

Investigating and prioritization of the factors affecting on the Attracting investment Amirabad Port Special Economic Zone

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Abstract

The purpose of this study Identification Effective factors on attracting investment In the Special Economic Zone Amir Abad Port Is. Research Methodology, Descriptive- survey Is and Its statistical population, All the experts And Pundits Familiar with the Special Economic Zone Amir Abad Port Are; The statistical sample By using Cochran formula And Simple random sampling method 56 people Estimated. In the present research, for data collection From Library and Field Used.The method Library (Including physical and digital) by using Note taking tool And the method Field By using Tool Questionnaire To collect data Action. In the questionnaire design from available indexes in the research Rahnavard (1389) were used. Validity of the questionnaire With the Content validity And Face validity Obtained is and its reliability by using Cronbach's alpha test And The incompatibility rate Respectively. To determine the effect of Effective factors on attracting investment From Test binomial distribution And SPSS software and to determine priorities these factors From Analytical Hierarchy Process AHP and Expert Choice software Used. Research findings Influence Five factors of Executive and policy requirements, Environmental factors, Transparency of laws and regulations, Strategic orientation And Financial mechanisms On Attracting investment In the Amirabad Port Special Economic Zone the Confirmed. Also It was found that Among the factors studied Environmental factors And Factor Clarify the laws and regulations Respectively Most significant And Least significant Effective factors on Attracting investment In the Special Economic Zone of Amirabad Are.

Keywords: Special Economic Zone, Administrative and policy making requirements, Environmental factors, Clarify the laws and regulations, Strategic relationship, financial mechanisms

1-1) Introduction

Economic development requires investments in different economic sectors and activities. No investment is infrastructure and superstructure projects cannot be expected to expand employment, production and the economic well-being. Today, many countries have a strong interest in attracting foreign investment. For this purpose, one of the most useful and appropriate ways, is to create commercial-industrial free zones. Today, free zones as a means of achieving world-wide and outward oriented development strategies with an emphasis on

export promotion policy are considered. So that the majority of developing countries, have attempted to build one or several free zones. The purpose of creating these areas, providing favorable conditions to enhance the production and export of goods through foreign investment, create jobs, earn foreign exchange, the increase in revenues from tourism, supply of raw materials and parts industries, industrial ties with the country, economic growth and material welfare of the people in the national interest. (Shakeri and Solomon, 2009) The experience of many countries such as China, South Korea, and Taiwan indicates that export processing zones can be industrial or commercial free zones to attract foreign direct investment and development of industrial exports and, consequently, increased foreign exchange earnings. The areas benefiting from tax breaks and customs, and avoid cumbersome rules and internal inhibitors, have good infrastructure and efficient administrative aspirations can absorb foreign investors due to the comparative advantage of cheap labor and the use of raw materials and proximity to consumer markets. (Will, 2005) to compete in the growing complexity of today's world, of course, is with rapid changes in the international environment and the transition from an industrial society to an information society and the global economy, because it can be cause economic development, increase productivity, job creation and social welfare. (Teo et al., 2012) In the meantime, Iran has not been exempted from such interaction between international and domestic investments were made because of insufficient compared to the needs of the national economy to attract foreign direct investment is appear one of the effective ways. (Kazemi et al., 2012) Undoubtedly, the success of free trade zones will depend on the conditions under which some of them are easing and others barriers. Badri (1996) believes that for the success of the free trade zone, absorbing other factors should be considered. According to his study on free trade zones in developing countries, key success factors in these areas are: political stability, commitment to an open economy, strategic location, availability of cheap labor and good infrastructure. (Rahnavard, 2010)

Reports indicated that the Special Economic Zone AmirAbad with a record loading and unloading of more than 2 million and 150 thousand tons, a record 10 ships mooring at the same time, Record in exports, with exports last 5 years all ports of northern Mazandaran martyr Rajai won the festival's top. Considering the importance of the researcher plans to study to pay, review and prioritize the factors affecting investments in Special Economic Zone AmirAbad. The results can be used as the main driving factors of production and export and economic policymakers and planners prioritize them can benefit from the results of their work.

Special Economic Zone

The Free Zone there are many definitions refer to some of them, But before we turn to the definition of free zone should note that during the time that the terms have been used by different countries for the free zones are not necessarily identical and not stated a special purpose. Because of different terms in different countries is expressed for the free zone concept. UN Center for Transnational companies in the free zone has listed about 23 different term, but the term over the other terms used in the scientific world community and international organizations and supplies term export processing zones, is a common philosophy the term can be caused by changes in the strategy of industrial development in

developing countries over the past three decades, is the strategy of import substitution to export promotion strategy. Various international organizations have different views on free zones. ILO free zone is defined as: Industrial zones with special incentives, in order to attract foreign investors, are set up in the regions of imported materials are processed before being re-exported to some extent. This definition of impressions that different countries have developed, or are developing, in implementation of it have been used in various forms. Each of the areas has been created to advance the goals of economic growth and development of each country had its own characteristics and more generally they can be named as the special economic zones. United Nations Industrial Development Organization, the Free Zones as an incentive to encourage the development, knows with the aim of exporting goods. (Mohammadi Alamouti, 1995) specified geographic area, the customs laws of customs of the country, it will not be implemented in order to facilitate the import and export of goods and the protection of domestic industry as well as attracting new technologies in production and regional development in ports, customs, and border areas of the country, the special economic zone called.

Export promotion programs

Export promotion program refers to all public policies and programs designed to help firms export activities of advice, tax incentives and export financing to help develop trade shows and sale.

In fact, most of the export promotion programs are designed primarily for knowledge of primary exports (to ensure that the benefits of exports, export and market information etc. by sending trade missions, organizing trade fairs, etc.) and practical knowledge and physical facilities required for exports to provide actual and potential exporters. (Parma et al., 2008)

Many companies, due to lack of experience, limited resources with other problems can not or do not want to follow export, broadly. Export promotion programs by the government, trade unions and other organizations offered to help companies overcome these limitations and play a key role in encouraging international business activities.

Francis and his Koolyn- (2004) Target of export promotion programs, considered to increasing export performance by improving the capacity, resources, strategies and overall competitiveness of firms which in turn reflected in the promotion of export performance. The main objective of export development programs can increase a country's foreign income, is to improve its trade balance.

Administrative and policy requirements

Insurance and banking facilities in special economic zones, coordination between the administrative units and special economic zones, providing infrastructure facilities and basic needs before the start of activities in special economic zones, infrastructure facilities and favorable circumstances and operational, are requirements and policy requirements. (Rahnavard, 2010)

Environmental factors

How foreign policy toward international economic developments, political and cultural situation in the world, the desire of multinational companies and large manufacturers the establishment of production units near the target markets are environmental factors. (Rahnavard, 2010)

Background research

Hamada (2012), a study entitled "Identifying the factors affecting the investment in the free zones" provided. He considered Heksher-Ohlyn's model in foreign trade. In this model, the assumption of independence of domestic industries in these areas, success was depends on foreign investment in the free zones. The results showed that companies that invest in the region, willing to accept returns, are lower than the domestic economy. He indicated that the foreign investment in export processing zones, economic well-being of the host country to reduce, the purpose of his model to determine employment and welfare effects of free zones.

Usman Arshad (2012), a study entitled "Factors affecting capital flows to developing economies," which include information concerning the six Asian developing countries was in the years (2009-1999) whith Hausman test to the conclusion that the exchange rate, tax subsidies, foreign reserves, GDP and fiscal policy factors in attracting foreign direct investment and foreign reserves and tax subsidies have a positive impact on capital flows.

Erdal and Tatoglu (2010), to provide an appropriate model, presented to "Experimental investigation of spatial factors affecting the absorption of foreign direct investment to Turkey in the period (1998-1980)" and found that the size of the domestic market, economic infrastructure, market attractiveness and openness of the host country and the positive effect of exchange rate volatility, and political and economic instability has a negative effect on attracting foreign direct investment.

Research Methodology

The purpose of this study is an applied research and in terms of improved performance, used the survey method. The study population is in need of two types:

- A) a population, to examine the question of the five research in which a number of experts familiar with the issue of special economic zones and special economic zone in particular, experts familiar with AmirAbad as well as domestic and foreign investors in the Special Economic Zone of Amirabad port will be selected. (It should be noted that these people, at least have 5 years of service and experience in the special economic zones)
- B) A population, the determining factor priority, factors affecting investment in the Special Economic Zone of Amirabad port.

The results of the investigation statistics

Check first question

"Do the requirements of administrative and policy-making on investments in Special Economic Zone AmirAbad impact?"

Table 1: The results of the first hypothesis binomial

Variable	group	Number	Ratio observed	Ratio the test	Significance level (sig)
The first group operating requirements	>3	50	0.89	0.50	0.000
Group II	<=3	6	0.11		
Total		56	100.0		

According to Table 1, the level of significance to test two sentences of less than 5 percent, according to the administrative requirements and policies impact to attract investment in the Special Economic Zone AmirAbad.

The second question Study

"Do environmental factors impact on investments in Special Economic Zone AmirAbad?"

Table 2: Results of the second hypothesis binomial test

Variable	group	Number	Ratio observed	Ratio the test	Significance level (sig)
The first group of environmental factors	>3	54	0.96	0.50	0.000
Group II	<=3	2	0.04		
Total		56	100.0		

According to Table 2 for a significance level of less than 5% binomial test, so environmental factors impact on investments in Special Economic Zone AmirAbad.

Evaluation of the third question

"Is there clear rules on investment in Special Economic Zone AmirAbad impact?"

Table 3: results of the third hypothesis binomial

Variable	group	Number	Ratio observed	Ratio the test	Significance level (sig)
The first group transparency rules	>3	55	0.98	0.50	0.000
Group II	<=3	1	0.02		
Total		56	100.0		

According to Table 3, a significant level for the binomial test, is less than 5 percent, according to the clarification of rules on investment impact in Special Economic Zone AmirAbad.

Check fourth question

"Strategic orientation of investments impact in Special Economic Zone AmirAbad?"

Table 4: The fourth hypothesis binomial test results

Variable	group	Number	Ratio observed	Ratio the test	Significance level (sig)
The first strategic orientation	>3	47	0.84	0.50	0.000
Group II	<=3	9	0.16		
Total		56	100.0		

According to Table 4 for a significance level of less than 5% binomial test is so strategic orientation of investments impact in Special Economic Zone AmirAbad.

Check fifth question

"Is financial mechanisms to attract investment impact in the Special Economic Zone AmirAbad?"

Table 5: The fifth hypothesis binomial test results

Variable	group	Number	Ratio observed	Ratio the test	Significance level (sig)
The first group financial mechanism	>3	39	0.70	0.50	0.005
Group II	<=3	17	0.30		
Total		56	100.0		

According to Table 5, the level of significance to test two sentences of less than 5 per cent. The financial mechanisms to attract investment impact in the Special Economic Zone AmirAbad.

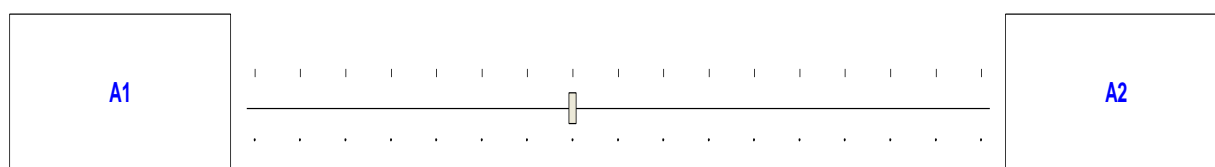
Analysis of the data collected in the process of hierarchical analysis by Expert Choice software

In reviewing the factors affecting investments in Special Economic Zone AmirAbad first model is the hierarchical structure shown in Figure 6.

Table 6: Comparison of paired main criteria

Model Name: Attraction Investment

Numerical Assessment

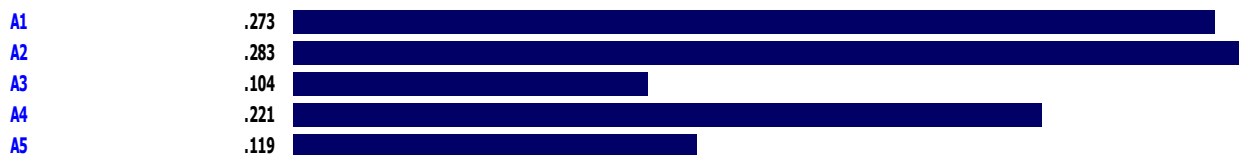


Compare the relative importance with respect to: Goal: Attraction Investment

	A1	A2	A3	A4	A5
A1		1.6	1.63	1.35	2.4
A2			1.8	3.1	1.75
A3				(3.94)	(1.47)
A4					2.29
A5					
		Incon: 0.09			

Model Name: Attraction Investment

Priorities with respect to:
Goal: Attraction Investment



Inconsistency = 0.09
with 0 missing judgments.

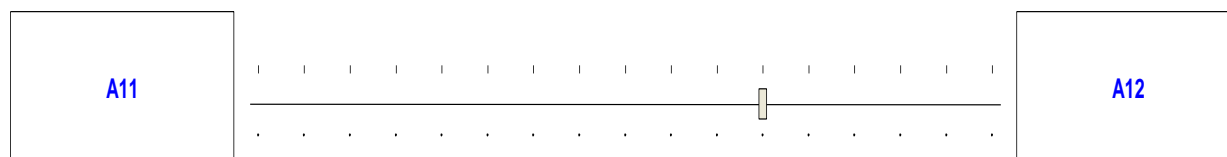
Figure 6: The weight of the main criteria

Based on the results of environmental factors weighing 0.283 has the highest priority among the factors influencing investment in the Special Economic Zone of Amirabad port and later also administrative requirements and policy factors 0.273, strategic direction 0.221, financial

mechanisms 0.119 and transparency rules and regulations 0.104 in order to have the highest priority. Inconsistency of judgments, in this table paired comparison to 0.09, which is lower than 0.1, since the acceptable range and high compatibility.

Table: Comparison of criteria, sub-criteria test "administrative and policy requirements"

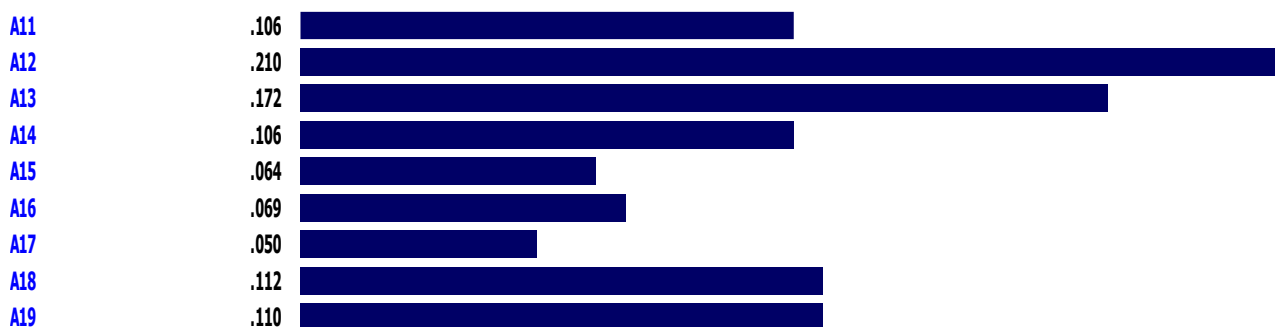
Numerical Assessment



Compare the relative importance with respect to: A1

	A11	A12	A13	A14	A15	A16	A17	A18	A19
A11		(3.85)	(4.2)	(1.58)	2.72	3.6	2.2	(1.24)	1.49
A12			1.99	2.73	2.18	2.36	2.86	1.38	2.21
A13				1.13	1.88	3.3	4.2	2.16	(1.46)
A14					2.47	2.47	(1.16)	1.06	(1.71)
A15						1.56	1.28	(1.68)	(1.67)
A16							1.35	1.5	1.13
A17								(4.69)	(2.77)
A18									1.34
A19									

Priorities with respect to:
Goal: Attraction Investment
>A1



Inconsistency = 0.08
with 0 missing judgments.

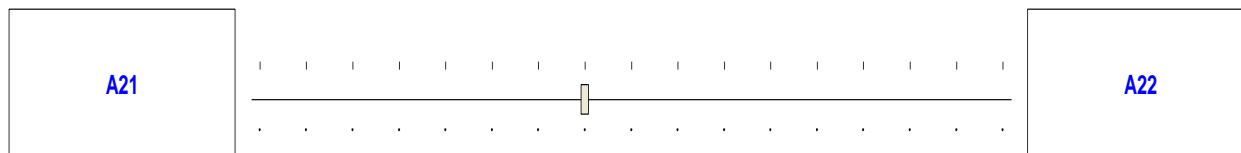
Figure 7: The weight of these criteria, the standard of "administrative and policy requirements"

Based on the results of coordination between the administrative units weighing 0.210 top priority to be allocated among executives and policy requirements. Inconsistency ratio of 0.08

against the judgment of the table paired with the fact that less than 0.1 is in the acceptable range and compatibility.

Table 8: Comparison of test criteria, these criteria, "environmental factors"

Numerical Assessment

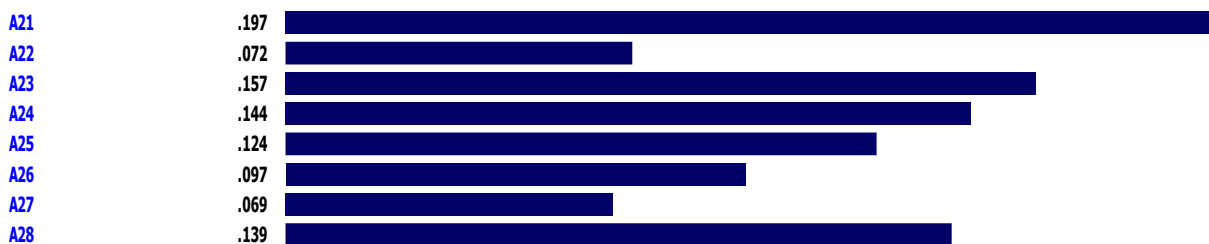


Compare the relative importance with respect to: A2

	A21	A22	A23	A24	A25	A26	A27	A28
A21		1.6	1.63	1.35	2.4	1.8	3.1	1.75
A22			(3.93)	(1.47)	(2.24)	1.4	(1.15)	(4.05)
A23				(1.63)	1.37	1.4	1.53	2.06
A24					1.35	2.49	1.38	(1.84)
A25						1.53	2.06	1.35
A26							2.44	1.13
A27								(1.96)
A28								

Model Name: Attraction Investment

Priorities with respect to:
Goal: Attraction Investment
>A2



Inconsistency = 0.06
with 0 missing judgments.

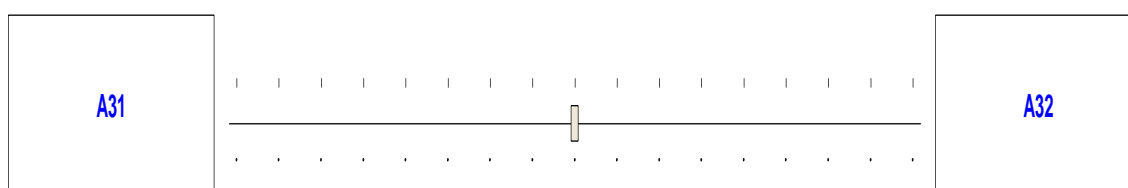
Figure 8: The weight of these criteria, the standard of "environmental factors"

Based on the results of the foreign policy of the developments in the international economy, with the weight of 0.197, have the highest priority among environmental factors effective in attracting investments in the economic zone of Bandar Amirabad. The paired comparison

judgments against the incompatibility rate 0.06 which is the fact that less than 0.1 is in the acceptable range and compatibility.

Table 9: Comparison of these test criteria, the standard of "clear rules"

Numerical Assessment



Compare the relative importance with respect to: A3

	A31	A32	A33
A31		(1.22)	(1.61)
A32			1.65
A33	Incon: 0.06		

Priorities with respect to:
Goal: Attraction Investment
>A3



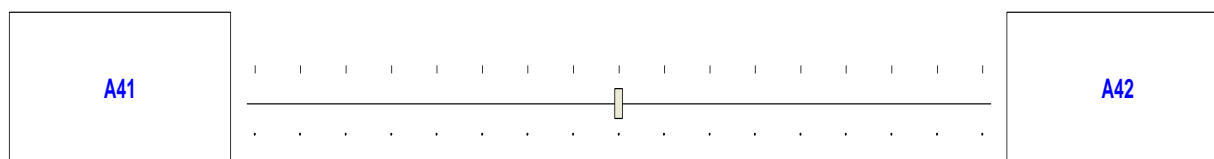
Inconsistency = 0.06
with 0 missing judgments.

Figure 9: The weight of these criteria, the standard of "clear rules"

Based on the results "of rules and regulations for trade purposes", weighing 414/0 has the highest priority among the components of the "transparency rules". Inconsistency of judgments, in the paired, against 0.06 which is the fact that less than 0.1, which is within the acceptable range of consistency.

Table 10: Comparison of test criteria, standard of "strategic orientation"

Numerical Assessment



Compare the relative importance with respect to: A4

	A41	A42	A43	A44
A41		1.37	1.4	1.53
A42			2.06	1.35
A43				2.45
A44	Incon: 0.07			

Model Name: Attraction Investment

Priorities with respect to:
Goal: Attraction Investment
>A4



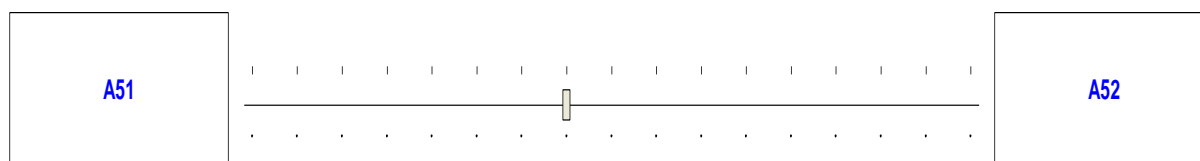
Inconsistency = 0.07
with 0 missing judgments.

Figure 10: The weight of these criteria, the standard of "strategic orientation"

Based on the results, among the components of a "strategic orientation" component "set individual targets for each of the special economic zones", with weight, 0.308, and have the highest priority. Inconsistency of judgments, in this table paired comparison to 0.07, which is lower than 0.1, since it is within the acceptable range and consistency.

Table 11: Comparison of test sub-criteria, standard of "financial mechanisms"

Numerical Assessment



Compare the relative importance with respect to: A5

	A51	A52	A53	A54	A55
A51		1.65	2.8	2.66	2.66
A52			1.38	3.84	4.2
A53				1.58	2.72
A54					(1.87)
A55	Incon: 0.05				

Priorities with respect to:

Goal: Attraction Investment

>A5



Inconsistency = 0.05

with 0 missing judgments.

Chart 11: Weigh of sub criteria, standard of "financial mechanisms"

Based on the results, "providing the necessary infrastructure, the effects of imports of goods, and export of goods and passengers", weighing 0.347 to be allocated highest priority among the components of a "financial mechanism". Inconsistency of judgments in the table 0.05, which paired with the fact that less than 0.1 is in the acceptable range and compatibility.

Synthesis: Summary

Synthesis with respect to: Goal: Attraction Investment

Overall Inconsistency= .08

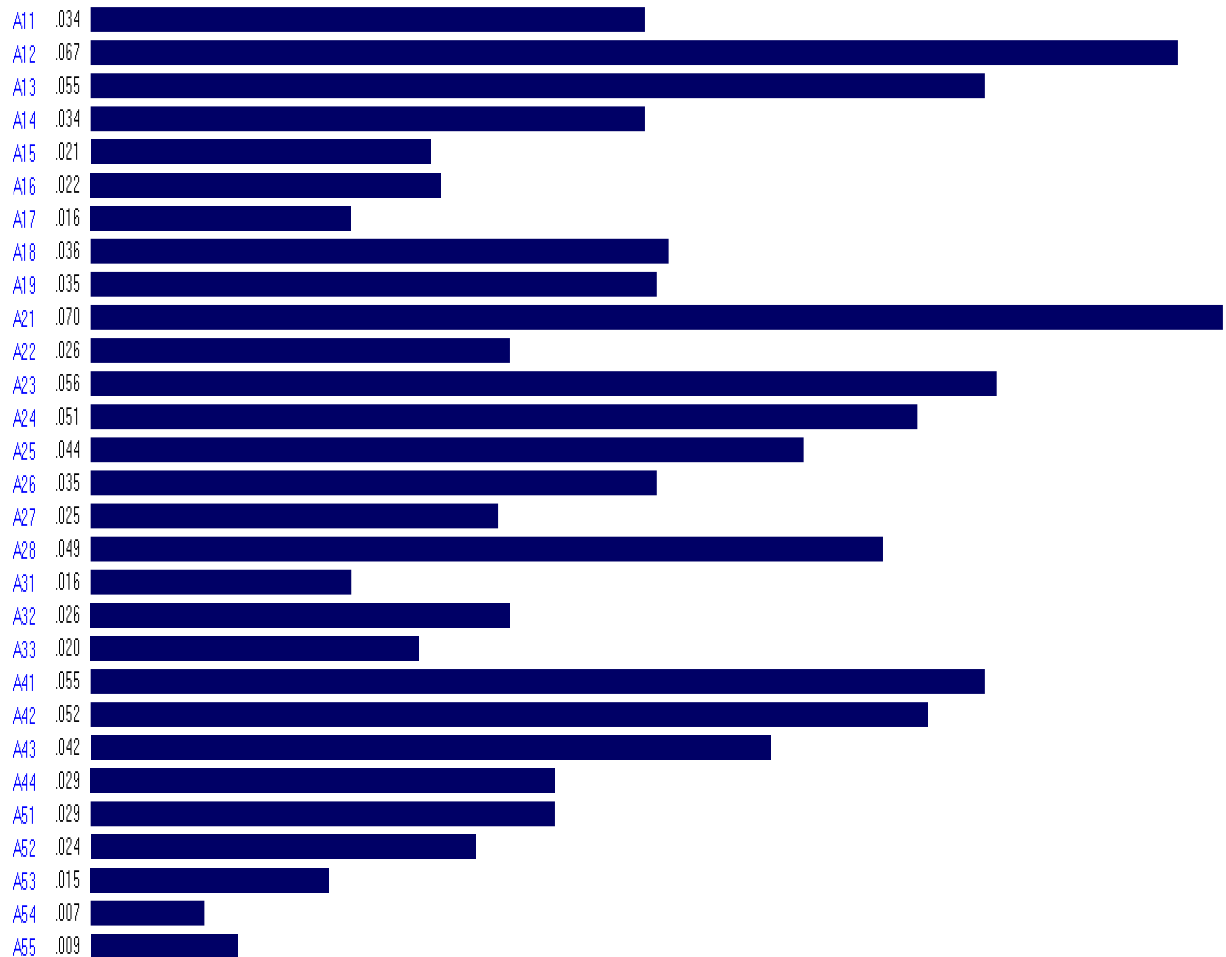


Figure 12: The final weight of sub factors affecting investments in Special Economic Zone AmirAbad

Among the components of the factors affecting investments in the economic zone AmirAbad component "of foreign policy with respect to international economic developments", with weighing 0.070 is allocated at highest priority. Inconsistency of the final judgment in this model is 0.08, which is lower than 0.1, since it is within the acceptable range and consistency.

Conclusion and Recommendations

Experience of free economic zones in developing countries, was the main component of export development strategy framework to attract foreign investment, develop export industries, create employment and new technology. Since this program is at the forefront of our strategic plans and also because capital is one of the main factors in the development of countries and other economic variables such as employment, GDP, the supply of goods and services and directly affected by this factor. (Kariminia and Moghaddam, 1391) to achieve sustainable development, it is requires investments to take advantage of comparative advantages and economic potential. Experts, know this type of investment, as a way to eliminate the difference between values and knowledge necessary to achieve the goals and needs of national development and also they know foreign investment as a way to fill this gap. (Heydari and Afshari, 1391) if in a developing country, is a major cause of structural unemployment and there is no source of investment, the foreign investment will lead to increased employment. One of the most important works of foreign investment links and communication between the countries and the international economy. (Marco et al., 2012)

According to the results, the following suggestions are offered:

- 1) It should be avoided the sequential changes in economic policy, trade and administrative;
- 2) Take advantage of the geographical features, conditions and competition in the political, economic, regional and international organizations and the relative superiority in transit, are the available opportunities which can be effective in achieving the objectives of the Special Economic Zones. Of course, with national opportunities, identify and seize the opportunities specific to each region can also be useful.
- 3) In order to achieve the main objectives, the Board of Special Economic Zones organizations, to review laws and regulations and to decide to give the relevant authorities.
- 4) Special Economic Zone Iran, to play a proper role in the structure of the economy, the need for realism in the formulation of strategy. According to the facts of the Iranian economy, and implementation activities with the development of special economic zones, special economic zones have been emphasized in determining the guidance programs;
- 5) Guidelines for the use of credit organizations of special economic zones in the economic projects be provided that have the necessary technical and economic justification;

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