

Optimising conditions for Vietnamese businesses to grow

Prime minister Nguyen Xuan Phuc affirmed the government's resolve to create the best possible conditions for businesses to perform, saying this is one of the important contents of a new resolution on support and development of enterprises by 2020.



Government Resolution 35 sets out major goals for Vietnam to achieve by 2020.

They include developing Vietnamese enterprises of high competitiveness and sustainable development and having 1 million operating firms, including large-sized and capital-intensive companies.

The resolution specifies several tasks and solutions to achieve the target, with the highest priorities being administrative reform, improving the business environment to support start-ups and innovative enterprises, ensuring the right to do business, ensuring equal access to resources and business opportunities, reducing business costs, and protecting the legitimate rights and interests of enterprises.

The resolution, for the first time, considers private enterprises a driving force of national economic development.

The government calls for transparent inspection, examination, and audit plans for enterprises to avoid duplication and overlapping.

Nguyen Thi Cuc, a member of the Vietnam Tax **Consultants'** Association, said, "The tax sector has reformed many procedures, especially using high-tech to reduce direct contact between tax payers and tax agencies. But the sector should design solutions to improving the quality of personnel in professional knowledge, behavior, and professional ethics."

"I believe that once IT is applied to tax management, enterprises will support the government's reforms, particularly in the tax and customs sector," she added.

The government has asked ministries and relevant agencies to draft and submit to the government this year a report on solving difficulties for enterprises.

It has also proposed cutting the current personal income tax in half in some fields; deferring tax payments for enterprises facing objective difficulties; and proposing corporate income tax reductions for small and medium-sized enterprises.

At a recent meeting in HCM City with the business community, prime minister Nguyen Xuan Phuc said all businesses, regardless of scale, form, or economic sectors, have equal access to capital resources, natural resources, land, markets, and business opportunities.

The state will protect the legitimate rights of enterprises in line with legal regulations.

According to Pham Ngoc Hung, deputy chair of the HCM City Union of Business Associations,

“Businesses have realised that the state ensures freedom of doing business in all areas not forbidden by law. It is a matter of an enterprise having money to invest in a field, on a small or large scale.”

“If the investment capital comes from the state, enterprises can only do what the government allows. It means private companies can deal in unforbidden areas and state-owned enterprises are only allowed to do business in regulated fields,” he noted.

The government will continue to promulgate policies to reduce costs for businesses, offer preferential programmes for SMEs to encourage them to participate in production chains, design mechanisms for developing distribution networks, establish industrial clusters with infrastructure equipped for SMEs, and step up administrative reforms and application of IT in providing public services.

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