

PM pushes for SOE privatisation

Prime Minister Nguyen Tan Dung has ordered that drastic measures be taken to complete the privatisation of 289 State-owned enterprises (SOEs) within this year, stressing that benefits of the State, company employees, and shareholders must be ensured.

Accordingly, 52 firms, which have had their value determined already, must be privatised within the second quarter of this year. The privatisation of 126 SOEs, whose value was being assessed, will be completed in the third quarter of this year; while 82 others must hasten the assessment of their value in the second quarter and be available to investors in the final quarter of the year.

Dung said during privatisation, benefits of the State, employees and shareholders must be ensured, adding that the restructuring of SOEs must help enhance operational efficiency.

Within this month, checks would be implemented on SOEs, which saw a high rate of unsold shares at initial public offerings and planned to adopt measures for another share sale.

In addition, the divestment of State capital from non-core business must be placed under tight control to ensure efficiency. Till date, Viet Nam had collected a total of more than VND7 trillion (US\$328.6 million) from divesting non-core businesses, 45 per cent of which came from the property sector.

The Ministry of Finance was ordered to guide the settlement of bottlenecks in business value assessment to hasten the privatisation process.

According to the PM, ministers, State agency leaders, chairpersons of the provincial and municipal People's Committees and economic group chiefs must be held accountable for the outcomes of restructuring, privatisation and divestment of SOEs under their management.

Dung said they must strictly deal with executives, who fail to work effectively and address any obstacles by liaising with the Ministry of Finance, the Ministry of Planning and Investment, the Steering Committee for Business Renovation and Development and other authorised agencies.

The restructuring of SOEs was part of the economic restructuring scheme, in addition to the restructuring of public investment and the banking system.

Viet Nam has raised an ambitious plan to privatise 432 SOEs during the 2014 to 2015 period.

In 2014, 143 SOEs were privatised, and failed to meet the target for the year, which was set at 200. The pressure for completing the privatisation of SOEs was higher than ever this year as the target had to be met, experts said.

As per the Steering Committee for Business Renovation's latest review, the number of SOEs which needed to be privatised rose to 523. — VNS

Source: <http://bizhub.vn/>