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State management of basic construction investment in public service units: From practice Ho Chi Minh city

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Abstract

In the process of transitioning from an economy operating according to a centrally planned mechanism to operating under a market mechanism, the renovation and improvement of state management in general, for each industry, each field, in that investment in capital construction in particular is inevitable (Xuan, 2016a) ^[10]. Public non-business units are established by competent State agencies in accordance with law. They have legal status, provide public services and serve state management. Construction investment project management in general and construction investment project

management in public non-business units in particular have been specified quite specifically in Decree No. 18/6/2018 of the Government on construction investment project management. However, in the process of implementing management activities, some limitations and inadequacies have been revealed, especially for public non-business units. The article reviews the current situation and proposes solutions to improve the efficiency of construction investment project management in current public non-business units.

Keywords: Management, Construction Investment Project, Public Non-Business Units

JEL classification codes: A10, H54, R53

1. Introduction

Public non-business units are established by competent State agencies in accordance with law. They have legal status, provide public services and serve state management (Government, 2020) ^[1]. In the field of public investment, the head of the public non-business unit has the authority to decide on investment policies and to decide on investment in programs and projects with capital from legal revenue sources of state agencies and public non-business units (National assembly, 2019) ^[8].

Construction & investment project is a collection of proposals related to the use of capital to conduct new construction, repair and renovate in order to develop, maintain and improve the quality of construction or product or service within a specified period and cost. In the preparation phase, a construction & investment project is represented by pre-feasibility study report for construction & investment, or a construction & investment feasibility study report, or a construction & investment economic-technical report (National assembly, 2014) ^[9].

Construction & investment project management process includes: formulation, appraisal and approval of the project; project implementation; Finish construction and put the project's works into operation (Government, 2021a) ^[2]. The content of construction & investment project management includes: Management of scope of tasks and plans; workload; construction quality; progress; construction & investment expenses; construction safety; environmental protection in construction; risk management, etc. The investor is responsible for implementing or assigning the project management board, the project management consultant, the general contractor (if any) to perform a part or all of the project management contents (Government, 2021b) ^[3].

In Vietnam, the research topic on State management of basic construction investment has been of interest to some researchers, such as Xuan (2016a) ^[10], Xuan (2016b) ^[11], Khanh (2021) ^[7].

The structure of this paper is as follows. Section 1 is introduced to the formulation of the problem, section 2 analyses the methodology that has been used to conduct empirical research on. In section 3, the analysis of the results is presented and discussion, section 4 concludes the paper.

2. Research methodology

Secondary data

The author has collected and used information from documents of Ho Chi Minh City's Office of the People's Council and People's Committee, the Department of Statistics, the Department of Finance - Planning, the Department of Urban Management, the Management Board of investment and construction projects; reports of Ho Chi Minh City People's Committee; books, newspapers, magazines, research of experts and scientists; information on websites of relevant units and organizations.

Object of investigation and survey sample quantity

In order to produce an objective assessment of the management of capital construction & investment projects with the state budget in Ho Chi Minh City, the author conducted a survey of officials involved in the management of capital construction & investment projects at Ho Chi Minh City Department of Construction, Ho Chi Minh City Department of Transport, People's Committee, City's Construction & investment Project Management Board, Commune Project Management Board, Urban Management Department city, Department of Finance - City Planning, and Department of Statistics of the city according to the sampling method as follows:

- (i), Object of investigation: Managers and staff in charge of projects in the field of capital construction & investment.
- (ii), Survey sample quantity: The author chose to conduct surveys at provincial and city specialized units (see table 1). These are units directly involved in the management of capital construction & investment projects with state budget capital. They are where the management process takes place, which enables the survey to produce the most accurate, comprehensive and effective assessment for the research. Besides, the author used selective sampling. At each unit, the author conducted a survey of individuals who make decisions or are directly in charge of project management activities.

Table 1: List of survey sample

S. No	Unit to acquire sample	Number of samples
1	Chief committee at the People's Committee	2
2	City's Board of projects management	10
3	City's Department of Finance - Planning	10
4	City Department of Urban Management	06
5	City's Statistics Office	05
6	Board of communes and wards projects management	47
	Total	80

Source: Author's sampling

The author directly interviewed officials of key positions at the People's Committee of Ho Chi Minh City and several significant wards and communes in the city and acquired data directly from reports of the People's Committee of Ho Chi Minh City, Department of Finance - Planning, and

Department of Statistics of Ho Chi Minh City.

Data is mainly presented in forms of tables and charts.

Scale: The Likert 5 scale is used to evaluate the management of investment projects using state budget capital as follows:

Level 5: Completely agree; Level 4: Agree; Level 3: Uncertain (not specified); Level 2: Disagree; Level 1: Completely disagree; The Likert scale is a widely used rating scale in research. In this scale, respondents must indicate a degree of agreement or disagreement with the statements presented in a series of related items. In addition, the author directly discussed with experts and professionals in the field of investment project management in the city and units relevant to management of investment projects that use the state's budget for capital construction & investment.

3. Results

3.1 Reality

In the period from 2018 to 2020, Ho Chi Minh City witnessed many positive signs in economic development, inflation control, and improvement of investment and business environment as well as economic development during times of volatility (Ho Chi Minh City People's Committee, 2021a) ^[4]. Although investment projects that use capital from the city's budget don't account for a large percentage, they are significant to the orientation of development of the region. In addition to the annual plan approved by the Provincial People's Committee, to meet the demand for investment capital, the city has actively employed all sources of revenue such as: Excess of budget revenue, support capital from the central government and the province for investment (see table 2).

Table 2: Results of capital mobilization for construction & investment in Ho Chi Minh City in the period of 2018 – 2020

Unit: VND billion					
S. No	Source of capital	Total	2018	2019	2020
1	Land use fee	2,156.4	275	471.4	1,410
2	Support from province's budget	100.2	4.7	78	17.5
3	Budget reserve capital	27.6	5.8	8.7	13.1

Source: Report of Ho Chi Minh City People's Committee in 2018, 2019, 2020

During the 3-year period, total domestic investment capital in general and investment capital sources in Ho Chi Minh City has increased rapidly. The total number of projects implemented in the city is 548 with a total investment capital of 2,284.2 VND billion. In 2018, the city spent 285.5 VND billion to invest on capital construction. In 2019, capitals for capital construction rose to 272.6 VND billion, equivalent to 195.5% of that in 2018, and peaked in 2020 at 1,440.6 VND billion. This is outstanding growth, which shows that investment for capital construction at Ho Chi Minh City is developing strongly and rapidly.

Besides, during the 3-year period, units and organizations at Ho Chi Minh City mobilized contributions from citizens to invest in improving infrastructure, with emphasis on the construction of rural roads, communal houses, historical and cultural sites, etc.

Next, results of capital allocation for construction & investment in Ho Chi Minh City in the period of 2018 – 2020 (see table 3).

Table 3: Results of capital allocation for construction & investment in Ho Chi Minh City in the period of 2018 – 2020

S. No	Year	Projects	Capital allocation (VND billion)
1	2018	93	246.6
2	2019	171	536.7
3	2020	284	1,387.2
Total		548	2,170.5

From the summary of the plan of investment for capital construction in the period 2018 - 2020, it is indicated that

Table 4: Assessments of State's budget allocation for construction & investment in Ho Chi Minh City in the period of 2018 – 2020

Question	Assessment	1	2	3	4	5
		Ratio (%)	Ratio (%)	Ratio (%)	Ratio (%)	Ratio (%)
Closely compliant with the goals of socio-economic development and social security of the city		0	0	3.3	15.2	81.5
Capitals are spread out, and are not consistent with the progress of projects		59.4	16	6.7	15.5	2.4
Capital plan assignment has standards, quotas, allocation plans that are decided by competent authorities		2.8	2.2	6.4	6.6	82
Priority order is established in the process of capital plan assignment		0	0	2.4	11	76.6
Lack of long-term plan for capital allocation that aligns with the city's economic and social development plan		72	8.4	4.6	15	72

Source: The author compiled

The survey outcome is as follows: 96.7% of interviewees stated that capital allocation planning is compliant with the goals of economic, social, security and national defense of the city; 17.9% agreed that capitals were spread out, and were not consistent with the progress of implementation; 88.6% agreed that capital plan assignment has standards, quotas, allocation plans that are decided by competent authorities; 87.6% agreed that priority order is established in the process of capital plan assignment; However, there is still a 15% stating that there is a lack of long-term plan for capital allocation that aligns with the city's economic and social development plan.

Performance of investment projects categorized by field

In the period 2018 - 2020, budget for capital construction was used to build infrastructure and facilities to meet with the crucial demands that are significant to the socio-economic development of the city with the following economic development goals: Rapid and sustainable development; improved quality, efficiency and competency and integration of the market economy; rapid industrialization, application of scientific and technological innovation in production and processing; advanced quality of education and training, developed human resources in health care, humanities, sports to serve the need of the people; eradicated poverty; more employment; social security, political stability; secured national defense and the safety for the society. The city has taken several measures to efficiently utilize the budget, such as:

Invest on the city's key mission, invest on developing the city's socio-economic infrastructure, infrastructure of residential areas and neo-rural areas.

Speed up the progress of compensation and site clearance to ensure the progress of investment and construction of the city's residential areas' infrastructure, which enables the collection of land use fees and provides support for projects using loans from the World Bank.

Prioritize payment for compensation, provision of support and resettlement in land use levy auction projects.

the total number of projects and allocated capitals increased over the years. In 2018, there were 88 projects that received capital allocation with the total allocated capital of 246.6 VND billion. In 2019, 536.7 VND billion were allocated to 171 projects, and the capital rose to 1,397.2 VND billion, which was allocated to 284 projects in 2020.

Next, Assessments of State's budget allocation for construction & investment in Ho Chi Minh City in the period of 2018 - 2020 (see table 4).

Increase supervision of investment and management of construction quality.

Clarify the responsibility of organizations and individuals in case of slow processing of investment and capital construction procedures.

Require investors to develop plans for preparation of investment, construction, preparation and submission for approval of each project and monthly review.

In the period 2018 - 2020, the city implemented many investments construction projects in almost all fields.

Agriculture, Forestry, Fisheries

With the aim of developing agriculture at a rapid and stable pace, in a diverse and sustainable way; Promote the relationship between the production of goods and the processing industry, create high-value agricultural products, increase labor productivity by applying science and technology in agricultural production.

In the period 2018 to 2020, Ho Chi Minh City has devised several plans for the development of agriculture:

Promulgate the project of promoting high-tech agriculture in Ho Chi Minh City

Focus on investing in agricultural and rural infrastructure.

Develop a project to restructure the agricultural sector in Ho Chi Minh City.

Focus on investing in completing the irrigation system: canals, ditches, water reservoirs, embankments, dams, etc. to facilitate irrigation and drainage for rice fields and tea gardens, and invest in construction, renovation, upgrading, and planning for the development of the agricultural industry.

Strongly advocate afforestation and greening of barren hills, raise the rate of forest cover to above 54%.

Invest on transport infrastructure to facilitate the cultivation of key crops with high economic value in the city's area, such as: Tea, rice, corn, vegetables, etc.

Overview of capital investment construction projects in agriculture and rural areas at Ho Chi Minh City in the period 2018 to 2020 (see table 5).

Table 5: Overview of capital investment construction projects in agriculture and rural areas at Ho Chi Minh City in the period 2018 to 2020

S. No	Year	Number of projects implemented	Total capital (VND billion)
1	2018	28	42.818
2	2019	45	66.649
3	2020	61	93.215
Total		134	202.682

Source: Department of Finance - Planning Ho Chi Minh City (Ho Chi Minh City People's Committee, 2021b) ^[5]

As seen from the table, the agriculture and rural sectors received more and more emphasis in terms of quantity and total investment over the years. In 2018, a total of 42.818 VND billion was invested in 28 constructions, which rose to 93.215 VND billion invested in 68 constructions in 2020. The quality of transport infrastructure and agricultural constructions in the city is increasingly improving.

Develop transport infrastructure

Transportation is crucial in the development of the city's socio-economy. Therefore, in recent years, Ho Chi Minh City has put great emphasis on developing the transportation system, the most important of which is road traffic. Road facilitates connections within Ho Chi Minh City's transportation system as well as between Ho Chi Minh and other provinces in the region to take better advantage of being the political, economic and commercial center, and attract investment for the city.

Because of its importance in developing the socio-economy, investment and construction of transport infrastructure of the city receives a great deal of attention. As evidence, the number of projects and the amount of capital construction & investment always accounts for a high proportion of the city's total capital construction & investment.

Table 6: Overview of capital investment construction projects in transportation at Ho Chi Minh City in the period 2018 to 2020

S. No	Year	Number of projects implemented	Total capital (VND billion)
1	2018	30	82.276
2	2019	52	176.377
3	2020	84	572.611
Total		288	831.264

Source: Department of Finance - Planning Ho Chi Minh City (Ho Chi Minh City People's Committee, 2021c) ^[6]

From the data of table 6, the number of investment construction projects in transportation increased over the year, and the allocated capital for these projects also increased. To be specific, in 2018, 30 projects were implemented with a total allocated capital of 82.276 VND billion. In 2019, the number of projects increased to 52, the amount of capital also increased to 176.377 VND billion, and by 2020, a peak was recorded with 572,611 VND billion capital allocated to 84 projects. The majority of capital for this sector is spent to develop the road system, build new roads and renovate road systems.

Investment of urban infrastructure development and relevant fields

The number of projects and budget for capital construction for urban infrastructure and relevant fields generally grew in the period of 2018 - 2020. The scale of capital for this

industry accounts for a high proportion of the total capital construction & investment. To explain, the majority of projects in this field concerns residential areas, urban zones, embellishment and completion of the city's infrastructure, including water, electricity, etc., which concerns a larger amount of capital. In the period from 2018 to 2020, capitals for capital construction were allocated for the following projects:

Table 7: Overview of Investment of urban infrastructure development and relevant fields at Ho Chi Minh City in the period 2018 to 2020

S. No	Year	Number of projects implemented	Total capital (VND billion)
1	2018	35	121.506
2	2019	74	293.674
3	2020	139	721.374
Total		248	1,136.554

Source: Department of Finance - Planning Ho Chi Minh City (Ho Chi Minh City People's Committee, 2021c) ^[6]

From the above table, it is evident that the amount of capital and number of projects that invest in urban infrastructure and relevant fields rapidly grew in the period from 2018 to 2020. Starting at 35 projects with the amount of capital of 121.506 VND billion in 2018, it grew to 74 projects with a total of capital of 293.674 VND billion. By 2020, the number of projects was 139, which were provided with a sum of 721.374 VND billion.

Reason for this rapid growth of project quantity and capital is that in two years 2019 and 2020, Ho Chi Minh City started to build facilities for many residential areas and urban zones to meet the demand for housing in the city.

3.2 Evaluation

3.2.1 Achievements

Management of capital construction & investment met the needs of the city's socio-economic development

The state's management of capital construction and investment in recent years has positively improved in terms of both meeting the needs for socio-economic development and tackling environment issues.

The city's infrastructure primarily satisfies the demand for transportation, education, health care, etc., which boosts socio-economic development, and improves citizen's life both physically and spiritually.

With propaganda and mobilization of citizens to participate in the process of raising opinions and supervision of investment, citizen's concern was formed, and as the construction and investment projects are practical and beneficial, the progress of site clearance was improved and the cost of construction was reduced.

Construction and investments were conducted in appropriate order. The selection of construction contractors ensures that contractors have sufficient financial capacity, human resources and construction machinery for proper procedures, which significantly improves the quality of the construction. The state's plan of budget capital for investment in construction was implemented, publicized, and paid for according to regulations.

Increased investment in transport infrastructure. In the period of 2018 to 2020, the city has completed investment in renovating and upgrading the entire system of offices, departments, units, and headquarters of districts, communes

and wards, and gradually completed the infrastructure of the neo-rural program.

Investment projects in the field of culture have promoted cultural and sports activities, which contributes to the restoration, preservation and promotion of cultural values of the nation. Cultural institutions are well-invested, and the city has completed the construction of cultural houses under the Neo-rural Program.

Investment projects in health care have yielded with high efficiency and have met the people's needs for medical examination and treatment.

Movements to protect and improve the quality of the urban environment to satisfy the goals of sustainable development have accomplished significant achievements. The city has focused on science and technology; The construction, completion and handover of centralized landfills together with the collection of daily-life waste and medical waste of the city and localities have contributed step by step to solve environmental pollution.

Prevention of loss and wastefulness in capital construction & investment activities

The city's management and use of the state budget for development investment receives particular interests.

In recent times, the city has promulgated instructions on guidelines, policies, and regulations of the central and provincial government on improvement of investment efficiency, anti-spread investment, prevention of loss, wastefulness, and excessive outstanding debt in investment of capital construction, all of which is aimed to enhance the state's management of investment of construction using State's budget.

Inspection, examination and supervision are carried out regularly and continuously in order highlight the prominence of management and prevent loss and wastefulness. The city places great emphasis on supervision of investment, bidding, and settlement of projects and constructions.

Capital construction projects that use support from the State's budget have satisfied quality and technical requirements

The state management of capital construction & investment projects is comprehensive, which results in highly efficient outcomes. Constructions and projects have been implemented in accordance with the plan, which ensures the progress of construction and quality of the construction in accordance with the requirements of design, quality and technicality, which helps improve the quality of the city's urban infrastructure, health care, education, environment, etc.

In addition, contractors strictly comply with the policies and current regulations of the State, and they also abide by the professional procedures and documents as well as payment and settlement time for the completion of constructions.

3.2.2 Limitations

Although the State's management of investments in Ho Chi Minh City has shown positive changes and accomplished achievements, there are still some limitations.

Investment preparation stage

The overall planning and detailed planning of all sectors have not closely followed the general development planning

of the provincial and regional areas. Investment has not yet aligned with planning, and the quality of planning is low, which has not provided a concrete foundation for planning of short and medium term and long-term economic development plans.

Several survey projects that make pre-feasibility study reports and feasibility reports do not meet the requirements of regulations, leading to a waste of time and money for the process of readjustment, supplement and approval.

Some approved projects are not highly feasible, and the proportion of projects that have to be adjusted to increase capital and postpone construction is high. Investment procedures such as approval of technical design, total cost estimate, planning and bidding are carried out at a slow pace in some projects, which results in slow progress, and lower investment efficiency.

The task of raising public awareness and advocating compliance with the state's regulations of compensation for site clearance in some projects is still not well-accomplished. There are still complaints about land use in some major projects, which affect the progress as planned.

Investment implementation stage

Investments are not concentrated and do not focus on prominent points; Prolonged construction time makes it fail to meet the plan, which is an issue that has not been thoroughly tackled.

The qualifications of civil servants have been gradually improved, but there are gaps and disparity of capacities, especially in communes and wards, which fail the requirements of assigned tasks. The application of information technology, equipment and facilities in management of investment has not received enough interest, which fails to take advantage of the common information data resources.

It is still a common phenomenon where investment procedures are not complied with, and approved contents in investment decisions are not properly implemented. Failure to properly apply quotas and unit prices results in readjustment and, which consumes time of appraisal; The roles of supervision of specialized units and responsibilities are not fulfilled, which results in the fact that the acceptance test volume does not match with the designs.

Investment closing stage

Finalization of completed investment capital of investors sometimes does not receive correct orientations and supervisions; many projects have been handed over for many years or are in use but have not been finalized due to many problems in the making of the final settlement, which affects the project's effectiveness.

3.3 Solutions

Improve and enhance the quality of urban planning and promote compliance with the implementation of planning

Planning must be consistent and be based on the general planning of the province and the region; be suitable with the city's socio-economic development orientation. It needs to be practical for the lives of citizens and compatible with the market economy. The master plans for socio-economic development, sectoral development and urban planning must comply with quality requirements, in which development forecasting must be scientifically computed and prepared for development to meet the requirements of expansion.

For socio-economic development master plans and sectoral development master plans: It is necessary to have specific projections for the development of each major industry, field and product, to identify the list of key construction & investment projects, and to capital needs in mid and long term.

In terms of construction planning: It is necessary that planning projects come from an objective and democratic ground. They need to collect evaluations and opinions from multiple sources, and should be organized and implemented flexibly and creatively in order to ensure the highest level of effectiveness.

Publicize information of general planning, specific planning of each industry and field.

Annually, it is essential to evaluate and report on progress of the master plan of socio-economic development and the master plan of sectoral development; The City People's Committee shall base on the results of the situation of the construction planning in the area to promptly make suitable adjustments with the local socio-economic development.

Improve the quality of supervision, monitoring and management of construction and investment projects

Enhance management and supervision to ensure that projects with allocated capital must be finished on time, and to avoid the prolongation of construction and project finalization time.

Closely supervise progress of projects, strictly comply with the approved technical design and total cost estimate.

Assign responsibilities to each individual in each step of the project management, especially to make decisions on planning projects and investment projects.

Spend capital resources on purpose and effectively, and avoid wastefulness.

The allocation of capital for construction & investment projects must be consistent with the approved investment structure and plan. There needs to be a balance between economic development goals and political and social stability.

Flexibly handle tasks; employ different capital sources to effectively make use of capital sources; Remove unnecessary procedures and focus resources on priority goals.

Clearly identify violations as well as liabilities; strictly and thoroughly handle them according to regulations; put an end to vague accountability, and remove from the public administration those who are not capable and lack a sense of responsibility, intentionally impede the management of projects.

Continuously improve professional qualities and competencies of members of the management of construction & investment projects.

Supervise economic contracts between the investor, the Management Board of investment and construction projects and the construction contractors in terms of progress, quality of construction products, and supply of goods, etc. to promptly correct and overcome any cause of delay and error.

Enhance the efficiency of compensation, site clearance and resettlement

Compensation for site clearance should be one of the key tasks for socio-economic development. Correctly tackle issues in the policies of compensation for site clearance.

There should be a number of projects that attract investment and complete a number of resettlement areas to create conditions for people to stabilize their long-term lives in order to attract more investment projects into the city.

Take the initiatives in coordination with investors to develop plans and projection of progress and review progress according to the plan. Focus on solutions and measures to remove obstacles for investors in compensation, provision of support and resettlement.

Continue to train and improve the management capacity of the authorities of the city, communes and wards. Improve the capacity of the management staff and recruit qualified staff to work on compensation, provision of support and resettlement in the area; Provide regular training to improve professional skills for staff in this area of expertise.

Highlight the responsibility of collectives, individuals and relevant agencies to perform the tasks of compensation, support and resettlement in the most synchronous and effective manner; assign the Party committees and authorities of the project wards and communes to take responsibility for the progress of compensation, support and resettlement projects in the area.

Balance and guarantee resources in compensation, provision of support and resettlement. Maximize all resources for compensation, provision of support and resettlement.

Advocate the participation of the people in the execution of policies of the State and the Leading Party on compensation for site clearance. Renovate and reinforce the advocacy and dissemination of law education on the mass media to gradually change the community's awareness in the field of land management and use to make land users as well as land managers fully exercise their rights and obligations in the process of land management and use in accordance with law.

It is essential to have adamant measures against harmful behaviors such as intentionally disobeying the policies of compensation, provision of support and resettlement; Pay great interest to solving complaints and denunciations about compensation, provision of support and resettlement.

Gradually improve the efficiency and quality of management, selection of consultancy units for designing, consultancy units for supervision and contractors

Publicly announce the selection of capable and experienced consulting contractors to assume the position of project design consultancy. For projects that require technical complexity, a leading and capable design consultant must be selected to undertake the projects.

Strictly manage the survey and design process of projects.

For special tasks such as design and construction of artistic and cultural constructions, it is necessary to carry out a thorough study of the location and designs, so there should be contests to select the optimal options for the project to avoid loss of investment capital during the stage of design survey and simultaneously achieve good design quality. For projects that require survey of design such as geological, hydrological, or cultural survey of the residential area of the project's planned location, the surveys must be carefully conducted to avoid the risk of damage or poor-quality conditions shortly after completion due to inappropriate geological, climatic and hydrological factors.

Ensure that the cost of design of projects is equivalent to the characteristics of the project. Avoid the negligence of design or survey, which leads to the poor quality of construction

after completion, resulting in a large loss of investment capital.

Contractor selection plays a decisive role in project management.

Contractors with adequate financial, technical, and human resources, etc. ensure the quality and progress of construction works and projects. When selecting contractors, to guarantee the quality of the construction, the consultancy contractor units need to have professional competency, take a fair approach and assume full responsibility before the law.

For consultancy contractors in a specific field, their value is dependent on the consultants' competency as well as their specialized equipment. Therefore, to qualify a contractor, it is necessary to take careful consideration, especially projects that contractors have done before.

For the appointment of contractors, it is necessary to devise accurate technical design and total cost estimates before appointing contractors with sufficient capacity, experience and reputation to execute the project. Prevent the practice of bribery and nepotism that appoints incompetent contractors.

Apply public bidding to select capable project management consulting contractors, which helps ensure construction quality and construction progress for projects of large scale and complex technical requirements.

For construction supervision, it is necessary to be flexible in the practice of selection and management. For small scale constructions, 1 qualified technician may supervise 2 constructions at the same time. However, for large-scale and complex projects, at least one technician with a practicing certificate should be required to supervise throughout the construction of the project.

For contractors, it is necessary to have strict management and regulations on the contractor's practice capacity; the types and volumes of works that contractor is allowed to participate in accordance with their qualifications and capabilities should also be stipulated. It is necessary to immediately terminate the situation where contractors take contracts at all costs or re-assign to other contractors who do not have sufficient capacity.

Improve the quality of human resources at the Board of management of projects; investors need to guarantee that technician staff can satisfy management requirements according to regulations and gradually improve qualities.

After completion, the construction needs to be reviewed in terms of volume, quality, values and be put in use and receive maintenance.

Effectively mobilize and utilize capitals for capital construction & investment project

Capital is essential to the decision of construction, renovations, and maintenance. The ability to mobilize resources of the city depends on various sources:

Budget of the State and the province's budget: Capital from the National Target Program on new rural construction, Government bonds, annual support from the provincial budget. To make full use of this source of capital, the city needs to devise plans and projections so that different industries can anticipate the situations and make effective decisions on capital investment and plan of actions.

The city's budget (collection of land use levy): In recent years, the city's budget collection has achieved several milestones, with the amount collected continuously increasing over the years, and exceeds the projections at the

start of the term. In the near future, it is necessary to maintain the performance and take the initiatives on taking measures to optimize the collection for the budget.

Other sources: It is important to appreciate the contributions of economic elements, especially manufacturing enterprises and businesses, to the constructions of roads, cultural and historical sites, as well as social welfare.

In order to mobilize for capital construction & investment, all resources of the society need to be appreciated. Thus, there needs to be appropriate policies and support from the State as well as local authorities.

Enhance the efficiency and effectiveness of inspection and examination of capital construction and investment

In order for construction & investment activities to be socio-economically efficient with the socio-economic development objectives, and at the same time compliant with the legal framework and state policies, the process of inspection and supervision in construction and investment need to be paid great attention.

Inspection, examination and supervision helps state management agencies that are in charge of construction & investment to closely monitor and properly assess the situation and results of investment, progress, shortcomings and difficulties in the process of investment to take appropriate adjustment measures. Thus, in the near future, Ho Chi Minh City should take specific actions:

Inspect, test, supervise and evaluate investment on a regular and continuous basis. As a result, solutions and proposals can be made for investors and competent authorities to optimize the effectiveness of project management.

Supervise the practice of regulations and procedures in construction & investment projects, including: Creation, appraisal and approval of design, total cost estimate; bidding; arrangement of the project's capital plan, payment during project execution, progress, project management organization, requirements of environmental management, land use... of the implementation of process investment projects;

Evaluation of the end of the investment process, the operation of the project after the implementation of the investment.

Install periodical reporting

Strictly manage and install periodical reporting and to inform the general agencies: Department of Finance - Planning, Department of Urban Management, City State Treasury, in which, the Department of Finance - Planning assumes the main responsibility to collect reports and submit proposals to handle the arising problems for the City People's Committee to consider and make decision.

4. Conclusion

Investment in capital construction is a key element, playing a decisive role in the process of socio-economic development of localities across the country in general and Ho Chi Minh City in particular.

In recent years, the city has paid great attention to directing and promoting the investment and construction of infrastructure of transport, health care, education, social welfare, etc. Projects have proven their efficiency, innovated the city, improved the quality of life for citizens, and contributed to the achievement in politics, economy, social welfare of the city and the general development of the

province.

The role of the management of capital construction & investment is extremely important. The quality of this area of expertise is increasingly improving and bringing high efficiency. However, there are still common shortcomings such as: Wastefulness and loss of capital, prolonged construction time, unsatisfactory construction quality, etc., which reduce the effectiveness of investment.

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