INTERNATIONAL
ECONOMICS
OLYMPIAD

IEO 2026
BUSINESS CASE

Regional Economic Development Zone

CASE BACKGROUND

Around the world, governments have established special economic and development zones to attract investment, strengthen industrial competitiveness, accelerate regional transformation, and support long-term economic growth.

Suzhou Industrial Park (SIP), established in 1994, is the flagship outcome of a landmark inter-governmental collaboration between China and Singapore. Through thirty-two years of development, it has grown from nothing more than low-lying paddy fields on the outskirts of Suzhou, into a modern cityscape of skyscrapers and advanced manufacturing facilities.

SIP was designed from the outset to build a world-class industrial zone. In 2025, SIP's GDP exceeded USD 58 billion, accounting for nearly one-sixth of Suzhou's entire GDP. Its R&D intensity hit 5.61%, among the highest in China's economic and technological development zones. The park has been ranked first among all national economic development zones in China for nine consecutive years.

Suzhou Industrial Park's success stems from an integrated economic strategy that combines international cooperation, strategic industrial chain development, spatial efficiency innovation, ecosystem cultivation, enterprise-centric policies, financial market integration, and digital transformation. More than three decades after its founding, SIP continues to evolve as an exemplar economic development zone, demonstrating that successful economic development is not a static achievement but an ongoing process of adaptation and renewal.

Suzhou Industrial Park Transformation over the Years

CASE BACKGROUND

Meanwhile, there are also notable cases where development zones failed to deliver on their promises. For example, there is a phenomenon known as the "empty zone"—large industrial parks where local governments invested heavily in zones with weak links to regional supply chains or inadequate transport links. As a result, vast areas of factories and office buildings remain vacant for years, leaving behind high debt from land acquisition and construction.

Another recurring issue is unrealistic industrial targeting. Some zones pursued "champion" industries without a realistic assessment of competitive advantages. When market conditions shifted or technology evolved, these zones were left with obsolete facilities and abandoned projects. Excessive subsidy competition has also attracted "policy arbitrageurs"—firms that collect incentives but make little real investment, leaving when subsidies expire.

In summary, in pursuit of the regional economic development zones, whilst some zones have become major engines of innovation and development, others have struggled with inefficient investment, weak infrastructure, environmental pressures, fiscal burdens, or limited long-term competitiveness.

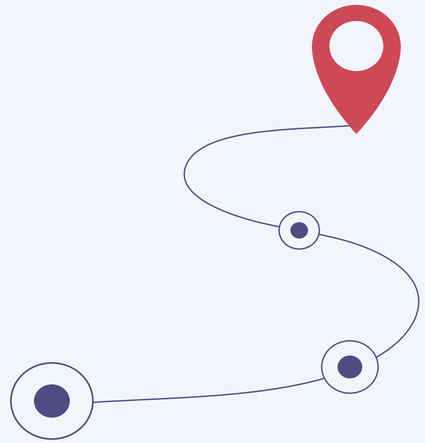
YOUR TASK

You are a team of government economists with a goal to evaluate the opportunity of whether or not to establish a new regional economic development zone for the (local/national) government in your country. In light of this, your task is to:

- Evaluate the current economic context at national/regional lens, and identify a potential region for development with reasoning
- Propose measures of economic development for the zone based on the context in discussion, e.g. regional advantages, leading industry, international collaborator
- Analyze the economic benefits and costs, with measures if appropriate
- Design policy strategies to support the regional economic development zone and if possible, evaluate potential policy effectiveness
- Forecast financial stability/feasibility based on short-term and long term frames
- Identify key risk areas e.g. market, technical, financial, operational, legal etc. and propose mitigation strategies
- Develop recommendation and justification with assessment of likelihood and impact

ANALYTICAL CONTEXT FLEXIBILITY

As an alternative to developing your proposal for your own country, you may choose to use China as the primary context for the analysis. You will not be evaluated based on the country or context you choose. Instead, you will be evaluated on your ability of analysis, use creative sources, and justify your conclusions.



SUBMISSION GUIDELINES

Business Case Exam consists of two parts:

- **Preparation:** 06:00 China Standard Time (UTC+8) on July 16th to 06:00 China Standard Time (UTC+8) on July 17th;
- **Presentation:** July 17th

Business Case competition requires an **oral presentation** of the solution, accompanied by slides. The presentation must be in English.

When presenting, you will have **10 minutes for an oral presentation** and **10 minutes for a Q&A session.**

While solving the case, contestants may use **any materials**, however, **it is prohibited to contact any person outside of the team for assistance**.

Contestants are expected to ensure that all case content and references are presented in a manner consistent with international law and respectful of sovereignty and territorial integrity principles.

SLIDES FORMAT

- The presentation slides have to be in **landscape orientation** and **saved as PDF**.
- No videos or animations are allowed. The presentation file size cannot exceed **20 MB**.
- The **file name should include the word "BC" and the name of the team** (e.g. BC_China.pdf) and should be uploaded to the corresponding task at the IEO examination platform contest.ieo-official.org.

The presentations must be submitted **06:00 am China Standard Time (UTC+8) on July 17th, 2026**. No changes to the slides are allowed after this deadline, but updated versions can be sent before the deadline several times: the latest version sent before the deadline will be used for the presentation.

EVALUATION CRITERIA | PART 1

Criteria (1-10)	Exemplary (Score 9-10)	Advanced (Score 7-8)	Proficient (Score 5-6)	Developing (Score 3-4)	Beginning (Score 1-2)
Analytical Thinking					
1. Understanding of the Problems	Profound and nuanced understanding of the problems and challenges faced by various stakeholders.	Comprehensive understanding of key problems and core issues.	Adequate understanding, covering main problems but lacking depth in some areas.	Limited identification of key problems.	Little to no identification of key problems.
2. Analysis of the current market conditions, trends and challenges and the needs of various stakeholders	In depth and breadth understanding of the market conditions, trends and challenges with thorough and insightful analysis across stakeholders.	Comprehensive analysis identifying main market condition, trends and challenges.	Adequate analysis that covers main market condition, trends and challenges but lacks comprehensive detail.	Superficial analysis with limited identification of the market condition, trends and challenges.	Insufficient analysis with little or no real insights.
3. Comprehensive, realistic, and innovative economic development strategies, solutions and recommendations	Well-structured and comprehensive economic solutions/ strategies/solutions across all dimensions with justification. Realistic and informative assumptions proposed with innovative ideas.	Adequately developed economic strategies/ solutions/ recommendations. Good coverage across key dimensions, Realistic with generally sound assumptions and feasible steps. Offering thoughtful approaches.	Partially developed economic solutions/recommendations. Basic dimensions considered. Proposals are generally realistic. Limited original thinking. Limited innovation.	Weak development of strategies/ solutions/ recommendations. Lack important dimensions or stakeholder perspectives. Unrealistic assumptions. Little or no innovation.	Limited or no development of strategies, solutions, and recommendations. Infeasible solutions. No evidence of comprehensiveness, realism, or innovation.

EVALUATION CRITERIA | PART 2

Criteria (1-10)	Exemplary (Score 9-10)	Advanced (Score 7-8)	Proficient (Score 5-6)	Developing (Score 3-4)	Beginning (Score 1-2)
Conceptual Thinking					
4. Policy strategies design and identification, and evaluation of policy effectiveness	Exceptional policy design and evaluation. Policies are logically coherent, connected to identified problems. Reasoning is well-justified. Effectiveness evaluation is convincing.	Proficient policy design and evaluation. Policies are clearly linked to problems with reasonable justification. Evaluation criteria are reasonable.	Adequate policy design and evaluation. Policies are relevant. Evaluate effectiveness using general criteria.	Weak policy design and evaluation. Evaluation of effectiveness is missing or superficial.	Inadequate policy design and evaluation. Policies are missing, irrelevant, or nonsensible. No evaluation of effectiveness.
5. Critical evaluation in terms of cost-benefit analysis and risk considerations with mitigations.	Outstanding critical thinking. Identifies a broad range of consideration with realistic and rigorous reasoning. Propose thoughtful mitigation strategies.	Strong critical thinking. Identifies reasonable likelihood/impact assessment and plausible mitigations.	Adequate critical thinking. Identifies obvious direct costs and benefits. Able to identify common risks. Basic mitigation ideas presented.	Weak critical thinking. limited costs, benefits, and risk identification. No meaningful mitigation.	Little to no critical thinking. Cost-benefit and risk analysis is missing, incomplete, or irrational.

EVALUATION CRITERIA | PART 3

Criteria (1-10)	Exemplary (Score 9-10)	Advanced (Score 7-8)	Proficient (Score 5-6)	Developing (Score 3-4)	Beginning (Score 1-2)
Quantitative Thinking					
6. Data collection and synthesis	Exceptional ability to synthesis complex data. Uses advanced analytical methods to derive insights that are directly applicable to solving the problems.	Thorough data synthesis with high competence. Interprets data accurately and presents findings that are relevant to the problems and support the strategic plan.	Adequate synthesis of relevant data. Offers general insights that are used to support some aspects of the strategic plan.	Shows basic data synthesis skills with limited interpretation. Provides a superficial understanding of how data relates to the problems.	MMinimal or incorrect use of data. Lacks a meaningful connection between data synthesis and the problems.
7. Financial projection validation and numerical logic	Financial forecast is logically sound, internally consistent, and effectively detailed for the context. Assumptions are realistic, well-justified, and explicitly stated.	Financial forecast is clear and logically structured. Assumptions are generally reasonable. Calculations are mostly correct.	Basic financial analysis is present with a logic. Assumptions are stated, could be clearer. Calculations could be more realistic.	Financial model is fragmented or confusing. Major components are missing. Assumptions are absent or unrealistic. Calculations not sensible.	No coherent financial model presented. Numbers are flawed or not sensible.

EVALUATION CRITERIA | PART 4

Criteria (1-10)	Exemplary (Score 9-10)	Advanced (Score 7-8)	Proficient (Score 5-6)	Developing (Score 3-4)	Beginning (Score 1-2)
Communication Skills					
8. Clarity and organization of presentation	Engaging and well structured presentation with compelling visuals and clear naratives.	Clear and persuasive presentation with relevant visuals and well-supported arguments.	Adequately communicates findings with appropriate visuals.	Somewhat organized but lacks clarity in communication.	Poorly organized and fails to effectively communicate key points.
9. Delivery and communication skills	Exceptional delivery with strong engagement and professional demeanor. Questions are handled effectively.	Very good delivery; maintains audience interest throughout. Questions are handled appropriately.	Adequate delivery but could improve in engaging the audience. Questions are answered.	Shows nervousness. Lacks clear communication strategies. Struggle with questions.	Poor delivery skills and fails to communicate effectively. Cannot answer questions about the content.
10. Team collaboration and team member engagement	Demonstrates exceptional teamwork, with each team member contributes significantly. Consistent engagement observed among all members. Questions are handled collaboratively.	Effective teamwork with clear division of roles. All members participate. Questions are handled adequately by the team.	Adequate teamwork with some collaboration but occasionally lapses in coordination. Most team members participate. Team answers questions.	Limited teamwork, with members working somewhat inadequately without much collaboration. Uneven participation and inconsistent engagement among team members. Questions are relying on specific member.	Poor teamwork with litter to no effective collaboration. One person presents for the entire team, or team members contradict each other. Team cannot answer questions coherently.