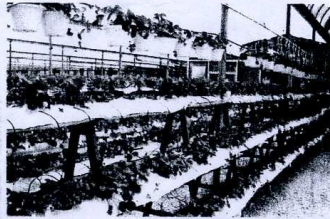




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The Analysis of Investment Climate in Agriculture in Hanoi province, Vietnam.

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Abstract

Hanoi province, Vietnam has much potential for agricultural development such as large consumer market for agricultural products, soil and water resources, natural climate, physical and social infrastructure, and so on. Hanoi is also one of provinces of the whole country where has attracted a larger number of investors. However, there is a low number of investment projects in agriculture in Hanoi in recent years. This paper presents a result of the structure interview for managers of 200 samples including agricultural firms, cooperatives and farms in Hanoi province in 2008-2009. The finding shows that even these enterprises are happy with their business performances and profitability, the investment climate could be negative effects obstructing investment incentives in agriculture. The study finds out 8 key factors determining the investment climate in agriculture in Hanoi province. The constraints are ranked by the interviewees from the highest to the lowest to be land issue, provincial policies for agriculture, capital, physical infrastructure, administrative procedures, market, technology and labor issue. In which land issues and provincial agricultural policies are the most important constraints; the second group are capital, physical infrastructure, governmental administration; the third group are market, technology, and labor issues.

Keywords

investment climate in agriculture, business performance and profitability

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