

family businesses that constitute a huge market and great productive forces. In spite of the low spending power, Vietnam is a potential market for consumer goods with the average growth rate of 7%. Moreover, Vietnam is trying to open its markets as required by agreements with foreign partners. In the near future, foreign-invested companies will be allowed to turn into joint stock companies, thereby taking part in the stock exchange.

Besides improving the business climate, the Government also took measures to attract the FDI:

- Getting access to multinationals with a view to asking them to invest in hi-tech industries, such as electronics, information technology and engineering.

- Carrying out major projects that affect greatly the economic growth (hi-tech parks, infrastructure development, power and energy, etc.)

Deregulating conditionally-invested industries and offering more incentives to investment projects: This effort showed itself in Decrees 24/2000/NĐ-CP dated July 7, 2000 and 27/2003/ NĐ-CP dated March 19, 2003 providing guidelines on the implementation of the Foreign Investment Law.

- Dealing properly with complaints from businesspersons and obstacles to economic activities: In 2002-03, foreign investors added some US\$1.3 billion to their businesses in Vietnam. Their success has helped persuade other investors into doing business in Vietnam.

Besides the political stability and social order, the improved business climate for both foreign and domestic investment projects has made Vietnam an attractive market and destination for foreign companies. ■

## Measures to Increase Foreign Investment in HCMC Export Processing Zones and Industrial Parks

by Dr. NGUYỄN CƯỜNG

**A**t present, the HCMC Board of Export Processing Zones and Industrial Parks controls two EPZs and 11 IPs in HCMC. Its targets set for 2003 are:

- Attracting US\$250 million worth of foreign investment, and

- Attracting VND5,250 billion worth of domestic investment (or US\$350 million).

Thus the gross investment in EPZs and IPs in HCMC planned for the year will reach some US\$600 million increasing by 15% compared with 2002.

To achieve these targets, the Board has taken the following six measures:

- (1) Carrying out plans to clear and retrieve land, and pay compensation according to direction given by the Chairperson of the HCMC People's Committee: Two solutions are adopted to the plans:

- Holding regular meetings with local authorities that are facing difficulties

in paying compensation with a view to accelerating the land clearance and construction of infrastructure as required by investors.

- As for infrastructure development companies in need of capital to pay compensation, the Board work out feasible plans and submit to authorized bodies for approval.

- (2) Improving the infrastructure inside and outside IPs and EPZs:

- The aim is to help infrastructure development companies complete their works at the highest quality. In 2003, the top priority is given to the following works:

- + Effluent treatment plants.

- + Industrial waste treatment plants

- + Facilities for fire departments

- + Health care centers

- The Board has worked out the master plan for the environment protection in HCMC IPs.

- The Board cooperates with HCMC authorities to upgrade works and systems used for supply services from outside EPZs and IPs (roads, telephone lines, sewerage, power lines, etc.)

- Plans to build apartment houses for laborers working in IPs and EPZs have been made in cooperation with district authorities.

- All kinds of services needed for IPs and EPZs in both qualitative and quantitative terms are encouraged and enhanced.

- (3) Improving the performance of management of IPs and EPZs:

- Establishing representative offices of the Board in all IPs and EPZs with a view to enhancing its business performance.

- Perfecting the 'one-stop' mechanism adopted by the Board.

- Developing facilities for connecting the Board with its representative offices in an intranet and opening a website for the Board.

- (4) Carrying out a pilot scheme to expand functions of the Tân Thuận EPZ according to direction of the PM with a view to helping companies in this EPZ improve their competitiveness when entering into the regional and world markets.

- (5) Pushing ahead with trade and investment promotion:

- The Board cooperates with infrastructure development companies to launch marketing campaigns in traditional markets, ensure incentives and preferential treatment for projects in technology-intensive industries and limit labor-intensive ones.

- Opening a representative office of the Board in Gaoxiong, Taiwan.

- Holding a meeting to form the Association of Companies in HCMC IPs and EPZs.

- (6) Giving training courses in computing, foreign languages and technical skills with a view to supplying better human resource to companies. ■

