

THE PRIME MINISTER

**Decision No. 1064/QĐ-TTg of July 8,  
2013, approving the master plan on  
socio-economic development in the  
northern midland and mountainous  
region through 2020**

THE PRIME MINISTER

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

*Pursuant to the Government's Decree No. 92/2006/ND-CP of September 7, 2006, formulating, approving and managing the socio-economic development master plan and the Government's Decree No. 04/2008/ND-CP of January 11, 2008, amending and supplementing a number of articles of the Government's Decree No. 92/2006/ND-CP;*

*At the proposal of the Ministry of Planning and Investment,*

DECIDES:

**Article 1.** To approve the master plan on socio-economic development in the northern midland and mountainous region through 2020, with the following principal contents:

I. POSITION AND ROLE

The northern midland and mountainous region is the country's strategic area of special importance in socio-economics, national defense, security and foreign relations and plays an important role in the entire northern region's eco-environment; has the potential and advantages for the development of agriculture, forestry, hydropower, mining, tourism and border-gate economy; and is home to many ethnic minority groups living together with their own cultural identities, the tradition of patriotism, solidarity and resilience to fight foreign aggressors, and many cultural and historical relics and revolutionary bases.

II. DEVELOPMENT VIEWPOINTS

- The master plan on socio-economic development in the northern midland and

mountainous region must conform to the national socio-economic development strategy; ensure consistency with sectoral master plans; tap and bring into the fullest play all resources so as to attract development investment; expand markets and bolster exports; and boost economic development in a fast, effective and sustainable manner.

- To effectively tap and bring into play the region's potential and strengths, and step up the international economic integration through the development of the Lang Son-Hanoi and the Lao Cai-Hanoi-Hai Phong economic corridors; and to promote cooperation among localities in the region in order to mobilize and properly use all resources for fast and sustainable development, gradually narrow the development gap between the region and the whole country.

- To make focal investment in advantageous sectors of localities in the region: to develop industrial parks and border-gate economic zones so as to increase the competitiveness of goods and create breakthroughs to fundamentally change the economic structure. To develop agriculture and forestry in consolidated areas associated with the development of post-harvest product processing industry serving domestic consumption and export.

- To combine economic development with ensuring social progress and equality, job generation, hunger eradication and poverty reduction and improving the living conditions of people in the region, particularly ethnic minority people in former resistance bases and disadvantaged areas.

- To combine socio-economic development with environmental protection and sustainable development. To combine economic development with tourism development and conservation and promotion of cultural and historical values and traditional culture imbued with national identity.

- To combine socio-economic development with ensuring national defense and security, political stability, social safety and order and firmly maintaining national border sovereignty.

### III. DEVELOPMENT OBJECTIVES

#### 1. Overall objectives:

To strive to maintain an economic development rate higher than that of the country; to markedly and synchronously improve the socio-economic infrastructure system to better meet economic development requirements, improve people's welfare and ensure national defense and security; to rationally and effectively tap the potential and strengths in developing agro-forestry, hydropower, mining, tourism and border-gate economy for economic development, gradually narrow the gap of development and people's living conditions between the region and the country's average level; to fundamentally complete the arrangement and stabilization of people's lives, especially in the resettlement areas for irrigation and hydropower projects, send people to live in border areas, basically put an end to the problem of free emigrants; to conserve and bring into play ethnic cultural identities and improve people's spiritual and material lives; to combine socio-economic

development with environmental protection, ensuring national defense, security, political stability and firmly safeguarding national sovereignty.

#### 2. Specific objectives

##### a/ Economic development:

- To strive to attain an average annual GDP growth rate of 7.5% in the 2011-2015 period and more than 8% in the 2016-2020 period. The per-capita GDP will reach around USD 2,000 by 2020;

- To carry out economic restructuring so that the proportion of agriculture, forestry and fisheries will represent 27% of the region's GDP; industry and construction, 34.1%; and services, 38.9% by 2015; and 21.9%; 38.7% and 39.4%, by 2020, respectively.

- The export revenue will increase 16-17%/year. The technological renovation rate will be 20%/year. The proportion of budget collections will reach 12% of the country's GDP by 2015, and around 13% by 2020.

##### b/ Social development

- To strive to achieve the social targets equal to the country's average level; to cut the rate of poor households by 3-4% per year; to generate jobs for around 250,000-300,000 people in each five-year plan; to have around 4.5%-5% of unemployed workers in urban areas; to raise the rate of employed workers in rural areas to more than 85%; and to raise the rate of trained workers to more than 65% by 2020;

- To consolidate and increase the quality of primary and junior secondary education universalization. By 2020, to raise the preschool attendance rate to more than 92%, and mobilize

99% of primary school-age children to go to school:

- To strive to raise the percentage of communes meeting national health standards to 80% by 2015, and 100% by 2020; to achieve 60-70% of communal health stations having doctors by 2015 and more than 80% by 2020; to cut the malnutrition rate among under-5 children to below 20% by 2015 and under 15% by 2020; to reach 20.5 hospital beds per 10,000 people by 2015 and 25 hospital beds per 10,000 people by 2020.

- To consolidate and build commune and ward culture and information institutions and strive to achieve 90% of villages and hamlets having cultural houses or community meeting places by 2020;

- To upgrade and modernize radio and television broadcasting and transmission technologies and strive to reach 100% of population access to terrestrial television by 2015; to diversify broadcasting programs and ensure broadcasting hours for programs produced by local stations.

**c/ Environmental protection:**

- To combine socio-economic development with eco-environmental protection, rationally exploit and protect natural resources; to contain pollution and environmental incidents; to increase forest coverage to 50% by 2020;

- By 2020, almost all urban and rural residents will have access to clean and hygienic water; 100% of production and business establishments will apply clean technologies or be equipped with waste treatment and pollution reduction facilities; more than 80% of production and business establishments will

meet environmental standards; urban centers of grade 4 or higher grades and all industrial parks 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.

**d/ National defense and security:**

- To strengthen national defense and security potentials in terms of physical facilities, weapons, military equipment and forces so as to maintain political stability and social order and safety; to properly build provinces and cities into solid defensive areas in the new context;

- To build up all-people defense posture in association with people's security posture, especially in border and important areas, facilitating socio-economic development associated with ensuring national defense and security and firmly safeguarding sovereignty and territorial integrity;

- To promote education and communication work and mobilize people to strictly observe the State's laws in order to limit and reduce traffic accidents. To speed up the prevention and control of crimes and social evils and build new cultural lifestyles in hamlets and villages.

#### **IV ORIENTATIONS FOR SECTORAL DEVELOPMENT**

**1. Agriculture, forestry and fisheries:**

To sustainably develop agricultural production associated with forest and eco-environmental protection. To develop agro-forestry and fisheries with an annual average growth rate of 4-4.5% in the 2011-2015 period and 3.5-4% in the 2016-2020 period.

- To focus on developing concentrated cultivation areas with rational scales specializing in tea, rubber and coffee trees, fruit trees, medicinal plants, flowers, vegetables, etc. based on comparative advantages of each locality and market demand. To develop cattle and poultry breeding; to form breeding areas for grass-eating cattle such as buffaloes, beef cows, dairy cows and goats, and pig raising farms associated with food processing industry in order to gradually increase the proportion of animal breeding in agriculture.

- To take good care of and protect existing forest areas, step up the planting of watershed and protection forests to protect hydropower reservoirs and dams and landslide-prone areas; to properly zone off for regeneration and plant material forests for processing industry, and plant specialty trees and medicinal plants under forest canopies, scattered trees and scenic forests to re-green barren land and hills. To complete the allocation of land and forests associated with sedentarization to stop forest destruction for cultivation; to strictly protect the system of national parks and nature reserves and rare and precious flora and fauna gene sources.

- To develop freshwater aquaculture at large reservoirs using advanced methods in an efficient and sustainable manner and ensure eco-environment. To develop a number of aquatic products of high economic value such as salmon, sturgeon, silverfish and other coldwater fishes in a number of areas with favorable terrain and climate conditions in Lai Chau, Lao Cai and Son La provinces.

## 2. Industries

- To focus on the development of industries, including food processing, mining and intensive

mineral processing and labor-intensive production of competitive consumer goods. To attach importance to developing supporting industry together with the development of industrial parks and border-gate economic zones. To strive to raise the average industrial production value to more than 11.5% in the 2011-2015 period and 12.5% in the 2016-2020 period.

- To mobilize all investment sources to complete the infrastructure of industrial parks and clusters in the region in order to attract enterprises' investment in production development. To restore and develop craft villages that make traditional products associated with each locality's cultural identity so as to generate jobs and increase people's income;

- To invest in modern technology and equipment to extract and intensively process apatite (Lao Cai); copper in Sin Quyen (Lao Cai); nickel - copper in Ban Phuc (Son La); tungsten in Nui Phao (Thai Nguyen); iron in Quy Sa and Lech village (Lao Cai) and Trai Cau (Thai Nguyen); tin in Tinh Tuc (Cao Bang), lead, zinc, kaolin and construction materials; and to renovate technology in Thai Nguyen steel complex. To develop material zones for Bai Bang and Tuyen Quang paper mills and other export chip board plants in the region; to maintain and develop tea product processing industry in key provinces, including Thai Nguyen, Phu Tho, Yen Bai and Son La; milk processing in Moc Chau (Son La) and other types of farm and food products in localities where specialized cultivation zones have been formed.

## 3. Service and tourism development



To strive to attain an average retail goods sales and consumer services turnover growth of 18% per year and an annual increase of 16-17% in export value;

- To enhance trade promotion activities, promoting product brand names, first of all farm products. To fast develop and improve the quality of services in trade and increase trade exchanges between localities in the region and China and Laos;

- To upgrade trade centers and build new ones in localities in the region; to complete a domestic trade network from urban to rural areas and mountainous and border areas. To effectively exploit trade services at border gates and in border-gate economic zones. To develop different high-quality services such as finance-banking, trade, technology, telecommunications and transport services. To boost the promotion of branded products, and build and consolidate new products' brand names;

- To attach importance to developing and improving the quality of tourist products, particularly those associated with natural wonders, cultural relics and revolutionary historical relics and visits to national key projects in the region.

#### 4. Infrastructure development

To ensure the synchronous and balanced development of the infrastructure system as an engine for the region's socio-economic development, especially the transport system linking provinces in the region and with other regions.

##### a/ Transport development

- Roads:

To build and upgrade national highways, provincial and district roads under planning; to form a transport network comprising five radial axes: Hanoi-Lao Cai (national highways 70 and 30C), Hanoi-Dien Bien (national highways 6, 32, and 32B), Hanoi-Cao Bang (national highway 3), Hanoi-Lang Son (national highway 1), Phu Tho-Ha Giang (national highway 2), and three belts: Belt 1 (national highways 4, 4A, 4B, 4C, 4D, and 4H), Belt 2 (national highway 279), Belt 3 (national highway 37) as a driving force for boosting the regional development.

To speed up the construction of the Hanoi-Thai Nguyen-Bac Kan; Hanoi-Lao Cai; and Hoa Lac-Hoa Binh expressways and deploy the construction of the Hanoi-Lang Son expressway. To build roads linking provinces with expressways and border patrol roads. To invest in completing the system of rural roads in remote, deep-lying and border areas to ensure uninterrupted transport.

- Railway: To renovate and upgrade the Hanoi-Lang Son, Hanoi-Lao Cai, Hanoi-Thai Nguyen and Kep-Luu Xa railways up to national technical railway standards.

- Aviation: To build Lao Cai and Lai Chau airports. To strengthen small and specialized airports and helipads to serve flights to remote and deep-lying areas where there are no airports.

- Inland waterways: To upgrade, and organize the good management and operation of, waterways along rivers and on great reservoirs in the region. To continue upgrading and building new landing stages along river routes and on hydropower reservoirs to serve freight transport.

b/ Irrigation and water supply:

- To synchronously invest in the equipment system to regulate and effectively operate existing irrigation works and reservoirs. To continue investing in building irrigation works, reservoirs and canals to ensure adequate water for agricultural production and regulate floods in flashflood-prone provinces such as Son La, Hoa Binh, Tuyen Quang, Ha Giang, Thai Nguyen, Bac Can, Lao Cai and Dien Bien;

- To build river dykes and border river embankments to prevent landslides, stabilize production and safeguard national border sovereignty. To build irrigation works associated with the construction of small hydropower plants in order to supply water to agricultural production and residential use and supply electricity to people in remote and deep-lying areas that have no access to the national power grid;

- To focus on investing in and upgrading the water supply system to ensure sufficient clean water to meet urban people's daily needs; to apply cutting-edge technologies and build hygienic water supply models for people in rural, remote, deep-lying and border areas and particularly disadvantaged areas in localities in the region.

c/ Electricity supply:

To focus on building and completing large-scale hydropower and thermal power projects in the region; to build a synchronous and modern system of electricity transmission and distribution to meet electricity supply demand of Electricity Development Master Plan 7;

To focus on speeding up the construction and completion of key priority hydropower

works such as Lai Chau, Huoi Quang and Ban Chat Hydropower plants (Lai Chau); Nam Chien hydropower plant (Son La), Dong Phu Yen pump storage hydropower plant (Son La) so as to supply electricity to the whole region and supplement electricity sources to the whole country. To synchronously invest in the infrastructure of electricity transmission and distribution systems to satisfy industrial parks' and people's increasing demands:

d/ Information and communications:

To build modern large-capacity and high-speed telecommunications system infrastructure to promptly serve the Party and State's direction and management and socio-economic development demands, and ensure national defense, security, social order and safety and people's demands.

5. Socio-economic development:

a/ Education and training:

- To focus on developing and improving education and training in both quality and efficiency in order to improve the quality of local human resources meeting socio-economic development requirements. To improve the quality of general education together with moral, cultural traditions and personality education at all educational levels and grades;

- To continue investing in physical facilities and increase training capacity for universities such as Tay Bac University, Thai Nguyen University and Hung Vuong University (Phu Tho) and colleges and vocational training schools in the region; to complete programs on building permanent schools and public-duty houses for teachers;

- To renovate training structure in line with market demands; to prioritize training of local and ethnic minority people so as to meet the demand for human resources to serve the cause of industrialization and modernization and work in the grassroots political systems of localities in the region.

b/ Health and people's healthcare:

- To effectively implement national healthcare programs with a focus on malaria prevention and control, malnutrition rate reduction, mother and child healthcare and epidemic prevention and control. To proactively prevent and control, push back and eradicate social diseases and dangerous epidemics. To consolidate and perfect the grassroots health network; to promote joint military and civil medical examination and treatment in order to take care of people's health, especially the health of ethnic minority people and people living in deep-lying, remote and border areas;

- To continue investing in upgrading and modernizing facilities and equipment for provincial and district hospitals, general clinics and commune health centers and stations in the region. To build high-quality regional health centers in Thai Nguyen, Son La, Phu Tho and Lao Cai to meet people's health care demands; to build a regional hospital in Son La and sanatorium and rehabilitation hospitals in localities in the region.

c/ Culture, physical training and sports:

To continue building and basically completing the grassroots cultural institutions and infrastructure facilities for physical training and sports; to preserve and uphold traditional cultural values as the foundation for cultural

exchanges among ethnic communities in the region; to maintain and build new cultural values, promote civilized lifestyles and new-style cultured families in the community;

d/ Poverty reduction, job generation and social security assurance:

- To implement poverty reduction programs and projects in a coordinated, comprehensive and effective manner; to create conditions for poor people to access to support policies on land, credit, vocational training, job generation, industrial, agricultural and forestry extension and product sale; to build poverty reduction models and focus on supporting and creating conditions for poor households to sustainably develop production and gradually increase income;

- To develop social security and child care and protection; to mobilize all people to care for persons with meritorious services to the nation and the "gratitude" movement; to provide vocational training and generate jobs for children of social policy-benefiting families; to promote charity and humanitarian activities to support poor people to escape from poverty and integrate into the community. To prevent and push back the risks of women and child abuse and trafficking.

6. Science and technology development

- To accelerate technology application, invest in renovating equipment and technology along with environmental protection. To encourage enterprises to focus their investment on renovating production technology and replacing outdated equipment and synchronizing the technologies of the region's advantageous sectors such as agro-forestry and fisheries processing, food processing, etc.



- To focus on studying and applying new sciences and technologies on plant varieties and animal breeds, product preservation and processing technologies suitable to the region's potential, development advantages and ecological conditions.

- To invest in science and technology development, create breakthroughs in raising productivity and improving goods and product quality. To create a close link between units to research and transfer science and technology to enterprises, production establishments and people in applying technology to production.

#### 7. Rational use of natural resources in association with environmental protection

- To effectively manage and exploit natural resources and ensure eco-environment and eco-balance. To attach special importance to developing green and environmentally friendly economy. To practice sustainable production and consumption; to gradually develop "clean energy", "clean production", and "clean consumption";

- To rationally exploit and use minerals. To use the agricultural land fund in an economical, rational and efficient manner, raise the efficiency of use of the existing land area, maintain the wet rice area of around 250,000 ha in order to ensure food security; to exploit to the utmost unused land areas by planting long-term industrial crops and fruit trees in a sustainable manner;

- To protect and use water resources in a sustainable manner; to protect the existing forest area, increase the planting of economic and protection forests, re-green barren land and hills, effectively prevent forest destruction and

fires; to maintain and step by step expand nature reserves and national parks;

- To collect, process and recycle garbage in a concentrated manner with cutting-edge technology to ensure environmental sanitation. To build at least one solid waste treatment zone and one wastewater treatment plant in each province to process garbage and wastewater up to prescribed standards before discharge into the environment. To apply a system of environmental sanitation standards in the design and planning of urban centers, industrial parks and clusters, tourism and housing projects; to strictly handle polluting establishments;

#### 8. National defense and security assurance:

- In planning and formulating socio-economic development projects and defense-economic zones, it is necessary to closely combine two strategic tasks of socio-economic development and strengthening of national defense and security, build all-people national defense posture and people's security posture, and be ready to frustrate all hostile forces' plots and tricks.

- To speed up the upgrading and completion of roads to the border, and border belts; to build border patrol roads to combine economic development with strengthening of national defense and security. To gradually build and perfect essential infrastructure in border communes together with ensuring safe production and living conditions to accomplish the task of sending people to live in border areas;

- To take the initiative in grasping the situation and timely cope with every

circumstance; to combat the abuse of religions and distorted propaganda by hostile forces, particularly in key areas; to actively prevent and control social evils and drug crimes, smuggling and trade fraud, firmly safeguard national border sovereignty and build the border of peace and stability with neighboring countries.

## V. URBAN DEVELOPMENT AND TERRITORIAL SPACE ORGANIZATION

### 1. Sub-regional development

a/ Northwestern sub-region (covering Hoa Binh, Son La, Dien Bien and Lai Chau): a key area of national hydropower; to develop copper, iron, nickel and rare earth mining and processing industry; to plant and process products from industrial plants, especially rubber, medicinal plants, fruit trees; to raise cattle, especially dairy cows and high-quality beef cows; to plant and protect watershed and protection forests for hydropower projects;

b/ Northeastern sub-region (embraces the remaining provinces in the region): to develop the mining and processing of apatite, steel, copper, gold, tin, bauxite, zinc and lead and iron casting; to plant and process food and foodstuff, agro-forestry, pharmaceuticals, fruit trees, pig and cattle breeding; to manufacture household goods, chemicals, pulp and paper, fertilizer, construction materials, consumer goods, garments and textiles; to manufacture and assemble electronic products, etc.

2. Development of economic centers on the corridors:

- The Nanning-Lang Son-Hanoi-Hai Phong economic corridor has Lang Son

city (international border gate) linking Bac Giang city and other urban centers along the corridor:

- The Kunming-Lao Cai-Hanoi-Hai Phong economic corridor has Viet Tri city - an industrial city - linking Lao Cai city (international border gate) and Yen Bai city and other urban centers along the corridor:

- The Hanoi-Hoa Binh-Son La-Dien Bien-Lai Chau economic corridor embraces Hoa Binh, Son La and Dien Bien Phu city and Lai Chau town which form the core of development linking other urban centers along the corridor:

- The Hanoi-Cao Bang economic corridor covers Thai Nguyen and Cao Bang city and Bac Kan town. The Phu Tho-Ha Giang economic corridor covers Tuyen Quang, Ha Giang cities and Phu Tho town which form the core of development linking other urban centers:

-The economic corridor of northern border provinces (covers seven provinces of Lang Son, Cao Bang, Ha Giang, Lao Cai, Lai Chau, Dien Bien and Son La): to develop border-gate economic zones and expand economic and trade activities with neighboring countries; to closely combine border-gate trade development with ensuring security in the border area and national sovereignty.

### 3. Urban space development

- To synchronously develop the system of urban centers along with socio-economic development in localities in the region in accordance with Politburo Resolution No. 37/NQ-TW of July 1, 2004, and Politburo Conclusion No. 26/KL-TW of August 2, 2012, and the Prime Minister's Decision No. 1659/QĐ-

TTg of November 7, 2012. To develop a network of urban centers together with the development of industrial parks, border-gate economic zones, and trade, service and tourism centers, create a network closely linking localities in the region and with the Red river delta region and the northern key economic region;

- To build Thai Nguyen city into a center of the Hanoi-Thai Nguyen-Bac Can-Cao Bang economic corridor. To build Viet Tri City into a center of the Kunming-Lao Cai-Hanoi-Hai Phong economic corridor.

- To build Hoa Binh city into a core of development in the northwestern sub-region and located at the gateway between the northwestern sub-region and Hanoi capital city and the Red river delta. To build Son La into a modern city imbued with typical cultural identities of the northwestern sub-region's ethnic minority people and an interdisciplinary training and education center of the northwestern sub-region;

- To build Lang Son and Lao Cai cities into two major economic centers in international border-gate of two Vietnam-China economic corridors based on border-gate economic development and the establishment of cross-border economic cooperation zones.

#### 4. Development of disadvantaged rural and mountainous areas in the region

To focus on implementing the new countryside building program in association with national target socio-economic development programs in the region such as the family planning and population, clean water and rural environmental sanitation, poverty reduction and job generation programs, etc. To arrange

residents in communes along the border in a way helping them stabilize their lives and develop production and not freely migrate to other places.

Socio-economic development activities mainly focus on agricultural production to stabilize people's lives together with further planting, tending and protecting protection and watershed forests to protect water resources, eco-environment and the safety of national key projects in the region and the Red River delta region.

## VI. LIST OF PROGRAMS AND PROJECTS PRIORITIZED FOR INVESTMENT STUDY

*(enclosed appendix)*

## VII. MAJOR SOLUTIONS TO IMPLEMENTING THE MASTER PLAN

### 1. Sectors prioritized for development

To focus investment on building and step by step modernize the technical infrastructure system such as transport, water supply and drainage, electricity supply, urban infrastructure and industrial parks' infrastructure to serve development requirements, especially the road network linking provinces in the region and adjacent regions. To speed up the completion of the above-mentioned projects stated in Politburo Resolution No. 37/NQ-TW of July 1, 2004, and Conclusion No. 26/KL-TW of August 2, 2012, and the Government's action program to implement Politburo Resolution No. 37/NQ-TW of August 16, 2004; to build, upgrade and complete high-quality health centers and regional hospitals in Thai Nguyen, Son La, Phu Tho and Lao Cai; to invest in physical facilities

and building training capacity of Tay Bac, Thai Nguyen, and Hung Vuong Universities (Phu Tho); to complete programs to build permanent schools and houses for teachers in localities in the region;

- To raise the quality of education and training 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 in agricultural production so as to increase productivity and quality of products and production value;

- To focus on developing border-gate economic zones on the basis of boosting cooperation in developing “two economic corridors” between Vietnam and China. To prioritize the development of electricity industry, intensive mineral processing, agro-forest product processing, manufacturing and assembly of electronic products, and manufacture of construction materials. To invest in tourism infrastructure in revolutionary bases; to combine the regional tourism development with tours of the Red river delta region and the whole country.

## 2. Solutions to raise and use investment capital

- To focus on increasing state budget revenues, further preventing revenue losses, and strictly handling tax evasions and trade frauds; to ensure the correct, adequate and timely collection of state budget revenues,

- To prioritize investment capital from the state budget in works and projects that are unable to retrieve capital such as transport infrastructure, regional-level health centers,

environmental pollution treatment and essential social infrastructure; to arrange budget for implementing social welfare policies, particularly for poor people and social policy-benefiting families; to strengthen expenditure control and ensure the effective use of budget funds for socio-economic development in the region;

- To draw up and promulgate a list of programs and projects calling for investment until 2020; to step up investment promotion to attract capital from all economic sectors; to make the best use of ODA capital sources to invest in developing key, large scale technical infrastructure projects.

- To develop a transparent financial market; to promote the socialization of investment in healthcare, education, culture and sports so as to mobilize maximum resources for development.

## 3. Financial mechanism solutions

- To continue improving the investment environment to facilitate the attraction of foreign and domestic resources for development investment. To diversify BOT, BTO and BT investment forms, to step up public private partnership (PPP) investment in developing the social and economic infrastructure systems;

- To formulate support policies for focused development of industrial parks and border-gate economic zones; to formulate development policies for different types of markets, to facilitate production and business activities. To gradually expand the real estate and science and technology markets and facilitate the provision of legal, scientific and technological



consultancy services, management consultation services and the intellectual product market in order to lure talents.

#### 4. Improvement of human resources quality

- To formulate and promulgate policies to bring into play and attract talents and highly skilled technical workers to permanently work in localities in the region while speeding up the training of local human resources in line with the pace of the region's socio-economic restructuring.

- To increase investment in education and training, healthcare and culture to increase people's knowledge and take care of people's health. To expand vocational training, support and introduce jobs in various suitable forms; to adopt vocational training policies for workers who change to non-agricultural occupations; to plan and provide skills training for workers in industrial parks.

- To formulate plans on training human resources who are capable of participating in cutting-edge technology transfer cooperation projects in the fields of biotechnology, electronics, information technology, etc, to step by step increase the economy's competitiveness in line with the requirements of international and regional integration;

- To expand cooperation between localities and research and training institutions; to encourage enterprises' linkages with universities and training institutions in providing knowledge and skills training for workers at enterprises.

#### 5. Science and technology solutions

- To focus on applied research and create new and effective developments in research

and application of scientific and technological achievements in production and business. To prioritize applied research of science and technology projects to directly serve spearhead products that contribute to the regional economic restructuring, especially applied research of cutting-edge technologies on plant varieties and animal breeds, product processing and preservation technology;

- To encourage enterprises to invest in new environmentally friendly technologies in advantageous sectors such as mining and intensive mineral processing, farm products and food processing. To expand cooperation between production establishments and science research and application agencies and universities in order to bring science into life.

#### 6. Administrative reform solutions

- To raise the effectiveness of administrative reform toward publicity and transparency, and to increase the quality of cadres and civil servants so as to create a favorable environment for attracting investment and properly settling administrative procedures.

- To formulate and sufficiently and promptly promulgate mechanisms and policies to ensure the promotion of democracy, innovation and creativeness, and the good operation of the entire administration system, thus meeting the development requirements.

- To raise the efficiency of management by authorities at all levels; to clearly delineate the competence and responsibilities among agencies to avoid overlaps in the performance of assigned functions and tasks and concurrently step up the prevention and combat of bureaucracy,

corruption and wastefulness in the operation of state agencies.

**7. Solutions to promoting cooperation and developing markets**

- To expand cooperation in market forecast, scientific research, technology transfer and labor supply between localities in the region and the Red river delta region so as to effectively bring into play the region's potentials.

- To boost cooperation among localities in the region in promoting investment, expanding consumption markets for products; to coordinate in tourism promotion activities and organizing tours; to sustainably exploit, use and preserve water resources, and protect the environment.

- To enhance cooperation and development of cross-border trade and tourism with China and the Lao People's Democratic Republic, develop border gate-economic zones and build the border of peace and stability.

**Article 2. Organization and supervision of the master plan implementation**

1. After approved, the master plan on socio-economic development in the northern midlands and mountainous region will be the foundation for formulating, submitting for approval and implementing the region's sectoral master plans; and master plans on socio-economic development of localities in the region.

2. To assign the Ministry of Planning and Investment to assume the prime responsibility for, and coordinate with ministries, sectors and localities in the region in:

- Making public the master plan and organizing investment promotion activities

and conducting public information work to involve domestic and foreign investors and all economic sectors in the implementation of the master plan;

- Monitoring, urging, supervising and examining the implementation of master plans of the region and of ministries, sectors and localities in the region; supervising the implementation of the region's major investment programs and projects.

- Studying and proposing mechanisms and policies for coordination among localities in the region and with other regions, calling for investment in the region's major projects.

**3. Related ministries and sectors shall:**

- Formulate and submit for approval sectoral master plans and major products in the region in line with the targets, tasks and development orientations defined in Article 1 of this Decision.

- Study, formulate and submit to competent state agencies for promulgation specific mechanisms and policies stated in Clause VII, Article 1 of the Decision so as to successfully achieve the targets and tasks set out in the master plan;

- Coordinate with the Ministry of Planning and Investment in implementing and supervising the implementation of the master plan, and supervising the implementation of regional key investment programs and projects in priority order under their respective management so as to boost the region's socio-economic development.

Ministries and sectors have the following specific tasks:

a/ The Ministry of Transport: To direct the construction and completion of important transport works in the region on schedule. To propose a mechanism for raising capital for large-scale transport development projects in the region;

b/ The Ministry of Agriculture and Rural Development: To complete the construction and organize the implementation of the master plan on irrigation and major agricultural and fishery products in the region. To propose mechanisms and policies and support localities in the region in building hi-tech agricultural zones;

c/ The Ministry of Education and Training: To study and propose mechanisms and policies to promote the cooperation between training institutions and enterprises; to implement solutions to build training capacity for regional universities such as Tay Bac, Thai Nguyen and Hung Vuong Universities (Phu Tho);

d/ The Ministry of Industry and Trade: To ensure the construction of power plants and grids in the region as scheduled. To coordinate with related localities in building trade centers in the region as planned.

dd/ The Ministry of Natural Resources and Environment: To implement solutions to increase the efficiency of environmental protection, particularly the environment of urban centers and industrial zones in the region. To support state environmental management agencies to improve the appraisal quality of reports on the assessment of environmental impacts in localities. To direct localities to reasonably use different resources and implement environmental protection solutions in mineral mining and processing projects;

e/ The Ministry of Construction: To examine and supervise the construction of regional-level hazardous waste treatment zones and water supply systems; to coordinate with localities in building water drainage and wastewater treatment systems in urban centers.

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

- To take the initiative in reviewing, modifying, supplementing and submitting to competent authorities for approval master plans on local socio-economic development through 2020 in conformity with the objectives and tasks approved under this Decision.

- To coordinate with ministries and sectors in organizing investment promotion activities and conducting public information work to involve domestic and foreign investors and different economic sectors in the master plan implementation.

- To supervise and examine the implementation of development investment projects in their localities according to their assigned functions and report implementation results 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 the provinces 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 NORTHERN MIDLANDS AND MOUNTAINOUS REGION THROUGH 2020

(To the Prime Minister's Decision No. 1064/QĐ-TTg of July 8, 2013)

No.	NAME OF PROGRAM OR PROJECT
<b>I</b>	<b>Transport infrastructure</b>
1	<p>Roads:</p> <ul style="list-style-type: none"> <li>- To invest in the expressways of Hanoi-Lao Cai, Hanoi-Lang Son; Hoa Lac-Hoa Binh; Hanoi-Thai Nguyen-Bac Kan.</li> <li>- To upgrade five radial axes: Hanoi-Lao Cai (National highways 70 and 32C), Hanoi-Dien Bien (national highways 6, 32 and 32B); Hanoi-Cao Bang (national highway 3); Hanoi-Lang Son (national highway 1); Phu Tho-Ha Giang (national highway 2).</li> <li>- To upgrade three belts: Belt 1 (national highways 4, 4A, 4B, 4C, 4D and 4H), Belt 2 (national highway 279), Belt 3 (national highway 37).</li> </ul>
2	<p>Airways:</p> <p>To build Lao Cai and Lai Chau airports</p>
3	<p>Railways:</p> <p>To upgrade Hanoi-Lang Son, Hanoi-Lao Cai, Hanoi-Thai Nguyen, Kep-Luu Xa railways meeting national railway technical standards</p>
4	<p>Inland waterways:</p> <ul style="list-style-type: none"> <li>- Viet Tri-Lao Cai, Viet Tri-Tuyen Quang routes.</li> <li>- To upgrade the ports: Hoa Binh, Viet Tri and Da Phuc (Thai Nguyen).</li> <li>- To build the ports: Ben Ngoc and Ba Cap (Hoa Binh); Ta Bu, Ta Hoc and Van Yen (Son La); An Dao and Ngoc Phap (Phu Tho); Tuyen Quang; A Lu (Bac Giang); Van Phu (Yen Bai); and Luc Cau (Lao Cai).</li> </ul>
<b>II</b>	<b>Electricity supply infrastructure</b>
	<ul style="list-style-type: none"> <li>- To speed up the construction of Lai Chau, Huoi Quang, Ban Chat, Nam Chien and Nho Que hydropower projects.</li> <li>- To build the Dong Phu Yen pump storage hydropower plant (Son La).</li> <li>- To complete the construction of the Son La-Hoa Binh and Son La-Nho Quan 500 kV power transmission and distribution system.</li> <li>- To build the Son La-Hoa Binh and Son La-Nho Quan 500 kV double-circuit power transmission and distribution system.</li> <li>- To build the Lao Cai-Yen Bai, Bac Me (Ha Giang) – Na Hang (Tuyen Quang) 220 kV double-circuit power transmission and distribution system</li> </ul>



<b>III</b>	<b>Irrigation infrastructure</b>
	<ul style="list-style-type: none"> <li>- To upgrade and build large irrigation works taking advantage of water sources from Da, Lo, Cau, Luc Nam and Ky Cung rivers.</li> <li>- To build small- and medium-sized reservoirs and to combine irrigation and hydropower development and daily-life water supply</li> </ul>
<b>IV</b>	<b>Education and training</b>
	<ul style="list-style-type: none"> <li>- To build Thai Nguyen University into a regional interdisciplinary training, scientific research and technology transfer center,</li> <li>- To invest in building the interdisciplinary training capacity for Tay Bac University (Son La) and Hung Vuong University (Phu Tho).</li> </ul>
<b>V</b>	<b>Healthcare</b>
	<ul style="list-style-type: none"> <li>- To build high-quality health centers and regional general hospitals in Thai Nguyen, Son La, Phu Tho and Lao Cai.</li> <li>- To upgrade and modernize facilities for provincial general hospitals to meet health care demands</li> </ul>

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