

Strategy for Industrial Clusters in Hanoi Vietnam and Matters of Protecting Consumer Interests

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ABSTRACT

First we recognize we need to have consistent overall planning of clusters. The planning and development of industrial zones has not been determined on a balanced basis by industry and region. This is the main cause of the weakness in the development of social infrastructure for the development of industrial zones. Second, we need suitable training programs qualified for laborers and select professional advisers for proper projects. Last but not least, we need adding "product" in the concept of "goods and services" (to "products, goods and services" to ensure adequate adjustment of all stages of the business process - consumption as well as not omitted for new objects arising in business processes such as digital services and digital products. Also, Adding new regulations on international cooperation in dispute settlement disputes between consumers and foreign organizations and individuals, in which, principles of cooperation, scope of cooperation between consumer protection agencies used in countries.

Keywords: Existing problems of clusters, Development, Consumer rights, Hanoi.

1. Introduction

In the current context, the progress of industrial clusters in Hanoi we recognize there are some limitations and need development strategy. (1) The formation, development and reduction of concentrated industrial zones has had Decree No. 36/CP of the Government, which is uniformly implemented nationwide, while small and medium industrial zones (clusters) are the application of the city. That is always done in the condition of both building and perfecting management regulations and supporting regulations. (2) There are still a number of legal documents that have not been agreed or amended yet, such as Decree 36/CP, which has not been amended in accordance with the revised Law on Foreign Investment in Vietnam. (3) Construction investment procedures according to the provisions of law and of the city are still complicated (especially for projects using capital allocated from the State budget).

Research Question

What are problems of industrial clusters in Hanoi Vietnam?

Strategy to overcome problems and development plans for clusters in Hanoi Vietnam?

What are amendments for protecting consumer rights?

2. Literature Review

Next we look at below table:

Authors	Year	Content, results
Porter	2000	Indeed, clusters stimulate the development of new industries and are also increasingly viewed as the driving

		force in knowledge creation, and as magnets for foreign direct investment.
Callois	2008	Industry clusters become the pillars that support industries' research and development (R&D) activities in fostering product and process innovation and upgrading technologies.
Kaliba	2014	Among cluster planning is plan for Capital Region Development.
Zednak et al.	2018	The aim of this paper is the analysis of knowledge and clusters as drivers of economic development and competitiveness. A theoretical overview of the knowledge and clusters development will be provided. The overview of indicators (economic growth, GDP per capita, unemployment, GCI, Innovation Indexes) will be given, and the findings based on the indicators will be discussed for EU candidate countries. Correlation between cluster development and competitiveness will be analysed. Knowledge and clusters are drivers of economic development and competitiveness, but they are not the key factors in those countries. Other factors have more effect on development and competitiveness.
Howells	2020	We are entering into an era of new technological possibilities. Many benefits will be derived for consumers from the development of data and computer-driven innovation. We will have new products and services and new ways of making and supplying goods and services. Without wanting to inhibit innovation, this article calls for the legal system to remain committed to an ideology and legal framework that supports consumer protection. It will counsel against assuming that the law should give way unduly to the technology agenda, whilst accepting that adaptations should be made and also that there should be a critical review of whether traditional forms of regulation are needed in the Fourth Industrial Age.

Makanyeza et al.	2021	Results further indicate that education moderates the effect of consumer rights awareness on both consumer attitude and intention while gender and age do not. The study is among the pioneers to examine the effect of consumer rights awareness on both consumer attitude and behavioural intention and to test the moderating effects of demographic characteristics on these relationships.
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(Source: author synthesis)

Then, Do Thu Huong et al (2021) also pointed risk management solutions needed to reduce risks for economic and construction projects. This confirmed by (Thi Hang Nguyen, Van Huan Nguyen, Dinh Tran Ngoc Huy; 2021; Le, K., & Nguyen, M; 2021; DT Tinh et al, 2021; PM Dat et al, 2020; NT Hoang, DTN Huy, 2021; TDT Vu, DTN Huy, NTH Trang, NN Thach, 2021; PN Tram, DT Ngoc Huy, 2021).

3. Methodology

The author intends to use will use qualitative, analysis, synthesis research methods. Relevant regulations and plans of clusters in Hanoi also researched.

Then authors use dialectical materialism method to complete this paper.

4. Main Findings

4.1. Problems of industrial clusters in Hanoi Vietnam

Existing problems needed to be solved are:

- The technical infrastructure system inside and outside the fence is not synchronous, such as: there is no wastewater treatment area, insufficient supply for production enterprises, the traffic system outside the fence is not convenient, the power supply unstable, etc affecting the progress of production and business activities of enterprises (Vinh Tuy Industrial Park, Sai Dong B, etc). Currently, only Thang Long Industrial Park has technical infrastructure both inside and outside the fence, which is relatively complete.

- The total area of industrial land with infrastructure out of the total planned land area is still low.

The investment environment is not "attractive" enough for investors, especially domestic investors, while the situation of attracting foreign investment is still spontaneous. The competitiveness in attracting investment projects in industrial zones is still low, lower than the investment attraction capacity of industrial zones in other countries in the region, lower than the investment attraction capacity of many industrial zones in the region. South (especially the industrial zones of Ho Chi Minh City).

- Investment projects in industrial zones in Hanoi are very small in both size and quantity. Foreign investment projects accounted for the majority.

- Production and business activities of enterprises in industrial zones face many difficulties.

- The development of social infrastructure for the development of the industrial zone: the issue of housing and welfare facilities for employees has not been resolved. Up to now, most industrial zones in Hanoi do not have dormitories for workers, except for the remaining local workers who have to rent houses. Other support services are also limited: banking, high service electricity prices, no information, etc.



(Source: author synthesis)

Fig.1. Development clusters in coming time

4.2. Matters of protecting consumer interests

Because a mass volume of goods and products will be produced in industrial clusters and delivered to consumers, we need to protect consumer interests or rights:

First, Checking quality of goods and products before entering the market and export.

Second, according to Consumer Protection Law and amendment:

Article 5. State policies on protection of consumer rights

1. Create favorable conditions for consumers and organizations and individuals in society to fully exercise their rights and promote initiative in activities protection of the interests of consumers.
2. Encourage and support organizations and individuals to develop and apply business science, technology and innovation to protect the interests of consumers.
3. Create favorable conditions to mobilize all resources to strengthen investment in facilities, develop human resources for agencies and organizations performing public works of protection of consumer rights; regularly strengthen counseling, support, propagating, disseminating and guiding knowledge and skills.
4. Regularly and synchronously deploying consulting, supporting, surveying, evaluate, test, propagate, disseminate, guide, manage, and supervise the work comply with the laws of business organizations and individuals.
5. Promote integration, expand international cooperation, share information and business experience in protecting the interests of consumers.

6. Protecting the interests of consumers in association with promoting production and sustainable business and consumption, contributing to building an independent and self-reliant economy.

Article 7. Consumer's responsibility to protect information

1. During the course of operation, business organizations and individuals perform work of collection, storage and use of consumer information must comply with applicable laws and regulations provisions of this Law and relevant laws on information protection.

2. In case the business organization or individual authorizes or hires a third party.

When collecting, storing and using information of consumers, business organizations and individuals are still responsible for protecting consumer information. Fit power of attorney or lease agreement between the two parties must be in writing and must clearly define the responsibilities of each party in the implementation of the provisions of This Law and relevant laws on information protection.

3. Within the scope of authorized or hired work specified in Clause 2 of this Article, business organizations and individuals are not required to comply with regulations in Articles 9 and 10 of this Law. If you do the collection yourself, storing and using information of consumers, business organizations and individuals must comply with the provisions of this Law and relevant laws.

Article 8. Consumer information protection policy

1. Unless otherwise provided for by law, business organizations and individuals revenue from collecting, storing and using information of consumers must build information protection policy with the following contents:

- (a) The purpose of information collection;
- (b) Scope of information use;
- (c) Information storage period.

2. Content specified in Clause 1 of this Article must be made public and clear information, enabling consumers to choose before or at time of information collection.

5. Discussion and Conclusion

First for development strategy of industrial clusters we suggest:

- The creation of labor sources for industrial park enterprises is often passive due to the lack of quality assurance and the ability to meet the demand for highly skilled labor for some fields, especially high-tech industries that are being developed, still weak, enterprises have to train their own workers. However, due to the incomplete legal environment of Vietnam and the low legal awareness of the people, there is still a risk for businesses that are employees to quit their jobs and sign contracts with other companies later, while being trained by the old company.

--> Hence we need training programs qualified for laborers.

– Many consulting units have been selected for project formulation, they are still very weak in capacity, so the

project quality is poor, the project appraisal and approval time is long, causing difficulties in the project implementation process. Due to poor project quality and poor project appraisal, many projects of infrastructure investors have poor financial capacity and experience, so the progress of investment and development of industrial zones is not guaranteed. There is even an industrial park that lasts for many years like Sai Dong A Industrial Park.

--> So, we need to select professional advisers for proper projects.

Second for protecting consumer rights (who purchase and use products and goods produced):

We would suggest having amendment as follows:

Basic content of the draft Law on Protection of Consumer Rights (Revision)

The revised and supplemented contents focus on the main content groups.

Among 07 policies approved by Resolution No. 48/NQ-CP dated 06 May 2021 of the Government, specifically:

Scope of adjustment and subjects of application.

Compared with the Law on Protection of Consumer Rights 2010, the scope of regulation, for The object of application in the draft Law on Protection of Consumer Rights (amended) is currently is specified as follows:

- Additional protection for consumers' interests in specific transactions with business organizations and individuals into the scope of regulation.
- Additional subject groups: social organizations participating in the protection of consumer rights.
- Supplementing relevant domestic and foreign agencies, organizations and individuals related to the subject of application.

To concretize as well as create a mechanism to implement the above contents, in the Law on Protection of Consumer Rights (amended) also added. The relevant regulations are as follows:

- Adding "product" in the concept of "goods and services" (to "products, goods and services" to ensure adequate adjustment of all stages of the business process - consumption as well as not omitted for new objects arising in business processes such as digital services and digital products.
- Modify the concept of consumer in the direction of leaving out the "organization" object from the concept of consumers to accurately define consumers as individuals who perform transactions for the purposes of consumption and daily life of individuals and families. This identification helps agencies and organizations facilitate the implementation of regulations, avoid controversies, inconsistency in understanding between subject. Besides, this explanation helps to limit the number of complaints. Complaints are sent to consumer protection agencies and organizations, helping agencies and organizations effectively use resources to protect the interests of consumers (for Disputes between organizations, currently the law has provisions on mediation or commercial arbitration for settlement).
- Adding a new chapter on consumer rights protection in special transactions with business organizations and individuals, in which, completing the regulations on remote transactions, providing continuous and

complementary services on direct selling.

- Adding new regulations on international cooperation in dispute settlement disputes between consumers and foreign organizations and individuals, in which, principles of cooperation, scope of cooperation between consumer protection agencies used in countries.



(Source: author synthesis)

Fig.2. Hanoi city clusters

Research Limitation

Authors can make further researches on construction projects of clusters

Declarations

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This research did not receive any grant from funding agencies in the public, commercial, or not-for-profit sectors.

Competing Interests Statement

The authors declare no competing financial, professional and personal interests.

Consent for publication

Authors declare that they consented for the publication of this research work.

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