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ASSESSMENT OF FDI RESULTS AND EFFICIENCY IN VIETNAM: FROM THEORY TO PRACTICE

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Abstract. In fact, for many years now and especially during the implementation of development planning in Vietnam; in general, places are very confused when studying the issue of FDI results and efficiency. The first is to evaluate how the results of FDI attraction are identified, how the effectiveness of FDI is evaluated, by what criteria and compared with the standard level. In the process of studying the effectiveness and efficiency of local economic management and studying the impact of FDI on the socio-economic development of provinces in Vietnam, the author of this article recognizes many useful issues for research on FDI results and efficiency in the context of Vietnam. In a series of important issues, the author wants to present some outstanding issues to get more information for those who want to refer.

Keywords**:** Foreign direct investment (FDI), efficiency, quality.

1. Introduction

Since 1988, Vietnam began to attract foreign direct investment (FDI) to avoid a serious capital shortage when the economy was small in size and the ability to accumulate investment capital from within the economy was limited. Up to December 31, 2020, according to accumulated data, Vietnam's total FDI capital attracted about 363 billion USD, of which the realized capital accounted for over 66%. The sector makes a significant contribution to the development of Vietnam's economy. Specifically, contributing about 20% of the realized social investment capital, and about 70% of export turnover, creating about 3.5 million direct jobs and about 5 million indirect jobs for laborers [3]. But in fact, some people think that FDI makes a great contribution to the economy, there are also some opinions that the more Vietnam attracts FDI, the more it loses because the FDI sector pollutes and transfers prices to evade taxes, causing big damage for the economy. Faced with such a situation, the author of this article would like to present more clearly a number of issues, the results and the effectiveness of the FDI sector on the state's socio-economic development process in order to have more information for those who are interested in.

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2. Content

2.1. Overview of FDI attraction in Vietnam and issues that need attention.

Because the years 2020, 2021 are greatly affected by the COVID-19 pandemic, the figures are not regular. Therefore, in order to avoid interference in the data analysis process, the author mainly uses a series of numbers from 2015 to 2019 or from 2010 to 2019. Vietnam is one of the countries that realize the great value of FDI and has the policy to attract FDI very early. In the 80s of the twentieth century, our country's economy was facing many difficulties, inflation increased, production grew slowly and unstable, people's life was difficult, budget revenues and expenditures were greatly imbalanced... In that situation, Vietnam implemented the policy of "Renewal". One of those policies was to promote FDI attraction. In 2005, Vietnam promulgated the Law on Foreign Investment, in 2015, our country promulgated the Law on Investment (including the regulation on FDI). By 2020, Vietnam again promulgated the Law on Investment with many new points, most notably the Law on Investment is to concretize the way to attract FDI with a new mindset and perspective that is attractive to FDI investors.

Table 1. Accumulation of Vietnam's FDI capital

Period	**Project number**	**Total registered capital, million USD**	**Registered capital b/q 1 project, Million USD**	**Total realized capital, Billion USD**		
				million. USD	***% of registered capital***	***Amount of capital for implementation b/q of the project***
1988-2000	2.972	43.914,1	14,77	20.668,2	47,06	6,95
2001-2010	10.082	168.880,5	16,75	58.478,2	34,63	5,80
2011-2019	20.495	239.646,4	11,69	132.326.7	55,22	6,46

Source: General Statistics Office, Yearbook 2019; [3]

Looking at the data table, the ratio of realized capital to registered capital is not high. For the whole country, only about 50-57%. The ratio of realized capital to registered capital is increasing, although the increase is not much. The average FDI capital per project is not much (only about 6.45 million USD/project) and in fact, the technology of the projects is at a limited level, not at the high level as our country would like. By the way, the author wants to say that many countries do not have the industrial development to the level of the US, France, Germany, Japan, Korea such as New Zealand, Canada, Australia, Singapore, Switzerland, but they are still in the group of developed countries and whose GDP per capita at current prices is as high as 40-80 thousand USD [3]. The main cause of success for these countries is their successful implementation of modernization. The new modernization is decisive to the fast, strong, effective and sustainable economic development. The author of the article wants to repeat the words of former Singapore Prime Minister Lee Kuan Yew when he visited Vietnam in 1996, who said roughly, "When the eagle crows, it will overwhelm the sparrow forest" (ie when if it attracts a big, huge business, it will overwhelm all small businesses to do business in Vietnam). The author understood that attracting small businesses that use high technology is also extremely important, but more important, it is to attract large, high-tech, strategic projects. Thai Nguyen province has only 1.2 million people, they have attracted SAMSUNG Electronics Group with a total investment of more than 2 billion USD and this group has created an export value of about 26 billion USD in 2021; Meanwhile, Hanoi city has a population of over 8 million people, but the total export turnover was only over 16 billion USD in 2019. By 2016, China attracted all the large transnational and multinational economic groups in the top 500 leading corporations of the world. According to experts from the Institute of Development Strategy, even in China's Chongqing province, they have attracted 280 large corporations among the top 500 as mentioned above.

Table 2. Structure of FDI capital attracted to Vietnam by accumulated fields up to December 31, 2019

Areas of attraction	**Project**	**Total registered capital, Million USD**	
		Million dollars	***% of total***
Total country	**30.943**	**363309,7**	**100**
In there:			
Red river delta	10.315	105.758,9	29,1
Midlands and mountains	1.047	18.178,3	5,0
North Central and Central Coast	1.970	58.823,9	16,1
Highlands	147	932,2	0,3
South East	1.707	153.782,3	43,2
Mekong Delta	1.707	23.065,4	6,3

Source: General Statistics Office, Yearbook 2019; [3]

At that time, the former Prime Minister Vo Van Kiet talked about the issue of attracting large and strategic investors from the EU, the US, Japan and Korea to do business in the Northeast region and coastal areas of Vietnam. In that direction, if cumulative until May 2021, the coastal economic zones attracted 10,853 projects with a total registered capital of 228.4 billion USD (of which the implemented capital is about 69.6%). The former Prime Minister's ideas had strategic significance for national security protection, our country's policymakers should pay attention to his thought.

Attracted FDI mainly focused on the Red River Delta and the Southeast region. These two regions attracted 72.4% of the total FDI capital attracted to Vietnam. This trend will continue for a few more years. However, because the land compensation price and labor wages have increased and will be higher than other places, FDI investors will move to areas far from these two cities. In the North, many FDI investors have spread to Thai Nguyen, Bac Giang and Phu Tho. In the South, FDI investors have also moved far to Long An, Hau Giang, Can Tho... Therefore, localities are far from major city centers should prepare attractive conditions to attract investors. FDI brings strategic importance to their locality.

The capital structure is attracted to industries and fields is also a matter to ponder. It is said that Vietnam should publicize its key fields and key products and have attractive policies to attract strategic investors, who play a pivotal role or take the lead in value chains. or the leading supply chains in the world. Only then Vietnam would have a worthy position in the international arena. It is time for Vietnam to come up with an orientation to attract strategic investors from leading developed countries in the world.

The structure of FDI capital is attracted to Vietnam mainly on the processing industry, manufacturing and real estate business (these two sectors account for about 75.2% of the total registered FDI in Vietnam). FDI capital is attracted to the field of agriculture and professional activities, science and industry only account for about 1.8%.

Table 3. Structure of FDI capital attracted to Vietnam calculated cumulative atrophy as of December 31, 2019

Areas of attraction	**Project number**	**Total registered capital, Million USD**	
		Million dollars	***% of total***
Total country	30.943	363.309,7	100
In there:			
Agriculture	499	3518,1	0,97
Manufacturing and processing industry	14.463	214.610	59,1
Construct	1.696	10.406	2,86
Professional, scientific and technological activities	3.238	3.447,3	0,95
Wholesale, retail, repair of cars and motorbikes	4572	8.154,9	2,24
Real estate business	871	58.439	16,08
Transportation, warehousing	828	5.091,7	*1,40*

Source: General Statistics Office, Yearbook 2019 [3]

In 2019, Vietnam had about 10 million hectares of agricultural land, 18 million hectares of forestry land, more than 4 thousand km of railways, several dozen seaports, hundreds of power plants and the volume of goods transported through the port to about 155 billion tons. Vietnam has an output of over 43 million tons of rice, nearly 5 million tons of corn, more than 3 million tons of fruit, coffee, tea, rubber each over 1 million tons, 8.2 million tons of seafood, 2.4 million buffaloes, 6 million cows, 19.6 million pigs... Therefore, Vietnam urgently needs to develop the processing and manufacturing industry, especially the processing of agroforestry products. Currently, machinery and tools for agricultural, forestry and fishery production have not been significantly developed. Vietnam has several dozen seaports, more than 20 airports, and more than 4,000 km of railways, but most of the machinery, equipment and components for these industries are mainly imported by Vietnam. The things the author mentioned above need to be considered in order to attract FDI correctly and correctly.

2.2. Analyzing and evaluating the results and effectiveness of Vietnam's FDI attraction

2.2.1. Methods used to analyze and evaluate

This is a difficult and complex problem. In fact, in our country, there is no satisfactory research on the issue. Currently, mainly statisticians and analysts refer to the contribution of the FDI sector to GDP, to export turnover and to solving jobs in the economy. Faced with that situation, the author of the article tries to analyze more comprehensively, fully and deeply the contribution of the FDI sector to the economy of our country. The author used statistical analysis methods through specific calculation expressions to evaluate the contribution of the FDI sector to Vietnam's socio-economic development. At the same time, the author used the comparative method to compare years, between the national average and two major cities that are the economic locomotives of the country; Besides, the author also used the expert method to get more information and evaluate the comments and conclusions of the author of this article.

2.2.2. Content analysis and evaluation

2.2.2.1. Structure of FDI capital attracted to Vietnam by country and territory

Looking at the structure of FDI capital attracted to Vietnam shows that there are problems to think about in order to renew the attraction of FDI from developed countries and bring benefits to the potential growth for our country. Japan and Korea invest in Vietnam to manufacture high-tech consumer products and electronic products, but if they invest in developing decisive products such as manufacturing chips, semiconductors... and it is better to attract supporting industrialists to do business in our country. The EU and the US are the holders of source technology and high technology, their manufactured products are at the top of the world, but their investment in Vietnam is still small. This is a point worth contemplating and it is necessary to have attractive policies to strongly attract FDI from large investors from leading developed countries in the world to Vietnam in the coming years.

Table 4. Structure of FDI capital attracted from countries and territories into Vietnam

Countries and territories	**Project**		**Registered FDI capital**	
	Project	**%**	**Million. USD**	**%**
All Vietnam	**30.943**	**100**	**363.309,7**	**100**
South Korea	8.504	27,5	68.102,3	18,7
Japan	4.402	14,2	59.364,2	16,3
America	991	3,2	9.307,5	2,6
UK	378	1,2	3.716,9	1,0
France	565	1,8	3.604,2	0,99
Germany	352	1,1	2.054,4	0,56
Russian Federation	137	0,4	942,5	0,26
Italia	110	0,3	402,8	0,11
India	255	0,8	922	0,25

Singapore	2.424	7,8	49.772,4	13,7
Taiwan	2.695	8,7	32.378,4	8,9
People's Republic of China	2.826	9,1	16.284,4	4,5
Malaysia	617	2,0	12.634,6	3,48
Thailand	563	1,8	10.906,3	3,0

Source: General Statistics Office, Yearbook 2019 [3]

Looking at the data table above shows that the registered capital from the leading developed countries in the world into Vietnam has accounted for about 40% (and the project accounts for about 49.4%). That's a good point. Therefore, the export value of the FDI sector accounts for about 70% of the total export turnover of our country.

However, an interesting fact is that FDI from countries with only moderately advanced technology from ASEAN countries and China accounts for about 33.6%. The technologies of these countries are either imported from developed countries or they are self-manufactured. They invest a lot in the fields of commerce, tourism, and real estate construction. Therefore, the desire to attract FDI to improve the technological level of the Vietnamese economy has not met that desire [7].

2.2.2.2. Assessing the contribution of the FDI sector to supplementing investment capital for the whole economy (Đ1)

$$Đ1 = (Vfdi : V).100; (\%)$$

In which: i). Vfdi: Capital of the FDI sector

ii). V: Total realized social investment capital of Vietnam

The proportion of FDI in Vietnam's total social investment capital is very significant to cover up the shortfall of Vietnam's development investment capital. FDI accounts for about 22-23% of the total social investment capital of the country, but of Hanoi and Ho Chi Minh City it only accounts for about 11-14%. The two leading economic cities have many advantages to attract FDI, but such attractive results are not satisfactory and cannot create a decisive factor in the acceleration to attract the national economy as expected. The reasons are many, but the author believed that the labor wages, high compensation prices, and political determination are not strong... so the two largest cities in the country have not yet attracted strategic large investors having financial potential and leading technology. An important principle for FDI investors is profit in both short, medium and long term as well as a favorable, safe, stable business, get a lot of profit they will go there to invest.

Table 5. The proportion of FDI in Vietnam's total development investment

Targets	**Unit**	**2015**	**2019**
1. The whole country			
Total social investment capital, current price	Bil. VND	**1.366.478**	**2.046.838**
Particularly in the area with foreign investment	Bil. VND	318.100	469.441
% of the whole country	%	23,2	22,9
2. Hanoi City			

Total social investment capital, current price	Bil. VND	252.685	385.313
Particularly in the area with foreign investment	Bil. VND	26.845	47.579
% of the whole country	%	10,62	12,35
3. Ho Chi Minh City			
Total social investment capital, current price	Bil. VND	**284.210**	**470.120**
Particularly in the area with foreign investment	Bil. VND	42.578	69.215
% of the whole country	%	14,98	14,72

Source: General Statistics Office, Yearbook 2019 [3]

2.2.2.3. Assessment of the contribution of the FDI sector to the total GDP (Đ2)

Table 6. The proportion of FDI in Vietnam's total GDP

Year	**Unit**	**2015**	**2019**
Country			
1.GDP, current price	Bil. VND	2.875.856	3.738.546
Economic sector with foreign investment capital (referred to as FDI)	Bil. VND	498.817	732.635
Contribution rate of FDI sector	%	17,3	19,6
2.Total accumulated FDI by the end of 2019*	Mil. USD		380.639
Hanoi City			
1.GDP, current price	Bil. VND	672.949	973.363
Economic sector with foreign investment capital (referred to as FDI)	Bil. VND	111.037	161.578
Contribution rate of FDI sector	%	16,5	16,6
2.Total accumulated FDI by the end of 2019*	Mil. USD		25.491
Ho Chi Minh City			
1.GDP, current price	Bil. VND	548.298	919.025
Economic sector with foreign investment capital (referred to as FDI)	Bil. VND	89.721	162.669
Contribution rate of FDI sector	%	16,4	17,7
2.Total accumulated FDI by the end of 2019*	Mil. USD		43.157

Source: Author processed according to 2019 statistical yearbook data; [3] [4] [5]

The contribution of the FDI sector to the increase in the size of the economy is calculated by the expression:

Đ2= (GDPfdi: GDP).100, unit %

In which: GDPfdi: The part of GDP generated by the FDI sector

GDP: Gross domestic product (for the country) and Gross domestic product in the area (for provinces and centrally-run cities)

In fact, in Vietnam, although the new FDI sector accounts for about 17-19% of GDP, it is already remarkable and encouraging. But it plays an important role in opening up the world, participating in big economic games has also contributed significantly to affirming Vietnam's position in the international arena. It is the large FDI investors that have helped Vietnam join the global supply chains and value chains.

Recently, in the process of studying the effectiveness and efficiency of state management at the provincial level, the author has spent time and effort in-depth research on the effectiveness of FDI in socio-economic development in Vietnam. Observing the process of studying development planning of provinces and centrally-run cities, the author finds that this is a difficult problem and the people in charge are very needy. They want to give orientation to attract FDI in the spirit of which is the new generation of FDI, which is to improve the efficiency of FDI attraction... but if they do not evaluate the effectiveness of FDI attraction in recent years, how can there be can suggest persuasively the orientation to attract FDI for a particular province.

Faced with that situation, the author wants to present some issues about the effectiveness of Vietnam's FDI attraction to get more information for those who are interested.

Since 2000, Vietnam has been one of the countries attracting a lot of FDI. FDI capital always accounted for over 17% of total social investment in 2010 has increased to about 27% in 2019 for development.

2.2.2.4. Assessing the contribution of the FDI sector to economic growth (Đ3)

Table 7. Contribution of FDI sector to economic growth

Chỉ tiêu	**Unit**	**2015**	**2019**	**Difference 2019-2015**
Country				
GDP, current price	BiI. VND	2.875.856	3.738.546	862.890
The economic sector with foreign investment capital (referred to as FDI)	BiI. VND	498817	732635	233.818
The contribution rate of FDI sector	*%*	-		*27,1*
Hanoi City				
GDP, current price	Bil. VND	672.949	973.363	300.414
The economic sector with foreign investment capital (referred to as FDI)	Bil. VND	111.037	161.578	50.541
The contribution rate of FDI sector	%	-		16,8
Ho Chi Minh City				
GDP, current price	BiI. VND	512.522	919.025	1.338.179
The economic sector with foreign investment capital (referred to as FDI)	BiI. VND	106.097	162.669	248.315
The contribution rate of FDI sector	%	-		18,6

Source: Author processed according to 2019 statistics [3]

This is a very important criterion. It is calculated by the formula:

Đ3= (Δ GDPfdi: Δ GDP).100 ; Unit (%)

In which: i). Δ GDPfdi: is the additional GDP generated by the FDI sector in the research period

ii). Δ GDP: is the increase in GDP in the research period

If the FDI sector contributes about 27% to economic growth (which is quite good), for the two big cities, the FDI sector contributes only about 16-18% to the economic growth of these two cities. It is worth mentioning that the contribution rate of the FDI sector to the economic growth of Hanoi and Ho Chi Minh City, the two major economic engines of our country, is lower than the contribution of the FDI sector to growth. The economy of the country. If this situation persists, it is very detrimental to the acceleration of the Vietnamese economy to reduce the gap with the group of four leading ASEAN countries [6].

2.2.2.5. Assessment of the contribution of the FDI sector to exports (Đ4)

Đ4 is calculated by the expression:

$$Đ4 = (Xfdi : X).100; \quad \text{Unit (\%)} \qquad (5)$$

In which: i). Xfdi: Export value generated by FDI sector for a year

ii). X: Export value of the whole economy for a year

Table 8. FDI Results, the efficiency of the whole country and of two big cities

Year	**Unit**	**2010**	**2015**	**2019**
Country				
Export value	Mil. USD	162.016	264.189	101.809
Particularly in the FDI sector	Mil. USD	114.380	179.199	64.819
% of total exports	*%*	*70,6*	*67,8*	*63,7*
Hanoi City				
Export value	Mil. USD	10.475	15.695	5.220
Particularly in the FDI sector	Mil. USD	5.221	6.485	1.264
% of total exports	%	49,8	41,3	*24,2*
Ho Chi Minh City				
Export value	Mil. USD	39.715	27.171	39.713
Particularly in the FDI sector	Mil. USD	5.409	12.900	25519
% of total exports	%	13,6	47,5	*64,2*

Source: Author processed according to 2019 statistical yearbook data; [3] [4] [5]

Looking at the data table showing that the FDI sector of the whole country as well as of the two big cities as the two economic locomotives of the country, it is worth pondering. For Vietnam as well as for two big cities, the new FDI sector contributes less than 16-17% of GDP. For the whole country, this figure reaches about 27%. If this situation persists, where is the locomotive to attract the national economy.

The contribution of the FDI sector to total export turnover accounts for about 63-64%. But this indicator of Hanoi city is only 24% (lower than in 2010 (49%) and 2015 (41%). For Vietnam, the greater the economic openness, the greater the competitiveness of the economy, the more the participation of Vietnam in the world economy. The bigger the game, the more it is definitely beneficial for the country's international economic integration process.

The FDI sector contributes to the economic growth of the whole country of Vietnam and of Ho Chi Minh City at a fairly good rate (63.7% and 64.2%) and much more than that of Hanoi (only 24. 2%). This proves that attracting FDI into Hanoi city is having problems that are not beneficial to the city's economic growth. If Hanoi cannot attract large, high-tech projects and take the lead in value chains and global supply chains, the FDI sector will still make a small contribution to the development of the economy. It is difficult for Hanoi to accelerate and develop effectively and sustainably.

2.2.2.5. evaluate the contribution of the FDI sector to labor productivity growth (Đ5)

Đ5 is calculated by the expression:

Đ5 = (A-B).100; Unit (%)

In which: A: the overall labor productivity of the economy (ie, including the contribution of the FDI sector)

B: productivity of the domestic sector (no FDI sector)

The larger the contribution of the FDI sector to labor productivity growth, the greater the value of the FDI sector and thereby proving effective FDI attraction and vice versa.

According to statistics, the FDI sector creates direct jobs for about 4.7 million (accounting for only 8.7% of total social labor) and for 5 million indirect jobs. Although the number of jobs created by the FDI sector is not much, they are highly skilled workers, very useful for the economic growth of the country.

The overall labor productivity and labor productivity of the FDI sector of Hanoi city reached the highest level and the impact of the FDI sector on the domestic sector was the best (2.96 times), while in Ho Chi Minh City, this index is only 1.38 times, which is lower than the national average (1.50 times). These two major economic engines need to attract FDI that has a greater impact on enhancing the quality of development further.

Table 9. Contribution of the FDI sector to increasing social labor productivity, 2019

Targets	Vietnam	Ha Noi	HCM
1. Provincial GRDP (fixed price, VND billion)	**6.037.348**	**660,9**	**978,8**
- GRDP of the FDI sector	757.550	109,3	180,2
- The rest is due to the domestic economy	5.279.798	551,6	798,7
2. Laborers working in national economic sectors (people)	**54.659,2**	**4949,0**	**4713,1**
- Laborers working in the FDI sector	4.768,4	310	660,0
- The rest work in the domestic economic sector	49.890,8	4639	4.043,1
3. Labor productivity of the whole	**110,5**	**133,5**	**207,7**

province (million VND/person, 2010 price); A			
- Labor productivity in the FDI sector	158,8	352,5	273,0
- Labor productivity in the domestic economic sector; **B**	105,8	118,9	197,5
4. Proportion of contribution of the FDI sector to the increase in labor productivity of the province (= [(A-B):A]x100 (%)	**4,2**	**10.9**	**4,9**
5. Labor productivity of the FDI sector compared to that of the domestic sector (times)	**1,50**	**2,96**	**1,38**

Source: Author processed according to 2019 statistical yearbook data; [3] [4] [5]

2.2.2.6. Assessing the contribution of the FDI sector to improving the technological level of the Vietnamese economy

Due to the lack of data, the author of this article cannot analyze this issue. According to an exchange at the Forum "Partnership model to promote and develop the science and technology market" organized by the Ministry of Science and Technology on August 30, 2019, Mr. Vu Tien Loc, Chairman - The Vietnam Chamber of Commerce and Industry said that the technology level of Vietnamese enterprises was still considered outdated, with nearly 60% of enterprises using technologies that are over 6 years old. The technologies of enterprises came mainly from developing countries (accounting for about 65%), of which up to 26.6% of technology originates from China. The proportion of technologies originating from developed countries such as the US, Korea, Japan or the EU only accounts for about 32%, of which over 18% are technologies before 2005 [7].

According to a survey by the United Nations Development Program and the Central Institute for Economic Management, Vietnam's technology import rate was currently at only 10% (much lower than the average 40% of Vietnam). In which, many technologies belong to the 80s - 90s of the last century and 75% of machines have been depreciated [8].

2.2.2.7. Assessment of losses caused by FDI to the economy

a). This is a difficult problem, mainly due to lack of information. Some argue that the amount that Vietnam gives priority to FDI enterprises is not small, but many FDI investors use the declaration of "fake losses and real profits" to evade taxes, causing significant losses for Vietnam. That's what needs to be mitigated.

b). The FDI sector causes damage to the Vietnamese economy by polluting the environment. The environmental pollution of VEDAN Dong Nai monosodium glutamate factory or the phenomenon of polluting the marine environment for the North Central provinces of Formosa Ha Tinh steel factory are typical cases. In fact, there are many other cases. However, due to the lack of data, it is not possible to conduct the assessment as many people would like.

c). In fact, transfer pricing also causes significant damage to Vietnam. Because they want to make a lot of profit, many FDI enterprises use the trick of "faking real profit and loss" to report their financial statements to Vietnamese authorities. They go through many channels (in which the popular and important channel is through a subsidiary to buy input materials at a higher price than usual), and reduce the final selling price for their own Subsidiaries. Unfortunately, in Vietnam, there is no data to analyze the damage caused by transfer pricing.

2.3.3. Some recommendations and conclusions

2.3.3.1. Some recommendations

Within the framework of an article, the author just wants to raise a principled and very general issue with policy implications to discuss with those who are interested.

- First of all, Vietnam should have a clear policy to express its commitment that if any FDI investor in Vietnam does business will reap high profits not inferior to when going to another country to invest, even safer and higher returns in the long run. There are policies to attract projects of chip manufacturing, electronic equipment, production of new materials, etc.

- There should be a clear policy on investment rate per hectare of land so that all projects have high technology and use the height of space when building factories in order to take up less land. Currently, investors are building 1-storey factories, so it takes a lot of land. The types of products that can build multi-storey factories such as assembling electronic goods, garments... can build high-rise factories, specific policies for them to follow the intentions of our country. At the same time, incentives for projects that consume less electricity, are environmentally friendly as well as with green production.

- Having a satisfactory policy when investors "bring" supported industrial enterprises into Vietnam to develop together with Vietnamese investors.

- It should have special preferential policies for projects that manufacture automation equipment, precision mechanics, production of new materials in response to the 4.0 revolution technology, digital transformation, and digital economy in line with industry standards to be suitable for 5G network and big data connection. At the same time, manufacturing machinery for advanced agricultural production, manufacturing machinery and equipment for loading and unloading seaports and airports, manufacturing rolling stock for railway transport... [7], [8].

- Especially encourage investors to modernize Vietnamese agriculture and large production.

- Vietnam should improve statistics on FDI, in which more attention should be paid to the area occupied by land, power consumption, export markets, technology in use, and the number of Vietnamese enterprises allowed to participate in the value chain of FDI investors….

3. Conclusion

Vietnam is one of the few countries that attract a lot of FDI. Many relatively large investors from Japan, Korea, USA, Germany, France, UK... have come to Vietnam to do business, they have achieved success and among them are many investors who want to continue investing in Vietnam for a long time. FDI investment has made a relatively large contribution to Vietnam, contributing about 23% of social investment capital, 22% of GDP, about 70% of export turnover, creating direct jobs for about 3.5 million people and indirect jobs for about 5 million people. However, the issue of attracting FDI also needs to learn deeply. Vietnam should attract a lot of large, strategic FDI investors, capable of changing the situation for Vietnam in the international arena, not only being a leading enterprise in the supply chain but also a leading enterprise in global value chains, the capability of attracting supporting industries from developed countries to Vietnam to do business and then gradually transferring them to Vietnamese people for management and development. In the coming years, Vietnam should have the policy to attract projects that occupy less land, consume less electricity, connect with many countries around the world and meet the requirements of forming spearhead fields, products and services. the mainstay of the country.

The provinces and central cities can use this method to analyze and evaluate the contribution of FDI to the local socio-economic development, which will be feasible.

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