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Provincial Competitiveness Index: A Case Study of Bac Giang Province in Vietnam

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Abstract

The study aims to evaluate the competitiveness of Bac Giang province in Vietnam. This province has made excellent progress, surpassing 29 places and 8.06 points, and now ranks 2nd in terms of competitiveness among all provinces nationwide by 2022. The statistical data used in this study comes from the Vietnam Chamber of Commerce and Industry for a period of 5 years (2018 - 2022). The research results indicate that Bac Giang's average competitiveness score over the past 5 years was 65.8, with a significant increase to 72.8 points in 2022. The improved competitiveness indexes, especially in Law & Order (8.6), Informal Charges (8.02), and Proactivity (7.62), have contributed to Bac Giang's success. However, the study also highlights a few limitations that Bac Giang must address to improve indicators such as Business Support Policy and Transparency. This will help the province create a better investment environment and attract foreign investment for the development of its economy.

Keywords: Competitiveness, competitiveness index, competitiveness ranking, Bac Giang, Vietnam

1. INTRODUCTION

Competition serves as a means of efficiently distributing resources, leading to economic growth and development on a regional level. On a business level, competition enables companies to reach their goal of maximizing profits, facilitating the accumulation of resources, adapting to market conditions, and eliminating those unable to cope with economic fluctuations.

According to the Asian Competitiveness Academy and the Central Institute for Economic Management (CIEM) in Singapore (2003), competitiveness is divided into macro and micro levels. Macro competitiveness includes political institutions, quality factors of socio-economic infrastructure, and state macroeconomic policies.

According to Briguglio and Cordina (2004), the process of developing regions can have a significant impact on improving the competitiveness of a locality. This, in turn, can be a driving force towards helping a country become more competitive, and ultimately, achieve a developed status with a strong position and reputation in the world.

“Provincial competitiveness” refers to the ability of provinces to compete with each other in attracting investment for socio-economic development. This is based on the specific advantages and strengths of each province, as well as their

linkages with other provinces within the country (Phan Nhat Thanh, 2010). Essentially, a province's competitiveness is evaluated by how well it can attract investment capital for socioeconomic development, based on its unique strengths and its ability to collaborate with other provinces.

Provincial competitiveness is assessed based on the assessment of investors and businesses on the ability to cooperate and link between localities (provincial level) to promote their advantages within the legal framework. Of that country and international practice. Provincial competitiveness reflects the ability of provinces and cities in a country to attract investment for economic development in an open, favorable, and healthy environment.

Improving provincial competitiveness plays an extremely important role in the country's economic integration and development process. Provincial-level competition takes place regularly, and continuously and follows a general order under the regulation of policies from central to local levels, especially research works on regional and local competition. Researching the competitiveness index helps objectively evaluate the potential and advantages of each locality (provincial level). Based on the unique scope and space of each locality, improving provincial-level competitive capacity must be based on the strengths of each locality in terms of the ability to attract effective investment.



Bac Giang is a mountainous province, located 50 km north of Hanoi's capital. Bac Giang's terrain consists of two sub-regions: mountainous and midland with alternating plains. The main characteristics of mountainous terrain (accounting for 72% of the entire province's area) are strong fragmentation, complexity, and large differences in altitude. Many areas have good land, especially in areas with natural forests. Bac Giang has 382,200 hectares of natural land, including 123 thousand hectares of agricultural land, 110 thousand hectares of forestry land, 66.5 thousand hectares of urban land, specialized land, and residential land, the remaining is other types of land. In general, Bac Giang Province has many favorable conditions for developing industry, agriculture, forestry, and fisheries. In recent years, Bac Giang has achieved certain achievements in building and completing synchronous infrastructure systems connecting districts and cities in the province and between neighboring provinces. In 2022, Bac Giang has risen to rank 2nd nationwide, increasing 29 places and 8.06 points compared to 2021 in terms of competitiveness. A detailed study of the components of competitiveness and analysis of the reasons for achieving this result is a useful reference basis for Vietnam's provinces in particular and the country in general in improving the competitiveness index. Competition, creating an environment to attract foreign investment for economic development.

2. LITERATURE REVIEW

Competitiveness is an issue of concern to many scholars at many levels such as national, local, and business. The research is divided into two categories: theory of competitive capabilities and advanced applications of competitive capabilities.

Theoretical studies on competitiveness

The theory of Competitive Competitiveness from the perspective of modern competition theory is derived from the "Comparative Advantage" theory of Eli Heckscher (1879-1952) and Bertil Ohlin (1899-1979), accordingly, the level of availability of factors of production and the level of use of factors of production to make different goods are important factors in each country's trade regulations (Barucci, P., 2009).

From a micro perspective, Feurer and Chaharbaghi (1994) pointed out that: Competitiveness is relative, not absolute, it depends on the values of consumers and shareholders, in which, the potential of people and technology to make the necessary strategic changes. Competitiveness can only be maintained when these factors are present.

Authors Bach Thu Cuong (2002), Briguglio Anh Cordina (2004), and Porter (2009) have relatively fully synthesized the theory of competition, competitive advantage, and competitiveness. At the heart of these studies is discovering, maintaining, and gaining global competitive advantage, national competition, and corporate and business-level competition.

In terms of research on local-level competitiveness, Paul Krugman (1996) in the textbook "Theory and Policy" argues

that promoting competition between localities needs to focus on trade and thus lead to free trade.

Competition is the contribution of businesses, not of localities. Porter M.E. (2010) argues that competitiveness within a territory is understood as the efforts of a specific locality to enhance advantages by skillfully applying several factors, contributing to the benefits of that region as positioning for many different activities. The integration of industries will have a lasting impact on the production capacity of each locality, from which new forms of activity can be captured.

According to Prescott, Pass, and Buckley (1988), the concept of provincial-level competitive competence was not yet popular at this time. As of 2004, Henricsson and his colleagues point out that the concept of provincial competitiveness remains controversial among policymakers but also researchers, economists, and journalists. Briguglio and Cordina (2004) believe that the development of regions will significantly improve the competitiveness of this region, thereby helping the whole country become stronger.

Authors Khuong, V. M. (2004) and Haughton, G., & Counsell, D (2004) argue that a locality is competitive if it has policies and conditions to ensure and maintain growth. Sustainability as well as high levels of per capita income. The authors mention groups of indicators to measure competitiveness including Government and financial policy; Institutions; Infrastructure; Human resources, Technology; Finance; Trade openness with the outside world; Supporting Industries, and Domestic Competition.

According to Zhang M. (2009), the province's decisions to improve competitiveness focus on three issues, specifically:

- First, meet the infrastructure needs, including Traffic system, electricity system, water system, electricity grid, and environmental sanitation;
- Second, expand and improve the quality of public services, such as education, healthcare, public security and housing systems;
- Third, simplify administrative procedures in business, tax payment, hiring workers, renting premises, business closing procedures, and other administrative procedures to reduce business costs.

In general, theoretical studies on competitive competence are diverse, at all levels, from businesses, localities, and countries. This will be a useful basis for applied research and evaluation of competitive capabilities in general and local-level competitive capabilities in particular.

Applied research on competitiveness

Applied research on Competitive Energy is considered and evaluated at the national, industry, local, and enterprise levels.

Peter Lloyd and Penny Smith (2004) researched Competitive Competitiveness in the ASEAN region. This study analyzed and sought solutions to improve ASEAN's competitiveness in the context of a rapidly changing world economy, and proposed economic policies in the ASEAN Economic

Community (AEC) and free trade agreements. Vietnam is also placed in the general context of ASEAN countries in this study but it is not clear.

Competitive capability assessment is also carried out at the industry level. The Tourism Competitiveness Index is published every two years by the World Economic Forum, to provide a tool to measure factors and policies that promote sustainable development of the tourism and travel industry. Stakeholders can use the results of this research to improve the competitiveness of the travel and tourism industry in the economy.

In Vietnam, many researchers and scholars are also interested in competition and competitive competence. Their research focuses mainly on the Competitive Capacity and solutions to improve the Competitive Capacity of a Group, Corporation, or Enterprise in a certain field or industry; Research the competitiveness of a specific locality.

Therefore, in their research, the authors researched the main issues of provincial-level competitive capacity that impact investment during the integration process. Some typical research projects on Competitive Energy in Vietnam include:

Tran Suu (2005) researched the competitiveness of businesses in the context of globalization. The author presents the basic contents of competition in Vietnam's international integration process from the late 20th century to the present and analyzes the factors affecting competitive competence, which are: internal factors and external factor. Internal factors (employees' cognitive level, input factors, organizational structure of the enterprise). External factors: Input suppliers, consumer markets, substitute products, risks, changes in socioeconomic factors, infrastructure factors, policy systems and solutions to adjust the macro-economy, national competitive capacity, provincial level competitive capacity, regional and local competitive capacity, and enterprise's competitive capacity.

Nguyen Minh Thao (2020) with the topic "Position, hindering factors and solutions to improve Vietnam's national competitiveness". The author has systematized the theoretical system of competitiveness and the approach to assessing national competitiveness; Assess the current state of Vietnam's national competitiveness and propose some solutions to improve Vietnam's national competitiveness.

Thus, research works on competitive capability have systematized basic theories about competitive advantage and competitiveness, and also mentioned factors affecting national and industry-level competitiveness, enterprise. The above projects have also proposed solutions to gain competitive advantage and competitiveness of industries, businesses, products, and provinces.

However, most research projects have not clearly shown the reasons leading to the assessment of each locality's competitiveness index. For Bac Giang Province, there has not been a study to understand the causes affecting the assessment results of the Competitive Capacity Index in the period 2018-2022. This is a gap for the authors to focus their research on

when considering improving provincial competitiveness to attract investment in the integration process, with specific research in Bac Giang Province.

3. RESEARCH METHODS

The PCI provincial competitiveness index is used to evaluate and rank the provinces' competitive capabilities. PCI was first announced as a pilot in Vietnam in 2005, including eight component indexes, each component index explaining the difference in economic development between provinces and cities in Vietnam, accordingly. There are 42 provinces and cities in Vietnam ranked and evaluated.

By 2006, two important areas of the business environment, Legal Institutions, and Labor Training, were added and included in the assessment for all provinces and cities in Vietnam. In 2009, the PCI methodology was adjusted to suit the dynamic development of the economy and legal environment in Vietnam, accordingly, the PCI had 9 component indices. In 2013, PCI added the Equal Competition Index.

Therefore, PCI is currently evaluated according to 10 component indexes. A province is considered to have a high PCI index when it meets the following indicators:

- (1) Low market entry costs;
- (2) Businesses can easily access land and have stable business premises;
- (3) The business environment is open and transparent, businesses have the opportunity to fairly access information needed for business and necessary legal documents;
- (4) The time businesses have to spend to carry out administrative procedures and inspections is limited (Time cost);
- (5) Informal costs are kept to a minimum;
- (6) Fair competition - new component index;
- (7) Dynamic and pioneering provincial leaders;
- (8) Business support services, provided by the public and private sectors;
- (9) Have good labor training policies;
- (10) Legal and judicial system for fair and effective dispute resolution.

The Vietnam Chamber of Industry and Commerce (VCCI) will announce the results of the previous year's provincial competitiveness index in the third quarter of every year. Based on the ranking results from rating businesses, the competitiveness index of provinces and cities nationwide is ranked, as a basis for comparing provinces.

To learn and evaluate the provincial competitiveness of the province, with a case study in Bac Giang Province, the research methods used are as follows:

Research process

- Step 1: Theoretical research on competitive capabilities and factors affecting provincial-level competitive capabilities.
- Step 2: Research and evaluate the Competitive Capacity Index (PCI) from 2018 to 2022 of Bac Giang Province. Secondary data is collected from the annual summary report

of the General Statistics Office; the Annual report of statistics of the Vietnam Chamber of Industry and Commerce (2018-2022); Bac Giang Province's website and other secondary data sources.

- Step 3: Assess the current situation and causes, and propose solutions to improve the competitive capacity of Bac Giang Province.

Methods of processing and synthesizing data

The authors used statistical grouping methods to synthesize data and used statistical tables and statistical charts to present the results of data synthesis. Descriptive and comparative statistical methods are used to analyze collected data to group and synthesize data on the current status of research issues related to competitiveness and competitiveness. Provincial competition, business environment in Bac Giang Province.

4. RESEARCH RESULTS

Bac Giang is considered an emerging and dynamic province in the Northern Mountainous region in recent years. Bac Giang has the potential for economic development and can become one of the leading provinces leading the economy of the region and the whole country. However, to promote its potential and strengths, in addition to the Province's efforts, Bac Giang needs institutional and policy support and support from the Central Government for sustainable economic growth and development. To evaluate Bac Giang's competitiveness, we performed an analysis of Bac Giang's

competitiveness index and competitiveness ranking for the most recent 5 years (2018-2022) and detailed scores for each index of the Province.

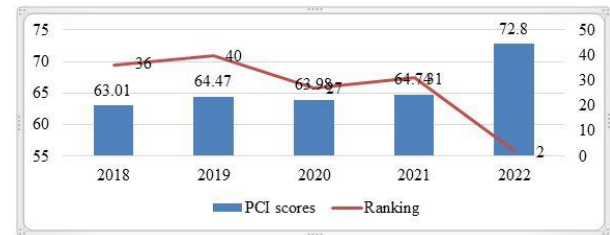


Figure 1. Bac Giang Provincial Competitiveness Index (2018-2022)

(Source: VCCI Vietnam, 2023)

In Figure 1, we can see that Bac Giang has experienced an increase in its average score over the course of five years. The most significant increase occurred in 2022, where the score reached 72.8 points, which is an increase of 41.8 points compared to the previous year. Bac Giang's efforts to enhance its investment environment have boosted its competitiveness ranking to the second position nationwide in 2022. This is a considerable improvement of 29 places compared to the previous year. More detailed understanding of the scores for each indicator is referred to Table 1. It exhibits the ten competitiveness indexes of Bac Giang.

Table 1. Rankings In The Provincial Competitiveness Index Bac Giang (2018-2022)

Index	Year					Average
	2018	2019	2020	2021	2022	
1 Entry Costs	7.34	6.78	6.99	6.76	6.65	6.90
2 Access to land	6.66	6.84	6.30	7.09	7.29	6.84
3 Transparency	6.11	6.85	5.39	6.27	6.3	6.18
4 Time Costs	7.01	6.52	8.68	6.99	7.38	7.32
5 Informal Charges	6.16	6.06	6.47	7.74	8.02	6.89
6 Policy Bias	4.88	5.45	7.89	5.98	7.31	6.30
7 Proactivity	5.55	6.98	6.75	5.66	7.62	6.51
8 Business Support Policy	6.44	5.43	5.82	6.04	6.1	5.97
9 Labor Policy	6.54	7.19	6.82	6.33	6.8	6.74
10 Law & Order	5.90	6.38	6.28	6.99	8.6	6.83

(Source: VCCI Vietnam, 2023)

Details of factors that constitute competitiveness

Index 1_ Entry Costs

Entry Costs is an index built to evaluate the differences between newly established businesses between provinces in terms of market entry costs related to business establishment registration procedures and completion of business registration procedures. Procedures to officially operate, including Time to register to establish a business; Time to change business registration content; and Percentage of

businesses needing additional licenses. In addition, this index also evaluates ethical qualities, qualifications, and administrative skills with structures, titles, and standards that meet the specific requirements of public service performance; The provincial government accompanies businesses; Geographical location; Infrastructure; and Natural resources.

In the period 2018-2022, the average Entry Costs index of the Province is 6.9, increasing and decreasing unstable, 2019 and 2020 are both decreasing compared to 2018, 2021 and 2022 are decreasing compared to previous years. The Entry Costs Index is five of the ten component indexes of PCI whose change determines the improvement of provincial-level competitive capacity. This index has decreased in the past 3 years compared to the region and the whole country because Bac Giang Province places great emphasis on human resource training, and improving qualifications and skills for civil servants. The enthusiasm of the staff at the one-stop shop in guiding clear and complete procedures with a high approval rate of 79.3%, 1.7 times higher than the national average.

In addition, 100% of staff at the one-stop shop use information technology proficiently, contributing significantly to the local administrative reform process to create favorable conditions to attract investment, step by step. increase competitiveness. However, this index is still affected by inadequacies in the registration time and time to change land use rights certificates, specifically, land use rights registration lasts 30 days, while the national average is 15 days.

Businesses complete the registration procedure to operate, which lasts from 1 to 3 months. The subjective reason is that the qualifications and professional capacity of staff at the one-stop shop are still low, so there are certain limitations in the process of carrying out procedures to meet the requirements of individuals, businesses, and investors.

Indicator 2_ Access to land

Land access is an index that measures the problem businesses face: whether it is easy and secure to access land and guaranteed stability when the business has a business premise or not, including Contents: This index must be considered at the level of land planning of the province to maintain a sustainable socio-economic development strategy. The Land Access Index is extremely important because businesses can only operate when they have land to build infrastructure. The Land Access Index includes local land planning; Is the land use right certificate granted; Publicly and transparently stipulated procedures for land allocation, land lease, change of land use purpose and time to complete site clearance procedures; Land price policy; Industrial management.

The Land Access and Land Use Index in the past 5 years of Bac Giang Province has an average score of 6.84, with fluctuations in scores but not significantly: 2020 has the lowest score, and 2021 and 2022 are increasing. gradually. It can be seen that the land access and land use index is considered relatively low due to the complicated developments of the COVID-19 pandemic, which has had a certain impact on the socio-economic development of the country. local. For businesses to access land, the provincial government needs to have specific procedures assigned to functional departments to implement. Typically, the Department of Natural Resources and Environment, which directly carries out land allocation procedures for businesses, must have specific measures to advise and guide businesses and people on implementation.

Index 3_ Transparency

Transparency is an index measuring the accessibility of businesses and investors to the province's economic development plan and legal documents necessary for business activities. Measure this indicator by assessing businesses' fair access to legal documents; new policies and regulations based on consultation with businesses; and investors and the ability to evaluate the implementation of policies, regulations, and the usability of websites for businesses and investors.

The 5-year average Transparency Index of Bac Giang is 6.18. In 2021 and 2022, this component's score will increase but is still lower than in 2019 and is still in the province with a low score, specifically: Budget documents are detailed enough for businesses to use for business activities; Budget documents published immediately after approval by competent agencies and individuals are lower than the national average. The indicators are higher than the national average such as the Percentage of businesses accessing the Provincial Website. In addition, negotiating with tax officials is an essential part of economic activity, accounting for a higher rate than in the whole country. That shows a huge obstacle to the transparency index in particular and the provincial competitiveness index in general.

Index 4_ Time Costs

The Province's Time Cost Index for the period 2018-2022 has certain fluctuations, Table 1 data shows that the average score is 7.32. In 2020, this index was rated highest, but in subsequent years it was lower. The above results show that the time cost index in Bac Giang Province in the past 5 years has ranked above the national average.

The cause of this fluctuation is that the Bac Giang Provincial government has introduced an appropriate mechanism to create favorable conditions to attract investment from domestic and foreign businesses and investors investing in clusters and areas. industry in the province.

Index 5_ Informal Charges

Unofficial costs are expenses that businesses and investors must pay in addition to prescribed expenses such as obstacles caused by these unofficial costs to the business activities of the enterprise; Whether the payment of informal fees brings the expected results or "services" and whether government officials use local regulations for personal gain. This expenditure may bring the desired results or services to businesses and investors, but it may be a loophole for state officials to profit and increase costs for businesses and investors.

This is a very sensitive index. A province that does well and minimizes this index reduces harassment in handling work, creating confidence in domestic and foreign businesses and investors. Data in Table 1 shows that the average 5-year score is 6.89, of which 2019 reached the lowest score, the following years gradually increased and reached 8.06 points in 2022, an increase of 1.66 points compared to 2018. The above results show It can be seen that the provincial government has made many efforts to reduce informal costs, but they are still at an average level compared to the whole country.

Index 6_ Policy Bias

The Policy Bias index reflects the assessment and requirements of the domestic private business community for an equal business environment. Evaluate this index through Fair Competition; Local authorities give more preferential treatment to SOEs in the field of land access; Credit and public procurement. This index of Bac Giang reached a low level, averaging 6.3. In 2019, the Equal Competition index increased by 0.57 points compared to 2018; In 2020, it increased by 2.44 points compared to 2019 and reached a good level compared to the whole country. By 2021, this index will decrease to 5.98 points, but in 2022, the province will improve this index, increasing by 1.33 points compared to the previous year. The above results show that investors and businesses have received favors and advantages in accessing land, credit, and administrative procedures easily and conveniently in obtaining contracts from agencies. state officials.

Enterprises, economic groups, and investors, with special priority given to enterprises with direct investment (FDI). The provincial government has paid attention to and supported businesses, especially FDI enterprises, in accessing land, land rent exemption, corporate income tax, administrative procedures, and several other business privileges in FDI.

Index 7_ Proactivity

Proactivity reflects the initiative and creativity of provincial leaders in the process of promulgating local policies and implementing central policies with the goal of sustainable economic development, attention and investment in the development of the private economic sector, and application of policies beneficial to investors and businesses within the framework of the law. Assessing Proactivity through Economic Structure; Management quality of local government; and Development strategy of the Province.

Table 1 shows that the 5-year average score of this index in Bac Giang is 6.51, in 2022 it will reach the highest, 7.62 points, an increase of 1.96 points compared to 2021. In 2019, the Proactivity index increased by 1.43 points compared to 2018; 2020 decreased by 0.23 points compared to 2019. The above results show that the Proactivity index of Bac Giang Province in the past 5 years has increased and is at a good level for the whole country, which shows the Proactivity and pioneering of the province's leaders has been significantly improved.

The Provincial People's Committee has been flexible and proactive within the legal framework to create a favorable business and investment environment for businesses, investors, industrial clusters, industrial parks, and units under the Provincial People's Committee. Good initiative to reduce administrative procedures to avoid causing trouble for businesses and investors when investing capital in the province.

Index 8_ Business support policy

In recent years, business support policy such as Legal consulting; Market information; and Information about partners have gradually improved in quality and quantity. On

the other hand, legal consulting, trade promotion, and IT services have more appropriate policies for businesses and investors to participate in these services. Specifically, the 5-year average support services index is 5.97, the lowest among the province's indexes. From 2019 to 2022, these indicators gradually increase over time. Although the score is not high, Bac Giang is still in the top 20 out of 63 provinces and 4th in the Northern Mountainous provinces in terms of the business support index.

Index 9_ Labor Policy

This index is a measure to evaluate the efforts of provincial leaders in vocational training and improving the quality of human resources to support industries in the area and help workers find jobs.

Data published by VCCI (2022) shows that this index in recent years shows a difference because there has been a certain investment by the government to gradually improve the quality of local human resources. the method makes the average index 6.74, in 2022 it will still maintain a high score, 6.80 points is a good level compared to other provinces in the country.

Index 10_ Law & Order

Law & Order are an index that measures the trust in the provincial government of individuals, businesses, and investors. Based on this institution, individuals, businesses, and investors can resolve issues. Disputes and complaints about harassment by local public officials...

According to VCCI data (2022), Bac Giang's average score reaches 6.83, increasing over the years and peaking in 2022 with 8.6 points. With continuous efforts in perfecting legal institutions, Bac Giang has risen to 2nd position in Vietnam's competitiveness ranking.

5. DISCUSSION AND CONCLUSION

The above analysis results show that in the period 2018-2022, the Competitive Capacity Index of Bac Giang Province has been assessed by VCCI to have made certain progress and ranked 2nd among 63 provinces and cities in the country by 2022.

The 10 component indexes of the CPI Index of Bac Giang Province for the period 2018-2022 have had positive fluctuations, especially the index of Law & Order (8.6), Informal Charges (8.02) and Proactivity (7.62) has helped Bac Giang's score increase by 8.06 points compared to 2022 with 2021, which shows that the provincial government and branches and levels in the province have made great efforts in creating an environment Favorable and encouraging investment attraction from domestic and foreign businesses and investors, especially FDI enterprises. In recent years, the pace of investment in Bac Giang has increased in the number of businesses as well as the scale of investment capital. The province's industrial production value increases every year, with a significant contribution from many new investment projects put into operation.

The Bac Giang Provincial Government has attached importance to the comprehensive development of areas in which the province has advantages and development potential, with priority given to industrial development and construction. Determining its advantages compared to other provinces in the Northern mountainous region, Bac Giang has soon planned to develop industrial clusters and industrial parks synchronously, especially in districts with many advantages such as Viet Yen, Yen Dung, Hiep Hoa, Lang Giang. Thanks to these policies and policies in the right direction, the process of economic restructuring took place very quickly, having a positive impact on the province's socioeconomic development by attracting investment and exploiting advantages in geographical location, human resources, and other favorable conditions.

However, in the process of implementing solutions to improve competitiveness in Bac Giang, there are still some limitations that need to be overcome in the future, specifically as follows:

First, Business Support Policy are not good. The planning of industrial parks, industrial clusters, and craft villages has been approved overall in the province in each phase, but the promotion and management of investors undertaking infrastructure construction of industrial parks has not been achieved. The results are good, the percentage of rented areas in the industrial park is still low. Due to initial limitations in the planning of industrial parks, industrial complexes, and craft villages, labor productivity in local industrial parks and craft villages has led to situations where labor productivity in local industrial parks and craft villages is very low due to the level of technology and management experience, outdated. The connection and support between industrial parks industrial clusters and craft villages are not high, so the role of neighboring industrial areas cannot be promoted, supporting each other in the output market, or providing natural resources. material together. Investment promotion and support have not been widely advertised, and some areas that need priority for development have not attracted high-tech projects.

Second, Transparency is not highly appreciated. The reform of administrative procedures has not been successfully organized. Comments from businesses and individuals in both the public and private sectors clearly show that this content still has many limitations. The slow implementation of projects in the economic infrastructure development group, such as roads, river ports, etc., has also hindered the process of improving Bac Giang's competitiveness. In addition to the limited connection factor, the quality of the transportation system, financial service system, information, and public services also need to be completed and upgraded.

Third, the quality of human resources is an issue that needs special attention and investment. Bac Giang has an abundant workforce, but the rate of vocationally trained workers is not high. The planning of the network of schools and vocational training centers in the province is not closely linked with the requirements of employers. This has wasted human resources, which are considered the most important and scarce resources,

and also reduced the initial opportunities when investors choose Bac Giang for long-term investment.

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