below 4.5%; the rate of spent working time in meal areas will increase to 85%; the rate of trained labor will reach 45% by 2015 and over 65% by 2020.

- The rate of urbanization will reach 32% by 2015 and 42% by 2020. The region's urban population will be around 6.5 million by 2015 and 9 million by 2020.

c/ Environmental protection:

- By 2020, over 95% of rural population and 100% of urban population will have access to hygienic water.

- By 2020, urban centers of grade 4 or higher grade and all industrial parks and export processing zones will have centralized wastewater treatment systems; 95% of ordinary solid waste, 85% of hazardous waste and 100% of medical waste will be treated up to environmental standards.

- To increase forest coverage from 47.8% in 2010 to 58% by 2020. To prevent and contain the increase of environmental pollution, degradation and incidents caused by human activities and natural impacts; to protect marine and coastal ecosystems and biodiversity as well as national parks and nature reserves; to proactively prevent and minimize the impacts of storms, floods, natural disasters and climate change.

d/ National defense and security:

- To completely build roads to the borderlines, border belt roads, border guard posts and stations, defense zones, border residential areas and infrastructure facilities to serve socio- economic development.

- To increase national defense and security potential; to maintain political stability and social order and safety, protect territorial integrity and create a favorable environment for socio-economic development. To closely associate socio-economic development, especially development of marine and island economies, with protection of the Fatherland's sovereignty and sovereignty rights over the sea and islands.

- To promote public information and education work and mobilize people to strictly observe state laws with a view to limiting and reducing traffic accidents. To step up the prevention and fighting of social evils and build a new cultured life in villages and hamlets.

IV. SECTORAL DEVELOPMENT ORIENTATIONS

1. Agriculture, forestry and fisheries:

- Agricultural development: To restructure plants and animals suitable to natural conditions of each sub-region toward increasing production safety, preventing floods and raising efficiency per hectare of cultivation land.

To build zones specialized in fruit trees, short- and long-term industrial trees and advantageous subsidiary crops toward concentrated commodity production suitable to soil and climate conditions of each locality in the region; to develop cattle and poultry rearing on a rational scale in association with developing the processing industry, apply new breeds and appropriate technologies to production and processing, and associate production with outlet markets to form agriculture-processing-service-market links in the region.

To focus on building and expanding salt fields in Tinh Gia (Thanh Hoa), Quan The (Ninh Thuan), Binh Nam in Thang Binh (Quang Nam), and Hon Khoi (Khanh Hoa) to supply salt for consumption.

- Fisheries development: To develop industrial and semi-industrial aquaculture associated with environmental protection and eco-safety assurance in coastal areas. To develop the farming of specialty aquatic species of high value (lobster, sea-horse and molluscs, etc.) suitable to natural conditions of the region. To build infrastructure facilities for development of large-scale aquaculture in localities, including aquaculture on sand land; to manage the quality of breeds and feeds in aquaculture. To promote aquaculture in coastal lagoons from southern Quang Binh to Tam Giang lagoons (Thua Thien - Hue), and estuarial areas from Quang Nam to Binh Thuan.

To build dry docks, piers and storm shelters in small gulfs, estuaries and onshore islets. To step by step upgrade large-capacity, fishing fleets equipped with modem communication and navigation systems, fishing gears and cooling preservation systems to raise offshore fishing capacity. To properly organize logistics services (supply of water, ice and lubricants, maintenance and repair, etc.) for fishing ships operating at sea for many days.

- Forestry development: To establish stable forest estates and guard protection forests and headwater forests; to zone off land areas for regeneration and planting of protection forests in crucial headwater areas of big rivers for preventing flood and reservoir-bed deposition in areas having reservoirs and hydropower reservoirs, and plant coastal forests. To enhance protection and development of national parks, conservation of biodiversity and protection of rare and precious fauna and flora genetic sources.

- Building a new countryside: To focus on building a new countryside; to restructure plants and animals and develop commodity production zones for increasing incomes and stabilizing lives of people. To regard agriculture and rural economy as a development satellite of economic zones and urban centers in the region.

2. Industries:

To strongly develop advantageous industries of the region such as ship building and repair, mechanical engineering and manufacturing, textile and garment, leather and footwear, cement production, aquatic product processing, sugarcane, etc. To form large industrial centers in Thanh Hoa, Ha Tinh, Quang Nam, Quang Ngai and Binh Dinh provinces. To step by step build and develop electronic and information technology, industries to support development of other industries. To concentrate resources on

accelerating development of petrochemical industry into a key industry of the region and the whole country.

To attach importance to development of medium- and small-sized industries and use advanced technologies suitable to specific conditions of each locality. To develop small and cottage industries through promoting traditional trades and occupations like production of handicraft, fine art articles, construction materialised civil-use woodwork products, and food and foodstuff processing.

To focus on completing infrastructure facilities in economic zones for attracting enterprises to invest in production and business development. To develop industrial complexes along the roads linking the region's provinces with the Central Highlands provinces to supply consumer products for the Central Highlands and receive agricultural and forest materials for processing industry; to associate industrial development with the formation of urban spots in rural areas.

3. Service and tourism development:

- Services: The gross retail sales of goods will increase year on year and reach 13%/year by 2015 and 16% during 2016-2020. The export value will reach over USD 10 billion by 2015 and the export growth rate will be maintained at over 20%/year during 2016-2020.

To upgrade existing trade centers in Vinh city (Nghe An), Hue city (Thua Thien Hue), Da Nang city, Quy Nhon city (Binh Dinh) and Nha Trang city (Khanh Hoa); to form trade centers and department stores in provinces and cities in the region; to complete domestic trade networks from urban to rural areas, from delta to mountainous and coastal areas. To effectively exploit trade services in operating border-gate economic zones (Cau Treo, Lao Bao, Cha Lo, etc.).

- Tourism: By 2020, the region will have many tourist attractions which can link with the tourist networks of regional countries like Thailand, Singapore, Malaysia, Indonesia, etc., and can become a regular destination of international tours.

To focus on tapping advantages in historical, cultural and marine convalescent tourism in coastal provinces and cities from Thanh Hoa to Ha Tinh. To tap advantages of cultural relics and historical places, especially coastal natural places associated with the world heritages like Phong Nha grotto and Phong Nha-Ke Bang eco-tourist zone (Quang Binh), cultural and architectural relics of Hue royal city, Hoi An old town, My Son relic and Cham culture (Da Nang, Quang Nam), historical place (Quang Tri), and natural values along Hue-Lang Co- Bach Ma-Hai Van-Son Tra-Ba Na-Da Nang road, coastal areas from Nam O bay to Hoi An old town. To bring

into play the advantages of marine eco-tourism and cultural identities of ethnic groups to form large and modern marine tourist zones such as Dai Lanh, Van Phong bay, Nha Trang (Khanh Hoa), Ninh Chu, Ca Na (Ninh Thuan), Phan Thiet, Mui Ne (Binh Thuan), Vung Ro (Phu Yen), and Phuong Mai- Nui Ba (Binh Dinh).

4. Cultural-social development:

- Education and training: To maintain and raise the quality of primary education universalization and illiteracy elimination. To intensify construction of physical foundations of schools and classrooms; to step up socialization of education and training activities.

To step up training in general and vocational training in particular, especially training of high- quality human resources to meet the region's development requirements. To prioritize investment in development of human resources for high-quality services and tourism, and for electronics, software production, information technology and automation, etc.

To exploit to the utmost existing tertiary and collegial training institutions; to focus on building some high-quality training centers in Da Nang city, Vinh and Hue, and Nha Trang University, Khanh Hoa province, to be on par with high-quality universities and colleges in Hanoi, Ho Chi Minh City and regional countries; to build in Da Nang city a high- quality human resource training center for the whole region.

To establish and build vocational schools in economic zones; to expand networks of vocational training establishments in districts so that each district will have at least 1 vocational training establishment. To build a number of hi-tech vocational colleges in Thanh Hoa, Vinh (in combination with Vinh Technical Pedagogic University), Hue, Da Nang, Dung Quat, Quy Nhon (in combination with Quy Nhon Technical Pedagogic College), and Nha Trang.

To develop and enhance the training capacity of medicine and pharmacy universities and research institutes in the region. To build Hue Medicine University into a key university of the region; to establish Hue Pharmacy University; to establish Nghe An Medical University after 2015 on the basis of upgrading Nghe An Medical College. To open medical faculties in Da Nang, (Qui Nhon and Nha Trang universities).

- People's health care: To consolidate and develop preventive health networks to be capable of forecasting, supervising, detecting, controlling and eliminating epidemics, including new dangerous epidemics. To gradually increase investment in preventive health, proactively prevent and control epidemics and basically eliminate infectious diseases; to eradicate leprosy and neonatal tetanus; to take the initiative in preventing and

controlling cardiovascular, blood pressure, diabetes and mental diseases, HIV/AIDS, etc. to assure environmental sanitation and food hygiene and safety.

To complete the construction of the region's specialized health centers in Hue and Da Nang cities to provide high-quality health care services. To expand and upgrade specialized hospitals to detect and effectively treat non- communicable diseases.

To consolidate and improve grassroots health networks with a view to raising the quality and efficiency of people's health care to provide health care services for each household, and increase people's access to quality health services.

- Culture and physical training and sports:

To conserve, embellish and promote traditional cultural values as a foundation for cultural exchanges among ethnic communities in the region; to build and develop new cultural values and form a civilized lifestyle and new cultured families in the region; to step up the construction of culture and information institutions from the provincial to grassroots level in the provinces and cities in the region.

To build, upgrade, expand and step by step modernize-physical foundations for physical training and sports activities. To build a standard culture-sports center in each province; to build, upgrade and expand physical exercise and sports facilities in localities in the region.

- Poverty reduction, job creation and social security assurance: To synchronously, comprehensively and effectively implement poverty programs and projects; to enable the poor to access support policies on land, credit, vocational training, job creation, industrial and agricultural-forestry-fishery extension and product sale; to support poor households to develop, production, increase incomes and stabilize lives.

To assure implementation of social security and child protection and care policies; to mobilize the entire population to participate in "gratitude" activities and care for people with meritorious services to the country; to pay attention to education, vocational training and job creation for children of social policy- benefiting families; to step up charity and humanitarian activities to support the poor to integrate into the community. To ensure children's rights to care and protection; to create a healthy and safe environment for children to develop all-sidedly; to prevent and repel risks of child abuse.

5. Infrastructure development:

To synchronously develop economic and social infrastructure systems as a motive engine for socio-economic development of the region. To closely combine investment in transport infrastructure with investment in irrigation and sea dikes. To synchronously develop networks of urban areas and rural residential spots.

- Transport development:

Roads: To prioritize the upgrading and expansion of national highway 1A with 4 lanes, median strips and motorcycle lanes; to basically complete some key sections by 2015 and complete the upgrading of the whole highway by 2016. To upgrade roads on the East-West economic corridor; to build border belt roads and western roads of the provinces from Thanh Hoa to Quang Nam; to completely build coastal roads; to build Truong Son Dong road from Da Nang to Lam Dong; to upgrade and improve all remaining national highways in the region.

Expressways: To step by step build the north-south expressway with 6-8 lanes, firstly giving priority to Ninh Binh-Bai Vot section (Ha Tinh), Da Nang-Quang Ngai section, and Dau Giay-Phan Thiet-Nha Trang section.

Railways: To renovate and upgrade the north-south railway up to national-railway technical standards. To provide technical equipment to ensure the train speed of 90-120 km/h; to study feasible plans on construction of the north-south high-speed railway.

Seaports: To review the master plan on seaport systems and further invest in comprehensive development of wharves, navigable channels, port support services and transport systems linking ports with the national transport system to meet socio-economic development requirements of localities in the region. To step up the application of information technology to the management and operation of ports and port service activities.

Airways: To basically complete the upgrading, expansion and construction of a number of airports. To synchronize and modernize Da Nang, Phu Bai and Cam Ranh international airports. To further upgrade Chu Lai airport into an international cargo transshipment airport of the region; to upgrade and expand Thanh Hoa, Vinh, Dong Hoi, Phu Cat and Tuy Hoa airports.

- Irrigation development:

To build capacity to study and assess water sources, plan, design and build irrigation works and manage water resources in river basins, ensuring rational exploitation and use of water resources in association with sustainable development.

To consolidate and upgrade river and sea dikes; to grow and protect breakwater forests along dikes to serve socio-economic development of coastal localities. To upgrade, improve and effectively operate existing irrigation systems (Bai Thuong, Muc river, Hoat river and Yen My (Thanh Hoa); Do Luong, Nghi Quang, Ben Thuy, Thanh Chuong, Sao river, Vuc Mau, and southern irrigation system (Nghe An); Linh Cam, Ke Go, Tiem river and Rac river (Ha Tinh); Phu Vinh, Vuc Tron, An Ma, Cam Ly and My Trung (Quang Binh); Nam Thach Han, True Kinh and Bao Dai (Quang Tri); and Truoi (Thua Thien-Hue). To further build and complete big reservoirs in river basins for regulating flood and supplying water for production and residential activities.

- Electricity supply:

To build thermo-power plants of Nghi Son (Thanh Hoa), Vung Ang (Ha Tinh), Song Cau (Phu Yen), etc.; to build hydropower projects (Quang Binh, Quang Tri, Thua Thien Hue, Da Nang, Quang Nam and Quang Ngai, etc.); to build nuclear power plant (Ninh Thuan No. 1) under the national electricity development master plan to supply electricity for the entire region and add power sources for the whole country. To build 110 KV, 220 KV and 500 KV power transmission systems and power distribution systems to meet increasing electricity use demands of industrial parks, urban areas and people.

- Information and communication:

To build modern telecommunications infrastructure with large capacity and high speed. To develop telecommunications to properly and timely serve socio-economic development, security, national defense and social order and safety, effectively serve search and rescue at sea and in areas frequently affected by storms and floods. To develop telecommunications services for marine economic development, offshore fishing, maritime activities and safety and rescue at sea.

- Water supply and drainage and environmental sanitation:

To completely build water supply systems to meet production and daily-life demands in urban centers; to study and formulate appropriate water supply projects in rural, coastal and island areas. To build systems for observation of the quality of surface water and groundwater in the entire region to examine and supervise the degree of pollution of water sources.

To upgrade and build wastewater and rainwater drainage systems in urban centers; to ensure that household wastewater and production wastewater in industrial parks, hospitals and craft villages will be treated up to prescribed standards before being discharged into concentrated systems.

To collect and treat garbage in a concentrated manner to limit environmental pollution; to build at least one solid waste treatment zone with advanced technologies in each province in the region in order to recycle wastes and reduce waste dumping for saving land and ensuring environmental sanitation.

6. Science and technology development:

To diversify scientific and technological potential; to apply high technologies to information technology, biotechnology, material technology and economic sectors. To develop scientific and technological potential in provinces; to upgrade Nha Trang Oceanography Institute and the research division of Nha Trang Fisheries University.

To focus on research and application of sciences and technologies on plant varieties and animal breeds which are of high productivity and adaptable to the eco-conditions of the region; firstly, to upgrade agricultural and aquatic hi-tech product research establishments so as to create aquatic breeds of high productivity, especially specialty breeds, for export and domestic consumption.

To effectively associate training, research, production and transfer. To promote application of modern equipment and technologies to key and large-scale industries and industrial products and stages which are decisive to product quality.

7. Natural resource use associated with environmental protection and sustainable development:

To manage and effectively exploit natural resources, ensuring environmental protection and eco-balance. To attach importance to development of green and environmentally friendly economies. To realize sustainable production and consumption; to step by step develop “clean energies”, “clean production” and “clean consumption.”

To economically, rationally and effectively use agricultural land areas and raise the use efficiency of existing land areas; to maintain areas under wet rice at around 230,000 ha to ensure food security. To exploit to the utmost unused land areas for growing perennial industrial trees and fruit trees; to make use of waste land and coastal sand land areas : incapable of agricultural, forestry and fishery production for development of industrial , complexes and tourist sites and formation of new urban centers. To rationally use water resources; to protect ecosystems of headwater forests and vegetational covers of protection forests. To protect existing forest land areas and grow more economic forests ; and protection forests; to grow trees in bare land and barren hills and effectively prevent forest destruction and fires; to maintain and step by step expand nature reserves. To exploit

aquatic resources in a sustainable and effective manner in association with marine environmental protection, etc.

To step up research, forecast and impact assessment for effectively implementing natural disaster prevention solutions and the national program on response to climate I change, especially sea level rise; to enhance international cooperation to take coordinated actions and attract international assistance in environmental protection.

8. Combination of socio-economic development with national defense and security maintenance:

To plan and build national defense economic zones and closely combine the two strategic tasks of socio-economic development and national defense and security consolidation; to build all-people national defense posture and people's security posture to be ready to frustrate all plots and tricks of hostile forces.

To accelerate the upgrading and expansion of border roads; to build border patrol roads for combining economic development with security and national defense consolidation. To build fish ports, coastal mobile routes and socio-economic infrastructure facilities on islands with a view to creating infrastructure and service systems from onshore areas to outpost islands to serve offshore fishing, storm prevention and fighting, and protection of security, national defense and sovereignty over the sea and islands.

V. DEVELOPMENT SPACE ORGANIZATION ORIENTATIONS

1. Urban space development:

To develop urban networks associated with industrial parks and multiple trade and service centers; to create networks closely linking localities in the region and adjacent regions.

To develop urban networks associated with economic zones, industrial parks and complexes, border-gate economic zones, trade zones, tourist zones and rural residential spots with comprehensive infrastructure networks with a view to effectively exploiting land resources.

To develop complete and gradually modernized infrastructure systems in regional- level core cities like Da Nang city, Hue city (Thua Thien Hue), Vinh city (Nghe An), and Nha Trang city (Khanh Hoa); to upgrade and develop medium urban centers (provincial cities and towns), small urban centers (townships) and urban centers which have become new growth cores of the region.

To build urban infrastructure systems associated with trade service infrastructure facilities in urban centers; to form in urban centers a number of large trade centers offering a wide range of commodities to meet the demands of locals and tourists.

2. Development of economic sub-regions

a/ The central key economic sub-region (*Thua Thien Hue, Da Nang, Quang Nam, Quang Ngai and Binh Dinh*):

- To accelerate the development of economic zones into development cores or centers of the region. To build Da Nang, Hue and Quy Nhon cities into trade, tourist and international exchange centers of the region.

- To basically complete economic a social infrastructure facilities such as seaports, tourist zones and sites, economic zones industrial parks and border-gate economic zones; as well as irrigation, transport, post and telecommunications, electricity supply, urban and rural infrastructure facilities.

- To intensify cooperation and linkage among localities in the region for implementing socio-economic development master plans and plans. To apply and concretize national socio-economic development mechanisms and policies suitable to the region's characteristics to create breakthroughs in the region's socio-economic development.

b/ The northern central sub-region (*Thanh Hoa, Nghe An, Ha Tinh, Quang Binh and Quang Tri*):

- To step up the development of Nghi Son, southeastern Nghe An, Vung Ang and Hon La economic zones, and Cau Treo, Cha Lo and Lao Bao international border-gate economic zones in association with marine economic development to turn them into development centers localities in the sub-region.

- To effectively tap mineral resources (iron, tin, kaolin, petroleum oil, etc.); to step up the development of mechanical, shipbuilding, construction material, textile, leather and footwear, garment, sugar production, electricity and agricultural-forestry-aquatic product processing industries toward maximizing the integrated use of material sources. To accelerate the construction of Nghi Son oil refining and petrochemical plant, Fomosa industrial park and Thach Khe metallurgy complex (Ha Tinh).

- To expand areas under industrial trees and food crops, develop animal husbandry and form specialized production zones associated with processing industry. To develop agriculture toward raising the yield per hectare of cultivation land. To protect and zone off land areas for development of headwater forests, protection forests and special-use

forests. To promote offshore fishing and develop aquaculture in coastal lagoons so as to increase products for export.

- To develop such services as seaports, airways, banking, finance and post and telecommunications. To step up the development of advantageous types of marine tourism such as sea and island convalescence, sightseeing, mountain climbing, eco-tourism in national parks and nature reserves, and tours to natural and cultural heritages.

- To build provincial urban centers into economic, cultural, scientific and technical centers to promote rural development. To build Vinh city into an economic and cultural center of the sub-region.

c/ The southern central sub-region (*Phu Yen, Khanh Hoa, Ninh Thuan and Binh Thuan*):

- To accelerate the construction of Van Phong and Nam Phu Yen economic zones. To develop shipbuilding, production of construction materials and electric tools, agricultural and aquatic product and food processing, production of consumer goods, textile, sugar and other light industries. To prepare conditions for building oil refinery No. 3 in Vung Ro, and Ninh Thuan nuclear power plant No. 1.

- To step up offshore fishing, aquaculture and rearing of breeding giant tiger prawns for effectively tapping climate and water- body advantages. To focus on development of industrial aquaculture under planning in association with environmental protection and eco-safety assurance in coastal areas. To build dry docks and piers in estuarial areas and onshore islets to serve fishing activities and storm sheltering for fishing ships; to develop offshore fishing support services in combination with at-sea security protection. To step up the development of science and technology transfer services and agricultural, forestry and fishery extension services for agricultural, forestry and fishery production households.

- To tap advantages in marine, ecological and ethnic cultural tourism. To build trade centers in Tuy Hoa city (Phu Yen), Nha Trang city (Khanh Hoa) and Phan Thiet city (Binh Thuan) and in some provinces in the region. To develop information technology application and internet services as well as financial and banking services in economic zones, seaports, airports and urban centers of the region.

- To zone off land areas for tending, protection and plantation of forests in crucial headwater areas. To develop agriculture toward raising efficiency in association with processing industry; to focus on the development of fruit trees as well as short-term and long-term advantageous industrial crops. To build a number of industrial salt fields in Ninh Thuan, Khanh Hoa and Binh Thuan.

d/ Socio-economic development of western mountainous areas of the provinces and cities in the region:

To promote economic growth and restructuring to basically improve people's lives; to associate economic development of western mountainous areas with social stability and national defense and border security assurance.

To ensure focal development, giving priority to construction of socio-economic infrastructure facilities, firstly transport systems, and form urban centers in highland areas. To associate socio-economic development with building and intensification of all-people national defense posture and people's security posture and strengthening of the political system.

3. Development of economic zones:

- To develop economic zones along with restructuring the economy of each locality; to associate economic development with social security assurance and environmental protection. To determine the core functions for each economic zone on the basis of promoting local advantages; and effectively use natural resources according to the region's development orientations in each period.

- To focus on implementing key projects and works of national importance under the master plan in appropriate steps. To develop economic zones into economic, urban, trade and international exchange center of the region.

VI. LIST OF PROGRAMS AND PROJECTS PRIORITIZED FOR INVESTMENT STUDY

(See the attached Appendix).

VII. MAJOR SOLUTIONS FOR THE MASTER PLAN IMPLEMENTATION

1. Fields prioritized for development

- To focus on building and completion of infrastructure systems in the region, regarding the central key economic sub-region as the core. To early complete the projects mentioned in the Political Bureau's Resolution No. 39-NQ/TW of August 16, 2004, and the Government's action program for implementation of Resolution No. 39-NQ/TW, especially the framework infrastructure system linking the region with the Central Highlands provinces, Laos, Cambodia and the northeastern region of Thailand; coastal roads, expressways and airports; to renovate and upgrade existing railways to ensure uninterrupted transport during the rainy and flooding season and linkage with adjacent areas.

- To build and renovate important irrigation and fishery works to serve production and proactively prevent and adapt to climate change; to improve urban and tourist infrastructure systems; to diversify services and improve service quality.
- To develop urban centers, industrial parks and economic zones to boost socio-economic development in localities in the region in association with eco-environmental protection and sustainable development.
- To raise the quality of education and vocational training and develop highly qualified human resources to meet economic restructuring requirements in the region. To step up the application of high technologies to agricultural production with a view to raising product productivity and quality and increasing production value.

2. Investment capital

- To strive to increase state budget revenues and prevent revenue losses; to strictly handle cases of tax evasion and fraud and trade fraud; to ensure correct, full and timely collection of state budget revenues.
- To reserve state budget funds for works and projects of strategic importance to the region which are incapable of recovering capital, such as remedying environmental pollution, essential social infrastructure facilities and agricultural and rural development projects; to balance state budget funds for implementation of social security policies, especially for the poor and social policy-benefiting households; to intensify control of expenditures to ensure effective use of state budget funds for socio-economic development of the region.
- To make and issue a list of investment- calling programs and projects through 2020, and on that basis to step up advertising, introduction and investment promotion in order to attract capital from different economic sectors; to make the fullest use of different capital sources for development of large-scale, synchronous and modern infrastructure facilities.
- To develop a transparent financial market; to step up socialization of health, education, I culture and sports activities with a view to mobilizing to the utmost resources for development.

3. Mechanisms and policies

- Policies to support development of infrastructure of economic zones and border- gate economic zones to create breakthroughs for localities: To further improve the investment environment to better attract domestic and foreign resources. To diversify forms of investment and step up investment in the form of public-private partnership (PPP), with a focus on investment in economic and social infrastructure systems. To adopt capital support

policies to develop selected economic zones. To attract to the utmost ODA and FDI sources and effectively use ODA funds for development of key large-scale technical infrastructure works.

- Policies to develop natural disaster prevention and mitigation works: The region has been hit by natural disasters more frequently and with greater damage as compared to other regions in the country, so it is necessary to make master plans for forest protection and development and development of large irrigation works to reduce consequences of flood and drought and supply water for production and daily-life activities.

- Policies toward ethnic minority people in the western mountainous sub-region: To study and formulate policies toward people in the western mountainous sub-region, especially ethnic minority people in extremely disadvantaged areas, with a view to step by step stabilizing production and people's lives.

4. Human resources

- To formulate and issue policies to promote the capacity of and attract talents and highly qualified technical workers to work permanently in localities in the region, and at the same time to accelerate the training of local human resource as suitable to the region's socio-economic restructuring progress.

- To increase investment in education and training, health and culture to raise public awareness and improve people's health care. To enhance vocational training and place jobs in appropriate forms; to adopt vocational training policies for laborers who shift to non-agricultural trades and occupations; to formulate training plans and provide training to improve skills of laborers working in industrial parks and economic zones.

- To reserve land areas for non-public schools to implement the policy of socialization of education and training activities; to increase investment in grassroots health networks and preventive health activities.

5. Science and technology:

- To focus on research and application activities to create new and effective development steps in research and application of scientific and technological achievements to production, business and state management.

- To prioritize research and application in scientific and technological projects to directly serve key sectors and spearhead products, contributing to economic restructuring of the region, especially research and application of advanced technologies on plant varieties and animal breeds, and product preservation and processing technologies.

- To formulate plans to train hi-tech human resources capable of participating in technology transfer cooperation projects, and strive to master technologies in the fields of biotechnology, electronics and information technology, etc., in order to step by step raise economic competitiveness to meet international and regional economic integration requirements.

- To encourage enterprises to invest in new and environmentally friendly technologies in advantageous sectors like agricultural- forest-aquatic product and food processing. To expand forms of linkage and cooperation between production establishments and scientific research and application agencies and universities in order to apply sciences to life.

6. Administrative reform

- To raise the efficiency of administrative reform toward publicity and transparency and concurrently improve the quality of cadres and civil servants in order to create a favorable environment for investment attraction and properly carry out administrative procedures.

- To formulate and fully and timely issue regulations, mechanisms and policies to ensure democracy, innovation and creativity and ensure proper operation of administrations at all levels to meet development requirements.

- To raise efficiency in management activities of local administrations at all levels; to clearly define the competence and responsibilities of agencies for avoiding overlapping functions and tasks and at the same time promote the prevention and fighting of red tape, corruption and waste in the performance of state agencies.

7. Cooperation intensification and market development

- To expand cooperation in forecasting work, industrial development, training, health, tourism, scientific research, technology transfer and human resource supply between localities in the region and adjacent regions with a view to effectively bringing into play the region's potential.

- To intensify cooperation among localities in the region in investment promotion and expansion of outlet markets; common use of the region's industrial, solid waste and wastewater treatment, water supply and wholesale market infrastructure facilities; to coordinate in introducing and advertising tourism and organizing sightseeing tours; to exploit, use and protect water resources in a sustainable manner and protect the environment.

- To further cooperate with the People's Democratic Republic of Laos on cross-border trade development, develop border-gate economic zones, and

build transport and electricity supply networks between localities of the two countries.

Article 2. Organization and supervision of the master plan implementation

1. The approved master plan serves as a basis for formulation, approval and implementation of sectoral development master plans and master plans on socio-economic development of localities in the region.

2. The Ministry of Planning and Investment shall assume the prime responsibility for, and coordinate with other ministries, sectors and localities in:

- Publicizing the master plan and organizing investment promotion, public information and advertising activities to engage domestic and foreign investors and different economic sectors in the implementation of the master plan;
- Monitoring, urging, supervising and examining the implementation of regional master plans and master plans of ministries, sectors and localities in the region; supervising the implementation of key investment programs and projects of regional scale;
- Studying and proposing mechanisms and policies to enhance linkage and coordination among localities in the region and other regions; and attracting investment in the region's key projects.

3. Related ministries and sectors shall formulate and submit for approval sectoral master plans and master plans on key sectors and products in the region in line with the development objectives, tasks and orientations stated in Article 1 of this Decision, and shall:

- Study, formulate and submit to competent state agencies for promulgation specific mechanisms and policies mentioned in Article 1 of this Decision for successfully accomplishing the objectives and tasks set out in the master plan.
- Coordinate with the Ministry of Planning and Investment in organizing and supervising the implementation of the master plan, and supervise the implementation of key regional - scale investment programs and projects in a priority order under their respective management with a view to promoting the regional socio-economic development.

Ministries and sectors have the following specific tasks:

a/ The Ministry of Transport shall direct the construction and completion of important transport works in the region on schedule; and propose mechanisms for raising capital for large transport development projects in the region.

b/ The Ministry of Agriculture and Rural Development shall:

- Complete the formulation and organize the implementation of master plans on irrigation and key agricultural and aquatic products in the region.
- Propose mechanisms and policies and support localities in the region in building hi- tech agricultural zones.

c/ The Ministry of Education and Training shall:

- Study and propose mechanisms and policies to promote links between training institutions and enterprises; create conditions for universities to modernize physical foundations, develop lecturing staffs and training programs on par with those of advanced regional countries.
- Coordinate with the Ministry of Planning and Investment, the Ministry of Labor, War Invalids and Social Affairs and related agencies in building Da Nang city into a high- quality human resource training center of the whole region.

d/ The Ministry of Industry and Trade shall:

- Ensure the construction of power plants and electricity supply networks in the region as scheduled.
- Assume the prime responsibility for, and coordinate with related localities in,, building regional-level wholesale marketplaces and trade centers.

dd/ The Ministry of Natural Resources and Environment shall assume the prime responsibility for, and coordinate with related localities in, responding to climate change and sea level rise; protecting and exploiting natural resources and conserving biodiversity; guide and direct localities in the region to elaborate land use master plans and plans so as to prepare land areas for programs and projects to implement the master plan.

e/ The Ministry of Construction shall examine and supervise the construction of regional-level hazardous waste treatment sites, cemeteries and water supply Systems; coordinate with localities in building water drainage and wastewater treatment systems in urban centers.

4. The People's Committees of provinces and cities in the region shall:

- Take the initiative in reviewing, adjusting, supplementing and submitting to competent authorities for approval their local socio-economic development master plans through 2020 in conformity with the objectives and tasks approved under this Decision.
- Coordinate with ministries and sectors in organizing investment promotion, public information and advertising activities to engage domestic

and foreign investors and economic sectors in the implementation of the master plan.

- Supervise and examine the implementation of development investment projects in their localities according to their assigned functions, and report it to the Prime Minister.

Article 3. This Decision takes effect on the date of its signing.

Article 4. The chairpersons of the People's Committees of provinces and centrally run cities in the region, ministers, heads of ministerial- level agencies and heads of government-attached agencies shall implement this Decision.

Prime Minister

NGUYEN TAN DUNG

Appendix

LIST OF PROGRAMS AND PROJECTS PRIORITIZED FOR INVESTMENT STUDY IN THE CENTRAL VIETNAM'S NORTHERN AND COASTAL REGION THROUGH 2020

(To the Prime Minister's Decision No. 1114/QĐ-TTg of July 9, 2013)

| No. | NAMES OF PROGRAMS AND PROJECTS |
|----------|--|
| I | Transport infrastructure |
| 1 | Roads: <ul style="list-style-type: none">- Upgrading and expanding national highway 1A;- Building the expressways of Ninh Binh-Thanh Hoa, Thanh Hoa-Ha Tinh (Bai Vot), La Son-Da Nang, Da Nang-Quang Ngai, Nha Trang-Phan Thiet, and Dau Giay-Phan Thiet;- Coastal roads from Thanh Hoa to Binh Thuan;- Border patrol roads adjacent to the People's Democratic Republic of Laos. |
| 2 | Airways: Upgrading Da Nang, Phu Bai, Chu Lai and Cam Ranh airports. |
| 3 | Seaports: Upgrading and completing Da Nang, Nhon Hoi, Ky Ha and Nghi Son ports and Ha Tinh port complex. |
| 4 | Railways: <ul style="list-style-type: none">- Upgrading the north-south railway to national grade-I railway standards; |

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| | - Studying construction of Hanoi-Vinh and Ho Chi Minh City-Nha Trang high-speed railway sections. |
| II | Electricity supply infrastructure |
| | <ul style="list-style-type: none"> - Building the thermo-power plants of Nghi Son (Thanh Hoa), Vung Ang (Ha Tinh) and Song Cau (Phu Yen); - Building medium- and small-sized hydropower plants (Quang Binh, Quang Tri, Thua Thien Hue, Da Nang, Quang Nam and Quang Ngai, etc.); - Building a nuclear power plant (Ninh Thuan No. 1); - Building the third 500 kV electric line of Nghi Son-Thai Binh; - Building 220 kV transformation stations of Bim Son, Do Luong, Quynh Luu, Thach Khe and Vung Ang; - Forming a 220 kV dual-line circuit of Di Linh-Bao Loc-Song May; - Building a coastal double-circuit 220 kV electric line of Quang Ngai-Quy Nhon-Tuy Hoa-Nha Trang; - Building new 220/110 kV stations of Tuy Hoa, Due Pho, Hoai Nhon and Song Cau. |
| III | Irrigation infrastructure |
| | <ul style="list-style-type: none"> - Consolidating, protecting and upgrading existing sea dikes and river dikes in the provinces from Thanh Hoa to Binh Thuan. - Further completing and putting into use the reservoirs of Cua Dat (Thanh Hoa), Rao Quan (Quang Tri) concurrently serving hydropower generation, Ta Trach (Thua Thien Hue), Dinh Binh (Binh Dinh), Phu Ninh (Quang Nam), and Thach Nham (Quang Ngai), and other reservoirs supporting Thach Nham (Quang Ngai) reservoir. - Implementing the irrigation projects north of Chu river and south of Ma river, and Dong Dien irrigation project. |
| IV | Natural disaster warning and prevention and salvage and rescue |
| | <ul style="list-style-type: none"> - Developing synchronous, advanced and modern observation systems in the whole region. - Building a complete specialized fisheries information system, focusing on management of fishing ships, and a marine environment observation and warning center. |

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| | - Supporting development of offshore fishing and building of storm shelters combined with protection of security at sea on the basis of development of ports and fishing logistics service zones. |
| V | Education and training: |
| | <ul style="list-style-type: none"> - Building Vinh University, Hue Medicine University and Nha Trang University into high-quality universities. - Building a high-quality human resource training center in Da Nang city |
| VI | Health |
| | <ul style="list-style-type: none"> - Building intensive healthcare centers in Hue city (Thua Thien Hue) and Da Nang city. - Expanding and upgrading provincial-level general hospitals. |

Note: The locations, sizes, land areas and total investment amounts of the above works and projects will be calculated, selected and specified in the stages of formulation and submission of investment projects, depending on the capacity of balancing and raising investment capital in each period.-