

The Role of Vietnam - Singapore Industrial Park in the Process of Industrialization and Modernization and International Integration of Binh Duong Province

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Abstract

The article clarifies the role of the Vietnam - Singapore industrial park in the process of industrialization, modernization, and international integration of Binh Duong province (1997 - 2022), such as promoting the development of a strategic partnership between Vietnam and Singapore; contributing to promoting economic restructuring in Binh Duong towards industry, service and urban areas; develop according to the industrial - urban - service ecosystem; attracting high-quality human resources and developing high-tech industries associated with environmental protection, aiming to create a green city.... At the same time, propose some solutions to further develop Vietnam - Singapore industrial parks.

Keywords: Industrial park, VSIP, industrialization, modernization, international integration, Binh Duong province

Introduction

Binh Duong is currently a bright spot on the economic map of Vietnam with achievements in investment attraction and industrial and urban development. Currently, the whole province of Binh Duong has 28 industrial parks with a total area of over 10,000 hectares with about 1,500 businesses in operation. The "push" for this development comes from the Binh Duong government's focus on building concentrated industrial parks, including the role of Vietnam - Singapore Industrial Park (VSIP).

VSIP was established in 1996 and is a symbol of friendship and economic cooperation between Vietnam and Singapore. After 25 years of operation (1997-2022), VSIP not only achieved great economic efficiency but also created positive spillover and resonance effects, thereby creating the impetus to activate the business asynchronous development space in terms of socio-economic and infrastructure, not only for Binh Duong but also for localities in regional connectivity. As of September 2016, VSIP Binh Duong has 238 investment projects from 25 countries and territories operating in VSIP Binh Duong Industrial Park, attracting more than 2.6 billion USD, and creating jobs for 96,000 employees, the occupancy rate reaches 100%. Total investment capital of VSIP (both VSIP I and VSIP II) in the 2005-2010 period is 2.246 billion USD, in the 2010-2015 period is 3.266 billion USD; State budget payment for the above periods is 240 USD, and 364 USD respectively. After 25 years of establishment and development since the re-establishment of the province, VSIP Binh Duong is directly managing 4 VSIP in Binh Duong and advising and indirectly managing 5 VSIP in Vietnam stretching across 5 regions other provinces and cities of the northern and central key economic regions of Vietnam. Selected by many multinational corporations after going into operation, VSIP Binh Duong has successfully introduced a steadfastly innovative Vietnam with an open-door policy based on its advantages: an abundant vacant land market, cheap labor force and high market spirit to attract foreign investment. The first VSIP project in Binh Duong has created the foundation for a strong investment wave of Singapore in Vietnam, the VSIP model is increasingly being replicated throughout key economic regions of Vietnam: Economic Zone Southern key economic region, Northern key economic region and Central key economic region.

To have a comprehensive assessment of the contributions of VSIP to the process of industrialization, modernization, and international economic integration in Binh Duong province, as well as propose some recommendations on solutions to develop VSIP IP from the perspective of social science and technology. Humanities, learning about the role of Vietnam - Singapore industrial park in the process of industrialization, modernization and international integration of Binh Duong province has theoretical and practical significance.

Literature Review

A review of documents related to the topic of the article is important to work to understand the overall theoretical and practical research on VSIP zones in the process of industrialization and modernization and integration of Binh Duong province.

Up to now, there are many research works on VSIP model in Binh Duong province. The attraction of the above topic is interested in many domestic and foreign scientific researchers, especially from the perspective of economics, experimental sociology, and jurisprudence...clarifying the issues of industrialization and modernization. Recently, research on VSIP in Binh Duong province has also been interested in historians, mainly focusing on research on the development stages of the industrial park and assessing its contributions to the process of industrialization and modernization and international relations of Binh Duong province. The above research results are the basis and useful references for our research implementation.

Nguyen Trong Minh (2004) in the *Achievements of Vietnam - Singapore economic cooperation in the Southern Key Economic Region in the 1992-2003 period*, with a master's thesis level, the author briefly stated the relationship between Vietnam and Singapore cooperation between Vietnam and Singapore in all fields of economy, politics, culture, and society from 1992 to 2003. In particular, the author presented in detail the reality of VSIP economic cooperation in the region. Southern key economic zone - one of the three largest economic regions of the country. On pages 53-59, the author gave an overview of the formation process, characteristics, operation process, and achievements of VSIP Binh Duong from 1996 to 2003. The work has scientific data very useful, providing a better overview of VSIP in Binh Duong.

Trong Dat (2006) in the article *Some initial experiences of Vietnam - Singapore Industrial Park* quoted Mr. Nguyen Van Hung evaluating the contributions of VSIP Industrial Park to human resource training. Accordingly, it is considered that in the development process of VSIP, it is impossible not to mention the necessity of human resource training.

Nguyen Van Leo (2007) in *Solutions to perfect the operating model of Vietnam-Singapore Industrial Parks to contribute to attracting investment in Binh Duong province*, focused on presenting: The process of formation and development of Vietnam's industrial zones South - Singapore, analyzing the strengths and weaknesses of the industrial park, evaluating the operating results of the industrial park, pointing out the opportunities and challenges that the Vietnam - Singapore industrial park faces, especially the author gives find solutions to overcome the weaknesses and challenges that this IP faces in practical operations and the future.

Pham Thi Ngoc Thu (2011) in the *History of Vietnam - Singapore Relations (1965-2005)* presented a complete overview of the series of relations between VSIP over 40 years (1965-2005). The author presented the aspects of the Vietnam - Singapore relationship and analyzed in detail the factors affecting the relationship between the two countries at each stage in all fields: economy, politics, and the culture of the whole countries.

VSIP Management Board (2016) with a record of *20 years of value creation and life enhancement summarizes the development achievements of Vietnam - Singapore Industrial Park from its establishment to the present year (1996-2016)*; assesses the economic, cultural, and social contributions that create "human values" for the industrial park; pointed out the strong spread of the Vietnam - Singapore industrial park model throughout the 3 key economic regions of Vietnam.

Trinh Binh (2016) in the article *Celebrating the 20th anniversary of the establishment of the Vietnam - Singapore Industrial Park* quoted the evaluation that after 20 years of establishment and development, the success and the symbol of the VSIP brand is a sign of success. It is living proof that makes an important contribution to the economic, trade, and investment relations between the two countries. In the development process, VSIP is associated with the renovation process in Vietnam, actively contributing to the economic development of the localities and the whole country, tightening the relationship of trust and attachment between Vietnam and Singapore. The Vietnamese government highly appreciates the contributions of Singaporean businesses in Vietnam and affirms that it will keep the investment environment stable, promote reform of administrative procedures, perfect the legal system, and continue to create favorable conditions for investment favorable for businesses; contribute to the economic growth of Vietnam.

The authors Ngo Hong Diep, and Nguyen Thi Kim Thoa (2017) in the *Vietnam - Singapore Industrial Park Model in the process of Vietnam's international integration have briefly analyzed the formation and development process of VSIP Binh Duong - a symbol of friendship between Vietnam and Singapore*. The authors have demonstrated that the spread of the VSIP model throughout the three key economic regions in Vietnam is inevitable, which shows that the

Vietnam - Singapore industrial park model is completely suitable for the locality where it works. VSIP Management Board (2016) with a record of 20 years of value creation and life enhancement summarizes the development achievements of Vietnam - Singapore Industrial Park from its establishment to the present year (1996-2016); assesses the economic, cultural, and social contributions that create "human values" for the industrial park; pointed out the strong spread of the Vietnam - Singapore industrial park model throughout the 3 key economic regions of Vietnam.

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Research Method

The article is made based on the Marxist worldview and methodology, the views of scientists, organizations around the world, and Vietnam on the role of the Vietnam - Singapore industrial park in the industrial process. The modernization, modernization, and international integration of Vietnam in general and Binh Duong province in particular. Historical and logical methods are used to summarize fundamental issues, movement trends, and development of Vietnam - Singapore industrial zones in Binh Duong province and issues that need to be resolved through the years throughout the ages. The systematic approach is used to analyze the overall role of the Vietnam - Singapore industrial zone in the process of industrialization, modernization, and international integration of Binh Duong province. At the same time, the article also uses a combination of specific research methods such as comparative, analytical, synthesis, inductive and deductive methods, data synthesis, etc. to serve in research and presentation present articles.

Results and Discussion

The role of VSIP in the process of industrialization, modernization and international integration of Binh Duong province

VSIP Binh Duong Industrial Park - Bridge and promote the development of a strategic partnership between Vietnam and Singapore

Thanks to the favorable development of VSIP, the friendly relationship between Vietnam and Singapore is increasingly strengthened. In the early years of the Doi Moi period, Vietnam advocated building a foreign policy in the spirit of "more friends, fewer enemies". The VII Congress stated that "Vietnam wants to be friends with other countries in the international community, striving for peace, independence and development" (Communist Party of Vietnam, 2007, p. 53), and this policy continues to be confirmed through the VIII, IX, and X congresses. By the XII and XIII congresses, the foreign policy approach had developed to new heights: cooperation and development, multilateralization and diversification of relations; proactively and actively engage in international relations; is a friend, reliable partner, and responsible member of the international community. With the above policy along with the long-term cooperation process since the 90s of the twentieth century, in 2004, Vietnam and Singapore signed the "Joint Declaration on the framework of Comprehensive Cooperation in the 21st century", creating a legal basis and favorable conditions to promote friendly relations and multifaceted cooperation between the two countries in the future. Therefore, the cooperation and development of VSIP Binh Duong Industrial Park is a good result in the implementation of foreign policies of both Vietnam and Singapore. The establishment of the framework of a strategic partnership and a comprehensive partnership between Vietnam and Singapore is a "catalyst" to further strengthen the role and position of VSIP Binh Duong Industrial Park in particular and VSIP in the whole country in particular common in connecting Vietnam and Singapore.

Based on important achievements in the relationship between the two countries, in 2013, Prime Minister Nguyen Tan Dung and Singaporean Prime Minister Lee Hsien Loong upgraded the Vietnam-Singapore friendship and comprehensive cooperation. The Strategic Partnership covers five pillars, including deepening political relations of mutual trust; strengthen economic cooperation; enhance cooperation in security and defense; promote cooperation in other fields (education, law, health, culture-arts-sports); and strengthen cooperation at international and regional forums. The two leaders were satisfied with the effectiveness of the Framework Agreement on Vietnam-Singapore Connectivity; highly appreciate the activities of VSIP IPs in Binh Duong, Hai Phong, and Bac Ninh, and believe that VSIP 5, which is about to be started in Quang Ngai, will be successful, contributing to the development of Central Vietnam (Hoang & Bac, 2013).

In 2017, during Prime Minister Lee Hsien Loong's visit to Vietnam, Prime Minister Nguyen Xuan Phuc re-emphasized the strategic partnership and the role of VSIP, "the relationship between our two countries is becoming more and more important, sustainable, rich, and diverse, with an important turning point being the establishment of a Strategic Partnership in 2013. Regular high-level visits, billion-dollar investment projects, VSIP effect is spread all over Vietnam, thousands of Vietnamese students are studying on the island of Lion, every year more than 700,000 people from the two countries travel to visit each other... vividly demonstrating the love friendship and cohesion between the two countries. Looking to the future, with the determination, will, and efforts of both the Governments and people of the two countries, I am very optimistic and believe that the VSIP relationship will continue to be strengthened and developed strongly (Nhi, 2017).

Changing development thinking and policies of industrialization, modernization and international integration of the Party Committee and People's Government of Binh Duong province

Applying the model of "flying swallows", VSIP Binh Duong Industrial Park has shown an important experience to maintain and develop sustainably the industrial economy, especially the construction and development of the industrial park by following the sequence from the simple to the complex, from one stage to another of the same product, gradually improving the quality of the product, giving priority to the development of ancillary industries, upgrading to other industries such as electronics, assembly, and production to avoid being heavily dependent on imports, improve technique and quality, and as a result, their products can be competitive and participate in international production networks.

After 25 years (1997-2022) of formation, development, and integration, with its position and scale, Vietnam - Singapore Industrial Park has played the role of a "dynamic industrial park", a "catalyst" contributing to making Binh Duong industrial zone chain more vibrant, promote industrialization, modernization and urbanization to be carried out faster, save time, create a solid "position and force" for industrial and urban development in general in particular, changing the socio-economic structure in Binh Duong in general. The successes of VSIP Binh Duong Industrial Park affect the change of thinking and policies on industrial zone development of Binh Duong province in the coming years: continue to promote the motto "infrastructure comes first and is ahead", focuses on promoting speed up the implementation, invest in building infrastructure of industrial zones and clusters according to planning, create a clean land fund for investment attraction; development of industrial - service - urban ecosystems; forming a science and technology industrial park; continue to convert the functions of the southern industrial zones, relocate production facilities interspersed in residential areas into industrial zones and clusters; invest in building social infrastructure and housing for workers in industrial zones; promote training and development programs of high-quality human resources; take care of the material and spiritual life, living conditions and activities of employees in order to serve the sustainable and long-term development of industrial zones; improve the investment environment, promptly remove difficulties and obstacles, create favorable conditions for enterprises to invest effectively (Minh, 2020).

Contributing to promoting economic restructuring in Binh Duong towards industry, service and urban areas

VSIP has helped Binh Duong province attract domestic and foreign investment, creating leverage for rapid economic development in the direction of industry and services. In general, industrial zones operating in Binh Duong have relatively modern and synchronous infrastructure that can meet the requirements of enterprises and become an attractive destination for FDI. Most of the large enterprises investing in Binh Duong have chosen to focus on industrial zones, such as the Project of manufacturing electronic equipment and components Wonderful Saigon Electrics Co., Ltd., invested by Sun-S Group (Japan) \$450 million at VSIP 1 Industrial Park, a project to produce electronic components, Saigon Stec Co., Ltd. invested by Sharp Takaya Co., Ltd. (Japan) \$340 million at VSIP 2 Industrial Park, Tetra Pak Company (Switzerland) Dien invested in a factory to produce 120 million Euro sterilized paper boxes in VSIP 2 Industrial Park; Lacquer Craft Vietnam Furniture Co., Ltd (Hong Kong, China)

invested more than 98 million USD in the expanded Bau Bang Industrial Park to produce furniture; invested in Bau Bang Industrial Park with a project to produce automobile tire yarn with a total investment of 220 million USD by Kolon Industries Group (Korea), Polytex Far Eastern Vietnam Company invested in a combination chain of yarn - textile - Dyeing with a capital of more than 274 million USD, Kyung Bang Vietnam Co., Ltd. invested more than 179 million USD in producing all kinds of yarns and fabrics...

VSIP Binh Duong Industrial Park has helped Binh Duong consistently achieve its goal of developing a multi-sector economy operating under the socialist-oriented market mechanism. In the process of carrying out the renovation process, Binh Duong has gradually formed a new management mechanism, issued investment incentive policies, and attracted talents. Thereby mobilizing all economic sectors to develop production and business. Binh Duong's economy from the post-renovation period to the mid-90s of the twentieth century was restructured, rapidly stabilized, and grew rapidly. Thanks to the development of all economic sectors, the province's economy has grown annually with an average growth rate of 15% (in the period 1990-1996) (Binh Duong Provincial People's Committee, 2006, 2006). p. 5). Gradually transforming Binh Duong's economy with two economic components, the State and the collective, into a multi-sector economy, with many economic sectors and many intertwined forms of ownership. The state is reorganized to promote efficiency and play a leading role. The collective economy is consolidated and operating modes renewed, while other economic sectors, especially the private sector, are encouraged to support dynamic development with various economic types and foreign investment gradually formed with many types of direct investment and joint venture.

After the re-establishment of the province (1997), inheriting and promoting the achievements of the previous Song Be province, continued to have many guidelines and policies to encourage and encourage the development of all economic sectors, to attract investment investment for economic growth. Dynamically developed economic sectors make important contributions to the cause of industrialization, modernization, and international integration of the province. The birth of Vietnam - Singapore Industrial Park is the result of the policy of expanding economic sectors of the Party and State, so VSIP Binh Duong Industrial Park itself is completely in line with the policy of economic development components operate according to the market mechanism of our country since doi moi until now. The birth and development of VSIP Binh Duong Industrial Park have realized the policy of diversifying the economic sectors of the Party and State. The birth of VSIP Binh Duong Industrial Park is the third factor proving the suitability of VSIP Binh Duong Industrial Park with the locality because the policy of developing a multi-sector economy has been realized.

Changing infrastructure and planning synchronously, developing according to the industrial - urban - service ecosystem

Right after the establishment of VSIP, Becamex IDC advised the leaders of Binh Duong province to develop infrastructure, especially the transportation system. Since then, Binh Duong has made breakthroughs with the policy: Developing infrastructure in parallel with developing international standard industrial zones. The beginning of this breakthrough was to focus on building National Highway 13, the main traffic route of the province connecting with other provinces and cities in the region. Not only building and upgrading National Highway 13, but Binh Duong province's leaders also assigned Becamex IDC to synchronously develop the transport system in the province with the following routes: My Phuoc - Tan Van, 7A; Provincial roads 741, 742, 743, 744, 746; Pham Ngoc Thach... These roads have increased the connection of economic development between localities in the province, between Binh Duong and provinces and cities in the Southeast region, and reached out to the Central Highlands, and Central and Western regions. Southern Vietnam (Hung, 2020).

The industrial-urban-service ecosystem is a model bearing the imprint of VSIP Binh Duong Industrial Park. This model has elevated Binh Duong to a type locality in socio-economic development, creating effects for other localities to develop accordingly. The industrial-urban-service ecosystem is first to ensure the rights of people, especially when people have their land recovered, they will be adequately compensated, resettled, and created jobs. do attentively. People in Binh Duong province also enjoy convenient travel conditions, family economic development, job search, and other needs in terms of culture, spirit, physical training, and education. Education, health... The industrial - urban - service ecosystem changes people's thinking from "planned" to "planned". The model above has built an international strategy to attract investors. Learning from Singapore's experience and investment attraction strategy, Binh Duong province invites investors with its open "red carpet" policy and its abundant potential. Over the years, Becamex IDC has been promoting effective strategic cooperation with domestic and foreign partners. Some typical examples include cooperation with Tokyu Corporation of Japan to promote urban development - services; cooperating with Warburg Pincus to deploy new models of logistics and e-commerce,...

Becamex IDC has a professional marketing team who are good at foreign languages and operations, including local people to do marketing at various locations. countries in the world (Hung, 2020).

Attracting high-quality human resources and improving the quality of human resources in Binh Duong province

After 3 years since the re-establishment of the province (1997-2000), VSIP Binh Duong Industrial Park has helped to provide more than 8,000 stable jobs for more than 8000 workers, contributing to the provincial budget of 15 million 870 thousand VND, meanwhile, according to the report of the Management Board of Binh Duong Industrial Zones, the amount of money paid to the state budget as of August 2000 of Binh Duong Industrial Park enterprises was only 4.02 million VND, dealing with 27,000 employees (general data for all 5 industrial zones: Song Than I, Song Than II, Binh Duong, Dong An, Viet Huong). After 25 years of operation (1997-2022), VSIP Binh Duong Industrial Park contributed to the settlement of 282 thousand workers, contributing to the province's budget of 150 million VND. Particularly in 2010, VSIP Binh Duong Industrial Park created jobs for nearly 57,000 workers, contributing nearly 57 million VND to the state budget. After 25 years of development (1997-2022), as of June 2017, VSIP Binh Duong Industrial Park has settled over 1000 employees with stable jobs, the total investment capital of enterprises reached 155 million USD, equal to 103% compared to 2016, reaching 51.66% of the plan in 2017, paying hundreds of millions of dong to the state budget (Le, 2017).

In addition, VSIP Binh Duong Industrial Park also has other contributions that contribute to raising the "value" of VSIP Binh Duong Industrial Park to a higher level, which is clearly shown in the following activities: investment in building housing for workers, organizing periodic free medical examination and treatment for workers in industrial zones, sponsor expenses for returning home to celebrate Tet for workers far away, give Tet gifts to policy families, poor studious students...

VSIP Binh Duong Industrial Park develops a high-tech industry associated with environmental protection, toward green urban creation

Since its inception, VSIP has prioritized building green, clean and beautiful IPs as the top priority and so far VSIP has been successful with the greenest, cleanest, and most beautiful industrial parks and complexes in Vietnam. Vietnam. To achieve the above results, VSIP has implemented the following pollution prevention and management measures: Building separate rainwater and wastewater collection system. Collect all customers' wastewater to a centralized wastewater treatment plant for treatment to meet the National Technical Regulations on industrial wastewater before being discharged into the environment. Installing a wastewater quality monitoring system, monitoring data is transmitted to the Department of Natural Resources and Environment for monitoring. The system will send a warning signal when the wastewater quality is abnormal, thereby, assisting the operator in quickly checking and determining the cause of the abnormality. Construction of emergency response reservoirs at wastewater treatment plants. When there is a problem with wastewater quality, VSIP will implement an incident response plan by storing wastewater at the lake, combined with conditioning tanks and a wastewater collection system, operating alternately between wastewater treatment modules to fix problems as soon as possible.

VSIP has implemented environmental management for the whole industrial zone system such as VSIP I Industrial Park, and VSIP II Industrial Park, and expanded from the first day of construction until now. Specifically, applying an environmental management system according to a closed model from the management and effective use of inputs for electricity and water resources to the classification and strict treatment of the output of wastewater sources. , industrial waste and hazardous waste are handled by the requirements of Vietnamese and international standards. In addition, the green area in the factory area continues to improve and maintain the green coverage rate in the IP, accounting for more than 30% of the usable area. Investment projects in VSIP are selective and meet production conditions that create high industrial value and cause less environmental pollution. This is also the leading criterion that Binh Duong replicates in dozens of other industrial zones to develop a sustainable industry.

In 2010, VSIP was recognized with ISO 14001:2004 certification. This is the first industrial park to successfully build an environmental management system that meets the international standard ISO 14001, version 2004 in Binh Duong, and also the first industrial park to be granted this certificate in Vietnam by a member of the SGS Group. SA - is an international environmental organization that inspects, tests, and issues this certification (Vietnam Communist Party Electronic Newspaper, 2010).

Determining sustainable development to bring about operational efficiency, over the years, VSIP has always focused on creating green spaces and protecting the environment, considering the full implementation of environmental protection measures committed in the report. Environmental impact assessment is the top goal of VSIP. On that basis, VSIP I, VSIP II, and VSIP II-A industrial zones have made an environmental impact assessment and have been approved by the authorities. In addition, during its operation, VSIP also built complete infrastructure, invested

in a centralized wastewater treatment system in phases, and separated the rainwater, wastewater, and wastewater collection systems of the company. customers in VSIP Binh Duong industrial zones about the centralized wastewater treatment plant. Wastewater treatment plants operate continuously and stably, ensuring that the quality of treated wastewater meets QCVN 40:2011/BNTMT before being discharged into the environment.

Build a symbol and promote the image of Binh Duong land in the country and international friends.

Model VSIP Binh Duong carries the symbol and pride of the Binh Duong people on the road of construction and development. This pervasiveness and symbolism are like in the memory and curiosity once came to see Dai Nam - Binh Duong tourist area of the people of the Southwest region in the first decade of the 21st century. The symbolism of the success and pervasiveness of the VSIP Binh Duong industrial park model is the same as that of Vietnamese people calling all motorcycle manufacturers "Honda" cars. VSIP Binh Duong Industrial Park was born with the synthesis and drawing of experiences from firstly, Batamindo Industrial Park in Riau Province, Indonesia (1990); secondly, Suzhou Industrial Park in Jiangsu China (1994), combined with modern infrastructure and experience in industrial park construction of one of the four "dragons" of Asia make the starting point of VSIP Binh Duong. Duong has an advantage and a stronger foundation. The difference in "quality" of VSIP in Binh Duong has brought about the superior comparative advantage of this IP compared to other industrial zones in Binh Duong province. Existing and developing in the "chain of industrial zones" in Binh Duong, VSIP Binh Duong still has its own, solid, and sustainable direction, which is reflected in the spread and replication of the VSIP model to the whole province and all regions the key economy in the country.

Currently, Singaporean investors are managing and operating 8 VSIP industrial zones in Vietnam, spanning 7 provinces and cities in all three key economic regions of North, Central, and South Vietnam. It can be said that VSIP Binh Duong Industrial Park is one of the model industrial park models in Vietnam, in the process of industrial park investment and development, VSIP Binh Duong is constantly developing both in breadth and depth to build up new projects. The industrial park is large, synchronous, and modern on an international level. The most successful is VSIP Binh Duong Industrial Park (1997) with 4 zones including VSIP I, VSIP II, VSIP II-A, and VSIP III. VSIP Binh Duong Industrial Park is a typical industrial urban area model, since then VSIP has continuously expanded its investment scale in Vietnam by establishing other VSIP IPs in provinces such as Bac Ninh (2007), Hai Phong (2010), Quang Ngai (2013), Hai Duong (2015), Nghe An (2016). On September 23, 2016, the 12th Ministerial Conference on Economic Connectivity between Vietnam and Singapore took place in Singapore. At the conference, the two sides agreed that Vietnam - Singapore economic cooperation has developed strongly in all 6 fields including finance, transportation, education and training, investment, trade, and services. . Especially in terms of investment, Singapore is the third-largest investor in Vietnam with 1600 projects with a total investment of 37 billion USD, of which the Vietnam - Singapore Industrial Park Binh Duong has become a symbol of economic cooperation between the two countries. On that basis, the two sides discussed Singapore's investment in the 8th VSIP in Quang Tri province (Diep & Thoa, 2017).

The replication of the VSIP model in Binh Duong province and the spread of this model across the key economic regions of Vietnam is the clearest proof that the VSIP model is appropriate not only in Binh Duong province, in the Southern Key Economic Zone, but also spread throughout the Northern and Central Economic Regions of Vietnam. This is the factor proving that the existence of the VSIP model in Binh Duong is completely consistent with the socio-economic development goals of Binh Duong and in line with the regional economic development goals in Vietnam.

Thus, with the analysis of the above factors, it has demonstrated the suitability of the VSIP Binh Duong industrial park model with the locality (not only in Binh Duong but also in all three key economic regions of Vietnam), These are the factors that explain the rapid development, increasingly replicated model of VSIP as it is now, which is completely consistent with the socio-economic development goals of Binh Duong in particular and the whole country in particular common in the period of industrialization, modernization, and international integration.

Challenges and limitations of Vietnam - Singapore Industrial Park Binh Duong

Competition challenge

At the time of the establishment of VSIP Binh Duong Industrial Park, it completely had outstanding advantages with a modern industrial park model of international standards (Singapore standards) compared to other industrial zones in the province such as Song Than I Industrial Park, Binh Duong Industrial Park, Tan Dong Hiep Industrial Park. ... But according to the development process, combined with the application of advanced science and technology, the number of industrial zones in Binh Duong has increased rapidly. From 7 industrial zones in the mid-90s of the twentieth century, it increased to 29 industrial zones and 8 industrial clusters (2017). Although in the past time,

VSIP Binh Duong has not stopped trying to develop and replicate this industrial park model, compared to such a large and dense number of IPs, investors have a lot more options. . At the same time, this also reduces the importance of VSIP.

Besides, there is a challenge of competition among VSIP models. The fact that the VSIP model is replicated beyond the scope of Binh Duong province has brought a big challenge to VSIP Binh Duong. First built in Vietnam, over a long period, the infrastructure deteriorates, there is a lack of labor supply for businesses, the rental price of infrastructure in the industrial park is not adjusted, etc. Investors familiar with the infrastructure model of VSIP will choose another locality's VSIP IP model to fully meet the needs of investors. This is a big challenge for VSIP Binh Duong Industrial Park.

Attracting and training high-quality human resources

According to Nguyen Van Leo (2007), supplying skilled and technical labor for investors is a difficult and challenging issue for local authorities (p. 61). Skilled workers and managers are still lacking and weak compared to requirements. Although there is a Vietnam - Singapore Vocational College, the number of annual graduates has not met the huge demand of businesses, on the other hand, the training professions are still limited and need to be more diversified. . For managers: Most are from Ho Chi Minh City, local people only meet a very small percentage of the demand, on the other hand in terms of management qualifications, experience as well as the ability to express themselves. in foreign languages are still limited and do not meet the requirements. In addition, with too many industrial zones, the labor force faces many job choices, leading to a shortage of labor resources in the industrial zones.

Policy mechanisms

VSIP was established under the management of the Department of Management of EPZs and Industrial Parks under the Ministry of Planning and Investment, but at the same time, it is also under the management of local authorities where this industrial park operates. Therefore, reducing work efficiency. In 2007, although the Ministry of Planning and Investment transferred the management right of VSIP to Binh Duong province VSIP IP has not been classified as the Management Board of Binh Duong. This means that VSIP's management authority has not been fully resolved. This is also both a limitation of VSIP and a limitation in the State's policy of decentralization of authorization for management of the IP. Trong Dat (2006) believes that the settlement of customs procedures must be open, ensuring the circulation of loose products, to meet the assembly schedule of the overall line. On the other hand, a very important factor is to create a close relationship between investors and leaders at all levels of the province to solve all problems in investment, production, and import and export of goods.

In May 2020, the Prime Minister of Vietnam directed the merger of the Vietnam - Singapore Industrial Park Management Board into the Management Board of Binh Duong Industrial Parks. Accordingly, merging the Vietnam - Singapore Industrial Park Management Board into the Binh Duong Industrial Zones Management Board (hereinafter referred to as the Management Board) from May 22, 2020. The Management Board is a unit directly under the Provincial People's Committee, having its legal status, account, and seal; has a Head and no more than 03 Deputy Heads appointed by the Chairman of the Provincial People's Committee. The Management Board consists of 06 rooms; The Board's functions and tasks are specified in Article 63 of Decree No. 82/2018/ND-CP dated May 22, 2018, of the Government and other relevant legal documents (Xuan, 2020).

Investment capital needs to develop VSIP Binh Duong

To continue to achieve the above goals, VSIP Binh Duong Industrial Park has a very important responsibility to promote activities to attract as many businesses as possible to invest and win. Investment capital plays a very important role in the existence and development of the industrial park. To attract foreign investment capital into VSIP Binh Duong Industrial Park, it is necessary to: Prioritize completing the infrastructure of existing VIPs in the direction of clean and green IPs, deploying the construction of industrial park infrastructure VSIP III (1,000ha), and improving the efficiency of industrial park investment is reflected in the profitable value on the IP area. Filling the area of industrial zones is an indicator that only evaluates the results of investment attraction, counting only the quantity but not the quality of investment. Attracting high-quality investment projects are those with large capital scale, requiring little land, using high technology, creating products with great added value, and high land-use efficiency.

In addition, VSIP Binh Duong also created some consequences on the socio-economic development of Binh Duong province such as labor relations issues; international crime; social evils; cultural-institutional conflict; Transfer pricing in FDI enterprises in VSIP Binh Duong Industrial Park.

Conclusion

Recognizing the importance of industrial zones, the Communist Party of Vietnam with the policy from the 6th Party Congress to make the industrial economy in Vietnam constantly develop through the establishment of a series of industrial zones and export processing zones since Doi Moi. Changing the economic structure, to reorganizing production and social life on a national scale is an urgent and indispensable need of each country. To realize the above innovation policy, the formation and development of industrial zones in Binh Duong province, including VSIP, is an inevitable trend.

In the period 1997-2022, the role of the Vietnam - Singapore industrial park in the process of industrialization, modernization, and international integration of Binh Duong province is condensed into the following contents: VSIP Binh Duong - bridge and promote the development of strategic partnership between Vietnam and Singapore; change the development thinking and policy of industrialization, modernization and international integration of the Party Committee and People's Government of Binh Duong province; contributing to promoting economic restructuring in Binh Duong towards industry, service and urban areas; synchronously changing infrastructure and planning, developing according to the industrial - urban - service ecosystem; attract high-quality human resources and improve the quality of human resources in Binh Duong province; VSIP Binh Duong industrial park drive.

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