

Measures to Enhance the Competitiveness of the Southern Vital Economic Zone

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POLICY	SHORTCOMING	MEASURE
On encouragement		
Trade policy	<ul style="list-style-type: none"> - High protectionist rates - Failure to access the international market 	<ul style="list-style-type: none"> - Lifting the trade barriers - Accelerating the admission to WTO
Competition policy	<ul style="list-style-type: none"> - Poor performance of state-owned companies - Absence of a framework for anti-trust law - Distorted market 	<ul style="list-style-type: none"> - Carrying out the privatization programs - Introducing the competition law and law enforcement - Adjusting shortcomings of the market
On supply		
Human resource	<ul style="list-style-type: none"> - Lack of skills in industries with comparative advantages - Ineffective training in the public sector - Limited technical training in private sector 	<ul style="list-style-type: none"> - Researching demand for skilled labor and making plans to meet it - Revising expenditures on training service and taking action to support it - Helping companies realize the shortage of skills and ways to deal with it, and cutting taxes on training programs
Technological assistance	<ul style="list-style-type: none"> - Poor quality standard - Low productivity - Lack of cooperation between industries and technological institutes 	<ul style="list-style-type: none"> - Giving financial support to small and medium enterprises trying to acquire international certificates - Establishing centers for productivity
Foreign investment	<ul style="list-style-type: none"> - Inconsistent policies to encourage FDI - Lack of relations with potential investors - Less competitive export processing zones 	<ul style="list-style-type: none"> - Working out FDI strategies for each sector - Forming investment promotion centers in foreign countries to find partners - Revising motivation of EPZs and making necessary adjustments
Financing	<ul style="list-style-type: none"> - High interest rate - Discrimination against small and medium enterprises 	<ul style="list-style-type: none"> - Beefing up the monetary policy and creating fair competition in the banking sector - Encouraging programs to train banking personnel in rating the creditworthiness of SME and adopting a common policy on both public and private sectors
Infrastructure	<ul style="list-style-type: none"> - High transport cost - High prices of power, telephone and Internet services 	<ul style="list-style-type: none"> - Liberating the transport service supplied by foreign companies - Privatizing transport companies and supporting services companies with effective regulatory measures

