

Thai Nguyen Provincial Party Committee: Leadership in promoting the development of industrial zones and clusters aligned with urbanization in a modern direction in recent years

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ABSTRACT

Industrialization is an essential stage in the development of any nation. For Vietnam, transitioning from an agrarian economy to socialism necessitates industrialization. Since the 3rd Party Congress (9/1960), the Communist Party of Vietnam has regarded industrialization as a central task throughout the socialist transition. Thai Nguyen, a province in the northern midlands and mountainous region adjacent to Hanoi, possesses advantageous geographical location, favorable climate, abundant mineral resources, rich forests, and ample high-quality human resources to develop a diverse, industrialized, and modernized economy. Recognizing the importance of industrial economy for provincial development, in alignment with the Party and State's viewpoints and policies, the Provincial Party Committee of Thai Nguyen has implemented timely strategies, policies, and measures to accelerate industrial development, notably emphasizing the construction of industrial zones and clusters integrated with modern urbanization processes.

Keywords: Industrialization, industrial zone, industrial cluster, Thai Nguyen.

I. INTRODUCTION

In the material production sectors of the national economy, industry holds significant importance, serving as a breakthrough in economic restructuring, and establishing the technical material base of socialism, successfully realizing the industrialization and modernization of the country. Industrialization is an inevitable stage in the development of every nation. For Vietnam, transitioning from a backward agrarian economy to socialism necessitates industrialization. Since the

3rd Party Congress (9/1960), the Communist Party of Vietnam has consistently considered industrialization as the central task throughout the socialist transition. Thai Nguyen, a province in the northern midlands and mountainous region adjacent to Hanoi, possesses advantageous geographical location, favorable climate, abundant mineral resources, rich forests, and ample high-quality human resources to develop a diverse, industrialized, and modernized economy. The industrial sector of Thai Nguyen began to take shape in the early 1960s with the establishment of two heavy industrial centers in Vietnam, namely the Thai Nguyen Iron and Steel Complex (in the early 1960s) and the Go Dam Mechanical Complex (in the early 1970s). After over 50 years of formation and development, the industrial sector of Thai Nguyen has achieved relatively comprehensive structure covering most industrial sectors. Industrial economic development has generated high economic value, created some key and distinctive products of the province, provided employment for local labor force, contributing to economic restructuring in the province. Recognizing the importance of industrial economy for provincial development, in alignment with the Party and State's viewpoints and policies, the Provincial Party Committee of Thai Nguyen has implemented timely strategies, policies, and measures to accelerate industrial development, notably emphasizing the construction of industrial zones and clusters integrated with modern urbanization processes.

1. Development of industrial zones and clusters: a catalyst for economic growth in Thai Nguyen province

Resolution No. 02-NQ/TU dated May 29, 2006, emphasized the need to intensify the construction and development of industrial zones and clusters in tandem with urban development towards modernization. The Provincial Industrial Development Program for the period 2006 - 2010, approved by the 6th session of the 11th Provincial People's Council through Resolution No. 28/2006/NQ-HĐND, identified industrial development as a top priority to transform Thai Nguyen into an industrial province by 2020. The program aimed at robust industrial growth in major industrial centers of the province, particularly in sectors like metallurgy, efficient mining, and enhanced processing of minerals, agricultural and forestry products, machinery, textiles, leather and footwear, chemicals, and software technology. The development of industrial services and small-scale industries based on local strengths aimed to ensure that by 2010, industry and construction would account for over 45% of the GDP.

Building upon the resolutions of the Provincial People's Council No. 12/2009/NQ-UBND dated July 28, 2009, on the development plan for industrial zones, clusters, and industrial points in Thai Nguyen Province until 2015 with a vision towards 2020, the Provincial People's Committee of Thai Nguyen issued Decision No. 2564/QĐ-UBND on October 9, 2009, approving the plan for the development of industrial zones and clusters in the province. The primary objective of the plan was to establish a system of industrial zones and clusters, ensuring sustainable development to truly drive the overall development of the province, foster balanced development among sub-regions and localities, promote economic restructuring, population and labor structure, modernize agriculture, and rural areas. The total land area allocated for the development of industrial zones, clusters, and industrial points in Thai Nguyen Province until 2015 and the orientation towards 2020 was 2,661.13 hectares.

The industrial zones included Song Cong I and II Industrial Zones, Nam Pho Yen Industrial Zone, Tay Pho Yen Industrial Zone, high-tech industrial zone and Quyet Thang software park, and Diem Thuy Industrial Zone. The clusters encompassed industrial clusters in 9 districts, cities, and towns, while industrial points comprised locations such as Bai Bong, Bac Son Town (Pho Yen District), Kha Son (Phu Binh District), Lau Thuong (Vo Nhai District), Bao Cuong (Dinh Hoa District), and others. The investment budget for industrial zones, clusters, and industrial points from 2009 to 2020 was 40,000 billion VND, with

investors' capital of 37,000 billion VND and state budget capital of 3,000 billion VND.

To keep pace with practical developments, on December 30, 2010, the Provincial People's Committee of Thai Nguyen issued Decision No. 3291/QĐ-UBND approving the Industrial Cluster Development Plan in the province for the period 2011-2015. The plan aimed to construct a basic, synchronized system of industrial clusters in terms of infrastructure, leveraging the advantages and resources of each locality, fostering breakthroughs in attracting investment for industrial and small-scale industries, enhancing competitiveness in economic integration, and creating a favorable environment for investment attraction, industrial and rural service development. By 2015, detailed planning for industrial clusters would be essentially completed, with infrastructure investment covering 728 hectares, of which basic completion would reach 440 hectares (60.4%), with a total investment capital for infrastructure construction of industrial clusters during the 2011-2015 period amounting to 3,384.5 billion VND.

Thai Nguyen Province became the fifth province in the country to have its plan approved by the Prime Minister for the period 2021 - 2030, with a vision towards 2050. By 2025, Thai Nguyen is envisioned as one of the modern, smart industrial economic centers in the Red River Delta and Northern mountainous region, as well as the Capital Region. By 2030, Thai Nguyen Province aims to become a center for the production of electricity, electronics, and high-level mechanical manufacturing, an education and research hub for high-tech applications in production, and to develop Thai Nguyen City into a key growth pole in the economic development of the Red River Delta, Northern mountainous region, and the Capital Region.

Furthermore, Thai Nguyen possesses a surplus of over 6,000 hectares of land for industrial development (4,245 hectares for industrial zones and 2,057 hectares for industrial clusters), including the expansion of 11 industrial zones and 1 information technology zone, and the development of 41 industrial clusters. In order to realize these goals, the Provincial People's Committee of Thai Nguyen has systematically implemented tasks and solutions, including the publication of planning, issuance of implementation plans, and directives to departments, localities, and units to implement planning tasks according to their functions and mandates, considering this as a key task. Recently, the Provincial People's Committee of Thai Nguyen proposed and was approved by the 14th Provincial

People's Council, term 2021 - 2026, through resolutions of the session to establish new industrial zones such as PhuBinh Industrial - Urban - Service Zone, Tay Pho Yen Industrial - Urban - Service Zone, ThuongDinh Industrial Zone, Yen Binh 2 Industrial Zone, and Yen Binh3 Industrial Zone. Specifically, ThuongDinhIndustrial Zone is planned to cover an estimated area of 130 hectares along with a 0.48-hectare corridor along National Highway 37; Yen Binh2 Industrial Zone is planned to cover 301 hectares; Yen Binh3 Industrial Zone is planned to cover 300 hectares.

These industrial zones enjoy favorable locations, well-connected transportation infrastructure, located 20 to 30 kilometers from Noi Bai International Airport, facilitating efficient transportation and mobility for professionals. They are developed as multi-sector industrial zones, focusing on eco-friendly, modern, and environmentally friendly industrial development. Moreover, they prioritize attracting advanced technology projects, energy-saving initiatives, and the use of renewable energy sources.

The planning task for the Tay Pho Yen Industrial - Urban - Service Zone, with an area planned until 2045 of 1,128 hectares, including 868 hectares for industrial zones and 260 hectares for urban-service areas, aims to develop a multi-sector industrial zone in Tay Pho Yen, following eco-friendly, modern, and environmentally friendly approaches. It prioritizes attracting industries in automation, electronics, and telecommunications. Alongside, the urban-service zone of Tay Pho Yen is planned with functional areas including residential, educational, research, healthcare, sports, culture, parks, commercial, service, and other infrastructure with comprehensive social and technical infrastructure.

In addition, the Provincial People's Council has issued a resolution approving the task of planning the zoning for the construction of the 1/200 scale Yen Binh Concentrated Information Technology Zone with an area of 200 hectares. This zone aims to attract high-tech projects and is envisioned to become one of the country's major concentrated information technology zones. The Provincial People's Committee has also approved the principle of adjusting the detailed planning of the Diem Thuy Industrial Zone - Zone A and implementing infrastructure construction and resettlement areas.

With the infrastructure construction project of the Song Cong 2 Industrial Zone underway, the province is urgently proceeding to meet the set schedule. Specifically, Thai Nguyen is actively implementing the technical infrastructure

construction project of the resettlement area to serve the clearance of the Song Cong 2 Industrial Zone.

Furthermore, Thai Nguyen province is implementing the Interconnecting Road Project linking Bac Giang, Thai Nguyen, and VinhPhuc provinces to create an East-West development axis, exploiting the potential of the eastern slopes of Tam Dao. A 36-meter road connecting the Song Cong II Industrial Zone to National Highway 3 and the Song Cong interchange has been largely completed. Moreover, the province is continuing to accelerate the construction progress to complete the 5,000m³/day/night centralized wastewater treatment station for the Song Cong II Industrial Zone, ensuring adherence to the set schedule and operational compliance with regulations.

According to experts, the industrial land reserves of Thai Nguyen province rank among the top in the country. This is a comparative advantage for investors to easily access land for implementing investment projects. Additionally, land rental prices in Thai Nguyen are competitive, making it advantageous for attracting investment and improving the province's score in the land accessibility index for enhancing provincial competitiveness. Moreover, the proactive and determined implementation of provincial planning tasks demonstrates the province's readiness to seize investment opportunities and the eagerness to continue generating momentum for development.

Regarding investment promotion in industrial zones, in the first six months of 2023, Thai Nguyen province held discussions with approximately 20 investors from China, Malaysia, Hong Kong, and South Korea, mainly in industries such as solar energy panels, floor tiles, electronics, mechanics, and industrial oxygen production. Currently, industrial land in Thai Nguyen province covers over 1,400 hectares, and the industrial production value of the province consistently ranks among the top four nationwide, reaching over 930 trillion dong in 2022. With the implementation of the provincial planning, which includes nearly 2,000 hectares of industrial land, it is expected that Thai Nguyen will quickly increase its industrial production value to over 2 trillion dong in the short term, and if the provincial planning goals are fully achieved, this value will continue to increase significantly.

The industrial cluster development project in the province has contributed to building a basic synchronized industrial cluster system in terms of infrastructure and leveraging the advantages and resources of each locality, creating a breakthrough in attracting investment for industrial development,

handicrafts, and enhancing competitiveness in the economic integration process, thus accelerating the growth rate of the sector. Ensuring environmental hygiene by isolating industrial production facilities from residential areas, centrally arranging factories according to the plan to optimize development and prevent pollution consequences (dust, emissions, waste), and arranging functional zones appropriately with wind direction, waste disposal is concentrated and safely handled. Moreover, ensuring professionalism and modernization in industrial production aligns with current sustainable development trends worldwide. Creating clean land reserves and favorable environments to encourage and attract domestic and foreign investment, ensuring high efficiency in industrial development, and utilizing technical infrastructure facilities and public services. Ensuring the rationality of economic characteristics in each region of the province, such as proximity to raw material areas or convenient transportation zones. Furthermore, the development project has yielded positive results over time and continues to grow vigorously, encouraging enterprises to overcome difficulties, stabilize production, contribute to promoting industrial and handicraft development in the province as a whole and in rural areas in particular. It vigorously promotes the process of labor structure transformation from agriculture to industry, handicrafts, creating employment. Stable incomes for workers, improved living standards, economic development contribute to maintaining political stability, social order, improving material and spiritual life, ensuring social security, creating conditions for rural, remote, and underdeveloped areas to develop, narrowing the development gap between rural and urban areas, ensuring social equity requirements.

2.Planning and urban development towards modernization

Decision No. 58/2007/QĐ-TTg dated May 4, 2007, by the Prime Minister approving the overall socio-economic development plan of Thai Nguyen province until 2020. With the viewpoint of harnessing local potentials and advantages, maximizing the efficient utilization of resources, and expanding economic cooperation with external partners, especially areas in the Northern Midlands and Mountainous Region and the Northern Key Economic Zone, the industrial sector holds a strategic position.

Based on the comprehensive socio-economic development plan of the province, on December 31, 2009, the Provincial People's Committee issued Decision No. 3554/QĐ-UBND

approving the development plan for the urban system. The goal is to gradually build a complete urban system with synchronized technical and social infrastructure, providing a clean urban environment. The urban planning of the province aligns with its strategic position as an economic, political, cultural, and defense center of the Northern mountainous region, one of the three major educational centers nationwide, and concurrently a hub for industrial development in the North. It aims to establish a provincial development space that promotes both economic potential and quality of living environment, achieving a harmonious organization among investment areas for population development, urbanization, industry, tourism, social-technical infrastructure, and rational allocation among economic and population regions within the province.

Decision No. 341/QĐ-UBND dated February 11, 2010, by the Provincial People's Committee on the adjustment of the Provincial Industrial Development Plan until 2020 (replacing Decision No. 1009/QĐ-UBND dated May 6, 2005). The aim is to strive for Thai Nguyen to become a developed industrial province by 2020, with a rapid and sustainable economic growth rate. The province targets to reach a per capita GDP equal to or higher than the national average by 2015 and further increasing it by 2020. It envisions a modern and efficient economic and labor structure with competitive key products, fully integrating and efficiently competing in the international economic arena. Education and training quality will be enhanced, social development will be synchronous with economic growth, creating more jobs and improving people's lives, while also ensuring environmental protection, maintaining political stability, social order, and national defense and security. The infrastructure structure will meet development requirements and technological levels in the economy, with high-level technology application and a focus on mechanization-modernization, combining with information technology and biotechnology. Alongside extensive development, diversification of industrial products, there will be a strong internal restructuring of the industrial sector, focusing on enhancing manufacturing industries, investment in-depth, and increasing processing technology and value-added rates in industries. The average industrial GDP growth rate during 2011-2020 is targeted at 16%. Industrial production value is expected to reach 30,000 billion VND by 2015 and 66,000 billion VND by 2020 (at fixed prices in 1994), with an

average growth rate of over 20% during 2011-2015 and over 17% during 2016-2020.

Decision No. 260/QD-TTg dated February 27, 2015, by the Prime Minister approving the comprehensive socio-economic development plan of Thai Nguyen province until 2020 and the vision until 2030. The vision until 2030 aims to transform Thai Nguyen into a developed industrial province, the economic center of the Northern Midlands and Mountainous Region. Specifically, in the industrial sector, the province aims for an average growth rate of 22-23% per year until 2020 and maintaining it at around 18-20% in the following decade; the export turnover of industrial products reaching 18-20 billion USD (including products from Samsung Electronics and high-tech industry). Rapid and efficient development is targeted to drive growth and become the largest contributor to the province's economy, focusing on technology innovation, producing high-quality competitive products in industries such as mechanical engineering, metallurgy, electronics, and information technology integrated into industrial complexes. Priority will be given to attracting investment projects in high-tech industries, advanced technology products, deep processing, new materials production, timber processing industry, clean agriculture, and environmentally friendly production. The restructuring of the entire industrial sector will be accelerated towards deep investment, using new and modern technologies, machinery, and equipment improvement, product diversification, especially in industries losing advantages, low competitiveness, and environmental pollution. Investment in the construction and completion of industrial clusters and zones will be increased to attract large-scale investment projects, creating strategic industrial bases for the province. Industrial development will be closely linked with environmental preservation and protection to ensure sustainable industrial development. By 2020, infrastructure construction will be completed, aiming to fill 50-60% of the industrial zone area. The construction of the Samsung Electronics and High-Tech Industrial Complex is expected to be completed before 2019, promoting the development of supporting industries for the Samsung complex and high-tech industries in the region.

II. CONCLUSION

Under the leadership and guidance of the Provincial Party Committee of Thai Nguyen, the planning and development of industrial zones and clusters with modern technical infrastructure have maximized the potential and advantages of

resources and labor. This effort has created a "leap" in the restructuring of the provincial economy towards increasing the proportion of the industrial sector. It is also considered a "magnet" attracting investment into the region. These achievements serve as an important foundation for promoting socio-economic development, maintaining political stability, and improving the material and spiritual lives of the people in the province. They demonstrate the correctness, creativity, and bold innovation in the thinking and actions of the Party Committee and the people of Thai Nguyen to meet the practical development requirements of the province.

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