

Overseas Market Information



China

China, it is estimated, will account for 50% of the world production of construction equipment by 2010, as international companies and component suppliers will move production from so-called mature countries into China. Today China has been a major importer of construction equipment with USA, Japan holding the highest market share. Most notable of the US companies is Caterpillar which has identified China as the main market and envisages that the revenues from the Chinese operation would continue to rise and make it as the top destination for its product.

(Source : EEPC Singapore Office)

Vietnam

Vietnam will work to boost private investment, both domestic and foreign, in infrastructure development in the coming years, Minister of Planning and Investment, Vo Hong Phuc has said. Speaking to delegates at Vietnam’s second quarterly Business Forum meeting in Hanoi, Phuc said that the government has taken decisive steps to transform the country to a market economy, and that more laws will be made to promote private investment in the country.

Phuc said, in the next two years the government will introduce the two new laws - the Unified Enterprise Law and Common Investment Law - to provide a uniform legal framework and level playing field for all businesses in the country.

“The government will amend regulations to let foreign investors participate more in infrastructure projects, including telecommunications, coal-fired and hydropower plants. The government will no longer intervene directly in business activities, but instead will focus on management by means of the law and regulation with macro instruments for market orientation,” Phuc said. He said that despite the fact that Vietnam faced numerous difficulties in the first five months this year, in particular the high prices of many imported products, the country’s economy grew 7% between January and May.

A survey of some foreign firms operating in Vietnam found that they are concerned about local supplies, inadequate infrastructure, unstable government policy and burdensome administration procedure.

Vietnam has allowed investors to register projects valued at less than \$ 5 million without first seeking government approval to do business. However, it still requires investors to get licences for larger investments and for projects in many areas such as infrastructure, oil and gas, telecommunication, media-advertising, and mining, something that company executives say is slowing overall investment growth.

(Source : Embassy of India, Hanoi)