

The Strategy on exports and imports for 2011-2020, with visions to 2030 was approved by Prime Minister Nguyen Tan Dung in his Decision 2471/QĐ-TTg dated December 28, 2011, with the following content (for reference only):

Strategy on exports and imports for 2011-2020, with visions to 2030

1. Viewpoints of the strategy

a) To develop production for meeting export and domestic demands; to make use of the economy's comparative advantages, improve efficiency and export-import competitiveness, and shift economic structure towards industrialization, modernization, job generation and trade balance;

b) To build and consolidate strategic partnerships for sustainable market development; to harmonize the country's short and long-term interests as well as economic and political-diplomatic interests; to be active, independent and self-reliant in international economic integration;

c) To diversify export-import markets; to actively take part in the global production network and chain of value; to place importance on building and developing commodities of high added value and good trademark in domestic and foreign markets.

2. Targets

a) Overall targets

The total export turnover in 2020 should triple in 2010, with a per capita average of over US\$2,000; the trade balance is secured.

b) Specific targets

- The average growth rate of exports should be 11-12% per year in 2011-2020, or 12% in 2011- 2015 and 11% in 2016-2020. The figure should be kept at 10% in 2021-2030.

- The growth rate of imports should be lower than that of exports, standing at 10-11% on average per year in 2011-2020, or below 11% in 2011-2015 and below 10% in 2016-2020.

- It is necessary to gradually reduce the trade deficit and keep the excess of import over export below 10% of the export turnover by 2015 so as to guarantee the trade balance by 2020 and reach trade surplus in 2021-2030.

3. Export orientations

a) General orientation

- To develop export under a sustainable and proper model of growth, expanding the scope while improving exports' added value;

- To properly shift the export structure toward industrialization and modernization, quickly raising the percentage of high added value exports, well-processed products, hi-tech products, and environmentally-friendly products.

b) Orientations for development of commodity groups

- Fuels and minerals (the group of advantages in terms of resource but with limited supply): to reduce the export of raw minerals; to invest in technologies to increase the export of processed products; to make use of market and price advantages to raise the export value. The proportion of this group in the structure of exports should be slashed down from 11.2% in 2010 to 4.4% in 2020.

- Agro-forestry and aquaproductions (the group of long-term competitive advantage and capacity but low added value): To improve output, quality and added value; to shift the structure of exports toward well-processed products and those exploiting scientific and technological advances. The proportion of this group in the structure of exports should be cut from 21.2% in 2010 to 13.5% in 2020.

- Processing and manufacturing industries (the group of high potential development and high global demand): To develop hi-tech and high-intelligence products; to develop supporting industries, to raise domestic value, to reduce dependence on imported materials. The proportion of this group should be raised from 40.1% in 2010 to 62.9% in 2020.

- New products (the group of other products): To list new commodities of which the current turnover is low but that can gain a higher growth rate in the future, then adopt policies to boost their development and create breakthroughs in export. The proportion of this group should be increased from 12% in 2010 to 19.2% in 2020.

c) Orientations for market development

- To diversify export markets; to consolidate and expand the marketshare of Viet Nam's goods in traditional markets; to create breakthroughs in expanding new and potential export markets;

- To highlight Viet Nam's role and status in international and regional organizations and promote economic diplomatic activities to extend export markets; to develop a network of trade promotion agencies in big and potential markets; to protect Vietnamese goods and enterprises in regional and world markets;

- To make full use of chances for opening foreign markets and the tariff-cut roadmap in order to boost export and improve the efficiency of Vietnamese exports to the markets which Viet Nam has signed FTAs with;

- To design and develop a distribution network of Vietnamese products in foreign markets;

- Market structure by 2020: Asia 46%, Europe 20%, America 25%, Oceania 4% and Africa 5%.

4. Import orientations

- To adjust the growth rate of imports while promoting the production of materials and fuels for export industries, to meet domestic demands and develop supporting industries, to strictly control the import of unnecessary goods in order to reduce excess of imports over exports in a long term;

- To import machinery, equipment and high technology in line with the country's resources and production level; to save energies and materials; to guarantee stable import for production industries using materials and fuels of which the domestic production and exploitation are ineffective or which can cause negative impacts on environment;

- To diversify import markets and improve the trade balance with those markets where Viet Nam is suffering an excess of imports over exports.

5. Implementing the Strategy

a) Promoting production and economic restructuring

- Industrial production:

- + To further renew technologies and raise the labor productivity of production industries with high export turnover, such as mechanics, wood furniture, garment and textile, and footwear; to boost the production of potential exports of high growth rate and high added value like building materials, petrochemicals, rubber, and hi-tech products;

- + To realize policies on encouraging and attracting investments in supporting industries in order to meet domestic demands and join in the global supply chain, especially in manufacturing mechanics, electronics and informatics, automobile components, garment and textile, footwear and high technology;

- + To encourage the development of material supplying centers to serve producers of garments and textiles, footwear, wood furniture, plastic, electronic and mechanical products;

- + To design policies on supporting enterprises to maintain environmental protection in their production activities in conformity with international commitments.

- Agricultural production:

- + To continue finalizing the development plan for agricultural industries with good competitive advantages so as to attract enterprises and investors to these industries;

- + To make policies and measures for reorganizing agro-forestry and aquaculture production through associating production forces and materials in order to facilitate the introduction of new techniques, technologies, varieties and breeds. To minimize intermediary phases in supplying production materials and equipment as well as in consumption;

- + To set up standards and criteria for agro-forestry and aquacultural exports in order to improve their quality and efficiency as well as protect prestige and trademark of Vietnamese goods;

- + To promulgate mechanisms and policies to promote the development of material regions in combination with production, processing and export of agro-forestry and aquacultural products. To implement cooperative and collaborative programs among localities throughout the country in order to develop material regions; to facilitate on-the-spot production and processing to serve export;

- + To take sound responses to protectionist policies of all forms in general and those against Vietnamese agro-forestry and aquacultural products in particular.

b) Market development

- To speed up bilateral and multilateral negotiations for expanding markets of Vietnamese commodities; to review mechanisms, policies and international commitments in order to guarantee the consistent realization of these commitments;

- To review, negotiate, sign and supplement the signed mutual recognition agreements on product quality in order to facilitate the stable and easy circulation of exports;

- To organize effective and synchronous information activities for giving out good predictions of domestic and world markets and information about laws, policies and business practices of these markets, so that enterprises can improve their competitiveness and success in market penetration;

- To renew organizational apparatus and enhance operations of overseas business and trade promotion agencies; to improve efficiency of trade promotion activities through focusing on new exports of competitive

advantages and without market limits or on potential markets; to boost the formation and protection of trademarks and exports in key markets;

- To encourage the involvement of overseas Vietnamese in distributing Vietnamese goods in import countries;

- To accelerate the construction of trade infrastructure at bordergates; to provide and update information about neighbor countries' market, mechanism, and policies on border trade; to channel importers and exporters to international and major bordergates in order to secure stability and prevent risks in border trade activities.

c) Financial, credit and investment policies for developing exports

- To give credit and capital priorities to production, agriculture, export and supporting industries;
- To review and revise investment policies in order to attract domestic and foreign investments in export production;

- To promote credit insurance for exporters; to create favorable conditions for taking loans from credit organizations in order to increase the volume of exports and improving access to international markets;

- To flexibly apply monetary and foreign exchange management policies in order to maintain macroeconomic stability and import-export balance.

d) Developing logistic infrastructure and speeding up social engagement in logistic activities

- To invest and upgrade transportation infrastructure, warehouses, and wharfs at seaports and customs clearance sites for imports and exports;

- To design policies on development of logistic services; to draw investments in technical infrastructure for and ability of conducting these services.

đ) Developing human resource

- To renew human resource training systems through attaching training activities to requirements and targets of development of each industry, guaranteeing high quality and skills, first and foremost in producing garments and textiles, footwear, furniture, plastic, electronic and mechanical products;

- To diversify and expand cooperation in training human resources by linking training establishments and enterprises, and gradually carrying out training work in line with demands and orientations of the business community;

- To supplement mechanisms and policies to support enterprises and associations' investment and involvement in training the labor force for production and export industries.

e) Controlling import

- To improve investment efficiency and competitiveness of Vietnamese commodities; to further encourage investments in producing goods for domestic consumption while minimizing investments in non-production sector; to promote investment in and production of commodities of competitive advantages;

- To negotiate and reach agreements on government-level trade exchange in order to properly improve the trade balance with trade partners in conformity with domestic demands and production standards and international commitments;

- To enhance domestic trade promotion activities to be able to connect producers of machinery, equipment, and materials and users of these products; to add the use of home-made materials and goods in tendering for State budget-using projects;

- To issue technical standards for goods in line with international commitments in order to control the import of poor-quality goods which can cause negative impacts on environment and health;

- To tighten import management in conformity with international commitments and rules of the World Trade Organization (WTO).

g) Improving enterprises' competitiveness and role of associations

- To pour resources in renewing technologies, improving designs and diversifying products, bettering quality, creating international-quality products; to shift to export and make new products for domestic demands;

- To apply models of corporate administration, quality management, food hygiene and safety management in production and business activities to improve their effectiveness and product quality;

- To realize the collaboration and cooperation in production and business activities in order to gain better products and higher competitiveness;

- To diversify export markets in order to reduce business risks and exploit new markets' potential. To diversify means of payment and prevent exchange rate risks in export activities;

- To reorganize information work and trade promotion conducted by associations. To highlight the coalition among members and representatives and protect their interests in international commercial affairs; to fulfill tasks assigned by State management agencies as stipulated by law.

6. Implementation

a) On the basis of goals, orientations and groups of solution mentioned in this Strategy, the Strategy on development of commodities and the relevant National Program, the Ministry of Industry and Trade shall function as the main implementer, in collaboration with ministries, sectors, localities and associations, in crafting the Action Program for realizing this Strategy, which clearly defines assignments of each and every ministry, sectors and

agency, the schedule and resources for the realization, then submit it to the Prime Minister for approval in the first quarter of 2012.

b) On the basis of goals and orientations of the Strategy and the Action Program for realizing the Strategy, the Ministry of Industry and Trade shall guide other ministries, sectors, and provincial-level People's Committees to design their own action programs in line with their competence, and make periodical reports to the Ministry of Industry and Trade.

c) The Ministry of Industry and Trade shall function as the main implementer, in collaboration with relevant ministries, sectors and provincial-level People's Committees, in check and evaluate the realization of the Strategy, then make report to the Prime Minister at the Government's year-end regular meeting.