

To Plan Development of Industrial Parks in Long An Province

by MEcon. HUỖNH THANH TÚ

I. INTRODUCTION

In the conference reviewing the performance of industrial parks (IPs) over the past ten years held in Vũng Tàu from March 27 to 28, 2003, the Ministry of Planning and Investment's report underlined an important content and basic orientation for the IPs and export processing zones' development by the year 2010: to boost IPs development must be closely combined with the planning of industries and regions in each locality.

Long An Province is the late comer in IP establishment and operation as compared to large cities including HCMC, Hà Nội, Đà Nẵng, Hải Phòng and southeastern provinces of Đồng Nai, Bình Dương, Bà Rịa-Vũng Tàu and so on.

The Long An's IP development plan in the province's master plan of socio-economic development in the 2001-2010 period was approved on August 1, 2001. At the same time, the HCMC government has decided to relocate 30,000 manufacturing enterprises and establishments to the suburb due to their pollution. The provincial government has also given green light to investment and construction of infrastructures in IPs. At present, the provincial government allows the detailed planning with the aim to attract investment as indicated in the following table:

One of fundamental reasons for IP development in terms of scale, number and location in Long An is the planning must be closely combined with the expansion of the

manufacturing and the agriculture as well as local material growing areas by the year 2010.

II. IP DEVELOPMENT IN ACCORDANCE WITH THE EXPANSION PLAN OF THE LONG AN MANUFACTURING SECTOR

1. Viewpoints for industrial development

- To fully utilize local resources, at the same time make the best use of external resources with a view to enhancing scale, technology and competitiveness and satisfying domestic consumption and producing exports.

- To industrialize and modernize the agriculture, initially give priorities to production of major farm products in the stages before and after harvest; and promote the processing industry, mainly agro product processing with the aim to raise the value

added of commodities in the agriculture.

- To accelerate growth of the industrial production but secure economic sustainable development, especially for environmental protection.

2. General objectives of industrial development

- To concentrate favorable conditions for speeding up industrial production in order to make positive changes in the process of economic re-

structuring in the trend of industrialization and modernization.

- To develop the province's industrial belt in the HCMC vicinity; build industrial complexes and parks to process agro product and manufacture commodities for domestic consumption and export.

3. Detailed targets of industrial development

- The annual growth of industrial production value in the province's GDP is planned to reach 13% in the 2001-2005 period; and 14.4% from 2006 to 2010, showing an annual average of 14% in the 2001-2010 period.

- The industrial share in the province's GDP is set to register 22.8% in 2005 and 28.7% by 2010.

Table 1: The plan of IP development in Long An Province by 2010

District	Number of IPs	Area (ha)		
		Total	2005	2010
Đức Hòa	4	3,033	1,356	1,679
Đến Lức	13	1,991	1,061	930
Cần Giuộc	8	2,305	1,105	1,200
Cần Đước	4	1,196	716	480
Tân Trụ	1	120	50	70
Châu Thành	1	200		200
Thủ Thừa	1	200		200
Thạnh Hóa	1	150	50	100
Tân An Township	2	172	92	80

Source: The Long An Province's IP Authority, 2003



- The annual growth rate of manufactured exports was estimated at 15% to 17%.

- The industry will offer jobs to 90,000 to 100,000 workers.

4. The plan of IP distribution

- The provincial government decides to establish three large industrial centers in Districts of Đức Hoà, Bến Lức, Cần Giuộc and Cần Đức. These centers will act as the core for development of Tân An Township, Districts of Tân Trụ, Thủ Thừa and Thạnh Hoá in order to establish a network of IPs. HCMC and the Tân Tập sea port will be considered as a central axis for development.

- The industrial development in Districts of Đức Hoà, Bến Lức, Thủ Thừa and Thạnh Hoá and Tân An Township will be concentrated on processing farm products, food, consumer goods. These industries are labor-intensive ones, use less water, and cause less pollution, including those of mechanical engineering, assembly and production of building materials.

- Districts of Cần Đức, Cần Giuộc and Tân Trụ will accommodate heavy industries and those unfriendly toward the ecosystem. Those industries

which use materials to produce bulky goods will be located here because this location is appropriate to water transportation. The remaining districts will build small and medium-sized industrial complexes to specialize farm sectors.

- IP development in Cần Đức and Cần Giuộc Districts will be in harmonious connection with the HCMC process of industrial expansion.

- The Long An Province's industry will be developed in the connection and interaction with the manufacturing sector of HCMC, Bình Dương, Tây Ninh, and Tiền Giang. Tây Ninh and Tiền Giang Provinces are determined as suppliers for the Long An's food processing industry.

- Long An will set up its major IPs for industrial development in the trend of industrialization and modernization and local economic restructuring.

5. IP development in accordance with the planning of industries

Each industrial park will be concentrated on major industries in accordance with the planning of industries and their natural conditions.

5.1 Industrials in Tân An Township:

- These IPs will focus their operations on proc-

essing cashew nut, canned fruit, producing garments and footwear, assembling mechanical and electronic goods, and manufacturing medicine...and those eco-friendly industries.

- Those IPs located in Đức Hoà District will involve industries producing garments, beverage, animal feed, food, building materials, industrial plastics, plastic home appliances, mechanical and electrical products...Đức Hoà district is a major place growing peanut, maize, various kinds of beans, sweet potato...Therefore, the establishment of animal feed processing factories is very suitable, especially this area cannot accept polluting industries, for example, tanning and dyeing...According to the province's master plan, Đức Hoà will become township in the 2005-2010 period.

5.2 Industrial parks in Bến Lức District:

These parks will attract the same industries as Đức Hoà. However, because the district lies next to the lower part of Vàm Cỏ Đông River, its IPs may accept industries with different polluting levels. The IPs lying on the National Highway 1A will accommodate rather clean industries using less clean water such as plastics, garments, animal feed processing,

building materials, textile, mechanical engineering, electricity...

The IPs lying along Vàm Cỏ Đông River may accept industries using a lot of clean water and causing less pollution to the water resource such as: producing canned fruit, aqua products and paper and even chemicals and dyeing. According to the Long An master plan, Bến Lức District will become township in the 2005-2010 period.

5.3 Industrial parks in Districts of Cần Đức and Cần Giuộc.

These districts are two of the Long An's 18 eastern districts, near the eastern seaport, so salt water penetrates them very soon annually. At the two districts' lower river, farmers grow mainly low yielding one-crop rice and breed shrimps and crabs by manual method. Based on its plan, the provincial government will build some IPs including Tân Tập port IP, Phước Đông IP...because this area faces favorable conditions for sea transportation, for example, a seaport being built in its vicinity. As a result, these IPs may attract industries having different polluting levels, such as shipbuilding...

5.4 Regional joint industrial development:

Long An lies at the gateway to 12 provinces in the Mekong Delta, adjacent to HCMC which is the country's large economic, scientific and technological hub. It belongs to the southern focal economic region including HCMC, Đồng Nai, Bình Dương, Bà Rịa-Vũng Tàu and Tây Ninh. It is also near the eastern seaport, thus it has a lot of advantages to accommodate polluting enterprises relocated from HCMC. Therefore, the provincial government has planned to build a lot of IPs with diversified industries in accordance with features of each area. This regional



planning has restructured enterprises properly with the aim to reduce to the minimum adverse effects between enterprises in the industrial park.

The province, on the whole, is building its focal economic areas with a view to making close connections between IPs and creating good conditions for their cooperation in the process of development.

III. IP EXPANSION BASED ON DEVELOPMENT OF AGRICULTURE AND MATERIAL PRODUCING REGIONS

1. Viewpoints of agricultural development

- To use effectively scarce resource of land and water.

- To boost comprehensive and diverse development of agriculture toward industrialization and modernization in accordance with the market demand and ecological requirements of each region.

- To restructure industries and occupations, and labor as well as generate many jobs for workers in rural areas.

- To promote farm productivity and step by step replace manual labor with

machinery in order to improve farmers' income.

- To apply technological and scientific advances to farm production with a view to enhancing competitiveness of commodities in local and foreign markets; step by step build materials growing areas for processing and export businesses in the focal IPs.

- To secure sustainability of the ecosystem and health of the people.

2. General objectives of farm development

- To make the national agriculture strong and develop firmly, steadily apply high technologies, mechanization, and modernization with the aim to produce competitive commodities in the process of international integration; heighten productivity and income; meet the demand for food; supply materials for processing industries in IPs; promote export value; protect the ecological environment, and improve the people's living conditions.

3. Detailed targets of farm development

- To keep the average growth of agriculture at 4.9% per year in the 2001-2005 period, 4.1% from 2006 to 2010 and thus

4.7% in the 2001-2010 period.

- To reduce the share of farming in the province's GDP from 43% in 2000 to 37.1% in 2005 and 29.7% in 2010.

- To make farm exports increase 10-12% per year in the 2001-2010 period.

- To produce several major farm products from 2001 to 2010 for local consumption, processing and export (see Table 2)

- To produce aqua products as planned in Table 3:

4. To plan development of material growing areas

The provincial government has planned several specialized areas for agricultural industrialization. The plan makes the best use of high value areas where farmers have a lot of experience in agriculture, forestry, and fishery production. The details are indicated as follows:

- The area for rice growing is kept at 250,000 ha by 2005 and 230,000 ha by 2010. The intensive farming measures will be taken to promote output and quality to better serve needs of the processing industries.

- The area for sugarcane cultivation is maintained from 22,000 ha to 23,000 ha in the 2005-2010

period. The sugarcane growing areas are focused on Districts of Bến Lức, Thủ Thừa, Đức Hoà and Đức Huệ.

- Peanut is mainly planted in Đức Hoà District on an area of 10,000 ha to 11,000 ha. New high quality and yield varieties will be selected in the process of production.

- To meet requirements of farm expansion, the provincial government always pays attention to growing cajuput for environmental protection and building materials. The area for cajuput will reach 60,000 ha by 2005 and up to 80,000 ha by 2010. The output will be 200 million trees by 2005 and 225 million by 2010.

5. Conclusion

The incompatibility between development of IPs and materials areas is a precious lesson for many IPs across the country over the past years. Fortunately, as a latecomer, Long An has drawn this lesson and overcome these shortcomings. The province is determined to develop its IPs in accordance with the industrial and regional expansion. This is just a precondition for its IP sustainable development. ■

Table 2: Several major farm products in the 2001 - 2010 period

Indicator	Unit	2000	2005	2010	Growth (%) 2001 - 2010
Rice paddy	Tonne	1,570,000	1,500,000	1,600,000	0.2
Sugarcane	Tonne	380,000	1,200,000	1,400,000	13.9
Peanut	Tonne	13,790	19,000	26,500	6.7
Milk cow	Herd	877	6,000	10,000	27.6
Pig	1,000 herds	187.1	230	305	4.1
Poultry	Million herds	3.8	4.7	6.4	5.3

Table 3: The aquaculture expansion in Long An by 2010

Indicator	Unit	2000	2005	2010
1. Breeding output	tonne	8,800	13,000	17,000
Including tiger prawn	tonne	742	1,220	2,000
2. Exploitation	tonne	17,000	18,000	20,000
Including: - Catching	tonne	10,000	12,000	15,000
- Breeding	tonne	7,000	6,000	5,000
3. Breeding area	ha	3,665	6,100	9,000
Including tiger prawn	ha	1,400	3,600	5,000