

Ho Chi Minh City implements resolution No. 98/2023/QH15 - difficulties, inadequacies and recommendations

Assoc. Prof. Dr. Ta Thi Thanh Tam
National Academy of Public Administration

Abstract: Resolution No. 98/2023/QH15, dated June 24, 2023, by the National Assembly on pilot implementation of particular policies for the development of Ho Chi Minh City has granted the city various new mechanisms and policies, creating momentum for its growth and maintaining its position as the leading economic hub of the country. One year after the Resolution took effect, in addition to the advantages, the city faced numerous difficulties and inadequacies in its implementation. This study analyzes and clarifies the challenges faced by the Ho Chi Minh City government in implementing Resolution No. 98/2023/QH15, thereby proposing several recommendations to effectively execute the Resolution and fully leverage the city's potential and advantages.

Keywords: Civil service regime, Resolution No. 98/2023/QH15; Ho Chi Minh City government.

1. Introduction

At the 5th session of the 15th National Assembly, with 97.3% of the participating deputies voting in favor, Resolution No. 98/2023/QH15, dated June 24, 2023, on pilot implementation of particular policies for the development of Ho Chi Minh City was adopted. This Resolution introduces many new mechanisms and policies across various areas, such as investment management; finance and state budget; urban management, natural resources, and environment; priority industries and sectors to attract strategic investors to Ho Chi Minh City; management of science and technology, innovation; and the

organizational apparatus of the city's government and Thu Duc City.

Resolution No. 98/2023/QH15 has provided Ho Chi Minh City with a new growth impetus, helping the city achieve some initial positive results. However, in addition to the advantages and opportunities, the city's government faces numerous difficulties and challenges. Therefore, addressing these difficulties and inadequacies in mechanisms and policies, as well as in decentralization and delegation of powers, is one of the key and breakthrough steps to enable Ho Chi Minh City's effective implementation of Resolution No. 98/2023/QH15 to the highest degree.

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2. Overview of Resolution No. 98/2023/QH15 and some challenges facing the Ho Chi Minh City government in the context of implementing the Resolution

Ho Chi Minh City, a significant economic and cultural center of the country, has been provided with numerous favorable conditions by the central government to leverage its potential and strengths for socio-economic development fully. This is expressed through specific mechanisms and policies outlined in Resolution No. 98/2023/QH15 dated June 24, 2023, by the National Assembly on pilot implementation of particular policies for the city's development with 12 articles and 44 mechanisms and policies across seven areas, including (1) Investment management; (2) Finance and state budget; (3) Urban management and natural resources, environment; (4) Priority industries and sectors to attract strategic investors to the city; (5) Management of science, technology, and innovation; (6) Organizational apparatus of Ho Chi Minh City's government; (7) Organizational apparatus of Thu Duc City's government. Resolution No. 98/2023/QH15 was issued based on three main principles: maximizing resources, maximizing decentralization and transfer of power, and allowing the execution of certain functions and tasks with streamlined processes and procedures outside the general legal system.

Resolution No. 98/2023/QH15 serves as a legal concretization of Resolution No. 31-NQ/TW dated December 30, 2022, by the Politburo of Vietnam. This Resolution outlines the tasks and orientation for the development of Ho Chi Minh City by 2030, with visions toward 2045. It also establishes a system of specific mechanisms and policies. These are designed to ensure that the city can harness its dynamism and creativity and effectively exploit its potential, advantages, and strategic position. More importantly,

these policies are set to significantly contribute to the socio-economic development of the country and the Southeast region, thereby underlining the broader impact of the Resolution.

The provisions stipulated in the Resolution help Ho Chi Minh City remove difficulties and inadequacies in mechanisms, policies, administrative procedures, and the operational mechanisms of the public administration apparatus. Therefore, the Resolution is genuinely crucial for promoting the sustainable and comprehensive development of Ho Chi Minh City in the era of economic integration and international cooperation.

Recently, with the efforts of the entire political system, the civil service of Ho Chi Minh City has made significant strides. Their contributions have been instrumental in enhancing the effectiveness and efficiency of the administrative system. However, during the implementation of Resolution No. 98/2023/QH15, Ho Chi Minh City's civil service has been facing some of the following difficulties:

Firstly, there is a lack of mechanisms and policies, as well as specific control mechanisms for Ho Chi Minh City's unique aspects.

Since the implementation of Resolution No. 98/2023/QH15, Ho Chi Minh City has issued several documents, including Resolution No. 08/2023/NQ-HDND dated September 19, 2023, on additional income regulations under Resolution No. 98/2023/QH15 dated June 24, 2023, by the National Assembly on pilot implementation of particular policies for development of Ho Chi Minh City; Plan No. 5342/KH-UBND dated October 28, 2023, on implementing an increase in vice-chairpersons for 52 wards, communes, and towns with a population of 50,000 or more. Although the central

government has issued many relaxed mechanisms in certain areas, there are still constraints in other related fields. For instance, the People's Council of Ho Chi Minh City is allowed to change the land use purpose of rice cultivation for areas of 10 hectares or more, but this must still comply with the existing planning. However, if the planning cannot be adjusted, it will be difficult to change the land use purpose. Meanwhile, there is no specific mechanism for managing Ho Chi Minh City planning.

Currently, there are still regulations that directly affect the legitimate rights and interests of the people and need to be strictly controlled. For instance, Point c, Clause 5, Article 4 of Resolution No. 98/2023/QH15 stipulates: "The city may apply build-operate-transfer contracts (hereinafter referred to as "BOT contracts") to construction investment projects for upgrading, extending, and modernizing existing road works in conformity with the approved planning for urban main streets and overpasses" (Point c, Clause 5, Article 4). The implementation of these provisions carries a high risk of abuse of power if there are no appropriate control mechanisms. It is crucial that these mechanisms be established to ensure the fair and effective implementation of the resolution.

Secondly, there are no specific mechanisms to protect civil servants who dare to think, act, and take responsibility for Ho Chi Minh City.

Resolution No. 98/2023/QH15, with many new mechanisms and policies, requires the urban government of Ho Chi Minh City to adopt an open management mindset. The city's cadres and civil servants must also be dynamic and continually creative in their management and administration. However, the current reality shows that some cadres and civil servants in Ho Chi Minh City are

avoiding or shifting responsibilities, with a mindset of hesitation and fear of making mistakes or taking responsibilities. They are reluctant to provide advice, propose recommendations, or make decisions within their authority. Sometimes, they shift tasks to higher authorities or other agencies, reducing their inherent dynamism and creativity. In turn, the city's administrative reform indexes declined compared to different localities of the country. In 2022, the city's PCI (Provincial Competitiveness Index) ranked 27th out of 63 provinces and cities, the PAPI (Provincial Governance and Public Administration Performance Index) ranked 42nd out of 63, the PAR Index (Public Administration Reform Index) ranked 36th out of 63, and the citizen satisfaction index ranked 43th out of 63 (Thuy, 2023). In 2022, 11 cadres, 92 civil servants, and 85 public employees of the city faced disciplinary actions; in 2023, 8 cadres, 84 civil servants, and 145 public employees were disciplined (Vien, 2024).

The empowerment regulations of the central government place a significant responsibility on the city government to shoulder and maximize its role. Without mechanisms to ensure proactivity and creativity, these special regulation will be difficult to be implemented effectively.

Thirdly, the deadline for the pilot implementation of Resolution No. 98/2023/QH15 needs to be revised.

The deadline for pilot implementation of Resolution No. 98/2023/QH15 is five years, creating tremendous pressure on Ho Chi Minh City's civil service. A 5-year period is too short, making it difficult to perfect the institutions, build mechanisms and policies, organize implementation, and evaluate effectiveness. Since some areas are complex and involve multiple ministries and sectors, more time is required for execution. For example, in the first six months of 2023 alone,

Ho Chi Minh City sent 584 documents asking for opinions from the Ministry of Planning and Investment (Mai, 2023). These documents stem from 4 groups of issues: (1) Practical issues arising in Ho Chi Minh City that are not yet covered by legal regulations; (2) Issues for which there are existing regulations, but discrepancies exist between different laws; (3) Issues that have regulations in place but are subject to different interpretations; (4) Issues that have clear regulations but still contain uncertainties, prompting the need to seek opinions.

This indicates that although the central government has issued many specific mechanisms and policies related to Ho Chi Minh City, granting the city the right to self-determination in various fields, it has not yet escaped the centralized management mechanism and lacks specific and clear guidance. Despite this, Ho Chi Minh City is steadfastly working to find innovative solutions, demonstrating its determination and resilience in the face of challenges.

Additionally, the promulgation of a legal framework to guide specific contents specified in Resolution No. 98/2023/QH15, such as the development of a government decree on interest rates, reasonable profits, payment methods, and final settlement of projects in the form of build-transfer (BT) contracts; issues related to corporate income tax exemptions and reductions, personal income tax related to innovation and startup activities, have not progressed as planned. As a result, Ho Chi Minh City needs more basis to implement some policy contents specified in the Resolution.

3. Some recommendations for effective implementation of Resolution No. 98/2023/QH15

In order for the Ho Chi Minh City government to address the above difficulties and inadequacies and to implement Resolution

No. 98/2023/QH15 effectively, the article proposes the following recommendations:

Firstly, perfecting the institutional system associated with the specific characteristics of Ho Chi Minh City.

To enable the city to proactively make decisions on its own without waiting for consensus from ministries and sectors on policies that have not been regulated in precedent, it is essential to formalize the processes, procedures, mechanisms, and policies outlined in Resolution No. 98/2023/QH15 into decrees to facilitate the implementation. Ho Chi Minh City needs to focus on its resources and collaborate with ministries and central branches to develop a legal system that ensures synchronization, uniformity, transparency, and feasibility, which will help unlock resources and drive innovation. In addition, Ho Chi Minh City needs to boldly propose the contents already included in Resolution No. 98/2023/QH15, which are under the management of ministries and branches decentralized to the city for implementation.

Another critical aspect of building a streamlined, efficient, and effective state apparatus is the removal of institutional bottlenecks in areas of public and people concern. Ho Chi Minh City should focus on this, enhancing order and discipline, preventing and combating corruption, and establishing a legal framework for implementing socio-economic development tasks. This includes promoting decentralization and transfer of power associated with inspection and supervision through the legal system. To issue timely and appropriate policies, the city government should also regularly monitor, pay attention to, and listen to the opinions of the people through voter petitions and mass media.

Additionally, to ensure the initiative and creativity of civil servants in implementing

their duties and contribute to the successful execution of Resolution No. 98/2023/QH15, the city needs to establish mechanisms to protect cadres and civil servants who are willing to think innovatively, act, and take responsibility. Therefore, the Department of Home Affairs of Ho Chi Minh City needs to accelerate and complete the project's construction: "Pilot policy for encouraging and protecting dynamic, creative officials who dare to think, act, and take responsibility for the common good." This project aims to concretize the implementation of Conclusion No. 14-KL/TW dated September 22, 2021, by the Politburo on the policy of encouraging and protecting dynamic and creative officials for the common good, and Decree No. 73/2023/ND-CP dated September 29, 2023, by the Government on encouraging and protecting dynamic, creative officials who dare to think, act, and take responsibility for the common good.

Secondly, training, fostering, and enhancing the workforce of cadres and civil servants in Ho Chi Minh City.

To effectively implement Resolution No. 98/2023/QH15, the civil service of Ho Chi Minh City must have a workforce of professionally qualified cadres and civil servants. This requires the city to innovate its recruitment methods towards competitive recruitment exams, focusing more on competence and qualifications than seniority.

It is crucial to improve the system for evaluating and ranking the quality of cadres and civil servants to ensure fairness with specific, clear, and quantifiable criteria. Emphasis should be placed on training, fostering, career advancement, rewards, creating motivation for work, encouraging and harnessing innovative and creative capacities, honoring and rewarding achievements, improving office culture, and enhancing the public service environment.

Additionally, Ho Chi Minh City needs to urgently study remuneration policies to attract talents, including scientists, experts, people with special talents, excellent graduates, and highly qualified people come to work, maximizing human resources for the city's construction and development. Specifically, Ho Chi Minh City should focus on training and fostering in-depth knowledge of strategic planning for cadres and civil servants at key leadership, management and strategic advisory positions, and those involved in building socio-economic development policies of the city.

Thirdly, extending the deadline for pilot implementation of Resolution No. 98/2023/QH15.

Previous experience has shown that implementing Resolution No. 54/2017/QH14, dated November 24, 2017, by the National Assembly on piloting unique mechanisms and policies for the development of Ho Chi Minh City, which covered only four areas - land management, investment management, financial and state budget management, and regulations on delegation of authority among government levels and the income of cadres, civil servants, and public employees under the management of the city – was insufficient within the five-year timeframe, necessitating a request for an extension.

Meanwhile, due to the need to comply with various steps and procedures, the implementation of some policies in Resolution No. 98/2023/QH15, such as policies to attract strategic investors, pilot the Transit-Oriented Development (TOD) model for urban development, and many others, will require additional time for the city to execute.

Therefore, to ensure the effective piloting of Resolution No. 98/2023/QH15, which has 12 articles and 44 mechanisms and policies covering seven areas, a longer period is necessary - at least 7 to 10 years – so that Ho

Chi Minh City can carry out the implementation, conduct preliminary and final reviews, draw experiences, and report to the Government.

4. Conclusion

Resolution No. 98/2023/QH15 represents a system of unique mechanisms and policies to ensure Ho Chi Minh City can achieve breakthrough economic and social development. To fully leverage these special mechanisms and policies, the civil service of Ho Chi Minh City must be enhanced. However, in the current implementation of Resolution No. 98/2023/QH15, the city's civil service faces numerous challenges. Therefore, to address these issues, it is necessary to perfect the institutional framework associated with Ho Chi Minh City's characteristics, build and develop the workforce of cadres and civil servants in Ho Chi Minh City, and extend the time to implement the Resolution to ensure its feasibility.

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