

THE PRIME MINISTER

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No. 568/QD-TTg

SOCIALIST REPUBLIC OF VIET NAM  
Independence - Freedom - Happiness

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Hanoi, April 28, 2010

**DECISION**

**APPROVING THE MASTER PLAN ON DEVELOPMENT OF VIETNAM'S ISLAND ECONOMY  
THROUGH 2020**

**THE PRIME MINISTER**

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

*Pursuant to the Government's Resolution No. 27/2007/NQ-CP of May 30, 2007, promulgating its action program for materialization of the Resolution of the 41 plenum of the Party Central Committee (the XI Congress) on Vietnam's marine strategy through 2020;*

*At the proposal of the Ministry of Planning and Investment in Report No. 9639/TTr-BKH of December 16, 2009, and Official Utter No. 883/ BKH-CLPT of February 5, 2010,*

**DECIDES:**

**Article 1.** To approve the master plan on development of Vietnam's island economy through 2020 with the following principal contents:

**I. DEVELOPMENT OBJECTIVES**

1. To economically develop the system of islands in a fast, efficient and sustainable manner in order to create breakthroughs in the development of Vietnam's marine, island and coastal economies and at the same time build the island system into a solid defense line for the protection of national sovereignty and sovereign rights over the sea areas and islands of the Fatherland, materializing the undertakings of the Party and the State on Vietnam's marine strategy through 2020.

2. To focus on building a number of islands with favorable positions and natural conditions as well as great potentials, creating breakthroughs for marine and island economies, contributing to national economic development, which concurrently act as an important hub for linking island economy with marine, coastal and inland economies and international economic exchange.

3. To substantially build the system of essential infrastructures (including piers and roads, power and water supply and communication systems and social infrastructure facilities...) on islands, particularly important ones, creating necessary conditions for economic development, connecting islands with the mainland and firmly defend the sea areas of the Fatherland.

4. To create basic and steady improvements in the structure of the island economy. To form and develop a number of spearhead industries suited to the advantages of islands such as tourism, marine services, fishing and marine culture so that the island economy will grow (in added value) at an average rate of 14-15%/ year during 2010-2020. of which tourism and services will grow over 20%/year. raising the island economy's contributions to the national economy from current 0.2% to around 0.5% by 2020.

**II. DEVELOPMENT ORIENTATIONS TOWARDS 2020**

1. To quickly build infrastructure for investment attraction

To concentrate on quickly building infrastructure systems on islands, considering this a major breakthrough to attract investment and encourage people to permanently settle down on islands for

economic development and protection of security and sovereignty over Vietnam's sea areas and islands.

a/ Transport infrastructure: To synchronously develop transport systems, attaching importance to the development of works linking to the mainland and major transport routes, which are decisive to the development of each island. To prioritize the construction of dual-purpose works that serve both socio-economic development and defense and security.

To expeditiously upgrade and expand major ports capable of accommodating ships of around 1000 tons for big and populous islands, which will play the key role in connecting islands with the mainland, and at the same time to build landing stages for small and separate islands. For a number of key tourist islands such as Con Dao and Phu Quoc. to build modern passenger ports capable of receiving big ships, meeting the development demands of islands in the coming period. To quickly develop high-quality means of transport, early commissioning high-speed passenger ships on all transport routes between island districts and the mainland.

To further upgrade Con Son airport to grade 3C under ICAO standards. To speed up the construction of Duong To international airport of grade 4E on Phu Quoc island with an annual capacity of 3 million passenger arrivals, meeting the fast development requirements of the island. To early start the construction of Van Don airport of grade 4C. To study the construction of mini-airfields (or seaplane wharves) on a number of other islands with tourist advantages, creating conditions for tourist development.

To incrementally build comprehensive transport systems on islands. To completely upgrade island-crossing and island-surrounding roads on major islands up to grade-IV or -V mountainous roads. To build a number of new roads on islands so that by 2020 all island districts, communes and other important islands will basically have comprehensive transport systems for economic development and defense and security. To develop systems of modern roads in the centers of such big islands with tourist advantages as Van Don. Cat Ba. Con Dao and Phu Quoc. To further upgrade and build byroads and roads linking the centers of islands to tourist resorts, economic clusters and population quarters.

b/ Power supply: To develop power supply systems on islands in terms of both power sources and transmission networks. To quickly and widely develop sources of new and clean energies (wind, solar and tidal energies, biogas...), particularly in areas far away from centers.independent island communes and other separate islands. To strive for the target that by 2020. 100% of the population in island districts and communes can have access to electricity.

In the immediate future, to speed up the implementation of power investment programs for offshore islands. To proceed with the construction of a coal-fired thermo-electric power plant of around 6 MW on Co To island. To upgrade or build a number of diesel-fired power stations with a total capacity of 5-10 MW to dozens of MW for fairly big and populous islands (Phu Quoc. Con Dao. Ly Son. Phu Quy...) and of between several hundreds of kW and 1-2 MW for small and thinly populated islands such as Con Co. Bach Long Vy. Cu Lao Cham and others in order to generate adequate electricity for production and daily-life activities of inhabitants and the maintenance of defense and security. To synchronously build power transmission networks from the centers to communes and households. To prioritize the construction of complete power supply networks for island centers, tourist resorts and service areas, ensuring stable high-quality power supply. To proceed with the construction of underground electric cable lines from the mainland to Phu Quoc. meeting the fast development requirements of the island in the coming period.

c/ Water supply and drainage: To further upgrade or build water reservoirs on islands which are big and populous or occupy an important position, such as Co To. Vinh Thuc. Van Don. Cai Chien, Cat Hai. Cat Ba. Bach Long Vy. Hon Me. Con Co. Cu Lao Cham. Ly Son. Nhon Chau. Phu Quy. Con Dao. Hon Khoai. Hon Chuoi. Hon Tre and Phu Quoc. To step up the survey of underground water deposits on a number of big islands for planned exploitation, and at the same time to study measures for rain water storage in combination with surface water exploitation on islands, particularly small islands. To apply technologies to produce fresh water from sea water on a number of islands

occupying an important position and meeting with difficulties in adequate water supply for socio-economic development and defense and security maintenance.

To build synchronous water drainage and wastewater treatment systems in island centers, industrial zones, fishery logistic areas and key tourist resorts on islands.

d/ Information-communications infrastructure: To develop information-communications infrastructure facilities with modern technologies, wide coverage and high speed on islands. To focus on the construction of telecommunications infrastructure facilities on populated islands, including fixed switchboards. Internet access system and satellite access stations in order to ensure non-interrupted communications under all weather conditions. For populous islands, to build large-capacity open-wire transmission lines or marine optical fiber cable lines: for distant islands, via-satellite communication will be used. To expand the radio and television coverage for sea and island communication. To strive for the target that by 2015, almost all inhabited islands will be covered by mobile phone waves and post, telecommunications and Internet services, meeting the requirements of economic development, defense and security maintenance and natural disaster prevention and fighting, search and rescue...

2. To concentrate on the development of key and advantageous industries

a/ Development of marine product production To further rationally restructure the production and strongly develop offshore fishing, mariculture and fishery services on the basis of incremental modernization, trying to make it a commodity production industry with high productivity and efficiency. By 2020, the total marine product output of islands will reach 3(X).000-350.(XX) tons, including 280.000-300.000 tons of fished products. The marine product production value will grow by around 7-8%/year during 2011-2020.

To vigorously restructure the production from coastal to offshore fishing in association with resource protection and regeneration. To increase the offshore fishing capacity for islands with favorable conditions such as Cat Ba, Ly Son, Phu Quy, Tho Chu, Phu Quoc and a number of islands in the Truong Sa archipelago. To develop high-capacity and modernly equipped fishing fleets for fishing in high-sea areas in combination with the protection of national sovereignty at sea. To strictly manage coastal fishing activities; at the same time to strongly reduce the number of fishing vessels and the coastal fishing output by way of shifting to other occupations such as offshore fishing, aquaculture, tourist services... in order to protect resources and stabilize fishermen's life.

To maximally tap the coastal sea surface of islands with favorable natural conditions in Quang Ninh-Hai Phong, Phu Yen-Khanh Hoa and Kien Giang regions for mariculture. To concentrate on the development of marine animal rearing in tidal and sea areas, taking mariculture as the spearhead. To prioritize the development of environment-friendly biological mariculture models to ensure sustainable development. To build consolidated modern and high-productivity mariculture zones on islands with favorable conditions, turning out a great volume of commodities for export and tourism, such as lobsters, bi-valve mollusks reared on hung shelves and other specialties. To encourage and support islanders to develop sea fish rearing in small cages. To step up the attraction of domestic and foreign investment in industrial mariculture in association with export processing.

To synchronously build fishery infrastructure facilities on islands: fish ports, fish wharves, fishery logistic service zones, storm shelters for vessels and mariculture facilities, meeting the production development requirements while ensuring safety for vessels and fishermen.

b/ Tourist development

To quickly and sustainably develop island tourism in association with urban centers, big coastal tourist resorts, early making island tourism an economic spearhead. To regard tourist development as the key and breakthrough in the development of the island economy in the coming years.

To concentrate on the construction of major and modern tourist and entertainment centers on some big islands of national and international value (Van Don, Co To, Cat Ba, Con Dao, Phu Quoc...). In the immediate future, to quickly develop tourism in Phu Quoc and Van Don, early forming two big sea and island eco-tourism resorts of regional and international magnitude, creating a breakthrough for sea and island tourism in particular and national tourism in general. To diversify forms of tourism,

sports, entertainment and recreation on the sea and islands in junction with the mainland, creating tourist products of high prestige on domestic and regional markets. To attach importance to the development of high-class and typical tourist products of islands, such as sea diving, ornamental fish fishing and coral watching on glass-bottom boats in association with marine and island conservation zones.

To continue upgrading and modernizing tourist zones of Cat Ba and Con Dao. and develop tourism on other islands such as Vinh Thuc. Quan Lan. Ngoc Vung. Hon Me. Hon Ngu, Cu Lao Cham. Ly Son. Xuan Dai. some coastal islands in Central Vietnam and Ha Tien peninsula... in order to organize tourist routes linking islands with major coastal tourist resorts and regional countries. To study the organization of national and international tourist routes to Truong Sa while building marine conservation zones in order to step by step tap the huge potential of this archipelago.

To step up the attraction of domestic and foreign investment in the construction and completion of essential infrastructure facilities serving tourism, particularly general high-quality entertainment and recreation zones and modern hotels, on key tourist islands. To organize high-speed fleets from the mainland to islands while studying the construction of tourist airports or seaplane wharves on a number of key islands with conditions to attract tourists. To strive for the target that by 2020. island tourism will attract about 2.7-2.8 million tourist arrivals. including 700.000-850.000 international tourist arrivals, achieving an annual average growth rate of 12.5% during 2011-2020. including an annual growth rate of 18.6% for international tourist arrivals.

To associate tourist development with the protection of cultural and historical relics, building a system of sea conservation and marine and island environmental protection zones. To further renovate important historical relics on islands, especially Con Dao and Phu Quoc. in order to preserve and promote the value of historical and cultural relics as prominent points and places for propaganda and education purposes. To step up the training and development of high-quality human resources for islands, meeting the requirements of fast tourist development in the coming period.

#### c/ Development of services

- To strongly develop fishery services in order to support and boost offshore fishing. To build a number of fishery service centers on islands with conditions to provide logistics services for fishing vessels operating in each zone. In the immediate future, to completely upgrade existing fishery logistics service centers on Bach Long Vy. Con Co, Ly Son. Phu Quy and Da Tay (Truong Sa): to speed up the construction of fishery logistics service zones north of the Tonkin Gulf on Co To (Quang Ninh) and Iran Chau (Cat Ba); to proceed with the construction of fishery logistics service zones on Con Dao. Hon Chui. Tho Chu and Phu Quoc. providing logistics services for fishing vessels operating in western sea areas of southern Vietnam. To consolidate and maintain the efficient operation of fish wholesale markets on a number of big islands with conditions. To diversify services such as supply of petrol and oil. fishing gears, ice. freshwater, food and foodstuffs, consumer goods, ship repair, product purchase, meeting production and daily-life demands of vessels and fishermen.

- To consolidate and qualitatively improve ocean shipping. To combine the upgrading and construction of seaports with the increase of high-quality means of transport for transport routes between islands and the mainland. In the immediate future, to upgrade and expand the existing ports on major and populous islands. To provide high-quality means of transport, particularly high-speed passenger ships to such major islands as Co To. Cat Ba. Cu Lao Cham. Phu Quy. Con Dao and Phu Quoc. To additionally open passenger transport routes with high-speed ships between islands with tourist advantages and other islands as well as urban and tourist centers along the coastline for linking islands with the mainland and attracting tourists.

- To step up search, rescue and salvage services, ensuring safety for people and vessels operating on sea. To construct regional search and rescue centers on such important islands as Co To. Cat Ba. Bach Long Vy. Con Co. Ly Son. Phu Quy. Con Dao. Tho Chu. Phu Quoc and Truong Sa. and coordinated search and rescue stations of the armed forces on islands, meeting the search and rescue requirements, ensuring timely and on-spot response on islands and sea zones when natural disasters occur.

- To strongly develop other services such as trade, financial and banking, information and communications as well as social services on islands towards involving different economic sectors and diversifying services for production and daily life, meeting the requirements of fast development of the island economy in the coming period.

### 3. Development of other industries

#### a/ Industries, cottage industries and handicraft

To make the fullest use of each island's conditions and capabilities for the development of industries, cottage industries and handicraft. To concentrate on the development of industries that directly serve production and daily-life activities of islanders, such as generation of electricity, freshwater, processing of marine products, vessel repair and production of handicraft and fine-art articles for tourism. To prioritize the development of industries that cause less pollution and use less freshwater.

To make full use of fishery materials, particularly on islands where exist fishery service centers, for the development of marine product processing. To upgrade and modernize marine product processing establishments that will preliminarily process specialty products of high value and supply raw materials for export processing establishments in the mainland. To restore and develop processed products with known brands of a number of islands, such as Phu Quoc anchovy fish sauce. Cai Bau or Cat Hai fish sauce... To build a number of new establishments with advance and high-quality technologies in order to supply aquatic products for domestic and export markets, such as processed shrimps, fishes, mollusks, dried cuttlefish and other specialties, with a view to raising the product value and employing local laborers.

To upgrade existing ship building and repairing establishments on Van Don. Cat Ba. Phu Quy, Phu Quoc... To build a number of new establishments of appropriate sizes on Co To. Ly Son. Hon Tre, Hon Chuoi and some other islands in association with fishery logistics service centers, aiming to partially meet the demands for building and repairing fishing ships operating in the region. To develop cottage industries and handicrafts, particularly fine-art handicrafts, producing souvenirs from marine products for tourists.

#### b/ Development of agriculture and forestry

To develop a sustainable eco-agriculture. To convert low-yield food crop areas for planting fruit trees, vegetables and flowers. From now to 2020. to maintain the rice acreage at around 1.300 ha (mainly on Co To and Van Don) to partly satisfy local needs, which will be incrementally narrowed down for tourism and service development. To prioritize the development of farm and hill garden models on fairly big islands with conditions, step by step form ecological orchards of high productivity and beautiful scene. in combination with sight-seeing tours. To step up the growing of vegetables, peas and beans suitable to the conditions of each island, particularly big and populous islands. To encourage the growing of organic and safe vegetables, flowers and ornamental plants on such key tourist islands as Van Don, Cat Ba, Con Dao and Phu Quoc. To strongly develop such specialty plants with advantages on a number of islands as onions and garlic on Ly Son. pepper on Phu Quoc: to restore and develop orange growing on Thanh Lan.

To quantitatively and qualitatively develop husbandry, taking it as the main development direction in agricultural production on islands. To restore and quickly develop cattle herds, attaching importance to raising high-quality beef cows in association with hill and forest gardens; to step up pig and poultry rearing. To strive for the target that by 2020. the share of husbandry in the agricultural production value in the island region will account for some 45%. To develop goat and monkey rearing and honey bee keeping by semi-natural mode on islands, when conditions permit, for export and tourism.

To restore and develop forests on islands in the direction of combining protection objectives with economic objectives and tourist activities. To consider forest protection and development as the primary important task so as to increase the forest coverage to over 65% by 2020. satisfying the requirements of protecting the environment and water sources on islands. To further implement Program 661 in order to develop forestation on islands. To concentrate on the development of protection forests in combination with the planting of production forests in the direction of intensive farming on islands with favorable conditions, such as Thanh Lan. Van Don, Cat Ba and Phu Quoc. in

order to supply timber for local consumption. To strictly manage special-use forests in national parks, nature reserve zones, existing biosphere reserve zones (Ba Mun. Cat Ba. Hon Mun. Cu Lao Cham. Con Dao and Phu Quoc); to build other conservation zones in combination with sightseeing tours and scientific research.

#### 4. Development of social affairs

a/ Education and training: To maintain, consolidate and raise the quality of lower secondary education universalization for children of eligible age groups in island districts, to step by step universalize lower secondary education in island communes and universalize upper secondary education in island centers. To complete physical and technical foundations and increase teaching equipment for existing schools, to construct new schools in island communes where schools are inadequate so that by 2020 each island district will have at least 1- 2 upper secondary schools, each island commune will have a complete school system from pre-schools to lower secondary schools (or branches of lower secondary schools on independent islands); 100% of schools on islands will be permanently built, of which 40-50% will reach the national standards.

To further develop human resources for islands. To invest in building a professional training college on Phu Quoc. professional training intermediate schools on Cat Ba and Con Dao and general vocational training centers on other big and populous islands. To ensure close alignment between islands and training establishments in the mainland for vocational training for island children. To strive for the target that by 2020. the rate of trained laborers on islands will reach 40-45%.

b/ Healthcare: To step by step complete the healthcare networks in island districts in terms of material foundations, equipment and health workers up to prescribed standards. To build hospitals with fairly modern equipment on populous and major tourist islands such as Cai Bau. Cat Ba. Con Dao and Phu Quoc. satisfying the medical examination and treatment needs of inhabitants and tourists, including foreign tourists. To improve material foundations and increase health workers for grassroots healthcare networks on islands. To adopt incentive policies and mechanisms to attract health workers, particularly qualified ones, to work on islands. To closely combine civil healthcare networks with military medical establishments in providing medical examination and treatment for people.

c/ Other social affairs: To develop culture, physical training and sports as well as other social aspects in order to raise the spiritual life of islanders. To attach importance to making investment in building a synchronous system of cultural institutions for island districts, satisfying people's needs for cultural enjoyment and cultural and sports activities.

#### 5. Environmental protection and sustainable development

a/ To step up the protection of the island environment on the guideline of taking prevention and restriction as the key. combined with treatment of pollution, redress of degeneration and improvement of the environment and conservation of the nature. To rationally and efficiently use natural resources on islands. To incorporate environmental protection plans into sectoral and local socio-economic development plans.

b/ To strictly manage marine fishing activities in each area, especially in tidal areas and shallow areas around islands; to observe the regulations on fishing seasons and fishing ban seasons as well as the number of vessels, methods of fishing and maximum fishing outputs: to restrict and quickly reduce small vessels fishing around islands. To severely handle acts of destructive fishing. To enhance the application of advanced technologies and ecological rearing models causing less environmental pollution to aquaculture. To build sea conservation zones aiming to protect bio-diversity and the ecological system and aquatic species in combination with tourist development.

c/ To establish and consolidate stable and sustainable systems of protective forests on islands, at the same time to strictly manage forest exploitation, restricting the conversion of natural forest areas for other purposes: to step up afforestation after the agriculture- cum- forestry model in order to preserve land and water sources. To develop the movement of afforestation in tourist resorts and residential quarters among the population in order to protect the island environment to be green, clean and beautiful.

d/ To strictly manage economic activities threatening to cause pollution of the marine and island environment from the time of planning to the time of construction and operation. To restrict the development of industries threatening to cause pollution: to prioritize investment in the construction of projects with advanced and clean technologies which are environmentally friendly on islands. To resolutely stop projects threatening to cause serious environmental pollution; to strictly prohibit the dumping of soil for sea encroachment, destroying the marine and coastal environment. To build wastewater and solid waste collection systems in island centers, tourist resorts, industrial zones and fishery logistics service zones. To strictly control the waste discharge by vessels operating in the region in order to protect the environment.

e/ To actively formulate schemes suitable to each island in order to respond to the impacts of climate change: To further upgrade the sea dyke systems on islands: to study schemes in a scientific manner and at the same time select appropriate locations for the construction of socio-economic, defense and security works on islands, particularly important and long-term works, with a view to minimizing the effect of climate change, sea level rise, abnormal rains and typhoons.

f/ To further enhance investment in the protection of the marine and island environment: To build systems of environmental observation and warning stations along the coast and on major islands for early warning environmental incidents and taking timely measures to deal with such incidents.

g/ To step up public information and education for improving awareness about the protection of the environment and protection of aquatic resources for islanders, including tourists and fishermen from other localities operating around islands.

#### 6. Orientation for defense and security maintenance

a/ To mobilize the aggregate strength of the political system, the armed forces and people on islands for the protection of the sea and islands and strengthening of defense and security forces. To ensure close cooperation between the armed forces and people, forming the all-people defense posture in combination with people's security disposition to firmly maintain the political security, social order and safety, solidly defending sea areas and islands of the Fatherland.

b/ To synchronously build and incrementally modernize sea- and island-managing and -defending forces (navy, air force, border guard, public security, coast guard, coastal military regions...). To increase investment in vessels and equipment for important defense areas on islands, particularly distant islands, ensuring high mobility and combat readiness and actively coping with all circumstances. To build, upgrade and modernize defense works on major islands, meeting the requirements of quick combat at sea. To build such offshore islands as Bach Long Vy, Co To, Cat 13a, Con Co, Ly Son, Phu Quy, Con Dao, Phu Quoc, Tho Chu and Truong Sa into "outpost fortresses" to defend sea areas and islands in combination with economic development.

c/ To closely combine the development of the island economy with defense and security consolidation: Importance must be attached to defense and security tasks in the arrangement of economic and civil works on islands, which are ready for coordination and mutual support in all circumstances. Meanwhile, the armed forces on islands, in addition to their tasks of defending the sea and islands, should develop production through the efficient use of available vessels and material foundations, while supporting and creating conditions for regular, safe and efficient economic activities at sea.

### III ORIENTATIONS FOR DEVELOPMENT OF IMPORTANT ISLANDS AND ISLAND GROUPS

#### 1. Economically important islands

To concentrate on building a number of economically important islands, immediately developing tourism to create breakthroughs in the development of marine and island economies, turning them into islands of regional and international magnitude in the coming period.

##### a/ Phu Quoc island (Kien Giang):

To quickly develop Phu Quoc island into a prominent point of the southern economic triangle (Phu Quoc-Ca Mau-Ha Tien). In the immediate future, to build synchronous infrastructure on the island, while attracting domestic and foreign enterprises to invest in the construction of high-grade eco-

tourism resorts. modern resort and entertainment and recreation zones of regional and international magnitude.

To diversify forms of high-class entertainment and sports tourism on the sea and islands. To form some inter-regional tourist routes, linking Phu Quoc with Ho Chi Minh City as well as big urban centers and tourist resorts in the Mekong River delta region. To align with regional countries in opening international tourist routes by air and by sea between big urban centers and tourist resorts in the region and Phu Quoc.

To quickly develop services, particularly those related to tourism such as trade, financial, banking, insurance, telecommunications, air carriage, maritime and other high-class services, step by step building Phu Quoc into a big and modern commercial and financial center in the region. To build modern trade centers on Duong Dong, Duong To and An Thoi islands. To develop domestic and international conference or workshop services in association with tourist development.

To develop ecological forestry and agricultural production, creating scenic places for tourism and partly meeting local demands. To properly manage Phu Quoc national park, while developing afforestation on the island and building the Phu Quoc-Tho Chu sea conservation zone for tourism. To gradually reduce the number of vessels exploiting marine resources in areas around islands, developing high-sea fishing: to stabilize the fishing of long-jawed anchovy and cuttle fish in association with the processing of island specialties. To develop the rearing of marine fishes, lobsters, turtles, pearl oysters and ornamental fishes to directly serve tourism and export.

To develop cottage industries and handicrafts to produce consumer goods, jewels and souvenirs: to upgrade mechanical repairing establishments which will serve waterway transport and marine product processing, particularly the processing of specialties for export.

To develop infrastructure towards modernity, meeting the requirements of fast development of the island, with tourism and high-grade services as the key. To concentrate on building the north-south trunk road across the island from An Thoi to Duong Dong and Bai Thon, an around-island road and its branches to tourist resorts and residential quarters. To build the general port of An Thoi with a handling capacity of 0.3 million tons/year, capable of receiving ships of 1.000-3.000 DWT; a landing wharf of Vinh Dam capable of receiving cargo and passenger ships of 1.000 DWT; a ship wharf of Mui Dat Do with a capacity of 0.2 million passengers/year and some other passenger ship wharves to serve tourism. To quickly build Duong To airport of grade 4E, with an annual capacity of 3 million passengers and capable of receiving B777 aircraft or the like, for early operation.

To synchronously develop other technical infrastructure works such as power supply, water supply and drainage, information and communications; to build the Hon Chong-Phu Quoc undersea cable line to transmit electricity from the mainland to the island: to upgrade and expand the urban centers of Duong Dong, An Thoi, Cua Can, Ham Ninh and Ganh Dan: to build the new urban center of Duong To into a commercial, financial, cultural and tourist hub meeting the socio-economic development and defense and security requirements of the island.

b/ Van Don island group (Quang Ninh):

To develop the Van Don island group into the core of the important economic arc in the northeastern sea area (Ha Long-Van Don-Hai Ha-Mong Cai). To concentrate on the fast development of island tourism with special and attractive tourist products, linking with Ha Long, Cat Ba and Mong Cai to incrementally form a major high-quality ecological sea-island tourism center of regional and international value. To attract domestic and foreign enterprises to invest in the construction of high-class entertainment zones on Cai Bau island and some others such as Tra Ban, Ngoc Vung-Thang Loi and Quan Lan-Minh Chau.

To develop clean industries, tourism-supporting industries and export-producing industries. To build big trade centers on Cai Rong and Doan Ket islands and supermarkets in tourist spots and residential quarters. To reorganize fishery production in the direction of stepping up offshore fishing and mariculture in combination with sight-seeing tours. To develop sustainable eco-agriculture. To prioritize the development of crops, citrus trees, flowers and ornamental plants in hi-tech agricultural farms or zones. To enhance the protection and regeneration of forests on islands to protect the



environment and water sources. To build the Ha Long bay-Bai Tu Long bay conservation zone in combination with sight-seeing tours.

To develop synchronous infrastructure systems on islands. To quickly proceed with necessary preparations for the construction of Van Don airport of grade 4C, capable of receiving A320/ A321 airplane or the like. To upgrade Van Hoa port into a general port capable of loading and unloading one million tons of cargo/year and receiving ships of 3,000-5,000 DWT to directly serve Van Don economic zone. To upgrade and complete landing wharves on Quan Lan, Minh Chau, Ngoc Vung and Ban Sen islands for tourism and islanders' daily life. To build main roads on Cai Bau island: to upgrade some important roads on Ban Sen, Quan Lan and Ngoc Vung islands. To modernize information-communications infrastructure facilities to meet the fast development requirements of the island group.

## 2. The Con Dao island group (Ba Ria-Vung Tau):

To maximally exploit resources in combination with state budget supports and international aid for the development of Con Dao into a high-quality economic-tourism- service zone. To renovate historical and revolutionary relics to promote their value, in combination with high-quality sea and island ecological tourism, making Con Dao a special and typical tourist spot of high cultural and historical values of Vietnam and the world. To establish tourist routes linking with other localities such as Vung Tau, Ho Chi Minh City and Phu Quoc, aiming to attract domestic and foreign tourists.

To restrict the industrial development on Con Dao, developing only some industries that directly serve local needs such as power, clean water, waste treatment and handicraft products for tourism. To develop eco-agriculture: to gradually reduce the agricultural production area to reserve land for tourism and serve development. To develop offshore fishing while boosting the rearing of specialty marine products around the islands for tourism. To properly manage and protect the Con Dao national park and build sea conservation zones in the islands' sea areas.

To further upgrade or build roads across the island, the systems of roads in central areas, Ben Dam, Co Ong and other routes leading to tourist resorts and spots. To upgrade Ben Dam port into a general port. To build tourist ports in Con Son and Ong Dung bays. To develop high-quality passenger ships on Con Dao-Vung Tau and Con Dao-Bac Lieu routes or running to some other provinces for tourism development of the islands. To completely upgrade Con Son airport to grade 3C, capable of receiving ATR72 and F70 aircraft or the like; to increase the number of Ho Chi Minh City-Con Dao flights and restore flights from Vung Tau to Con Dao, meeting the tourist development requirements of the islands. To completely build storm shelters for fishing vessels and a regional search, rescue and salvage center in order to ensure safety for fishermen and vessels operating at sea.

To invest in the construction and upgrading of infrastructure works to serve defense and security, closely combining economic development with defense and security maintenance, meeting the requirements of controlling and defending the southeastern sea zone and continental shelf of the Fatherland.

## 3. Islands with economic development in combination with defense and security

### a/ The Co To-Thanh Lan island group (Quang Ninh):

To quickly develop Co To-Thanh Lan island group from the current underdevelopment state into a sea zone with fairly high economic development, serving as a solid base for the protection of the northeastern sea zone and islands of the Fatherland.

To develop fishery in the direction of stepping up offshore fishing, particularly in common fishing zones under the Tonkin Gulf Fishery Agreement. To gradually reduce the number of fishing vessels and output in coastal areas of islands, transferring fishermen to other occupations so as to protect resources. To step up aquaculture in tidal areas and mariculture, of which mariculture is central. To encourage the rearing of sea worm (*sipunculus nudus*), sea cucumber, snout otter clam and wrinkle in tidal areas around the islands. To build some consolidated mariculture zones, aiming to supply a large volume of commodities for export and tourism. To restore and develop the traditional culture of

pearl oyster, which has great potential for development on Co To. in combination with sight-seeing tours on these islands.

To quickly and sustainably develop tourism in the island region with diverse products, incrementally building Co To-Thanh Lan into a high-quality sea and island eco-tourist resort. To organize tours to this island group in association with the high-class sea and island ecological tourism resorts of Van Don, the Ha Long- Van Don- Mong Cai-Tra Co coastal tourist island group and international tourist routes by sea through the Tonkin Gulf.

To diversify tourist, entertainment and fishery services. To maintain the efficient operation of the fish market on the sea near Thanh Lan island: to quickly build a fishery logistics service center north of the Tonkin Gulf on Co To, creating an important prominent point for the development of the island group in the coming period. To quickly develop shipping, rescue and salvage and other marine services.

To make full use of natural conditions and advantages of the islands for the development of clean industries, cottage industries and handicrafts and those directly serving islanders' needs (electricity generation and freshwater production) and fishery and tourism: to prioritize the development of cottage industries and handicrafts for tourism. To early proceed with the construction of Co To thermo-electric power plant of around 6 MW. To build some other industrial establishments to produce ice, process export marine products and repair vessels in association with a fishery logistics service center north of the Tonkin Gulf.

To develop eco-agriculture with high productivity, partly satisfying local consumption needs of the army and inhabitants on the islands. To restore and develop the growing of orange trees on Thanh Lan; to enhance the zoning off for regeneration of forests in combination with afforestation in order to increase the forest coverage, ensuring the forests' functions of protecting the environment and water sources on the islands. To build sea conservation zones on Co To and Tran islands for tourist development.

To concentrate resources on the construction of infrastructure works, particularly works connecting the islands with the mainland and main roads on the islands. To upgrade and expand Co To port for accommodating ships of 500-600 DWT. To upgrade and completely build a road running across Co To island, a road around Thanh Lan island and a road running across Tran island for economic development and defense and security maintenance. To synchronously build and incrementally modernize defense and security infrastructure works and sea- and island-managing forces. To enhance the capabilities of important defense zones, ensuring high mobility and combat readiness as well as active response to any circumstances.

b/ The Cat Ba-Cat Hai island group (Hai Phong):

To develop the Cat Ba-Cat Hai island group in close association with northern Hai Phong economic zone and Dam Nha Mac area, step by step building Cat Ba into a regional and international eco-tourism center, a fishery logistics service center of northern Vietnam and also a solid base for defending national sovereignty over the northeastern sea and island region of the Fatherland.

To concentrate on developing tourism in a fast, efficient and sustainable manner. To prioritize the development of high-class ecotourism: to form tourist routes from Cat Ba to Ha Long and Do Son, linking with international tourist routes by sea across the Tonkin Gulf. To completely build a modern trade center in Cat Ba township. To speed up the construction of a fishery logistical service center in Tran Chau. To exploit its advantage of proximity to Lach Huyen gateway port in order to diversify forms of port and maritime services.

To concentrate on making in-depth investment to raise the quality of marine product processing in Cat Hai without expanding industrial production on Cat Ba island to protect the environment and tourist landscape. To prioritize the development of the production of fine-art handicraft articles for tourists. To step up the protection and planting of mangrove and protection forests; to strictly protect Cat Ba national park for sight-seeing tours and scientific research.

To completely build and modernize defense zones on the islands, ensuring high capability for independent combat in any circumstances which may occur. To closely combine economic

development with defense and security maintenance in the spatial arrangement of various economic sectors for development, the construction of infrastructure, particularly the fishing of marine resources and investment cooperation with foreign countries. To pay heed to building the all-people defense in combination with people's security, ensuring a stable social environment conducive to economic development.

c/ Ly Son island (Quang Ngai):

To bring into play all resources, together with the central government's supports and domestic and foreign investments for fast economic development, with fishery and tourism as the core. To further consolidate the defense and security potentialities on the island, firmly maintaining the political security and national sovereignty over the sea and islands, creating a stable social environment for economic development.

To concentrate on completely building and upgrading economic and social infrastructure facilities on the island, creating necessary conditions for development. To prioritize the construction of important infrastructure works, especially power supply projects as the primary important domain for socio-economic development and defense and security maintenance on the island. To complete the construction of a storm shelter for vessels at Can Vinh islet; to upgrade Ly Son fish port; to build Ben Dinh port into a cargo port capable of accommodating ships of up to 500-600 HP. To proceed with the construction of the East-West trunk road, mobility roads north, east and west of the island in combination with breakwater embankments and embankments around Be island for effective combat against landslides.

To increase investment in the construction of infrastructure for tourism, forming major tourist resorts on the island. To build Ly Son sea conservation zone for protecting aquatic resources in the region, in combination with tourist development. To prioritize investment in equipment for fleets of high-speed ships on island-mainland routes, facilitating people's movement.

d/ Phu Quy island (Binh Thuan):

To develop Phu Quy island into a fishery logistics service, rescue and salvage center of the southern Central Vietnam, an outward fortress for defending sea areas of southern Central Vietnam and an important transit location between the mainland and Truong Sa archipelago.

To develop fleets of ships of big capacity (over 300 horse powers), with synchronous and modern equipment so as to be able to fish in high-sea grounds and at the same time ensure regular operation on the East Sea, in combination with the protection of national sovereignty at sea. To completely build the system of fishery logistics services on the island to serve fishing vessels in the area. To incrementally build Phu Quy island into a big marine product fishing, preservation, processing and trading center of the southern Central Vietnam and the whole country.

To concentrate on developing electricity generation and freshwater production and aquatic-product-processing industries, prioritizing the development of wind- and solar-energy power stations. To expand the existing diesel-fired station and build three new power generation stations with a total capacity of 10,000 kW. To scale up clean water exploitation and production and rainwater storage while studying the application of new technologies to producing freshwater from sea water to serve marine product processing. To upgrade and modernize establishments that process marine products for export. To develop the ship repair industry in the areas of Trieu Duong and Tarn Thanh ports towards mechanization and modernization, meeting the demands for repair and maintenance of big fishing ships in the region.

To step up the attraction of investment in tourist development on the island. To form tourist spots in areas south of Doi Dua cape, west of Hon Tranh. Mo Thay. Lach Du. Bai Phu and Ganh Hang. To build a sea conservation zone of Phu Quy island for protecting marine ecological systems in combination with tourist development. To cooperate in opening tourist routes linking the island with tourist resorts of Binh Thuan province and nearby localities, particularly Ho Chi Minh City and Nha Trang.

To synchronously develop the transport system on the island, ensuring convenient connections to the outside. To speed up the stage-II construction of Trieu Duong port for inception of ships of over 1,000

tons. To further upgrade Long Hai fish port- cum storm shelter, which can receive many ships at a time and ships of big capacity. To upgrade and build important roads such as East-West axial road, island-sun ounding roads, coastal belt roads, axial roads in central area and roads leading to sea ports, economic zones. To study the construction of Phu Quy airport for light aircraft, in service of tourisl development, search, rescue and salvage activities as well as defense and securiyy.

To enhance technical and material foundations for defense and security forces. To complete the construction of defense works on the island, particularly key works, to meet the requirements of supply and transit for Truong Sa archipelago in all circumstances.

#### 4. Development of other small islands

Small islands include Tran island (Quang Ninh). Bach Long Vy (Hai Phong). Hon Me (Thanh Hoa). Con Co (Quang Tri). islands in Truong Sa archipelago (Khanh Hoa). Tho Chu archipelago. Ha Tien archipelago (Kien (Jiang) and many others, which are uninhabited or inhabited by few people but occupy especially important defense and security positions. For these islands, the primary important task is to enhance defense and security potential to watch over and firmly defend the sea and island areas of the Fatherland, in combination with the development of some advantageous industries and nature conservation on the islands.

To increase investment in the construction of permanent and modern infrastructure works on the islands for defense and security purposes. To supply the armed forces on the islands with modern and high-speed vessels as well as military equipment and instruments to enable them to control and defend the entire sea and islands of the Fatherland while actively supporting marine economic activities.

To further the model of "building youth islands", step by step sending people to settle down on the islands for economic development and contribution to defense and security maintenance. To proceed with the building of economic-defense zones in important areas, first of all experimentally on a number of islands in the northeastern sea area and Truong Sa archipelago, then drawing experience for building in other islands.

To prioritize the development of some advantageous industries on the island, mainly tourism and fishery services. To step up the attraction of investment in the development of eco-tourism in association with the building of sea and island conservation zones. To upgrade and build fishery logistics service zones and storm shelters for fishing vessels on some islands near big fishing grounds, such as Bach Long Vy. Con Co. Tho Chu and Truong Sa. To build search and rescue centers with complete equipment on important islands, meeting the requirements of search, rescue and salvage activities in each area.

To continue with sending people to the islands for settlement and production development, particularly uninhabited islands which occupy important positions, for economic development and contribution to the protection of sovereignty over sea areas. In the immediate future, to survey and investigate the natural conditions of each island and a rational structure of production and business lines in order to work out plans for migration of people to settle down on the islands for economic development in combination with defense and security maintenance and protection of national sovereignty over the sea and islands.

### IV. IMPLEMENTATION SOLUTIONS

#### 1. Perfection of the legal framework and mechanisms and policies on the sea and islands

Pursuant to the Resolutions of the 4th plenum of the Party Central Committee (the Xth Congress) on Vietnam's marine strategy towards 2020: Resolution No. 27/2007/NQ-CP of the Government promulgating its action program for materialization of the Resolutions of the 4th plenum of the Party Central Committee (the Xth Congress) and relevant legal documents, ministries, sectors and provinces as well as cities with islands shall further build and perfect the legal framework on sea and islands, serving as a basis for the management, exploitation and protection of the sea and island areas of the Fatherland. Concretely:

a/ To review legal documents related to sea and islands for amendment and supplementation, aiming to ensure their conformity with the international law on the sea and treaties which Vietnam has signed or acceded to. To step by step build a complete system of laws and sub-laws for use as a basis for the management, exploitation and protection of the sea and islands.

b/ To quickly complete the naming of islands and build appropriate island administration models, creating legal grounds for the effective management and protection of islands.

c/ To further review, supplement and concretize policies with a view to bringing into play all resources for the fast development of some industries with island advantages, important island groups playing a motive role in boosting the fast development of the island economy while ensuring defense and security in sea and island areas of the Fatherland.

d/ To supplement and formulate policies to encourage and support various economic sectors to invest in the construction of infrastructure for socio-economic and tourist development and develop means of transport for linking islands with the mainland, creating favorable conditions for the island economy to develop.

e/ To further study and supplement peculiar mechanisms and policies to strongly attract and encourage people to settle down on islands, to encourage fishermen to fish and rear marine products in offshore areas, thus performing the tasks of economic development in combination with defense and security maintenance.

f/ To formulate and detail peculiar mechanisms and policies suitable to the position and function of each island or island group. For key islands in terms of economic development, to further concretize preferential policies and mechanisms to attract domestic and foreign investors for the fast development of these islands in the coming period. For islands functioning to combine economic development with defense and security maintenance, policies which are more preferential than those currently applied to regions meeting with exceptional difficulties should be studied and applied. For other small islands, in addition to common policies, peculiar policies should be applied to increasing their defense and security maintenance potential and practicing (the civil administration of islands).

## 2. Human resource development

a/ To develop the regular education system from preschool to upper secondary education. To step up vocational education and vocational training at general education schools. To early form a system of training establishments and vocational training centers on islands in order to provide vocational education for island children.

b/ To enhance the training capacity of existing training and vocational training institutions on islands. To build new training and vocational training institutions on big and populous islands. To open college or university branches on a number of important islands (Van Don. Phu Quoc....). meeting the demands for training of high-quality human resources for islands.

c/ To step up coordination and alignment between island districts as well as communes and training establishments in provinces or cities with such island districts or communes in order to expand the scale and forms of training for laborers on islands. To organize correspondence training programs for islands, including collegial and university training.

d/ To regularly open refresher courses to disseminate knowledge and experience and transfer technologies to islanders in agricultural production, aquaculture. natural resource and environmental protection. To enhance the popularization of knowledge on the sea. laws and advanced fishing methods to fishermen, including fishermen on islands and fishermen in other localities conducting regular fishing activities around islands.

e/ To promulgate policies on special preferences in wages, allowances, housing, and other preferential regimes in order to attract teachers from the mainland to work on islands. To apply the policies of nomination-based recruitment and school-fee subsidies for island children studying at universities, colleges and intermediate vocational schools on the mainland to return to work on their islands.

f/ To step up the training and re-training of cadres and civil servants for island districts and communes. To apply the policy of rotation of cadres and termed labor contracts to specialists and managers coming from the mainland to work on islands.

### 3. Promoted application of scientific and technical advances

a/ The State will implement incentive and support policies to encourage enterprises to invest in technical improvement and application of new and clean technologies to production. To encourage all economic sectors to apply advanced technologies, aiming to reduce production costs, to save energy, fuels, electricity, clean water... and to protect the marine and island environment.

b/ To promote the application of advanced technologies to fishing, rearing, preservation and processing. To quickly introduce high quality means of transport into operation on routes between islands and the mainland. To apply new technologies and materials to ship building and repair to save fuel. To step up the use of wind energy, solar energy, biogas and tidal energy on islands, particularly separate islands and areas far away from centers and electricity supply sources.

c/ To step up baseline surveys and scientific research, focusing on the following domains:

- Baseline surveys on the natural conditions, natural resources, environment, meteorological and hydrological conditions and geological conditions of the entire system of islands and a number of important islands and island groups, establishing a set of basic and reliable data to serve the formulation of long-term plans and policies.

- Investigation and full assessment of the capabilities to exploit principal resources of islands, particularly land, fresh water resources (including ground water), in order to work out exploitation plans for economic development, defense and migration of people to islands.

- Application of advanced technologies to the exploitation and use of new energies (wind, solar, wave and tidal energies), technologies for the production of freshwater from sea water on islands.

### 4. Mechanisms for mobilization and use of investment capital sources

The total investment capital for the island system from now through 2020 is preliminarily estimated at around VND 162.5 trillion, including VND 51.8 trillion for the 2010-2015 period.

In order to meet the demand for development investment capital for islands from now through 2020, there should be mechanisms for active mobilization and strong encouragement to attract all capital sources possible (at home and abroad) in every form.

a/ With regard to budget capital sources (central budget and local budget), representing a fairly high percentage (nearly 60%): On the basis of clear identification of big, strategic and long-term programs and projects for each island and island group, there should be policies on concentrated and local investment, attaching importance to investment in urgent and breakthrough fields and sectors, associating economic development with defense and security maintenance. To efficiently use funding supports from the central government, particularly funds of the East Sea-Islands Program and target programs of the Government for realization of the Resolutions of the 4th plenum of the Party Central Committee (the X'1' Congress) on Vietnam's marine strategy through 2020. To prioritize budget funds for investment in the construction of infrastructure, particularly transport infrastructure works connecting islands with the mainland, power supply and freshwater supply works, creating conditions for attracting all economic sectors at home and abroad to invest in production and business activities on islands. To efficiently incorporate programs and projects implemented on islands so as to effectively use investment capital.

To further implement preferential credit policies to provide preferential loans to organizations and individuals on islands for building large vessels for offshore fishing, agriculture and most modern and high-quality means of transport running on main routes linking islands with the mainland.

b/ With regard to non-budget capital sources: To clearly identify priority islands and island groups as well as priority fields to call for investment from all economic sectors at home and abroad, particularly big enterprises (including the army's economic groups and enterprises) in production development on islands. To adopt incentive policies with such preferences as exemption from or reduction of

corporate income tax. import and export duties: exemption from or reduction of land or water surface use levies: ground clearance and resettlement supports for domestic and foreign investors on islands. To encourage investment in tourism, marine services, marine products rearing and processing. To encourage islanders to step up production and business. To attach importance to the development of medium- and small-sized enterprises in all fields.

c/ With regard to foreign capital sources: To increase ODA sources for investment in the economic development of the island system. Provinces and cities having islands shall closely coordinate with ministries and central sectors in mobilizing ODA sources and at the same time direct the formulation of specific projects in order to call for aid amounts of international organizations and non-governmental organizations to islands. To renew FDI attraction mechanisms. formulate synchronous mechanisms and policies and create favorable conditions for the attraction of FDI capital sources for economic development of islands. To adjust the FDI structure suitable to the priority fields of each island and island group. To encourage and support big projects on a number of islands, such as the project on Van Don airport, the project on Phu Quoc tourist zone and the project on Phu Quoc golf course, as well as projects already licensed and effectively implemented in order to call for new investors. To combine various forms of joint venture or cooperation, including the form of 100% foreign capital for big and important projects such as projects to construct airports, tourist resorts and high-class entertainment and recreation zones. To expand BOT, BT and other forms of investment in order to attract more capital sources for concentrated investment in the development of islands within a short period of time.

## V. ORGANIZATION OF IMPLEMENTATION

1. The Ministry of Planning and Investment shall assume the prime responsibility for, and coordinate with concerned ministries and sectors as well as provinces and cities with islands in, orienting, based on this master plan, the formulation of plans and development projects of concerned ministries, sectors and localities having islands: incorporate the development objectives, orientations, tasks and solutions of this master plan into the national strategy on socio-economic development in the 2011-2020 period and five-year and annual plans for implementation: coordinate with the Ministry of Finance in balancing and mobilizing investment capital sources for developing the island economy.

2. The Ministry of Finance shall assume the prime responsibility for, and coordinate with concerned ministries and sectors in, formulating mechanisms and policies of special financial preferences (funding supports, tax breaks, preferential credit supports...) to attract investment in the development of the island economy; and coordinate with concerned ministries and sectors in balancing and arranging annual capital for investment in the development of the island economy.

3. Other concerned ministries and sectors shall incorporate the development objectives, orientations, tasks and solutions of this master plan into their respective action programs for realization of the Resolutions of the 4th plenum of the Party Central Committee (the X<sup>th</sup> Congress) on Vietnam's marine strategy through 2020 as well as their respective master plans and five-year plans nationwide; identify key investment projects on islands from now to 2020 and arrange capital in their annual plans for implementation: coordinate with concerned ministries and sectors as well as provinces and cities with islands in reviewing, supplementing and formulating peculiar incentive and preferential policies in the fields under their respective management for the development of the island economy: guide and assist localities in formulating detailed plans for a number of specific islands: identify key works on islands, proceed with the construction of economic-defense zones on some important islands and plan a number of islands exclusive for defense and security tasks.

4. The People's Committees of provinces or centrally run cities with islands shall incorporate the development objectives, orientations, tasks and solutions of this master plan into their respective action programs for realization of the Resolutions of the 4th plenum of the Party Central Committee (the X<sup>th</sup> Congress) on Vietnam's marine strategy through 2020 into their master plans and live-year plans on socio-economic development for implementation; review, supplement the master plans of island districts: coordinate with concerned ministries and sectors in formulating detailed plans for important islands and island groups within their respective administrative boundaries in accordance with this master plan.

Annually, ministries, sectors and localities shall review and evaluate the implementation of this master plan and send reports thereon to the Ministry of Planning and Investment for summarization and submission to competent authorities for timely adjustment and supplement suited to the new situation.

**Article 2.** This Decision takes effect on the date of its signing.

**Article 3.** Ministers, heads of ministerial-level agencies, heads of government-attached agencies, and chairpersons of People's Committees of coastal provinces and centrally run cities shall implement this Decision.-

**FOR THE PRIME MINISTER  
DEPUTY PRIME MINISTER**

**HOANG TRUNG HAI**

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