

Managing Loan Capital From The State Budget To Support Young People Doing Business In Kim Boi District - Hoa Binh Province

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Summary: *This study will analyze the current situation of managing loan capital from the State budget to support young people doing business in Kim Boi district, Hoa Binh province. Based on statistical data and primary data, the study analyzes the current situation of managing loan capital from the State budget to support young people doing business, pointing out the results achieved, limitations and causes of limitations. On that basis, the study proposes solutions to improve the effectiveness of managing loan capital from the State budget to support young people doing business in Kim Boi district. in the future will contribute to the further development and improvement of the management of loan capital from the state budget to support young people doing business in Kim Boi district - Hoa Binh province.*

I. The necessity of the research problem

The Vietnam Bank for Social Policies (VBSP) provides preferential credit loans by directly lending to borrowers and entrusting other credit institutions and socio-political organizations under entrustment contracts. Entrusted loan management is the process of planning, organizing, implementing and controlling the work of providing preferential credit loans to the poor by political organizations with which the VBSP has signed entrustment contracts in order to realize the objectives of preferential credit policies for the poor in real life, contributing to the implementation of sustainable socio-economic development goals associated with poverty reduction, gradually eliminating poverty, ensuring social stability and equity. Youth is a great social force and a pioneer in the socio-economic development of the country. Our Party and State always set out guidelines, policies and strategies to create conditions and an environment for young people to participate in work proactively and creatively, to promote and contribute their talents and youth to the cause of industrialization, modernization and international economic integration of the country.

The Ho Chi Minh Communist Youth Union is a part of the political system of Vietnam and therefore supporting young people in economic development is one of the important tasks for the Youth Union. Activities to support young people in economic development are focused on and promoted by the Youth Union at all levels, especially activities to increase support for capital resources and apply scientific and technological advances in production, creating opportunities for young people to establish themselves, start a business, and become rich legitimately with their own strength and intelligence, participating in the development of the family and local economy. Through practical activities, there are more and more examples of young people who are good at production and business with valuable and highly effective youth economic models, contributing to job creation and creating regular and stable income for young people.

Kim Boi district currently has 40,000 young people, accounting for nearly 33% of the district's population (*as of December 31, 2020, the population of Kim Boi district was 120,584 people*), a force with high education level, political courage, dynamism and creativity. However, facing the complicated fluctuations of the world economic situation, the impact of the negative side of the market mechanism, and the increasing demands of the cause of promoting industrialization and modernization of the district and the country, young people increasingly want to be created conditions to promote their role in economic activities. Therefore, general support for young people to develop the economy and support from the budget through the Youth Union (YU) are important for young people in Kim Boi district today. However, whether this support work of the Kim Boi District Youth Union is effective or not depends significantly on the policies and management mechanisms of the Youth Union system, the Kim Boi District government and functional agencies.

From these issues, it is necessary to have a fundamental and systematic study of policies and management measures to support young people in economic development in Kim Boi district - Hoa Binh province, contributing to building a high and stable economic growth in the district in the context of Vietnam's

deep integration into the world economy. With the above wishes, the author has chosen the topic "*Management of state budget loans to support young people in economic development in Kim Boi district - Hoa Binh province* " to conduct the research.

II. Research method

2.1. Data processing and analysis methods

2.1.1 Data processing method

The collected data will be put into excel software for processing and synthesis into data tables, presented in models and graphs.

2.1.2 Data analysis methods:

- Descriptive statistical method: The thesis uses descriptive statistical method through collected data that is grouped according to different indicators, presented in tables, graphs, and diagrams with absolute numbers, relative numbers, and average numbers.

- Comparative method: The thesis uses this method to evaluate overall growth and loan participation growth over the years, evaluate influencing factors by comparing absolute numbers, relative numbers and average numbers.

III. Research results

3.1.1 Current status of state budget loan management to support young people doing business in Kim Boi district

3.1.1.1. Loan process to support young people doing business of the Social Policy Bank

All capital sources from the state budget supporting young people to do business in Kim Boi district through the Youth Union are managed by the Kim Boi district Youth Union in coordination with the district Social Policy Bank according to state regulations. The district Social Policy Bank carries out general management of the effectiveness of loan capital, together with the Youth Union stipulates criteria and conditions for borrowing capital for young people through the Youth Union, and guides the lending process according to the Bank's operations. The Youth Union directly manages the loan subjects who are young people belonging to the Union's organization on the basis of coordination or implementation of the lending entrustment of the Social Policy Bank, specifically with the following capital sources:

The capital source provided by the People's Committee of Kim Boi district and the Central Youth Union to the Kim Boi District Youth Union, the District Youth Union develops a capital allocation plan, makes decisions on loan disbursement and manages the loan recipients who are young people. The NHCS acts as a coordinating party with the District Youth Union to receive and appraise loan applications, and disburses loans according to the disbursement decision of the District Youth Union Secretary in accordance with the Bank's procedures and operations.

The loan capital is entrusted by the Social Policy Bank through the Youth Union. The District Social Policy Bank entrusts the Youth Union of communes and towns to carry out the following 6 stages:

1. When in need of a loan, the borrower writes a Loan Application and a plan for using the loan.
2. Direct and guide the establishment of the Savings and Loan Group (S&LV), organize a meeting of the Group to admit members to the S&LV Group, elect the Group Management Board, develop the Group's operating regulations, publicly review households in need and eligible to borrow capital and include them in the List of households requesting loans from the Social Policy Bank (*Form No. 03/TD*) to be submitted to the Commune People's Committee for confirmation and request for the bank to lend. Receive and notify the results of the approval of the list of households eligible for loans to the S&LV Group so that the S&LV Group can notify each household eligible for loans. Together with the S&LV Group, witness the disbursement, debt collection, and interest collection of borrowers at the transaction points of the Social Policy Bank.

3. Coordinate with the Management Board of the Savings and Credit Group to inspect and monitor the loan use process, urge borrowers to repay principal and interest periodically as agreed, promptly notify the Social Policy Bank where the loan is made about cases of loan use risks due to objective reasons (*natural disasters, epidemics, fires, deaths, missing...*) and risks due to subjective reasons such as: using capital for the wrong purpose... to have appropriate and timely handling measures.

4. Urge the Management Board of the Savings and Credit Group to implement the authorization contract signed with the Vietnam Bank for Social Policies, direct and supervise the Management Board of the Savings and Credit Group in the following tasks:

- Urge group members to bring money to the transaction point of the People's Credit Fund to repay the principal according to the agreed repayment plan;

- Collect interest and savings (*for Savings and Credit Groups authorized by the People's Credit Fund to collect*) or urge group members to bring money to the People's Credit Fund's Transaction Point to pay interest and deposit savings (*if any*) periodically as agreed (*for Savings and Credit Groups not authorized by the*

People's Credit Fund to collect).

Annually (*in early January*). Coordinate with the district-level Social Policy Bank to evaluate the activities of each Group to classify the Groups according to criteria. Weak Groups that are no longer able to operate will be merged and dissolved according to regulations.

5. Direct, monitor and inspect the borrower's capital use process (*according to form No. 06/TD*) ; inspect the activities of Savings and Credit Groups (*according to form No. 16/TD*) and of lower-level political and social organizations under the management scope periodically or unexpectedly. Annually, conduct public reconciliation to each borrowing household at least once (*according to form No. 15/TD*) and send the reconciliation results to the Social Policy Bank where the loan is made. Coordinate with the Social Policy Bank and local authorities to handle cases of overdue debts and overdue debts and guide borrowing households to prepare documents to request handling of debts at risk due to objective reasons (*if any*) .

6. Periodically or suddenly inspect and monitor the implementation of the Government's preferential credit policy. Organize regular meetings, interim and final reviews to evaluate the results achieved, existing problems and difficulties; discuss measures and recommendations for handling overdue debts, overdue debts, risky debts, and encroached debts (*if any*) and discuss directions and implementation plans in the coming time... Organize training on entrustment skills for Youth Union officials and Savings and Credit Group officials. Coordinate with competent agencies to disseminate and propagate policies and guidelines related to preferential credit policies and provide training on agricultural and forestry extension work... to help borrowers use loans effectively.

3.1.1 .2. Implementing lending activities to support young people in economic activities

*** Fund allocation**

**Table 3.1. Allocation of planned targets for youth loans entrusted to them
according to the lending program of the Vietnam Bank for Social Policies until the end of 2020**

Unit: Million VND

Numerical order	Unit	Outstanding as of December 31, 2019	Announced plan targets	Increase and decrease index (+/_)	2020 Plan Targets
1	Tu Son	10,526	12,187	1,661	12,187
2	Vinh Tien	3,772	4,061	289	4,061
3	Bright	3,968	4,278	310	4,278
4	Binh Son	4,335	4,071	-264	4,071
5	Hung Son	1,452	6,931	5,479	6,931
6	Xuan Thuy	971	6,957	5,986	6,957
7	Northeast	1,872	2,211	339	2,211
8	Vinh Dong	2,345	2,918	573	2,918
9	Hop Tien	1,984	2,840	856	2,840
10	Bo Town	752	9,395	8,643	9,395
11	Kim Lap	4,492	9,186	4,694	9,186
12	South Upper	3,260	3,123	-137	3,123
13	Sao Bay	4,122	5,074	952	5,074
14	Kim Boi	6,790	10,787	3,997	10,787
15	Late Summer	5,857	5,799	-58	5,799
16	Pampering	2,001	2,178	177	2,178
17	My Hoa	1,925	2,521	596	2,521

(Source: Social Policy Bank, Kim Boi district, Hoa Binh province, 2020)

At the beginning of the year, the Director of the Kim Boi District Social Policy Bank approved the loan management plan and the authorized person carried out the loan management plan. The management of the activities strictly complied with the requirements of the management plan. At the beginning of the year, the

capital source was allocated to the commune level and hamlets, and the capital demand for each program in each locality was reviewed to balance with the monthly debt collection plan, promptly reporting to the competent authority to adjust the loan capital between policy credit programs, and adjust the planning targets between units to suit the actual situation.

Transaction officers always adhere to the assigned plan targets, promptly disburse to beneficiaries, fully exploit the available capital at each time for lending, avoid congestion and stagnation causing waste of capital. Loan evaluation is conducted from the village level, ensuring democracy, objectivity, publicity, transparency, and correct beneficiaries. Youth Unions at all levels, based on the actual borrowing needs of youth households, guide the establishment of loan projects, submit to competent authorities for appraisal and prepare loan dossiers to send to the social policy bank as a basis for adjusting the loan plan.

Through table 3.2 , we can see that the trust loan programs tend to increase, the target of each year is higher than the previous year and most of them meet the set plan. In particular, the source of capital for job creation loans, although the capital has increased, the process of lending and disbursing capital has not met the set plan.

Table 3.2: Results of implementing entrusted loan targets according to the loan program of the Social Policy Bank

Unit: Million VND

Target	2018				2019				2020			
	Plan	Perform	Plan/ Do		Plan	Perform	Plan/Implement		Plan	Perform	Plan/ Do	
			±	%			±	%			±	%
Poor household	43,458	43,458	0	100	40,516	40,516	0	100	39,662	39,662	0	100
Near poor household	35,388	35,388	0	100	38,365	38,365	0	100	43,284	43,284	0	100
Newly escaped poverty	4,622	4,622	0	100	17,867	17,867	0	100	30,723	30,723	0	100
Students in difficult circumstances	326	326	0	100	248	248	0	100	210	210	0	100
Employment	2,602	2,605	3	99.9	4,215	4,228	13	99.7	5,176	5,197	21	99.6
Labor export	100	100	0	100	50	50	0	100	282	282	0	100
Clean Water & Sanitation	12,174	12,174	0	100	8,450	8,450	0	100	14,069	14,069	0	100
Production and business households in difficult areas	21,489	21,489	0	100	15,943	15,943	0	100	21,044	21,044	0	100
Ethnic minority households with special needs	1,900	1,900	0	100	1,010	1,010	0	100	9,946	9,946	0	100
Poor housing	2,700	2,700	0	100	1,075	1,075	0	100	225	225	0	100
Traders in difficult areas	1,460	1,460	0	100	920	920	0	100	1,405	1,405	0	100
Social housing loans	0	0	0	0	0	0	0	0	700	700	0	100

(Source: Social Policy Bank of Kim Boi district, Hoa Binh province, from 2018 - 2020)

Table 3.3. Loan disbursement situation by loan purpose entrusted by the Youth Union

Unit: Million VND

Target	2018		2019		2020	
	Plan	Perform	Plan	Perform	Plan	Perform
Poor household	22,693	22,693	21,889	21,889	23,367	23,367
Students in difficult circumstances	1,510	1,490	849	807	676	664
Employment	945	939	1,147	1,115	1,612	1,553
Labor export	0	0	0	0	50	50
Clean water	3,619	3,619	4,246	4,246	8,406	8,406
Poor households in housing (Decision 167)	4,590	4,590	4,131	4,131	3,305	3,305
Poor households in housing (Decision 33)	2,350	2,350	2,475	2,475	3,250	3,250
Newly escaped poverty	1,430	1,430	3,265	3,265	11,049	11,049
Production and business households in difficult areas	5,072	5,072	5,910	5,910	11,767	11,767
Ethnic minority households (54)	520	520	496	496	86	86
Near poor	13,638	13,638	14,444	14,444	26,663	26,663
Ethnic minority households (775)	889	889	844	844	92	92
Ethnic minority households (2085)	375	375	620	620	3,788	3,788

(Source: Kim Boi District Social Policy Bank, from 2018 - 2020)

The situation of disbursement of loans according to the purpose of using entrusted loans managed by the Youth Union of the Kim Boi District Social Policy Bank is shown in Table 3.3. Through the table, we can see that the purpose of using loans for students and job creation is not achieved according to the plan of each year and other purposes are achieved. The reason is that the loan demand for job creation and students is increasingly focused on, concentrated and accounts for the majority of the purposes of use of borrowing households, the loan demand of young people is high but in reality many households have not met the conditions for borrowing according to regulations, so the Social Policy Bank has made a lot of plans compared to the implementation, so it is difficult to avoid the implementation not meeting the set plan. Specifically, the situation of disbursement of loans for job creation in 2018 reached 98.23%, in 2019 reached 95.01%, in 2020 reached 98.64%. Student loans only reached 99.36% in 2018, 97.21% in 2019, and 96.32% in 2020.

** Implementation results*

Table 3.4: Loan results to support young people doing business at the Social Policy Bank
Unit: Million VND

Target	2018	2019	2020	Total GDP (%)
Support for near-poor households	35,388	38,395	43,284	110.60
Support for newly escaped poverty households	4,622	17,927	30,723	257.82
Students in difficult circumstances	326	248	210	80.26
Employment	2,605	4,228	5,197	141.24
Labor export	100	50	282	167.93
Clean Water & Sanitation NT	12,174	8,538	14,069	107.50
Production and business households in difficult areas	21,489	16,223	21,044	98.96
Ethnic minority households with special needs	1,900	1,010	9,946	228.80
Poor housing	2,700	1,075	225	28.87
Traders in difficult areas	1,460	920	1,405	98.10
Social housing loans	0	0	700	
Total	83,080	86,200	89,352	103.71

(Source: People's Credit Fund of Kim Boi district, Hoa Binh province, from 2018 - 2020)

Through the table above, we can see that the trust lending programs tend to increase the target year after year higher than the previous year, some units increased a lot due to the merger of administrative units according to Resolution 830. In particular, the target of some units decreased compared to the previous year because some households did not repay the loan, and risk handling due to objective reasons... so the loan source was transferred to the unit with the need to borrow capital.

According to the report data from the Social Policy Bank, the activities to support young people to borrow capital are increasing, reflected in the increasing number of loans over the years, from 83,080 million VND in 2018 to 89,352 million VND in 2020. The average loan amount per household from 2018 was 25.3 million VND/household, reaching 30.03 million VND/household in 2020. The results of supporting young people to borrow capital are a lever to attract and support young people to get rich legitimately, have stable jobs, and have good incomes that are gradually improved.

** About loan quality:*

The quality of loans is reflected in many criteria such as administrative procedures, progress, purpose of use, payment period, overdue debt, etc., in which the overdue debt ratio accounts for what percentage of the total outstanding loan balance is the most important. The lower the overdue debt ratio, the higher the credit quality and vice versa. Overdue debt is a problem that is not easy to solve thoroughly. Therefore, socio-political organizations that receive the loan trust program in coordination with the Social Policy Bank can maintain a certain level of control by finding out the reasons that can explain the overdue debt situation of borrowers,

thereby having appropriate policies.

The effectiveness of youth loans is increasingly effective, demonstrated by the increasing loan capital from youth projects through the trust channel of the Vietnam Bank for Social Policies over the years, specifically in the following Table.

Table 3.5: Loan data entrusted through the Youth Union

Unit: Group, household, million VND, %.

Year	Number of groups	Number of households	Trust balance		Overdue debt	
			Total	Percentage	Amount	Percentage
2018	89	3,279	83,080	21.9	61	0.007
2019	84	3,179	86,200	21.7	38	0.04
2020	80	2,975	89,352	21.4	249	0.28
Total	253	9433	258632	65	348	0.327

(Source: Kim Boi District Social Policy Bank, from 2018 - 2020)

According to the report data from the VBSP, the effectiveness and impact of capital from projects are increasing, reflected in the increasing amount of loans over the years, from 83,080 million VND in 2018 to 89,352 million VND in 2020, the number of savings and credit groups and the number of households participating in loans decreased (*due to the merger of administrative units according to Resolution 830, so some groups and households were transferred to other Association organizations for easier management*). The average loan amount per household from 2018 was 25.3 million VND/household, reaching 30.03 million VND/household in 2020. The results from loan projects not only bring economic stability to households but also contribute to stabilizing the local economy, helping young people become more attached to and do business on their homeland, creating jobs for tens of thousands of local workers.

Table 3.6: Summary of household survey questionnaires Youth about capital loan for economic development in Kim Boi district

T	Target	Total votes	Number of votes in favor	Agree %
1	Do you know about the source of capital for young people to borrow to do business through?			
	Youth Union Organization	90	83	92.2
	Policy Bank	90	32	35.6
	Through Training Classes	90	75	83.3
	Information on local newspapers and radio	90	56	62.2
	Friends and acquaintances recommend	90	40	44.4
	Other	90	7	7.8
2	You can find specific information about the loan source at			
	Youth Union Organization	90	83	92.2
	Policy Bank	90	32	35.6
	Through Training Classes	90	75	83.3
for	Staff implementing loan work local youth	90	66	73.3

T	Target	Total votes	Number of votes in favor	Agree %
	Friends, acquaintances	90	30	33.3
	Other	90	0	0
3	Reasons why you decided to borrow capital through the Youth Union organization			
	Meet your wishes and needs	90	48	53.3
	Loans for youth union members are done quickly and with simpler procedures than other social organizations.	90	79	87.8
	Other	90	2	2.2
4	Which loan program have you participated in?			
	Poor household	90	26	28.9
	Employment	90	32	35.6
	Clean water, environmental sanitation	90	34	37.8
	Labor export	90	1	1.1
	Forest development	90	0	0
	Business production loan	90	40	44.4
	Other	90	16	17.8
5	Loans are mainly used			
	Small-scale industrial production	90	10	11.1
	Animal husbandry, farming	90	46	51.1
	Afforestation	90	0	0
	Small Business Services	90	9	10
	Investment in purchasing equipment and machinery	90	25	27.8
	Labor export	90	0	0
6	Overall assessment of loan program quality			
	Beyond expectations	90	0	0
	Meet expectations	90	50	55.6
	Not meeting expectations	90	36	40
	Very disappointed	90	0	0

(Source: Compiled from survey form)

The table of results synthesized from the survey of 90 groups, households, and project owners on the work of accessing and using loans from the state budget through the Youth Union. Through the summary of the survey, the information channel that helps young people access loans is through the Youth Union with 92.2% of the votes in agreement, followed by the information channel from the training courses of the Youth Union with a rate of up to 83.3% of the votes in agreement. Most of the loans are used by young people to invest in purchasing machinery and equipment, raising livestock, growing crops, producing small-scale handicrafts, and small business services. The results of the loan capital are clearly shown with 55.6% of opinions agreeing that the quality of the loan program meets expectations.

3.1.1.3. Inspection and handling of violations

*** About inspection work:**

Every year, the Kim Boi District Youth Union conducts inspections and supervision of the activities of 100% of commune-level Youth Union organizations and at least 25-30% of credit and savings groups entrusted with lending capital. Inspection work is always taken seriously and carried out regularly, with periodic inspections carried out with the main contents including:

For communes and towns: Focus on the following contents: Dissemination and announcement of preferential credit policies, mobilization for the establishment of Savings and Loans, organization of Group meetings to elect the Group Management Board, and development of the Group's operating regulations. Participation in and direction of Savings and Loans Group meetings on loan consideration for beneficiaries of preferential credit policies who need loans; archiving of signed trust contracts with the social policy bank; participation in monthly meetings at the commune transaction points; receiving and announcing the results of

approving the list of households eligible for loans to the Savings and Loans Group so that the Group can notify each household; monitoring transaction sessions and transaction activities at the commune and participating in meetings with the social policy bank; monitoring and preserving the public content of the social policy bank at transaction points; Coordinate with the Savings and Loan Management Board to monitor the use of loans, urge borrowers to repay principal and interest periodically as agreed, promptly notify the social policy bank where the loan is made about cases of loan use risks due to objective reasons (*natural disasters, epidemics, death, missing, etc.*) and risks due to subjective reasons (*using loans for the wrong purpose, misappropriation, etc.*) to have timely handling measures. Monitor and urge the Savings and Loan Management Board to properly implement the authorization contracts signed with the social policy bank, direct and supervise the Savings and Loan Management Board, etc.

For Savings and Credit Groups: Focus on checking the following contents: Checking the implementation of the authorization contract between the social policy bank and the Savings and Loan Group, including: Supervising the use of loans by members of the Group; coordinating with Youth Union officials and local authorities to handle cases of due debts, overdue debts, risky debts, absconding, leaving the place of residence, death, missing, cases of misuse of capital (*if any*); Is the process of establishing a Savings and Loan Group in accordance with regulations? Is the group established according to the area of the village, hamlet, or commune? Number of members in the group? Does the group leader participate in transactions and meetings with the social policy bank, the commune Youth Union on regular transaction days, loan evaluation, interest collection, deposit collection, training of the bank, the commune Youth Union for the Group Management Board, etc.

For households borrowing capital: Focus on the following contents: Check how much money the household currently borrows from the bank, the purpose of use, the household's ability to repay the debt, whether the debt is paid by the household itself at the transaction point or the office of the social policy bank or if someone else pays for it...

The inspection of the Youth Union's entrusted activities with the Social Policy Bank is regularly carried out by the Standing Committee of the District Youth Union. The number of inspections of communes, savings and credit groups, and the number of households borrowing capital have increased over the years, with each year increasing more than the previous year (*in 2020, due to the merger of administrative units according to Resolution No. 830/NQ-UBTVQH14 dated December 17, 2019 of the Standing Committee of the National Assembly on the arrangement of administrative units at the commune and district levels in Hoa Binh province, Kim Boi district merged 28 communes and towns down to 17 communes and towns*). This shows that the inspection and supervision work is increasingly concerned and stricter, promptly detecting limitations in capital management, thereby having solutions to improve the results of management and use of loan capital, enhancing the role of the Youth Union in managing and using loan capital, increasing the source of entrusted loans from social policy banks managed by the Youth Union.

Table 3.7: Results of district-level inspection and supervision work

Testing unit	Time			2019/2018 (%)	2020/2019 (%)
	2018 (turns)	2019 (turns)	2020 (turns)		
Commune	7	14	17	200	121.4
Savings group	13	27	57	207.7	211.1
Number of households	29	60	78	206.9	130

(Source: Standing Committee of Kim Boi District Youth Union from 2018 - 2020)

Through the actual inspection process at the units, it was found that the management of entrusted lending activities in the localities had many positive changes such as: The commune level has seriously implemented the contents of the trust contract with the Social Policy Bank; fully implemented the contents of the trust contract signed with the Social Policy Bank. The records and books stored at the commune are basically sufficient; the content of the receipt and expenditure vouchers on the trust fee source is clear, and the expenditure is correct. The commune level regularly organizes inspections of savings and credit groups and borrowers. The savings and credit groups strictly comply with the regulations of the bank, hold regular meetings and evaluate loans publicly and democratically; regularly inspect borrowers in the group; promptly grasp the thoughts and developments of borrowers during the borrowing period. 100% of the savings and credit groups managed by the Youth Union mobilize savings deposits through the group.

Besides the basic achievements, capital management at units still has some shortcomings, namely:

There are still overdue debts in some units, but mainly due to objective reasons such as: Borrowers

fleeing the locality, going to jail, natural disasters, epidemics, the mobilization of savings deposits through savings and credit groups in some places is not effective, the results are not high. The reason is partly due to poor propaganda and mobilization, partly due to borrowers not being active and conscious in depositing savings; the storage and arrangement of records and books in some inspected units are not scientific, there are still cases of crossing out in monthly debt collection documents.

3.1.2. 4. Evaluation, summary, experience

Periodically, the Kim Boi District Social Policy Bank and the association organize a summary assessment of the results of the periodic entrustment, which is organized once a year. With the results achieved in the work of lending capital for young people doing business, the Kim Boi District Youth Union organizes to commend and reward good examples of young people doing business in emulation activities, through forms of commendation such as proposing to award Certificates of Merit to the Central Youth Union, Hoa Binh Provincial Youth Union, Kim Boi District Youth Union to commend and honor good examples of young people doing business...

3.2. Factors affecting the management of loans to support young people doing business in Kim Boi district

3.2.1. On policy mechanism

- Credit policy has an important meaning to lending efficiency, including factors such as lending limits, credit terms, lending interest rates, implemented lending programs, guarantees and customers' ability to repay debts... How the entire lending activity takes place largely follows the guidelines of the credit policy. Therefore, credit policy needs to be built reasonably and flexibly, because if it is rigid, it will adversely affect credit quality. If the credit policy is consistent and reasonable, it will create conditions for managers to have a suitable and unified basis when making management plans and vice versa.

The entrusted capital of the social policy bank is formed from the central and local budgets, the annual credit plan is built based on the assigned targets, the district-level bank branch allocates credit targets, adjusts capital sources between lending programs for administrative units at the district and commune levels, and at the same time directs credit officers to advise the commune-level People's Committee to allocate and adjust capital to the hamlet level, to manage the use of State capital, all have appropriate regulations and adjustment policies to use capital effectively to bring about economic and social efficiency. Therefore, the capital sources and the State's legal policies and guidelines have a significant impact on the loan management activities of mass organizations in general and the entrusted activities of the Youth Union in particular.

3.2.2. Loan interest rate factor

The interest rate applied to the poor household lending program has a great impact on the entrusted lending activities. The preferential lending interest rate is decided by the Prime Minister for each period upon the proposal of the Board of Directors of the Social Policy Bank, and is unified at a level nationwide. In general, the lending interest rate of the Social Policy Bank is much lower than that of commercial banks. The risk in lending is very high due to the low financial capacity of the borrower or the lack of favorable business conditions. Lending at low interest rates on the one hand provides financial support to the borrower, but on the other hand, it creates a dependent mentality for the borrower; at the same time, it spends a large budget, exceeding the State's capacity. Therefore, the lending interest rate has a significant impact on the lending activities of the Social Policy Bank. Although the State partially subsidizes its activities, if the lending interest rate is too low, the Social Policy Bank can only lend small amounts, with high lending costs to maintain the Bank's operations. On the contrary, if lending at high interest rates, the loan volume will decrease due to low financial capacity of borrowers.

3.2.3. Lending method

Entrusted unsecured lending through the Youth Union and other social organizations. The People's Credit Fund applies the method of lending one time at a time, each time borrowing capital, the People's Credit Fund and the borrower must fully carry out the necessary procedures according to regulations. According to regulations, the Youth Union carries out 6 stages in entrusted lending activities. Before transferring preferential credit policy programs to poor households, near-poor households and other policy subjects, the Youth Union must propagate to the borrowers to understand what credit channels are, what is the purpose of the loan? What is the loan amount, loan term, and loan interest rate of each program? This propaganda must be made public at the Savings and Credit Group meeting (witnessed by the group members, the head of the Savings and Credit Group, the village/hamlet chief and the entrusted Youth Union). Therefore, the lending method has a great influence on entrusted lending activities, depending on the activities of the entrusted organization.

3.2.4. Level and awareness of young people borrowing capital

The level and awareness of young people borrowing capital affects the purpose of use and the effectiveness of using the loan capital. If the awareness is correct, using capital effectively will bring economic efficiency, generate income and contribute to improving the lives of borrowers and vice versa. In addition, the level of awareness of borrowers also affects the status of bad debt, disbursement and debt payment for the Social Policy Bank.

The management of entrusted loans also depends on the capacity, qualifications, awareness and responsibility of the Youth Union cadres assigned to manage entrusted loan programs and projects of the Youth Union.

In the past time, professional training for Youth Union officials doing entrusted work, the Management Board of Savings and Credit Groups has been given attention. Every year, the Social Policy Bank coordinates with Youth Union organizations at all levels to organize professional training courses in communes and towns, with the following components: Poverty Reduction Committee, officials of the entrusted Union, Village Chiefs, and Group Management Boards to implement documents and preferential credit programs of the Government. As a result, from 2018 to 2020, documents were transferred and training was organized for 961 Youth Union officials, village chiefs and officers of the Management Board of Savings and Credit Groups.

3.2.5. Other factors

The bank's operational strategy is one of the important factors affecting the process of promoting the bank's credit activities. If the bank does not have a specific operational direction, the promotion of credit activities will not be guaranteed. The bank's credit policy: includes factors that limit lending to borrowers, credit terms, lending interest rates, loans that can be made, guarantees and the ability to repay debts of banks... and ensures equality in accessing capital. Bank facilities: Facilities ensure the bank's operations to expand service types. Lending to the poor is a type of lending that contains many very high risks because most poor households are people who lack experience in production and business, and their cognitive ability is generally limited.

The coordination between the VBSP, the Commune Poverty Reduction Committee and the entrusted Youth Union organizations will strengthen the inspection and supervision of loans, information and take timely measures to handle difficulties and problems arising in lending, debt collection and interest collection activities, promoting the VBSP's credit activities to become more and more effective.

Due to poor propaganda and mobilization work, partly because borrowers are still not active and conscious in saving money.

For banks, credit information is extremely necessary as a basis for considering and deciding whether to lend or not, and monitoring and managing loans with the aim of ensuring the safety and efficiency of the loan capital. Credit information can be obtained from many different sources such as: purchasing information from information sources, going to the customer's facility for direct consideration, information from Savings and Credit Groups, information from mass organizations, information from loan applications... The more complete, accurate, timely and comprehensive the information is, the greater the ability to prevent risks, the higher the credit quality. On the other hand, a good information and propaganda system from the central to local levels will promptly convey the policies of the Party and the State to poor households and other policy subjects, strengthening people's trust in the Party and the State.

factors such as natural disasters, epidemics, borrowers fleeing the locality.

3.3. General assessment

3.3.1. Successes

3.3.1.1. Loan project implementation

The District Youth Union develops and implements documents guiding the implementation of entrusted loans for youth according to the general direction of the Central, the Province and related parties to the Youth Union bases such as: Eligible borrowers, loan procedures, establishment procedures, loan programs, implementing document 2539/NHCS-TD dated September 16, 2008 on guiding the loan procedures for job creation of the National Employment Fund, Decision No. 783/QD-HDQT dated July 29, 2003 of the Board of Directors of the Social Policy Bank on promulgating the Regulation on the organization and operation of the Savings and Loan Group, etc.

Through the loan trust through the Youth Union, the loan recipients are always coordinated and managed to ensure the correct recipients of loans, such as: according to the summary report from 2018 to 2020 of the Vietnam Bank for Social Policies, for the youth and students in difficult circumstances, in 3 years, 258,632 million VND was lent to 9,433 households.

The report of the Social Policy Bank in 3 years shows that through 05 lending programs (employment

settlement, ethnic minority households according to Decision 54, Decision 775, Decision 2085, VVK Traders...) accounting for 75.5% of total outstanding loans, capital is focused on lending to places with many ethnic minority households, communes and difficult areas. Also according to the 3-year summary report of the Social Policy Bank, there were no cases of loans to the wrong subjects according to regulations through the trust channel through the Youth Union. Credit programs have been and are considered important tools and solutions to effectively implement the national goals and strategies on poverty reduction, job creation and solving social security issues.

The summary table from the survey results above shows that 93.3% of the survey votes agreed with the use of loans for the right purposes; 100% of votes agreed with the capital being deployed to the right subjects, with simple procedures; 90% of votes agreed with the main advantage in management work being close management of subjects, demonstrated in:

- + Loan evaluation is conducted strictly and carefully.
- + Loan needs must be met for the borrower, not divided or spread out.
- + Combine capital investment with management support from relevant agencies (Agricultural extension, forestry extension, veterinary...)
- + There is close supervision by the capital management board so that the loan capital is used for the right purpose. Thus, the capital source for youth to borrow for economic purposes from the State budget is lent to the right subjects, for the right purposes, ensuring the State's policies in lending and the correct principles of lending in management.

3.3.1.2. Inspection of loan projects

The implementation of the Joint Program has created favorable conditions for the Youth Union and Association to strengthen their organization, innovate the content and form of activities, especially in rural areas, enhance their role and position in society, contribute to the work of hunger eradication and poverty reduction, and help young people do business.

Loans are directly disbursed by the district's Social Policy Bank to borrowers at commune transaction points, without going through intermediaries, in the presence of entrusted socio-political organizations, the government and the people, ensuring the principles of publicity and democracy.

The Youth Union participates in the management of loan capital for young people to do business responsibly, strictly implements the entrusted parts, the inspection and supervision work is seriously carried out by the Youth Union to make the borrowing activities of young people at all levels be implemented correctly and in an orderly and effective manner, in accordance with the regulations signed with the Bank for Social Policies, promptly detects and prevents shortcomings and shortcomings in the implementation process, and at the same time guides and supports young people in borrowing activities. According to the summary report of 3 years of implementing entrusted loans for young people in Kim Boi district by the District Union, in 2020 alone, the District Union coordinated with the Bank for Social Policies to comprehensively inspect 17/17 communes, wards and towns and 57/80 savings and credit groups under the management of the Union.

The inspection showed that the Youth Union organizations have seriously implemented the policy mechanism to the Youth Union members, the policy credit capital has reached the right beneficiaries of the program, the borrowers have used the capital for the right purpose, effectively, contributing to increasing income, improving life, gradually escaping poverty and rising up in life.

The Youth Union is highly appreciated by society and has affirmed its position, which is a condition for gathering and uniting young people, participating in building a strong Youth Union and Association, contributing to building a grassroots political system. Through table 3.6 summarizing the survey questionnaires from loan borrowers, it shows that the role of the Youth Union has really been effective, being a trusted organization of young people:

+ 92.2% of young people know about the loan program through the Youth Union, proving that information and project consulting are the first steps in the management process that have been well implemented by the Youth Union.

+ The implementation of capital loans through projects managed by the Youth Union with simple procedures is the main reason why 87.8% of union members surveyed decided to choose to borrow capital through the Youth Union channel.

Through coordination, socio-political organizations are supplemented with operating funds through trust fees and commissions of savings and loan groups.

The Youth Union cadres are trained and further developed in mass mobilization, management and economic capacity. They are a source of human resources to supplement the key cadres of the Party and government in the future.

3.3.1.3. Loan capital has contributed to stabilizing and improving the lives of a part of the population - young people, contributing to local economic development, environmental protection and social security.

The effectiveness and efficiency of youth loan projects show the ability of management agencies to control and recover loans from the state budget and the positive impacts that help youth develop the economy, improve their lives, reduce poor households, increase rich households, and contribute greatly to solving employment for youth in localities.

The capital entrusted through the Youth Union from the Vietnam Bank for Social Policies alone has helped 2,975 households gradually escape poverty while accumulating experience, production skills, and business management in dozens of industries in the fields of agriculture, forestry, production services, and personal consumption services. At the same time, projects lending capital to young people to do business have attracted and created jobs for workers, hundreds of students with difficult circumstances have been able to borrow capital to cover their study expenses, etc. The results of the youth economic model are increasingly positive, the scale of production and business of the model has been expanded, and many examples of young people getting rich right on their homeland have appeared.

The work of supporting young people to borrow capital to do business in Kim Boi district has brought practical results, so the Youth Union at all levels needs to have solutions to maintain, manage and expand the model, replicate effective models and continue to invest in building new models.

3.3.2. Some existing problems and limitations

3.3.2.1. On the quantity and structure of loan sources

Because the bank's capital is limited and the number of households in need of loans is very large, there has been a situation of lending being divided equally and thinly in terms of loan amount, leading to insufficient capital needs for production and business. This causes difficulties for households in using capital, borrowers have to borrow additional capital with high interest rates from outside to have enough capital for production, reducing the efficiency of the loan capital from the Vietnam Bank for Social Policies.

The structure and loan limit have not kept up with the increasing demand for loans of young people. The maximum loan amount and loan term for 1 worker, 1 household, 1 project as prescribed are no longer suitable for the current situation. For example, loans for job creation are 20 million/1 new worker or 20 million/1 household or loans for clean water and rural environmental sanitation are only 4 million VND/1 project or 8 million VND/1 household with 2 projects, ... the current loan levels are too low compared to the market price level. Compared to other associations and organizations, young people have a small outstanding loan capital of 89,352 million VND, accounting for only 21.4% of the total outstanding loan of associations and organizations as of December 31, 2020 (Table 3.8). The reason is not that young people do not need to borrow capital for economic purposes because the capital for young people to borrow through the Youth Union is mainly deployed with a low support interest rate of 0.65%, the process and procedures are strict but simple. The main reason is that the prescribed loan limit is only suitable for small ideas and projects in the current economic situation.

As of December 31, 2020, Kim Boi district had about 40,000 young people, accounting for nearly 33% of the district's population, while the loan sources deployed for young people only met a small part of the young people's loan needs, specifically:

The source from the Central Youth Union for youth loans is 200 million from 2017 to present, but 50 million is only enough for 02 youth loan projects (*Model of growing mushrooms, oranges, tangerines and other citrus fruits*).

Source from NHCSCH entrusted through the Youth Union as of December 31, 2020 with a entrusted debt balance of VND 89,352 million deployed to lend capital to 2,975 youth households.

Through the summary of the survey forms above, it is shown that up to 40% of the survey forms agree with the opinion that the quality of the loan program does not meet expectations when asked to give a general assessment of the quality of the loan program. When asked to state the main advantages and limitations of the loan program through the Youth Union, the majority of opinions stated that the limitations of the program are that the loan limit is not suitable and the loan capital is limited, so the number of loans is not much, the proposal to increase and supplement the capital source for youth loans are the two main opinions proposed by the survey subjects, showing that the need for loans and loans with a larger limit are desired by young people.

In the past 3 years, the loan capital deployed for youth through the District Youth Union has only expanded 2 more loan channels for youth from the Central Youth Union of 50 million VND and from the People's Committee of Kim Boi district entrusted to the union of 89,352 million VND (in 2020). It is necessary to expand more loan capital sources for youth from the State budget through other organizations such as: from the District Fatherland Front, Business Association, ... from commercial banks such as: AgriBank, Lien Viet Post Bank ... with preferential interest rates for youth. The increase in loan capital will create conditions for a

large number of young people to borrow capital for economic activities, capital sources are increasingly diversified and meet the expectations of young people.

3.3.2.2. The role of socio-political organizations in participating in loan capital management has not been fully promoted.

The VBSP cooperates with associations and local authorities so that these organizations can help select borrowers and verify whether they are eligible for loans. Thus, associations only participate in capital management according to partial delegation. This limits the initiative of associations within the permitted scope and makes it impossible to combine lending programs with programs and projects of organizations and units.

3.3.2.3. The work of evaluating the specific effectiveness of projects, summarizing and replicating the model is not close enough.

The work of summarizing and evaluating the specific effectiveness of youth loan projects, drawing lessons, building models and typical examples is generally not deep, only stopping at general evaluation without getting closer to more specific efficiency indicators of each project. The summarizing and evaluating in the Youth Union organization only stops at the number of households receiving loans, the total capital that has been lent, how many jobs have been created, the amount of money that youth still owe and have not yet repaid the borrowed capital without analyzing and evaluating the specific effectiveness of the projects. Therefore, many youth projects after paying back the capital want to continue to borrow a certain amount of capital to develop the project stably, but have not received the right attention.

3.3.3. Causes

➤ Reasons for success

First of all, the Program has been implemented in accordance with the policies of the Party and the State, meeting the aspirations of a group of youth union members who have the conditions to produce and do business but lack capital to develop production and business. The Program has created conditions for young people to develop their abilities, carry out production and business to establish themselves and start their careers.

Second, due to the attention, leadership and direction of the Central Committee of the Ho Chi Minh Communist Youth Union, the Hoa Binh Provincial Youth Union and the District Social Policy Bank, the close coordination of relevant agencies and Youth Union organizations at all levels.

During the implementation of the program, the support and facilitation of Party leaders and local authorities, effective coordination between departments, branches and local Youth Unions at all levels helped young households use loans effectively.

Third, the loan recipients are young people, a young workforce who dare to think and act, take the lead in implementing project programs, and actively participate in implementing program activities.

➤ Causes of limitations

** Regulations, mechanisms and policies*

The implementation of policies for youth participation in economic development is still slow in many places, the work of proposing and proposing amendments to loan limits as well as the structure of loan sources according to actual conditions is still slow and has not kept up with the needs of youth and market conditions. The coordination with functional sectors is not very effective, some joint resolutions have not been focused on by departments and sectors, so the implementation process has encountered many difficulties, low efficiency, and has not fully promoted the role of relevant parties in managing loan capital from the State budget.

The mechanism to facilitate the expansion and development of youth economic models is still lacking. There are policies but implementation lacks consistency (*capital sources from commercial banks, land policies, protection of domestic agricultural production, and markets*) .

** About capital*

The source of loans for youth from the state budget is not diverse and abundant, not enough to meet the loan needs of youth. The loan quota allocated to youth is still low while the demand for loans to develop production and business of youth is very high. Not attracting many sources of support capital from enterprises in the area, leading to a large number of youth in need of loans not being able to borrow.

** On the subject side is Kim Boi District Youth Union.*

The economic management level and scientific and technical knowledge of the Youth Union cadres in general are still low, lacking skills and expertise, thus failing to meet the requirements of the market economy, especially in the current conditions of international economic integration. The team of cadres monitoring the implementation of the program is still lacking, unprofessional, and many Youth Union cadres still hold concurrent positions.

The awareness of a number of Youth Union officials is not deep enough about the necessity of

implementing the Joint Program between the Central Youth Union and the Vietnam Bank for Social Policies on organizing the implementation of entrusted loans for poor households and other policy beneficiaries, thus lacking leadership, close direction and lack of measures for implementation. There is no centralized, unified and synchronous direction on the content and methods of the Youth Union when participating in managing loan capital from the budget to support young people doing business in Kim Boi district.

Through the survey, 80% of the votes agreed that the limitations in the professional qualifications and skills of officers in charge of loan implementation and management are factors affecting the effectiveness and quality of the project, and 53.3% of the opinions said that the qualifications of these officers must be improved. The qualifications and capacity of officers in the coordination of loan management are still uneven, and the implementation of some stages in the management process has not yet met the requirements.

Determining loan needs, capital planning, establishing model building projects, proactively establishing annual savings and credit groups in localities are still confusing. Effective loan implementation for poor households has increased but is still low compared to other Association organizations.

The monitoring and retention of documents and papers (*trust contracts, voting minutes, meeting minutes, etc.*) of some commune-level units and heads of savings and credit groups are incomplete and unscientific, leading to ineffective grasp and implementation of loan contents. The research and replication of effective operating models of the Youth Union in participating in economic development have not been invested in. The direction of some Youth Union chapters is still passive, not keeping up with the development of the market economy and the needs of young people. The socialization of resources to support young people from the private sector, foreign-invested enterprises, etc. is still limited.

The propaganda work of the Union has not promptly reflected on youth activities in borrowing capital from the state budget for economic development in Kim Boi district.

** Regarding the subjects receiving loan support*

Today's youth have uneven educational levels and lack of jobs. Faced with difficulties in establishing a career locally and Kim Boi district has communes located in the Government's CT 229 area, so it is impossible to receive aid projects from foreign non-governmental organizations, and there are large industrial zones, so many young people in communes and towns have sought solutions to escape to the city, industrial zones... The rate of rural youth leaving their hometown to work far away is high. However, a significant number of rural youth have not been trained in professional knowledge and professional skills, and have acted on their own feelings and experiences. They are not bold, decisive, dare to think, dare to do in participating in economic development. They have a small-scale farmer mentality, are self-conscious, lack initiative, and still rely on support.

3.4. Traffic control, urban order, gathering of free immigrant youth

The trend of solving employment for young people has been improved, the structure of young labor is more suitable with the economic structure. The role of young people in labor, building the country and implementing hunger eradication and poverty reduction is increasingly promoted.

However, the problem of reducing unemployment among rural youth, increasing the annual working time of rural youth, shifting the occupational structure, youth labor structure, increasing income, improving the lives of young people and enhancing the competitiveness of young human resources in our country are still urgent issues that need to be addressed.

Faced with the requirements of the new situation, promoting industrialization and modernization and increasingly deep international economic integration, and the strong development of knowledge-based economy, the task set for the Youth Union is to promote the intelligence, creativity, sentiment and responsibility of young people for the cause of building and developing the Capital. Strive for each youth union member and each Youth Union organization to contribute practical initiatives and ideas to solve important tasks of the locality and unit.

3.4.1. Directions for creating loan capital from the state budget to support young people doing business in Kim Boi district

After 3 years of research and implementation of loan entrustment through the Youth Union, the credit policy has been put into practice, sectors have focused on directing implementation, and young people have enthusiastically accepted and trusted the leadership of the Party and the State. Activities to support young people to borrow capital for economic development have truly become a solution and an effective tool for local authorities in poverty reduction, job creation and solving social security issues in the area.

Capital work plays an important role, is the premise for good implementation of lending, meeting the needs of poor households, young union members and other policy subjects in Kim Boi district. Developing capital sources according to the structure of gradually increasing the proportion of capital entrusted for

investment in the locality and thoroughly exploiting low-interest capital sources, savings deposits mobilized through savings and credit groups to implement lending in the locality is the right direction for the long-term sustainable development of loan capital for young people doing business in Kim Boi district.

Take advantage of central capital to deploy loans in a timely manner, without leaving capital stagnant. Report to the Party Committee, People's Council, and People's Committee of the district and coordinate with relevant sectors to maximize the exploitation of local entrusted capital to supplement capital for youth loans in Kim Boi district. Mobilize capital sources from organizations and individuals with low interest rates to support meeting the increasing demand for loans of young people. Pay attention to debt collection for revolving loans, focusing on collecting due and overdue debts.

3.4.2. Solutions to improve the efficiency of managing loan capital from the state budget to support young people doing business in Kim Boi district

3.4.2.1. Promoting the role of the Youth Union organization system

As an organization that accompanies youth and is trusted by youth, the Youth Union actively consults with leaders at all levels and relevant coordinating parties on a number of key issues:

Advise on building a system of synchronous and breakthrough policies and mechanisms, unifying coordination methods, signing coordination documents to support and promote youth participation in economic development. Actively transfer scientific and technological advances, promote the application of information technology for youth to participate in economic development.

Strengthen the organizational system, improve the capacity of the youth union staff in charge of capital borrowing, prioritize training in project consulting skills, project evaluation and summarizing effective economic models, suitable to the nature of the industry, conditions of rural and urban areas. Have specific and practical solutions to improve the efficiency of youth clubs helping each other to do business, young people doing good business ,... developing industries, services, production and business.

Coordinate to strengthen the management of loan capital for youth in accordance with the Party's policies and the State's laws. Regularly exchange experiences, link information, and replicate models with other units.

Building and consolidating strong grassroots Youth Union organizations from the branch level to ensure unified leadership in the organization and coordination with relevant agencies.

The Kim Boi District Youth Union needs to advise on policies and preferential credit mechanisms for young people to borrow capital for economic development, increase the loan amount and loan term to suit the current situation. Advise relevant agencies to build a market for agricultural products and craft village products through a system of commercial establishments throughout the regions.

3.4.2.2. Innovating and improving the coordination of management of loan capital from the budget to support young people in economic activities

After 3 years of research on implementing entrusted loans through Associations and Youth Unions, the Youth Union has been active in consulting and coordinating work, the results achieved are the efforts of the whole system. However, besides the successes, there are still limitations that need to be improved to make the loan work for young people to do business more and more effective.

Capital management and use are carried out in accordance with the provisions of law and are subject to the management and supervision of relevant agencies. This characteristic requires management agencies to establish a reasonable lending strategy based on consideration of many factors: capital demand; ability to regenerate capital sources, loan terms, interest rate conditions and other binding conditions, priority order of using loan sources , ...

Complete the legal basis to strengthen management work, have strong enough sanctions to enhance the responsibility of managers. Clearly define the responsibilities and powers between competent agencies in decision making and capital management.

** Innovate the mechanism of attracting, mobilizing and using capital, improve coordination work:*

In the capital attraction stage: Capital mobilization work needs to be fundamentally innovated in terms of content and implementation methods, focusing on the stage of establishing feasibility study projects, ensuring quality before submitting for capital sources, as well as carefully selecting consultants and supervising the implementation of loan projects.

In implementation: it is necessary to soon introduce a suitable management model, clearly defining the legality of management agencies in the direction of ensuring professionalism, enhancing transparency, preventing closed-mindedness and self-responsibility. Strengthening the work of comparison and control based on the legality and validity of documents and records, promptly detecting cases of violations of regulations and collusion between management departments and borrowers.

Localities and units with young people in need of capital must calculate the efficiency and fully determine the debt repayment obligations, and take primary responsibility in the process of capital use. All

projects using capital must perform well in all stages of the investment process. Publicize the processes, procedures, deadlines, and responsibilities during project implementation.

Improve the capacity and effectiveness of state management, authority, responsibility and close coordination between the general agencies in management; promptly handle arising issues, supplement and adjust policies and mechanisms, create favorable conditions for capital deployment; at the same time, perform well the functions of monitoring, inspecting and evaluating the effectiveness of capital use.

** Innovate and improve coordination and support work between the Youth Union and functional departments and branches in the following directions:*

The relevant departments and agencies need to regularly coordinate information so that the Youth Union can quickly access capital sources as well as promptly resolve work issues arising during the implementation process. Not only improving in management but also in other aspects of management coordination such as:

Build, develop and expand the scale of youth economic models. Strengthen coordination with departments, branches, organizations and local authorities in implementing support contents, focusing mainly on the following contents:

- + Introduce and invite experts to guide the transfer and application of scientific and technical advances in production, ...

- + Orientate consumer markets, carry out trade promotion activities, build and develop product brands.

- + Provide addresses that meet the needs of young people for machinery, equipment, and seedlings in applying technology to production.

- + Support on administrative procedures and processes during the process of establishing loan projects to build models and develop production and business.

3.4.2.3. Continue to raise awareness of the need to support young people in economic activities.

To effectively carry out this work, first of all, the Youth Union - Youth Association at all levels need to continue to propagate to union members and members to participate in supporting the district's youth in economic development. Promote the effectiveness of coordinated programs such as agricultural support industry: youth of the Workers and Civil Servants block helps with capital and material conditions for young people to have conditions for economic development.

The District Youth Union needs to organize many forums for exchange, discussion, and discussion such as "Youth with start-up - career" , "Creative ideas forum" , etc. to create conditions for socio-economic organizations to continue to have a more open and friendly perspective on youth, youth union members to exchange and approach successful young business owners, thereby learning experiences, good models, creative ways to apply in the process of business operations from the first steps to stable operation, participating in job creation, creating regular and stable income for youth in the area, actively developing the family and local economy. Thereby, building relationships and motivating, encouraging, calling for the attention and support of socio-economic organizations for youth.

3.4.2.4 Some other solutions

To effectively propagate the Party's policies and State laws on preferential credit, the Youth Union needs to perform the following tasks well:

- Develop a plan to regularly coordinate with local information and propaganda agencies, the Department of Labor, War Invalids and Social Affairs at the district level, and the People's Committees of communes and towns to widely disseminate credit policies to the general public and local authorities, departments and organizations, especially in remote, isolated and disadvantaged areas, focusing on:

- + Propagating the role and significance of credit policy, making people better understand the viewpoints, goals, tasks, and solutions for economic development and poverty reduction of the Government's credit policy, clarifying the responsibilities of Party committees and local authorities in leading and directing the implementation of the contents of policy credit management.

- + Explain and provide full information to poor households and other policy beneficiaries, to better understand their rights and obligations when borrowing policy credit capital, the rights of customers when using capital for the right purpose, and properly fulfilling their debt repayment obligations for their loans.

- Propaganda on provincial radio and television, Hoa Binh Newspaper, on Facebook page "Kim Boi District Youth Union", Zalo... propagandize about typical production models, youth unions that use credit capital well to overcome difficulties, rise up to enrich the youth union and farmers in the district, thereby encouraging the economic spirit of poor households and other policy beneficiaries, raising awareness of paying debts to the Youth Union. Encourage union officials at all levels to write articles about examples, typical models of good economic performance from policy credit capital, experience in implementing work.

- Promote the role and responsibility of each unit, each local youth union branch, each youth union cadre

and each youth union member in propagating the Party's guidelines and policies, the State's laws on policy credit. In particular, promote the capacity of the leaders of the Savings and Credit Groups to do propaganda work to disseminate and explain to their members about the new regulations and directions of the Youth Union and the Vietnam Bank for Social Policies in organizing the implementation of policies for preferential loan recipients

- Proactively plan to coordinate with associations, unions, commune and town authorities, Department of Labor, Invalids and Social Affairs... to grasp the economic and social development situation of communes and towns, the situation of loan capital use at savings and credit groups and at families receiving loans. Timely take measures to handle when union members and youth encounter difficulties in their production and business process.

- Timely commend units, organizations and individuals with a high sense of responsibility in implementing the management of policy credit capital, individuals who effectively use loans to get rich, and at the same time criticize units, organizations and individuals who do not perform well on mass media, especially young people who are slow to pay debts, and savings and credit groups that are lax in their management activities.

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