

INTRODUCTION

1. Rationales of the thesis

Since the implementation of the renovation, the private sector in our country has been gaining more and more important position in the national economy. Viewpoints of the Party (supplemented, developed in 2011) confirmed: Developing a socialist oriented market economy with existence of various forms of business and distribution is a main direction; all ownership forms of business are operating equally according to laws and are important components of the economy, being developed in a cooperation and healthy competition manner. The State economy plays a key role, along with the collective economy to become a solid foundation of the national economy. The private sector is one of the driving forces of the economy. Article 51 of the Constitution (2013) also affirmed: All economic sectors are important components of the national economy. They are operating in an equal, cooperation and competition manner under the law”. The XII Congress Resolution of the Party continues to affirm and uphold the role of the private sector, clearly identifying the private sector is an important driving force of the economy [XII congress document, page 103]. At the same time, The XII Congress Resolution of the Party also outlined tasks and solutions: “Improving encouragement mechanisms and policies; facilitate in thriving private sector in most economic sectors and fields, become an important driving force of the economy”. Trade is an economic sector, as intermediaries between producers and consumers, trade in general and the private economy in the field of trade in particular have been developed rapidly and sustainably in order to contribute to the socio-economic development of the country.

During 30 years of renovation, the private sector in the field of trade in Phu Tho province has grown up, both in quantity and quality; make an important contribution to the economic social development of Phu Tho province and the country. The economic restructure of Phu Tho shifted towards positive economic structure “service - industry – agriculture”. The share of the province's GDP by sectors in 2015 was: Trade and services 43%, industry 38%, agriculture 19%; industrial and services increased rapidly. Products made in Phu Tho exported to 160 countries and territories around the world. Export turnover increased by an average of 22% annually during 2010 -2015; total retail sales of goods and services increased by 20% annually. Private sector in the field of trade of Phu Tho province plays an increasingly important role in the commercial development of the province in particular and the country in general. Export turnover and total retail sales of private business is always higher than the average level of commerce in Phu Tho and the whole country, with export growth rate of private commercial sector reached almost 25% / year, the turnover of imports increased about 23% / year (2010-2015), the share of private commerce in the total retail sales of goods and services in the province to over 86% / year.

Along with the development of private sector in field of commerce, the State management to this sector has been renovated to meet with development requirement. However, there are many weaknesses and shortcomings in state management of private sector development in field of commerce of Phu Tho province, yet fully yet overcome an old

mechanisms and management thinking. Specifically, the strategic development, planning and policies remain weak and does not meet the need of private sector development in field of commerce, in the context of international economic integration; the policy implementation is poor; inspection and control process is inadequate. The limitations and weaknesses in State management of private sector development in commercial fields in Phu Tho province created major barriers for the development of this sector.

The international economic integration process of Vietnam turned a new page, Vietnam became the 150th full member of the World Commerce Organization (WTO) in 2007 and participated in many new generation FTAs, which requires the state administration renovation to be in accordance with market mechanisms as well as with the international law and practice. Furthermore, the market economy in Vietnam has grown to a higher level, so the State management must also be comprehensively changed and reformed.

Trading is a pioneer field in the process of international economic integration, in which the market reform and opening create the needs for State management to be renovated quickly in order to meet the demands of economic growth and development. Moreover, in recent years, although the private sector in the field of trade in Phu Tho province has developed strongly, there are still many shortcomings and weaknesses such as low competitiveness, spontaneous, fragment and outdated development, highly legal violations, etc.. Thus, a study on the reform of state management of private economic development in the field of trade is necessary and important, useful for the development of Phu Tho province and the country as a whole. That is why I selected the topic on: “*Renovation of the State management of private sector development in the field of trade in Phu Tho province*” as my doctoral thesis in economic management.

2. The objectives and implications of the thesis:

The thesis aims at providing the scientific foundation for the adjustment, supplement and improvement of state management of private economy in the field of trade, policies to promote private economic development in field of trade sector in general in Vietnam, Phu Tho province in particular.

Theoretically, the thesis aims at contributing to clarify the role of the private economy and state management issues in order to develop the private economy in the field of trade in the province, under the context of international integration.

Practical significance of the thesis is to contribute to the realization of the viewpoints and objectives of the Party and the State in term of developing a private sector to become an important driving force of economic development.

3. Structure of the thesis

In addition to the introduction, conclusion, list of references, appendices, structure of the dissertation consists of 4 chapters and 11 items.

- Chapter 1: Review the literature on the state management issues for private economic development in the field of commerce.

- Chapter 2: Theoretical and empirical foundations of provincial state management of private economic development in the field of trade
- Chapter 3: Practices and analysis in the state management of private sector development in trade of Phu Tho province during 2010-2015
- Chapter 4: The directions and solutions for state management renovation in private sector development in trade of Phu Tho province in a coming period.

CHAPTER 1

LITERATURE REVIEW ON THE STATE MANAGEMENT OF PRIVATE ECONOMIC DEVELOPMENT IN TRADE

1.1 Review the literature on state management of private economic development in trade.

1.1.1 Review of international literature

1.1.1.1. Literature on the role of the state in managing trade development.

Trade economics is a rich literature. Many researches have been conducted in this aspect. Of which, many researches examine the role of state in trade development.

1.1.1.2. The literature on the private sector and state management of private economic development in trade

1.1.2 Review of national literature

1.1.2.1. The research work of the private economy and state management to the private economy in the field of commerce in Vietnam

During development of the world economy, promote the development of commerce has always been placed at the heart position in the objectives of growth and development of nations. For developing countries like Vietnam, the private commercial development is very important for the growth and integration into the world economy. Therefore a lot of research on the private economy, state management for private sector in the field of commerce...

1.1.2.2. The research work about the private economy and state management to the private economy in a number of provinces and cities.

In addition, there are many economic curriculums at the University of National Economics....

1.1.3 The research gap

Many researches of domestic and foreign authors have studied about the process of Vietnam economic - commerce development in the innovation process, are useful references for policy makers, researchers.

1.1.4 The main issues will be addressed in the thesis

From the overall results of the research, the author inherited the following contents:

Firstly, identify exactly the objective existence nature of the private economy, its role in economic growth and social problems solving.

Secondly, appreciate rightly the important role and the necessity of state management innovation for private economic development in the commercial sector.

Thirdly, the common problems of state management to private economic development in the market economy with socialist orientation

Fourthly, as a basis for analyzing the contents of state management for private economic development in the commercial sector in the province of Phu Tho.

Fifthly, analyze, evaluate and orient the private economy development in the commercial sector in general and develop commercial traders in the province.

Through a review of the published scientific work, the author continues research to clarify the following issues that are unclear and lack:

Firstly, clarify some of the rationale for state management innovation to private economy development in the commercial sector in the province.

Secondly, the analysis is clarifying the nature and contents of the State management to private economic development in the field of commerce in the province.

Thirdly, fully identify and analyze factors affecting objective and subjective factors to state management innovation for private economic development in the commercial sector.

Fourthly, rightly assess the state management innovation situation for private economic development in the commercial sector of Phu Tho province from 2010 to date.

Fifthly, propose standpoint, orientation and solution for state management innovation for the private economic development in commercial sector of Phu Tho province next time.

1.2. Research design of the thesis

Through studying about the rationale for state management to private economic development in the commercial sector in the province, the lessons learned; interpretation of the factual basis of state management for private economic development in the commercial field of Phu Tho province are to come up with orientations and specific measures to reform the State management for the development of the private economy in the field of commerce in the province of Phu Tho.

1.2.1. Objectives of the thesis

* General research objectives: Based on the study of theoretical issues and analyze the situation, the dissertation proposed viewpoints, orientations and measures for improvement of state management for private economic development in the commercial sector in Phu Tho province.

* The specific research objectives:

- Systematize the theoretical issues of state management to private economic development in the field of commerce in the province

- Analyze and assess scientifically and objectively the state management status to private economic development in the commercial field of Phu Tho province from 2010 to present

- Recommend some perspective, direction and solutions for State management innovation for private economic development in the commercial field of Phu Tho province next time.

1.2.2. Objects and the scope of the thesis

* ***Objects of the thesis:***

The dissertation focuses on the study subjects as theoretical and practical issues of State management to private economic development in the commercial sector in the province. In particular, focus on the main contents of the state management to economic development in the field of commerce with particular functions and duties of Phu Tho province. State management innovation towards improve capacity and effectiveness of state management to private economic development in the field of commerce of a local.

*** *The scope of the thesis:***

- *The scope of concentrated contents:*
- *The scope of space:* The whole Phu Tho province
- *The scope of time:* Assess the situation from 2010 - 2015 and solutions by 2020, Vision by 2025.

1.2.3. *The approach and methodology of the thesis*

The dissertation studies in term of the macro perspective, in many aspects of state management to private development in the field of commerce.

The topic is studied by the methodology of dialectical materialism and historical materialism, while using specific methods such as analysis, comparative statistics, interpretation, inductive, extrapolation and to handle the problems of theory and practice of the dissertation.

CHAPTER 2

THEORETICAL AND EMPIRICAL FOUNDATIONS OF STATE MANAGEMENT OF PRIVATE ECONOMIC DEVELOPMENT IN THE FIELD OF TRADE

2.1 Concepts of state management of the private sector in the field of trade

2.1.1 Concepts of the private economy in the field of trade

2.1.1.1 Trade and trade economics

In broad terms: Commerce is the entire business activities in the market. Commerce is synonymous with business that is considered as economic activities for the purpose of the profitability of the business entities in the market.

* According to the Vietnam Commercial Law in 2005, commerce that is mentioned in this law is the main commercial activity. Article 3 of the Commercial Law in 2005 has identified: “Commercial activity is an activity aimed at profitability, including purchase and sale of goods, service supply, commerce investment promotion and activities with the purpose of other profitability”.

According to the textbooks, “Commercial Economy” of National Economic University, commerce can divide by many different criteria as follows:

- According to the scope of activities.
- According to the impact and the nature of the product in the process of social reproduction.
- According to the stages in the process of circulation.

- The transaction method.
- According to economic sectors.

2.1.1.2 Private economy in the field of commerce

Firstly, ownership regime is a concept to indicate social forms of material goods appropriation that was recorded in the law.

Secondly, the ownership regime is a concept with connotations of right to possession and use of the production means and the right to share asset benefit recognized by law.

"Private sector in the field of commerce is production and business activities of private in the field of commerce and be identifiable as merchant - business organizations under the model of individual business households, commercial enterprises (private enterprises, joint stock companies, limited liability companies and partnerships) based on the private ownership of all or most of the factors of production (tangible and intangible).

2.1.1.3 Characteristics of the private sector in the field of commerce

- *Type of commerce based on small private ownership* (individual households, small commercial business owners)

- *Commercial type based on private capitalist ownership:*

These are positive characteristics:

These are negative characteristics, limitations:

2.1.1.4 The organizational form of private sector in the field of commerce

** Classification according to business model:*

Classification according to the business model of private sector in the field of commerce include: individual business households and enterprises (private enterprises, limited liability companies, joint stock companies, partnership).

** Classification according to the scope and nature of activities:*

We can distinguish the private sector in the field of commerce through the following areas: domestic sales, international business, combination between domestic sales and international business. Wholesale, retail business and combination between wholesale and retail. Also it can be classified according to business areas such as; commodity trading, services business, advertising and promotion...

2.1.2 State management of private sector development in commercial sector

2.1.2.1 Overview of state management in term of economy

Prof. Do Hoang Toan said: "State management in term of economy is the organizational impact and by state law to the national economics in order to have the most efficient use of economic resources domestic and abroad, there may be opportunities to achieve the goals of economic development that the country poses".

State management function in term of economics is the overall responsibility of the State which had undertaken to promote its role and effect. There are many approaches in economics and state management functions as follows:

The approaches according to the phases of the management process: This approach is to manage the State's economy to perform

If the approach in the direction of the impact, the state management function is in term of economics

In State management in term of economic, the State uses the necessary tools system to carry out their management functions

2.1.2.2 The concept of state management to private economic development in the field of commerce

Private sector development in the commercial sector is the increase in the number, size, quality and rational in structure of entities, in accordance with the characteristics and requirements of goods and services market to mobilize and use resources efficiently, contributing to the development goals identified in a period. State management to private sector development in the field of commerce is the impact organizational by law, management subject that is decentralized and assigned between state management agencies at the central and local.

2.2. Role, necessity and content of state management renovation of private sector development in the commercial sector in the province

2.2.1 The Role of the State on the private economic development in the field of trade

- *Manage and regulate the market, promote and enhance the competitiveness of the private sector in the field of commerce.*

- *Create a favorable business environment, the fair competition environment, transparency and healthy for the private sector in the field of development commerce.*

- *Overcome market failures and provide public services to facilitate private sector in the field of commerce development in a healthy competitive environment.*

2.2.2. Rationales for reforming the state management of private sector development in the field of commerce

Firstly, comes from the internal weaknesses limitations in State management in term of economics in general and private business in particular.

Secondly, starting from the important role of the private sector in the field of commerce to growth and socio-economic development

Thirdly, the strong development of science and technology, especially information and communications technology

Fourthly, the market economy itself contains many defects that the government must intervene to ensure an environment of fair competition, transparency and social justice.

Fifthly, comes from requiring improvement of capacity and effectiveness of State management.

2.2.3 Contents of state management to private sector development in the field of commerce in the province.

2.2.3.1 Develop the strategy, planning and development plan.

Contents of State management for the private sector in the field of commerce primarily reflected in building the legal system, policy for creating regulatory framework and favorable conditions for activity the private sector in commercial sector.

2.2.3.2 Organize strategy implementation, commerce development planning and cargo traffic in the province

2.2.3.3 To implement the programs, development projects and promotes export of goods

Implement goods import-export mechanisms; develop goods import-export activities in the province

Manage goods import-export activities of domestic enterprises, foreign-invested enterprises and foreign traders without presence in Vietnam; operation of the office; branches of foreign traders in Vietnam in the province.

2.2.3.4 Administration management on commercial activities in the province.

To create an environment for private sector activity in the commercial sector, the State promulgated regulations on issues related to the formation of commercial enterprises, and commercial activities rules. Business registration activities are to ensure the right to legal commercial business for all traders in the province in accordance with the law.

2.2.3.5 Organize and manage commerce promotion activities

Manage commerce promotion activities are an important part of state management for commercial activities. This content emphasizes regulation on responsibility of the provinces/cities and enterprises in commerce promotion activities, giving the requirements for the agencies organizing commerce promotion.

2.2.3.6 Control and inspect commercial activities

Inspect and control is a very important content in State management activities to the private sector in the field of commerce. Through inspect, control and monitor the implementation of State policies in commerce activities of traders, the State can timely adjust and orient for activities of traders in the right direction, reducing risks, ensuring the rights and interests of the traders.

2.3. Factors affecting the state management of private sector development in the field of commerce in the province

State management for private economic development in the field of commerce is affected by many factors, which can refer to a number of objective and subjective factors

2.3.1 The national and international factors

Firstly, the development level of the economy.

Secondly, thinking, perception and perspective

Thirdly, the perfection degree of the policies and laws system of the State to private commercial development

Fourthly, international commitments

2.3.2 The local factors

- The management organization system

- Human resources and manpower

- The current situation and the social economic development objectives of the local

- The competitiveness of enterprises and commodities in the province

- *Infrastructure*
- *Technical facilities*

2.4 The experience of a number of localities on the state management of private commerce and lessons for Phu Tho Province

2.4.1 Experiences in private trade management of some foreign localities

** Van Nam Province - China*

2.4.2 Experiences in private commercial management of some domestic localities

** Experience of Hanoi city*

- The city has strengthened the planning and strict implementation of commercial development planning such as petroleum trading network planning, market network, network of commerce centers, supermarkets ...

- Strengthen commerce promotion, providing market information to commercial firms, including private commercial enterprises.

** Experience of Thai Nguyen Province*

Thai Nguyen province especially attaches importance to the commercial networks development planning such as the network of markets, commerce centers and supermarkets; petroleum trading network; import and export strategies; especially the province has attached great importance to postmortem work. Besides the enhancement of inspect and control for activity of traders in the province.

2.4.3 Lessons learned for Phu Tho from the private commercial management experience of domestic and foreign localities

Firstly, choose the model of private commercial development in accordance with potential and advantages of the local.

Secondly, private commercial development associated with tourism development and vice versa

Thirdly, timely develop policy and implement measures to create a favorable business environment for the establishment, production and business activities of the private sector.

Fourthly, support in many aspects such as financial support, HR training, commerce promotion and market information providing...

Fifthly, establish associations such as the Association of private commercial enterprises, individual business associations, and members mostly are business owners, individual business households.

Sixthly, strengthen the inspection and post-inspection that is necessary to enhance the inspection, especially in post-inspection.

Seventhly, attaches great importance to the work of planning and implementing commerce development plans.

CHAPTER 3

ANALYSES ON STATE MANAGEMENT OF PRIVATE SECTOR DEVELOPMENT IN THE FIELD OF TRADE IN PHU THO PROVINCE FROM 2010 TO 2015

3.1 Overview of the current situation of commerce and private sector development in the field of commerce in Phu Tho province since 2010

3.1.1 Economic – social Characteristics of Phu Tho province

- Population:

Population of Phu Tho province in 2014 was 1,360,228 people, the population growth rate per year over the period 2010 -2014 was 0.91% / year.

Phu Tho has 13 district-level administrative units, with 277 units of communes, wards and towns, including 216/277 communes, mountain town, the most densely populated in Viet Tri City with 1722.6 people / km² and lowest in Tan Son district with 113.1 people / km².

- Labor:

The number of working age people in the province was 883.5 thousand persons in 2014 accounted for 62% of the provincial population. The growth rate is 1% in 2010-2014 periods.

- In terms of economic growth:

The period 2010 - 2015, economic growth rate of the province reached an average of 7.33% /year, about the scale of growth, the total product value of the province (according to price in 2010) is higher than previous year

- In terms of GDP per capita

Due to the strong economic growth, per capita GDP of Phu Tho province for the last time has increased highly. Per capita GDP (at constant prices 2010) increased from 14.38 million VND in 2010 to 16.36 million VND in 2012, reaching 30 million in 2015.

- In terms of economic structure

The economic structure of Phu Tho province during the period 2010- 2015 shift slowly in general. The above data shows, the service ratio in the province's GDP increased slowly, even in 2011 -2013 period also decreased compared to the previous years.

- Technical infrastructure:

Phu Tho has a convenient transportation system both in terms of road, rail and waterway. Infrastructure systems such as power supply, water supply and sewage systems, communications systems, banking systems and credit institutions of Phu Tho province has a relatively uniform and comprehensive development, creates the necessary conditions for economic – social development of Phu Tho. From the socio-economic characteristics, it can be seen that Phu Tho has advantages and disadvantages as follows:

- Advantages:

With central location of the northern mountainous region, the gateway to the Northwest of Hanoi, as bridge to connect North West with the northern delta provinces and is adjacent to the capital, the northern key economic areas will bring commercial

development advantage of Phu Tho. Workforce of Phu Tho province has been major advantages for the economic development in general and commercial activities in particular of Phu Tho.

- Disadvantages:

The starting point about commerce is not high; as poverty mountainous province with 81.8% of the population is rural and mountainous. Although the living standards of the people has improved, it is still low compared to the national average and the region, especially rural people, this will affect the increase of demand, limiting development of modern commercial types. Phu Tho terrain, beside cities area, towns and some key districts areas along the highway with more favorable conditions to develop the market, the remaining are largely divided, poor socio-economic infrastructure, sparsely populated, scattered making it difficult for the organization of production, especially the circulation and consumption of goods.

3.1.2 Overview of private sector development in the commercial sector in the province of Phu Tho.

- Regarding the number of private commercial establishments

Business activities of private commercial households develop at a rapid speed. In 2010, individual business households in the province were 25.865 households, in 2014 reaching 34.561 households, the growth rate is over 10% / year. Not only increased in number but the size and performance of individual business households also constantly increase as the size of capital, revenue, profit...

Number of commercial business enterprises in 2010- 2014 period increased rapidly from 563 enterprises in 2010 to 1.014 enterprises in 2014, the average growth rate of 20.2% / year.

Private commerce of Phu Tho develop quickly and fairly comprehensively, quick access to market mechanisms, many models of modern business organizations, such as supermarkets, commerce centers and shops have appeared, commercial civilization is increasingly being developed, diverse types of goods, abundance of high quality.

- Regarding the total retail sales of goods and sales of social consumer services

In the period 2010- 2015, total retail sales of goods and social services in Phu Tho province tends to increase, reaching an average growth rate of 22.86% / year, reaching 14994.6 billion VND in 2012 and 18,887.5 billion VND in 2014, 20789.0 billion VND in 2015, up 9.83% compared to 2014.

The shift in the structure of economic sectors in the total retail sales of goods and social consuming service revenue is taking place towards: Increasing the proportion of non-state economy from 89.21% in 2010, up 90.75% in 2011, 89.65% in 2012 to 91.7% in 2014 and in 2015 is 91.96%. State economic sector is from 10.77% in 2010 to 10.34% in 2012 and to 8.3% in 2014.

Along with other economic sectors, the activities of the private sector in the field of commerce makes contribution in balancing supply and demand of money - goods, make stable market prices and improve people's living standard.

- In terms of goods import and export value of the private sector in the field of commerce

** Export value.*

Period 2010-2015 turnover of Phu Tho province has witnessed fairly development, export markets are expanded, export goods are major in the United States, Korea, Japan ... the areas that foreign investment capital hold a major role and more and more important in export results of Phu Tho province, accounted for the highest proportion, followed by the private economic sector. Thus, the private sector plays an important role in total export turnover of the province.

** The value of imports*

The total import turnover in period 2010- 2015 increases in average of 18.9% / year; in 2010, the import value of goods reached 384.77 million US dollars of the province, by 2015 total imports reached 847.3 million USD

- Commerce promotion activities.

Many organizations and companies offer the image of the province, the export potential of enterprises to the world market, a number of activities such as organizing study tour to foreign markets, participating in commercial activities domestically and internationally.

- Regarding the commerce growth quality of private commerce

Commercial growth quality in general and the private commerce in particular is not high, reflected in the added value criteria of industry. If split according to economic sectors, the added value of the private commerce is the lowest, followed by state commerce and the last is commerce of the areas with foreign investment capital.

- Commercial structure of Phu Tho Province

The proportion of retail goods value through the modern retail distribution systems in the total retail turnover of the whole province is more and more growing. According to report of Phu Tho Department of Industry and Trade in 2012, goods retail sales of Phu Tho province:

- In term of market system development

By the end of 2014, the province has 213 markets / 277 communes, wards and towns, in average, there are 0.768 Market / communes, wards and towns.

- Regarding the development of commercial centers, supermarkets

Currently, the province has 1 commerce center and 11 supermarkets (05 specialized supermarkets, 06 synthetic supermarkets) with relatively large scale that is allocated mainly in Viet Tri City and Phu Tho Town

Commercial centers and supermarkets in the province are invested and run by private commercial establishments.

- System Development status of traditional retail stores

Currently, in Phu Tho province, it is estimated that there are more than 400 retail stores with the method of individual business households. Business goods of these stores are

mainly consuming goods; serve the daily needs of residents. However, due to restrictions on the business premises as well as financial viability, most stores only offer a handful of goods with not high value.

- Employees of private commerce in Phu Tho Province

Number of employees in commerce sector in general increased between 2010- 2014, an average increase of 9.45% / year. In which the private sector in the field of commerce accounts for over 95% of total employees in the commercial sector.

It can be said, the private sector in the field of commerce in Phu Tho province has had the development, played an important role in the circulation of goods and social services. Private sector in the commercial sector deeply involved in the international market and accounts more and more high proportion in the total export turnover of the province.

However, the private sector in the field of commerce in Phu Tho province has limitations as follows:

Firstly, the limited financial capabilities, capital size of private commercial enterprise and business households is small.

Secondly, the business network is still fragmented, dispersed and only concentrated in urban areas, where there are favorable economic conditions.

Thirdly, the human resources of private commerce are limited in term of the level of organization and business operations.

Fourthly, the level of technology and business methods is obsolete.

Fifthly, the private sector in the field of commerce development is spontaneous.

Sixthly, the degree of association, cooperation between enterprises is not high.

Seventhly, state law violations still happen quite commonly.

Eighthly, the level of awareness and understanding of international economic integration is limited.

3.1.3 Structure of commerce management apparatus of Phu Tho Province

3.2 Analysis of the current status of state management of the private sector in the field of commerce in the province of Phu Tho

3.2.1 Real situation of developing policies, strategies and plans:

In recent years, the implementation of policies, guidelines and legal policies of the Party and the State, namely on the basis of the Law on Enterprises, the Law on Commerce in 2005, Investment Law and other legal documents of the government, Phu Tho province has made great efforts in making the policies and programs that assist enterprise in general and of private sector enterprises

However, the policy system still reveals certain limitations, such as the policy of ensuring equality for economic entities of all economic sectors in the field of access commerce, using economic resources of the country such as capital, land, and other assets according to law is not really fair, equitable. Using the sources of market information, as well as national and international commerce promotion activities and obligations of contributing payable in the State budget when using and exploiting these

resources as well there are certain limitations. In planning work, it still lacks of vision and failing to meet the long-term stability objectives...

3.2.2 Real situation of organizing planning & strategy implementation

Over the years, Phu Tho Department of Industry and Commerce has also done well the functions assigned by the Ministry of Industry and Commerce, Phu Tho Province People Committee has managed commerce operations through the implementation of strategies, planning and commercial development.

However, in the work of implementing the strategy, planning and business development plans also reveals the limitations and inadequacies as follows:

- The division of role in implementing organization is based on functions of the departments, therefore, it does not promote more efficiency to process of implementing the strategy, planning, planning.

- Implementing the strategy, planning of commercial development has not identified strategy monitoring object, planning, plans, and how to manage strategy, planning, plans.

- Resources (material and human resources, time...) has not been prepared adequately to implement strategy and business development planning that has led to commercial infrastructure and human resources have not met the requirements for commercial development during the accelerated industrialization, modernization and international integration of the province.

3.2.3 Real situation of implementing programs and projects to develop and promote export

- *Regarding the implementation of the e-commerce development program*

E-commerce activities in the province of Phu Tho have many positive changes.

However, e-commerce development in the province last time still exist limitations as follows:

Firstly, human resources for e-commerce in enterprises are limited...

Secondly, many enterprises have built a website but it still stands at providing information of products and services that are trading...

Thirdly, many enterprises are still afraid, not actively looking for security solutions for the entire network in general or electronic commerce in particular.

Fourthly, although the training and retraining for cadres, civil servants, employees and enterprises in the application of information technology and e-commerce is frequent, the content has not meet development needs.

- *Regarding to the program of scientific research and human resources training*

Scientific research on commerce has achieved remarkable achievements. However, the human resources training for the private sector in the field of commerce also reveals the limitations such as less quantity, content and training methods have not been really reasonable, failing to meet requirements international integration of the sector.

- *The programs to boost exports*

Last time, the export of Phu Tho province has the positive changes. Despite achieving good results, but from the fact that, of the provincial export performance has not had sustainability; export support programs and scheme is not really strong enough to sync and click export activities.

3.2.4 Real situation of administrative management on term of commercial activities in the province

Last time, the administrative management about commercial activities has always been concerned by the levels, departments in the province, such as licensed for commercial activities, check the implementation of planning, plans, mechanisms and policies for managing the infrastructure network in the wholesale, retail commerce

Administrative procedures when implementing the Enterprise Law for enterprises in the private sector in Phu Tho province has improved significantly. However, the implementation duration of the administrative procedure is still long, for example, the procedures for enterprises to enter the market is still much higher than in some other regions; guiding the implementation of legal documents, business name property rights protection, to provide information, conditional license ...

3.2.5 Organize and manage commerce promotion activities

In recent years, commerce promotion and market information providing for commercial business private establishments in Phu Tho province has been particularly concerned. The annual budget of the province for commerce promotion and market information providing is billions VND. The promotion programs are more and more concentrated and bring relatively high efficiency. However, commerce promotion and market information providing still have limitation as follows:

Firstly, in term of forecasting and commerce promotion information

Secondly, in term of the State administration to commerce promotion

Thirdly, not yet forming a mutual relationship between commerce promotion activities with other economic activities

3.2.6 Inspection and testing real situation

Market management has followed closely to the guidelines and policies of the State legislation, quality of inspection and control has been more and more raised. Functional sectors of the province have guided and organized law and policy implementation of the state on commerce. However, the control and inspect activities of Phu Tho still have limitation and have not yet meet requirements in terms of international economic integration today

3.3 Overall assessment of State management innovation situation to private sector development in the field of commerce of Phu Tho province

3.3.1 Achievements

Firstly, the development and promulgation of mechanisms, policies and laws on private commerce in the province are more and more consistent with reality and development trends.

Secondly, strategic building, planning and commercial development have been improved and more consistent with the socio-economic condition of the province and the trend of economic development - economic development of the country

Thirdly, the market survey research within and outside the province has been concerned and achieved positive results.

Fourthly, administrative management of commercial business in the province of Phu Tho has made significant strides.

Fifthly, commerce promotion activities have had initially professionalism, brings positive results

Sixthly, there is a positive change in inspecting, monitoring the implementation of the law on commerce in the province.

3.3.2 Limitations

Firstly, the policy system, management mechanism has not been really suitable for the development of private commerce.

Secondly, the works of planning, plan have many shortcomings and weaknesses.

Thirdly, strategic implementation and planning are not really effective.

Fourthly, the organization of market research has been invested but not high efficiency.

Fifthly, commerce promotion and e-commerce development remains limitation

Sixthly, administrative procedures remain cumbersome, slow innovation.

Seventhly, the administrative management of the type of business in the province has a lot of difficulties and challenges.

Eighthly, testing, control and market management activities have not met the requirements in terms of international economic integration today

Besides the training of cadres and civil servants to manage commercial activities in the province are not catching up with reality, still having limitation and weaknesses...

3.3.3 Causes of limitations

3.3.3.1. The cause from the State

Firstly, lack of uniform in perception, perspective of the position and role of the private sector in the field of commerce.

Secondly, the developing and improving the policy system and private commerce development solutions in particular is slow to reform, inconsistent and not in line with international commitments.

3.3.3.2. The cause from the local

Firstly, the implementing the contents of the state management for private commercial development lacks focus, spread among many different fields.

Secondly, consciousness of abiding the laws of the private commercial enterprises, business households is limited.

Thirdly, the industry associations have not yet promoted well role for the development of private commercial enterprises.

Fourthly, capability, qualification, experience of staff service, state management officials on commerce is limited and weak.

CHAPTER 4

THE DIRECTION AND SOLUTIONS FOR STATE MANAGEMENT RENOVATION TO PRIVATE SECTOR DEVELOPMENT IN THE COMMERCIAL SECTOR OF PHU THO PROVINCE IN COMING PERIOD

4.1 Context and the directions of state management renovation of private economic development in the field of trade in Phu Tho province

4.1.1 Context and trend of private economic development in the field of commerce in Phu Tho

4.1.1.1 Context

Next time, globalization and international integration continues to be strengthened: The economy in the world and in the country is on the way of recovery, many new generations economic agreements are signed that facilitates Vietnam to access markets, attract investment to increase exports of advantage goods, to move further into the global value chain. Phu Tho province was added to Capital Region, therefore, it has many conditions, new opportunities to enhance cooperation, connect to develop.

Phu Tho province is entering a period of “golden population”, create abundant resources, historical and cultural value of the land that is respected and make contribution in promoting the spread, creating positive elements and new opportunities for economic and social development of the province. However, besides these advantages, there are also many difficulties and challenges.

4.1.1.2. Private sector development trends in commercial sector in Phu Tho

Firstly, the private sector in the field of commerce will continue to grow in number and improve the quality of operation, gradually formed the private commercial companies, large private commerce groups, with trademark on the market.

Secondly, private commercial enterprises will strengthen the joint venture to improve business capacity.

Thirdly, the number of individual business households will shift to more business activities in order to improve their competitiveness.

Fourthly, the private sector in the commercial sector will grow throughout the province; private commercial enterprises will not operate in narrow areas that tend to expand the market.

Fifthly, e-commerce will be concerned by the private commercial enterprise in applying to enhance business efficiency.

Sixthly, awareness of the competitive environment, the level of organization and management of private commercial business owners would be raised.

Seventhly, the private commerce will be the common commercial forms in the future and will be a very high proportion of total retail sales of goods and social services in the province.

4.1.2 The views and direction of private sector development in the commercial sector in Phu Tho province by 2030

4.1.2.1 View of private economic development in the field of commerce in the Phu Tho province

Private sector development and commercial development, private sector development view in the commercial sector in the province of Phu Tho

- The private sector development in the field of commerce in Phu Tho must put in strategy of multi-component economies development.

- The private sector development in the field of commerce in Phu Tho must put in a healthy competitive environment

- The private sector development in the field of commerce in Phu Tho with reasonable scale and distribution in the areas

4.1.2.2 Private economic development orientation in the field of commerce in Phu Tho province by 2030

- General orientation:

+ Private commercial development of Phu Tho province must be uniform, consistent with the objectives of socio-economic development in master plan of socio-economic development of Phu Tho province to 2020 and vision to 2030.

+ Bring into play the strength of Phu Tho province to develop commerce; private commerce development of the province must be rapid and sustainable, sensible development between width and depth, and expanding its commercial scale, just pay importance to improve the quality, efficiency, competitiveness and sustainability of private commercial activity.

+ The harmonious combination of domestic and international commerce development, between urban and rural markets, between the traditional and modern commerce.

+ Strong private economic development in the field of commerce in the province with the direction of gradually transferring individual business households with large scale to private enterprises, the small-scale enterprises become large and medium scale enterprises, links

between enterprises of the province with domestic and foreign enterprises to build an enterprise with high scale and competitiveness in the market.

+ Promote the application of scientific and technical and technology progress, especially information technology on management and business; improve the quality of human resources; develop harmoniously, modernize the material and technical basis.

- *Export Orientation:*

Focusing on developing the key export item, as the strength of the province, such as: tea, paper, construction materials, garments, handicrafts and fine art...

Improving export activities capacity to private sector, the private sector must more and more account high proportion of the total export turnover of the province.

- *Import Orientation*

Private economic sector must be involved deeply in the field of import, make an important contribution for production and consumption in the province. .

- *Orientation on private commerce in domestic*

* *Urban areas:*

* *Countryside areas:*

- *Orientation of key commerce infrastructure planning*

Develop commerce centers, transaction floors, auction center, exhibition center in Viet Tri City, Phu Tho town and some key districts, developing a wholesale market network.

- *Regarding commercial development goals*

In above specific objectives, the private sector in the field of commerce must account for a large proportion, especially in the total retail sales of social goods and consuming services; the share of modern retail.

4.1.3 The state management innovation direction to private sector development in the field of commerce in Phu Tho

Firstly, the recognize and protect private property and property rights

Secondly, attach the private commerce activities with ecological environmental protection, aims to control and limit the pollutants, harmful to the ecological environment. There are strict penalties for enterprises that polluting environment.

Thirdly, the content of state management in term of commerce must ensure openness, transparency and stability. In the process of building mechanisms, commerce policies, a number of factors in the future could not be predicted by the number of policies; mechanisms must be reviewed and adjusted regularly in line with reality.

Fourthly, continue to reduce onerous administrative procedures towards supporting and serving commencer, state management by law and the rules of the market.

Fifthly, improve the effectiveness and capacity of State management apparatus from the central to local levels.

Sixthly, focus on state management through support of public services; especially those services that the WTO allows countries to perform in international competition.

4.2 Solutions to renovate the State management to private sector development in the commercial sector of Phu Tho province period to 2020

4.2.1 Continue to renovate in building the policy, strategy, planning and plan

- In term of policies

Firstly, the province needs to renovate support policies, encourage exports and domestic commerce development.

Secondly, the province should review the policies and mechanisms, improve the investment and business environment, promoting administrative reform in line with international commitments and requirements of integration.

Thirdly, build sync support policies to private commercial establishments, set systematically the rules, policies, facilitate the State agencies management and for the operation of private commercial enterprises.

- Regarding strategy, planning, commerce development plan

Building and finishing overall strategy of commercial development of the province in each stage, including import and export strategy, domestic market development strategy, product development strategy...

Improving the quality of planning and plans for commercial development in the province.

4.2.2 Improve the efficiency and effect of strategies, planning, and plans implementation

Firstly, strengthen communication activities; raise awareness of the enterprises community and people about strategy, planning, commercial development plans. Implement barely strategy, planning and commercial development plans.

Secondly, enhance the role and responsibility of all levels and functional agencies in implementing the strategy, planning, business development plans.

Thirdly, continue to strengthen and consolidate the cadres, civil servants, commerce inspectors in order to improve the quality, qualifications, professional skills, enhance the sense of responsibility and professional ethics to meet the requirement in inspecting and monitoring the implementation of the strategy, planning and plans.

Fourthly, strengthen the inspection and promptly detect strategic and planning violations right from the beginning, to take measures to effectively prevent and resolutely solve all strategic and planning violations.

Fifthly, enhance supervision responsibilities of communities and organizations in the implementation of the strategy, planning, business development plans.

4.2.3 Implement priority strategic breakthrough to boost exports and develop the export support services to the private sector

- It is necessary to concern to direct or indirect supporting activities to export activities.

- Minimize paperwork red tape; reduce the interference of the State to export activities in particular and the social and economic activities in general.
- Export in place is also content that should be concerned by Phu Tho.
- Encourage private enterprises to export in the province to participate in export credit insurance for risk insurance in the process of exporting...
- Invest in infrastructure development, services for import and export of goods and expedite logistics service socialization.

4.2.4 Renovate the State Administration management to commercial activities

Firstly, conduct a review and evaluation of the implementation situation of current legal documents to goods, traders doing business on the domestic market to gradually adjust and supplement and amend, perfecting the management and create uniform legal environment, closely matching with actual circulation of goods.

Secondly, continue to coordinate with the Central Government and the relevant agencies to complete legal system, mechanisms and policies to adjust the commerce promotion activities.

Thirdly, promote the application of scientific - technology progress, especially e-commerce and e-government in the state management in general and state management to the private sector in the field commerce in particular.

Fourthly, simplify the enterprise establishment registration procedures, reducing the time and procedures for business registration license, business registration licenses deployed across the Internet.

Fifthly, departments and agencies; People's Committee of District, cities and towns in the province, based on their mandates and tasks assigned by the People Committee to manage state to economic sectors (private sector, sector with foreign investment capital), assigned to test and control in each suit specific management functions of the State

Sixthly, clearly define State management functions of public agencies to private economic development in the field of commerce in order to avoid overlap and loose management as today.

Seventhly, accelerate the implementation progress of the overall program to reform of administrative procedures in all fields.

Eighthly, strengthen education, inspection and supervision of cadres and civil servants who directly solve the administrative procedures at all levels and departments. Make good the publicity and transparency of information for enterprises.

In addition, the province should establish the Assembly as supermarkets Assembly, handicraft associations, associations of retail and wholesale...

4.2.5 To renew commerce promotion activities, forecasting and providing market information to private commerce.

- It is necessary to focus on building and promote the product brand and enterprises in Phu Tho

- Support enterprises to participate in commerce fairs, exhibitions, product launches, and surveys to search the market, search partners for internal and external product consumption.

- Combine provincial commerce promotion program with the National Commerce Promotion program.

- Build commerce promotion infrastructure in Phu Tho

- Develop formal partnership between Phu Tho authorities and enterprises in export promotion activities, enterprises have conditions to involve in the strategic planning and export policies as well as building effect export promotion programs.

- It is necessary to form commerce promotion funds for enterprises of the province in general and private commerce enterprises in particular.

- Promote economic diplomatic activities in order to attract investment capital, seeking new markets for enterprises.

- The province should establish a suitable and concentrated commerce promotion organization that has capacity and specializes in the work of commerce promotion...

In addition to strengthen commerce promotion, it is necessary to raise forecasting and providing market information.

Firstly, with its function and duties, Phu Tho industrial commercial sector in the near future should have a department with specific tasks and functions; human resources and facilities must ensure the collection and processing commercial information.

Secondly, build a smooth, responsive and cohesive communication system, to promptly report changes in the supply - demand situation.

Thirdly, improve the quality of assessment and commercial activities forecasting.

Fourthly, invest in of two-way information exchange collection system between all levels of state management in the field of commerce in Phu Tho province.

Fifthly, promote the study of foreign markets; provide foreign market information to enterprises

4.2.6 Continue to renovate the inspection and control of the market

To make the inspection and supervision of commercial business activity implementation in the market effective, it requires the combination of inspection and supervision of the relevant authorities such as Customs, Tax Agency, Public security, market management Department and other relevant agencies in the province.

Coordinate with mass media agencies and enterprises to promote legal education propaganda, preventing violations of private commerce.

Strengthen management; check the operation of supermarkets, commercial centers in the area, rectifying the supermarkets, commercial centers in implementing the provisions of the relevant agencies.

The province should coordinate with government agencies to use the policy of supply and demand, the macroeconomic policies in each development phase for the most effective.

Improve coordination ability in state management as well as constantly improving the efficiency of state management in term of commerce in the province.

4.2.7. Other solutions

- Changing mindsets and perceptions about the role of private sector in the field of trade.
- Strengthening and promoting linkages between economic regions.
- Mobilizing resources to invest and perfect the system of trade infrastructure.
- Improving the human resource quality of state management and business management for enterprises and business households.

4.3 Recommendations

4.3.1 To the State

The State should continue perfecting the ownership institution, developing economic sectors, improving the policy mechanism; actually create equality among economic sectors in capital borrowing, production ground settlement, access to employment, technology and other resources of the country.

4.3.2 To the Ministry of Industry and Commerce

Ministry of Industry and Commerce should review and improve the mechanism and policies on the import, export and service commerce in line with the regulations of the World Commerce Organization WTO and new generation commerce agreements that Vietnam participated. Support Phu Tho province in building, improving strategies, business development planning; support Phu Tho in the activities of commerce promotion and branding.

CONCLUSION

Research on solutions to perfect the State management to private sector in the field of commerce is always new, urgent and important problem, especially in terms of the market economy development of Vietnam with socialist orientation and international economic integration.

Since the renovation, the private sector in general and the private sector in the field of commerce in particular in Phu Tho province more and more show the position, an important role in the economic social growth and development of the province. The

State management work to the private sector in the field of commerce in the province also has certain innovation, more and more responsive to the requirements of development, however, it also has many restrictions and weaknesses.

Therefore, researching the topic posted a task that research systematically from theoretical basis, domestic and international experience, from the state management practices to the private sector in the field of commerce in Phu Tho province, thereby proposing orientations and scientific and feasible solutions.

Achievements of the project:

1. The dissertation focuses on systematizing theoretical and practical basis related to the State management to the private sector in the field of commerce. The dissertation has clarified the involved concepts, the role and necessity, the contents of the state management to private sector in the field of commerce, the factors affecting the state management to private sector in the field of commerce. This is important scientific basis to contribute as a basis for further research in finding solution to perfect the state management to the private sector in the field of commerce in Phu Tho province next time.

2. Analyze and assess the real situation of the State management to the private sector in the field of commerce of Phu Tho province; Generalizing the development of the private sector in the field of commerce in Phu Tho province from 2010 to date; Assess state management real situation to the private sector in the field of commerce in Phu Tho province according to the contents; Find out the successes, limitations and the cause of the limitations in state management innovation to private economic development in the field of commerce in the province of Phu Tho recently.

3. Provide orientation and innovative solutions system of State management to private sector development in the field of commercial for the next time. The system of solutions and recommendations in the near future to manage the State to private economy in commercial sector, it is necessary to implement well the following solutions: (1) To continue to renew building policies, strategies, planning, plans, (2) Improve effectiveness and efficiency of strategies implementation, planning, plans, (3) implement priority strategic breakthrough to boost exports and develop export support services to the private sector, (4) Renew of the state administration management for commerce activities, (5) Renew commerce promotion, forecasts and supply market information for private commerce, (6) Continue to renovate the inspection and control. Also, the dissertation also proposes a number of recommendations to the Central Committee, the Ministry of Industry and Commerce and Phu Tho province.

To make the state management to the private sector in the field of commerce in the province of Phu Tho really effective, solutions, proposals must be implemented synchronously.