

Significance of the Supporting Industry Action Plan for Vietnam

1. To ensure that policies are actually and effectively implemented

2. To overcome the Middle Income Trap



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Policy Structure for Industrial Development

	Description	Examples
Vision	-Slogan -Short and Vague	-Vision 2020 (Malaysia) -Detroit of Asia (Thailand) -Industrialization & Modernization (VN)
Strategy	-Document specifying goals, roadmaps, policy measures -Scope & detail depend on each case	-Industrial Master Plan (Malaysia) -Automotive Master Plan Main Text (Thailand) -Supporting Industry Master Plan (VN) -Industrial Cluster Plan (Japan)
Action plan	-Document, action matrix, formal or informal mechanism, or ongoing process	-Automotive Master Plan Action Tables (Thailand) -Triangle of Hope Project (Zambia) -PASDEP action plans (Ethiopia)
Review & Adjustment	-Numerical monitoring, document report, organizational review, or no formal review	-Interim & final review by joint committee (ToH Zambia) -Industry specific committees & institutes (Thailand)

Thai Automotive Master Plan 2002-2006



The vision was given by Prime Minister Thaksin:

“To become the Detroit of Asia”

Numerical targets for 2006 were set by private firms:

- Produce 1 million cars per year
- Export 40% of cars produced
- Produce 2 million motorcycles per year
- Export 20% of motorcycles produced
- Export 200 billion bahts of high quality parts
- Achieve localization of 60%

These were achieved one year in advance, in 2005.

Sample Format of Thai Automotive Master Plan

Strategy	Action Plan	Output	Key success indicator	Main resp. org.	Cooperative org.
1.2 Automotive Human Resource Development	3. Automotive training center project	Standardized automotive training center	1. Number of trained persons	Thai. Auto. Institute (TAI)	OIB/TAIA/TAPMA/F TI
	3.1 Provide Systematic training to the industry from workers to management level		2. Number of companies sending employees for training		
	3.2 Skill training		3. Increased income of trained persons		
	3.3 Provide training to engineers in the field of advanced engineering and specialized technology		4. Cost reduction and profitability		

Source: Executive Summary (English), Master Plan for Thai Automotive Industry 2002-2006, page 10.

Zambia: Monitoring of the “Triangle of Hope” Project

	Completed
	Significant progress
	Little progress
	Not started

Recommendation: To create Multi-Facility Economic Zones (MFEZ)

Activities	Status	Expected output	Status	Activity Period	Responsibility	Monitoring Indicator
i) Identify suitable areas to develop MFEZ		Suitable land to develop MFEZ		Ongoing	MCTI	Quarterly reports
ii) Prepare land use plans	Lusaka South MFEZ	Suitable land to develop MFEZ		Ongoing	Cabinet Office	Report
	Chambishi MFEZ					
iii) Develop regulations and administrative arrangements for MFEZ		Trade & production MFEZ rules & regulations		Oct.2006	MLGH	Quarterly reports
iv) Sensitisation of stakeholders on MFEZ		Stakeholders awareness of MFEZ		Ongoing	MLGH	
v) Develop master plan for Lusaka MFEZ		Master Plan ready		Sep.2007	ZDA	

Source: *Monitoring and Evaluation Report of the Steering Committee*, submitted to the Cabinet in July 2007, page 21 (compiled by President Advisor Dr. Musokotwane).

Vietnam-Japan Joint Initiative

Phase 1, 2003-2005 (44 items, 85% achieved)

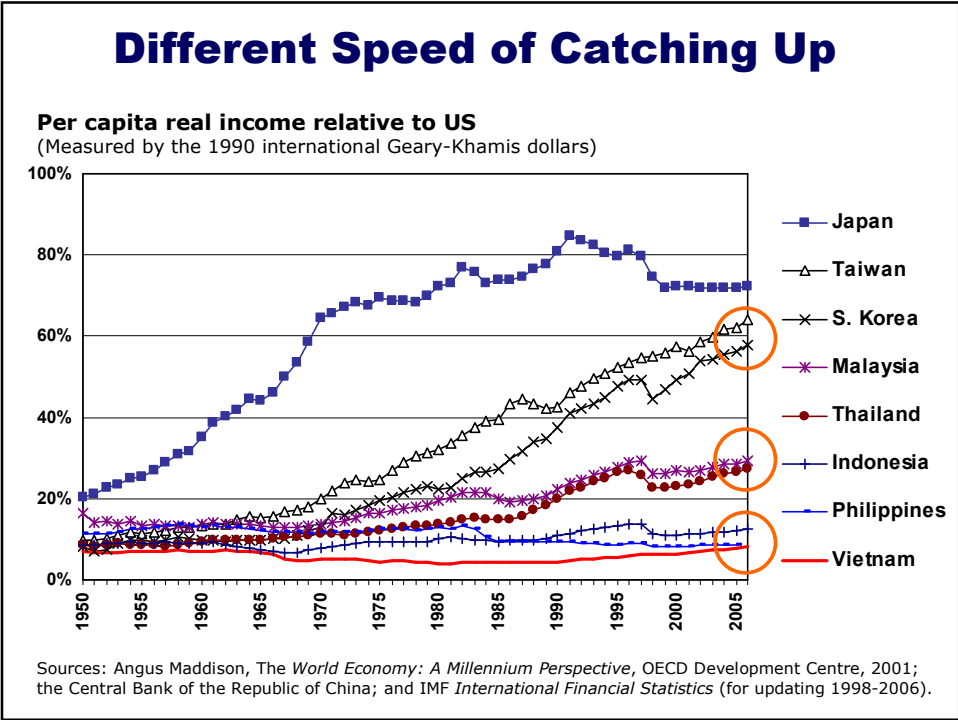
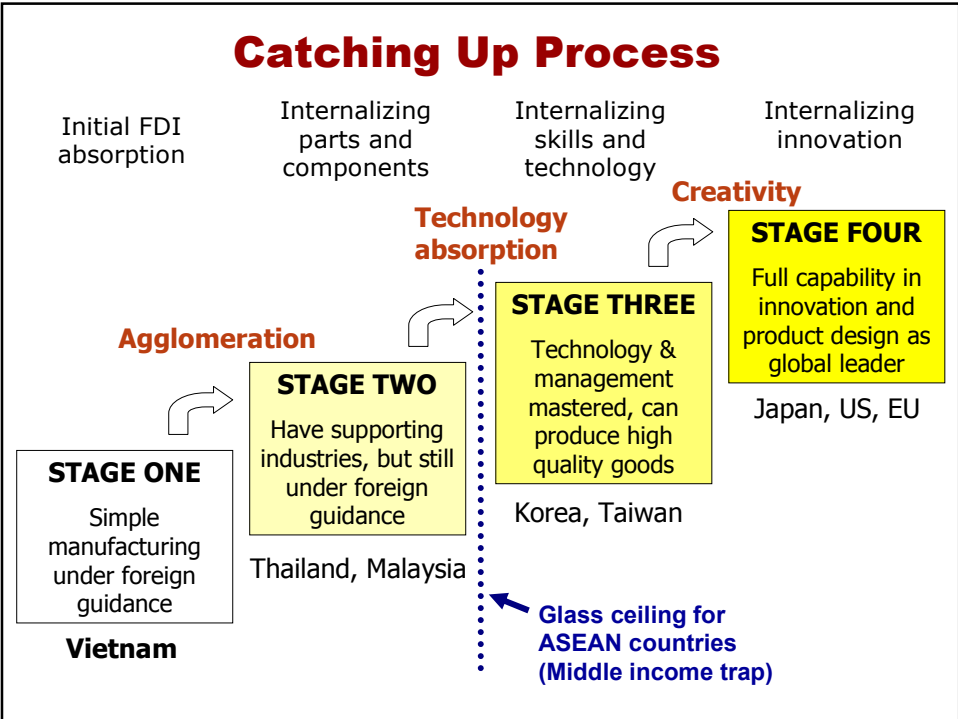
Phase 2, 2006-2007 (46 items, 93% achieved)

Phase 3, 2008-2010 (37 items, ongoing)

Reasons for success:

- Excellent bilateral relation between Vietnam & Japan
- High level political involvement
- Public Private Partnership
- Commitments with a deadline on Action Plan and monitoring
- Support by ODA for implementing Action Plan
- Openness and transparency of the result

Source: Mr. Kyoshiro Ichikawa, Senior Investment Advisor & JICA expert, Hanoi, Dec. 2007.



Malaysia's Cluster-based Industrial Development and Manufacturing++

Malaysia's Industrial Master Plan 2 (1996-2005) aimed at raising and broadening the value chain positioning.

Leveling up of each industrial cluster

- Core production
- Supporting industries
- Supporting services
- Human resources
- Logistics
- R&D

