

PRESENTATION

Remark of Mr. Vo Hong Phuc, Minister of Vietnam's Ministry of Planning and Investment at Ministerial Conference on Public-Private Partnership for Infrastructure Development on Oct 5th 2007, Seoul.

□ Ladies and Gentlemen,

- First of all, I like to thank the Korean Government and UNESCAP for their initiative and great efforts in organizing this Conference to address the very important issue for the region's infrastructure development and for the opportunity to share with you our experience in Public-Private Partnership.

As you may know, the process of renovation and economic development in Viet Nam had brought about considerable achievements. For many consecutive years the economy grew up rapidly and stably at the rate of 8% annually. At the same time a comprehensive reform has been carried out in all aspects of life including institutional and legislative creating a favorable environment for development. The Public-Private Partnership truly reflects also the renovation process of Viet Nam. It is an issue that arises from our development practice and is becoming an important resource mobilization tool for infrastructure development. Along the process the Government of Vietnam has been step-by-step completing its legal framework and policy on the Government support, capital market development as well as decentralization, empowerment of the local authorities in implementing this partnership.

- There in Vietnam's 2006-2010 five year socio-economic development plan and its longer term orientation, is great demand for investment capital for transport, power and urban infrastructure development. From 2006 to 2010 Viet Nam needs approximately 40 billion US Dollars for its economic infrastructure development of which the Government can only secure about half in the forms of Direct Spending from budget, Government Credits and State Own Enterprise investment. The remaining 50% is to be mobilized from private sector including Foreign Investment and people contribution. Therefore, as you can see, the utilization of resources from Private Sector especially through Public-Private Partnership has a great role in the development.

To date, though the Government has been still playing major role in economic infrastructure development, the private sector participation in this area has been steadily increasing. Since 2001 or 7 years after promulgation of Regulation on investment in the form of BOT there have been 60 projects with total investment of 3 billion US Dollars and 18 pipeline projects with estimated investment of 2.3 billion US Dollars of which transport infrastructure has accounted for 70% of number of projects and 95% of total investment volume.

- In May of this Year, the related regulations on BOT have been revised and combined into the Government Decree on the investment under BOT, BTO and BT contracts. Beside that, several other policy measures are being prepared to address the difficulties of the investors. This is a step forward to facilitate the Public-Private Partnership in Viet Nam.
- In the time to come, the Government intends to apply measures with focus on the followings:
 - First, the legal framework needs to be further improved. In 2005 the Investment Law and the revised Enterprise Law were promulgated that have created equal and favorable conditions for investors both public and private, foreign and domestic in pursuing their opportunities.
 - Second is enhancement of the Government's role in orientation for the PPP investors. The Government should be more effective planner. A good master plan for sector or regional development should help the investors to foresee the future and their opportunities. Along with that, roadmap of the plan implementation and list of projects calling for PPP should be available.
 - The last but not least is the human resource development. We give priority to training of creative and skillful managers.
 - I do hope through this Conference you will have interest in infrastructure development in Viet Nam and co-operate with the Vietnamese Government in development of a more and more infrastructure system and by that way contribute to our regional development.
- Thank you for your attention.