THE PRIME MINISTER

SOCIALIST REPUBLIC OF VIET NAM Independence - Freedom - Happiness

No. 18/2009/QD-TTg

Hanoi, February 3, 2009

DECISION

APPROVING THE MASTER PLAN ON SOCIO-ECONOMIC DEVELOPMENT OF VIETNAM'S SEA AND COASTAL AREAS IN THE GULF OF THAILAND UP TO 2020

THE PRIME MINISTER

Pursuant to the December 25, 2001 Law on Organization of the Government; At the proposal of the Ministry of Planning and Investment in Report No. 514flTr-BKH of January 22, 2008, and considering the opinions of concerned ministries, branches and localities on the master plan on socio-economic development of Vietnam's sea and coastal areas in the Gulf of Thailand up to 2020,

DECIDES:

Article 1. To approve the master plan on socio-economic development of Vietnam's sea and coastal areas in the Gulf of Thailand up to 2020, with the following principal contents:

I. SCOPE OF THE MASTER PLAN

Vietnam's sea and coastal areas in the Gulf of Thailand embrace the sea and continental shelf under the sovereignty, sovereignty rights and jurisdiction of Vietnam in the Gulf of Thailand together with islands in these areas and the coastal land area of 2 cities of Ca Mau and Rach Gia, 13 coastal districts and towns: U Minh, Tran Van Thoi, Phu Tan, Cai Nuoc, Nam Can, Ngoc Hien (Ca Mau), Ha Tien town, Kien Luong, Hon Dat, Chau Thanh, U Minh Thuong, An Bien, An Minh (Kien Giang) and 2 district islands of Phu Quoc and Kien Hai (Kien Giang), with a population of 1.935 million, accounting for 67.3% of the total population of Ca Mau and Kien Giang provinces.

II. DEVELOPMENT OBJECTIVES

- To develop Vietnam's sea and coastal areas in the Gulf of Thailand into a dynamic economic zone, contributing to the general prosperity of the country's southwestern sea and coastal areas and linking with other coastal areas nationwide into a quickly developing coastal economic bell from Mong Cai to Ha Tien to help promote and push the development of inland regions.
- To form a Thailand gulf coastal economic corridor as a pillar for promoting the development of the entire region, creating a prerequisite for developing trade and expanding relations with the outside in a proactive and effective manner.
- To build Phu Quoc island into a dynamic development area, a major and modern marine economic center (a high-grade sea-island eco-tourist area in the immediate future), an economic "bright spot" of the whole country and Southeast Asia.

- To form and develop a number of spearhead marine industries including fishing, aquaculture and aquatic product processing, marine tourism and gas exploitation and processing at a relatively modern development level equal to regional countries.
- To achieve an economic growth rate of 1.35-1.4 times the national GDP growth rate. By 2020, to raise the material living standards of the inhabitants by 5 times the current level; to account for 5-5.5% of GDP; 18-19% of the fisheries output and 22-23% of the national aquatic export value. To reduce the poverty rate (by the new poverty line) from the current 14% to below 10% by 2010 and below 3% by 2020.
- To complete the universalization of lower secondary education and upper secondary education by 2010 and 2020 respectively; to increase the trained labor percentage to 25% by 2010 and 55-60% by 2020; to complete the program on national health standards before 2015.
- By 2010, 100% of communes will have motor roads to commune centers (excluding commune islets), 85-90% of households will have access to electricity, television broadcasting will reach 95% of the population, 100% of urban population will have access to clean water, 80% of rural population will have access to hygienic daily-life water; by 2015, 100% of households will have access to electricity and be covered with television broadcasting, and 100% of rural population will have access to hygienic daily-life water.

III. ORIENTATIONS FOR DEVELOPING AND ORGANIZING ECONOMIC SPACE

To achieve the above objectives, orientations for developing and organizing the region's economic space up to 2020 are as follows:

1. Orientations for organizing economic space

a/ To build the Thailand gulf coastal economic corridor as the backbone of the entire region's development:

- To concentrate on building the Thailand gulf coastal economic corridor (from Nam Can- Ca Mau to Rach Gia- Ha Tien), step by step forming an important driving zone in the country's outermost southern coast with a high growth rate, strongly integrating into regional countries, creating a motive force for the entire region's development and exerting pervasive impacts on inland regions.
- To build a coastal trunk road running through Vietnam, Cambodia and Thailand (within the framework of greater sub-Mekong region cooperation), connected to the Nanning (China)-Lang Son (Vietnam)-Singapore economic axis for expanded cooperation and trade among regional countries. This coastal trunk road running through Vietnam, Cambodia and Thailand will have a 244-km section in the Vietnamese territory from Xa Xia border gate (Kien Giang) to Ca Mau city, which will basically include national highways 80 and 63, and be upgraded to grade-III delta roads, with sections running through urban centers to be built up to grade I or bypassing urban centers.
- To develop spearhead and advantaged industries such as industrial production, aquaculture, tourism and marine services. To strongly step up cooperation with countries adjacent to the Gulf of Thailand, especially in infrastructure construction, tourism development, trade, investment, finance, banking, sea fishing and shipping. To expand cooperation between the Thailand gulf coastal economic corridor with ASEAN countries, international organizations and other regional cooperation organizations, facilitating the rapid development of this corridor.

b/ To build Phu Quoc island into a general marine economic zone and a strong marine economic center of the whole country and the region:

- To concentrate on developing Phu Quoc island into a general economic zone (a special administrative-economic unit attached to the central government) and a strong marine economic center of the whole country and Southeast Asia.

In the immediate future, to urgently build Phu Quoc island into a regional high-class sea-island eco-tourist center. To develop diversified tourist, sports and entertainment and recreational activities on both the island and the sea. To build a number of high-class entertainment and recreational complexes (including casinos) to strongly attract tourists, especially foreign tourists. To promote cooperation with countries adjacent to the Gulf of Thailand to open air and sea tourist routes from Phu Quoc to major cities and tourist sites in regional countries.

- To quickly develop various services, especially commercial, financial, banking and other high-class services associated with tourism, and step by step build Phu Quoc island into a big regional commercial and financial hub. To build modern trade centers in Duong Dong, Duong To and An Thoi; to develop the service of holding domestic and international conferences and seminars.
- To develop forest and agricultural production on the island in the direction of creating ecoenvironmental landscape to attract tourists. To maintain the current fishing output in the area while expanding fishing in the high seas. To step up the rearing of aquatic resources, especially those of high economic value, specialty species and ornamental fishes, around islands to serve tourists and for export. To quickly establish and put into effective operation a sea conservation zone to attract tourists.
- To develop the industries of food and beverage, consumer goods, jewelry, souvenirs, sea-going ship repair, fishing and aquaculture, and seafood processing. To form a number of industrial complexes of appropriate size in Duong To and An Thoi to accommodate clean and hi-tech industries to serve tourism and export. To upgrade and expand existing urban centers; to build Duong To new urban center into a trade, financial, cultural and tourist hub of the whole region.
- To develop modem infrastructure to meet the island's development requirements focusing on tourism, high-grade services and security and defense assurance. To quickly build a system of roads and an airport on the island and a system of seaports. To concentrate on building a transisland trunk road from An Thoi-Duong Dong-Bai Thorn; a ring road and feeder sections to tourist sites and residential areas. To build tourist ports in Dat Do bay; Duong Dong port, Bai Vong; An Thoi and Vinh Dam cargo ports and other passenger ports of appropriate size to serve tourists. To build Duong To international airport (handling around 2 million passengers a year) and put it into operation after 2010. To build a diesel power plant, develop wind and solar power, and lay submerged electricity cable lines from the mainland to the island and a common power grid on the entire island. To build other infrastructure facilities such as water supply and drainage, post and telecommunications to meet the requirements for rapid development and defense and security assurance on the island.

c/ To develop coastal urban centers:

- To speed up urbanization, build a number of coastal urban centers into strong marine economic centers, seaward centers and growth cores in each area to promote sea-island economy.
- To concentrate on developing a number of the region's central urban centers into strong seaward marine economic centers closely linked with the inland.

- + To build Rach Gia city into a strong marine economic center and a big and modern national fishing center, at the same time as a strong base for promoting full exploitation in the country's southwestern sea.
- + To develop Ca Mau city in association with Ca Mau gas, electricity and nitrogenous fertilizer complex and satellite urban centers, forming a big urban cluster and a strong economic center in the east.
- + To build Ha Tien into a major regional tourist and service center and concurrently a modern border-gate city in the country's southwestern border area.
- To build other urban centers in areas where marine exploitation activities are concentrated, such as Nam Cam, Song Doc, Kien Luong-Hon Chong and Phu Quoc, into focal coastal ones and strong seaward centers in order to expand full exploitation in the Thailand gulf sea in combination with security and defense assurance. To study building Nam Can economic zone to bring into the fullest play the potential and advantages of the region, creating a driving force for promoting economic development in Ca Mau province in particular and Vietnam's sea and coastal areas in the Gulf of Thailand in general.
- To rationally plan the development of other urban centers. To combine upgrading and expanding existing townships with building new urban centers along the coast, such as Tan An, Dat Mui, Ham Rong. Khanh Hoi and Hon Da Bac (Ca Mau), U Minh, Xeo Nhau and Ba Hon (Kien Giang)... as growth cores for each area. To form many small and medium urban centers into a network of coastal urban centers which are closely interlinked and link coastal with inland areas, promoting the process of agricultural and rural industrialization and modernization. To develop the system of urban centers in the region with a long vision (beyond 2020) so as to arrange sufficient space for upgrading and expanding urban centers in subsequent periods.

d/ To develop island economy suitable to the role, function, potential and advantages of each island:

To further step up emigration to islands, especially those located at important outpost positions such as Tho Chu, Nam Du and a number of islands in the southwestern tip adjacent to Cambodia's sea for developing island economy in combination with protecting security and sovereignty on the sea. To concentrate on investment in building infrastructure on islands especially essential infrastructure facilities to encourage people to settle and develop economy on the islands. To restructure island economy along the line of prioritizing the development of advantaged industries such as fishing and aquaculture, fishing services, tourism and marine services.

To quickly and comprehensively build urban infrastructure facilities on Hon Tre island, ensuring its function as a center of Kien Hai district. To invest in building Tho Chu island into a big fishing service center of the region. To plan some big and important islands, namely Hon Tre. Hon Rai, Hon Nghe. Nam Du, Hon Khoai, etc. into economically developed islands which also serve as strong bases for ensuring defense, security and sovereignty on the country's sea and island areas.

2. Orientations for the development of industries and sectors

a/ Concentrating on strongly developing marine industries

- To comprehensively develop and modernize the fisheries sector, build Vietnam's sea and island areas in the Gulf of Thailand into a key fisheries region of the whole country achieving an advanced regional level. To continue modernizing the fisheries sector in all areas. To rationally

restructure rearing and fishing in combination with processing and sale and resource protection, ensuring sustainable development. By 2020, the region's fisheries output will reach 800,000-850,000 tons, accounting 18-19% of the country's total output, with 400,000-420,000 tons from fishing (including 250,000 tons from the Gulf of Thailand), of which 70% will be from offshore fishing. The total area under aquaculture will reach about 350,000 ha (including 300,000 specialized ha), producing over 400,000 tons and generating an export value of over USD 2 billion.

To strongly restructure production from onshore to offshore fishing in association with protecting and developing resources. To invest in developing big fleets (of over 100 CV) and building fishing logistics establishments along the coastline and on a number of islands for expanding offshore fishing, especially in overlapping areas, in combination with assuring security, defense and national sovereignty on the sea. To promote aquaculture in all water surface areas by ecological and environmentally friendly rearing. To prioritize the development of industrial and semi-industrial aquaculture in areas where conditions permit. To develop the rearing of tidal mollusks and specialty fishes on the sea in association with tourism. To continue investment in modernizing existing aquatic product processing establishments and building a number of modern ones on areas with convenient infrastructure, marketing, trade and waste treatment conditions such as in industrial parks of Tac Cau, An Thoi and Hoa Trung and some others, to produce quality products for export. To form two regional aquatic product processing centers in Ca Mau city and Tac Cau (Kien Giang).

- To quickly and sustainably develop sea-island and coastal tourism into a spearhead industry, making active contributions to economic growth and restructuring in the region. To rationally organize tourist space in the entire region. To build complete tourist infrastructure and recreational facilities on Phu Quoc island; to develop tourism of diversified types and high-quality entertainment and recreational complexes on the sea and the island, building soon Phu Quoc island into a high-grade and modern sea-island ecological tourist resort of regional and international level. To promote cooperation with countries adjacent to the Gulf of Thailand in forming international tours linking tourist sites in Vietnam's sea and island areas in the Gulf of Thailand in general and on Phu Quoc island in particular with famous regional tourist destinations, especially after the southern trans-Asia road and the Nanning (China)-Singapore economic axis are completed.

To build Ha Tien-Kien Luong and Nam Can-Dat Mui tourist clusters and intra-regional and inter-regional tourist routes to link with tourism on Phu Quoc island, promoting quick and sustainable development in the entire region. To continue investment in building synchronous and complete infrastructure facilities in such key tourist resorts as Mui Nai. Hon Trem, Thach Dong, Dong Ho, Chua Hang, Khai Long and Dat Mui, and tourist attractions in Ca Mau and Rach Gia cities. To quickly build Ha Tien tourist zone linked with border-gate economic zone development. To form Ca Mau-Ha Tien-Can Tho. Rach Gia-Ha Tien-Chau Doc and Rach Gia-Ca Mau-Phu Quoc tourist development triangles so as to link tourism between coastal and inland areas. To associate tourist development with protecting and embellishing historical and cultural relics and protecting the environment and typical coastal eco-systems.

To step up tourist information and promotion activities to call for investment and attract tourists. To strive for around 1.3-1.4 million tourist arrivals, including 350,000-400,000 foreign tourist arrivals by 2010. and over 3 million tourist arrivals, including 1 million foreign tourist arrivals by 2020, recording an annual average growth rate of 9-10%. To attach importance to developing quality human resources to meet the requirement for rapid development in the coming years.

- To develop gas exploration, exploitation and processing. To step up domestic investment and management of oil and gas prospecting and exploration in the region to verify commerciality for exploitation development planning. To take the initiative in conducting geological research and

survey to precisely assess the oil and gas potential and deposits in prospective blocks and formations.

To continue attracting foreign investors, especially big oil and gas companies, to invest in prospecting, exploring and exploiting oil and gas in Vietnam's sea areas in the Gulf of Thailand. To step up oil and gas exploitation in blocks with identified deposits and in overlapping sea areas. To speed up the performance of oil and gas contracts in discoveries for which oil well development has been planned for early exploitation. Especially, to step up extraction in oil and gas wells in the sea areas under the joint exploitation cooperation agreement with Malaysia (PM-3) so as to effectively tap natural resources in this area.

To complete the building of the gas pipelines PM3-Ca Mau and Blocks B, 52, and 49-Tra Noc; to continue building some other gas pipelines from the Gulf of Thailand to the shore to supply gas for the power plants of O Mon and Tra Noc and other gas processing establishments in the region. To build a nitrogenous fertilizer plant with an annual capacity of 800,000 tons of urea in Ca Mau gas-electricity-nitrogenous fertilizer complex and put it into operation after 2010. To attract investment in building a liquefied gas plant and a number of other chemical facilities using low-pressure gas from the Gulf of Thailand.

- To comprehensively develop maritime economy. To make use of every possibility to develop maritime economy including a system of seaports, fleets, ship building and repair, port services and navigational services, creating a precondition for seaward development, at the same time supporting and promoting the development of other sectors.

To rationally develop the regional seaport system. To upgrade and expand Nam Can port (Ca Mau) and Hon Chong port (Kien Giang) to reach an annual capacity of 700,000-800,000 tons and BinhTri cement port with an annual capacity of between 1.8- 2 million tons. To build Bai No port (Ha Tien) with an annual capacity of 500,000 tons and Nam Du special-use port for Kien Luong thermo power center. To build in a coordinated manner seaports on Phu Quoc island, including An Thoi port (to accommodate 3,000- DWT ships and a floating wharf to receive ships of up to 30,000 DWT); Vinh Dam port (to receive 3,000-DWT ships and passenger ships of 2,000 passengers); Duong Dong passenger port, Mui Dat Do (to receive ships of 2,000 passengers) and piers for tourist boats and yachts, to meet the island's rapid development requirements. To step by step build on Phu Quoc island a big seaport and maritime service center of the Thailand Gulf area.

To build a sea-going fleet with a suitable structure, meeting the regional cargo and passenger transportation demands. To step up onshore transportation to other regions nationwide; to open sea-shipping routes to islands closely linking islands and the mainland. To develop sea shipping to Cambodia, Thailand and Malaysia. To open high-speed passenger transportation routes from Ca Mau, Nam Can, Rach Gia, Ha Tien... to Phu Quoc island and from Phu Quoc island and Ha Tien to big coastal urban centers in countries adjacent to the Gulf of Thailand to promote tourist development. To completely build other service infrastructure facilities such as a system of port logistics services and crew and ship chandler services, a system of navigational safety communication, a system of marine control and guard radars, a system of lighthouses, marking buoys, salvage and rescue to meet the requirements of marine economic development, security and defense.

b/ Developing coastal industries

- To strongly develop coastal industries, to create a dominant industrial development in the region's economic structure, concurrently serving as a foundation for rapid and efficient growth. To prioritize the development of advantaged industries and basic and key industries such as gas processing, power generation, shipbuilding, cement production and hi-tech aquatic product

processing, so that by 2020 Vietnam's sea and coastal areas in the Gulf of Thailand will have a steady and modernly structured industry.

To concentrate on completely building Ca Man power plant 1 (750 MW); to accelerate the building of Ca Mau power plant 2 (750 MW) and put them into operation according to plan. To build Ca Mau nitrogenous fertilizer plant (800.000 tons/year) and put it into operation after 2010. To invest in building Kien Luong thermal power center with a capacity of 4,400 MW (about 1,200 MW at the first stage). To build a diesel power plant with a capacity of 21.5 MW on Phu Quoc island in 2010, meeting the island's development requirements. To develop wind and solar power in coastal areas and on islands.

To upgrade and expand existing cement plants; to install new production lines to increase the region's cement production capacity to 4.1 million tons of cement and 4.4 million tons of clinker by 2010 and further raise such capacity after 2010. To develop the production of other building materials. To build a clinker grinding station and a tunnel brick factory on Phu Quoc so as to ready materials for construction activities on the island.

To continue investment in increasing the capacity of existing fishing vessel building and repair establishments and build a number of new ones in Song Doc, Nam Can and Hon Khoai (Ca Mau), Rach Gia and An Thoi (Kien Giang) which will mostly build large-capacity ships for offshore fishing. To speed up the building of Nam Can shipyard (Ca Mau); to attract investment in building Hon Chong shipyard (Kien Giang), forming a big sea-going ship building cenier to meet the regional ship building and repair demand.

To develop the processing of quality agricultural and aquatic products for export and tourism. To invest in renewing equipment of existing export rice processors; to build new export rice husking and polishing units with an annual capacity of 20,000-40,000 tons in such key areas as Tran Van Thoi (Ca Mau), Rach Gia and Hon Dat (Kien Giang), so as to increase the entire region's rice processing capacity to 2.7-2.8 million tons by 2010 and over 3.5 million tons by 2020.

To develop other industries such as garments, footwear, timber processing, electronics, electric home appliances, repair mechanics, and home furniture to suit the conditions of each locality. To prioritize the development of industries serving agriculture and fishing, contributing to the restructuring of coastal and rural economies.

Regarding development of industrial parks, to concentrate on completely building Ca Mau gaselectricity-nitrogenous fertilizer complex. To quickly develop the Binh An-Kien Luong heavy industry zone, to step by step form two big and modern industrial centers, creating a breakthrough in the regional growth and industrial restructuring. To continue investment in building infrastructure in existing industrial parks, promote the attraction of investment to raise the occupancy rates of industrial parks. To establish a number of new industrial parks such as Thach Loc, U Minh and Thuan Yen (Kien Giang); HoaTrung, Song Doc and Nam Can (Ca Mau) to meet the region's development requirements.

- To develop diversified services to promote industrial development and improve the people's life. To prioritize the development of marine services and high added value services, such as import and export, tourist, fishing, oil and gas, transportation, financial, banking, post and telecommunications, so that services will truly become a dynamic economic sector, create numerous jobs and make significant contributions to the regional economy.

To synchronously develop in the region a modern trade system to meet the integration requirements. To form in the region two key trade centers in Ca Mau and Rach Gia cities. To build a number of modern trade centers on Phu Quoc island and in Ha Tien border-gate economic zone in association with tourist development. To build other trade centers in towns,

district centers and coastal economic clusters functioning as wholesale markets in each area. To renovate, upgrade and build a system of marketplaces and trade points in townlets and rural areas, gradually forming a smoothly operating market to facilitate convenient circulation of goods all over the region.

To step up import and export activities. To completely build Ha Tien border-gate economic zone while investing in Xa Xia international border gate; to upgrade Giang Thanh border gate for expanding trade between Vietnam's sea and coastal areas in the Gulf of Thailand with Cambodia and regional countries.

To develop financial and banking services. To create favorable conditions for major financial companies to invest and open branches in the region, especially on Phu Quoc island. To mobilize countries adjacent to the Gulf of Thailand and international organizations to set up a Thailand gulf region development fund for rapid development and connection of regional economic corridors and axes.

To diversely develop, and raise the quality of, transportation, port, aviation, fishery, telecommunications, information technology and other services. To form some new services such as oil and gas and search and rescue, to promote marine economy in the region.

- To develop eco-agriculture and -forestry along the coastline towards high productivity and quality and sustainability. To invest in developing agriculture intensively and establish consolidated intensive farming zones associated with the processing industry so as to effectively restructure agricultural and rural production. To develop high-yield and specialty rice areas for export. To convert part of rice-growing areas to aquaculture and plantation of industrial plants, fruit trees and food crops in line with the land use planning of each locality with a view to increasing production efficiency. To expand modem and effective production models such as farm economy and hi-tech agriculture zones to produce quality goods for tourism and export. To further restructure cultivation and animal rearing to suit the six coastal eco-agricultural subregions in the region and incrementally build a modem and sustainable agriculture.

To restore and develop submerged forests to increase forest coverage to 20-21% to meet the requirements of coastal protection associated with tourism development. To further socialize silviculture. To step up the zoning off for tending and regeneration of protection and special-use forests, especially the national parks of Phu Quoc, U Minh Thuong, U Minh Ha and Mui Ca Mau, nature reserves and forests on islands. To develop the planting of production forests, encourage investment in intensive and high-yield forestation linked with forest product processing and tourist business.

3. To comprehensively develop and modernize the infrastructure system, especially transport infrastructure, to meet the region's rapid development requirements

To completely build and modernize the road system, especially coastal roads and roads linking to inland regions, creating favorable conditions for region-wide trade and a necessary precondition for strongly attracting development investment in the coming period.

To build southern coastal traffic routes from Nam Can-Ca Mau- Rach Gia- Ha Tien within the Thailand gulf coastal economic corridor. To build a new road along the coastline from Nam Can through Song Doc to Rach Gia for coastal economic development in combination with security and defense maintenance. To renovate, upgrade and expand routes linking Vietnam's sea and coastal areas in the Gulf of Thailand with the inland (national highways 1A, 61.63, 80, N1 and N2) up to grade-III delta road standards and all roads leading to district centers, industrial parks, new urban centers and coastal economic clusters up to grade IV or grade III, forming an interconnected network of roads all over the region to promote production and trade development.

To mobilize all resources for rural transport development. By 2010, all the region's communes will have motor roads to commune centers (excluding commune islets), the percentage of hard-surface roads will reach 70% and basically all temporary bridges will be built permanently. After 2010, to continue investment in upgrading roads to commune centers to reach grade-V delta road standards, with some routes of economic, security and defense importance reaching grade IV.

To maintain and renovate riverways, especially those from Ho Chi Minh City to Ca Mau and Rach Gia-Kien Luong, in order to bring into play the region's inland waterway transport advantages.

To renovate and upgrade Ca Mau and Rach Gia airports to reach an annual capacity of 300,000 passengers, maintain Duong Dong airport (Phu Quoc) with an annual capacity of 300,000 passengers on domestic flights. To build Duong To international airport (Phu Quoc) of 4E level, which will be able to receive medium-range aircraft such as B767 and equivalent and some 2 million passengers/year in the initial stage. After 2020, it will be expanded in line with the region's development.

To build a complete power supply network in the region. To invest in building new important power lines such as Kien Giang-Thot Not, Kien Giang-Duc Hoa, Ca Mau-Rach Gia, Ca Mau-Bac Lieu, Ca Mau-Cai Nuoc and Rach Gia-Kien Luong and low-tension stations for cities, towns and industrial centers. To expand the power grid to coastal economic clusters. By 2010, about 90% of households in the region will have electricity, which will rise to 100% before 2015. To build submarine cable lines to transmit electricity from the national power grid to Phu Quoc island and put them into use after 2010.

To invest in building water supply and drainage systems, post and telecommunications infrastructure and information technology to meet the region's socio-economic development requirements. To complete the building of water plants in Rach Gia, Ca Mau, Tan Hiep, Chau Thanh... To upgrade Duong Dong water plant (Phu Quoc). To build a number of reservoirs and water supply stations on scattered small islands. To develop a modern coastal and maritime communication system, ensuring constant and timely communication to meet the requirements of increased marine exploitation and assuring security and defense in sea areas and on islands.

4. To build a complete system of works for natural disaster control, search and rescue to assure the highest safety for socio-economic development

To invest in upgrading the sea dyke system together with building a new road along the coastline from Nam Can to Rach Gia to meet the requirement of natural disaster control at a high safety level in combination with socio-economic development, security and defense. To upgrade and renovate fishing wharves from existing mooring areas; to build regional mooring zones at the estuaries of Ong Doc river, Rach Goc and Hon Tre and other mooring places, forming a system of sheltering zones along the coastline and on islands, ensuring the highest safety for fishing vessels and fishermen operating in the Gulf of Thailand and some areas in the southeastern sea.

To build a search and rescue communication system which is complete in terms of both equipment and human resources, both on shore and aboard vessels, to ensure safety for operations on the sea. To effectively use existing equipment and resources of economic and defense sectors for search and rescue operations. To build on-spot response forces in all localities in the region. To closely collaborate resources and effectively use equipment available in the region, such as the southern search and rescue coordination center, the maritime search and rescue center, the fisheries search and rescue center, the southern oil spill response center, and the border guard's search and rescue force, in search and rescue operations.

To comprehensively develop the system of search and rescue equipment and infrastructure in the region. To build one modern satellite technology communication station; one regional search and

rescue station on Hon Khoai island and a number of search and rescue coordination stations on Tho Chu and Phu Quoc islands to meet the requirements of search and rescue operations in the entire region. To study the building of a national natural disaster early warning center in Vietnam's sea and coastal areas in the Gulf of Thailand, step by step forming a scientific, modem and professional search and rescue system in the entire region to meet the requirement of expanded search and rescue operations and international and regional integration in this field.

5. To comprehensively develop social fields, ensuring harmony with economic development

a/ Science and technology: To promote scientific and technological activities, intensify the application of new techniques and technologies to production to create quality and competitive products. To build and expand effective production models such as eco-agriculture-fishery, hitech agriculture zone... To encourage the development of scientific and technological enterprises. To support enterprises in building up brands for the region's advantageous and typical products. To widely apply information technology to production and management in order to raise the economy's effectiveness.

b/ Education and training: To develop education and training towards standardization, modernization and socialization. To complete the program on universalization of lower secondary education before 2010 and universalization of upper secondary education in the entire region before 2020. To continue implementing the program on building permanent schools and classrooms in combination with standardizing and improving their material foundations; to build, and raise the quality of teaching staffs at all levels with a view to increasing the rate of national-standard schools. To promote training and retraining for cadres, public servants, businesspeople and laborers in the region, especially in the advantaged fields such as fishing, aquaculture and aquatic product processing, mechanical repair, construction, electricity and tourism and such occupations as sailor and mechanic, to meet the region's development requirements. To build Kien Giang university, set up a community college in Ca Mau and colleges and vocational training schools in the provinces. To build a number of vocational training schools on Phu Quoc. To increase the trained labor percentage in the region to around 25% by 2010 and over 50% by 2020.

c/ Healthcare: To develop a complete healthcare network from the provincial to grassroots level, with 100% of communes in the region reaching national health standards by 2010. To completely build provincial hospitals and upgrade district hospitals, regional general hospitals, preventive medicine centers and social disease centers, meeting the people's healthcare needs. To build one regional general hospital in Chau Thanh (Kien Giang) and one complete general hospital on Phu Quoc with modern equipment capable of providing medical examination and treatment for foreigners, especially international tourists. To attach importance to developing marine medicine. To step by step build a complete marine healthcare network meeting the requirement of promoted marine exploitation in the coming time.

d/ Culture, information and sports: To build complete grassroots cultural, sports and information institutions. To prioritize investment in community cultural institutions such as cultural-sports centers, cultural houses, parks, entertainment and recreational centers... To strive for the targets that by 2010 all cities, districts and towns and 40-45% of communes and wards in the region will have cultural-sports centers; 100% and 85-90% of households in the region will be covered by radio and television broadcasting respectively. To strengthen the system of distribution of information, books and newspapers to deep-lying and far-flung communes and islands. To step up socialization of cultural and sports activities; to develop mass sports and properly implement physical education in schools.

dd/ Other social fields: To continue the effective implementation of the national target poverty reduction program in the region to reduce the percentage of poor households (according to the

new poverty line) to below 10% by 2010 and below 3% by 2020. To make detailed plans on hunger elimination and poverty reduction suitable to the conditions of each locality and area. To effectively integrate programs and projects in the region into hunger elimination and poverty reduction and employment activities, especially in ethnic minority, deep-lying, far-flung, coastal and island areas. To properly implement social policies towards war invalids' and fallen heroes' families, people with meritorious services to the revolution and other social policy beneficiaries.

6. To promote and consolidate defense and security to firmly protect national sovereignty and interests on the sea

To build defense and security strong in both manpower and equipment to maintain peace, stability and development in Vietnam's sea and coastal areas in the Gulf of Thailand. To drive back the danger of armed conflicts, promptly and effectively stop activities of encroaching and infringing upon national sovereignty and interests on the sea. To develop complete and modern sea and island management and protection forces together with the coastal defense and guard system. To bring into full play the aggregate strength of armed forces and militia and self-defense forces, forming an all-people defense disposition and people's security to firmly protect the country's sea and island areas.

To build up complete and modern forces functioning to manage and protect the sea and islands (navy, border guard, marine police and air force) and station them in an appropriate manner ready to respond to any circumstances. To upgrade existing defense and security works along the coastline and on islands and build new ones to serve combat operations on the sea. The construction of defense establishments along the coastline and on islands (such as piers, ship repair units, maritime assurance system and army medical facilities) must be studied to ensure that they can serve both defense and security and marine economy development. To closely combine economic development with strengthening defense and security on the sea and vice versa, making active contributions to accelerating national industrialization and modernization in general and development of Vietnam's sea and coastal areas in the Gulf of Thailand in particular.

7. Environmental protection and sustainable development

From now to 2020, development investment in Vietnam's sea and coastal areas in the Gulf of Thailand will be increased to bring into play the region's potential and advantages, especially those of the sea and coastal areas. To ensure fast, effective and sustainable development, measures which are proactive and synchronous in both techniques and mechanisms and policies should be taken. Specifically:

- To closely manage fishing activities, especially in tidal and onshore areas. To prescribe specific numbers of vessels, fishing trades and maximum catches for each region and season in order to protect and develop resources.
- To set up a system of permanent and sustainable protection forests. To restore and develop submerged forests, especially in U Minh and Dam Doi areas and Ca Mau peninsula. To strictly protect the existing national parks; to build a number of other conservation zones to protect and restore typical ecosystems in the region.
- To closely control the use of pesticides and chemical fertilizers on agriculture and aquaculture so as to limit pollution. To consolidate the system of plant protection centers and stations to ensure the effective control of inputs and outputs of food, fertilizers and plant protection chemicals.
- To intensify environmental protection in urban areas and industrial parks. To quickly relocate seriously polluting facilities and factories out of the downtown areas of big cities like Ca Mau and

Rach Gia; at the same time, to thoroughly treat wastes in order to protect the environment, build complete and step by step modernize wastewater drainage and treatment systems in urban centers, industrial parks and tourist resorts, ensuring that all wastewater be treated up to Vietnam standards before being discharged in the common water drainage system. To plan suitable locations and sizes of garbage treatment sites for cities, towns, townships and industrial parks. Incinerators of appropriate size must be built for on-spot disposal of hospital wastes. To adopt special policies and regulations on protection of natural resources and the environment on Phu Quoc island, ensuring sustainable development.

- To promote marine and coastal environmental protection. To closely manage the discharge of wastes by seagoing ships. To build a force specializing in coping with oil spills on Vietnam's sea and coastal areas in the Gulf of Thailand. To increase the prevention and control of the erosion of the coast and on islands, especially the area from Ganh Hao to Rach Goc. To completely build the sea dyke system. To prepare plans for dyke protection, relocation and protection of the lives and property of inhabitants in coastal areas prone to typhoons.
- To enhance the capacity of state management of environmental protection at all levels and in all branches. To issue strict regulations on evaluation and justification of environmental protection plans for approval of development projects, especially facilities that may cause serious pollution such as chemical facilities, seaports, shipbuilding yards and thermo-power plants. To increase and effectively use funds for environmental protection activities. To mobilize production and business establishments in the localities to contribute funds for building waste treatment systems on the principle that beneficiaries pay and polluters make investment to treat pollution. To step up propaganda and education to raise public awareness about environmental protection.

8. Development of international cooperation

To promote international cooperation along the line of multilateralizing and diversifying forms and areas of cooperation. To increase at-sea cooperation with neighboring countries in such areas as:

- Sea delineation: To promote cooperation with neighboring countries to settle marine disputes, establish sea areas in the Gulf of Thailand under Vietnam's sovereignty, sovereign rights and jurisdiction. To develop mechanisms for negotiations on cooperation with Cambodia on the two countries' historical waters to ensure stability and development and create favorable conditions for fishing activities of two countries' peoples; to delineate the economic exclusive zones and continental shelves with Malaysia and among Vietnam. Malaysia and Thailand, creating stability for development.
- Marine resources: To promote cooperation with countries adjacent to the Gulf of Thailand in fishing ground investigation and research; to exploit, manage, protect and regenerate marine resources, especially those in the high seas, and rear specialty marine resources in the sea. To quickly negotiate on the signing of fishery agreements with countries adjacent to the Gulf of Thailand in order to expand exploitation in foreign sea areas.
- Oil and gas exploration and exploitation: To continue cooperating with concerned countries in implementing the concluded agreements on oil and gas exploration and exploitation in overlapping sea areas. To step up cooperation with Malaysia in developing and exploiting oil and gas fields in the joint exploitation cooperation area (PM-3) and prospecting and exploring other fields in the overlapping area between the two countries. To expand cooperation with other world oil and gas corporations, especially big ones, to develop in the form of production sharing oil and gas exploration and exploitation in Vietnam's sea blocks in the Gulf of Thailand.
- Marine and coastal tourism development: To promote cooperation with external partners in developing sea-island tourism, especially developing Phu Quoc high-grade eco-tourist resort to

create high-grade and -quality tourist products in Southeast Asia. To enhance cooperation with countries adjacent to the Gull of Thailand in building material and technical foundations for developing tourism. To build international tourist routes linking countries adjacent to and tourist routes around the Gulf of Thailand to connect regional countries.

- Marine science and technology: To expand cooperation on marine scientific and technological basic investigation and research To formulate a program on regular and long-term cooperation with countries adjacent to the Gulf of Thailand so as to implement joint programs on general marine surveys of the Gulf of Thailand to build a complete, synchronous and reliable database for the effective and sustainable marine management and exploitation of the Gulf of Thailand.
- To promote other areas of cooperation such as marine environmental management and protection; search and rescue and natural disaster warning; to ensure safety and security on the sea. To develop cooperation with countries adjacent to the Gulf of Thailand in infrastructure building (especially the coastal transport route linking the countries), trade, finance, banking, sea shipping, post, telecommunications, culture and education, for rapid development and, at the same time strengthening and developing the cooperation and friendship between Vietnam and countries adjacent to the Gulf of Thailand.

IV. IMPLEMENTATION ROADMAP

- 1. From now to 2010: To form the Thailand gulf coastal economic corridor and Phu Quoc special administrative-economic zone; to build basic infrastructure facilities in the region; to promote investment in key works, creating conditions for rapid development in the subsequent periods.
- 2. From 2011 to 2020: To continue investment in comprehensively developing and modernizing infrastructure facilities in the region; to complete the building of the region's important works and put them into operation according to the master plan; to develop Phu Quoc special administrative-economic zone according to the master plan.

V. IMPLEMENTATION SOLUTIONS

1. To formulate and complete mechanisms and policies

- To continue reviewing, supplementing and concretizing policies to bring into play all resources and economic sectors for quickly developing and modernizing a number of important sectors and driving territorial areas. To concentrate investment in breakthrough and urgent sectors and areas.
- To prioritize sufficient investment funds for building Phu Quoc island infrastructure. On the basis of the Regulation on organization and operation of the island issued together with the Prime Minister's Decision No. 38/2006/QD-TTg of February 14, 2006, ministries, branches and localities shall further concretize specific incentive policies for domestic and foreign investors to quickly make development investment in the coming time.
- To formulate special policies to encourage organizations and individuals to step up the exploitation of marine resources (marine resources, oil and gas, minerals...) in overlapping sea areas and areas under joint exploitation. To add and concretize current policies and formulate specific policies to build coastal rural areas and islands in the three aspects: people's intellectual level, people's life and democracy.
- To add support policies for the building of infrastructure on important islands. To adopt satisfactory investment policies for the program on building the region's islands economically strong, functioning both as outposts and firm logistic bases in defense and security. To

encourage and support people to settle and develop economy on islands. To introduce special mechanisms for investment in building offshore fixed works to affirm national sovereignty on the sea. To supply necessary equipment for sea protection forces, especially the navy and marine police, to enable their control and protection of the country's sea areas.

2. To continue administrative reform

- To further promote administrative reform towards streamlining the administrative apparatus; to simplify administrative procedures, especially those related to housing and land, and investment and construction licensing. To make public and transparent state and local policies.
- To promote the application of the "interagency one-stop shop" mechanism in the domains under local management agencies. To continue scrutinizing and revising administrative procedures, abolishing inappropriate regulations and rules and cumbersome and overlapping procedures vulnerable to abuse. To raise the qualifications of cadres and public servants; to renew the way of thinking and methods of economic administration to accord with the market mechanism and international integration.

3. To develop quality human resources to meet the region's requirements for development towards industrialization and modernization

- To adopt positive policies to attract and train human resources, especially for marine industries, and step by step build a quality workforce to meet the region's rapid development requirements in the coming period. To study and promulgate specific incentive policies and regimes to attract technicians, specialists and talented entrepreneurs from other regions to work permanently in Vietnam's sea and coastal areas in the Gulf of Thailand.
- To expand vocational training in various forms, focusing on marine trades and the region's advantageous sectors. To increase training and retraining for cadres and public servants at all levels. To enhance the training capacity for colleges and professional secondary schools; to attach importance to investment in vocational teaching centers. To encourage big enterprises in the region to teach jobs for local laborers.

4. Scientific and technological solutions

- To renew the management of science and technology in accordance with the market mechanism and the international integration requirements. To intensify the application of new technologies to production, especially marine technologies. To adopt mechanisms to both encourage and compel enterprises to invest in technological research and improvement and application of new and appropriate technologies to production.
- To promote basic marine surveys and scientific and technological research to acquire sufficient scientific grounds for drawing up long-term, effective and sustainable marine exploitation plans. To set up a sub-institute (or center) for Thailand gulf research. To expand cooperation with countries adjacent to the Gulf of Thailand in marine investigation and research. To adopt incentive policies to attract qualified science workers to work in the region.

5. To mobilize and efficiently use funding sources for development

The region's investment capital demand up to 2020 is estimated at about VND 550 trillion (at current prices), including VND 70 trillion from now to 2010 and VND 480 trillion for the 2011-2020 period. To meet this demand, it is necessary to implement comprehensive and active measures to attract all possible funding sources in all forms, focusing on the following major measures:

- To identify priority works and areas and priority levels for calling investment from all economic sectors at home and abroad. To popularize and publicize the region's strengths, locations, roles and investment attraction possibility of driving economic zones, industrial parks and clusters and key tourist resorts. To introduce incentives policies (on land, funding support, ground clearance, tax and administrative procedures...) for investors of infrastructure in industrial parks and economic zones in the region. To reasonably exploit and use land funds to generate capital for building infrastructure in industrial parks and urban centers.
- To step up the attraction and effective use of allocated budget funds. On the basis of the Government's action program to implement the Political Bureau's Resolution No. 09/NQ-TW of February 9, 2007, on Vietnam's marine strategy up to 2020. the regional provinces should closely collaborate with ministries and branches in carrying out ongoing works and projects of ministries and branches according to schedule while incorporating the region's key works and projects into development plannings and plans of ministries and branches for timely arranging development investment funds. Ministries and central branches shall prioritize sufficient funding sources for Vietnam's sea and coastal areas in the Gulf of Thailand for developing Phu Quoc island under the Prime Minister's Decisions No. 178/2004/QD-TTg of October 5,2(XM, approving the scheme on the master plan on Phu Quoc island, Kien Giang province, up to 2010, with a vision towards 2020, No. 38/2006/QD-TTg of February 14, 2006, promulgating the Regulation on organization and operation of Phu Quoc island and Nam An Thoi islands, Kien Giang province, and No. 14/QD-TTg of January 14, 2006, approving the planning on sustainable transport development on Phu Quoc island. Kien Giang province, up to 2010 and orientations towards 2020.
- To step up production and business and take measures to nurture revenue sources in order to increase local budgets. To use investment funds for proper purposes according to projects through bidding. To enhance investment and construction management to prevent losses and wastes, especially in capital construction. To effectively integrate ongoing programs and projects in the localities in order to use investment funds more effectively.
- To study the establishment of an infrastructure construction investment fund for the region as a channel for attracting mid-term and long-term capital for developing infrastructure and spearhead industries. To encourage domestic and foreign banks and credit institutions to open branches or representative offices in Vietnam's sea and coastal areas in the Gulf of Thailand.
- To raise credit and joint-stock capital. To expand forms of lending and eligible borrowers, simplify lending procedures, creating favorable conditions for enterprises and all economic sectors to access this funding source. To encourage the development of joint-stock enterprises and speed up the equitization of slate enterprises.
- To further administrative reform and create an open investment environment. To apply incentive policies on enterprise income tax and import and export duty exemption and reduction; land use tax, rent and levy exemption arid reduction; to support ground clearance and resettlement for enterprises developing production and business in the localities. To use certain state funds to attract enterprises' investment capital. To encourage the development of small- and medium-sized enterprises.
- To encourage investment from the people and private sector. To create favorable conditions for the private economy to make development investment without any restrictions on size, trade, sector and locality. To mobilize people's contributions (in both cash and public labor) in accordance with state regulations to building rural infrastructure, especially in rural coastal areas and islands.
- To closely collaborate with ministries and central branches and international organizations to mobilize ODA projects. To formulate specific projects and proactively arrange domestic

contributed capital as a basis for mobilizing financial assistance. To make Use of funding sources of international organizations for programs on hunger elimination and poverty reduction, rural clean water, environmental sanitation, health and education.

- To renew the FD1 attraction mechanism and formulate comprehensive mechanisms and policies to attract appropriate FDI sources for the integration process. To further promote domestic and foreign investment. To prioritize attraction of big and significant projects. To support potential big investment projects in Vietnam's sea and coastal areas in the Gulf of Thailand. To widely apply such forms of investment as BOT, BT and others.

6. Organization of implementation

On the basis of the master plan on socioeconomic development of Vietnam's sea and coastal areas in the Gulf of Thailand up to 2020. concerned ministries and branches and the regional provinces should concretize the master plan and incorporate its contents in their development programs and plans for implementation. Specifically:

- The Ministry of Planning and Investment shall assume the prime responsibility for, and coordinate with concerned ministries and branches and the regional provinces in, formulating a common action program for Vietnam's sea and coastal areas in the Gulf of Thailand (defining specific responsibilities and clear collaboration regime); to coordinate with the Ministry of Finance in balancing and mobilizing investment capital sources for the region's development.
- Concerned ministries and branches shall formulate their own action programs and organize the implementation of the master plan; integrate the development objectives, orientations, tasks and solutions laid down in the master plan into their respective development plannings nationwide; coordinate with other concerned ministries and branches and Ca Mau and Kien Giang provinces in balancing resources for the development of Vietnam's sea and coastal areas in the Gulf of Thailand according to the master plan.
- Ca Mau and Kien Giang provinces shall review, adjust and supplement their socioeconomic development master plans and those of their coastal districts, towns and cities; integrate the objectives and orientations laid down in this master plan into their socioeconomic development master plans and those of their coastal districts, towns and cities; and formulate sea-island economic development plannings and detailed plannings for economic zones, industrial parks, tourist resorts, entertainment and recreational centers and the systems of urban centers in their provinces in line with the general orientations laid down in this master plan and the Political Bureau's Resolution No. 09/NQ-TW of February 9, 2007, on Vietnam's marine strategy up to 2020.
- To integrate this master plan in the ministries, branches' and localities' five-year and annual plans and arrange funds in annual plans for implementation.
- Annually, the People's Committees of Ca Mau and Kien Giang provinces shall coordinate with concerned ministries and branches in reviewing and evaluating the implementation of the master plan in order to propose and recommend competent authorities to make timely adjustments and supplements suitable to the new situation.
- **Article 2.** This master plan provides orientations for the formulation of plannings, plans and investment development projects in the specialized sectors and concerned localities in Vietnam's sea and coastal areas in the Gulf of Thailand according to regulations.

Article 3. This Decision takes effect 45 days from the date of its signing.

Article 4. Ministers, heads of ministerial-level agencies, heads of government-attached agencies, and the presidents of the People's Committees of Ca Mau and Kien Giang provinces shall implement this Decision.

THE PRIME MINISTER

Nguyen Tan Dung

