Directive

N o. 58-CT/TW of the Communist Party of Vietnam
ON ACCELERATING THE USE AND DEVELOPMENT OF INFORMATION TECHNOLOGY
FOR THE CAUSE OF INDUSTRIALIZATION, MODERNIZATION

The Central Executive Committee **No. 58 - CT/TW**	**Communist Party of Vietnam** *******

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Directive ON ACCELERATING THE USE AND DEVELOPMENT OF INFORMATION TECHNOLOGY FOR THE CAUSE OF INDUSTRIALIZATION, MODERNIZATION

Information technology (IT) is one of the most important enabling forces for development. Together with some other hi-tech sectors, it creates deep changes in the social, economic and cultural life of the modern world.

The use and development of IT in our country strengthens the material, intellectual and spiritual growth of the whole nation. It promotes the reform process, speeds up the development and modernization of economic sectors, and empowers the competitive capacity of businesses. It effectively supports an active process of integration into the global economy. It improves our people's quality of life, while ensuring national defense and security. It creates possibilities to leapfrog in successfully realizing the cause of industrialization, modernization.

I. STATUS OF IT DEVELOPMENT IN OUR COUNTRY

Resolution No. 26-NQ/TW of March 30, 1991 by the Party Politbureau concerning Science and Technology in the reform process stated: "To concentrate efforts to develop some spearhead scientific and technological areas such as electronics, informatics,".

Resolution of the Seventh Plenum of the Party's Central Executive Committee (Seventh Congress) held on July 30, 1994 determined: "To give priority to the use and development of advanced technologies such as IT in service of meeting the requirements of electronization and informatization of the national economy".

Resolution of the Eighth Party Congress underlined: "To apply IT in all economic sectors with a view to making significant improvement in terms of productivity, quality and efficiency of the economy To create

national information network linked with various international information networks ".

In order to formalize policy direction in governmental term, the Government issued Resolution 49/CP on August 4, 1993 concerning "IT development in Vietnam in 90's".

Following from the Party's and the Government's policies, IT in our country has been used and developed since the 1970's, and has made important contributions to socio-economic development of the country.

The awareness of society about the important role and significance of IT has been raised to a higher level. Human resource in IT have also been considerably increased. Telecommunications have developed rapidly towards modernization. Resolution 07/2000/NQ-CP of the Government dated June 5, 2000 on the building and development of software industry for 2001-2005 now creates a favourable environment for organizations and individuals, both national and international, to make investments and to do business in terms of trade, production and services provision in software.

The status of IT use in Vietnam, however, is still backward. Progress is slow, creating the risk of a growing gap compared to many countries in the world and in the region. IT use and development has not met the requirements of industrialization and modernization, and the needs for international and regional integration. The driving role and the potential of IT has not been fully utilized. Human resources in IT have not been substantively prepared in terms of timeliness, quantity, quality,.and ability in foreign languages. Telecommunications and the Internet are not convenient for users, and they have not met the requirements of IT use and development in respect of speed, quality and cost. Investment for IT has not been sufficient. The state management of IT is still scattered and inefficient, the IT use of some places is still wastefully formal and unrealistic.

There are many reasons for the above situation. These include: insufficient awareness of different sectors, at different levels, and of the society about the role of IT; unsatisfactory implementation of the Party's and the Government's policies; no close linkage of IT with the reengineering process of production and administrative reform, and of change management in the Party leadership and Government management; slow promulgation of policies relevant to the needs of IT use and development; and disunited and unharmonized state management in the areas of computers, telecommunications and electronic information. As a result, a healthy competitive market for telecommunications and Internet services has not been created, and investment in information infrastructure has not been considered as a kind of investment in socio-economic infrastructure.

II. OBJECTIVES, GUIDING VIEWS, TASKS AND SOLUTIONS

By 2010, Vietnam IT shall reach an advanced level in the region by achieving the following principal objectives:

- IT use shall be increased in every sector. It must become one of the most important factors of socio-economic development, and must ensure national defense and security. - The national information network shall be developed to reach nationwide coverage. It will support large traffic, high speed, quality service with a cheap price, so that it can raise the rate of Internet users to become the same as the world's average. - IT industry shall become a spearhead economic sector with a growth rate higher than any other sectors' of the economy. The national share of IT in GDP shall grow higher over time.

In order to achieve the above objectives successfully, the Politbureau sets down the following guiding views:

1. The use and development of IT is a priority task in the country's socio-economic development strategy. It is a tool to drive the leapfrogging that shortens the gap between Vietnam and advanced countries. 2. Every sector operating in the economic, cultural, social, security, and defense areas must use IT for their development. 3. The national information network, an important component of socio-economic infrastructure, should create favourable conditions for the use and development of IT by ensuring high speed and quality with cheap price. 4. Human resource development for IT is a decisive factor for IT use and development. 5. Develop the IT industry towards making it become an important economic sector with particular emphasis on the software industry.

The Politbureau requests all sectors, at all levels, to carry out the following tasks and solutions in the best possible manner:

1. To broadly and effectively use IT in the whole of society

The Party, Government and socio-politic organizations shall take the lead in the use of IT in all their activities within the principles of saving, practicability and sustainability.

Computerization of Party and Government agencies is an integral part of the national administrative reform. It is a regular task of every organizations, supporting the strengthening of their management capacity and raising their productivity, quality and effectiveness.

All the Party organs at different levels give guidance to building up necessary information systems to serve public interest of the people, the requirements of the Party leadership and the Government management. The WANs of the Party and the Government should be completed soon,

regularly upgraded and effectively utilized. It must be ensured that, by 2005, the electronic information system of the Party and the Government will be basically completed and put into operation.

Concentration is required on development of E- services in financial areas (taxation, treasury, auditing, etc), banking, customs, civil aviation, trading, E-commerce and public services (education, distance learning, telemedicare, E-library, etc). This is to ensure that necessary conditions are met as required by international and regional integration schedules.

Businesses, primarily all giant corporations 90 and 91, should: make investments in IT; combine IT and biotechnology in the service of agricultural and rural industrialization and modernization. They should place particular emphasis on contributions to poverty reduction and hunger elimination and to promoting remote areas development.

To create conditions so that all social classes in every corner of the country can know how to benefit from access to electronic information and can use IT, particular attention must be paid to supporting vulnerable and disadvantage people.

The military and security forces should make every effort to move quickly to absorb, apply and develop IT use in order to create the preconditions for building highly qualified and modern forces. They must move forward step by step to establish automated instruction systems, to master and improve weapons and defense facilities; to maintain national security, and to be well prepared for preventing attack in modern information wars.

Mass media organizations, press, publishing houses, public E-services should rapidly develop information in electronic forms, make propaganda, and raise public awareness and knowledge about IT use on a regular basis.

2. To create an enabling environment for the use and development of IT

IT is a sector that receives special incentives for encouraging investment. All irrelevant perceptions and regulations must be reviewed and abolished in order to provide the most favourable conditions with the highest level of preference so that, step by step, the level of IT use and development can be the same or higher than that determined for other countries in the region. This should be done in parallel with close management measures and effective uses.

Standardize information and information systems in every sector. Ensure necessary conditions for exchange and common use of databases, and domestic and international information systems.

Initiate proactive measures and specific rules and regulations concerning information security, firstly in areas of state management and national defense and security..Promote and support the generalization and improvement of foreign language proficiency of a part of the population, firstly teenages. There should be measures and supporting means so that many Vietnamese can easily use IT in the Vietnamese language.

Develop professional and occupational standards with reasonable incentives for personnel specialized in IT.

Give priority to the use and development of IT in socio-economic development plans and programmes. Also give priority to the use of ODA for IT use and development. Ensure sufficient conditions to implement approved projects in a timely manner.

Include a specific budget line in the State budget for IT expenditures. Establish support funds, and risk remediation funds for IT use and development.

Enterprises using IT for business reengineering, improvement of production capacity, and increasing competitiveness will enjoy incentive policies in respect of investment for technological renovation.

Encourage the use of IT products and services created locally. All government funded agencies must use domestic IT products and services which hold certificates of meeting certain standards appropriate to Vietnamese conditions. Vietnamese organizations and individuals are first considered when participating in IT related tendering processes; foreign inputs are only considered when the domestic capacity is not sufficient. Strict punishment will apply to those cases violating or purposefully preventing the use of domestic IT products and services.

Domestic IT products and services shall be exempt of VAT tax. Companies operating in IT areas shall enjoy the highest preferences on corporate revenue tax, preferential credit and land use in line with rules of law.

Formulate an export support programme in the IT sector, firstly for software subcontracting and labour export activities.

Provide favourable conditions for personnel working in the IT sector to enable them to work abroad and return to the country.

Concentrate investments with special policies and measures to ensure that the Hoa lac and HCM city Hi-tech parks projects can be implemented as scheduled and put into operation soon. Give high priority to software industry parks. In order to give priority to the use of ODA for Hi-tech parks, there should be policies to attract foreign investments in Hi-tech parks

through higher incentives than those of other countries in the region. Actively develop other Hi-tech parks in other localities when feasible.

Formulate a complete set of legal documents on intellectual property right

protection and ensure their enforcement, including the protection of copyright of software and other IT products.

3. To accelerate the training and utilization of human resources for IT use and development

Expand the scope and increase the quality of training for human resources in IT. Give particular emphasis to training of specialized personnel, especially software specialists, in order to meet quickly the regular domestic demands and to provide some share of the world market. Up to 2005, provide at least 50,000 well trained IT specialists at different levels. This target reaches the indicative figure of IT specialists per 10,000 inhabitants that is the same as the average figure of other countries in the region.

Immediately provide IT training opportunities with appropriate forms for non-IT graduate persons.

Enhance the use of IT in education and training at different levels, and subjects. Develop distance learning modalities that meet the learning needs of.the society. Special measures should be focused on the establishment of a computer network for education and training, providing Internet access for all education and training establishments.

Make adequate investment for IT training and research. Link closely training and research with production and businesses. Vigorously socialize IT training. Encourage and promote domestic and foreign organizations and individuals to take part in training and use of the IT human resources of Vietnam.

Develop and implement a programme of sending teachers for training abroad and in- country to improve their teaching qualifications. Provide favourable conditions for students to get training and research on IT abroad. Apply special incentive policies to train talented specialists in IT sector; and to provide advancement schemes to support poor people who want to participate in IT training for future career development.

4. To accelerate the establishment of the National information network, including telecom system and the Internet Vietnam

Accelerate the investment to establish the National information network, including telecommunications systems and the Internet Vietnam. Rapidly develop the national information network to meet immediate and long term needs of the society, particularly to create soon the national

information super-highway and to link it with regional countries and the World.

Telecommunications and Internet development and management must serve the accelerated use and development of IT in every sector and in the whole society. At the same time there must be comprehensive and harmonized measures that prevent abusive actions making harm to national security and that protect national cultural nuances.

Issue policies to promote a competitive environment that creates conditions for all economic components to participate in the telecommunications and Internet services market. As of 2001, ensure better telecom and Internet services for users including high speed, improved quality, and a competitive cost that is lower or equivalent to the cost applied in countries in the region. Apply special rates for the Party, government agencies and in education, training and research areas.

5. To strengthen and renovate the state management of IT sector

The Government should act early to restructure the management systems for telecommunications and IT in order to have an unified management body in this sector.

Immediately, each Central and provincial Party, and all Government organizations should assign a senior leader to be in charge of IT.

The development and issuance of legal documents for IT use and development should follow the principle that management capacity should grow in line with the rate of development. Investment must be effective, realistic, without waste, transparent, and public.

III. IMPLEMENTATION ARRANGEMENT

The Party committee of the Government shall give guidance on formalizing the policies and solutions mentioned in this Directive. Such guidance will include:

- The development of plans for IT use and development to 2005 and 2010 in order to achieve the objectives set forth above;

- Close monitoring of the performance and periodic reporting on progress of IT use and development; - Completion as soon as possible of the reorganization of the government agency responsible for state management of IT.

The Party committee of the Parliament will review and amend existing legal documents with a view to facilitating the acceleration of IT use and development.

The Party subordinate organs at different levels must consider guiding the use and development of IT as an important and regular task. They should organize briefing sections to raise awareness on the role of IT in the cause of

industrialization and modernization. They should develop plans to implement this Directive and periodically report to the supervising level the progress of its implementation.

Mass organizations, and socio-political associations should encourage people to actively learn and improve their knowledge on IT and effectively participate in IT use and development activities.

The Central Committee on Science and Education, the Central Committee on Economics, the Office of the Party central committee, and the Steering committee on IT use in Party organizations are focal points to assist the Politbureau in giving further instructions and in monitoring the implementation of this Directive.

On behalf of the Polibureau
(Signed)
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