

NA adopts Law on Public Investment

By Phuong Hao

New hallmark revisions to the existing Law on Public Investment have been established in the picture of public investment in Vietnam, enabling the country to invest in projects more effectively thanks to clearer regulations.

Compiled by the Ministry of Planning and Investment (MPI), the revised Law on Public Investment was adopted last week by the National Assembly (NA), with a series of brand-new provisions that create a sound legal framework for the government to conduct public investment.

The first new point of the law is the unification of the definition on public investment. Specifically, it regulates two types of public investment capital, including state budget and the capital from legal revenue of state agencies and public non-business units reserved for investment.

"This move is a very important change which simplifies the processes, order, and procedures of

carrying out projects and public investment plans," said Tran Quoc Phuong, director of the MPI's Department for National Economic Issues, which is a member of the law's Drafting Board. "There is no distinction among types of capital from the state budget like government bonds, national bonds, or investment credit."

Phuong told *VIR* that the change also helps build a separate process for projects using capital from lawful revenue sources of state agencies and public non-business units which are reserved for investment according to the law.

This aims in the direction of strengthening decentralisation and self-responsibility of units and agencies with this capital source, while ensuring monitoring, supervision, and synthesis of reports.

In terms of obstacles in the procedures of implementing the law, Phuong added, "The law focuses on revising, supplementing, and improving the order, procedures, and decentralisation of authority to decide on investment policy of public projects."

Meanwhile, according to NA deputy Truong Trong Nghia representing Ho Chi Minh City, the revised Law on Public Investment also clearly defines a number of tasks and types of projects which do not need investment policy decisions in order to remove formal and overlapping procedures, saving time and costs for project preparation.

NA deputy Hoang Quang Ham, representative of the northern province of Phu Tho, said that strong decentralisation of the right to decide investment policies ensures both the authority of the NA and People's Council agencies, while increasing autonomy in accordance with the actual conditions of each locality.

"With this amendment, the provincial people's councils have the authority to decide the investment policy of the localities," Group A project by using any kind of funding, including support from the central budget," he said.

Group A projects refer to projects of national significance in such sectors as security, defense, energy, nat-

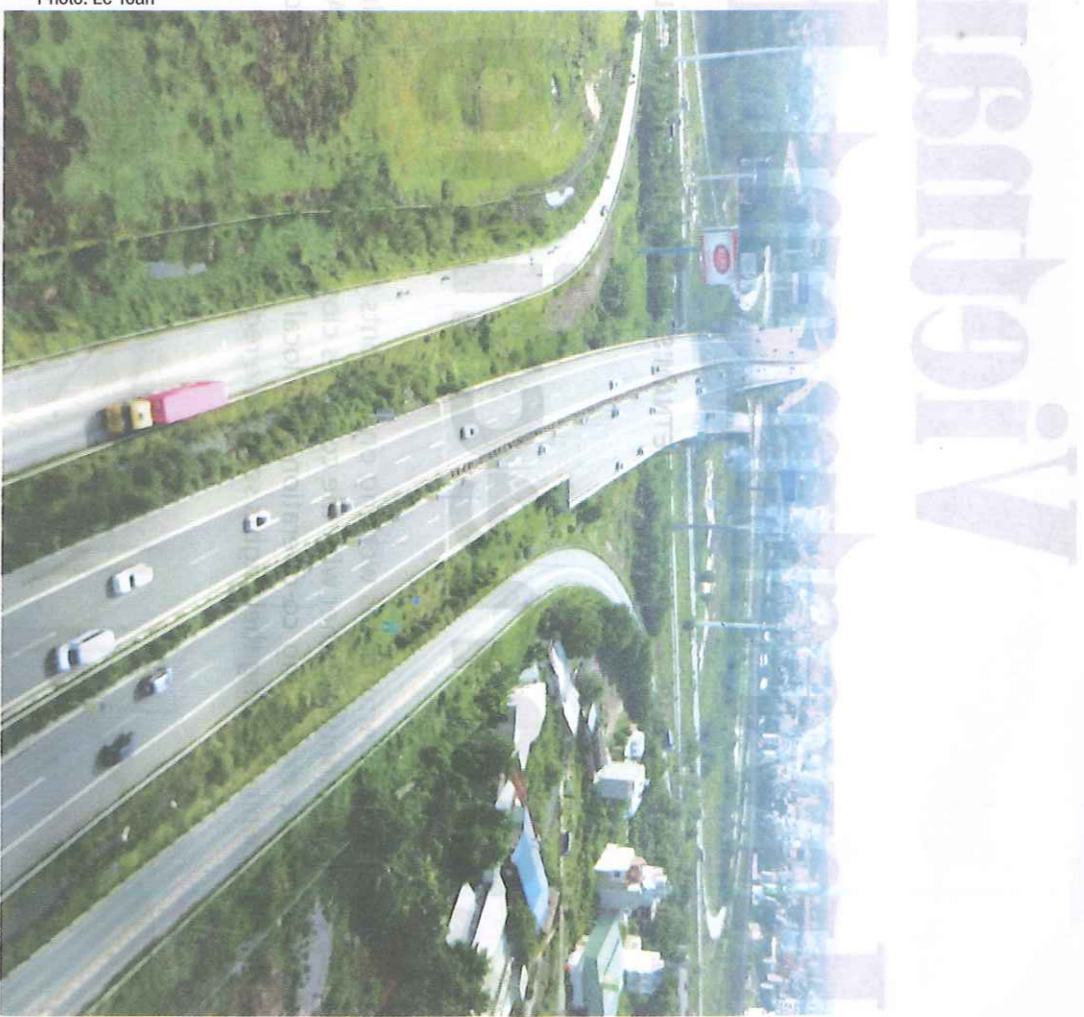


Photo: Le Toan

The new Law on Public Investment is set to boost implementation of state-funded projects

ural resources, and seaports and airports.

Another important amendment is to clearly define the functions and authority of relevant agencies for the order and procedures for proposing programmes and projects using official development assistance and concessional loans of foreign donors, ensuring compliance with the Law on State Budget, and the Law on Public Debt Management.

Meanwhile, NA deputy Bui Van Phuong, presenting the northern province of Ninh Binh, noted, "An important new point of the law is to innovate the planning method, with the aim to better meet the operating practices of the economy, and overcome the biggest obstacles to public investment."

According to Phuong, in order to decide on the investment policy of a project previously, it was necessary to determine the source of capital and the ability to provide capital based on projects. Thus, a vicious loop had been created with no exit solution to handle.

"The revised Law on Public Investment has introduced a plan for capital resources and the ability to provide capital beforehand, so that there is a legal basis for ministries, agencies, and localities to implement procedures to approve project investment guidelines," Phuong said.

According to many NA members, the implementation of the law will contribute to boosting public investment disbursement speed, which has been long delayed thus far. ■

NA signs off on global collective bargaining protocol

By Khoi Nguyen

Vietnam's ratification of a fundamental global accord on collective bargaining will provide more benefits to labourers and make it more favourable for the country in fulfilling its commitments under free trade agreements.

The National Assembly late last week issued a resolution on adopting the International Labour Organization's (ILO) Convention 98 on the Right to Organise and Collective Bargaining, as part of its ongoing labour reform and efforts to boost international economic integration, attract more investment, and

expand trade.

Vietnam's adoption of Convention 98 has received a warm response from the European Chamber of Commerce in Vietnam (EuroCham).

"EuroCham welcomes the fact that the Vietnamese National Assembly has adopted the ILO Convention 98 on collective bargaining. This is a positive step, and one which will send a strong signal to Europe at a critical juncture of the EU-Vietnam Free Trade Agreement's (EVFTA) ratification process," Nicolas Audier, co-chairman of EuroCham in Vietnam told *VIR*.

"The trade and investment

benefits of this historic agreement are undisputed, but this decision will accelerate the momentum behind the EVFTA ahead of a crucial vote later in 2019 and reassure the members of that parliament that Vietnam is committed to continuing its positive process of reform," he continued.

According to a proposal by the Vietnamese state president on Vietnam's joining of Convention 98, membership will mean Vietnam obeys all labour-related commitments in the Comprehensive and Progressive Agreement for Trans-Pacific Partnership effective for the country this past Janu-

ary, and in the EVFTA that is expected to be officially signed in the near future.

"Legally, access to the convention will lay firm groundwork for employees and employers to conduct collective bargaining, and sign collective labour deals more practically and effectively, contributing to creating harmonious and stable labour relations," said the proposal.

According to the ILO, collective bargaining is a fundamental right. It is a key means through which employers and their organisations and trade unions can establish fair wages and working conditions. ILO

Vietnam welcomed the adoption of Convention 98 by Vietnam.

"We congratulate Vietnam on ratifying Convention 98. Not only is this a fundamental right, but also an enabling right that facilitates the achievement of many other labour protections," said the ILO's deputy director-general for Policy, Deborah Greenfield.

According to ILO Vietnam director Chang-Hee Lee, Vietnam's ratification of Convention 98 will "accelerate the spread of genuine collective bargaining for win-win solutions at Vietnamese workplaces, which is likely to result

in better working conditions, higher productivity and shared prosperity, contributing to sustainable development."

Convention 98 was adopted in Geneva in 1949, and since 1998 has formed part of the four fundamental employment rights set forth in the ILO Declaration on Fundamental Principles and Rights at Work. The convention includes some key factors for collective bargaining. For example, workers shall enjoy adequate protection against acts of anti-union discrimination in respect of their employment. The convention also covers solutions to boost voluntary collective bargaining. ■



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