



RESTRUCTURING FOR A MORE COMPETITIVE VIETNAM

Background

Complex regulations and barriers to competition can make it difficult to do business in Vietnam, and deter private sector investment, thereby slowing economic growth. The Government of Vietnam is responding to these challenges through reforms aimed at improving conditions for private sector enterprise and to shift Vietnam towards becoming a more market-based economy.

Australia supported the Government of Vietnam to drive the implementation of reforms, and facilitated stronger linkages and knowledge exchange with Australian agencies.

Results

- Regulatory reforms improved business conditions, cut red-tape and made it easier for Australian business to trade with or invest in Vietnam, including: reduced business compliance costs by abolishing 3,299 business conditions; reduced the number of sectors prohibited from private investment from 51 to 6; reduced the average time required to start a business from 34 to 10 days; and increased new business registrations by up to 84%.
- Supported the restructuring of state enterprises, including: new laws and regulations enacted which reduced the role of state-owned enterprises in the economy; and enhanced linkages between the Vietnamese Government, the Australian Productivity Commission and the Australian Competition and Consumer Commission.
- Supported the restructuring of the rural economy, including: developing a national strategy and implementation plan to reduce the influence of state ownership in the rice sector and to raise rice production productivity, and establishing a partnership between Vietnam's Institute of Policy and Strategy of Agriculture and Rural Development and Australian researchers at the Australian National University and Monash University.

A phase two of the program will commence in 2017, building upon the reform momentum achieved in this program called Aus4Reform.

Fast Facts

Australian Aid, an economic partnership. Delivering aid innovatively to build prosperity and tackle poverty.

Funding

AUD 3.1 million

Duration

2014 – 2017

Partners

- Government of Vietnam, Ministry of Planning and Investment
- Government of Vietnam, Ministry of Industry and Trade
- Government of Vietnam, Ministry of Agriculture and Rural Development

Project sites

- Nation wide



January 2017

