



Dear all,

Vietnam Trade & Investment Bulletin is published by monthly 15th. VIIP.COM would like to collect info and reflect an overview of Vietnam economic climate. Through this, readers would find useful information for research and investment in Vietnam.

Thank you for your interest in our services!



**VIETNAM: TRADE &
INVESTMENT BULLETIN
NO. 5/ 2014**

MAY

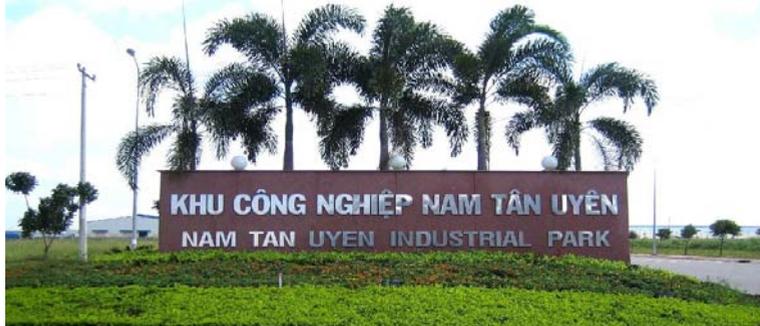
2014

VIETNAM: TRADE & INVESTMENT BULLETIN No.5
May 2014

<p><u>GENERAL REVIEW</u></p> <p>New laws promote ease of business New circular seeks to prevent car trade fraud Vietnam promises support to foreign firms, foreigners affected by riots APEC agree to create road map for regional free trade area</p>	<p><u>INVESTMENT</u></p> <p>FDI government wish-list published Vietnam's FDI firms post \$26 billion in imports in Jan-Apr Future FTAs draw foreign investment TPP will keep Vietnam's doors open to meat imports Japanese firms have high demand for highly qualified employees</p>
<p><u>TRADE</u></p> <p>Vietnam forecast to become largest ASEAN exporter to US Consumer growth entices franchises US increases tra imports in Q1 VN to face cement shortage</p>	<p>Vietnam, Myanmar to form steel joint venture Quang Ngai revokes IP license Mekong Delta opens doors to investors Dong Nai willing to welcome Thailand's investors Ho Chi Minh City willing to welcome Czech businesses HCM City drives auto co-operation with Japan</p>
<p><u>FINANCE – BANKING</u></p> <p>Shares tumble on protest violence Insurance market sees ranking changes in 2013 SBV to resume gold auctions if demand increases Co-branded card gets more popular in credit card market</p>	<p>Launching of phase I world-class workshop system and logistics centre in Haiphong Cargill expanding Vietnam feed, cocoa output SCG has top ambitions for Vietnam</p>
<p><u>COMING EVENTS</u></p> <p>Banking Vietnam Hanoi Saigon Autotech & Accessories Ho Chi Minh City Metaltech Ho Chi Minh City</p>	<p><u>ANALYSIS</u></p> <p>MPI underlines investors' security Casino developers' race gets fiercer in Vietnam Regulations address mining issues Vietnamese big bosses struggle to revive their one-time strong brands</p>
<p><u>NEWS IN BRIEF</u></p> <p>IPs says Hi</p>	
<p><i>Supported by</i></p>	

DEVELOPER'S INTRODUCTION

NAM TAN UYEN INDUSTRIAL PARK – BINH DUONG



NAM TAN UYEN JOINT STOCK CORP. (NTC)	The member of Viet Nam Rubber Group (VRG).
	The first industrial park model of VRG
	Founded on 21 February 2005.
Invested capital	US\$ 450 million.
Area	620,5 ha # 6,205,000 m2
Duration of Land sublease for the 1st phase	50 years from 25 October 2005 to 25 October 2054.
The advantages	<ul style="list-style-type: none"> - Position: nearby many big administrative centers and urban areas of the Southern region of Viet Nam. There are many ways to connect the IP by air, sea, and road that is much more convenient for transportation and trading transaction. - The technical infrastructure are constructed completely and synchronized with high soil pressure (2kg/cm2) that is convenient for construction with lowest cost. - Land surface is ready for investors. - Prices of land sublease and terms of payment are optional and flexible that help investors decrease their financial difficulties. - Having strong supports from local government on enterprise forming as well as production process of investors. - With the population of over 169.3 thousand people and immigrant worker resources from other provinces that supplies enrich labor force for the IP.



NAM TAN UYEN JOINT STOCK CORPORATION

Head Office: Khanh Binh Commune, Tan Uyen District, Binh Duong Province

Tel: 84 – 650 – 3652 330

- Fax: 84 – 650 – 3652 327

Email: namtanuyen@vnn.vn **- Website:** <http://www.namtanuyen.com.vn>

[Back to top](#)

QUEVO 2 INDUSTRIAL ZONE



A: Km no.18, Highway no.18, Quevo district, Bacninh
T: (+84)2413 623 868 / F: (+84)2413 623 868

Head office

A: 13th floor, HH3 Tower, Metri Str., Tu Liem, Hanoi
 T: (+84) 4 66748483 | F: (+84) 437877936
 E: office@idicoquevo.com.vn
 W: <http://www.idicoquevo.com.vn>

LOCATION, REGION AREA, PLOT INFORMATION

Location	To airport	50 km to Noi Bai International airport along Highway no.18 International flights: more than 40 flights/week	Electricity supply	Power supply	- Two sources: 22V and 35V from EVN Bacninh - 110 KV: Que Vo 2 now supplies to entire the IZ from national electricity grid network
	To road	Located along Highway no.18 from Bac Ninh to Hai Phong, Quang Ninh, Hai Duong To Highway no.183 (way to Hai Duong) about 07 km	Water supply	Capacity	Quevo water plant (Japanese technology), 1.5km from IZ IZ capacity of water consumption: 11000-20000 m ³ /day - Treatment capacity: 2000-4000 m ³ /day - The waste water treatment plant use both: COD, BOD (<i>biotech treatment technology</i>) and pH adjustment
	To port	- 90 km to Hai Phong seaport and Lach Huyen deep water sea port in Hai Phong along Highway no.18 - 100 km to Quang Ninh seaport along Highway no.18 - 15 km to Cau river port	Waste water system	Quality	- 1 st level: enterprises have to treat by themselves up to level B (<i>Vietnam's standard: TCVN 5945:2005</i>) - 2 nd level: waste water will be treated at the waste water treatment station within IZ up to level A (<i>Vietnam's standard: TCVN 6984:2005</i>)
	To railway	01 km to Chau Cau railway station New Yen Vien - Cai Lan railway parallelly with IZ has been construction since March, 2008		Telephone line	Up to 20 telephone lines for each factory and supplied by the Post Office (VNPT) of Quevo district
	To the centers	- 50 km to Ha Noi Capital along Highway no.1A - 15 km to the Center of Bac Ninh City - 90 km to Hai Phong City - 100 km to Quang Ninh City	Faculties	Internet	- ISP: VNPT, Viettel, FPT Telecom - Speed: 512 kpsb and 128 kbps-2048 downstream - Services: dial-up, ADSL, Leased line,...

[Back to top](#)

GENERAL REVIEW

New laws promote ease of business

Vietnam is changing its laws on enterprises and investment to boost the ease of doing business in the country.

The revision of the two laws, together with several others, is in-line with Vietnam's newly revised constitution, foreign policy orientation and anticipated negotiations and signing of economic and trade deals in the coming time, said Minister of Planning and Investment Bui Quang Vinh.

Addressing last week's meeting of the National Assembly's Economic Committee on the issue in Ho Chi Minh City, Vinh said after more than eight years of enforcement, the two laws showed inadequacies and needed amendments to create a more transparent business environment and provide a level playing ground for all enterprises.

Law on Enterprises

One of the new points in the draft amendment to the 2005 Law on Enterprises is the introduction of the concept of a social enterprise, or non-profit business.

Dr Nguyen Dinh Cung, director of the Central Institute for Economic Management told VIR this addition would enable social enterprises to operate more efficiently because they were dedicated to social development purposes such as eradication of hunger and poverty, environmental protection, and supporting vulnerable groups in society. He added that more than 200 such enterprises were operating in Ho Chi Minh City and Hanoi, with their activities mainly focused on education, training, health care, and environmental protection.

Cung, one of the authors of the revised Law on Enterprises, said such organizations could make profit, but it must be re-invested and not distributed to stakeholders. He emphasized the importance of this distinction being recognized and legalized. This would bring them preferential policies that could promote their efforts in pursuing their social targets.

He added that these preferential policies required better state management, and the draft amendments would better serve such management.

Vinh stressed that the primary intention of the revised law was to provide both domestic and foreign investors with equal treatment in establishing enterprises and accessing the market. He added that the new law would help cut business management costs, and better protect investors and the legitimate interests of shareholders.

"The Ministry of Planning and Investment (MPI) is taking in all ideas and suggestions on the amendments before submitting them to the National Assembly this October," he said.

Nguyen Van Giau, chief of the National Assembly's Economic Committee said lawmakers would continue to receive suggestions and proposals for the revised law, especially on new points like social enterprises, regulations and state-run enterprises, and how to carry out the new Constitution's Article 33, which states people can undertake any business activities not banned by the law.

Investment Law

The amendments to the 2005 Investment Law cover investment activities in Vietnam and those from Vietnam to other countries, the rights and obligations of investors, investment policies, incentives and guarantees, and state management.

Minister Vinh said the MPI was keen to end the issuance of investment certificates for foreign-invested projects in order to further simplify business procedures, despite some opposing the move. He added many foreign invested enterprises supported the idea of removing such certificate, but those opposed were keen to maintain the practice as they believed the paper could help them maintain investment incentives, access bank loans and rent land.

However, the MPI was committed to the abolition of the certificate except in four cases – sensitive areas of the economy such as banking, projects likely to use huge land areas, investments at risk of polluting the environment and those that need the documentation to get investment incentives, bank loans and land.

Meanwhile, under the new law the Vietnamese government would tighten regulations on outbound investment by Vietnamese companies.

Many participants at the meeting said that after the Vietnamese government issued an outbound investment certificate to a local company, state agencies were not aware of what they were doing overseas.

Minister Vinh said the removal of outbound investment certificates could be risky and the management roles of the central bank and the Ministry of Finance have to be improved.

Source: VIR

[Back to top](#)

New circular seeks to prevent car trade fraud

Minister of Public Security Tran Dai Quang signed a new circular to tighten regulations on vehicle registration, with stricter rules for the transfer of Vietnamese overseas vehicles.

According to Circular No 15, effective June 1, any overseas Vietnamese' (Viet kieu) vehicle returning to the Viet Nam port from April 1, 2014, can only be transferred to another owner if it is registered with fully paid tax and the fee imposed on the Viet kieu under the current regulations.

Earlier this year, the Ministry of Finance (MoF) regulated that Viet kieu can have their cars imported as their assets without paying import duty but with only special consumption and value-added taxes and a vehicle registration fee.

This way, the MoF allowed each Viet kieu to have one car and one motorcycle in Viet Nam.

However, local authorities discovered that trade fraud of expensive cars have been committed by borrowing Viet kieu names and posing as owners of luxury vehicles from abroad to skirt legal loopholes, reported the local media.

The General Department of Viet Nam Customs also saw a sudden, sharp increase in the number of luxury cars imported to Viet Nam as Viet kieu assets. It calculated 1,200 cars registered as Viet kieu assets returning to Viet Nam in 2012, while the number was less than 200 from 2009 to 2011.

Dien dan doanh nghiep newspaper said that the sudden increase came after Viet Nam only allowed authorised car distributors to import new cars for sale in the country in 2011.

The newspaper also said by the end of this February, there were more than 100 luxury cars registered as Viet kieu assets seized at the locals ports.

Since early this year, HCM City Customs Office has re-exported 75 Viet kieu's cars due to administrative violations.

Source: VNBreakingnew

[Back to top](#)

Vietnam promises support to foreign firms, foreigners affected by riots

Vietnamese authorities have pledged to support foreign firms and foreigners hit by recent worker riots taking place in many industrial parks, mostly in the southern region.

The riots broke out on May 13 and 14 in Ho Chi Minh City, the southern provinces of Binh Duong and Dong Nai, and Ha Tinh Province in the central region after aggressive elements took advantage of peaceful marches against China's unauthorized placement of drilling rig Haiyang Shiyou 981 in Vietnamese waters to incite violence.

Rioters then attacked many companies including foreign-invested enterprises, damaging corporate assets, looting property, and even resisting police officers.

Vietnam is committed to protecting foreign investors, Minister of Planning and Investment Bui Quang Vinh said Thursday in a document sent to foreign embassies, organizations, and provincial People's Committees.

The ministry urged in the document that stronger measures be taken to ensure the resumption of normal business activities in industrial parks around the country.

Vinh said it is a pity that spontaneous rioting happened in the past days and Vietnamese authorities at all levels will help foreign investors and businesses overcome this difficulty.

He added that the ministry hopes to receive sympathy and support from business associations and organizations in order to pacify foreign investors.

The riots were instigated by many bad people who disguised themselves as workers to make use of peaceful marches against China's illegal placement of drilling rig Haiyang Shiyou 981 in Vietnamese waters to provoke extremist behavior, causing the loss of property for a number of foreign-invested enterprises, worrying the investor community, and seriously affecting the investment environment in Vietnam, Vinh said.

"Vietnam took strong measures to prevent those violent activities from escalating and spreading. Many riot leaders and instigators have been arrested for investigation and they will be punished pursuant to the law," the minister underlined.

To remedy the situation, central and local state agencies have proactively provided official information for the workers, asked them not to listen to the incitement by extremists, and advised them to be responsible for protecting foreign-invested businesses for the country's and their own interests, he said.

The Ministry of Planning and Investment has sent emergency documents to local authorities, the management boards of industrial zones and economic zones, and Departments of Planning and Investment, urging them to control the situation and safeguard the assets and production activities of foreign enterprises in Vietnam.

Vietnamese Prime Minister Nguyen Tan Dung on Thursday issued an official message to the Ministry of Public Security and relevant ministries, demanding they protect foreign investors.

Timely response

Also on Thursday, Le Hoang Quan – chairman of the Ho Chi Minh City People's Committee, said at a meeting with the consuls general of many countries, trade associations, and representatives of foreign enterprises that the city has stepped up security measures to ensure maximum support for foreign firms.

"We have directed that all agencies coordinate with their counterparts in such neighboring localities as Binh Duong, Dong Nai, Tay Ninh, and Vung Tau to ensure absolute safety for foreign businesses and expats in Vietnam," Quan said.

The city authorities are checking all the information and will assist companies that had their assets damaged in the riots in rebuilding their demolished facilities as well as offer tax relief to them so that they can resume their operations, the chairman added.



Many foreign businesses coming from Japan, Korea, Malaysia, Germany, Taiwan, the Philippines, and Hong Kong complained at the same meeting that many workers took advantage of the crowds to break into their production facilities to loot assets, forcing many foreign experts to find shelter.

Meanwhile, Tran Van Nam, deputy chairman of the Binh Duong People's Committee, asserted on Wednesday that the provincial authorities will leave no stone unturned to protect foreign investors and their assets.

He said local officials will evaluate damage suffered by businesses and give financial support to those enterprises which had their properties destroyed in the recent riots.

The Binh Duong government has also called on people to keep calm, act with restraint, and not to be incited to commit illegal acts.

Over 1,000 people have been arrested on suspicion of inciting the riots, which left one dead and injured 149 others.

Police are classifying them into groups for such charges as "openly appropriating property," "destroying or deliberately damaging property," "causing public disorder," and "resisting persons in the performance of their official duties."

Source: TTO

[Back to top](#)

APEC agree to create road map for regional free trade area

The 20th Ministers Responsible for Trade Meeting (MRT-20) ended in Qingdao, China, on May 18 with the issuance of a statement agreeing to create a road map for the realization of a regional free trade area. The statement also expressed support of the multilateral trade negotiation process.

At a press conference after the two-day meeting, Chinese Trade Minister Gao Hucheng said ministers also agreed to build an information sharing mechanism on free trade agreements as well as develop a plan to connect all APEC member economies while backing the expansion of financial cooperation and infrastructure development investment. At the meeting, the Vietnamese delegation led by Trade Minister Vu Huy Hoang proposed measures to promote regional free trade while holding bilateral activities to strengthen the relationship between Vietnam and other APEC member economies.

On the meeting's sidelines, Minister Hoang had bilateral contacts with delegates from China, the US, the Republic of Korea and Russia to discuss trade and investment cooperation in both multilateral and bilateral frameworks with the respective countries.

The minister also took the occasion to touch upon issues relating to the current situation in the East Sea and reiterate Vietnam's points of view.

According to the minister, many delegations expressed their concern and wished that the tension in the East Sea should be solved by peaceful measures, with respect for international law and the Declaration on the Conduct of Parties in the East Sea (DOC)

Source: VNA

[Back to top](#)

TRADE

Vietnam forecast to become largest ASEAN exporter to US

Vietnam will surpass all other ASEAN nations to become the largest exporter to the U.S. next year, the American Chamber of Commerce in Vietnam has predicted.

Vietnam currently stands behind Malaysia and Thailand in terms of export turnovers to the U.S., the AmCham said in a report released last weekend. Vietnam will take over the top position in 2015, the report stated.

In 2014, the bilateral trade between the Southeast Asian country and the U.S. is forecast to top US\$33.6 billion, with Vietnam's shipments totaling \$28.1 billion. Exports of textile and garment products alone are predicted to reach \$9.7 billion by the end of this year, according to the report.

In 2020, Vietnam's exports to the North American country will rise to \$51.4 billion, with textile and garment accounting for \$15.2 billion. Earlier AmCham forecast that total exports would only jump to \$48.8 billion, and textile and garment would generate \$13.7 billion in 2020.

These predictions did not take into account the impacts of the Trans-Pacific Partnership, the report noted.

AmCham is an independent association of companies with the objective of promoting trade and investment between Vietnam and the U.S.

ASEAN stands for Association of Southeast Asian Nations, a political and economic organization of ten countries located in Southeast Asia, which was formed on August 8, 1967. ASEAN members include Indonesia, Malaysia, the Philippines, Singapore, Thailand, Brunei, Myanmar, Cambodia, Laos, and Vietnam.

Source: TTO

[Back to top](#)

Consumer growth entices franchises

Foreign franchising will continue to boom in Vietnam as firms eye ways to enter the market.

Deric Yeo, franchise development manager of seafood restaurant chain Manhattan Fish Market told VIR last week that Vietnam was an emerging market with the advantages of political stability, a competitive workforce, a gradually more open and transparent business environment, abundant natural resources, and good geographical position.

Yeo said his company saw the vast potential offered by Vietnam's huge seafood resources. He believed seafood franchises could prove popular, healthy choices for consumers and the overall brand could benefit from access to the country's ample seafood products.

However, he cautioned that franchises depended on strong investors and although Vietnam's economy was growing, the sluggish performance of certain sectors like real estate had impacted on the hunt for financially secure partners. Several deals had crumbled as potential franchisees experienced tougher times due to over-extending investments, Yeo claimed.

"There will always be competition in any businesses we do. Innovation and consistency stands out from the rest," added Yeo.

Yasmin Hedjri, franchise development manager of Kenny Rogers Roasters (KRR) shared that the company, a casual dining restaurant which specialises in roasted chicken, was closely observing the growth of the economy and was aware that Vietnam had great potential, with one of the best GDP per capita growth rates in Asia.

"The rapid increase in consumers is good news for foreign brands such as Kenny Rogers Roasters," she said.

Hedjri claimed that American food brands were benefiting from Asian perceptions that US food products were superior in quality and safer than local options. Her firm was dedicated to increasing consumer awareness in order to compete with other similar franchises.

Talking with VIR, Alberto Vidal, business development director of Ace Hardware International said that Vietnam's more open, market-orientated economic policies were providing major trade and investment opportunities for US companies.

Source: HNT

[Back to top](#)

US increases tra imports in Q1

The US was the largest export market of Vietnamese tra fish in the first quarter of this year, stated deputy chairman of the Viet Nam Association of Seafood Exporters and Producers (VASEP), Vo Hung Dung.

Dung said earlier this week at a briefing of the association and Cuu Long (Mekong) delta provinces and cities in Can Tho City that Viet Nam's export value of tra fish in the first quarter of this year had a year-on-year increase of 5.17 per cent to US\$408 million.

The US became the largest tra fish importer from Viet Nam and the EU was the second largest, Dung added.

In the first quarter, the export value of tra fish had a year-on-year surge of 15.25 per cent to \$84 million in the US market while a year-on-year fall of 13.13 per cent to \$82.87 million in the EU.

Meanwhile, the export value of tra fish to Brazil and ASEAN countries reached \$68 million, he stated.

At the meeting, a representative of the Directorate of Fisheries pointed out that by the end of April, the Cuu Long Delta region had harvested 253,000 tones of tra fish and had a total area of 2,814 hectares for tra fish farming.

The VASEP reported that early this month, the price of tra fish for export processing reduced to VND24,500 per kilogram after increasing to VND24,600–25,600 per kilogram in March and April.

However, it was still higher than that of VND22,600–23,200 per kilogram in early this year because this was not the time for harvesting tra fish, the association stated.

Dung remarked that because the price is high, farmers will profit from growing tra fish, but the farmers have not yet increased investment in tra fish because the price is unstable.

He noted that in the past, the Government had policies to solve difficulties in production and trading of tra fish for enterprises, including credit loosening policies.

Businesses expect these policies to be continued next year so that they can further invest in improving quality and quantities of tra fish and ensure sustainable development of the industry in the coming years.

Source: VNN

[Back to top](#)

VN to face cement shortage

The domestic market will probably face a cement shortage in the next 2–3 years if suitable measures are not taken early, industry insiders revealed.

According to the Ministry of Construction, the construction industry is anticipated to grow by approximately 7–10 per cent per year in the next few years. Domestic cement consumption this year is expected at approximately 65–67 million tones besides around 10 million tones for exports.

Though the prime minister has so far approved the development plan of the country's cement industry in 2011–20 with a vision to meet the domestic cement demands by 2030, the construction of the approved projects has been slower than scheduled.

Under the development plan, cement plants will churn out 75 million tones of cement by 2015. This figure will increase to 93–95 million tones and 113–115 million tones by 2030. In the years 2012–15, 24 cement production projects totaling a combined output of 24.76 million tones per year will be put into operation. The total investment capital of the projects is estimated at nearly VND50 trillion (US\$2.38 billion).

However, the implementation of the projects is too slow due to the lack of investment capital.

Due to economic problems, many cement projects, which have been approved in the development plan of the country's cement industry, have failed to kick-start as scheduled due to a shortage of capital. After scrutiny, the government in February had to remove 9 such cement projects.

Tran Van Duong, director of the Government Office's Sectoral Economic Department, noted that the capital to invest in a cement project is very large, especially in equipment purchase.

Duong explained that previously, it was easier for cement project investors to construct cement plants as the government guaranteed them the investment capital for equipment purchase. Currently, the government no longer guarantees such investment, thus most of the cement projects face investment capital shortage.

As some of the approved cement projects have been removed, the country will probably face a shortage of cement in the future if measures are not taken early. It takes at least approximately 3 years to complete the construction of a cement plant under ideal conditions.

To deal with the anticipated shortage, Duong suggested that the Government should continuously scrutinise approved cement projects to remove unsuitable ones and add new and feasible projects to the development plan of the country's cement industry.

Source: VN+

[Back to top](#)

INVESTMENT

FDI government wish-list published

The Vietnamese government released a wish-list comprised of 127 national projects in need of foreign direct investment, mostly focused on infrastructure, to support economic growth through 2020.

The list was selected by the Ministry of Planning and Investment (MPI) following an order by the government last year aimed at encouraging foreign direct investment (FDI) inflows into the country.

The list reveals Vietnam's plan to lure more than \$60 billion from foreign investors to important projects, covering a wide range of sectors, from infrastructure and education to agriculture and processing. Half of them are in the infrastructure sector.

The list also reflects the government's prioritization of infrastructure development as it is believed to act as a motive force for the nation's economic growth and create a knock-on effect of enticing more FDI to the other sectors such as services and industrial manufacturing.

The most noticeable projects include the \$1.8 billion Ninh Binh-Thanh Hoa route, the \$1.7 billion Noi Bai-Halong road, the \$3.5 billion Dau Giay-Lien Khuong motorway and \$1.3 Trung Luong-My Thuan link, as well as the \$5 billion Bien Hoa-Vung Tau railway, \$5.6 billion Long Thanh International Airport and Van Phong deep seaport.

The Vietnamese government has also called on investment for urban transport projects in Hanoi and Ho Chi Minh City, such as skytrains and metros, and industrial parks, hi-tech parks and hi-tech agricultural parks.

“These projects are considered to boost the Vietnamese economy and if the country successfully attracts foreign investment into them, the infrastructure and workforce bottlenecks are likely to be resolved,” said Nguyen Mai, president of the Vietnam Association of Foreign Invested Enterprises.

Poor infrastructure has been a significant long-term barrier to the nation’s economic growth. Mai said the newly introduced list was suitable to Vietnam’s sustainable strategy, which starts with the development of the infrastructure system.

“The government has already given options to new investors, and now what they want to see is how it will support them in investing into these projects,” said Mai. Upon release of the list, the government ordered the MPI to co-operate with other governmental bodies and municipal and provincial authorities to give more details and also design incentive policies related to these projects.

To prepare for calling on investment into the projects, the MPI is also proposing the government to amend the legal framework on public-private partnership, to offer flexible options supported by the government to private investors in infrastructure projects.

MPI Minister Bui Quang Vinh confirmed that the amended legal framework would be issued within this year.

Source: VIR

[Back to top](#)

Vietnam’s FDI firms post \$26 billion in imports in Jan-Apr 2014

Imports of businesses with foreign direct investment strongly rose to nearly US\$26.3 billion in the year to April, increasing 18.2 percent compared to the same period last year, and accounting for 58.3 percent of Vietnam’s \$45.1 billion total import turnover, according to statistics released on April 28 by the Ministry of Industry and Trade.

Local firms’ imports only reached \$18.86 billion, making up 41.7 percent of the country’s total import revenue, and rising 8 percent compared to the same period last year, the statistics show.

The group of goods subject to import restrictions saw a year on year increase of 5.1 percent, hitting nearly \$2 billion, and occupying 4.4 percent of the total import turnovers. Imports of goods subject to control such as motorcycles and spare parts, iron, and steel scraps posted around \$1.8 billion in revenue, up 15.5 percent in comparison with the same period last year, and constituted four percent of the total import earnings.

Meanwhile, the country’s traditional export staples, including agricultural produce, minerals, and fuel, saw slower growth and declined export turnovers.

Coffee exports dropped 6.9 percent, rubber plunged 24.9 percent, plastic fell 5.3 percent, and fertilizer sank 0.4 percent.

Vietnam ran a \$400 million trade deficit in April and thus posted a trade surplus of \$683 million in the first four months.

Source: TTO



[Back to top](#)

Future FTAs draw foreign investment

Foreign companies are starting to pour money into Vietnam to take advantage of potential economic opportunities from future free trade agreements (FTA).

Viet Nam is negotiating important FTAs, including the Trans-Pacific Partnership (TPP), the Viet Nam-EU FTA, the Vietnam-Korea FTA and the ASEAN+6. Once these agreements are signed, companies will have the chance to offer products and services to more consumers and businesses.

Among the many sectors, garments and textiles, food, livestock and energy have received the most attention. According to Tran Quang Nghi, general director of the Vietnam National Textile and Garment Group (Vinatex), more than a dozen foreign companies from mainland China, Japan, South Korea, Austria and Taiwan are planning to build fabric and dye factories in the country.

Nghi said foreign businesses were seeking investment opportunities in the garment industry to stay ahead of the TPP, which once signed would mean local companies would enjoy tax free exports to member countries.

China's Texhong Textile Group is expanding its presence in Viet Nam with a US\$300 million fabric plant that will open in the northern province of Quang Ninh in May. Yulun Jiangsu Textile and Garment has also received an investment certificate for a \$680 million fibre production textile and dye factory in Bao Minh Industrial Zone in Nam Dinh Province.

In HCM City, Taiwanese Forever Glorious has committed to invest \$50 million in a project to make high-end underwater sportswear, and China's Gain Lucky Ltd also plans to invest \$140 million in a project to design and produce luxury garments.

The agricultural sector is also attracting foreign capital.

Last month, nearly 20 French companies visited Viet Nam to seek investment opportunities in the fields of machinery and technical skills in animal husbandry.

According to Nguyen Dang Vang, chairman of the Viet Nam Livestock Association, French businesses wanted to cash in on untapped potential markets as future FTAs would open bigger markets for livestock products along with the development of this sector. Meanwhile, Japanese firms are keen on high-tech sector, with CEO of Sojitz Corporation Hideaki Kato revealing plans to invest in 3-4 industrial zones in Viet Nam in the areas of food, energy and electronics.

Vo Tri Thanh, deputy director of the Central Institute for Economic Management, said Viet Nam would benefit from foreign capital accompanied by cutting-edged technology and management skills.

However, he said domestic businesses remained the backbone of the economy and local companies should have rational development strategies to sharpen their competitiveness while being able to collaborate with foreign partners.

However, the Viet Nam Chamber of Commerce and Industry warned that Vietnam could become a "backyard" production target for foreign investors to outsource if local companies failed to up their game.

Source: VNS

[Back to top](#)

TPP will keep Vietnam's doors open to meat imports

Experts have warned that the TPP (Trans Pacific Partnership), once it is signed, would not help Vietnam attract more foreign direct investment (FDI) into the animal husbandry, while it would pave the way for more livestock products to enter Vietnam.

FDI in animal husbandry modest, imports increasingly high

According to the Ministry of Planning and Investment, by December 15, 2013, Vietnam had licensed 501 foreign invested projects in the agriculture, forestry and fisheries, capitalized at \$3.35 billion in total. The figure had accounted for 1.5 percent of the total FDI capital by that time

Of the \$3.3 billion worth of capital, 94 percent went to the animal feed production projects, while only one percent to the animal husbandry.

Meanwhile, foreign food products have been flooding Vietnam despite the high selling prices.

Dau tu quoted the Ministry of Agriculture and Rural Development's report as saying that in 2013, Vietnam imported 167,000 cows and 96,000 tons of poultry. Besides, it also imported tens of thousands of cows across the border lines from Laos, Cambodia, and hundreds of tons of poultry are imported illegally from China every year.

At present, live cows and buffalos from Australia, New Zealand and ASEAN countries bear the 5 percent import tariff, while frozen products from the same sources are taxed 7 percent.

But once the TPP is signed, the import tariff would be down to zero percent, which would certainly pave the way for more foreign meat to enter Vietnam.

Nguyen Thanh Van, Head of the Animal Husbandry Agency under MARD, noted that importing live buffalos and cows is inevitable for Vietnam which is the member of a lot of free trade agreements (FTA).

Foreign products favored in Vietnam

Though Vietnam is an agriculture-based economy, its agriculture products prove to be less competitive than the imports. Analysts have noted that the import beef from Australia has been selling better than Vietnamese products at supermarkets because of the high quality and the reasonable prices.

Besides cows, Vietnam has also begun importing buffalo from Australia. ABC newswire reported that Vietnam plans to import up to 5,000 buffalos a month, or 60,000 a year, a very big figure if noting that only 800 buffalos were imported by Brunei, Indonesia and the Philippines in total in 2013.

Thoi bao Kinh te Saigon quoted a source from MARD as reporting that in the first 10 months of 2013, the amount of pork and chicken imported to Vietnam increased by three times over 2012.

Le Van Quyet, the owner of a fowl farm in Dong Nai province, noted that Vietnam now imports poultry meat from so many sources, from South Korea, China and Thailand, to the US and Brazil. This has pushed domestic farmers against the wall.

No way out

Most analysts keep pessimistic about the future of the Vietnam's animal husbandry.

Nguyen Phuong Thanh, Chair of Asia-Pacific Import-Export JSC, noted that the only advantage of Vietnam, the low cost labor force, will not help once TPP is signed. The imports would be much cheaper than domestic products, because Vietnam cannot produce breeders, feed, and medicine.

"Vietnam's animal husbandry would be in danger, or it would be eliminated," he said.

Source: VNNetBridge

[Back to top](#)

Japanese firms have high demand for highly qualified employees

The demand for Vietnamese senior staff has been soaring amid a wave of Japanese investors flocking to Vietnam to set up their production bases, the English language news website VietNamNet Bridge reported on May 15.

While declining to give exact figures, Nguyen Thi Van Anh, director of Navigos Search, a head hunting firm, said 85 percent of Navigos' clients who are seeking high ranking personnel are foreign-invested enterprises, the majority of which are Japanese.

“Most Japanese enterprises highly appreciate the qualified labor force they have hired in Vietnam,” Anh was quoted as saying. Most recently, when assessing the development possibilities and the business environment in Vietnam, the Japan External Trade Organization (JETRO) also predicted that Japanese investors now have higher demand for Vietnamese high-quality personnel.

The demand for Vietnamese information technology (IT) engineers will be increasing most sharply, according to the organization, based on its forecast that Japanese will focus on IT projects in the months and years to come.

A labor expert said that Japanese now tend to recruit Vietnamese high-ranking personnel because of the low cost of the labor force. Vietnamese engineers or managers accept monthly salaries on the order of 1,500-2,500 USD. Meanwhile, if hiring Japanese workers, business owners would have to pay many times more for the same positions. The expert commented that localizing the labor forces in the countries where foreign investors develop their investment projects is the thing all multi-national groups consider, because this allows them to save costs and optimize profits.

Meanwhile, the qualifications of Vietnamese personnel have been significantly upgraded over the last few years, to be able to satisfy the strict requirements set by Japanese.

A report of the Ministry of Planning and Investment (MPI) showed that Japan is the biggest foreign direct investor in Vietnam, with total registered investment capital of 35.4 billion USD so far. Over 2,000 Japanese invested enterprises, including representative offices, have been set up in Vietnam so far, and the figure is expected to rise rapidly in the time to come. Therefore, it is not a surprise to anyone that Japanese human resource firms have also been present in Vietnam for one year to seek Vietnamese workers for Japanese enterprises.

However, the expert said that high ranking personnel in Vietnam are very scarce, even though the number of candidates finishing foreign prestigious schools and experienced workers returning from overseas has been increasing.

“There are the positions which cannot be undertaken by Vietnamese,” he commented. A report lately released by VietnamWorks also indicates that recruiting key personnel remains a headache for businesses' owners. Meanwhile, Vietnam has abundant low-level workers. “Low-level workers” are understood as the workers in the probation period, new graduates and unexperienced workers.

The report said one low-level candidate has to compete with 101 other candidates to obtain a post. The demand for low-level workers accounts for 66 percent of the total demand, while the applications account for 75 percent. The business fields which had highest demands for workers in the first three months of 2014 were information technology/software, administration/secretary, and accountant/customer care. Demand from the import-export and education sectors increased sharply during that time, but the supply lagged far behind demand.

Ho Chi Minh City, Bien Hoa and Da Nang have been named as the toughest labor markets, where one has to compete with 60 others to obtain a job

Source: Jetro & Vietnamworks



[Back to top](#)

Vietnam, Myanmar to form steel joint venture

Vietnam and Myanmar are looking to set up a steel joint venture, said visiting Myanmar Minister of Industry U Maung Myint during talks with Vietnamese Minister of Industry and Trade Vu Huy Hoang in Hanoi on May 14.

The Myanmar official said his current visit to Vietnam is to seek partners and forge bilateral trade link in the fields of chemicals, fertilizer, steel and agricultural machinery.

U Maung Myint said his country will expedite the establishment of steel joint ventures with Vietnam and call for investment from the Vietnamese businesses in garment and textiles.

Myanmar will also create optimal conditions for Vietnamese fertilizer firms to boost their exports to the market.

Meanwhile, the Bank for Investment and Development of Vietnam (BIDV) will provide a loan for a Myanmar bank to support the operation of its small-and medium sized enterprises.

Minister Hoang said he hopes Myanmar will soon issue a Law on Foreign Investment to create a legal basis for Vietnamese investors operating there

Source: TalkVN

[Back to top](#)

Quang Ngai revokes IP license

Quang Ngai People's Committee just decided to return nearly VND1 billion (\$47,600) to Tan Tao Group after its license for building the Pho Phong Industrial Park project was revoked.

Tan Tao Group received the investment certificate to develop the park in Duc Pho district, Quang Ngai province, in 2009. However, the group was not able to start construction until 2012 and even had its investment certificate withdrawn for the delay.

The aforementioned sum to be returned to Tan Tao is for geological research, planning and an environmental appraisal report conducted by the company. Once the money is returned, Tan Tao will have to return all the original legal documents for the above items and documentation to confirm they accepted the transfer of those items to the Quang Ngai Industrial Park Management Board.

Together with the decision to return VND1 billion to Tan Tao, the Quang Ngai People's Committee also requested the local Industrial Park Management Board to be in charge of efficiently using the items Tan Tao transfers over. All these items will be provided to the project's investor, once a new one is found.

Pho Phong Industrial Park is not the only project invested in by Tan Tao Group in Quang Ngai. The group is also the investor of the Vina Universal Film Studio and the Universal Paradise Trading and Service Complex. In June 2010, local authorities decided to revoke the license of the film studio project, which was originally registered as a \$50 million investment. The \$57 million complex started work in 2008 but has seen very slow progress.

The complex will include areas for trade, services, luxury villas and a sports complex. Tan Tao is among the largest private groups in Vietnam. It operates in a number of fields ranging from property to power generation, water supply and education.

The developer has eight other industrial parks in the works including Tan Duc, Tan Tao, Kien Luong, and Ha Nam. The group is now also working on a giant 4,000 megawatt power project in southern Kien Giang province.

Source: Vietnamfeatures

[Back to top](#)

Mekong Delta opens doors to investors

The Mekong Delta region is becoming more attractive to both domestic and foreign investors thanks to its clear business environment and simplified administrative procedures.

According to the Vietnam Chamber of Commerce and Industry's Can Tho city chapter (VCCI-Can Tho), there have to date been 1,000 projects worth 264 trillion VND (12.4 billion USD) invested by domestic businesses in the region. The projects mainly focus on agriculture, fisheries, transport, trade and tourism.

Meanwhile, foreign investors have poured more than 11 billion USD into the area.

VCCI-Can Tho Director Vo Hung Dung said that over recent years, the 13-member region has adopted a number of preferential policies benefiting investors. Among other incentives, they can enjoy an exemption of corporate income tax for 1-2 years and a reduction in land use cost.

They are also provided with assistance in vocational training, advertisement and consultation.

Meanwhile, localities have intensified cooperation within the region, and with Ho Chi Minh City and other countries in order to attract more investment, while also concentrating on upgrading their infrastructure, Dung said

Source: VNA

[Back to top](#)

Dong Nai willing to welcome Thailand's investors

The southern province of Dong Nai wants more investors from Thailand to fund infrastructure, agro-industrial and high-tech projects in the region, a local official has said.

At a May 15 reception for Thailand Ambassador to Vietnam Panyarak Poolthup, Chairman of the provincial People's Committee, Dinh Quoc Thai, added that his province has established 31 large-scale industrial parks in favourable positions for investors.

In addition to the upgrade of infrastructure and roads, the province is boosting its investment in developing seaports and Long Thanh International Airport, he added.

Dong Nai, one of Vietnam's key industrial zones, has seen an average GDP growth rate of more than 13 percent in recent years. It now has 1,365 FDI projects with a total registered capital of 23.6 billion USD, including 34 projects invested by Thailand totally valued at 500 million USD.

Thailand-invested projects in Dong Nai are operating effectively, contributing greatly to local socio-economic development. Several Thai investors are completing procedures to implement their new projects in the province.

For his part, Ambassador Poolthup said the Vietnam-Thailand strategic cooperation has been further enhanced following a visit to his country made by Party General Secretary Nguyen Phu Trong last June. Both countries will be able to forward the multi-faceted cooperation, especially in economy, investment, health, education and training, when the 40 th anniversary of Vietnam-Thailand diplomatic ties is marked in 2016, he added

Source: Vietmaz

[Back to top](#)

Ho Chi Minh City willing to welcome Czech businesses

Ho Chi Minh City wants more businesses from the Czech Republic to come to the city to seek investment opportunities, a municipal official has said.

At a May 14 reception for visiting Czech Minister of Industry and Trade Jan Mladek, Vice Chairwoman of the municipal People's Committee Nguyen Thi Hong said the two countries should continue to expand bilateral cooperation based on the traditional ties.

The city now has six Czech-invested projects with a total investment of more than 6 million USD, Hong noted, which she said does not reflect sufficiently the potential and suggested the two sides foster investment promotion activities and the exchange of information related to investment, tourism and culture.

Mladek in turn said the Czech Republic always attaches importance to its collaboration with Vietnam, adding the two countries possess much cooperation potential in the spheres of investment, trade and infrastructure.

He underlined the attractive and convenient investment climate of HCM City and other southern localities, revealing that his country is willing to invest in the city in a range of fields, including energy, mining, agriculture, health, and finance and banking.

In the coming time, the two sides need to forward the information exchanges and activities to learn about investment environment between their businesses, the guest suggested

Source: HCMC

[Back to top](#)

HCM City drives auto co-operation with Japan

HCM City is seeking support and cooperation with Aichi prefecture of Japan in auto manufacturing, as the locality is seen as Japan's centre of the auto industry.

Vice Chairman of the HCM City People's Committee Le Manh Ha was speaking with visiting Aichi Governor Ohmura Hideaki and businesses on May 18. Ha said he hopes that businesses from Aichi will gain more information and increase their investment in the city.

About 500 Japanese businesses are operating in the city, with total capital of about US\$2 billion.

Two-way trade between HCM City and Japan reaches nearly US\$4 billion annually, Ha said, adding that the city welcomes over 300,000 Japanese visitors each year.

On this occasion, Ha expressed thanks to Japan in general and Aichi prefecture in particular, for their contributions to his city's construction and development process.

He cited the East-West Avenue project, including Thu Thiem tunnel, which uses official development assistance (ODA) from Japan, as a bright example of successful cooperation between the two countries. For his part, Ohmura Hideaki said Aichi hopes to further enhance ties with HCM City, and Vietnam at large.

Aichi pays attention to investing in Vietnam and creates conditions for small and medium-sized enterprises to seek cooperative opportunities in HCM City. Aichi Governor Ohmura Hideaki committed to the expansion of cooperation between the two localities in industrial production, tourism and education.

Source: VOV

[Back to top](#)

Launching of phase I world-class workshop system and logistics centre in Haiphong

Third-party logistics provider Damco and Vietnamese warehouse owner Construction and Mechanic JSC (HTM) have opened a new warehouse in northern Vietnam to support key fashion and retail customers whose sourcing patterns are centered there.

The long-term HTM - Damco partnership will lead to the development of Hai Thanh workshop area with more than 20,000 square metres over the next three years. Hai Thanh workshop area phase I and Damco logistics centre in Duong Kinh district in the northern port city of Haiphong began construction in 2011 with total investment of \$25 million.

The project targets foreign investors operating in ancillary industries, and industries that have little effect to environment. Under the plan, in 2015 the Hai Thanh warehouse project will complete its entire infrastructure and it is expected to come on stream from 2016.

The new warehouse will enable Damco to play a dual role as a warehousing and distribution hub as well as a gateway to attract customers who are actively trading to and from South China via this corridor – a key focus for Damco’s future development in northern Vietnam.

Located in Haiphong, the third largest city of Vietnam and northern Vietnam’s most important seaport with its deep-water anchorage and large maritime facilities, the warehouse offers a total combined space of 8,000 square meters.

It reaches high international standards and is well positioned to support increased volumes and offer modern safety, security and fire-fighting systems. A key focus during construction and operation is the reduction of carbon emissions in accordance with Damco’s environmental policy.

The Haiphong warehouse will provide customers with access to key services such as inventory management, order processing, RF scanning, bar coding, vendor and carrier. It also offers value-added services such as cross-border and inland trucking.

Damco established a branch office in Haiphong a few years ago and the current investment in expanding the company’s warehousing footprint is a clear sign of the positive expectations about the growth of this economic area.

Marco Civardi, Area managing director of Damco Vietnam/Cambodia said, “The inauguration of the Damco Haiphong’s warehouse is an important landmark in Damco’s long history in Vietnam, further consolidating the company’s strategy in this country.”

The aim of Damco is to continue providing supply chain management solutions that match its customers’ increasing volumes, while aiming to outperform market growth in ocean and air products on defined trade-lanes and industry verticals. “Key for us also will be the growth of our domestic business such as customs clearance and trucking services, together with our planned warehousing footprint expansion. The latter is based on new business opportunities related to our business and contract logistics customers,” Civardi added.

HTM’s president Dao Manh Sen shared “As a port and industrial city with rosy potential for development of port logistics services, Haiphong is the most favorable destination for foreign investors in Vietnam. In that spirit, HTM’s strategy is to become a professional provider of workshop, warehouses and logistics services.”

Damco has invested significantly in state-of-the-art warehouse management systems and processes to raise productivity and increase efficiency, directly benefitting customers’ supply chains. Customers now get visibility on the status of their products as they pass through the consolidation process in the warehouse, as well as when they are packed into the container and shipped to the port. Damco is a pioneer in the logistics sector in Vietnam with more than 400 employees and has been operating and investing in the country for more than 20 years.

HTM was established in 2002 with main fields of investment in industrial zones and urban zones infrastructure, seaport logistics and construction. HTM aims to create favourable conditions for local and foreign investors to develop business through providing modern, synchronized and infrastructure and professional customer services.

Source: VIR

[Back to top](#)

Cargill expanding Vietnam feed, cocoa output

American corporation Cargill has increased investment in its Vietnam cocoa and animal feed business, with newly-launched facilities in Binh Dinh and Ba Ria-Vung Tau provinces.

Cargill's feed and nutrition business unit late last week celebrated the completion of its \$20 million expansion of its animal feed plant in the central province of Binh Dinh.

The expanded plant is one of Cargill's eight feed production facilities in Vietnam and will extend the company's ability to meet growing demand for animal feed. With this expansion, Cargill has invested more than \$110 million in Vietnam's livestock and aquaculture industry over the last decade.

"The expansion of our Binh Dinh plant will allow us to even more effectively serve our customers in Vietnam, so we can deliver the right products, expertise and capabilities and support faster business growth," said Jorge Becerra, general manager for Cargill Feed & Nutrition Vietnam.

The expansion, which began in 2012, has increased the plant's capacity by four times, from 60,000 tones per year to 240,000 tones. "Our investments demonstrate our confidence and commitment to the growth and future of Vietnam's feed industry," said Joe Stone, Cargill's animal nutrition business leader.

Cargill is one of Vietnam's leading animal nutrition firms. In 2012, the company committed itself to double their feed capacity to 1.5 million tones a year by 2015 to meet growing demand.

Cargill has also trained over 1.5 million Vietnamese farmers in best practices in animal health and nutrition to help raise farming productivity and incomes. Late this April, Cargill opened the first cocoa technology transfer centre in Ba Ria-Vung Tau for use by the Xa Bang Cocoa Co-operative and the province's Agriculture and Rural Development Department.

The \$60,000 centre, constructed with Cargill's support, acts as a cocoa training campus for about 2,000 novice farmers in Ba Ria-Vung Tau, Dong Nai and Binh Thuan. The centre, together with its technical training programmes, is expected to help farmers improve yields by 30-50 per cent in three years. Cocoa is a relatively new crop for Vietnam. It is currently cultivated by about 25,000 farmers in the Central Highlands, Mekong Delta and southeast provinces. Cargill expects the centre to promote greater knowledge, skills and expertise to achieve higher cocoa yields.

Cargill started its cocoa business in Vietnam in 2004, with the aim of establishing a supply chain of good quality fermented cocoa beans. It has three buying stations in Dak Lak, Ben Tre and Binh Phuoc provinces. The beans are meant to supply Cargill's cocoa processing plants in Europe and its soon-to-open processing facility in Indonesia.

Source: TalkVN

[Back to top](#)

SCG has top ambitions for Vietnam

Thailand's top industrial developer SCG is exploring new investment and business opportunities in Vietnam.

Asked if it was interested in buying a stake of Viglacera Corp., Vietnam's biggest construction materials user, and in other mergers and acquisitions (M&A) deals, Anuvat Chalermchai, brand director of SCG Cement-Building Materials – one of SCG's major operations, told VIR that Viglacera was attractive and that SCG would "grab any possible M&A opportunities toward further expanding its sustainable business in Vietnam to become a sustainable business leader in ASEAN in 2015."

Viglacera is planning to sell 10-20 per cent of its equity to each of three foreign strategic investors over the next five years.

“SCG is conducting several important projects in Vietnam following our acquisition of an 85 per cent stake of Vietnam’s Prime Group Joint Stock Company in December 2012,” Chalmchai said.

“We are interested in all M&A opportunities in the country, where demand is spiking,” he noted.

SCG officials said the acquisition of Prime would not only help SCG amplify its presence in Vietnam’s building materials market, but would empower the group to become one of the world’s largest ceramic tiles producers, with a capacity of 225 million square metres per year, further enhancing its position in ASEAN.

In the first quarter this year, SCG Vietnam raked in revenues of \$133 million, up 76 per cent on-year, mainly thanks to consolidated revenue from Prime which currently runs six factories producing 75 million square metres of ceramic tiles per year and has 24 subsidiaries and partnerships.

This year SCG said it planned to launch many new products and technologies in the country such as roof tiles and fibre-cement boards, COTTO bathroom products and Italian ceramics, SCG HEIM, Winsor shading system, vinyl ad solareco systems, said Nopporn Keeratibunharn, SCG’s sales and marketing director.

Notably, another of SCG’s potential new products is The NEST, a sustainable home for the future which produces more energy than it consumes. It is designed around a tropical environment and combines smart, eco and care technology to adapt to living trends of the modern world.

“We have witnessed tremendous growth and changes in the business landscape as well as socio-political aspects here in Vietnam,” said SCG Vietnam’s managing director Niwat Korman. “Right now, with an emerging economy, large, young and dynamic population, favorable business environment, and upcoming ASEAN Economic Community, Vietnam definitely has advantages that inspire our continued commitment to making it our strategic market.”

SCG is also seeking other investment opportunities in Vietnam, including taking part in a petroleum complex capitalized at \$4.5 billion.

Specifically, SCG and Thai Plastics and Chemicals (TPC) signed a joint venture agreement with QPI Vietnam, PetroVietnam and Vinachem nearly two years ago. SCG holds a 28 per cent stake in the company and TPC 18 per cent. The remainder is allocated to the other strategic partners.

In the first quarter this year SCG Vietnam reported \$615 million in total assets with 19 operations employing more than 6,500 local employees.

As one of the leading conglomerates in ASEAN, SCG was established in 1913 and has diversified into three core business units including SCG Chemicals, SCG Paper and SCG Cement-Building Materials. As of March 31, its total assets totalled nearly \$14.1 billion with \$2.52 billion within ASEAN.

Source: VIR

[Back to top](#)

FINANCE – BANKING

Shares tumble on protest violence

Stocks declined on both national stock exchanges in yesterday's session, an unexpected move after the morning's increases, although foreign investors continued to buy en masse.

Investor psychology worsened as protests against Chinese-owned businesses in Binh Duong and Ha Tinh provinces destroyed factories and properties. While stock analysts said the downturn would be short, many investors rushed to unload shares.

On the HCM Stock Exchange, the VN-Index lost 5.5 points, or 1.03 per cent, to close yesterday at 524.05 points, although it surpassed 535 that morning. The market condition was negative with 160 shares falling, 64 rising and 77 closing flat.

Blue chips continued to be the main drag on the market as 20 of the top 30 shares by market value and liquidity declined and only seven rose. The VN30 ended 1.08 per cent lower at 575.53 points.

However, low prices attracted bargain-seekers. Market volume rose 20 per cent over Wednesday, totaling 132.5 million shares and fund certificates, while the value of trades surged more than 30 per cent to over VND1.96 trillion (US\$93 million). Real estate developer FLC Group (FLC) still claimed the position of the most active share on the southern bourse with nearly 13 million shares traded, but the price dipped 1.3 per cent to close at VND7,900 a share.

Tan Tao Investment Industry Corp (ITA) came second on trades of 7 million shares, closing flat at VND7,100 a share.

On the Ha Noi Stock Exchange, the HNX-Index slumped 1.63 per cent to end at 70.70 points as losers outnumbered gainers by 145-77.

Blue chips on the northern bourses also lost value as the HNX30, tracking the top 30 stocks based on market capitalisation and free float ratio, went down 2.34 per cent to stand at 136.12 points.

Trading was busy with market volume rising more than 60 per cent, totaling over 88 million shares worth VND723 billion (\$34.3 million), a 70 per cent increase in value.

PetroVietnam Construction Corp (PVX) was the most active on trades of 13.2 million shares exchanged at VND4,200 a share, down 8.7 per cent from the previous session.

While domestic investors scrambled to sell shares, foreign investors continued their strong purchases. They were responsible for a combined net buy value of nearly VND425 billion (\$20.1 million) on the two exchanges, lifting the total net buy value since early this month to VND1.7 trillion (\$80.6 million).

Source: VIR

[Back to top](#)

Insurance market sees ranking changes in 2013

BIDV Insurance Corporation (BIC) admitted at its annual general meeting that the company had fallen to seventh position in the non-life insurance market based on market share, with premiums of VND790.55 billion (\$37.6 million).

It was overtaken by Samsung Vina Insurance (SVI) which boasted premiums of VND913.55 billion (\$43.5 million). BIC lost out to SVI despite BIC's market share reaching 3.22 per cent last year, up 0.2 per cent against 2012.

In 2013, the Samsung group increasingly invested in Vietnam helping SVI improve its revenues; especially revenues from insurance services which reached VND1.18 trillion (\$56.2 million), up from VND874 billion (\$41.6 million) in 2012.

Pham Truong Giang, general director of Posts and Telecommunications Group (PTI) in fifth place, said that PTI and other insurance groups had witnessed growth. PTI would continuously expand its network and improve goods and service quality in coming period, Giang added.

Saigon-Hanoi Insurance Corporation (BSH) also saw a fall in its ranking.

BSH fell to 19th position out of the 29 businesses currently operating in the market, a five place fall against 2011 and 2012. BSH's market share of 0.9 per cent in 2013 represented a 0.5 per cent fall against the previous year. BSH's revenues significantly reduced in 2013 after Vinacom divested.

Other businesses claimed that their market share had declined. Xuan Thanh Insurance Joint Stock Company's report on 2013 business result showed that its market share decreased to 0.77 per cent, down from 0.98 per cent in 2012.

BIC's chairman Pham Quang Tung said that to retain higher than average growth targets and to expand market share, the company had to invest more into network development which had been largely ignored last year. The firm is targeting premiums of VND1 trillion (\$47.6 million) in 2014, up 11.7 per cent.

PTI also plans to retain its fifth position and secure its place as one of the top three motor insurance companies with direct premiums of VND 1.58 trillion (\$75.3 million), up 8 per cent while BSH projects premiums of VND570 billion (\$27 million).

Military Insurance Corporation (MIC), launched with the support of the Military Bank as its shareholder two years ago, is now posing a threat to more established firms. MIC holds the eighth spot, followed by BIC with VND588 billion (\$28 million) in direct premiums last year, tailed by AAA and GIC.

Source: Vietstock

[Back to top](#)

SBV to resume gold auctions if demand increases

A State Bank of Vietnam (SBV) official said that the central bank would resume gold auctions if the demand surges in the local market.

The Saigon Economic Times Online said on May 14 that according to the official, the increase in demand was due to psychological reasons, as the transactions, in fact, were not too exciting as per the gold trading companies' reports.

After selling 1.82 million taels, or 69.9 tones, of gold during 76 auctions in 2013, SBV ceased bidding late last year thanks to the stable supply and demand in the market.

Nguyen Hoang Minh, SBV deputy governor in the HCM City branch, said they were watching the gold and forex market developments closely and would suggest possible intervention measures to the central bank.

Minh said the forex market was stable. The local banks are selling the US dollar at rates between VND21,115 and VND21,120. The SBV is continuing to buy foreign currency to increase its forex reserves. The deputy also advised the people to think twice before buying gold now. The gold price has increased due to psychological factors, pushing the local price much higher than the world price.

On May 15, one tael of the state-owned SJC gold was sold at VND36.55 million, or \$1,740, at the Saigon Jewellery Company, while on the global gold trading floor Kitco.com, it was \$1,302 per ounce or \$1,569 per tael. Thus, each tael of gold in Viet Nam was \$171 higher than in the world market. If the bank interferes with the gold supply, the price will be cut.

In HCM City, SBV kept a close watch on the banks' liquidity for possible intervention, said Minh, confirming that the operation of the banking system remained stable.

Source: VN+

[Back to top](#)

Co-branded card gets more popular in credit card market

Issuing co-branded cards proves to be a new way for commercial banks to follow in the context of the credit card market in Vietnam getting saturated.

Benefits for all three parties

The year 2013 witnessed the boom of co-branded cards co-issued by banks, retailers, air carriers, schools or football clubs. It is estimated that some 20 credit cards of this kind have been available in the Vietnamese credit card market.

These include the cards issued by Co-op, a retailer, in cooperation with Vietcombank, BIDV and Dong A Bank, the cards issued by Vietnam Airlines and Techcombank Visa, Vietnam Airlines and VP Bank Platinum MasterCard, Bac A Bank and TH True Mart, BIDV and Lingo Card, Visa Debit Vietinbank and Otofun, Visa Debit Vietinbank- Webtretho; Sacombank-Sony Visa, or BIDV- Manchester United.

The co-branded cards have been launched into the markets just within a short period, which can show the heat of the market. The benefits co-branded cards can bring to bankers, businesses and consumers are very clear. Bankers, when cooperating with retailers or businesses, can approach to the businesses' existing clients. This helps them cut down the expenses on card issuance and management. And this also allows banks to expand their market share.

Businesses, when cooperating with banks in sharing client database and developing the payment through banks, can get the banks' support in the client information management, transaction and cash flow management. Especially, they can cut down expenses with non-cash payment.

Businesses also understand well that the joint products of banks and businesses would help both of them popularize their images and increase the brand recognition in the public, especially when businesses can cooperate with prestigious banks. With the banks' support through the preferences in payment method, retailers can run big sale promotion campaigns applied to co-branded card holders.

Most banks are now running promotion programs, offering the 5-10 percent discounts to the clients holding the cards issued by their partner businesses. This helps stimulate the demand, thus allowing manufacturers and retailers boost sale. Meanwhile, customers, besides the price discounts, which allows them buy goods at lower prices, can use the cards to deposit money, withdraw cash, remit money and make online payment.

Bright prospect for co-branded cards in Vietnam

A report of the State Bank of Vietnam showed that there are 52 card issuers in Vietnam which have issued 64 million cards so far, 90 percent of which are domestic debit cards. There are 14,700 ATMs and 122,000 POS set up nationwide.

Analysts have noted that the Vietnamese card market is getting saturated, which can be seen in the growth slowdown in the number of newly issued cards. In 2010-2012, issuers saw the annual growth rate of 30 percent, while the figure has decreased to 4 percent, even though banks keep launching a lot of attractive promotion campaigns.

Analysts believe that banks have taken a wise move when trying to develop co-branded cards. Now is not the time for them to focus on increasing the number of cards issued, but on improving the card services by offering more facilities to clients.

Source: VNN

[Back to top](#)

ANALYSIS – OPINION

MPI underlines investors' security

Amid angry anti-Chinese protests escalating in Vietnam over China's stationing of the Haiyang Shiyou 981 oil rig in Vietnam's East Sea exclusive economic zone, Minister of Planning and Investment Bui Quang Vinh has called for local authorities' to act immediately to protect foreign investors' lives and assets in the country.

What do you think about the protests in recent days that have led to fires, looting and attacks on foreign factories?

In recent days, Vietnamese people and workers have spontaneously held demonstrations in industrial zones to protest China's placement of the Haiyang Shiyou 981 oil rig in Vietnam's exclusive economic zone and continental shelf. The demonstrations started peacefully, but over the past three days, starting in southern Binh Duong province and followed by several other localities, many workers in these zones and surrounding residents, incited by rioters, became enraged and attacked foreign companies. The riots have caused serious concern from foreign investors and damaged the image of the country as a safe investment destination that we have worked tirelessly to build for many years.

What is the Vietnamese government doing to prevent riots in the coming days?

Local authorities and relevant entities, under the direction of the government, have reacted immediately upon news of the riots. Firstly we are taking strong measures to protect foreign investors, as well as their assets. Secondly, we arrested ringleaders and rioters to put a halt to the escalating tensions. As of now, the situation has calmed but tensions remain and could get out of control again unless strong preventative actions are taken.

Government bodies have also warned Vietnamese people not to riot and called for them to behave responsibly and protect investors and businesspeople for the sake of the nation and its people.

What has the Ministry of Planning and Investment (MPI) done in the capacity of the state's investment management body?

We have sent documents to planning and investment departments and management authorities of industrial parks and economic zones asking that they take all necessary actions to protect investors and dissolve protests. The MPI has also requested every province and city to establish a special authority with a public hotline responsible for taking calls from people and foreign companies. This authority will be available at all hours of the day and every day of the week. Additionally, local authorities will work with trade unions, business associations and enterprises to put their minds at ease, while educating people to protect foreign enterprises. People must understand that when they join riots against foreign investors, however patriotic their intentions, they are hurting Vietnam and its people as the country has invited them to be here.

More importantly, we want Vietnamese people to understand that they should protect Chinese people and companies in Vietnam as well. Even though the Chinese government has illegally placed the oil rig in Vietnam's exclusive economic zone and continental shelf, Vietnam still wants to maintain its positive relationship with Chinese people and businesses, which contribute to the development of the country and are protected under Vietnamese law. There will be no investors in Vietnam, Chinese or otherwise, if they don't feel safe and secure. We must maintain Vietnam as a safe investment destination.

Given recent developments, what message would you like to relay to foreign investors?

What I want to say to foreign investors is that the recent riots were very unfortunate. The Vietnamese government has applied all measures and forces to stop rioting and is calling on foreign investors, international organisations and foreign business associations to provide us feedback and support our nation in this time of difficulty. We are also asking them to be fair in their reporting on the riots and also our efforts to ensure their safety here.

Source: VIR

[Back to top](#)

Casino developers' race gets fiercer in Vietnam

Undaunted investors are pushing ahead with their casino projects, notwithstanding the chilly reception they've encountered, nor their awareness that casino doors, once open, will have to bar the largest segment of the population – native Vietnamese.

Local newspapers some years ago reported that many foreign investors had flocked to Vietnam to learn about opportunities to develop casino projects, only to make a abrupt U-turn upon learning that the government was serious about barring admittance of Vietnamese nationals.

That said, some intrepid investors have never given up on their plans. Bui Quang Vinh, Vietnam's Minister of Planning and Investment, revealed at a government meeting in early March that he has received about 10 proposals from local authorities regarding casino project development.

This suggests that casino development has always, and continues to be, a very "hot" investment prospect, despite the paucity of coverage these projects have received in the mass media in recent years. Developers are moving ahead with their projects, but do so largely "under the radar", largely because they understand that the projects are not encouraged, and often frowned upon, in Vietnam.

Nguyen Van Doc, Chair of Quang Ninh Provincial People's Committee, has confirmed that the Communist Party Politburo has agreed on a casino project in the locality. Doc said the what local authorities now need to think about is how to set up a reasonable framework for the business field.

"Everything is ready for the project," he said. "We have found a suitable place for it – an 1800 hectare land plot. The casino would have connections with the Van Don airport, which is also a key investment project in the province".

Also according to Doc, provincial authorities have been making hectic preparations to develop a series of tourism projects. The casino project serves as a part of the province's master plan to develop the tourism industry.

In early March, the Quang Ninh provincial People's Committee held working sessions with Australia's ISC Group and Tuan Chau from Vietnam, where the investors presented their plan for developing a tourism complex in the Van Don Economic Zone.

According to ISC, the total investment capital of the project may reach \$7 billion, which would be spent on a casino, marina, residential quarter and high-end hotels.

Meanwhile, in the central province of Quang Nam, the Nam Hoi An casino project has reportedly found a new partner. US-based Peninsula Pacific will replace Genting as the foreign investor of the project. It is expected that the appearance of a new partner will lead to a number of changes in the project.

The investor has proposed a project duration of 50 years, starting from the day the new investment license is granted, rather than the day that the first investment license was granted. The investor has also proposed the extension of the investment license for no less than 20 years. The project would cover an area of 1000 hectares rather than the 1538 hectares initially planned.

However, while the investor wants smaller land area for the project, it wants a bigger casino. In the first phase of project development, the casino would house 90 game tables instead of 70, and include 500 hotel rooms.

Source: TBKTVN

[Back to top](#)

Regulations address mining issues

General Director of the Viet Nam General Department of Geology and Minerals Nguyen Van Thuan talked to Thoi Bao Kinh Te Viet Nam (Viet Nam Economic Times) about new mineral exploitation regulations.

What do you think about the future of mining in Viet Nam given the new regulations on mineral exploitation fees?

The implementation of the 1996 Law on Minerals and the amendments in 2005 revealed that problems remain in exploitation activities. People have been exploiting large amounts of minerals without paying fees to the State and local residents are not benefiting from these activities.

The amended 2005 Law on Minerals allowed local authorities to issue certain kinds of exploitation licenses, and in only three years, they issued more than 4,000 licenses. Since then, the Government has only issued 500 more. This has called for new regulations on mineral policies, especially in bidding for mines and collecting fees.

One of the main goals of this is to get rid of inefficient enterprises and help the State collect the correct amount of fees. The fees will be divided between the construction of infrastructure and social welfare in mining communities.

These regulations will help balance the benefits of the State, enterprises and local residents.

Mining firms still have reservations about the regulations on fees and how they are collected. Can you talk a little bit about this?

This is normal for any major State policy. We have responded to most concerns, but we have to admit that there are some objective points being made. For instance, some enterprises have asked for fees to be waived from July 1, 2011 to the time the law decree comes into force in January 2014. During that time before legislation took effect, many enterprises have already profited from mining activities. These concerns have been submitted to the Prime Minister and National Assembly. The General Directorate has also suggested that fees should not be collected for the two-year period.

Many enterprises are worried they will have to shut down following the new regulations. Do you think this is a possibility?

I think 20 to 30 per cent of enterprises will be forced to close because they can't afford the fees. It is estimated that enterprises will have to pay several billion dong, and some will even face bills of trillions of dong. Enterprises that don't run a tight ship will certainly have to close. A circular on bidding for mineral mining activities will create a proper legal lobby for enterprises that are capable in terms of experience, technique and finance. Before this, mines were almost free, but now enterprises will have to follow strict financial regulations.

Which enterprises are most vulnerable to the new ruling?

Enterprises that have applied for exploitation licences in major mines but fail to operate efficiently are most at risk. Mining is a risky activity because companies do not know what's underground. It requires professionalism, experience, skill and the financial capacity for long-term investment.

Many enterprises are struggling because their mines do not hold what was initially expected. What are the solutions for them?

Previously, the law stated that enterprises were financially responsible for exploration work and the data would be collected for the State to approve, but those were just estimates at the time. Discovery and exploitation are totally different entities – so many enterprises really had difficulties paying the exploitation fees.

The amended law will allow enterprises to hire consultants under the supervision of authorised agencies to ensure the accuracy of the figures. Based on those reports, the State will approve and adjust exploitation fees.

In many countries, exploitation work is performed scientifically and in absolute detail, and they only invest when they are sure about the figures. In Viet Nam, we are doing the opposite: enterprise build factories before exploring the land thoroughly, so failure is inevitable.

Source: VNN

[Back to top](#)

Vietnamese big bosses struggle to revive their one-time strong brands

After a long period of absence, once strong brands like Da Lan (toothpaste), Hynos, Co Ba (soap) or Truc Bach (beer) have reappeared before the public. However, it is not easy to regain the heydays.

One-time strong brands resurrected

“Da Lan was a very favorite brand which once held 70 percent of the domestic toothpaste market in 1993-1994. Therefore, I have placed high expectations on bringing it back to the market,” said Trinh Thanh Nhon, General Director of ICC, a cosmetics manufacturer, when explaining his decision to regain the brilliant days for Da Lan.

Also nurturing a hope of revival, Nguyen Hung Viet, Chair of P/S JSC, has decided to reintroduce Hynos toothpaste, a product which was a favorite in the southern region in the 60’s and 70’s. Similarly, Phuong Dong Production & Trade JSC is now trying to bring Co Ba soaps back to the market after a long period of absence.

Nguyen Duc Hiep, Deputy Director of Phuong Dong, said the company continues making Co Ba soaps because the products are still favored by old people. And more importantly, Hiep wants to protect a strong Vietnamese brand which had conquered the hearts of Vietnamese for a period of 80 years.

Truc Bach beer, a one-time well-known brand in Hanoi, quietly left the market for some unknown reason. However, it reappeared before the public in 2008 thanks to the efforts of Habeco, the largest brewery in the north.

Habeco puts high hopes in the return of Truc Bach because the beer has nostalgia value for many Hanoians’, evoking memories of the old days. ICC reportedly invested more than \$1 million in a production line from Europe to make Da Lan toothpaste. The corporation’s owner has also spent heavily to hire qualified staff and to run noisy ad campaigns.

In 2000-2006 alone, ICC spent \$10 million in total to develop the Da Lan brand, and VND1 billion a month on marketing and ads. Similarly, a new production line has been set up to make Hynos toothpaste. While the manufacturer tries to evoke nostalgic feelings of people with the image of a man, it also tries to show that Hynos is suitable for modern families.

Habeco, when strategizing for Truc Bach Beer’s comeback performance, decided that Truc Bach must be a high end product, even more upscale than Heineken.

A senior executive of Habeco explained that Vietnamese pay more to drink Heineken because of the high value of the brand. Meanwhile, Truc Bach is expensive because it fits the tastes of Vietnamese and has high quality.

The tough second act

Despite the high hopes and lavish expenditures by the manufacturers, both Da Lan and Hynos have found it hard to conquer the hearts of modern Vietnamese consumers. Hynos’ market share has narrowed year after year. And Da Lan never had a warm welcome, despite the manufacturer’s attempts to distribute the products through different channels. Even the low price of Da Lan, 10-20 percent below comparable brands, has not helped attract customers.

Co Ba soaps have returned to the market, but they can be found only at the Co-op Mart chain.

Doan Sy Hien, a branding expert, commented that it is very difficult to revive past brands, as they exist only in the minds of older consumers. It doesn't help that 60 percent of Vietnamese consumers are the young.

Source:DNSG

[Back to top](#)

NEWS IN BRIEF

Phu Quoc Island approves another 200 projects

Some 194 investment projects, mainly in tourism, have been granted licenses on Phu Quoc Island in the southern province of Kien Giang from 2011 to now, according to the Phu Quoc Island Development Investment Board. The projects will be built on an area of 4,214 ha with a total investment capital of VND101 trillion (US\$ 4.7 billion). Of the 194 projects, 13 projects worth VND4.2 trillion have been completed and are operational, with 16 projects worth VND7 trillion under construction. The remainder of the projects are being finalizing investment procedures. Kien Giang Vice Chairman, Nguyen Thanh Nghi said that enterprises can enjoy many investment incentives that will be applied for the first time, such as preferential policies on land, corporate income tax, high-income earner tax and import taxes. The island is expected to become a centre of tourism, science and technology in Viet Nam and Southeast Asia.

IBM helps strengthen Dong Nai's management capacity

IBM's international 12-volunteer group will visit Dong Nai during May 12-June 7 to provide free-of-charge consultancy for the provincial departments of Health and Science and Technology, and some organizations and enterprises. Total consultancy value is \$250,000. The volunteers come from eight nations in America, Europe, Asia and Australia. The consultancy will be focused on improving skills in project management, human resource management, information and communications, security, and application of information and technology (IT). Additionally, the consultancy will also include community health care, disease prevention and food hygiene and safety. During this stay, IBM will also combine with Vietnam Chamber of Commerce and Industry's Danang branch organize a workshop on IT application in corporate management, which will be joined by over 60 people from the provincial organizations, enterprises and departments.

"Dong Nai has been selected for IBM's expanded business, thanks to its great potential in socio-economic development, and the open-heartedness of enterprises. Dong Nai is also favorable for developing the sectors of health and IT," said Pham Ngoc Van Giang, who is director of IBM's corporate social responsibility programmes. During 2008-2013, about 10 IBM volunteer groups came to Vietnam to provide consultancy, skills and experiences for small- and medium-sized units in localities including Danang, Can Tho, Quang Ninh, Haiphong and Thua Thien-Hue.

Ford Vietnam delivers best-ever April performance

May 12, 2014, Ford Vietnam announced its best-ever performance for the month of April with retail sales increasing 37 per cent year-over-year to 939 units. The exceptional month helped Ford capture 8.3 per cent market share, up 0.5 per cent from a year ago. The record April was driven by the highest-ever monthly sales from the Ranger and Transit nameplates – both of which continue to lead their respective segments in Vietnam – as well as continuing demand for the Fiesta and Everest nameplates.

Vietnam Airlines to open more air routes to Tokyo

Vietnam Airlines has announced that it will open two new air routes to Tokyo, Japan in July, according to Hanoi Moi newspaper. The national flag carrier said in a May 15 announcement that the air route between Noi Bai International Airport (Hanoi) and Tokyo Haneda Airport will be launched on July 1 while flights connecting central Da Nang city with Tokyo Narita Airport will be put into operation on July 16. It will use Airbus A321 for the flights. On the occasion, the

carrier is running a discount ticket programme. A Hanoi-Haneda return ticket purchased domestically costs 6.315 million VND (299 USD). The price will be available from now until June 15. Meanwhile, each return ticket for Da Nang-Narita flights, worth 7.375 million VND (349 USD), will be effective until December 31. The same day, Vietjet Air also announced discounted ticket prices for its new Ho Chi Minh City-Singapore air route

Preparations for Long Thanh airport project underway

The Japanese Airport Consultants (JAC) has been urged to update and complete studies on the Long Thanh International Airport project in southern Dong Nai province for the National Assembly's approval. The request was made by Vice Chairman of the Dong Nai provincial People's Committee Tran Van Vinh during a working session with the JAC in Dong Nai on May 14. JAC representatives said that the Japanese Government takes interest in the project because it is relating to the use of Japan's official development assistant (ODA), adding that Japanese relevant agencies discussed the provision of investment capital to the project in April. Japanese consultants also focused on auxiliary facilities such as transport system, waste liquid treatment, water supply and drainage, electricity, telecoms and other services, they said. Vinh, meanwhile, said the Long Thanh airport project was added in the province's master plan. Dong Nai will undertake site clearance, compensation and resettlement for residents in the project area. Total cost for the work is estimated at 20 trillion VND (940 million USD). Dong Nai has made plans for two resettlement areas which cover 280 hectares each. The province also mapped out a project area of 21,000 hectares surrounding the airport, while the Transport Ministry has been carrying out the construction of transport system connecting the airport to road, railway and waterway.

Samsung looks to boost investment in Vietnam

The Republic of Korea's giant Samsung is considering expanding its investment in Vietnam in the fields of telecom infrastructure, airport construction, mobile phones and spare parts. The group said on May 14 that the total volume of its mobile equipment produced in Vietnam will make up a half of its global supply. It will focus on improving the quality of products and personnel competence in the coming time. Entering Vietnam in 1995, Samsung is running two mobile-phone factories in the north of the country, namely the Samsung Electronics Vietnam (SEV) in Bac Ninh and the Samsung Electronics Vietnam Thai Nguyen (SEVT). US abolishes anti-dumping tax for one Vietnamese seafood business

The US Department of Commerce has scrapped a US\$0.03 per kilogram anti-dumping tax on tra fish products exported to that country by Vietnam's Vinh Hoan Company. The department announced its decision following a review (POR9) of anti-dumping duties on tra fish fillet imported from Vietnam between August 1, 2011, and July 31, 2012. The antidumping tax on Hung Vuong Company's products remains unchanged at \$1.2 per kilogram. The rate for voluntary respondents was increased to \$1.2 from \$0.42. Other businesses still pay \$2.11 per kilogram.

Firms invited to showcase clean-tech solutions

Vietnamese startups and small- and medium-sized enterprises (SMEs) in the clean energy and climate technology sectors are invited to submit their business ideas to a contest organized by the Vietnam Climate Innovation Centre.

Local climate technology innovations and solutions would enable Vietnam to adapt to climate change, reduce emissions, meet energy needs, boost productivity, maintain competitiveness, and minimise dependence on imported fossil fuel. In anticipation of the launch of the Vietnam Climate Innovation Center (Vietnam CIC) in the second half of 2014, the World Bank Group has partnered with the Asian Development Bank to organise a Proof of Concept (PoC) competition to identify emerging entrepreneurs who could become future collaborators with the Vietnam CIC.

Successful applicants in the competition will be eligible for grant funding of up to VND1 billion to develop, launch and/or scale up a product or a service. They will also have preferred access to the Vietnam CIC program and its full

range of advisory services (training, mentorship, facilities and access to finance). Successful applicants will also have the opportunity to showcase their innovative concepts at the official Vietnam CIC launch and related media events.

Through its programmes, activities and financing, the Vietnam CIC and its network of partners will provide a regionally driven approach to solving climate, energy and resource challenges, and will support economic development through job creation. The Vietnam CIC is supported by the UK Department for International Development (DFID) and the Australian Department of Foreign Affairs and Trade (DFAT).

[Back to top](#)

COMING EVENTS

BANKING VIETNAM HANOI

Venue: [Hotel Meliá Hanoi, 44B Lý Thường Kiệt, Trần Hưng Đạo, Hoan Kiem District](#)

Country: [Hanoi, Vietnam](#) Start Date: **21.05.2014** End date: **22.05.2014**

Event Description

Conference and exhibition for the banking industry

Banking Vietnam is the leading event for the banking industry in Vietnam. Besides the networking and exchange of ideas and experience gives you insights into new market trends and developments. The conference deals mainly with modern safety technology, the exhibition, on the other hand, presents innovative products and services

Please kindly refer to www.banking.org.vn

[Back to top](#)

SAIGON AUTOTECH & ACCESSORIES HO CHI MINH CITY

Venue: [SECC Saigon Exhibition & Convention Center](#)

Country: [Ho Chi Minh City, Vietnam](#) Start Date: **29.05.2014** End date: **01.06.2014**

Event Description

International Automobile and Auto Accessories Exhibition

The Saigon Autotech & Accessories in Ho Chi Minh City is the only one in the automotive, motorcycle and auto parts industry specialized exhibition in Vietnam. The presentation of the latest models of the famous vehicle brands and the best auto parts and accessories, the four-day exhibition attracts thousands of visitors. Visitors can find information here about the latest in depth and comprehensive developments, trends, services and products of different companies, manufacturers, distributors and suppliers in the automotive and motorcycle industry at home and abroad. The Saigon Autotech & Accessories want to create a way for consumers to join the sophisticated automobile market in Vietnam and related products to approach objectively.

In the period from Thursday, 29. May 2014 until Sunday, 01. June 2014, in which the fair Saigon Autotech & Accessories in Ho Chi Minh City takes place, there is a Sunday on 01. June 2014. On Sundays and public holidays there might be restricted opening hours of shops and public institutions in Ho Chi Minh City. Please kindly refer to www.atfaexpo.vn

[Back to top](#)

METALTECH HO CHI MINH CITY

Venue: [SECC Saigon Exhibition & Convention Center](#)

Country: [Ho Chi Minh City, Vietnam](#) Start Date: **26.06.2014** End date: **28.06.2014**

Event Description

International fair of metalworking

Metaltech is an international fair for machinery, equipment and tools for the metalworking industry in Vietnam. Leading vietnamese and international engineering companies show on their stands the latest types of machines for turning and milling operations and complete machining centers and industrial robots to be offered for the vietnamese market and make new business contacts and maintain existing and develop. This makes the Metaltech a comprehensive forum for all questions on the subject of metal processing. *Please kindly refer to www.machinery-vietnam.com*

[Back to top](#)



Photo DTK



About Viipip.com

[Viipip.com](http://viipip.com), most powerful [InfoGate for Vietnam Industrial Park](#) headquartered in Centre of Ho Chi Minh City, is national consulting firm with 66 experts in industrial properties. [Viipip.com](http://viipip.com) serves industrial properties' owners, investors and occupiers in Vietnam, specializing in Southern Key Economic Zone and other zones. Viipip.com offers Investment strategic Advisory, Investment Studies, Market Intelligence, Development Services and Business Trip Customization regarding industrial properties.

Clients can use [Comparison Tool](#) and [Search Engine](#) at our [InfoGate](#) to take an in-depth view on developers and owners of Industrial Parks in Vietnam.

Please visit our InfoGate at <http://Viipip.com> for your better view of Vietnam.

Disclaimer: Information within this bulletin is combined from various Vietnamese Governmental agencies, local and international media for reference purpose only. [Viipip.com](http://viipip.com) hereby disclaims responsibility for the accuracy of the information contained in this bulletin. No Claim for damages, actual anticipated or consequential, economic or otherwise, will be entertained.

Reviewed by: Huy Nguyen & Nguyen Minh

