

DOCTORAL THESIS IN BRIEF

HA THI THU THUY. *Assessment of enterprises' investment efficiency in Vietnam*
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Since the implementation of the Doi Moi policy, Vietnam has significantly expanded and deepened its integration into the global economy, resulting in sustained and robust economic growth. During the period from 2001 to 2007, Vietnam achieved the second-highest economic growth rate in Asia, trailing only China. However, economic growth began to decelerate starting from 2008. A lot of research indicates that this deceleration was primarily attributed to the economy's reliance on investment capital as a growth driver. Consequently, when the growth rate of investment capital shrinks, overall economic growth also slows down. What is the level of investment efficiency of Vietnamese enterprises? This dissertation seeks to address this question by utilizing microeconomic data, specifically data derived from enterprise surveys, combined with econometric models. The study provides empirical evidence on the efficiency of investments made by enterprises, examining variations based on factors such as ownership structure, geographic location, and industry type. Additionally, the dissertation explores the various factors that exert influence on the investment efficiency of enterprises. The dissertation consists of 4 chapters. Chapter 1 presents a literature review of the topic. Chapter 2 presents the theoretical framework and methods for evaluating the investment efficiency of enterprises. This

chapter encompasses investment concepts, theories, investment efficiency indicators and methods for assessing investment efficiency of enterprises in Vietnam. Chapter 3 analyzes the current state of Vietnamese enterprises' investment efficiency, the policy framework related to investment activities of enterprises, the research results from investment efficiency assessments and factors affecting investment efficiency of businesses in Vietnam. Chapter 4 provides the macroeconomic context of the domestic and international environments during the period 2021-2025 which affected the investment efficiency of enterprises. Furthermore, Chapter 4 puts forth specific viewpoints and development approaches aimed at enhancing the investment efficiency of enterprises. In doing so, it provides valuable policy implications to improve investment efficiency in Vietnam. In this dissertation, evaluation of an enterprise's investment efficiency refers to the review and comparison of indicators measuring investment activities over time of an enterprise, comparison between enterprises in the same industry or at the same scale, or comparison between enterprises that differ in ownership types to evaluate the investment efficiency of each organization segment. The assessment of investment efficiency of enterprises is carried out from the perspective of state management agencies. The author identifies the following indicators to evaluate the investment efficiency of enterprises: (i) Socio-economic efficiency: net added value; Indicator on number of employed persons,

increase level of contribution to the budget of the enterprise compared to the efficiency of investment capital during the research period; The ratio of increase in foreign currency savings compared to investment capital during the research period; The increase in income (or employee salary) compared to the investment capital that took effect during the enterprise's research period. (ii) Financial efficiency: Increased revenue compared to effective investment capital during the research period (indicating the amount of additional revenue per unit of effective investment capital during the research period); Return on investment capital (determined by comparing the increased profit during the research period with the total effective investment capital during the research period).

Factors affecting the investment efficiency of businesses include: (i) Investment environment (policy framework on investment and business; Unofficial costs; Access to input resources); (ii) Factors from enterprise characteristics (Type of ownership, operating area of the enterprise, enterprise scale, production and business industry).

The dissertation's analysis of the current development state of enterprises in Vietnam during 2005-2019 underscores a notable trend. The amendments made to the Enterprise Law and Investment Law to align with evolving contexts have paved the way for expanded opportunities for private enterprises to engage in production and business activities. This period has witnessed a significant upsurge in the number of businesses, with a particularly robust growth rate observed among enterprises operating within the private

sector. In terms of business scale, the majority of enterprises in Vietnam fall within the category of small and medium-sized enterprises, while larger enterprises constitute only a minor fraction of the business landscape. Additionally, various policies directly linked to the investment activities of businesses in Vietnam, such as the Corporate Income Tax Law, Land Law, and credit policies, have undergone revisions in response to Vietnam's increasing participation in international commitments and agreements.

The dissertation clearly shows that the socio-economic contribution of enterprises in Vietnam to the state budget has augmented during the period 2005-2019, and private enterprises have surpassed state-owned enterprises and FDI enterprises in terms of contribution to the state budget. Labor productivity among businesses also increased over time. Although the private sector has the highest labor productivity growth rate compared to the state-owned sector and the FDI sector, the labor productivity of the private enterprise sector remains the lowest. In terms of financial performance, the dissertation shows that there is no difference in the value of financial indicators over time.

Upon analyzing different models, the research finds that: enterprise size has a positive impact on investment efficiency of enterprises in Vietnam. Meanwhile, debt is a factor that prevents private enterprises from increasing investment capital and thereby reducing the investment efficiency of private enterprises.

During the 2021-2025 period, the author contends that the world economy will continue to grow slightly and Vietnam will benefit from its participation in

the Comprehensive and Progressive Agreement for Trans-Thailand Partnership. Binh Duong (CPTPP) and Vietnam - EU Free Trade Agreement (EVFTA). On the outlook of enterprise development in Vietnam during this period, the author believes that the promulgation and implementation of policies on enterprises need to be consistent in determining the role and significance of the private sector in the economy. In the future, the government's development approach needs to focus on the private sector. For the state-owned sector, Vietnam needs to have an appropriate supervision mechanism so that enterprises can be proactive in production and business activities, while minimizing conflicts of interest between parties. The author also offers some policy recommendations to improve the

investment efficiency of businesses in Vietnam in the coming period, focusing on improving the investment environment and improving competitiveness at the national level. The dissertation also proposes a number of policy implications and solutions to enhance the investment efficiency of enterprises such as: developing human resources in enterprises, providing credit support, information support and technical support for eligible enterprises. in accordance with the conditions of the FTAs that Vietnam has signed.

The dissertation was successfully defended at the Institute-level Thesis Examining Council, which was convened at the Central Institute for Economic Management in 2022.

Introduction by
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The book is structured into 5 chapters: 1/ The East Sea and two archipelagos of Hoang Sa and Truong Sa in the East Sea. 2/ The East Sea in the nation-building process of Vietnamese people until the sixteenth century. 3/ Vietnam's sovereignty over Hoang Sa and Truong Sa during the

Nguyen Lords and Tay Son Dynasty in the seventeenth and eighteenth centuries. 4/ Vietnam's sovereignty over Hoang Sa and Truong Sa during the Nguyen Dynasty in the 19th century. 5/ Disputes over sovereignty and the status of occupation of Hoang Sa and Truong Sa archipelagoes from 1909 to the present.

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