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## The Situation of Mobilizing Investment Capital Sources for Socio-economic Infrastructure Development in Thai Nguyen Province, Vietnam

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### **Abstract:**

*Socio-economic infrastructure plays a very important role for socio-economic development, is the set of conditions, infrastructure and technical facilities that directly affect investment activities, promote economic growth and social development. The Resolution of the 18<sup>th</sup> Thai Nguyen Provincial Party Congress has identified synchronous infrastructure development as one of the strategic breakthroughs for the province's socio-economic development in the period 2021-2030, at the same time clearly stating the need to diversify investment forms, encouraging and creating conditions for all economic sectors, including foreign investment, to participate in socio-economic infrastructure development. The article reflects and analyzes the current situation of mobilizing investment capital sources for socio-economic infrastructure development in Thai Nguyen province, Vietnam, thereby assessing the achievements and the shortcomings need to surmount in the next stage.*

**Keywords:** Capital, investment, development, infrastructure, Thai Nguyen province

### **1. Results of Mobilizing the Investment Capital Sources for Socio-Economic Infrastructure Development in Thai Nguyen Province According to Capital Sources**

#### *1.1. Domestic Investment Capital Sources*

##### 1.1.1. Government Savings

Government savings include savings from government budget and government-owned enterprises, in the period 2015-2019, the public savings account reached 25,622.8 billion VND, 2.17 times higher than the 2010-2014 period, accounting for 67, 1% of total investment capital in socio-economic infrastructure of the whole province, the average growth rate is 7.4%, specifically as follows:

##### 1.1.1.1. The Government Budget Savings

In the period 2015-2019, the total revenue from the government budget balance reached 60,612 billion VND, the speed of average growth rate of this period was 20.1%. The budget revenue structure is becoming more and more solid, consistent with the development of the economy and the integration process; the proportion of domestic revenue in total government budget revenue is increasingly high. If in 2015, the government budget balance revenue only reached VND 7,484 billion, by 2019 it would increase to 15,563 billion VND, an increase of 2.08 times. Year of 2015 was the year when many new tax policies were issued, creating a sudden increase in the provincial budget revenue, especially the Samsung Thai Nguyen project complex accelerated the disbursement plan of 5 billion USD, resulting the revenue of enterprises which have foreign direct investment reached 1,397 billion VND above estimated 294 billion VND (exceeding 1,103 billion VND). In 2019, the budget revenue growth rate reached 3.6%, the lowest in the whole period, due to the recession of the world economic situation affecting the production and business of enterprises, complicated epidemics..., according to which 3/14 domestic revenues did not complete the assigned estimate, of which import-export revenue reached 2,668 billion VND, equal to 84% of 2018.

The government budget savings for investing socio-economic infrastructure are formed from two sources, including local and government budget support. In the period 2015-2019, the government budget savings obtained 19,423.9 billion VND, of which the local budget was 17,298.1 billion VND (accounting for 89.1%) and the government budget support was 2,125.8 billion VND. (excluding the capital of government bonds, official development assistance - ODA); 2.4 times higher than in the period 2010-2014.

No	Criteria	Period 2010-2014	Period 2015-2019					
			Total	Year of 2015	Year of 2016	Year of 2017	Year of 2018	Year of 2019
1	The government budget savings	8.081,1	19.423,9	2.877,7	3.472,1	4.333,7	4.451,9	4.288,5
-	The capital of local budget	6.221,5	17.298,1	2.350,5	3.100,4	3.850,0	4.064,3	3.932,9
-	The capital of government budget	1.859,6	2.125,8	527,2	371,7	483,7	387,6	355,6
2	The rate between investment capital of local budget and government budget savings	76,9	89,1	81,7	89,3	88,8	91,3	91,7
3	The rate between investment capital of local budget and the total revenue of government budget savings	18,7	26,1	22,4	25,4	28,2	26,3	28,0

*Table 1: The Government Budget Savings for Socio-Economic Infrastructure Investment of Thai Nguyen Province in the Period 2015-2019*  
Unit: Billion VND, %

Source: People's Committee of Thai Nguyen Province

In the period 2015-2019, the investment capital from local budgets to invest in socio-economic infrastructure was 17,298.1 billion VND, 2.78 times higher than the period 2010-2014, the average growth rate reached 13.7%. This capital source grew at the highest rate in 2017 (up 24.8%), due to the fact that land revenues reached 3,045.1 billion VND, 1.78 times higher than in 2016, resulting in spending on infrastructure investment from land money was 3,028.2 (highest in this period). The proportion of socio-economic infrastructure investment spending from local budget capital over the total government budget balance expenditure has had significant improvements, if in the period 2010-2014 it reached 18.7%, 25.4% in 2015, will reach 28.0% by 2019.

### 1.2. Government-Owned Savings

As of December 31, 2019, the province has 04 Government-owned enterprises holding 100% of the charter capital; 06 equitized enterprises with government capital are represented by the Provincial People's Committee, specifically as follows:

- For Government enterprises holding 100% of charter capital, including: Thai Nguyen Irrigation Exploitation One Member Company Limited; Thai Nguyen Water Drainage and Urban Infrastructure Development One Member Company Limited; Dai Tu Forestry Company Limited; Thai Nguyen Lottery One Member Company Limited.
- For equitized enterprises with Government capital, represented by the Provincial People's Committee, including: Thai Nguyen Pure Water Joint Stock Company; Thai Nguyen Transport Joint Stock Company; Thai Nguyen Agricultural Material Joint Stock Company; Thai Nguyen Urban Construction and Environment Joint Stock Company; Thai Nguyen Traffic Construction and Management Joint Stock Company; Song Cong Urban and Environment Joint Stock Company.
- There are also government-owned enterprises located in the province such as: Thai Nguyen Power Company; Viettel Thai Nguyen - Branch of Military Telecom Corporation; VNPT Thai Nguyen - Post and Telecommunication Group Branch ...

#### 1.2.1. Private Savings

Private savings include savings of non-government enterprises and private savings. In the period 2015-2019, the natural savings account reached 3,558.0 billion VND, 1.06 times higher than the period 2010-2014; accounting for 9.3% of total investment capital for socio-economic infrastructure; the average growth rate is 8.7%. In 2015, the capital savings account reached 580.2 billion VND, an increase of 20.6% in 2016, a decrease of 10.3% in 2017, an increase of 34.1% in 2018 and a decrease of 3.8% in 2019. Capital structure of unemployment savings, saving capital of non-government

enterprises in 2015 accounted for 70.4%, decreased to 59.7% in 2016 and the trend of gradually increasing over the years 2017, 2018 and 2019 (respectively 53.9%; 61.3% and 72.8%), this confirms that non-government enterprises are increasingly playing an important role in investment in building socio-economic infrastructure in Thai Nguyen province. In general, private investment capital plays an increasingly important role, contributing to the completion of the province's socio-economic goals, especially in the context of restructuring and adjustment of the scope of activities of the province government enterprises.

Savings of non-government enterprises are formed on the basis of profits after all financial obligations have been paid to the Government. In recent years, non-government enterprises have made important contributions to increasing revenues for the Government budget, solving many socio-economic problems, promoting development and implementation of production. social balance. Investment capital from savings sources of non-government enterprises in the 2015-2019 period reached 2,269.2 billion VND, 1.57 times higher than the 2010-2014 period, the average growth rate was 9.6%. In the structure of savings capital of non-government enterprises, capital for investment in residential projects accounts for 33.5%; PPP projects account for 20.3% and projects that are granted investment policy decisions make up 46.2%. This source of capital increased sharply in 2018 and 2019 because in 2018, Thai Nguyen province held an investment promotion conference with the theme 'Thai Nguyen - Development potential and investment opportunities', according to which the province has attracted 64 projects of 45 investors with a total registered investment capital of about 114,012 billion VND, including: 16 projects in the industrial sector; 04 agricultural projects; 16 projects on supermarkets, trade, eco-tourism, culture - sports; 19 urban infrastructure and transport projects; 05 projects on health, education and information technology; 04 projects for garbage treatment and cemetery. By the end of 2019, the total investment capital disbursed reached about 3,445 billion VND, including projects such as Thai Hung Urban Thai Nguyen City; Cao Ngan urban area; Son Cam 1 industrial cluster.

Saving capital of the population has contributed to the rapid development of the socio-economic infrastructure system, notably rural transport, irrigation, cultural facilities, and health, creating momentum for economic development. social economics. The infrastructure works have been completed and put into use to help improve the material and spiritual life of the people; to associate rural development with urban and ecological environment.

### 1.2.2. Government Bonds

In the period 2015-2019, the government bond capital source to invest in the construction of socio-economic infrastructure systems in the province reached 1,701.2 billion VND, 1.04 times higher than the 2010-2014 period. accounting for 4.4% of the total investment in socio-economic infrastructure of the whole province. Capital planning work has complied with the process of building government bond capital demand according to the guidance and announcement of the expected capital level of the Ministry of Planning and Investment; capital allocation according to the order of priority according to the Government's regulations. In order to allocate capital Government bonds need to ensure the following regulations: Must have a list of projects using Government bonds capital in the approved plan year; detailed allocation plan of Government bond capital for each specific project when it is allocated by the Government; have a plan to check and monitor the use of government bond capital of projects ... Recently, Thai Nguyen province has actively reviewed projects under its management according to decentralization and calculation. specific capital needs of each project to have a basis to work with central agencies, to take advantage of the support in the allocation of capital Government bonds.

### 1.2.3. Credit Institutions

Credit capital for investment in socio-economic infrastructure in the 2015-2019 period reached 6,038.9 billion VND, 1.11 times higher than the 2010-2014 period, accounting for 15.8% of structural investment. socio-economic infrastructure of the whole province, the average growth rate is 4.5%, specifically:

Credit capital in 2016 reached 1,576.4 billion VND and in 2019 reached 1,349.6 billion VND, the highest in the whole period, the reason is that this is 2 years that Thai Nguyen province has invested in many key projects, projects. The Government sector's credit capital in 2016 and the credit capital of non-government enterprises in 2019 increased sharply, leading to a high increase in credit capital for infrastructure investment. Credit capital includes credit capital of the Government sector and credit capital of non-government enterprises, specifically:

- Credit capital of the Government sector in the period 2015-2019 for investment in socio-economic infrastructure is VND 825.9 billion, equal to 75.4% compared to the period 2010-2014. Over the years (up 222.7% in 2016; 95.3% in 2017; 33.0% in 2018 and 6.0% in 2019). The Government sector's loans are mainly from the Development Bank, the idle capital of the Government Treasury and the on-borrowing from foreign loans of the Government. Loans from the Development Bank to implement the program of solidifying canals and rural transport; The idle capital of the Government Treasury is invested in key socio-economic infrastructure projects; however, the government budget advance capital is made and returned within the same budget year.

No	Content	Year of 2015	Year of 2016	Year of 2017	Year of 2018	Year of 2019
1	Loans in advance to the government Treasury	90	500			
-	Traffic	90	500			
-	Irrigation					
2	Development bank loan	90				
-	Traffic					
-	Irrigation	90				
3	Re-borrowing the Government's foreign loan		80,9	27,3	18,3	19,4
-	Traffic		10,8	24,9	11,9	9,7
-	Irrigation		70,1		3,5	6,7
-	Water supply			2,4	2,9	3,0
	Total	180	580,9	27,3	18,3	19,4

*Table 2: Credit Capital Sources of the Government Sector for Investment in Socio-Economic Infrastructure in Thai Nguyen Province, 2015-2019*

*Unit: Billion VND*

*Source: Department of Finance of Thai Nguyen Province*

Credit capital reached the highest level in 2016 at 580.9 billion VND, including an advance loan from the Government Treasury of 500 billion VND to implement the project of Bac Son extended road and 80.9 billion VND to re-borrow foreign loans. government. Entering 2018, credit capital fell sharply to 18.3 billion dong, the reason was that five provinces did not take advance loans from the Government Treasury and Development Bank but prioritized budget allocation to repay principal and interest of the old loans (including 90 billion of the Government Treasury, 115 billion of the Development Bank and 42.1 billion of re-borrowing from foreign loans of the Government). Government sector credit is mainly in the transport sector, accounting for 78.4%, followed by the irrigation sector with 20.6% and the water supply and wastewater treatment sector at 2, 0%.

- Credit capital of non-government enterprises in the period 2015-2019 for investment in socio-economic infrastructure reached VND 5,213.0 billion, 1.21 times higher than in the 2010-2014 period, average growth army reached 8.7%. Credit capital of residential projects is 1,688.7 billion dong (accounting for 32.4%); PPP projects reached 1078.9 billion VND (accounting for 20.7%) and projects granted with Decision on investment policy reached 2,445.3 billion VND (accounting for 46.9%). In 2012, credit capital was low in the period 2010-2019 due to the tight monetary policy of the Government, credit institutions tightened lending, especially real e government projects, infrastructure, many Enterprises are facing the risk of bankruptcy because of increasing bad debts, large loans, and unable to restructure due debts. To remove difficulties for production and business, support the market, and solve bad debts, the Government issued Resolution No. 02 / NQ-CP dated January 7, 2013 to continue lowering the interest rate level. consistent with the decrease in inflation; take measures to support and simplify lending procedures and increase credit for the agricultural and rural sectors, and small and medium enterprises. Besides, the Government Bank also deployed credit products linking 4 houses in the field of infrastructure construction investment (banks - investors - contractors - suppliers of building materials). The four-house linked credit product helps banks to control credit flows safely and effectively; ensure the loan is used for the right purpose; contribute to supporting businesses to accelerate the progress of infrastructure projects. Therefore, credit capital in the 2015-2019 period grew again, with only credit capital in 2018 and 2019 combined, was 1.04 times higher than in the 2010-2014 period. This is an extremely important source of capital to motivate socio-economic development, improve the quality of the socio-economic infrastructure system in Thai Nguyen province in the coming time.

#### 1.2.4. Public Private Partnership

- In the period 2010-2014, complying with the provisions of Decree No. 108/2009 / ND-CP dated January 27, 2009 of the Government, Thai Nguyen province has approved and announced the investment portfolio in the form of BOT and BT form in Decision 1653 / QD-UBND dated July 21, 2010, this period the province has 8 transport projects, of which there are 4 BOT projects and 4 BT projects, including: Thai Nguyen Street - Market New: The starting point intersects with NH3 at Km75 + 750; the end point intersects with the trunk road of Thanh Binh industrial park, on the territory of Thanh Binh commune, Cho Moi district, Bac Kan province; Huong Thuong suspension bridge; Ha Chau - Dong Tan suspension bridge; Dong Lien suspension bridge; urban road Dan - Nui Coc lake...

In the period 2015-2019, investment capital of PPP projects reached 1,540.0 billion VND, accounting for 4.1% of the investment capital of socio-economic infrastructure of the whole province, of which equity capital of enterprises reached 461, 1 billion VND (accounting for 29.9%) of loans from credit institutions reached 1,078.9 billion VND (accounting for 70.1%), focusing on irrigation (accounting for 9.1%) and transportation (accounting for 90. . 9%); equal to 63.3% of the period 2010-2014 due to the fact that in 2014 the Ministry of Transport implemented the project of Thai Nguyen - Cho Moi road under the BOT form in Thai Nguyen province with a total investment capital of 2,301 billion VND. .

In 2018 and 2019, the investment capital for PPP projects increased sharply with 486.3 billion VND and 731.6 billion VND, respectively, the reason was that Thai Nguyen province actively implemented investment projects to build Thanh Nien road. Volunteer in the BT form and investment projects to build technical infrastructure of residential areas associated with historical relics Young volunteer group 915 and youth activities center in BT form with total investment Nine 232.1 billion VND; Bac Son road construction investment project extending from Km0 + 00 to Km9 + 500 in the form of PPP - BT contract with total investment of VND 2,143.5 billion.... In addition to a number of key projects that have been actively implemented, the remaining PPP projects have been implemented very slowly, with low disbursement capital, due to the lack of legal framework in PPP projects, in particular, the Implementing BT projects that need to determine government assets to reciprocate investors, however, until 2019, the Government has only issued Decree No. 69/2019 / ND-CP regulating the use of public assets for Paying investors when performing work construction investment projects in the form of BT contracts.

### 1.3. Foreign Capital

#### 1.3.1. The Capital of Official Development Assistance (ODA)

Since 1993, Thai Nguyen province has begun to participate in receiving and implementing the first ODA-funded programs funded by UNDP and UNICEF such as: PAM afforestation program; Clean water program, Integrated health program; anti-blindness program ...

From 1993 to 2019, the province received 73 ODA projects and programs from 18 donors such as ADB, WB, JICA, OFID, Denmark, France, Norway, EU ... (including projects The umbrella is operated by the central ministries and branches in the province), of which 67 programs and projects have been completed, handed over and put into operation as of December 31, 2019. transition implementation in 2020 and the following years (excluding newly signed projects under the Agreement which are currently under investment preparation). Total ODA capital for investment in socio-economic infrastructure of Thai Nguyen province in the period 2015-2019 reached 1,283.8 billion VND, 1.1 times higher than the 2010-2014 period, accounting for 3.4% of the investment capital. investment in socio-economic infrastructure of the whole province, in which capital sources of middle-managed projects reached 301.5 billion VND (accounting for 23.5%), projects managed by province reached 982.3 billion VND (accounting for 76, 5%). This capital source is prioritized to use this resource to support socio-economic infrastructure, especially in rural, remote, and disadvantaged areas, contributing to economic growth and improvement. people's life, positively contributing to socio-economic development and poverty reduction, job creation, increasing budget revenue ... for the 2010-2014 period, in which the disbursement rate of centrally managed projects increased from 67.6% to 69.8%, and projects managed by province increased from 77.8% to 80.8%. However, the disbursement rate has not met the proposed capital plan, the reason is: Project investment preparation is still slow, especially some 0 projects are owned by central ministries. investment management implemented in the province; transfer of foreign capital from central to local project source accounts for 0 projects is still slow compared with the annual plan; lack of ODA capital plan, mid-term reciprocal support capital from 2016 to 2020 to complete the project according to funding commitment in the period. For projects managed by the province, the highest ODA source in 2019 is 299.8 billion VND, including 12 projects, of which: 04 projects have completed implementation volume in 2019; 05 projects with implementation volume achieving progress in 2019; 03 projects are being prepared for investment and are designing construction drawings and cost estimates and bidding for the works are expected to start implementation by the end of 2019 and early 2020, these projects do not have completed volume to Disbursement to withdraw capital should only disburse in advance and not reach the planned schedule. For centrally-managed projects, ODA capital reached the highest level in 2016 at 215.9 billion VND, with priority allocated to projects in the education sector 119.8 billion VND (accounting for 55.4). % and the health sector 64.6 billion VND (accounting for 29.9%), including projects such as: Construction of Thai Nguyen University phase 2; Dormitory of Thai Nguyen Pedagogical University; regional medical support Northeast and Red River Delta ...

#### 1.3.2. Foreign Direct Investment (FDI) Capital

The situation of attracting and using FDI capital in the past years in Thai Nguyen province shows an imbalance between industries, while the processing and manufacturing industry accounts for 82.8% of projects and 99, 6% of the scale of the realized investment capital, other investment sectors, especially infrastructure investment, are not really attractive to foreign investors. In the period 2015-2019, there were no FDI projects investing in the socio-economic infrastructure sector, this is also the general situation of the country when FDI projects mainly invest in berths and bridges. port warehouses and yards but pay little attention to other infrastructure areas.

## 2. General Assessment in Mobilizing the Investment Capital Sources for Socio-Economic Infrastructure Development in Thai Nguyen Province

### 2.1. Obtained Achievements

Firstly, the mobilization of investment capital for socio-economic infrastructure development has been closely linked to the socio-economic development strategy set by the Party Congress of Thai Nguyen province through the congresses. The master plan on socio-economic development of Thai Nguyen province up to 2020 and vision to 2030, approved by the Prime Minister, is an important basis for mobilizing investment capital sources for the development of social economic infrastructure. associations, especially the capital source of the Government economic sector. The above strategies have been institutionalized by guidelines, mechanisms and policies of the province, creating a legal basis for

capital mobilization. Specifically, Resolution No. 47/2016 / NQ-HDND on support mechanism for construction of rural infrastructure in Thai Nguyen province, 2016-2020 period; Decision No. 37/2017 / QD-UBND dated December 18, 2017 on investment incentive policies for infrastructure sectors ... Besides, Thai Nguyen province has carried out planning for each field. Infrastructure, selecting a list of infrastructure projects with priority investment, reforming administrative procedures in order to attract maximum investment capital.

Second, the scale of investment capital for socio-economic infrastructure development is increasing day by day, in the period 2015-2019, Thai Nguyen's socio-economic infrastructure investment capital reached 38,204, VND 6 billion, 1.6 times higher than the 2010-2014 period, the average growth rate is 6.1%. Capital structure for investment in socio-economic infrastructure is increasingly diversified, the government sector capital is mainly mobilized from three sources and plays a key role when accounting for 74.9% proportion. The average growth rate of the civil savings fund is 7.4%; the ODA capital is 11.5%. Funds of private savings and credit institutions reached VND 9,596.8 billion, accounting for 25.1%, with the participation of the private sector, the increasing responsibility of the community will reduce pressure on the government budget and ensure investment and development. The infrastructure development is more and more effective. Many forms of infrastructure investment together with infrastructure services business and investment models such as BOT, BT, and BTO have been implemented.

Third, over the past years, Thai Nguyen province has chosen a breakthrough in the development of socio-economic infrastructure is the construction of transport infrastructure, so the investment capital for transport infrastructure accounts for billions. the largest weight was 53.8%, followed by the power supply system with 12.1%; educational institutions accounted for 8.4%; water supply and waste treatment systems, wastewater accounted for 7.1%; the irrigation system accounts for 5.3%; cultural establishments account for 4.7%; the post and telecommunications system accounts for 4.3% and medical facilities for 4.3%. The socio-economic infrastructure system of Thai Nguyen province develops strongly in width and depth, making an important contribution to socio-economic development, ensuring national defense and security, protecting the environment and improving living standards. people. The transport system creates a connection between Thai Nguyen and other provinces and between localities in the province. Irrigation infrastructure and water supply works for the people are invested to ensure stable watering. Power supply infrastructure is invested, upgraded, improved power transmission capacity, basically meeting the needs of production and daily life of the people ... Technology capacity and quality of human resources in all fields. investment, construction, management and operation of the infrastructure system has been raised. Many infrastructure projects have been completed and put into use, contributing to change the appearance of Thai Nguyen province such as Vo Nguyen Giap Square; Ben Tuong bridge; Viet Bac road; Phu Luong Secondary School for Ethnic Minority Boarding; Thai Nguyen High School for the Gifted ...

Fourthly, administrative procedures in the field of mobilizing investment capital for the development of socio-economic infrastructure are increasingly improved. According to the results of the sociological survey, administrative procedures related to the field of investment in socio-economic infrastructure are fully and accurately publicly listed with the rate of votes at disagree is 14 votes (6.3%); no comments 29 votes (12.5%); agree 129 votes (56.3%) and completely agree 58 votes (25.0%).

- Cadres and civil servants effectively solve their work with the rate of disagreeing 14 votes (6.3%); No comments 43 votes (18.8%); agree with 129 votes (56.3%) and completely agree 43 votes (18.8%).
- The time for implementing administrative procedures is shorter than prescribed with 14 votes (6.3%) at disagreement; no comments 72 votes (31.3%); 101 votes (43.8%) and completely agree with 43 votes (18.8%).

## 2.2. Limitations

Firstly, the capital mobilization has made many efforts but has not yet met the investment capital demand for socio-economic infrastructure development.

The total investment capital for socio-economic infrastructure mobilized in the 2015-2019 period can only meet 58.1% of the investment capital demand, of which the government sector can meet 82.0%; the non-government economic sector met 38.6% and the foreign invested sector could not mobilize investment capital. This leads to some projects not being implemented or implemented slowly; Some infrastructure works have deteriorated seriously but do not have capital to maintain and repair, significantly affecting the socio-economic development of the province.

Second, there are still many shortcomings in investment management for socio-economic infrastructure construction projects using Government capital.

Thai Nguyen province has not been proactive in forecasting the balance of local budget revenues and expenditures, the ability to mobilize investment capital sources when planning medium-term public investment 2016-2020, leading to many adjustments. (at Resolution No. 31/2017 / NQ-HDND dated December 8, 2017; Resolution No. 19/2018 / NQ-HDND dated December 8, 2018; Resolution No. 06/2019 / NQ-HDND dated 27 / 3/2019); Total after adjustment, there are 31 new construction projects. Investment management for projects using Government capital still has many problems such as: scattered and asynchronous investment; project design is not reasonable; select projects with priority investment. Some projects are not really urgent and necessary; No provision is made in the medium-term plan for public investment as prescribed in Decree No. 120/2018 / ND-CP. Asynchronous investment projects make the connection of the work items not guaranteed, the works are not effective or do not bring the desired effect. This creates a burden on the government budget when it must maintain funds for regular maintenance and maintenance. The consequences of scattered investment make project preparation and construction time last, increasing project investment costs, affecting the completion progress and quality of works. Besides, the capital is torn apart, leading to the situation that many projects have to be cut down on the scale, even be postponed, disrupting planning, causing waste of national resources. In fact, a huge amount of budget capital is invested in socio-economic infrastructure systems in remote areas such as roads, but the

traffic volume of vehicles and people are very low. Although investment is necessary, given the limited budget of Thai Nguyen province, priority should be given to key projects, giving a boost to economic development.

For enterprises implementing infrastructure projects that are slow to disburse by government agencies according to progress, leading to borrowing money to build works, the loan interest will not be paid by the investor, leading to businesses fall into difficult situations, even in danger of bankruptcy.

Third, mobilizing capital from private savings to invest in socio-economic infrastructure in the form of public-private partnerships (PPP) is still in a narrow scope.

The capital source of private savings and credit institutions participating in PPP projects in the period 2015-2019 has only reached VND 1,540.0 billion and no PPP project has attracted foreign investors. The absence of foreign investors in PPP projects limits an important source of capital. Many infrastructure projects have high costs and lengthened construction time, making the total investment cost higher than expected, this leads to many problems that cause difficulties for operation and management. project management. Many BT and BOT projects select investors in the form of appointment of contractors, many projects at the stage of applying for investment policy approval have applied for appointment of investors, which reduces the competition and potential. There are many hidden risks when choosing an incompetent investor. In addition, there are still many gaps in the process of checking and monitoring the quality of the project, causing many infrastructure projects in the form of BT, BOT to not ensure the quality as well as the progress committed in the contract.

Fourth, not fully exploiting internal resources, especially implementing the issuance of local government bonds According to Decree 01/2011 / ND-CP, Thai Nguyen province is allowed to issue local government bonds to mobilize investment capital for socio-economic development projects under the mandate of the local budget. Phuong. Currently, Thai Nguyen province still has to receive support from the central budget, but it is expected that from 2020, on the basis of attracting foreign investment capital and increasing budget revenue, the province can balance the budget. local books and do not have to receive capital support from the central budget. On the other hand, by 2018, the Samsung SEVT1 project expires the tax exemption period, the revenue from the Samsung complex is about 2,000 billion VND / year. Thus, Thai Nguyen completely ensures the balance of repayment sources of bond principal and interest and other debts upon maturity. However, up to now, Thai Nguyen province has not issued municipal bonds to mobilize investment capital for socio-economic infrastructure projects.

Fifth, the mobilization and use of ODA capital have many shortcomings. Some donor's regulations are not consistent with Vietnamese law, some donors also impose conditions for implementation for different reasons, some technical assistance projects do not disclose financial information, and do not create conditions for project management units to actively operate. Therefore, some projects were initially implemented confusing, the organization of investment preparation did not meet the requirements, the implementation progress was slow, the settlement was prolonged, the consultant salary, the expenses. administration accounts for a high proportion. The focal organization of ODA in the province and district is overlapping, making it difficult for coordination, management as well as coordination with donors. Currently, there is no standard model of ODA project / program management units with specific defined functions, tasks, responsibilities and powers.

The reciprocal rate for projects is quite high (10-20%, some projects are up to 30-40% of the total project value) while the majority of projects are implemented in areas with budget revenue and people's lives are still low, the mobilization of reciprocal capital sources is very difficult, many projects are nearly completed but the mobilized counterpart funds are still low, causing difficulties for post-project activities.

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