

Solutions to Improve the Positive Impacts of FDI to Import and Export in Vietnam

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Abstract:

The paper analyzes the impact of FDI on import and export activities in Vietnam. Based on Vietnam's perspectives and development orientations toward 2030, we develop solutions to improve the effectiveness of FDI's impact on Vietnam's import and export activities.

Keywords: FDI, import, export, Vietnam.

1. Introduction

According to UNCTAD's World Investment Report in 2018, global FDI inflows reached US \$ 1,300 billion, down 13% compared to 2017. The UNCTAD report highlighted the sharp decline of the first trend. investment using FDI globally. In 2018, the decline in global FDI inflows was reflected in both traditional forms of investment, namely M&A (using FDI capital to acquire or merge an existing business establishment and then develop. it), and greenfield investment (capital to build a new business). In particular, greenfield investment - the method of capital use is expected to boom in the future, witnessing a 14% reduction compared to 2017. The cause of this situation, besides the lack of investment projects. large trans-continental M&A and the trend of corporate restructuring, is also the "disgrace" of economies that were previously viewed as "investment haven", for example the United States and the United Kingdom (with the reduction rates are 40% and 92% respectively). Political instability, especially the trade war between the United States and the other "big" world, and the Brexit plan is said to be the cause of this disgrace.

In 2018, developing countries in Asia were still the largest recipient of FDI in the world with US \$ 512 billion, accounting for 39.38% of global FDI inflows, up 3.9% compared to 2017. Countries The main sources of increased FDI are China, Hong Kong (China), Singapore, Indonesia and other member states of the Association of Southeast Asian Nations (ASEAN), as well as India and Turkey. FDI flows into Africa increased by 11% compared to 2017, to US \$ 46 billion. This increase is due to increased demand and therefore the price of some basic commodities also increases and the growth of investment is not related to natural resources in a few countries. According to UNCTAD, the decline in FDI in some major African countries, including Nigeria and Egypt, has been offset by an increase in other countries, including South Africa.

The report of UNCTAD (2018) also stated that the world FDI flows are having an important shift. Accordingly, FDI from developed countries, MNCs episodes are more and more flowing into industrialized countries instead of developing countries as in previous years. The rapid growth of FDI inflows into developed countries (accounting for 54% of global FDI inflows, compared to 46% in 2017) shows a change in the shifting trend of world FDI flows as well as a changes in business investment trends. Although world FDI has declined, the US is still the No. 1 country attracting FDI in the world, followed by China, Hong Kong (China) and Singapore. Many economic experts say that there are two main reasons why FDI inflows are trending to return to developed countries and industrialized countries: (1) developing countries have reduced labor advantages. and (2) developed countries have many advantages in terms of infrastructure, skilled workers and large consumer markets. China is the second most important destination globally and is the country with the largest proportion of FDI projects in the region. In general, the proportion of FDI from the EU into China in the EU's total FDI abroad is low, from 2003 to 2015 hardly exceed 2% in capital flow and less than 7% of FDI projects. Many EU businesses are concerned about what they consider to be barriers in Chinese market access and discrimination against EU investors operating in China, with SOE dominance in some sectors. . However, the Chinese Government's recent commitments to improve the business environment for foreign investors, along with policies to promote further opening up the economy and possibly a reciprocal relationship. initiated by the EU-

China Economic Relations Joint Report to 2025, established the context for the increase in FDI from the EU to China and FDI from China to the EU. For FDI from the United States to China, under President Donald Trump, FDI from the United States to China has declined since 2012. However, the United States remains the main source of FDI in Vietnam. China accounts for over 10% of total FDI into China.

According to FDI markets (2017), half of the 10 industries with the largest FDI mobility in the world, half are service-based industries. Among the new investment projects in ASEAN, Asian Tigers (Indonesia, Malaysia, Philippines, Thailand and Vietnam) have a relatively high rate of non-service investment attraction such as textiles, machinery / equipment. industrial, automotive, motorbike, electronics, consumer products and food processing as well as investing in auxiliary industries such as metal materials, plastics, chemicals, packaging. For the sectors with the highest level of FDI mobility, the compound annual growth rate (CAGR) is quite consistent across most industries. Among ASEAN countries, 6/20 industries with the highest CAGR for the period of 2011-2016 are different from the 20 industries with the highest global growth rates, namely: (1) alternative energy & regenerative; (2) drinks; (3) ceramics & glass; (4) electronic components; (5) consumer electronics; (6) hotels and tourism. In general, the industry with the highest FDI growth is real estate. The field of alternative and renewable energies is also experiencing rapid growth over the past 10 years. Consumer electronics, pharmaceuticals, food & tobacco are the slowest growing sectors in the regional group, but still have impressive CAGR.

The change in the trend of consumption of industrial products in the world has led to a change in the investment trend of traders, which has led to a change in the movement trend of global FDI flows. Opportunities to attract high-quality FDI with high technology will belong to countries with stable economic development background, good quality of human resources, favorable business conditions and attractive policies. fit. Therefore, in order to catch the flow of new generation of FDI capital of the world, Vietnam needs to make strategic changes in the coming time.

2. Vietnam's new generation of FDI attraction strategy

Vietnam is facing a specific challenge, which is record FDI attraction but still limited in "spillover effects and added value". The dominance of manufacturing and processing projects in the market-seeking, labor-intensive, relatively low-value-added groups has led to high inflows of FDI into Vietnam, but domestic value added. relatively low, low-wage jobs, poor spillover effects and a "dual economy", preferential abuse, increasing skills gap and the risk of falling into a "middle-income trap". . These are the existing limitations of the old and current FDI flows in Vietnam. In order to overcome these limitations, in April 2018, the Ministry of Planning and Investment and the World Bank published a Draft Strategy and strategic direction for attracting new generation FDI, period 2018- 2030. The main highlight of the "New Generation FDI Attraction Strategy" is the shift of focus from attracting appropriate investors to Vietnamese products to developing appropriate products (ie business environment and suitable investment conditions) for the type of investment that Vietnam needs in the future. As a result, spillover effects and added value of FDI can be maximized.

In terms of investment, WB experts have pointed out new priority areas such as: automobile and motorbike industry; SI (producing metals, minerals, chemicals, high-class plastics and high-tech components); industrial machines and equipment; logistics; high value new agricultural products; environmental technology; recycled energy; information technology application services. Along with that are important cross-cutting service industries that need to remain open to facilitate continued growth such as financial services and education. Besides, do not forget the basic types of FDI, the fields

has made Vietnam's success in attracting FDI.

Regarding preferential policies, the preferential policies to attract FDI in the "New generation FDI attraction strategy" shift from profit-based incentives to efficiency-based incentives. Vietnam needs to review the entire current investment incentive policy framework and establish a new preferential policy framework with a

balance between profit-based incentives and incentives based on efficiency in FDI attraction. Besides, the fact that Vietnam is heavily dependent on the tax exemption policy for a certain period of time, partial tax exemption, as well as preferential tax and import tax regimes to attract FDI. However, this mechanism was no longer suitable when Vietnam implemented a strategy to attract new generation FDI, innovative FDI flows, using advanced technology, qualified and skilled workers.

Regarding investment partners, although Vietnam is currently attracting FDI efficiently from big investors like Japan and South Korea, in the long term, it must attract more investors from the EU and the US to diversify. diversify FDI capital. At the same time, take advantage of investment from this area for activities that bring higher VA, as well as enhance technology transfer for the domestic private sector. In addition to the elimination of tariff barriers, Vietnam also needs to improve the investment environment such as improving administrative procedures and synchronization with the EU and the US.

The successful implementation of the "new generation FDI attraction strategy" will increase the contribution of the FDI sector in improving productivity, stimulating innovation, boosting internationalization and enhancing added value. increase and maintain "green" economic growth, improve income for laborers, narrow the gap of economic development among localities across the country.

3. Vietnam's import and export development orientation till 2030

According to the Prime Minister's Decision No. 2471 / QD-TTg of December 28, 2011, approving the "Strategy of goods import and export in the 2011-2020 period, with orientations toward 2030", the overall objective is to Vietnam's import and export development is the total export turnover of goods up to 2030, tripling in 2010, the trade balance is balanced and the specific goal is the average export growth rate of goods 11 -12% / year during the period of 2011-2020 and maintain the growth rate. about 10% in the period of 2021-2030. In addition, strive to import growth is lower than export growth; gradually reduce trade deficit, control trade deficit below 10% of export turnover and proceed to balance trade balance by 2020, trade surplus in the period of 2021-2030.

The strategy also set out 7 main tasks including: (1) Production development, economic restructuring; (2) Market development, trade promotion; (3) Completing policies on trade, finance, credit and investment in development of export production; (4) Invest in infrastructure development, services for goods import and export and accelerate the socialization of logistics services; (5) Training and developing human resources; (6) Import control; (7) Enhancing the competitiveness of enterprises and the role of industry associations.

3.1. Export development orientation

For exports, the "Strategy of commodity import and export in the 2011-2020 period, oriented to 2030" sets out the goal: "Making efforts to increase export growth rate, contributing to accelerating industrialization. , modernizing, creating jobs, collecting foreign currencies; shift the export structure towards increasing added value, increasing processed and manufactured products, types of products with high technology and gray matter content, promoting service export; expand and diversify markets and business methods; successful integration into the regional and world economy ”.

Based on the above-mentioned objectives, some specific orientations for export development of Vietnam by 2030 are: Firstly, to develop export of new commodities suitable to the changing trend of the world market. Vietnam's gender and advantages are a breakthrough in Vietnam's export development. New products are medium and high technology manufacturing products. Secondly, focusing on developing new industrial products with high added value, high technology content and gray matter, on the basis of attracting domestic and foreign investment into export-oriented production industries. and medium and high technology manufacturing industries. Thirdly, to restructure export goods in the direction of reducing exports of raw, agricultural and aquatic products, increasing the proportion of industrial goods, especially manufactured goods such as electronics, telecommunications and construction materials. , wooden. Fourthly, discouraging the

development of production and export of goods that attract cheap labor, environmental pollution and low added value. Paying attention to developing environment-friendly export products, limiting the use of energy and resources. Fifth, focus on developing markets for products with high competitiveness, high added value or product groups with a large proportion of turnover. First of all, exploit the opportunity to open the market from international economic integration commitments to boost exports and major markets such as the United States, EU, Japan, China, Korea, ASEAN ... Exploiting potential markets like Russia, Eastern Europe, Africa and Latin America.

The export orientation will be developed according to a sustainable and rational growth model, both expanding export scale and focusing on raising the added value of exported goods. The export development orientation provides four specific groups of industries:

Group of fuels and minerals: There is a roadmap to gradually reduce the export of raw minerals; invest in technology to increase the export of processed products. using favorable market and price opportunities to increase export value. Orientation of the proportion of this commodity group in the structure of export goods from 11.2% in 2010 to 4.4% in 2020 and 3% in 2030.

Agricultural, forestry and aquatic products (which have advantages and long-term competitiveness but low added value): Need to improve productivity, quality and added value; Restructuring export goods towards strong processing, developing export products with the application of advanced science and technology.

Group of processing and manufacturing goods (which have potentials for development and demand in the world market): Developing products with high technology and gray matter content, developing supporting industry ... This group of goods in the export commodity structure increased from 40.1% in 2010. 62.9% in 2020 and over 70% in 2030.

New commodity group (among other commodities): Reviewing new products with low turnover but having high growth potential in the coming time to have policies to encourage development and create a breakthrough. in export.

3.2. Import development orientation

Import orientation, proactively adjusting the growth rate of import of goods, at the same time, developing the production of raw materials, fuels and auxiliary materials for export industries, meeting domestic demand and developing supporting industries. strictly controlling the import of goods that are discouraged to import, contributing to reducing trade deficit in the long term. As follows:

Firstly, encourage import of high technology, advanced technology, source technology based on taking advantage of free trade agreements with countries with developed industries.

Secondly, restricting the import of domestically produced goods, importing luxury goods, having policies to develop supporting industry and import substitution industries.

Thirdly, apply import restrictions to protect domestic production, limit environmental pollution and affect health, through the development of non-tariff measures in accordance with commitments. international economic integration, urgent safeguard measures, imposition of anti-dumping duties, technical standards, and plant and animal quarantine measures ...

Fourthly, to prevent smuggling of goods from ASEAN countries and China to protect domestically produced goods. Take advantage of opening markets in new FTAs to diversify import and import source technology markets.

4. Viewpoints to enhance the positive effects and limit the negative effects of FDI on import and export in Vietnam

Based on the results of research on the impact of FDI on import and export in Vietnam in the period of 1988-2018, the orientation of FDI attraction and development of Vietnam's import and export activities to 2030, the author of the thesis Export 04 views as follows:

Increasing the positive impact and reducing the negative impact of FDI on import and export in Vietnam should be based on the adjustment of policies to attract FDI to increase exports, restrict imports and restructure goods. export goods in a positive direction. Firstly, Vietnam needs to have policies to encourage FDI attraction into deep processing - refining industries, into high-tech export-oriented fields such as the automobile and motorbike industry; industrial machines and equipment; logistics; hi-tech agricultural products; environmental technology; recycled energy; information technology application services; SI (producing metals, minerals, chemicals, high-class plastic products and high-tech components). Secondly, Vietnam needs to have a policy of increasing the attraction of investors from source technology countries such as the US and the EU, encouraging investors to conduct R&D activities in Vietnam in order to enhance the impact. positive spillover of technology from Vietnam's FDI to exports. Thirdly, Vietnam needs to have policies to increase FDI attraction into consumer goods manufacturing industries, especially high-tech agriculture to enhance the positive impact of FDI in reducing the proportion of commodity groups. consumption through the channel of replacing imported goods with goods produced by FDI enterprises in Vietnam.

In addition, policies to attract FDI into the agricultural sector should focus more on high-tech agriculture and maximize VA to fill gaps in the supply chain to limit imports and increase exports. Import of agricultural products of high economic and VA value.

Increasing positive impacts and limiting negative impacts of FDI on import and export in Vietnam should be based on creating favorable conditions to maximize the positive spillover effects of FDI on Domestic export enterprises. Firstly, Vietnam needs to renovate education and training in order to improve the quality of domestic human resources, which can enhance the absorption of technology and knowledge from FDI, enhance the ability to innovate and technological innovation towards technological autonomy, reducing imports and increasing the proportion of goods with high gray matter content in the structure of export goods. Secondly, Vietnam needs to strengthen trade and production links between FDI enterprises and domestic enterprises to be able to enhance the positive spillover effects of FDI capital to import and export activities of enterprises in through technology transfer, knowledge transfer, learning management skills and experience from FDI enterprises. Third, Vietnam needs to develop the domestic supporting industry. Underdeveloped SI is the main reason leading to the increase in exports and the decline in VA of Vietnamese exports, making FDI not to maximize the positive impact in reducing Vietnam's imports. In addition, the weak supporting industry will not attract investment-producing MNCs in Vietnam, especially export-oriented MNCs, making FDI not promote all positive impacts on export growth. Fourth, Vietnam needs to upgrade and complete the infrastructure, especially the agricultural sector. Poor infrastructure is one of the reasons for the attraction in attracting FDI into the high-tech sector in Vietnam less than other countries in the region and around the world. Weak infrastructure is also the reason why FDI does not flow into Vietnam's agricultural sector, leading to positive impacts of FDI that have not been promoted to import and export of this industry.

Increasing the positive impact and reducing the negative impact of FDI on import and export in Vietnam should be based on addressing the causes of the negative effects of FDI on exports and imports. Firstly, Vietnam needs to improve the financial capacity of domestic exporters, especially small and medium enterprises (SMEs). Improving the financial capacity of domestic export enterprises will contribute to limit some negative effects and enhance some positive effects of FDI on import and export in Vietnam, namely: (1) Raising improving the financial capacity of domestic exporters will limit the negative impact of FDI on exports of domestic enterprises through channels that create competitive pressure from FDI enterprises; (2) Improving financial capacity also helps domestic export enterprises to invest in improving competitiveness such as technological innovation, improving the quality of human resources ... to be able to compete. with FDI enterprises. From there, it is possible to enhance the positive impact of FDI on exports of these enterprises through channels of competitive

pressure; (3) Improving the financial capacity of domestic exporters will contribute to restricting imports and technology transfer from Asia, especially from China. With a stronger financial potential, enterprises can import or receive technology transfer from countries with high technology level, source technology such as the US and EU; (4) Improving financial capacity also helps domestic exporters to limit the "brain drain" phenomenon on FDI enterprises. With a stronger financial potential, businesses will improve remuneration as well as improve the better working environment, workers will work longer-term and contribute more to businesses. From there, it is possible to improve labor productivity and export value of businesses. Secondly, Vietnam needs to improve domestic technological capacity, develop scientific research and technological innovation activities of domestic enterprises. Improved science and technology level will create conditions for domestic enterprises in Vietnam: (i) improve competitiveness in the market, especially in foreign markets, thereby increasing opportunities and export possibilities goods; (ii) reduce technology imports, especially low and medium technology from Asian and Chinese countries; (iii) improve the absorption of modern technology from investment partners. This is a prerequisite for Vietnam to be able to attract the world's quality FDI inflows with modern technologies and high quality human resources. At the same time, this is also a condition for Vietnam's domestic enterprises to enhance cooperation and linkage with FDI enterprises, thereby reducing the negative impacts and strengthening the positive effects of FDI inflows to import and export in Vietnam.

Increasing the positive impact and limiting the negative impact of FDI on import and export in Vietnam is needed to enhance the deeper participation of domestic enterprises in the global supply chain of FDI enterprises. Deeper participation in the global supply chain of FDI enterprises not only helps increase the localization rate and increase VA for Vietnamese exports but also helps Vietnam reduce its dependence on imports from outside, increase exports and further expand the scope of export markets for Vietnamese enterprises.

Finally, to enhance the positive impact and limit the negative impact of FDI on import and export in Vietnam, it is necessary to enhance and improve the efficiency of international economic integration, especially in terms of investment and Commerce. The estimation results in chapter 3 show that WTO accession increases the positive impact of FDI on both exports and exports in Vietnam. The change in the level of the impact of FDI on exports and exports in Vietnam in the two periods before and after Vietnam's accession to the WTO was positive. This result shows that international economic integration contributes to enhancing positive impacts and limiting negative impacts on import and export in Vietnam.

5. Solutions to enhance positive impacts and limit negative impacts of FDI on import and export in Vietnam

5.1. Solutions to adjust FDI attraction policies to boost exports, restrict imports and restructure import and export goods in a positive direction

Adjusting the policy to attract FDI will help Vietnam attract quality FDI inflows, investors from source countries, enhance FDI attraction in deep processing - refining industries into high-tech sector, into consumer goods manufacturing industries, into export-oriented high-tech agriculture. From there, it is possible to enhance the positive effects and limit the negative effects of FDI on import and export in Vietnam in the near future.

The State needs to have policies to encourage FDI attraction into deep processing - refining industries and export-oriented hi-tech fields.

In the context of globalization and the trend of the fourth industrial revolution taking place at a faster pace, Vietnam needs to be more selective in attracting FDI, especially from quantity to quality. this capital inflow. Accordingly, priority should be given to attracting FDI into deep processing and refining industries and into high-tech export-oriented fields such as the automobile and motorbike industry; industrial machines and equipment; logistics; hi-tech agricultural products; environmental technology; recycled energy; information technology application services; Supporting industry (producing metal, minerals, chemicals, high-class plastic products and high-tech components) ... The strategy to attract FDI should focus on promoting technology

transfer, improving competitiveness, increasing product proportion. High-tech products, high VA and upgrading the value chain of the industry and products that Vietnam has advantages, practical contribution to enhance the competitiveness of the domestic enterprises sector. Vietnam also needs to orient to attract large-scale TNCs, technological capacity and technology transfer ready through R&D activities and human resource training. The new generation of FDI attraction strategy, in addition to the orientation of attracting FDI by industries, fields and investors, needs to attach importance to the output of the strategy, especially to create production links between FDI enterprises and domestic enterprises. create opportunities for domestic enterprises to participate in the production network of FDI enterprises.

The State should have policies to increase the attraction of investors from source technology countries, encouraging investors to conduct R&D activities in Vietnam.

Investment technology originating from Europe, America and Japan is an advanced technology with a higher gray matter content and less negative impact on the environment than technologies with Asian source. like China and Taiwan. The lessons learned from Thailand also show the great effect from this country choosing Japan as a strategic investment partner. Japanese technology has helped Thailand improve the technology level of Thai domestic enterprises through technology transfer and knowledge transfer, learning experience from Japanese FDI enterprises. As a result, the export capacity and value and added value of Thai exports have been significantly improved and effective. Therefore, attracting investors from countries with advanced technology, source technology will help enhance the positive spillover effects of technology from FDI to exports of Vietnam.

In addition to investors with strategic roles such as Korea, Japan, Singapore ..., what Vietnam needs to consider is attracting more investors from the EU and the US, to diversify FDI capital as well as improve High quality of capital flows, at the same time take advantage of investment from this area for activities that bring higher VA, as well as increase technology transfer for the domestic private sector. From there, it is possible to enhance the positive spillover effects of FDI on exports in particular and Vietnam's economy in general through technology transfer and knowledge transfer from FDI.

FDI from Europe and the US into Vietnam is still very modest compared to the FDI of those countries into Thailand, Indonesia, Singapore and Malaysia. Since the beginning of the 21st century, the Government has advocated to attract FDI from the world's major TNCs into high technology and modern services, but so far only about 60 TNCs out of the world's top 500 TNCs operate in Vietnam (meanwhile China has attracted more than 400 TNCs). Attracting FDI from the EU and the US, countries with source technology, modern technology will enhance the positive spillover effects of technology and knowledge on exports and exports of domestic enterprises, contributing import restriction, export promotion, increasing the proportion of export items with high gray matter content and increasing VA for Vietnamese exports. In addition, technological factors also ensure the requirements of "green export" and "green growth" of Vietnam.

In more than 30 attracting foreign investment, FDI inflows into Vietnam are quite large but mainly in the field of light industry, low technology. In the coming time, in order to move to a period of higher value-added production, the State must have specific mechanisms and policies to encourage and attract FDI inflows into R&D activities. Along with this quality FDI inflow, it is certain that the technological transfer process will also happen faster and more efficiently, since many Vietnamese workers have the opportunity to work and access to advanced technology from large corporations. . Increasing the attraction of FDI inflows into R&D activities not only helps create higher value products but also new opportunities for the development of science and technology of Vietnam. India and China have made good use of this positive effect of FDI to acquire their own technology corporations.

The Government needs to have policies to increase FDI attraction into consumer goods manufacturing industries, especially high-tech agriculture to limit imports and increase exports.

FDI has a positive impact on reducing the share of consumer goods through the channel of replacing imported goods with goods produced by FDI enterprises in Vietnam. In addition, through technology transfer and knowledge from the FDI sector to the domestic economic sector, domestic enterprises can also produce consumer goods that previously had to be imported. However, this positive impact has not been maximized in Vietnam, Vietnam still has to import consumer goods, especially agricultural products.

Accumulated to the end of 2018, there are more than 4 billion USD of FDI capital flowing into Vietnam's agricultural sector, accounting for only 1.4% of the total FDI. This is a paradox when Vietnam is a country with many advantages in agriculture. FDI inflows into the agricultural sector, especially high-tech agriculture, are modest compared to Vietnam's potential.

Increasing FDI attraction into agriculture is one of the key solutions of Vietnam in the current period. Accordingly, policies to attract FDI into the agricultural sector need to focus more on high-tech agriculture and maximize VA to fill gaps in the supply chain to limit imports and increase exports. Agricultural products have high economic and VA values. Encouraging hi-tech agricultural FDI projects should focus on a number of industries such as flower growing, vegetables, agricultural product processing, seed production, veterinary medicine production, organic pesticide production. .. Besides, to promote FDI attraction in agriculture, it is necessary to improve the transparency of the legal system of foreign investment in the agricultural sector and to create a clear and favorable legal corridor for foreign investors when investing in agriculture. Fulfill Vietnam's commitments in international economic integration.

Attracting FDI into the agricultural sector will help Vietnam improve many aspects of agricultural production, improve productivity and quality of agricultural products, especially taking advantage of the extensive distribution network of TNCs. If FDI is concentrated in the agricultural sector, proper attention will bring Vietnamese agricultural products to the world, both boosting exports and reducing imports and improving Vietnam's trade balance.

5.2. Solutions to create favorable conditions to maximize the positive spillover effects of FDI to domestic exporters

Reform education and training to improve the quality of domestic human resources

The shortage of high-quality human resources is one of the main reasons that prevent FDI capital from maximizing the positive spillover effects on Vietnam's exports through technology transfer and knowledge channel. Improving the quality of domestic human resources is an urgent and extremely necessary solution for Vietnam today to enhance the positive spillover effects from FDI to exports through technology transfer and transfer. knowledge, learning skills and experience in producing and exporting goods. In order to improve the quality of domestic human resources, especially human resources for the production of export goods, according to the author, it is necessary to have the macro-level regulation and strategy of the State and proactive improvement quality of human resources of domestic export enterprises.

Firstly, the State needs to enhance training activities to improve production knowledge and export of goods for domestic enterprises. First of all, it is necessary to reform the content and training methods according to the practical motto, stick to the requirements of reality and meet the requirements of international integration. Need focused, selective training, avoid spreading training of human resources. Focus on training human resources in key industries and industries of strategic importance, and industries related to export-oriented technology. In addition, in the current context, Vietnam needs to formulate specific plans and organize the implementation of vocational training programs, address the shortage and improve the quality of human resources in a manufacturing industry. Exporting goods is facing difficulties in skilled labor sources such as textile and garment, footwear, electronics, wood, plastic, mechanics ... In addition, the State (through functional agencies such as the Ministry of Industry and Trade, the Department of Trade Promotion, the Ministry of Foreign Affairs and trade counselors) organize knowledge training activities, international seminars and fairs to export goods

and support enterprises. The domestic market has improved its knowledge of foreign markets and how to export them.

Second, domestic enterprises should be proactive in improving the quality of human resources according to the development goals of the businesses. Enterprises should proactively cooperate in training between businesses and training institutions and research institutes to improve the skills and skills of workers, and at the same time improve their ability to research and create technologies in enterprises. Since then, creating a solid premise for export production activities of businesses as well as creating a premise for businesses to strengthen links and cooperation with FDI enterprises in the production of export goods. Enterprises can conduct self-training in enterprises by sending cadres to study market research operations, actively participate in international trade fairs, participate in seminars on export of goods ... This practical activity can help officials and employees in enterprises accumulate experience and practical knowledge about exporting goods, thereby contributing to improving the quality of human resources for export production of enterprises. .

Besides, the discovery, fostering and using talents appropriately will create high efficiency in productivity and business development. Discovering, fostering, recruiting and utilizing high-quality and talented human resources to exploit their gray matter in research, manufacture and application of research results and encourage them to take advantage of their studies. practice, improve professional qualifications and skills. From there, build a team of leading officials, good experts in the field of business activities of the enterprise. Enterprises also need to focus on preferential policies for employees. Because remuneration policy is the foundation for retaining as well as developing a high quality staff. There must be policies on remuneration, welfare, and appropriate rewards for employees to trust and stick with the enterprises for a long time, overcome and avoid the "brain drain" happening in domestic export enterprises. to FDI enterprises.

Strengthen trade and production links between FDI enterprises and domestic enterprises

Through the production and trade linkage between FDI enterprises and domestic enterprises will help domestic enterprises to have positive spillover effects from FDI to export production activities of these enterprises through the process of learning about technology, knowledge as well as experience from foreign partners. Lessons learned from China and Thailand have shown this. Strengthening the link between FDI enterprises and domestic enterprises is a way for the receiving countries to enhance the positive spillover effects from FDI to exports of domestic enterprises through technology transfer and knowledge transfer (know-how production, management skills ...). To enhance the linkage between FDI enterprises and domestic enterprises, the author of the thesis proposes some specific solutions as follows:

Firstly, the State needs to have policies to encourage and support domestic enterprises to improve management capacity, technological capacity and quality of human resources. Encourage the replication of successful models of FDI enterprises such as Samsung ... The Government also needs policies to develop supporting industries, improve the investment environment, incentives to encourage all economic sectors to invest in the industry. CNHT. Especially attracting investment in level 1 satellite companies of large corporations, investors, enterprises of Vietnam to create supply classes for FDI enterprises. The Government must carry out strict supervision after investment. This is the experience from China and a number of countries that have successfully established close networks between domestic and FDI enterprises. Specifically, if after a period of commitment, receiving incentives that FDI enterprises do not have the linkage, or adaptive technology transfer, these incentives will have to be withdrawn.

Secondly, encourage domestic enterprises to actively seek foreign partners to cooperate in production and business. The initiative in seeking partners will help businesses proactively plan their production and business, thereby making the best preparation for linking with FDI enterprises. This is the basis for domestic enterprises to best absorb the positive spillover effects of FDI enterprises. In order to do this, domestic enterprises have to constantly make efforts in investing in technological innovation, improving financial capacity, improving the quality of human resources - the main barriers for domestic enterprises. It is difficult to connect to the global

production value chain, it is difficult to connect with FDI enterprises. This is the basic foundation for domestic exporters to actively receive and enhance the positive spillover effects from FDI.

Thirdly, the State needs to create favorable conditions for foreign investors to successfully seek domestic partners. Organizing regular events to act as a bridge for foreign investors to access and connect with domestic businesses. The Ministry of Planning and Investment should coordinate with relevant ministries, departments and branches to organize seminars, technology and product exhibitions, investment promotion activities, etc. for foreign investors. get more information about domestic manufacturing enterprises. Since then, it will help investors easier to access and find domestic partners to cooperate in production and business. Having more information about domestic manufacturing enterprises also helps investors find a cooperation model to adapt to each product. Demonstrating the case of Samsung Group, Samsung had a hard time finding parts suppliers before. After that, this enterprise changed the way to do, find out and select potential domestic manufacturers, send experts to work directly with Vietnamese enterprises. Samsung experts focus on supporting businesses to improve their management skills, invest in the right technology in accordance with the "ordering" standard, reduce energy consumption, inventory, distribution costs ... Thanks to this way , up to now, Samsung has 29 level 1 domestic suppliers which are domestic enterprises of Vietnam. This not only helps Samsung take the initiative in input supply in Vietnam, but also helps Samsung to save costs and improve profitability in production and business in Vietnam.

Developing supporting industries in the country

The development of supporting industries is particularly important for Vietnam in the context of international economic integration today. The replacement of imports with domestic supporting industry products will contribute to reducing imports of the FDI sector and Vietnam, at the same time, raising the localization rate, thereby raising the VA for Vietnamese exports. . The development of supporting industry will also contribute to strengthening the linkage between FDI enterprises and domestic enterprises, giving domestic enterprises the opportunity to participate in the global value chain in the production and distribution of goods of enterprises. FDI can thus take advantage of the positive spillover effects on technology transfer and the knowledge and experience in producing export goods from FDI enterprises. In addition, the development of supporting industry is also a premise to attract high quality FDI inflows into the fields of producing high-tech export goods with high-tech content (lessons learned from China). and Thailand). Vietnam's supporting industry is still very weak and lacking. In order to develop supporting industry, according to the author of the thesis, Vietnam needs to implement the following specific solutions:

Firstly, it is necessary to increase the investment capital for the development of supporting industries. In general, the State's investment in supporting industry development in Vietnam is still very modest. Although aware of the important role of supporting industry, the level of investment in supporting industry is still limited. Due to lack of capital, supporting enterprises cannot afford to renovate equipment, technology, training to improve the quality of human resources, plan material areas, etc., resulting in the products that cannot meet the standards. standards on quantity and quality of FDI enterprises. Therefore, domestic supporting enterprises remain outside the supply chain of FDI enterprises. Increasing capital for supporting the development of supporting industry is an urgent requirement at present. To achieve the goal by 2020, Vietnam will basically become an industrialized country, supporting industrial products to meet 45% of the essential needs for production and by 2030, this ratio will be 70%, the State It is necessary to have a clear mechanism and pay more heavily for investment in the development of supporting industries.

Secondly, it is necessary to plan and develop supporting industry clusters by industry or manufacturing industry groups to easily create the link between supporting enterprises and production enterprises. When selecting industries or groups of industries to build the supporting industry clusters, it is necessary to base on the signs of regional advantages, the concentration level of manufacturing enterprises in each region as well as the conditions for the development of supporting industry clusters in the regions. For example, the electronics and

automobile businesses are now concentrated in the Northern key economic region, we should build supportive clusters of these two industries in the Northern key economic region. Or it is necessary to build industrial clusters of leather and footwear, textile and wood processing industries in the southern key economic region because manufacturing enterprises of these industries are concentrated here. The Red River Delta is also the focus of textile enterprises, a supporting industry cluster of this industry should also be built here. In addition, the selection of supporting industry model should also be based on the characteristics of each industry and the advantages of the regions. For example, for the supporting industry cluster of electronics and automobiles, it is possible to choose according to the Japanese model, specifically in an industry cluster with a dominant enterprise, with a large capacity, large-scale production and linkage. with multiple suppliers at every stage of the value chain. As for industrial cluster of textile, footwear, wood processing industry, it is possible to choose from the Italian model, the cluster of industries is made up of small and medium-sized enterprises, linked into different associations. to improve competitiveness. The planning for development of supporting industry clusters should be done in a sequential manner: (1) forming the supporting industry cluster; (2) capacity building for supporting industrial clusters; (3) attract the leading enterprises of supporting industry of the industry; (4) attract relevant businesses. Thus, it is possible to ensure the existence and solid development of these supporting industrial clusters in the future.

Thirdly, there should be a policy to support training to improve the quality of human resources for the supporting industry. In order to have qualified human resources and professional skills, the State needs to have policies to support the training of human resources for the supporting industry sector from the beginning of the training period through the form of exemption and reduction of tuition fees. , support for accommodation, accommodation or possible refunds of training when trained subjects participate and commit to working in supporting industry for a certain period of time (may be 5 years or 10 years and encourage end long term). In particular, both the State and manufacturing enterprises should have mechanisms to encourage and reward both material and spiritual at a high level for inventions, inventions or technical improvements to improve quality and reduce costs. , increasing the competitiveness of domestic supporting products against imported products of the same type. There is such a new attraction, creating resilience and breakthroughs for the supporting industry in the coming time.

Upgrading and perfecting infrastructure, especially agricultural sector infrastructure

One of the reasons for the attraction in attracting FDI into the high-tech sector in Vietnam is inferior to other countries in the region and around the world due to Vietnam's less developed infrastructure. Weak infrastructure is also the reason why FDI does not flow into Vietnam's agricultural sector, leading to the positive spillover effects of FDI that have not been promoted to import and export of this industry. As a result, despite its strength, Vietnam still has to import a lot of agricultural products and not many agricultural products to export with high economic value. Therefore, upgrading and completing the infrastructure is an essential task for Vietnam to further attract more large-scale and high-quality FDI projects to enhance the positive impact of FDI on exports. Imports of Vietnam in general and Vietnam's agriculture sector in particular. In order to upgrade and develop the infrastructure to increase the attraction of high quality FDI inflows, thereby increasing the positive spillover effects of FDI on import and export in Vietnam, the author of the thesis proposes a number of solutions. France:

Firstly, it is necessary to mobilize maximum resources to invest in infrastructure development

The demand for investment capital for infrastructure development is huge. Meanwhile, the limited budget, the ability to mobilize ODA and concessional loans have decreased when Vietnam entered the threshold of a middle-income country and the ceiling on public debt is restricted. This is posing many challenges and significant pressure for Vietnam in raising capital for investment in infrastructure development in the current context and in the coming years. In order to mobilize capital to meet the demand for infrastructure development in the coming period, in addition to State capital, the Government needs to encourage private investment,

strengthen and develop the form of public cooperation. - private (PPP) in infrastructure development. This is the main source of capital in the period of 2016-2020 and vision to 2030. The State should review, amend and promulgate mechanisms and policies to attract investment, especially completing the policy system. attracting investment in the form of PPP, in order to create a breakthrough in attracting private capital to invest in infrastructure development.

Secondly, it is necessary to focus on and prioritize the development of a modern seaport and airport system to serve import and export activities.

Although Vietnam has the advantage of a long coastline and favorable geographic location, the seaport system is still underdeveloped. The number of seaports is large but the scale is small and has not been focused on investment, the number of deep-water ports is small, most of Vietnam's import and export goods have to be over-port in Singapore, increasing operating costs import and export activities. Vietnam's airport system has not been developed, its scale is still very small compared to other countries in the region and around the world, goods have to transit through airports of other countries, which also increases costs for import and export activities of Vietnam. Therefore, the development of the seaport and aviation system not only contributes to reducing costs for import-export activities but also is a condition to enhance the attraction of FDI capital for Vietnam.

Thirdly, attention should be paid to investment in developing infrastructure in the agricultural sector

In order to quickly build and develop rural infrastructure, many synchronous solutions need to be implemented. One of the biggest difficulties currently is investment capital from the State. While it is required to increase the proportion of investment in rural infrastructure development, currently the investment capital for this area only meets about 55-60%. Therefore, it is necessary to quickly adopt a mechanism and policy to encourage more economic sectors, organizations and individuals to participate in construction and business in rural infrastructure. Along with increasing investment in rural infrastructure, it is necessary to raise people's awareness as well as training in identifying necessary infrastructure and quality monitoring skills for development projects. developing small-scale infrastructure in the locality to contribute to improving the efficiency of investment capital. Renovating mechanisms and policies to strongly mobilize land resources into infrastructure development. The State may implement the policy of land assignment without collecting money for the area of infrastructure construction by the investor winning the bid. Expanding the form of the State and people working in the same direction that the State invests capital, people contribute capital or labor. Encouraging and honoring domestic and foreign organizations and individuals that have made great contributions to the construction of infrastructure, especially those in the agricultural sector.

5.3. Solutions to address the causes of negative impacts of FDI on import and export in Vietnam

Improve financial capacity for domestic export enterprises, especially small and medium enterprises

Improving financial capacity for small and medium-sized enterprises (SMEs) is essential and is an urgent requirement today to enhance the positive spillover effects and limit the negative impact of FDI on exports. exports of domestic enterprises in particular and Vietnam in general. To strengthen the financial capacity of SMEs must come from both the support of the State and the efforts of the enterprises themselves.

Firstly, the Government needs to adjust the financial support policy for domestic export businesses, especially SMEs

The State's capital support policy needs to be specifically and clearly implemented, with guidelines for the implementation and transparency of conditions for accessing capital sources, so that enterprises can have a plan to approach the capital. capital and financial planning for businesses more accurately and efficiently. Vietnamese enterprises in general, especially SMEs, are currently difficult to access to credit capital from commercial banks. Access to financial resources of commercial banks meets four main barriers: (1) high

interest rates; (2) lack of collateral; (3) problems with administrative procedures; (4) difficulty in making business plan. In particular, high interest rates and lack of collateral are the two main barriers that prevent Vietnamese SMEs from accessing credit capital from commercial banks [76]. In order to remove these barriers, helping SMEs have easy access to credit for development investment, it is necessary to have the "hands" of the State. Specifically:

Firstly, the State Bank should consider reducing loan interest rates for SMEs, especially for supporting enterprises and export-producing enterprises. Credit policies with reasonable incentives will help businesses get the capital to invest in technological innovation, training to improve the quality of human resources ... thereby improving the ability to produce products. Supporting industry, reducing imports, improving the ability to produce export goods, gaining access to export markets, and at the same time improving the absorption of positive spillover effects from FDI.

Second, the State Bank also needs more flexibility in applying the form of unsecured loans without collateral. Currently, to minimize risks, most commercial banks require collateral when granting credit to businesses. This is a huge barrier that makes it difficult for businesses, especially SMEs, to access credit. Because SMEs are small, even newly established businesses often do not have collateral, or collateral is not sufficient to meet the requirements of the bank. Meanwhile, they can be good and dynamic businesses, have very feasible business projects or plans. According to the author, to break down barriers on collateral, not to miss feasible projects, banks should consolidate the quality of loan appraisal project, ready to provide credit without assets. Mortgage for feasible projects.

Third, the State should consider establishing SMEs, Technological innovation funds for SMEs, and venture capital funds for SMEs. In addition, the State also needs to improve the legal framework for Vietnam's financial and stock markets so that businesses can actively mobilize capital for their production and business activities. The mobilization can be done through the stock market, through equitization of enterprises, through the form of acquisition and merger (M&A). In order to mobilize capital through these forms, businesses need to be proactive and determined in innovation and innovation to improve business efficiency, improve management, operation and transparency. finance, develop new products, improve product quality, rationalize production and improve market competitiveness.

Second, domestic enterprises need to diversify forms of capital mobilization and improve capital efficiency

Diversifying the form of capital mobilization is a flexible financing method for businesses. If you are not eligible for a loan in one form, you can switch to another form of loan. Therefore, the capital needs are easily met in time. Currently, businesses can mobilize capital through many channels such as bond issuance, equitization, acquisition and merger (M&A), capital borrowing and capital contribution of employees, and purchase of goods among businesses. , hire purchase credit, installment credit ... Besides, businesses can mobilize capital from funds such as technology innovation investment funds, domestic and foreign venture capital funds, support programs for supporting enterprises of supporting industries, support program for businesses developing science and technology ...

Improving the efficiency of capital use is a very important issue, always posed for businesses. If businesses improve the efficiency of capital use, it is equivalent to saving a significant amount of capital that would have been raised if not improved capital efficiency. In addition, in order to mobilize capital from the outside, businesses need to improve business efficiency, improve the management and operation of enterprises, increase investment in technological innovation, improve quality. product quality, enhance competitiveness in the market, create trust for banks and credit institutions.

Enhancing domestic technological capacity, developing scientific research and technological innovation activities of domestic enterprises

For any country, investing in scientific research and technological innovation is the way for that country to develop sustainably. Strengthening scientific research and technological innovation activities is the premise for Vietnam to develop and improve its domestic technological level. The advanced technology will give the country competitive advantages in the market, reduce technology imports from abroad and improve the absorption of modern advanced technology from foreign investment partners. At the same time, technological development is also a necessary condition to help Vietnam be able to attract new generation FDI with high requirements on technology transfer and R&D activities of foreign investors.

Currently, activities of scientific research and technological innovation in Vietnam are very limited, young and very fragmented. The main reason is the lack of investment capital, the linkage between research facilities and application facilities is still loose, enterprises have not paid much attention to R&D activities, still only consider this as an additional activity of the enterprise. Therefore, in order to strengthen domestic scientific research and technological development activities, Vietnam needs to implement the following measures:

Firstly, the State needs to increase capital for scientific research activities through the establishment of venture capital funds in some key areas such as Hanoi, Ho Chi Minh City, Quang Ninh and Binh Duong. Bac Ninh, Hai Phong, Dong Nai ... and in some priority areas such as information technology, new materials, manufacturing mechanics and biotechnology. In addition, the State should encourage and support enterprises in technological innovation, promote the formation of science and technology development funds of enterprises, strengthen the link between enterprises and scientific and technological organizations in the implementation of scientific research tasks.

Secondly, it is necessary to establish a network connecting science and technology research and training institutions with practice establishments and enterprises. This connection will ensure the applicability of the research, ensure the output for the research results, and also help businesses improve the technology level by applying those research results. On the other hand, enterprises can also support research and training institutions financially to carry out scientific research and technological innovation activities. This solution will solve two problems at the same time: (i) help enterprises solve problems of developing science and technology but lack of experts and (ii) help institutes, centers, universities and institutions. Department of Science and Technology training overcomes financial limitations and applicability of scientific research projects.

Thirdly, promote R&D activities of domestic enterprises. Promoting R&D activities of domestic enterprises is also an important solution to improve Vietnam's technology level. Currently, R&D activities in Vietnam are still limited, R&D activities are still a secondary and additional activity of enterprises, even most of Vietnam's SMEs are almost not interested in this activity. The main reason is due to the lack of capital, due to the limited size and human resources of enterprises, so it is impossible to conduct R&D activities by itself and depend on psychology, rely on investment and implementation R&D by the State. Therefore, in order to enhance R&D activities of domestic enterprises, according to the author, the following measures should be implemented: (1) The State shall increase investment capital and make investment with key focus for R&D activities of domestic enterprises, especially SMEs; (2) providing expert support and training for enterprises in conducting R&D activities; (3) Enterprises must also be proactive and must rethink the role of R&D activities if they do not want to be just "outsourcing" of the world.

Fourthly, the State needs to tighten the State management of technology transfer, issue very clear regulations on technology transfer through FDI activities. The current reality shows that the state management of technology transfer only stops to manage the "tops". Therefore, technology management agencies are not able to grasp the flow of foreign technology investing in Vietnam right from the input stage to contribute to limiting the import and use of outdated technologies. Technology appraisal and verification for technologies transferred from abroad into the country need to be focused and strictly implemented. The state management of technology transfer should be tightened in the Law on technology transfer, avoiding foreign investors to take advantage to transfer prices or bring backward technology into Vietnam. From there, it is possible to enhance the positive

spillover effects on technology of FDI inflows to Vietnam's economic development in general and Vietnam's import and export in particular.

Fifthly, it is necessary to continue promoting international integration activities in science and technology in order to improve the ability to acquire and master advanced technologies, create new technologies, and contribute to improving productivity and product quality. create products with high added value. The Ministry of Science and Technology of Vietnam should strengthen regular meetings of science and technology cooperation committees and sub-committees; maintaining and promoting Vietnam's deeper engagement in technology cooperation with countries in the region and around the world; strengthening delegations of the Ministry, S&T enterprises and localities to participate in training courses on science and technology in countries with advanced science and technology of the world.

Increasing the positive impact and limiting the negative impact of FDI on import and export in Vietnam is needed to enhance the deeper participation of domestic enterprises in the global supply chain of FDI enterprises. Deeper participation in the global supply chain of FDI enterprises not only helps increase the localization rate and increase VA for Vietnamese exports but also helps Vietnam reduce its dependence on imports from outside, increase exports and further expand the scope of export markets for Vietnamese enterprises.

5.4. Solutions to enhance the deeper participation of Vietnamese domestic enterprises in the global supply chain of FDI enterprises

Vietnam has now become a production site of some high-value export items such as mobile phones, tablets, etc. From 2015 to date, Vietnam has been the 12-largest electronics export country. gender and the 3rd largest in ASEAN. Sadly, however, the domestic share of these items is still very low. Most of the domestic enterprises are only involved in processing, equipment components are dependent on imports. Domestic enterprises in Vietnam have not taken advantage of the opportunity to be able to participate more deeply in the supply chain of FDI enterprises. Participating in the global value chain Vietnamese enterprises also participate in simple stages such as processing and assembling with low value-added in the value chain and unsustainable. Deeper participation in the global supply chain of FDI enterprises not only helps increase the localization rate and increase VA for Vietnamese exports but also helps Vietnam reduce its dependence on imports from outside, increase exports and further expand the scope of export markets for Vietnamese enterprises. In order to increase the participation of Vietnamese domestic enterprises in the supply chain of FDI enterprises, according to the author of the thesis, the following specific solutions need to be implemented:

Firstly, Vietnamese enterprises need to improve to increase global competitiveness such as meeting international standards on quality and fields, enhancing trade, management and connectivity capacity. At the same time, look for opportunities from global markets and opportunities from the domestic market. To do so, businesses must promote the process of technological innovation and innovation, production process innovation, labor productivity improvement, product quality improvement, perfection and innovation of product designs ... In addition, Vietnamese businesses also need to study and select products to participate in the development of value chains suitable to Vietnam's competitiveness, large market capacity, potential and commitment to orientation of leading supply chain companies.

Secondly, the State needs to create more favorable conditions, support businesses so that businesses have the opportunity to participate in the supply chain of FDI enterprises. Financial support for domestic enterprises capable of participating in the supply chain. Connecting Vietnamese businesses participating in the supply chains of MNCs and global partner businesses. Enhancing the deployment of many activities upstream and downstream to connect domestic enterprises with the value chain. Implement forecasting activities, provide information on technology and market standards to help domestic enterprises can accurately assess information, market opportunities and competition of competitors. improve production processes, improve product quality so that we can gradually participate and participate more deeply in the global supply chain. In addition, the State also needs to enhance communication activities, promote and raise awareness of businesses about the

importance of taking advantage of export opportunities through modern distribution channels, sharing experiences. Successfully, encourage Vietnamese businesses to jointly build export production supply chains into foreign distribution chains, thereby creating added value for Vietnam's exports.

5.5. Solutions to enhance and improve the efficiency of international economic integration, especially investment and trade integration

The estimation results show that WTO accession increases the positive impact of FDI on both exports and imports in Vietnam. For exports, in the post-WTO accession period, FDI has a stronger impact on export turnover than the period before Vietnam joined the WTO. For imports, in the period before WTO, FDI has the effect of increasing exports, whereas in the period after WTO, FDI has the effect of reducing exports. The change in the level of the impact of FDI on exports and imports in Vietnam in the two periods before and after Vietnam's accession to the WTO was positive. This result shows that international economic integration contributes to enhancing positive impacts and limiting negative impacts on import and export in Vietnam. Therefore, in order to further strengthen the positive impact and limit the negative impact of FDI on import and export, Vietnam needs to enhance and improve the efficiency of international economic integration, especially integration of investment and trade.

Although the process of international economic integration has achieved positive results, in the context of unpredictable world developments, Vietnam needs to proactively deploy international economic integration to a full extent. more extensive, innovative, and more effective. According to the author of the thesis, Vietnam needs to focus on implementing some of the following solutions:

Firstly, perfecting the system of mechanisms and policies on international integration, firstly, comprehensive and comprehensive international economic integration on the basis of compliance with the Constitution, laws of the State and the owner. Communist Party's policies and lines; adjust and supplement international integration policies to suit the country's development practices and international commitments. Strengthen the capacity to implement international integration through consolidation, consolidation and development of apparatus, staff working in foreign affairs and international integration. Strengthen training and retraining of a contingent of specialized officials, high-quality human resources, good at foreign languages to meet the requirements of integration in the new period.

Secondly, focusing on improving national competitiveness through promoting the improvement of socialist-oriented market economy institutions, focusing on creating a favorable and fair business environment for all organizations. , Enterprises, people participating in the development of production and business; Establishing a full, transparent and modern market economy is both a goal and a requirement of integration. In order to achieve this, policies to strengthen ownership are needed to promote long-term investment; effective implementation of public administration reform to increase transparency, reduce bureaucracy and lower transaction costs which have a significant impact on small and medium-sized enterprises.

Thirdly, promote and deepen relations with partners, especially those that have an important strategic influence on the development and security of Vietnam, bringing the already established relationship frameworks. establishing in depth, creating an interwoven connection between the benefits of Vietnam and partners equally. Take the initiative in selecting partners and formulating negotiating plans with each partner on the basis of mutual benefits. In addition, effectively implement the international commitments to which Vietnam has signed agreements. Develop and implement an integration strategy in all areas according to the overall plan with a reasonable roadmap, consistent with the national interests and the country's capabilities. Proactively and actively participate in multilateral institutions, contributing to building the world political and economic order in the direction of fairness, democracy, equality and mutual benefits.

Fourthly, identify the major development trends and trends of the world, thereby making correct and timely adjustments in the development strategy, making full use of newly opened opportunities. Effective

implementation and exploitation of FTAs. Conducting the review and finalizing the coordination mechanism to implement FTA commitments for specific fields in a more practical and effective manner; ensure national interests and the strict implementation of FTAs; timely assessing arising problems and proposing solutions to solve them. Develop and strictly implement commitments in financial integration on taxes, customs, insurance services, securities, accounting - auditing and other services. Research carefully the trends of protection and the risk of trade war affecting Vietnam's economy, the trend of shifting the focus of cooperation in regional and international frameworks such as ASEAN, APEC, ASEM, WTO, impacts. of world economic and political situation to the process of international economic integration of Vietnam.

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