

# Technical Update

November 2022

## 1. Resolution on the national master plan 2021 - 2030

Vietnamese Government promulgated Resolution No. 138/NQ-CP on October 25, 2022, approving the National Master Plan for the direction of socio-economic development, national defense maintenance, and clarification of fundamental missions and objectives for the period from 2021 to 2030, with a vision toward 2050. Notable highlights are as follows:

The four fundamental missions are:

- Substantially establishing the framework of national infrastructure, focusing on the transportation system, energy, digital infrastructure, environment protection, irrigation, natural disaster prevention, adaption to climate change, and social and cultural infrastructures;
- Restructuring the economy and areas of development, enhancing productivity, quality, and efficiency;
- Developing drive areas, key national growth poles to generate “locomotives” pulling developments of the national economy;
- Prioritizing the establishment and development of the North-South and East-West economic corridors, establishing the link between seaports, airports, international border gates, commercial centers, urban areas, economic centers, and growing poles. Promoting the industry – urban – service belts within motivating-drive areas and huge urban areas;

The particular objectives and targets are:

- Targeting the annual growth rate of national gross domestic product (GDP) at 7% for the period 2021 – 2030, in which Southeast region, and Red River Delta region’s at 8 – 8.5%. By 2030, GDP per capita at current prices should reach about USD 7,500. With a vision that Vietnam becomes a developed country with high income by 2050, GDP growth rate to be achieved is about 6.5-7.5% per annum. GDP per capita at current prices by 2050 will reach about 27,000 - 32,000 USD.
- Implementing national digital transformation, developing digital government, digital economy, and digital society taking into account the digital economy accounts for approximately 30% of GDP.
- Developing Vietnamese education reaching an advanced level in the region, among the top 10 countries with the best higher education systems in Asia. The ratio of university students is 260 per ten thousand people. The rate of trained workers with degrees and certificates is projected about 35-40%.
- Substantially forming a national infrastructure framework, including North-South traffic axes and important East-West traffic axes, striving to have about 5,000 km of expressways throughout the country. Building a number of express railways on the North-South route, railways connecting with major seaports and urban railways; international gateway ports combined with transshipment, and major international airports.

## 2. Resolution on accelerating administrative procedures

Resolution 131/NQ-CP dated 6 October 2022 of the Government ratified the content of accelerating administrative procedures and modernizing means to serve the citizen, and enterprises with an aim at reducing the administrative burden on users. Accordingly, the key target of **renewing the implementation of the one-stop-shop mechanism in handling administrative procedures from 2021 to 2025** has been emphasized. The specific solutions and duties proposed are as follows:

- Abolishing regulations, simplifying procedures related to business activities in order to modernize in line with the revolution of the technology era, and improve the national competitiveness.
- Administrative procedures to be timely and fully published. Local competent agencies will need to ensure publicity and transparency in receiving and handling administrative procedures. Completing the standardization of administrative procedure settlement results on the National Database of Administrative Procedures, as the basis for specifying the number and code of the dossier, connecting, sharing, and using uniformly in October 2022.
- To set forth, complete, and put into operation national databases, specialized databases that have been approved; promoting connection, integration, and sharing of information and data between information systems and databases of the Government, Prime Minister, Ministries, governmental and provincial agencies; handling administrative procedures, providing public services on an online basis; providing facilities for citizen, and businesses and promoting socio-economic development. Consolidating Public Service Portal with the ministerial and provincial electronic one-stop information system, to be completed in November 2022, no later than the first quarter of 2023.
- The Ministry of Finance will submit a Decree on connection and information sharing in the field of export, import, and transit of goods; exit, entry, and transit of individuals and transport according to the national one-stop-shop mechanism.

### 3. **Circular 50/2022/TT-BTC guiding on compulsory insurance in construction investment activities**

On 11 August 2022, the Ministry of Finance issued Circular No. 50/2022/TT-BTC ("**Circular 50**") providing guidelines for Decree 119/2015/ND-CP on regulating insurance compulsory in construction investment activities and Decree 20/2022/ND-CP ("**Decree 20**") on amending and supplementing a number of articles of Decree 119/2015/ND-CP. Circular 50 came into force on 1 October 2022 and replaced Circular No. 329/2016/TT-BTC dated December 26, 2016 ("**Circular 329**") regulating the same issue.

Circular 50 supplemented Decree 20 with some notable points as follows:

- Regarding the insurance premiums, (i) Circular 50 added a number of insurance premiums for specific types of construction work regulated in Decree 15/2021/ND-CP dated 03 March 2021 guiding construction investment project management, to extend to multi-purpose or mixed construction works, or other civil construction works; (ii) abolished statutory insurance surcharge due to floods, storms, earthquakes, and subsidence risks and gave insurers right to proactively assess and apply appropriate insurance surcharges (if any); and (iii) supplementing regulations on insurers' right to increase, decrease insurance premiums up to 25% for particular compulsory insurances specified in Circular 50.
- classified the general insurance exclusions and particular insurance exclusions for each type of compulsory insurance, supplemented and amended insurance exclusions to align with international practices in accordance with the standard insurance policies carried out by insurers.
- no detailed guidelines were provided for insurance premium payment, instead, referenced Circular No. 50/2017/TT-BTC dated 15 May 2017 on insurance premium payment and insurance contract termination.
- added the provisions on compulsory civil liability insurance for third parties in construction. Accordingly, the construction contractor is responsible for taking out compulsory civil liability insurance for third parties, covering the tort liabilities for human health, life, and property directly arising out of the construction activities and related legal costs (if any) with the premium equal to 5% of the compulsory insurance premium during the construction period. Based on the risk level of the insured, insurers may increase or decrease the premium up to 25% of the insurance premium.

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