OVERVIEW REPORT

OF PHU YEN PROVINCE'S SOCIO-ECONOMIC DEVELOPMENT, POTENTIALS AND POLICIES FOR INVESTMENT ATTRACTION

I. POTENTIAL AND INVESTMENT OPPORTUNITIES

Phu Yen is a coastal province in the southern central Vietnam, stretching over an area of 5023.4 km2. It is home to a population of over 900 thousand people from various ethnic groups such as Kinh, E De, Cham, Ba Na, among others. The province is divided into 9 district-level administrative units comprising 112 administrative units at the commune, ward and township levels. Phu Yen boasts a favorable geographic location with sea, plain, midland and highland, and rich natural resources, giving it multiple comparative advantages as well as the necessary resources for socio-economic development and investment attraction.

To the West**,** Phu Yen borders Dak Lak and Gia Lai provinces. It is among the coastal provinces of southern central Vietnam with the most favorable location for construction of a railway to the Central Highlands, as well as for connection with neighboring countries, and for petroleum pipelines from Vung Ro Port to the Central Highlands provinces.

To the South, Phu Yen borders Khanh Hoa province, and the recently completed Bac Van Phong special economic zone and Deo Ca tunnel, which permanently link southern Phu Yen with northern Khanh Hoa. This is ideal for the Nam Phu Yen economic zone to thrive.

To the North, Phu Yen borders Binh Dinh province, the key economic region of Central Vietnam, with Quy Nhon City, and Quy Nhon Port. This provides favorable conditions for the Dong Bac Song Cau industrial zones to flourish.

To the East, Phu Yen borders the East Sea that offers 6900 km^2 for exploitation. The East Sea is a vast fishing ground with many species of high value added seafood, including shrimp, squid, fish. Phu Yen's 189-km coastline is blessed with various breathtaking and pristine lagoons and bays, islets with coral reefs. The natural conditions are ideal for blue economy development, including fisheries, aquaculture, eco-tourism, and salt production.

Climate: The province is located in the tropical monsoon area with a hot and humid climate influenced by the ocean. The average annual temperature is from 23-27 ^{o} C, average rainfall is about 1,200-2,300mm, and average humidity is 80-85%.

Soil: there are 9 categories of soil, of which agricultural land is over 120 thousand ha. The complete irrigation system plus abundant water resources are ideal for large scale production.

Mineral: the province boasts a diversity of minerals, some with large reserves that can be exploited on an industrial scale, such as diatomite, marble, fluoride. In addition, there are hot mineral springs: Phu Sen, Triem Duc, Tra O, Lac Sanh which are suitable for medicinal bathing and relaxation.

Fresh water: Abundant with major river systems: Ba, Ban Thach, Ky Lo with total basin area exceeding 16,500 km2. The average annual flow of 12.4 billion m3 is sufficient to supply household and industrial water demands of the province, as well as to neighboring provinces.

Phu Yen is blessed with natural and man-made beauties as tourist attractions with an average of 1.8 relics over 100 km2. The Nhan tower is located at the heart of Tuy Hoa City. From Tuy Hoa City to the north is an immense natural area with the Long Thuy beach, O Loan lagoon, Chua rock, Mai Nha island, Yen rock, Da Dia waterfall, Xuan Dai bay. To the south lies Vung Ro seaport with relics of unnumbered ships, Mui Dien - the first place to receive sunlight in Vietnam. To the west, there are the Krong Trai nature reserve, Thi Thung hill, Van Hoa plateau - a future eco-tourism spot of the province. Phu Yen is home to many ethnic groups living in harmony, creating a diversity of customs, cultural traditions, festivals, with unique identity: Tuong singing, Bai Choi singing, Ba Trao singing, Gong festival, housewarming festival, Cau Ngu festival; and two unique musical instruments: stone xylophone and trumpet dating back around 2,500 years ago. All these give the province a great potential for ecotourism and culture-based tourism.

Human resources: The labor force is abundant and the percentage of trained workers accounts for 61% of total labor force. The Phu Yen university, Central Vietnam engineering college, Tuy Hoa industrial college, vocational college, a medical college, Phu Yen campus of the bank academy, and several vocational schools train on average 2,500 skilled workers per year for the province and the region.

II. INCENTIVE POLICIES FOR INVESTORS

In addition to the maximum application of the central government's policies and regulations on investment incentives, in order to further attract investment for socio-economic development, the province has issued three decisions on policies to encourage and support investments:

Projects with private investment in the domains of education, training, vocational training, health, culture, physical training and sports, the environment, judicial expertise will be subject to Decision No. 77/2016 / QD-UBND dated

6/12/2016 of the Provincial People's Committee, including exemption of land rent for the whole lease term.

Industrial zones are subject to Decision No. 2159/2008/QD-UBND dated 24/12/2008 of the Provincial People's Committee.

Hi-tech agriculture zones are subject to Decision No. 62/2017 / QD-UBND dated 08/12/2017of the Provincial People's Committee.

At the same time, with the strong political will to improve the investment environment, in addition to upholding the responsibility of leaders, Phu Yen has been accelerating administrative procedure reforms, including the one-stop shop; At present, all administrative procedures related to enterprises, investment ... are received and returned at the Department of Planning and Investment.

2. Priority areas for investment attraction

Tourism and services: focus on attracting investment in the development of sea and island eco-tourism forms; culture and history-based tourism; create Phu Yen's unique tourism products. Develop quickly and synchronously all types of services, focusing on financial, transport and logistic, post and telecommunications, information technology services.

Industry and construction : promote in-depth investment, application of new technology, automatic technology in the industries. Develop the refining, petrochemical, supporting, energy, agro-forestry-fishery industries. To attract investors in the field of urban technical infrastructure, housing and real estate.

Agriculture, forestry and fishery: Strongly attract investment to develop hi-tech agriculture. Set up specialized cultivation areas with high productivity, high quality linked with post-harvest technology and processing industry. Development of livestock production towards farming economy with good breeds and effective disease control. To form clean vegetable farms in the urban belts, industrial parks and tourist destinations; To develop horticulture. Develop forestry with focus on large timber, forest certification, associated with processing industry in order to improve efficiency from planted forests.

Sustainable development of fisheries, aquaculture, processing and logistics. Promote the application of science and technology to fishing, aquaculture and processing.

Social sectors: Mobilize resources to invest in education and training; healthcare; culture - physical training and sports; social security; labor, employment in tandem with labor market development.

PEOPLE'S COMMITTEE OF PHU YEN PROVINCE.