

ISSUES RAISED IN PUBLIC INVESTMENT POLICIES OF VIETNAM

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ABSTRACT

Public investment is the investment of the State, it is a tool to help economic sectors recover and is a driving force for growth. State investment should focus on infrastructure, and lead and attract investment capital from other economic sectors and society. Public investment both stimulates demand, creates jobs and creates infrastructure for economic growth, and improves the quality of life of the people. This study highlights the results achieved in Vietnam's public investment policies in recent years, and at the same time points out the shortcomings and outstanding problems, from which proposing solutions to improve quality. policy on public investment in Vietnam in the coming time.

Keywords: Issues raised, public investment policies, Vietnam

INTRODUCTION

2020 is the first year that the new Public Investment Law comes into effect with strong changes in public investment management thinking such as radical decentralization in making, evaluating, deciding investment policy, and making investment decisions. project investment; in arranging and transferring the annual capital plan associated with the provisions of the responsibility of the head; switching from pre-check to post-check, etc.

According to the report of the Ministry of Finance, the State Budget's capital in 2021 is estimated to be 431,188.53 billion VND as of January 31, 2022, reaching 93.47% of the plan assigned by the Prime Minister, in which disbursement for 6 months By the end of 2021, 64.45% of the plan is reached, a slight increase compared to the same period in 2020 (64.04% of the plan) and 2 times higher than that of the first 6 months of 2021 (The Ministry of Finance, 2022). This is a very positive and significant result, paving the way for the following years to achieve the set target of the Medium-term Public Investment Plan for the period 2021-2025, which is the average disbursement period for the 2021-2025 sections reach over 90% of the plan decided by the National Assembly. However, in the previous period, there were many problems that caused difficulties in the investment policy.

There are a number of specific factors that make the disbursement of public investment more difficult compared to the rest of the period due to the time it takes time for new start-up projects to complete investment procedures and implement investment preparation activities such as design, estimation, site clearance, bidding, preparation of labor, machinery, materials ...

In addition, in 2021, the Covid-19 epidemic is rapidly developing, complicatedly, lasting on a large scale, seriously affecting many localities to make a long time gap, the mobilization of experts and homes management and high-quality labor, foreign contractors, machinery and equipment imported for public investment projects are interrupted. On the other hand, the high price of raw materials for public investment, the scarcity of raw materials, etc. also makes it difficult to implement the project, especially in the first months of the year.

RESEARCH RESULTS AND DISCUSSIONS

Results achieved in public investment policy

The year 2020 achieved very impressive results in terms of disbursement of public investment capital, contributing to the growth of 2020 to achieve a positive level. In 2021, public investment still plays a supporting role in

economic growth in the context that the production, business, and service sectors are greatly affected by the Covid-19 epidemic. According to the statistics of the Ministry of Planning and Investment (2022), the investment results are as follows:

Realized investment capital for the whole society at current prices in 9 months of 2021 increased by 0.4% over the same period last year because many localities applied social gap measures that disrupted production and supply chains of production, business, and investment. The total number of foreign investment projects as of September 20, 2021, newly registered, decreased 37.8% over the same period in 2020, but the registered capital increased by 20.6%. The average newly registered capital of 1 project in 9 months of 2021 reaches 10.3 million USD / project (in the same period in 2020 it will reach 5.3 million USD/project).

It is estimated that in 9 months of 2021, realized investment capital for the whole society at current prices reached 1,868.5 trillion VND, up 0.4% over the same period last year, including State sector capital reached 459, VND 9 trillion, accounting for 24.6% of the total capital and decreasing 4.7% over the same period last year; the non-state sector reached 1,100.5 trillion VND, equaling 58.9% and increasing 3.9%; FDI sector reached 308.1 trillion VND, equaling 16.5% and decreasing 3.4%.

To achieve this result, it is thanks to the completed public investment legal system, the public investment management has been renewed, changing the approach from "pre-check" to "post-check". with actual requirements. Public investment management has been decentralized to ministries and central and local agencies. Ministries and central and local agencies actively select a list of projects, assign capital plans, and adjust plans.

The Ministry of Planning and Investment plays the role of building mechanisms and policies for public investment management; public investment orientation; appraising capital sources and the ability to balance capital for projects using central budget capital with the Prime Minister's decision on investment policy, projects of national importance; to monitor, inspect and evaluate the plans for public investment. Not performing detailed capital allocation for projects.

The allocation principle for the 2021-2025 period is clear, with specific scoring criteria, associated with the implementation of socio-economic development goals and tasks, sectors, and fields. The central budget focuses on projects of national importance, inter-regional projects, and key projects to create new driving forces, new spaces for economic development, well exploit their potentials, strengths, and capacity building. national competition. The situation of scattered and scattered investment has basically been overcome. The total number of projects implemented in the plan period is less than 5,000 projects, halving compared to the 2016-2020 period. The average capital allocated for a project is increased (Ha & Giang, 2022).

The results achieved in the implementation and disbursement of public investment plans for 2020 and 2021, despite the difficult years of the economy, have partly demonstrated that changes in thinking, Public investment management orientation, and institutions have had a remarkable effect in promoting the role of public investment in stimulating production and business, consumption, job creation and ensuring enhanced social security. the competitiveness of the economy, supporting the business and production activities of the people and enterprises, and attracting other sources of social investment capital.

Issues raised in public investment policy

Over time, the Party and State paid close attention to directing; The National Assembly always accompanies the Government in solving institutional difficulties to facilitate the implementation and disbursement of public investment capital, although there are many results as analyzed above, there are still many. problems, expressed in detail as follows:

Regarding the process and procedures for the management and use of ODA: Articles 23, 25, 34 of the Law on Public Investment in 2019, Decree No. 56/2020/ND-CP dated May 25, 2020, of the Government are still complicated and difficult. towels made in practice, etc. affect the process of policy adjustment, project adjustment, signing the Agreement;

From 2020, the formulation of the project construction estimate must comply with the Circular No. 10, 11, 15, 16/2019/TT-BXD of the Ministry of Construction, especially Circular No. 10/2014/TT-BXD has lengthened implementation time, affected the commencement and disbursement progress of the assigned capital plan;

The Government issued Decree 15/2001/ND-CP dated 03/3/2021 detailing a number of contents on the management of construction investment projects to replace Decree No. 59/2015/ND-CP. June 18, 2015, however, the Circular guiding the specific implementation of the contents of Decree 15/2021/ND-CP has not yet been issued.

In 2021, a series of new legal policies of the State have been amended and supplemented such as the Law amending and supplementing a number of articles of the Construction Law (Law No. 62/2020/QH14), Decree No. 06/2021/ND-CP, Decree No. 10/2001 / ND-CP, Decree No. 15/2021/ND-CP, etc. According to the amended and supplemented regulations, the competence to appraise and approve adjusted design documents and some other procedures has changed, causing difficulties in the implementation process in the locality, and affecting progress document approval, construction progress, and disbursement schedule of projects;

The annual plan adjustment time is required to be carried out before November 15 of the plan year, but in many localities, many projects must be adjusted through the People's Council at the year-end meeting (meeting after the 15th of the year), so it is difficult to adjust the plan to increase the disbursement rate;

Transitional projects encounter problems in site clearance compensation, management of current status, agreement on compensation price, and certification of land use origin. New construction projects in 2021 have been allocated capital plans for implementation and investment preparation at the beginning of the year, however, as of September 30, 2021, a number of projects have not completed the procedures. investment should have been cut its capital plan in 20216;

The newly issued cost regulation has taken effect immediately (Circular No. 11/2021/TT-BXD of the Ministry of Construction takes effect from October 15, 2021), so the cost estimate and selection plan must be adjusted. Select contractors, and affect the progress of the project.

Recommend some solutions

Through the experience of the year 2021, the ministries, branches, and localities should pay attention to that they should not build over the disbursement capacity of their units. Certainly in 2022, the public investment management of the Government will be very drastic and will clearly attribute responsibility, especially to the head. In order for public investment policy to achieve good results, it is necessary to focus on the following issues:

Firstly, to strictly implement the Resolutions of the Government: No. 01/NQ-CP dated January 1, 2021, No. 45/NQ-CP dated April 5, 2021, No. 63/NQ-CP dated April 29, June 2021; Resolutions of Regular Government Meetings; Official Letter No. 1082/CD-TTg dated August 16, 2021, of the Prime Minister and instructions of the Prime Minister on accelerating disbursement of public investment capital in 2021.

Second, improve the quality of investment preparation, especially the consulting unit and project implementation organization, limit the adjustment status in the implementation process, and effectively ensure strict control of the scope, scale and total investment of each investment project in accordance with objectives, fields, and provisions of law, attaching responsibilities of organizations and individuals.

Thirdly, transferring capital for projects that cannot be implemented or that are slow to be implemented, are unable to disburse all the planned capital plans to works that have the Decision approving the settlement, the volume of completion, key, motive works, and works that need to be speeded up and be able to disburse. Regularly review and promptly report in writing to ministries and central branches to deal with difficulties and problems in the disbursement of annual capital plans in order to speed up the progress and complete the plan for 2022.

Fourth, propose and handle bottlenecks "in investment procedures, basic construction, site clearance, project implementation, especially key projects, the driving force in the assigned fields. communication, the infrastructure of hi-tech parks, industrial parks, water supply, drainage, environment, and social security, and propose to the Central to soon agree on the policy of separating site clearance items from investment projects.

Fifth, strengthen responsibility for implementation and handling of violations for the refund, payment, and settlement of completed projects. Strengthen the regime of information and reporting on the implementation and disbursement of public investment capital in 2021. Linking the progress of the implementation and disbursement of public investment capital in 2021 with the year-end assessment on the role of the head, relevant individuals, and collective and individual emulation and commendation.

Sixth, to promote discipline, discipline, strengthen inspection and supervision; strictly deal with investors, project management boards, and contractors, intentionally causing difficulties and hindering the progress of capital allocation and capital disbursement; timely review and handle weak and negative officials who fail to complete the assigned tasks.

CONCLUSION

In order for the public investment policy to be effective, the Government needs to request ministries, branches, and localities to strengthen their apparatus, and organization, and improve their sense of responsibility, service attitude, and professional capacity. cadres, civil servants, and public employees in charge of construction investment. Regularly organize training classes, improve capacity, professional qualifications, and ethics of public service of the contingent of cadres and civil servants, especially cadres and civil servants who directly handle administrative procedures on investment build. Resolutely and promptly handle organizations, individuals, leaders, officials, and civil servants who violate the law and intentionally obstruct, cause difficulties or slow the implementation of projects and works. construction investment. To promptly replace cadres and civil servants with weak capacity and qualifications, degrading morality, causing harassment and negativity.

The ministries, branches, and localities need to intensify the propagation and dissemination of the law on construction investment; strengthen inspection, grasp the practical situation, and promptly remove and propose to remove difficulties and problems of the ministries, branches, and localities, people, and enterprises on construction investment. Besides, focusing on the inspection, inspection, and supervision of the implementation of regulations on construction investment; To publicize the list of ministries, branches, and localities that obstruct or delay disbursement in accordance with the law. Resolutely handle violations of construction investment, group interests, negative, corruption, and waste, especially for a number of cases of public concern and frustration.

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