



Dear all,

Vietnam Trade & Investment
Bulletin gives Our Sincerest
Thanks
and Warmest Wishes for the
Holiday Season
and the New Year

Thank you for your interest
in our services throughout
past year!



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DEVELOPER'S INTRODUCTION



TAN BINH INDUSTRIAL PARK BINH DUONG PROVINCE, VIETNAM

Address: Tan Binh commune, Bac Tan Uyen district, Binh Duong province

Phone: (84-650) – 6 566 668/ 3 687 888

Fax: (84-650) – 3 687 888

Email: tanbinh@tanbinhip.com

Website: <http://www.tanbinhip.com>

DEVELOPER: Tan Binh Industrial Park JSC

OPERATIONAL TIME: 50 years (from 2012)

AREA: 352.5 ha in total, 244.5 ha of industrial land,
 5.9% of which is occupied

INFRASTRUCTURE

- The capacity of fresh water supply is 14,000m³/day & night
- Waste water is treated according to Vietnamese Standard with capacity of 10,000 m³/day & night
- The 22KV of electrical supply network for manufacturing is connected to the 110/22KV – 2 x 40MVA of National grid
- Internet access technology – FTTx provides best telecommunication services for enterprises
- 36 ha residential area meets a wide range of demands of workers

OUTSTANDING FEATURES

- Convenient location: 15 km from Binh Duong New City – Binh Duong administration center, 55 km from Tan Son Nhat airport (HCMC), 61 km from Sai Gon seaport, 62 km from Tan Cang - Cat Lai seaport
- Wide internal roads (24 – 38 m) and connected with important roads (DT741, National Highways No. 1A, 13, 14, 22, 51, My Phuoc-Tan Van)
- Abundant raw materials from rubber trees (wood, sap,...) and other agriculture products

INCENTIVES AND SUPPORTIVE POLICIES

- Special Enterprise income tax for the newly-established projects in Tan Binh industrial park
- Special price for the first new comers
- Various price options for tenants that can be paid within 18~24 months without interest

For more detail, please contact Planning & Business Dept.: (84) 933 446 988



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QUEVO 2 INDUSTRIAL ZONE

Address A: Km no.18, Highway no.18, Quevo district, Bacninh T: (+84)2413 623 868 F: (+84)2413 623 868		Head office <i>A: 13th floor, HH3 Tower, Metri Str., Tu Liem, Hanoi</i> <i>T: (+84) 4 66748483 F: (+84) 437877936</i> <i>E: office@idicoquevo.com.vn</i> <i>W: http://www.idicoquevo.com.vn</i>
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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	Faculties	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		Internet	-ISP: VNPT, Viettel, FPT Telecom -Speed: 512 kpsb and 128 kbps-2048 downstream -Services: dial-up, ADSL, Leased line,...
Land	Scale	572 ha 1 st phase: 272 ha (120 ha available) 2 nd phase: 300 ha	Labor	University	Technical teacher college Technical health university of Bacninh province
	Development status	-1 st phase: already finished the infrastructure and the land is ready for investors to build factory (120 ha) -2 nd phase: land compensation, leveling and under construction for infrastructure 1 st phase (300ha)		Worker	Population of Bacninh province is around 1,2 million and people on the age of working are around 0,7 million Population of Bacninh city is around 180 000 peoples

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GENERAL REVIEW

PM Dung: VN – promising land for cooperation, success

PM Nguyen Tan Dung expressed his belief that Viet Nam would be a promising land for cooperation and success when addressing the opening ceremony of the 14th Asia-Pacific Conference of German Business (APK14) in Ho Chi Minh City on November 21.

PM Dung said that the selection of Viet Nam as a venue for the APK 14 showed the trust of the business community in Germany and the Asian-Pacific region in the country's development prospects.

He valued German companies' investments and business in Viet Nam, stressing that Germany is the biggest European trade partner of Viet Nam since their two-way trade turnover of nearly US\$8 billion accounts for over 20% of the total Viet Nam-EU trade value. However, the European country's trade and investment in Viet Nam have yet met both countries' potential, their expectations and sound relations, PM Dung said.

He reiterated measures on which the two countries' leaders agreed to deepen the bilateral strategic partnership, focusing on cooperation in politics, trade, investment, justice-law, development-environmental protection, education, science, technology, culture, communication and social development.

PM Dung suggested German businesses investment in infrastructure, which is their strength, in the public-private partnership model. While pursuing the construction of a law-governed State and the market economy, Viet Nam and ASEAN member countries are trying to establish an ASEAN Community in 2015. The country is also boosting the implementation of eight free trade agreements (FTA) and negotiating for six others, PM Dung added.

The Government leader stressed the commitment of the Vietnamese Government and local authorities to creating favorable conditions for foreign investors to do business successfully and sustainably in the country given their success is Viet Nam's achievement.

Speaking at the conference, Mr. Sigmar Gabriel, German Vice Chancellor and Federal Minister of Economic Affairs and Energy and Mr. Hubert Lienhard, Chairman of the Asia-Pacific Committee of German Business (APA) expressed their gratitude to Viet Nam's relevant agencies for coordination with German side to organize the APK 14 in the country's largest economic hub.

Gabriel affirmed that Germany attaches importance to boosting cooperation in all fields, particularly in economics, trade and investment, with regional countries, saying that he would do his utmost to deepen bilateral cooperation for mutual benefits and development.

The biennial conference saw the participation of economic ministers in the region, the ASEAN Secretary General, economic experts and nearly 700 German, regional and local businesses.

Source: VGP

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Economic cooperation a Vietnam-India strategic objective

The Vietnamese and Indian leaders have agreed that economic cooperation between both countries should be pursued as a strategic objective, said an Indian expert.

Talking to a Vietnam News Agency correspondent in New Delhi, Jayadeva Ranade, President of the Centre for China Analysis and Strategy (CCAS), stated that potential for economic cooperation between Vietnam and India is still very large and has not been fully tapped.

The two countries have been cooperating extensively in the economic field and India has offered Vietnam 18 Lines of Credit to date, he said, adding that Prime Minister Nguyen Tan Dung's recent visit to India focused mainly on economic engagement besides the other facets of strategic cooperation.

It was also noted that there has been strong growth in bilateral trade in recent years, particularly after the India-ASEAN trade in Goods Agreement.

According to the analyst, the recently-signed FTA between India and ASEAN in services is expected to create a strong momentum for India-Vietnam economic collaboration. RCEP is another multilateral agreement that will enhance economic engagement between the two nations in the future.

Priority areas for economic cooperation include hydrocarbons, power generation, infrastructure, tourism, textiles, footwear, medical and pharmaceuticals, information & communications technology (ICT), electronics, agriculture, chemicals, machinery, and support industries.

The two countries have set to raise their two-way trade to 15 billion USD in 2015 from the current 7 billion USD

Source: VN+

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Vietnam, Hong Kong promote commercial ties

The Vietnam Chamber of Commerce and Industry (VCCI) and the Hong Kong-Vietnam Chamber of Commerce on November 21 signed an agreement to further expand investment and trade between their two business communities.

Addressing the function, Executive Vice-President of VCCI Doan Duy Khuong said: "The agreement will help both sides' enterprises strengthen business exchange and increase investment in Vietnam and Hong Kong, and boost Vietnam-China economic and commercial relations to an even a higher level."

Jonathan Choi, Chairman of the HKVCC, said: "Apart from the ASEAN + China, Japan, and Korea Free Trade Area negotiations, Hong Kong in July this year began negotiations for our trade arrangement with ASEAN."

Bilateral and multilateral agreements combined with an in-depth integration of regional economics will bring the East Asian region into a competitive and vibrant economic region, said Choi, who is also Chairman of Sunwah Group.

Regarding bilateral trade with Hong Kong, Khuong said it had reached 4.96 billion USD, a growth of 22.68 percent over last year. Of that amount, exports from Vietnam were worth 4.11 billion USD, up 30.38 percent over 2013, and imports to Vietnam were 850.5 million USD, down 4.59 percent.

The items traded include clothes, textiles, accessories, leather and shoes, metal and steel, computers, electronics and accessories, machinery and tools, parts, fishery, rice, wood and wooden products.

In the field of investment, by October 20, Hong Kong had 853 projects with a combined investment capital of 14.1 billion USD in Vietnam, he said.

The signing ceremony took place as part of the visit of Gregory So, the Secretary for Commerce and Economic Development of the Hong Kong Special Administrative Region

Source: TalkVN

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Vietnam named Asia's Most Attractive Nation for Manufacturing

Vietnam topped the list of 20 countries awarded Asia's Most Attractive Nation for Manufacturing at the "Top Asia Corporate Ball 2014" held in Kuala Lumpur, Malaysia on November 22.

Speaking at the event, Minister of the Malaysian Prime Minister's Department Wee Ka Siong expressed his hope that the awards will encourage individuals and organizations in various sectors across Asia to obtain greater achievements in the future.

Other awards included "Asia's Best Island Nation Destination" won by Maldives, "Fastest Economic Growth Nation in Asia" by the Philippines, "Asia's Most Inspiring Platform for Business Talents" by Singapore, "Asia's Best Nation in Argo-Industry Development" by Uzbekistan and "Asia's Most Attractive Medical Tourism Destination" by Thailand.

The "Top Asia Corporate Ball 2014", the second of its kind, is an annual event launched by Kuala Lumpur-based Top 10 of Asia with the aim of honoring the most outstanding individuals and organizations in Malaysia and nations across Asia.

This year's event saw the participation of about 900 CEOs, business owners and diplomats from more than 20 Asian countries

Source: VN+

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Vietnam, Germany hold talks to improve economic partnership

Vietnamese and German officials and entrepreneurs participated in an economic dialogue in Hanoi on November 19 with a view to promoting the bilateral trade partnership as well as linkages between the two economies in general.

Addressing the event, Minister of Planning and Investment Bui Quang Vinh said Vietnam had not yet fully tapped its opportunities in Germany, the largest European economy.

The two countries' comprehensive cooperation, especially on investment, trade and entrepreneurial training, played a crucial role, he noted, pledging that Vietnam would work more closely with Germany to maximize their economic relations in areas of strength.

German Vice Chancellor and Federal Minister for Economic Affairs and Energy Sigmar Gabriel said his country considered Vietnam an important partner in the ASEAN region and was interested in fostering collaboration on investment, trade and training with the Southeast Asian nation.

He suggested Vietnam improve its competitiveness and fine-tune policies to attract more German investors, adding that rising demand in all fields was turning Vietnam into a magnet for German businesses keen to expand their operations in Asia. Data from the Vietnamese Foreign Investment Agency (FIA) show an influx of German investments into Vietnam since 2011.

While only seven German projects, worth 34 million USD, were registered in Vietnam during the first ten months of 2011, the figures for the same period in 2014 counted 21 projects worth 142 million USD.

By the end of October this year, 239 German investment projects were registered in Vietnam with a total capital of more than 1.33 trillion USD, ranking 22nd out of all foreign investors.

During the dialogue, FIA Director Do Nhat Hoang presented Vietnam's investment potential to German entrepreneurs, highlighting the large proportion of processing and manufacturing facilities within the industrial sector.

With its stable political situation, abundant workforce, favorable policies and prime geographical location, Vietnam hoped to welcome more foreign investments, particularly from Germany, he said.

Meanwhile, German investors asked Vietnam to improve its business and investment climate and adapt its legal system to the World Trade Organization's requirements.

During the dialogue, Minister Vinh and German Vice Chancellor and Minister Sigmar Gabriel signed a joint cooperation statement between the two ministries on entrepreneurial training between 2014 and 2016

Source: *GreetingVN*

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VN deepens ties with Hungary, Thailand

Transport and taxi companies have moved to cut fees amid decreases in petrol and oil prices this year and complaints about their slow response.

Leaders of Hungary and Thailand yesterday highlighted the importance of enhancing cooperation with Vietnam during separate meetings with Vietnamese leaders yesterday.

State President Truong Tan Sang yesterday held talks with Hungarian President Janos Ader on the occasion of the Hungarian President and his wife's official visit to Vietnam from November 26 to 29. As reported by chinhphu.vn, State President Sang welcomed the Hungarian President's visit to Vietnam, considering it as a landmark in the traditional and multi-faceted relationship between the two nations.

Janos Ader highly valued Vietnam's achievements and its increasing stature in the region and in the world, announcing Hungary will open a consulate in HCMC by 2015. The two leaders agreed to jointly organize activities to mark the 65th anniversary of diplomatic ties in 2015 as well as to improve efficiency of the Vietnam-Hungary Joint Committee on Economic Cooperation.

Enterprises of the two sides will be encouraged to boost cooperation in construction, infrastructure, food processing, pharmacy, urban planning, environmental protection and water management. Sang proposed Hungary provide more official development assistance (ODA) for Vietnam and increase the number of scholarships for Vietnamese students from 40 to 100 from 2015.

As a member of the European Union (EU), Hungary supports the improving ties between Vietnam and the EU and the ratification of the EU-Vietnam Partnership and Cooperation Agreement (PCA), and will accelerate the EU-Vietnam Free Trade Agreement negotiations and encourages the EU to recognize Vietnam as a full market economy, said the Hungarian President.

After the talks, the two leaders witnessed the signing of cooperative documents in the fields of agriculture, technology, telecommunication and stock. Meanwhile, Vietnamese Prime Minister Nguyen Tan Dung and his Thai counterpart Prayut Chan-ocha in a meeting yesterday agreed to strengthen bilateral cooperation and ink new cooperative deals to raise the two-way trade between the two nations to US\$15 billion by 2020.

During yesterday's talks as part of the Thai prime minister's visit to Vietnam, both leaders discuss cooperation in trade, investment, transport and agro-forestry, and enhance coordination at regional and international forums.

This is the first trip to Vietnam by Prayuth Chan-ocha in his capacity as prime minister of Thailand.

Prime Minister Dung appraised Chan-ocha's selection of Vietnam as his first destination in his new post as Thai prime minister, saying this represents the strategic partnership between the two countries.

Vietnam and Thailand established diplomatic ties in 1976 and upgraded their rapport to strategic partnership in 2013 during the Thailand visit by Party General Secretary Nguyen Phu Trong. Vietnam also highly appraised Thailand's effort in coordinating the ASEAN-China relationship in recent times that has helped maintain the solidarity and common voice of ASEAN in the East Sea issue.

Both sides agreed that all disputes must be dealt with by peaceful measures and based on international law, especially the United Nations on the Law of the Sea 1982, and the Declaration on the Conduct of Parties in the East Sea (DOC). The two leaders also agreed on the need for an early conclusion of the Code of Conduct in the East Sea

Source: SaigonTimes Daily

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WB reports early signs of Vietnam's economic recovery

The World Bank said on December 3 that there were early signs of recovery for Vietnam's economy, with its economic growth expected to improve from 5.4 percent in 2013 to 5.6 percent in 2014.

According to the WB's new report issued on December 3, the country's GDP expanded by 6.2 percent in the third quarter and 5.6 percent in the first nine months of this year, which are early signs of the country's economic recovery.

The bank attributed the positive outlook to the country's ongoing macroeconomic stability and continued strong performance of the foreign-invested manufacturing export sector.

It noted that positive macroeconomic conditions contributed to Vietnam's improved sovereign risk ratings, enabling 1 billion USD of government bonds to be issued on international capital markets on favorable terms.

The report found that underlying the broad pattern of economic recovery, the performances of foreign-invested and domestic firms remain dichotomous. The foreign-invested sector continues to be a significant source of growth, while the domestic private sector remains subdued, as reflected in the rising number of domestically-owned businesses that have closed or suspended operations.

Regarding Vietnam's financial sector, the report underlined the need to accelerate the Government's reform programme, which was designed to address basic challenges facing the sector

Source: VNA

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TRADE

MOIT regulation on foreign retailers contains loopholes: lawyers

National Assembly deputies have expressed their concern about the dominance of foreign retailers in the domestic retail market, but the Ministry of Industry and Trade (MOIT) disagrees with their sentiments.

Nguyen Ngoc Hoa, a National Assembly's deputy, chair of the Saigon Co-op, one of the largest Vietnamese retailers, said on November 18 that he fears the domestic retail market will be controlled by foreign groups, and that domestic production will be seriously affected because the distribution network would not be in the hands of Vietnamese.

Minister of Industry and Trade Vu Huy Hoang tried to reassure the public that there was no need to worry about the dominance of foreign retailers in the domestic market, saying that the watchdog agency is "using necessary tools to control the foreign retailers' network development".

Hoang said there are only 70 foreign-owned retail points out of the total 900 points throughout the country. Meanwhile, foreign retailers are estimated to make up only 3.4 percent of the total retail revenue of VND3,000 trillion in 2014. The proportion is even lower than the 3.8 percent recorded five years ago.

Also, foreign retailers do not have the right to distribute nine essential products. However, Hoa said that the figures released by Hoang do not truly reflect the current retail market. Hoa said though foreign retailers only have 70 retail points, the scale and revenue of the retail points are four to five times higher than that of domestically owned ones.

Meanwhile, retailers, thanks to their powerful financial capability, can locate their retail points in advantageous positions. He said that foreigners' small market share of 3.4 percent is true, taking into account the revenue from petroleum, gold and jewelry – products that only Vietnamese can distribute. Excluding these products, the foreign retailers' market share would be much bigger.

Hoa also denied that foreign retailers are not allowed to distribute nine essential goods. "Anyone can buy rice, one of the nine items, at Big C or Metro retail points," he said. The Ministry of Industry and Trade often mentions the ENT (economic needs test) as a tool to bar foreign retailers from entering Vietnam.

With ENT, foreign retailers must get the nod from the watchdog agencies' to open second and subsequent retail points. Vietnam has the right to refuse the foreign retailers' proposal to open more retail points, if it finds it unreasonable to set up too many retail points in the same locality. However, it is unclear what criteria the watchdog agencies refer to when considering "economic needs".

A lawyer noted that the ENT is just a "vague" principle, with no clear criteria to determine whether foreign retailers can set up more retail points. He noted that this is a barrier with holes, because it is questionable why Big C can set up two retail points, including one on Tran Duy Hung Street and the other at The Garden building in Hanoi, just one kilometer from each other.

Source: VietnamNet Bridge

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Export growth drives logistics sector

Vietnam's strong growth in exports is pushing demand for logistics services, which has opened up lucrative business opportunities for foreign companies in this industry.

DHL, the world's leading cross-border express services provider, last week announced the latest enhancement to its Asia air network of a new DHL intra-Asia flight, connecting Bangkok, Hanoi and Hong Kong five times per week. Operated by K-Mile Air of Thailand, a partner of DHL, the inaugural flight of this service took place on November 3. It uses a newly-converted Boeing B737-400SF freighter with a gross payload of 21 tones.

An industry first, this new route shortens the transit time for shipments on the DHL intra-Asia network to and from Hanoi to just one day, allowing businesses and consumers to enjoy the earliest arrival time and latest departure time to and from the city. Its introduction also eases congestion faced by DHL's bustling hub in Hong Kong.

"The new intra-Asia flight will enhance our capability to provide a better service for a great number of customers in the north of Vietnam," said George Berczely, general director of DHL-VNPT Express – a joint venture between DHL and Vietnam's VNPT.

"We will continue investing to maintain our leading position in the Vietnam international express market. This new flight, combined with the expansion of our direct pick-up and delivery capabilities to the Thai Binh-Nam Dinh area, allow us to better support the growth potential we see in the north of the country."

Having entered the Vietnamese logistics market in 1988, DHL is now the biggest player in Vietnam's express market. In September, the company also announced its biggest investment in the market to date – the launch of a \$10 million 2,500 square metre service centre in Ho Chi Minh City, and the biggest of its kind in the country.

As the demand for logistics services in Vietnam increases sharply, DHL has seen other logistics firms from Germany join the budding market. DB Schenker, another German logistics provider, has also expanded its business in Vietnam to respond the growing demand. Last year, the company moved its Hanoi branch office to a bigger and better location. In addition, it also inaugurated a new corporate office in Ho Chi Minh City to expand its network in the country.

Karl Gross, another German logistics firm headquartered in Bremen, last year set up a subsidiary in Vietnam called Karl Gross Logistics Vietnam Company – after opening a representative office in Ho Chi Minh City in 2008.

“With such strong growth in export logistics, firms here have a great opportunity to operate in the Vietnamese market,” said Berczely. He cited the inflow of international manufacturing firms from China to Vietnam because of cheap labour costs and political stability. “Of course, the more foreign investment increases in Vietnam, the more opportunities open up for logistics companies.”

According to figures released by the General Statistics Office (GOS), Vietnam achieved a trade surplus of \$1 billion in the first quarter, \$1.3 billion in the first half, and \$1.7 billion in the first ten months. This trade surplus was led by foreign companies whose factories in Vietnam chiefly manufacture products for export. In the year to late October, trade surplus created by foreign companies stood at \$13.8 billion.

GSO, in its report, explained that this strong growth came from the recent boom in the export of garments and textiles, as well as information and communication technology (ICT) equipment. With increasing investment from global electronic companies over recent years, including Samsung, LG, Microsoft, Nokia, and Wintek, export turnover from ICT equipment reached \$19.2 billion, making it the top-ranking export product in Vietnam.

Meanwhile, the increasing orders and investments from global garments and textiles companies are making Vietnam a major hub of manufacturing for this sector. Export turnover for garments and textiles in the first ten months of this year was \$17.6 billion, up 19.3 per cent year-on-year. Meanwhile, the export of footwear products reached \$8.2 billion, up 23.1 per cent from one year earlier.

Source: VIR

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Taiwan clears customs for 200 tons of Vietnam tea hit by dioxin rumor

Nearly 200 tons of tea grown in the Central Highlands province of Lam Dong was able to clear customs in Taiwan on Thursday after being held for months over a dioxin contamination rumor, the Vietnam Tea Association (VITAS) announced the same day.

The exported Oolong tea, worth hundreds of billions of dong (VND1 billion ~ \$47,000), was not allowed to clear customs since September following an allegation from Taiwan that it was tainted with the highly toxic chemical dioxin.

Dioxin is a small compound which was contained within the "Agent Orange" herbicide that the American military used to defoliate jungles during the war in Vietnam, and it is one of the most toxic compounds ever known, according to scientists.

Hundreds of tea producing and trading companies in Lam Dong, including 30 Taiwanese firms, have been hurt by the rumor for months.

The Lam Dong administration on Wednesday filed a dispatch saying tea grown in the province is dioxin-free, and its agricultural land is not contaminated either. Upon receiving the affirmation from the Lam Dong administration, the Taipei Economic and Cultural Office in Vietnam notified Taiwanese authorities, which in turn asked the port authorities, to clear customs for the Vietnamese-grown products, according to VITAS deputy chairman Doan Trong Phuong.

“The exports had passed quarantine and pesticide residue tests earlier but the port authorities were hesitant to clear customs for them due to the rumor until receiving an official explanation from Vietnam,” Phuong said.

On November 11, a Taiwanese news anchor said on his Facebook page that Vietnamese tea contains dioxin, according to Chinese-language newswire ETtoday. The news commentator added tens of thousands of tons of tea imported from Vietnam had been sealed at a Taiwanese port for investigation, and warned Taiwanese consumers not to use the product.

The customs clearance, however, did not completely resolve the issue, according to VITAS. “The unfounded rumor must be silenced in Taiwan in order to protect the reputation of Vietnam’s Oolong tea,” the association said in a statement.

The Lam Dong administration and Vietnamese industry insiders have demanded that Taiwanese authorities organize a press meeting in Taiwan to clarify the information. “If the media meeting is held, Lam Dong and Vietnamese tea businesses should send representatives to attend, and present all evidence available,” Phuong said.

If the Taiwanese side refuses to organize the press meeting, VITAS will petition to relevant authorities to have it hosted, he added. The rumor was allegedly spread by Taiwan’s domestic tea makers as a method of unhealthy competition to tarnish the reputation of their counterparts in Vietnam, even including the Taiwanese firms, according to Han Wen Te, director of Fushen Co., a Taiwanese tea company based in Lam Dong.

This is because Vietnamese-grown Oolong tea is imported to Taiwan at a price that is only one-fourth the domestic rate, he elaborated.

Source: TTO

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What’s behind the big M&A deals?

Analysts are pessimistic about the recent big merger and acquisition (M&A) deals, saying that the deals show Vietnamese businessmen have worn and they have to quit the game.

Nguyen Trung Thang, chair of Masso Group, commented that the huge M&A deals made recently showed that Vietnamese were facing fierce competition with foreign rivals who have more powerful financial capability and experience.

The deals also showed another problem of Vietnamese businesses – the lack of qualified managerial staff. The businessmen who built enterprises and developed brands are getting old, while the leadership transfer is not succeeding due to traditional outdated management style and a lack of qualified successors.

Pham Viet Anh, chair of Left Brain Connectors, noted that Vietnamese businesses are facing a “leadership crisis”.

The founders of the businesses, after gaining initial achievements, would rather sell businesses to get money to invest in other fields where they can act as investors, not managers.

Meanwhile, Pham Ngoc Hung, deputy chair of the HCM City Business Association, noted that selling shares to restructure their investment portfolios is something businesses have to do to prepare for more international integration.

Businessmen might think there is no need to struggle to retain their brands, which are now strong but may get weaker in the future, at any cost. It would be better to sell parts of their production or distribution chains to get money for other investment deals.

“Selling shares to get capital for other investment deals is not a better solution for businesses than borrowing money from banks at high interest rates,” Hung noted. “By doing this, businesses can get both things, obtain big capital and learn corporate management skills from the partners.”

Future of Vietnamese brands

Thang said he can see a dark future for strong Vietnamese brands after the M&A deals are made.

Once foreign investors hold controlling stakes and swallow Vietnamese enterprises, they will be able to control the distribution networks and decide what products to distribute. Meanwhile, Vietnamese products cannot squeeze into the foreign partners’ global networks due to their weak competitiveness.

“The future of the Vietnamese brands in the M&A deals is dark,” Thang said. Viet Anh noted that in the new period of development, businesses have to do two things – apply modern technologies and use skilled workers in order to ensure sustainable development. Vietnamese businesses lack both.

Anh said many Vietnamese businesses have been “living well” thanks to the tariff barriers installed to protect domestic production. However, in the future, the barriers will be removed under free trade agreements.

By that time, the home market will be the only competitive edge for Vietnamese enterprises.

Source: VietnamnetBridge

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Will Vietnam become the world’s footwear production base?

Vietnam is believed to be a powerhouse in global footwear production, largely due to a number of multilateral and bilateral free trade agreements (FTAs), but many enterprises do not believe so.

Many foreign footwear companies are moving to Vietnam. Scott Thomas from the US-based Wolverine Worldwide said the enterprise is considering moving its production chains out of China, where high inflation and high minimum wages have led to higher production costs. It is moving to Vietnam because of lower production costs.

Ever Rite International, also from the US, completed the relocation of its last factory to Vietnam by September 2013.

Oliver Ng, a senior executive of Ever Rite International, noted that the company can see favorable conditions in Vietnam which may allow it to minimize production costs, including the stable dong/dollar exchange rate, low minimum wage, young population and high productivity.

According to Lefaso, foreign investors continue to flock to Vietnam, where there are 600 foreign-invested factories, holding 80 percent of the market share. Lefaso noted that Nike, Adidas and Puma have outsourced large percentages of orders to Vietnam instead of China and Bangladesh. Meanwhile, Target Sourcing Services, one of the 10 largest distributors in the world, and Dansu group are considering expanding production capacity in Vietnam.

Timberland and Puma have returned to Vietnam. Puma has placed orders with Vietnamese producers without designating material suppliers.

Market still quiet

While the news about the presence of big foreign investors has been in the news, causing excitement, Vietnamese enterprises and state management agencies have remained calm.

Nguyen Hoang Phi Phung, deputy head of Hepza, the HCM City Industrial Zone and Export Processing Zone Management Board, said that Hepza had not granted investment licenses to any footwear producers this year.

A representative of the Taiwanese-invested Pouchen Vietnam, which does outsourcing for 20 footwear brands in the world, including Adidas, Nike, Puma and Reebok, said there had been no sign of orders increasing from foreign partners.

He said that with seven operational factories in Vietnam, Pouchen Vietnam's production capacity is relatively big and can fulfill more orders. However, the orders remain the same, and the Pouchen's factory in Binh Tan district of HCM City output remains unchanged at 5 million pairs a month.

Dong Hung Group, a 100 percent Vietnamese producer, has signed a contract with Puma after two years of interruption. The group, which outsources for 15 footwear brands, has 30 percent more orders compared with 2013.

Source: VietnamnetBridge

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INVESTMENT

Vietnam proposes ideas for India-CLMV economic ties

Vietnam has introduced a six-point proposal aiming to boost economic and trade ties between Cambodia, Laos, Myanmar, and Vietnam and India, suggesting all parties minimize trade and investment barriers to each other's businesses.

The countries should encourage their enterprises to make full use of their respective market access preferences, said Deputy Minister of Industry and Trade Do Thang Hai. Hai led a delegation of 130 Vietnamese businesses and officials at a business forum between India and Cambodia, Laos and Myanmar and Vietnam (CLMV) held in New Delhi on December 11.

He also proposed that India assist CLMV in developing their infrastructure and cross-border transport systems that include land, railway, waterway and airway routes.

Hai stressed the need for these countries to simplify administrative procedures and make them highly transparent by developing modern customs system, and to strengthen collaboration within the ASEAN-India cooperation framework.

The officials underlined the necessity to speed up negotiations for the ASEAN-India free trade agreement, aiming to set up a comprehensive and full free trade area between the bloc and India, thus making it easier for both sides and other partners in talks for a Regional Comprehensive Economic Partnership (RCEP).

He also pointed to the need for the countries to share state management experience as well as strengthening expertise exchange and education affiliation. Vietnam is aware that the enhancement of regional and sub-regional partnership is significant to economic growth of both Vietnam and the region, he stated, adding that the country always supports India's initiatives and proposals to beef up ASEAN-India ties.

The country is working hard with other ASEAN members for the establishment of an ASEAN Economic Community in 2015, making it a 600 million-strong single market that has a total GDP of nearly 2.5 trillion USD, he affirmed.

Chandrajit Banerjee, Director General of the Confederation of Indian Industry, said he hopes the event serves as a chance for policy-makers from CLMV to meet and talk with Indian businesses on opportunities to foster Indian-CLMV partnership

Source: VNBBreakingNews

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Experts pinpoint Vietnam’s hurdles to market economy

Vietnam is facing various hindrances on the way towards a market economy due to a number of internal woes, experts said at a seminar in Hanoi City on November 27.

They raised the point at the seminar held to review a report on Vietnam’s market economy development progress. The report was prepared by a research team from several agencies such as the Central Institute for Economic Management, the Vietnam Institute for Economic and Policy Research (VEPR), the Vietnam Institute of Economics (VIE), the Vietnam Chamber of Commerce and Industry (VCCI) and Friedrich-Naumann Vietnam.

VEPR director Nguyen Duc Thanh said Vietnam’s economic freedom score is 50.8, making its economy the 147th freest in the 2014 Index of the Heritage Foundation. Quoting the 2014 Index of Economic Freedom report of the foundation, Thanh said the score is 0.2 point worse than last year, reflecting declines in freedom from corruption, monetary freedom, and business freedom that outweigh improvements in labor freedom and fiscal freedom.

Vietnam is ranked 33rd out of 42 countries in the Asia-Pacific region, and its overall score is lower than the global and regional averages. Between 1997 and 2006, Vietnam made steady improvements in economic freedom. Yet, the index just oscillated around 50 points from 1997 to 2014 and even saw signs of decline in 2011.

“Over the past years, Vietnam has put much effort to win market economy recognition through diplomatic and political channels,” Thanh said and added that the team wished to make a report to evaluate Vietnam’s current status toward a full market economy.

Thanh pointed out many factors that have gone against the progress such as State budget overspending, rising public debts, the fast expansion of State-run commercial banks and high expenditure, among others. Moreover, Vietnam has lagged behind regional countries such as Singapore in terms of inflation control.

Economic expert Pham Chi Lan questioned the status of Vietnam’s economy in the market economy development progress. She said Vietnam’s legal system is relatively complete but law enforcement is poor. Investigations show that enterprises have detected many faults in the legal system for a market economy.

Huynh The Du, a lecturer of the Fulbright Economics Teaching Program, said Vietnam has sped up international integration with an aim to boost internal reform. However, it has brought about some reverse impacts.

Equitization of State-owned enterprises (SOEs) is on a tough path and it seems that SOE leaders have been granted more power while State-run banks are taking the upper hand of the sector, Du said.

To help Vietnam develop a market economy, the report suggested interest groups should not intervene in the development progress while enterprises and citizens must raise their voice in law making.

In addition, the Government needs to protect legitimate properties of citizens and businesses, issue reasonable land management policies and streamline administrative apparatus to reduce regular spending and public investments.

Source: SaigonTimes

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Eurocham releases White Book on Investment issues in Vietnam

The European Chamber of Commerce in Vietnam (EuroCham) officially launches on December 1st 2014, the fourth edition of its “White Book on Trade and Investment Issues & Recommendations”.

Like the prior editions, the White book 2012 aims to summarize for the Vietnamese Government the key issues affecting the business climate for European businesses in Vietnam.

The Whitebook 2011 covered the major industries that EuroCham’s more than 750 member companies operate in, like pharmaceuticals, fast-moving consumer goods, energy, telecom, automotive, tourism and banking. The White book 2012 contains an additional paper on medical devices, supplementing the important pharmaceuticals sector.

On the occasion of the Whitebook 2012 launch, EuroCham has already held a meeting with key government representatives from Vietnamese ministries and agencies in Hanoi the day before, jointly organized with the Vietnamese Chamber of Commerce and Industry (VCCI) under the umbrella of the Vietnam-EU Business Forum (VEUBF). The presence of the Delegation from the European Commission, that strongly supports EuroCham’s Whitebook efforts, was centre stage at the press launch of the Whitebook 2012.

This year’s progress report shows fewer improvements on 2011, which was partly due to the long election period and macroeconomic turbulences, but also due to new regulatory burdens and restrictions to trade. EuroCham believes this is due to a combination of slow progress on many of the issues that were addressed in last year’s White book coupled with some new issues that are eroding confidence in the business environment of Vietnam.

Whilst European companies have been patient and remain hopeful that the business environment in Vietnam will improve, their confidence has been steadily declining since the beginning of 2011, as is evidenced by the quarterly EuroCham Business Climate Index (BCI) survey for Vietnam. In particular, high rates of inflation coupled with difficult access to credit, lack of adequate infrastructure and administrative burdens continue to dampen enthusiasm for doing business here.

EuroCham Chairman Alain Cany said: “EuroCham believes that to attract more and better-quality foreign investment, the Vietnamese government should focus its efforts in 2012 on removing all unnecessary restrictions to market access that affect the freedom of trade. Employers should be allowed to select business partners based on their own discretion and internal processes. Furthermore, the acceleration of the equitization of Vietnam’s state owned enterprises will be of key importance for the further economic development of Vietnam. We hope that that like the prior editions, the White Book 2012 will again be well received, and serve to stimulate discussion on some of the leading issues facing the business community in Vietnam.”

“As always, EuroCham is ready to further advise on the implementation of any of the changes proposed here. We hope that the White Book 2012 contribute to positive changes for businesses and boost quality long term investments in Vietnam,” he told reporters at the event.

EuroCham Executive Director Dr. Matthias Dühn added, “EuroCham also believes that once a Vietnam - EU Free Trade Agreement (FTA) is in place, EU FDI will further increase both in quantity and in quality. EU enterprises will increasingly perceive Vietnam as their ASEAN hub or even headquarters, from which they can service efficiently both ASEAN markets and neighboring countries, like Japan, China and India. EuroCham therefore believes that after over 20 months since the first talks between the EU and Vietnam, now is the time to officially kick off official negotiations to conclude a Vietnam – EU FTA.”

Source: CPV

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Vietnam seeks Indian investment in all sectors

Two-way trade turnover between Vietnam and India reached US\$8 billion in fiscal year 2013-2014 and both nations have aims of striking a turnover of US\$15 billion before 2020.

While Vietnam has been cynosure of all eyes following its dispute with China over the latter's claim in East Sea, few would have noticed its recent economic growth and market opportunities that it presents. This growth has been based on foreign direct investment (FDI) and Hanoi has been keen to invite Indian investors to do business in the country as enunciated by Vietnam's PM during his trip to Delhi last month.

Vietnam's GDP grew 5.62% in the first nine months of 2014. The performance of the economy has also been supported by investment in the manufacturing sector, which remains the most significant sector for foreign investment, accounting for almost 70% of total FDI. Textile and garments, chemicals, agriculture and fishery are the sectors where Vietnam has sought India's investments, Indian government sources informed ET.

Vietnam has also been looking forward to Indian investment in new business sectors where India has advantages – infrastructure and power generation and distribution, IT, education and pharmaceutical research, according to official sources. The present two way trade was \$8.0 billion in 2013-14 and the two countries have targeted 15.0 billion before 2020.

The Republic of Korea has overtaken Japan as the biggest foreign investor. Samsung has invested nearly \$8 billion in Vietnam while Lotte Mart plans to double its current number of stores to 2020. Besides manufacturing, the real estate sector is ranked second in FDI, accounting for 11%, equivalent to \$1.2 billion.

Currently there several large real estate projects, including Smart Complex by Lotte in HCM City's Thu Thiem Area (\$2 billion) and Amata City Long Thanh from Amata in Dong Nai province (\$530 million) have been undertaken in Vietnam where Indian investors could explore to invest, sources in Vietnamese government said.

Vietnam's stock market has been among five markets with the strongest growth in the world. Vietnam has also quickly recovered from the impacts of the financial crisis in 2008-09 and over the last four years, the Vietnamese government successfully made use of macroeconomic stabilization policy, thus keeping a high economic growth at 5-6% per year, attracting \$23 billion in foreign direct investment (FDI) in 2013, contributing to promoting the national economic development.

Vietnam has developed into one of the leading investment destinations in ASEAN and one of the top three ASEAN exporters to the US, ahead of Thailand and Malaysia. Vietnam accounts for 20% of ASEAN exports to the US, and if the present trend continues, it would have a market share of more than 30% by 2020.

The Vietnamese economy has gradually stabilized, with macro-economic indicators improving as against that in 2013. This positive outcome has been attributed to the proper formulation of macro-economic policies by the Government of Vietnam. In the first nine months of 2014, the number of households living below the poverty line has reduced by 21.7% compared to the same period of the previous year.

The US Chamber of Commerce in Singapore has claimed that Vietnam is the second most popular destination for US business expansion among the member states of the (ASEAN), stating that Vietnam's participation in negotiations to become RCEP and TPP membership would have a positive impact on investment activities by U.S enterprises in Vietnam. Vietnam accounts for 20% of ASEAN exports to the US and if present trends continue, it would have a market share of more than 30% by 2020.

Source: VOV

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EU pours \$19b into Viet Nam

The capital city ranked first in the nation in attracting investment from European Union countries, with 357 projects worth US\$3 billion, according to the Foreign Investment Agency (FIA).

EU investors have funded projects in 52 provinces and cities, focusing on Ba Ria-Vung Tau, Quang Ninh and Dong Nai as well as Ha Noi and HCM City. The agency reported that 23 out of the EU's 28 member states had invested nearly \$19 billion in Viet Nam with 1,535 valid projects as of October 20.

The Netherlands topped the list with 221 projects with registered capital of \$6.58 billion, accounting for 34.7 per cent of EU investment in the country.

France ranked second with 418 projects with investment capital of \$3.3 billion, or 17.4 per cent of EU investment. The UK and Germany followed with \$2.82 billion and \$1.33 billion respectively.

The EU countries are mainly interested in the Vietnamese processing and manufacturing industry. EU investors play a large role in this industry with 547 registered projects worth over \$6 billion, 31.8 per cent of total investment. They have also invested \$3.52 billion in 19 projects in the electricity and gas sector, as well as additional capital in the information and communications, real estate and mining sectors due to their economic potential and technological advantages.

The EU's major projects in Viet Nam

The \$2 billion Mong Duong 2 BOT coal-fired power plant, with two units and capacity of 1,240MW, is currently under construction in Mong Duong Precinct, Cam Pha City, Quang Ninh Province. The project owner is AES-VCM Mong Duong Power Company Limited.

A business cooperation contract on CDMA 800Mhz mobile phone network services between Viet Nam Posts and Telecommunications Group (VNPT) and Hutchison Telecommunication, R.L (Luxembourg) with a total investment of \$1.04 billion.

A business co-operation contract on telecommunications between Viet Nam Posts and Telecommunications Group (VNPT) and France Cables et Radio in Vietnam (France) to build new construction works, upgrade and provide telecommunications services with a total investment of \$615 million.

A business co-operation contract on Nam Con Son gas pipelines signed by PetroVietnam, BP Pipelines in the field of design, construction and operation of gas pipelines with a total investment of \$607 million.

A business cooperation contract on Cai Mep Port invested by Terminal Link of France with registered capital of \$520 million.

Source: Eupolitics

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Russia to fire up VN's nuclear power prospects

A two-day Forum of Nuclear Industry Suppliers, or ATOMEX Asia, opened on Nov 19, in HCM City.

On its agenda are strategic partnership between Russia and Viet Nam in nuclear power, future prospects of nuclear power in Southeast Asia, the importance of nuclear power for Viet Nam's socio-economic development, requirements for bidders, localisation ability in nuclear power, personnel training, and ensuring public acceptance of atomic energy.

"The need for diversifying power sources is very high in Viet Nam to meet increasing demand," Hoang Anh Tuan, director general of the Viet Nam Atomic Energy Agency, said in his opening speech.

"In the near future Viet Nam will have nuclear power, and so we have to prepare carefully."

Ian Hore-Lacy, a senior research analyst at the World Nuclear Association (WNA), said, "Demand for nuclear power will double due to global warming and its sustainability and safety."

In 2010 Viet Nam signed an agreement with Russia to build a nuclear power plant with two 1,000MW reactors in the central province of Ninh Thuan. Next year 200 Vietnamese engineers will join their 150 colleagues already in Russia to learn about the construction and operation of nuclear reactors at Russia's State Nuclear Energy Corporation, or Rosatom, the major contractor for the Ninh Thuan plant.

The number of engineers will later increase to 1,000.

In late 2011 Rosatom, representing the Russian Government, signed an agreement to build a nuclear science and technology centre in Viet Nam.

"Nuclear power development is a long-term national strategy to meet the increasing power demand, reduce dependence on imported energy, limit environmental pollution from fossil fuels, and promote development of science and technology," Nguyen Cuong Lam, deputy general director of the Viet Nam Electricity Corporation (EVN), which will build the Ninh Thuan Plant, said.

At the forum, suppliers spoke about their technologies and products, the bidding system, and current nuclear laws.

ATOMEX is an annual event organized by Rosatom since 2011 to create a place for global nuclear power suppliers to talk and co-operate with each other.

Rosatom is the biggest company in the world in terms of reactors installed, with nine in Russia and 21 others around the world. The latter number is set to climb to 80 in the next 15 years.

Source: Nuclearpower

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German official sees more ASEAN potential

German companies have already made substantial investments in many Asian countries, but they can still do much more in the region, the Vice Chancellor and Federal Minister of Economic Affairs and Energy of Germany said at a meeting in HCM City last Saturday.

The EU features high up in Asian FDI rankings, Sigmar Gabriel said to open an "Openness for FDI" session at the 14th Asia-Pacific conference of German Business.

German companies have invested around 45 billion euros in China, 15 billion euros in Japan, and 9 billion euros in Korea. German business is also well-represented in ASEAN, particularly in Singapore (12 billion euros), but also Indonesia, Thailand, and Malaysia. "Countries where I see major potential are Viet Nam and the Philippines, but also Myanmar and Cambodia, which all have vibrant economies," he said.

German companies, however, often experience grave difficulties in the region, he said. These include reliability, the fulfillment of contracts, the rule of law, and an efficient, ethical public administration.

In addition, there are also issues with infrastructure and a lack of vocational training.

"German companies are more than willing to help your countries expand their infrastructure. They are ready to use their technology to help overcome the challenges that arise from the growth of the middle classes and from urbanization," he said.

There already are a number of promising infrastructure projects underway in India, Thailand and Indonesia and the "ASEAN connectivity" project, which is in the planning stages.

German businesses are world leaders in industrial equipment and can tailor their outstanding products and services to create the perfect solution for almost any specific application.

Regarding vocational training challenge, he said: "This is an area in which Germany excels. Our dual-education system is a tried-and-tested concept that we are now exporting to countries across the world. We are already working closely with many Asian countries on this."

Professional training that prepares people for complex tasks is one of the keys for economic development in Asia, he said, adding that vocational training is also essential for German companies that want to recruit skilled professionals from abroad. The "Make it in Germany" campaign was launched to help skilled professionals from Viet Nam and other countries work in Germany.

Giving young people an opportunity to obtain additional qualifications abroad is also in the best interest of emerging economies with a young workforce.

"We are looking for people who have completed vocational training for careers that are essential for the well-being of our society and industry. For instance, we have been working with Viet Nam on a pilot project that brings Vietnamese nursing staff to Germany," he said.

So far, 100 of them have started their training in Germany, and another 125 are to come to Germany next year.

Investment from Asia

Germany is open to skilled professionals as well as investment from Asia, he said.

There are around 55,000 foreign-owned companies in Germany, including 4,700 from the Asia-Pacific region. These companies provide 180,000 jobs in Germany.

"That is an impressive figure, but I think we could do even better than that," he said. There is a growing trend of Asian companies investing in Germany. Last year, the Asia-Pacific region accounted for roughly a quarter of all inward investment in the greenfield and expansion projects in Germany. That made the region the second-most important source of inward investment, even ahead North America.

Germany is situated at the heart of Europe and can boast excellent infrastructure. It also has a strong track record in high technology, research and development and a highly-skilled labor force.

Germany would do more to attract valuable inward investment, including streamlining visa application procedure for Asian business representatives, he said. On the other hand, "we would like to see Asian countries also allowing for German investment based on simple and clear rules."

The negotiations between the EU and several Asian countries for investment and free trade agreements are strategically important in this regard. "For us, what we want to achieve most is lower tariffs, access to the services sector and public sector contracts, as well as the protection of intellectual property rights."

German firms to expand VN presence

Peter Kompalla, deputy chief representative of the German Industry and Commerce in Viet Nam, said 80 per cent of German companies operating in Viet Nam planned to expand their business in the country.

Goh Wee Hong, senior vice president of TUV SUD ASEAN's product services, said "Viet Nam is one of our fastest growing markets in Asia-Pacific. So Viet Nam is definitely a very key country for us to continue our investment."

Martin Brudermueller, vice chairman of the Board of Executive Directors of BASF, a chemical company, said Viet Nam was an interesting market for BASF, adding that its operation in Viet Nam was growing well.

"We are looking in a positive way on Viet Nam's development and we want to be part of this, and contribute to Viet Nam and benefit from this development," he said.

Source: GreetingVN

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Many Korean investors leave China for Vietnam and Myanmar

"Companies specializing in textile, garment, leather and gems have left China since the financial crisis in 2008 to move to Vietnam and Myanmar," said a representative of the Korea Trade-Investment Promotion Agency (KOTRA).

A growing number of Korean businesses are withdrawing from China. According to KOTRA and the Korea Export-Import Bank, the number of companies establishing new local branches in China fell from 2,294 to 1,301 during the period from 2006 to 2008. The number dropped to 901 in 2010, 817 in 2013 and 368 in the first half of this year.

This trend was most clearly seen in Qingdao, Guangdong province. Currently, there are only 4,800 Korean companies doing business here, less than one half compared to 10 years ago, Business Korea reported.

This trend is not only prevalent in the Korean business world. The number of Japanese companies in Shandong province also dropped from 2,000 in 2005 to approximately 1,000 this year. Several large corporations such as Google, Best Buy, and Media Markt also left China together with 130 American, 30 British and 28 Italian companies.

One of the main reasons leading to this situation is the increase in labor costs and falling profits. This year, China's local governments set the minimum wage increase at 16.9%, which is expected to grow 13% per year on average in the future.

Another reason is the change in policies for foreign companies. The Chinese government eliminated tax, labor and real estate incentives for foreign investors four years ago.

In addition, Beijing also provides additional support packages and incentives for domestic firms, while limiting government spending for goods originating from foreign companies.

Source: VNN

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Italy seeks stronger cooperation with southern localities

Italy will provide Vietnam with 15 million EUR in soft loans to help increase the competitiveness of small and medium-sized enterprises (SOEs) in southern localities, an official from the Italian Embassy in Vietnam said on November 25.

The Director of the Development Cooperation Agency under the Italian Embassy, Ricardo Mattei, announced the plan at his working session with Chairman of the People's Committee of Binh Duong province Le Thanh Cung.

The Italian official suggested that Binh Duong work as the coordinator for the support project, which will provide training for SOE staff and establish technical support centres for SOEs operating in wood and furniture, leather and footwear, farm produce process and mechanical engineering.

Chairman Cung said the project perfectly matches the policy of the Vietnamese Government and Binh Duong authorities as well as the wish of the local business community.

The same day, an Italian diplomatic and business delegation led by Deputy Minister of Foreign Affairs and International Cooperation Benedetto della Vedova, were given a welcome in Ho Chi Minh City.

Vice Chairman of the municipal People's Committee Le Thanh Liem said the city wishes to intensify cooperation with Italy in its advantageous fields like industry, manufacturing, goods production, health, culture and education.

He expressed hope that a Vietnam-Italy business forum scheduled for November 26 will provide Italian enterprises an overview of the city's socio-economic picture, thus helping open up more collaboration opportunities for both sides in the future.

Vedova, in turn, said the recent opening of the Italian consulate in Vietnam's largest economic hub is a sound decision of Italy to facilitate investments of its businesses in Vietnam and in Ho Chi Minh City as well.

According to the deputy minister, Italy also wants to increase cooperation with Vietnam in investment and science and technology besides trade ties

Source: VN+

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Thai Nguyen approves incentives for Samsung

The People's Council of northern Thai Nguyen province on December 11 officially approved a resolution on investment incentives for Samsung Electronics Vietnam Thai Nguyen's second phase hi-tech production complex (SEVT2) located in Yen Binh Industrial Park (IP).

Accordingly, the investors receive incentives and investment assistance so that they can fulfill their commitment to meeting the criteria required for a hi-tech enterprise. These criteria have been approved by the Ministry of Science and Technology.

While the SEVT2 project is being set up, investors are offered 50 percent exemption in their corporate income tax payments for the three years, once their tax exemption limit expires under the Law on Corporate Income Tax. The investor will have to pay only 50 percent land rental fee in Yen Binh IP, for 70ha of area or its equivalent.

Annually, the land rental fee will be lesser or equivalent to the tax figure paid by the company to the State. According to Thai Nguyen province, the SEVT2 project aims to lead research and development in mobile devices, electronics, telecommunications and high-end technology.

It also intends to spearhead the manufacture and assembly of mobile phones, laptops, digital cameras and smart televisions.

The 3 billion USD project will be located near the company's first factory which came into operation in March this year with the total investment capital of 2 billion USD in Yen Binh IP.

The 70ha plant is expected to initially recruit 20,000 workers, a number that will be later increased to 30,000. The two factories are expected to create jobs for around 100,000 local residents.

The first plant of Samsung in Vietnam is situated in the northern province of Bac Ninh. It has a total capital of approximately 1.5 billion USD. It launched its first products in April 2009. Samsung Bac Ninh manufactures 13 to 15 million tonnes of products monthly and over 90 percent of them are meant to be exported.

Source: VNS

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Bac Giang moves to lure more investments

The northern province of Bac Giang is taking numerous drastic measures to attract more investments as its potential has yet to be tapped fully.

According to Director of the provincial Department of Planning and Investment Trinh Huu Thang, a steering board will be set up in order to untie existing knots in the field.

Apart from intensifying investment promotion programmes and speeding up administrative procedure reform, local authorities have been requested to actively support investors in land clearance and basic infrastructure construction.

They are asked to continue proactively consulting the People's Committee about the application of Party, State and Government policies and mechanisms in line with local conditions so as to win confidence of investors, Thang said, stressing that there's nothing better than the investors' good comments on the province's investment climate.

Bac Giang will also speed up activities to improve its competitiveness and increase its connection with central ministries and sectors and other localities in the region, as well as providing full information for investors through meetings and on the Internet.

Bac Giang has to date attracted over 800 projects, of which 167 projects are located in industrial zones with a total registered capital of more than 2 billion USD. Meanwhile, 668 projects worth nearly 2 billion USD are located outside the industrial zones.

Localities receiving big investments include Bac Giang city, Lang Giang, Yen Dung and Hiep Hoa districts. Large-scale projects can be named as the one to build a golf course and services complex and a garment plant in Tien Dung, or another one to build an electronic components factory in Hiep Hoa.

Pham Hong Minh, manager of the Muong Thanh Bac Giang hotel project, said that since its construction began in September 2013, the project has received much attention from authorities at various levels, making it the leader in terms of construction tempo among projects implemented across the nation by the Muong Thanh group.

Source: Vietmaz

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Nam Dinh calls for \$4b in investments

The northern province of Nam Dinh is seeking investments of more than US\$4 billion in 21 key projects, according to the province's Investment Promotion and Business Support Centre (IPBSC).

The two biggest projects, the development of the Ninh Co economic hub and the construction of the Thinh Long sea port, foresee investments of \$1 billion each.

Additionally, the project to revive the failing Rang Dong textile industrial park requires a foreign direct investment of \$100 million, which would create jobs for 200,000 workers once implemented.

Moreover, investments are needed in the production of spare parts, electronic goods and agricultural machinery, as well as in high-tech aquaculture, automobile assembly, and infrastructure improvement projects in My Thuan, Hong Tien and My Trung industrial parks, and in Thinh Long port.

At present, the province is hoping to conclude negotiations on the Hai Hau thermal power plant project, which foresees an investment of \$4.5 billion.

The BOT (build-operate-transfer) power station is estimated to generate \$25 billion from selling electricity over 25 years of operation. Construction is scheduled to start next year.

According to the IPBSC, foreign direct investment in Nam Dinh soared in recent years due to the province's efforts to invest in transport infrastructure; introduce preferential policies on land, tariffs, site clearance, and workforce training; and accelerate reforms of administrative procedures with a view to creating prime conditions for investors.

During the first nine months of 2014, the province licensed nine projects with a total investment capital of \$130 million.

Source: VNS/VNN

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Port operators' equalization attracts foreign investors

Vietnamese seaports are attracting more interest from foreign investors following the Government's decision to sell bigger State stakes in these companies.

More than 90 per cent of Nha Trang Port Company's stakes went unsold after its IPO in May, while Quang Ninh Port Company and Hai Phong Port Company sold only six to seven per cent each. Vietnam National Shipping Lines (Vinalines)' IPO also witnessed disappointing results.

Experts blamed the failures on the fact that the State still holds majority stakes (75 per cent) in the equitised companies, making them unappealing to investors, particularly foreign partners.

However, the Ministry of Transport has ordered Vinalines to build a plan to reduce State capital invested in these firms. All seaports in the country will be equitized. The State will only retain majority stakes in seven big ports: Hai Phong, Quang Ninh, Da Nang, Sai Gon, Can Tho, Nghe Tinh and Cam Ranh.

Regarding the four key ports (Hai Phong, Quang Ninh, Da Nang and Sai Gon), the State will only hold 51 per cent of total capital instead of 75 per cent. For the other three ports, the State holding will be reduced to 49 per cent.

The State will also sell all of its capital invested in port companies.

Le Anh Son, general director of Vinalines, said many investors were approaching the company and showing interest in buying stakes in the five large port operators for which Vinalines plans to launch IPOs by the end of the year.

"Some investors registered to buy up to 90 per cent of Da Nang Port Company, or even the entire offering of Quang Ninh Port Company, and 49 per cent of Hai Phong Port Company," Son was quoted as saying in Giao thong van tai (Transport) newspaper.

Many investors were willing to buy shares at competitive market prices, so there would be no more disappointing IPOs, he added. Vietnam Oman Investments Joint Stock Company, a joint venture between the State of Oman and the State Capital Investment Corporation of Vietnam, recently sought to buy nearly 20 per cent of State capital in Hai Phong Port Company.

Previously Sigmund Stromme, chairman of the Nordic Business Association, suggested the Vietnamese Government allow foreign investors to buy 70-100 per cent of stakes in shipping companies and port investment projects. As foreign shipping companies were the main clients of Vietnamese ports, they would want to direct the course of port management. Moreover, foreign ownership in waterway logistics, forwarding and related activities must be increased following Viet Nam's WTO commitments.

Source: VN+

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Vietnam to start constructing \$1bn Mekong Delta expressway

The first phase of the US\$1billion Trung Luong-Can Tho Expressway project in the Mekong Delta will break ground on December 20 and is expected to be complete in 2018, the Vietnamese Ministry of Transport said on Friday.

During the phase, a 54km part of the 78km expressway will be built to link Trung Luong in the southern province of Tien Giang to My Thuan – also in the province – at an estimated cost of VND14.5 trillion (\$680.5 million).

The section will have four lanes, including two – about 2.5 meters in width each – for vehicles traveling at 80kph and two others – 2.75 meters wide each – for those running at 40kph.

Thirty-eight bridges, 8.1km in total length, will be constructed over many rivers flowing through the section.

Upon the completion of the first phase, the second phase of the project will be implemented to build the remaining 24km of the expressway, linking My Thuan to Can Tho City – known as the capital of the delta.

The second phase is expected to be complete in 2020, at a cost of about VND7 trillion (\$328.5 million).

As such, the total investment in the two phases amounts to VND21.5 trillion (\$1.009 billion).

The investor is Cuu Long Corporation for Investment, Development, and Project Management of Transportation Infrastructure, which will carry out the project in the form of BOT (Build-Operate-Transfer).

Cuu Long will recoup its investment by collecting fees from vehicles traveling on the expressway.

Source: VIR

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FINANCE – BANKING

Moody's ups VN banking system's rating to stable

Moody's Investors Service raised the outlook on Vietnam's banking system to stable from a negative assessment, noting a stable business climate, improved macro-economic situation and easing liquidity stress.

Improved macro-economic stability helped strengthen the systemic liquidity, with deposits seen growing recently, as the government's policies aimed to reduce the purchase of gold and foreign currencies, according to Moody's Singapore-based vice president Gene Fang, quoted by the online Vnexpress newspaper.

Fang said that banks were reducing dependence on interbank loans, which led to lower liquidity stress.

Moody's report on Vietnam's banking system – a comprehensive analysis and data on the current and expected economic conditions and ratings drivers for the banking system in the coming 12 to 18 months – pointed out that the operating environment for lenders began to stabilise after falling into decline since 2012 as a consequence of the rapid credit growths in the previous years.

The country's inflation and interest rates were on a downtrend from double-digit levels during the past two years. The increase in foreign direct investment, the shift of trade from deficit to surplus and efforts to emphasise economic stability over growth also helped to improve the situation.

However, the existing credit problems will make the recovery of the banking system remain slow, the report said, adding that credit loss provisions and capital in banks were insufficient.

Banks' profitability will remain under pressure due to the anticipated fall in borrowing demand and the narrowing-down of the gap between the loan interest rate and the deposit interest rate. The report said that profitability will improve in case the property market and the retail sector improve, leading to rising borrowing demand.

In July, the rating firm had upgraded Vietnam's credit rating, given the country's continued macro-economic stability

Source: VNS

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Banking assets reach 291 billion USD

The total assets of the banking industry reached 6,174 trillion VND (291.22 billion USD) by the end of October, according to statistics provided by the State Bank of Vietnam (SBV).

Banking assets rose by 6.3 percent over the end of last year, reported the central bank.

Only commercial banks and co-operative credit institutions witnessed an increase in assets, while joint ventures and foreign banks posted declines. Finance companies and financial leasing companies revealed a decrease in assets as well.

The central bank reported that the total assets of joint-stock commercial banks had reached 2,624 trillion VND (123.7 billion USD) at the end of October, rising by 1 percent over the end of September and 6.5 percent over December 2013.

The assets of State-owned banks were valued at 2,172 trillion VND (102.5 billion USD), which are up 8.27 percent over last year's December.

The total assets of co-operative credit institutions reached nearly 84.8 trillion VND, rising by 1.18 percent and 17.51 percent over the end of last month and last year, respectively.

With 691.1 trillion VND in assets, joint ventures and foreign banks posted a decline of 1.96 percent in assets over December 2013, while those of finance companies and financial leasing companies dropped by 4.45 percent to 62.53 trillion VND

The central bank also reported that the returns on assets ratio of the banking system was at 0.51 percent while returns on equity was 5.49 percent, which were much lower than 0.79 percent and 10.34 percent in 2012, respectively.

The capital adequacy ratio of the system was 13.22 percent, which was higher than the minimum ratio of 9 percent.

Source: GreetingVN

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Vietnam succeeds in selling government bonds

The year 2014 has seen the successful issuance of government bonds in both domestic and foreign markets, said the Vietnam Economic News.

Capital resources raised through this channel have significantly contributed to increasing public investments, maintaining stable economic growth and strengthening Vietnam's position in the international market, according to the Vietnam Economic News.

In late November, the Vietnam State Treasury for the second time adjusted the annual plan for government bond issuance in 2014, increasing the total amount of bonds by 30 trillion VND, from 232 trillion VND to 262 trillion VND.

In August, the treasury, for the first time, decided to increase the total amount of bonds by 22 trillion VND. These adjustments have led to a decrease in the amount of short-term bonds and a considerable increase in the amount of long-term bonds, especially 10-15-year bonds.

Specifically, the adjusted amount of less-than-one-year bonds is 26 trillion VND (under the initial plan, this was 40 trillion VND); the amount of two-year bonds decreased from 55 trillion VND to 34 trillion VND; and three-year bonds from 65 trillion VND to 61 trillion VND. Meanwhile, the amount of five-year bonds increased from 67 trillion VND to 80 trillion VND; 10-year bonds from 10 trillion VND to 41 trillion VND; and 15-year bonds from 5 trillion VND to 20 trillion VND.

In the opinion of economists, these adjustments go in line with the new strategy for raising capital through government bonds, which focuses on the issuance of long-term bonds to help the state balance revenue and expenditure and take the initiative in final settlements. According to the Ministry of Finance, in November, the Vietnam Trade Treasury successfully organised bidding sessions for over 7.38 trillion VND worth of government bonds.

From the beginning of 2014 until November 24, the total amount of capital raised through the issuance of government bonds reached 228.8 trillion VND, equal to 76.9 percent of the plan for making up state budget overspending on development investment in 2014. The year 2014 has also seen successful results Vietnam achieved in issuing international bonds.

In November, the Ministry of Finance successfully issued 10-year government bonds totally worth 1 billion USD in the international capital market, with an annual interest rate of 4.8 percent, lower than the initially planned rate of over 5.12 percent.

The Ministry of Finance said this successful issuance of international bonds had helped the Vietnamese economy save about 32.5 million USD of government bond interest payment for 10 years. At the same time, it has allowed the swap of 54.4 percent of the original value of international bonds issued in 2005 and 25.4 percent of the original value of international bonds issued in 2010, bringing Vietnam total benefit of 13.9 million USD.

The Ministry of Finance affirmed that long-term government bonds continued to attract the attention of domestic and foreign investors. This will help Vietnam raise capital to make up state budget overspending on development investment and restructure public debts in the direction of extending loans and reducing the debt payment pressure in accordance with the government's guidance.

To ensure state budget balance in 2015 as well as the effective use of capital resources raised through government bonds, the Ministry of Planning and Investment recently asked relevant authorities to review the plans on using capital resources raised via government bonds.

Capital resources raised from the issuance of government bonds will also be used to pay debts related to infrastructure projects, focusing on projects which have been completed and put into use, and projects which face a little capital shortage to be completed in 2015 or 2016.

The Ministry of Planning and Investment affirmed that in 2015, government bonds will be used to finance official development assistance (ODA) projects/programmes which will receive reciprocal capital from the state budget of Vietnam.

The Ministry of Transport will give priority to important, urgent projects such as Nhat Tan Bridge and the road connecting the Noi Bai International Airport to Nhat Tan Bridge, the Cat Linh-Ha Dong Urban Railway Project, the Da Nang-Quang Ngai Expressway Development Project, and the Ben Luc-Long Thanh Expressway Project.

Source: VNA/VNN

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ADB helps Vietnam improve tourism infrastructure

The Asian Development Bank (ADB) and the Vietnamese Government on November 25 signed a 50 million USD loan agreement to upgrade the country's tourism infrastructure, boost tourist spending, and create more jobs for poor and ethnic minority communities.

Speaking at the signing ceremony, ABD Country Director for Vietnam Tomoyuki Kimura said that tourism development projects are an effective way of creating jobs, developing work skills, and reducing poverty.

“A core goal of this project is to promote inclusive economic growth by creating income-generating opportunities to benefit poor and ethnic minorities, women in particular,” he noted.

It aims to boost tourism competitiveness in Dien Bien, Ha Tinh, Kien Giang, Lao Cai, and Tay Ninh provinces, which are situated in the Greater Mekong Subregion (GMS) economic corridors.

Upgrades to 45 kilometers of rural roads will open access to tourist attractions in under-developed areas with large ethnic minority populations. More than 30,000 people will benefit from better access to markets and social services, while environmental conditions at tourist sites will be improved.

The project is expected to lift annual tourism revenue to 480 million USD by 2019, from 190 million USD in 2012, helping to create 85,000 additional tourism-related jobs, about 60 percent of which will go to women.

It will also support regional cooperation and integration by helping Vietnam implement regional tourism standards and promote multi-country tour circuits.

Tourism plays an increasingly important role in Vietnam 's economy. In 2013, the country received over 7.5 million international tourists, a 10.6 percent increase from 2012.

The sector directly contributed 4.5 percent to the national GDP and sustained 2.3 million jobs last year, more than 9 percent of the country's total employment.

Source: Chinhphu.vn

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Vietnamese bank increases support for businesses in Russia

The Bank for Investment and Development of Vietnam (BIDV) officially launched its working team in the Russian market at a ceremony in Moscow on November 22.

The launch ceremony saw the presence of Vietnamese Ambassador to Russia Nguyen Thanh Son, BIDV Chairman Tran Bac Ha, and representatives from Vietnamese and Russian businesses.

The team is the third unit of BIDV operating in the East European market, following the IDCE International Company and the BIDV Representative Office set up in the Czech Republic in 2010 and 2012, respectively. Its aim is to further promote trade and investment between Vietnam and Russia and assist Vietnamese businesses in increasing their exports and investment in this market.

It will set up connections with local banks to provide timely support for Vietnamese firms as well as update them on information on Russia's political and socio-economic situation.

The working team was a preparation for the establishment of the BIDV representative office in Russia

Source: VN+

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ANALYSIS – OPINION

There's more than one Vietnam for investors

Some of Vietnam's lesser known provinces offer real advantages, said Thomas Jandl, an Asia consultant and expert on the investment advantages of Vietnam's diverse provinces, in his article recently posted on Borderlessnews online.

Thomas Jandl is a former assistant professor and Scholar-in-Residence at American University in Washington DC. He is the author of Vietnam in the Global Economy: The Dynamics of Integration, Decentralization and Contested Politics.

Here's Thomas Jandl's full article:

In the US, investors are drawn to different states for different reasons. While such preferences seem to be a no-brainer, foreign investors in Vietnam often make the mistake of all congregating around a small handful of provinces. This misses the fact that Vietnam comprises 63 diverse provinces that compete vigorously with each other for foreign capital and offer vastly different advantages to foreign firms in different industries.

Vietnam has become a must-go-to destination for international manufacturers in many industries, and the country has hosted thousands of foreign investment projects worth more than US\$111.7 billion between 1998 and 2013. More and more multinational companies are looking toward Vietnam, as the Southeast Asian nation boasts cheap, eager and readily available labor, a safe and secure environment, and political stability.

Unfortunately, investors prefer what they already know, instead of what they – often unfairly – label “risky.” That means investors are missing out, as the risks are quite manageable with the right background knowledge about the various locations.

The United States Agency for International Development in cooperation with the Vietnam Chamber of Commerce and Industry (VCCI) publish an annual Provincial Competitiveness Index (PCI). In it, provinces are ranked rigorously (the lead investigator is a well-known American Vietnam scholar) along a number of indicators, like corruption, business support services, entry cost, time cost or transparency. A composite index then ranks all 63 provinces, giving investors a good idea what to expect.

Of course, different industries need different business environments, and not all provinces are equally suitable for a chemical manufacturer, a garment assembly line, or a computer chip facility.

In 2013, Da Nang and Hue cities topped the ranking, combining urban infrastructure with much lower cost of living than Hanoi or Ho Chi Minh City. Number three and four on the ranking go to a province near Ho Chi Minh City and one near Hanoi and the port of Haiphong.

The Southeastern region around Ho Chi Minh City enjoys the country's best infrastructure, and after at least two decades of strong investment performance attracts many of the most motivated, entrepreneurial migrants.

As a result, foreign investors thinking about setting up shop in Vietnam look toward Ho Chi Minh City, and the Government Statistics Office reports that in 2011, six out of 10 foreign-invested firms were located in the Southeast region.

After two decades of rapid growth, Ho Chi Minh City has become a metropolis with all the trappings of an economic and financial centre – including traffic jams, sky-high rents, and a cost of living that requires rapidly increasing salaries. Garment factories are squeezed into a slew of industrial parks along all major traffic arteries entering the city. When shifts change, a tsunami of motorbikes floods the roads.

This human flood taxes local infrastructure, and the city's governments and neighboring Dong Nai and Binh Duong are actively discouraging new investments in low-added-value factories. City officials say they want to see these factories

go to nearby provinces, while fostering research, design, financing and other, higher-end support industries in Ho Chi Minh City. To that end, they support highway construction into adjacent Long An province, to make sure labor-intensive industries stay close enough to make Ho Chi Minh City their corporate homes while doing the cheap labor outside the expensive city.

This policy mirrors the Asian development experience known as the Flying Geese model. As one country becomes too expensive to produce a low-end product, it outsources it to others with cheaper labor. Japan, for example, outsourced transistor radios to Taiwan and Korea; as these economies developed, they outsourced it to the next emerging economies, Thailand and Malaysia. In Vietnam, the process takes place domestically, among provinces.

The central government is on message as well. Its goal has always been to develop target areas, then distribute the gains to other areas. Now it makes available generous tax holidays and low-cost land in well-developed industrial parks to companies that invest in certain target industries or target areas. A labor-intensive factory misses out on the best incentives Vietnam has to offer if it follows the crowd into expensive – and not tax-favored – Ho Chi Minh City.

One of the reasons to locate in the growth poles has been labor availability. The concentration of industrial park attracted a large number of workers. Recently, however, the cost of living in these areas has driven workers back home – Vietnam has a large wave of return migration. Most provinces that used to lose their young and able workers to the economic growth areas can now offer returnees, who are accustomed to factory work and were trained in Ho Chi Minh City's industrial zones.

Using rankings such as the PCI and a good consultant with connections on the ground can make the difference between simply investing in Vietnam – and taking advantage of the varied advantages Vietnam offers different industries with a wide range of needs.

Source: VIR

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Road projects prepping for sale to investors

Viet Nam needs to invest in infrastructure while sustaining economic growth. So far, the State budget and official development assistance have contributed most of the funding for infrastructure development.

However, a recent proposal to sell big highway projects to investors would change that. Viet Nam News spoke to experts and officials about how to make roadway ownership attractive to investors, and how public-private partnerships would work with infrastructure development.

The public is quite interested in the transport sector's new plan to sell highway projects to investors, which could lead to a new market developing in Viet Nam – transport infrastructure. How do they plan to do this?

Mai Tuan Anh, general director of the Viet Nam Expressway Corporation (VEC)

The five highway projects in our plan span 540km and cost an investment of nearly US\$6 billion, with 57 per cent coming from the State budget. The roads projects we proposed are: Cau Gie-Ninh Binh, Noi Bai-Lao Cai, HCM City-Long Thanh-Dau Giay, Da Nang-Quang Ngai and Ben Luc-Long Thanh.

Three of the projects have been started, and the others are expected to be completed in 2018. The proposal is part of VEC's restructuring plan as instructed by the Transport Ministry.

It will not be easy to lease out these mega-projects, but if we don't, there would be huge pressure for us to mobilise funds for future projects. I want to stress that this is a step in the right direction. This will ease pressure on public debt and the State budget. And it will allow us to mobilise more resources for upcoming projects.

In terms of implementation, VEC is working on two plans. Under one, investors can set up a company to exploit, operate and maintain the highway during a certain period of time, for instance 20 to 30 years. After that, it would be returned to the State. The company must operate under the law, which means they cannot do whatever they wish with the highway. In the other plan, similar to the current case of the Sai Gon-Trung Luong highway, we would sell the rights to collect fees on the roads.

We are leaning toward the first plan, which means investors must set up a business to operate and maintain the highway, not just collect fees. This will make investors more responsible for the highways.

Truong Van Phuoc, vice chairman of the National Financial Supervisory Commission

It's quite clear that no company or individual can have enough resources to single-handedly develop Viet Nam's road infrastructure, and the Government is no exception. It's imperative for us to diversify our funding sources, and I personally strongly support this proposal.

However, to implement this, we need to be clear and transparent. We must clearly identify the rights and responsibilities of the sellers and buyers. We need to know that anything that brings in profit also contains risks. Investors can calculate all the business factors: investment amounts, profit levels and maintenance costs, among other things. But the Government can devise a mechanism that allows investors to maximise each project's potential benefits.

How can we balance the rights of investors with those of the public, which has to pay tolls, and still ensure that these highway projects are attractive commodities?

Dang Duc Cuong, senior urban specialist at World Bank Viet Nam

There has been discussion about issuing concessions, or leases, for the operation and management of completed highways. Tolls can only be increased with Government approval, but the mechanism by which the toll increases are calculated is included in the concession agreement. For large-scale public-private partnership projects, it is harder to attract foreign funds while Government policies are in place that reduce risks but cannot be managed by project investors or lenders.

Phuoc: Some people might be concerned that the investors will increase the toll fees. I agree that there must be a mechanism to ensure that tolls can only be increased with Government approval.

All of the factors that relate to the effectiveness of operating the highway must be calculated by the investors, but this does not mean they could increase tolls arbitrarily. All of these things must be negotiated before the rights to the highways are sold. Infrastructure products can be quantitative and qualitative. An airport terminal, a sea port or a highway – there is nothing abstract about infrastructure. The attractiveness of infrastructure projects is that everyone, in one way or another, must use them. However, these projects require huge initial investments, and it can take years to get a return on the investment.

We also cannot guarantee that everything will go smoothly. However, it's vital that we do this to boost economic growth and take our country's development to the next level.

Tuan Anh: Obviously, we need to prove the highway projects are attractive. For example, the Long Thanh-Dau Giay project shortens time traveling from HCM City to Vung Tau to slightly over an hour. It handles an average of 5 million vehicles a year, charging VND14,000-15,000 depending on the time today (about 60 US cents). The potential is there.

Take the Noi Bai-Lao Cai project. Even though it just started in September, the tolls collected on an average day amounted to VND1.5 billion (\$70,425). The Cau Gie-Ninh Binh project, with more than VND8 trillion invested, now serves about 5 million vehicles a year.

So it's mostly about the effectiveness of the project itself, but we also need stable policies to attract investors. The investors might buy a highway with huge sum of money but the time to collect the money can take many years. Therefore, having stable policies is vital.

We are planning to do a pilot sale of the Cau Gie-Ninh Binh highway first.

Overall, what challenges must we overcome to ensure Viet Nam can increase infrastructure investment?

Cuong: A fundamental challenge for Viet Nam is to improve the affordability and efficiency of infrastructure investment. Improving the financing of municipal infrastructure requires a comprehensive approach that addresses issues of governance and execution. Making it sustainable requires using more market-based principles, and involving the banking sector, capital markets and the private sector.

Tuan Anh: The goal of the transport ministry is to have 2,500km of highway by 2020. We will use the money made selling these highways to fund future projects. Investors care about us having transparent policies, because infrastructure projects are huge properties and are vital to economic development.

Source: VIR

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Legal Advice: Four commercial intermediary activities in Vietnam

In addition to direct transactions with customers, enterprises should consider other intermediate forms of trade to save time and cost and to increase their business presence in the market.

There are four commercial intermediary activities, including: Representation for traders; Commercial brokerage; Goods sale or purchase entrustment; and Commercial agency.

1. Representation for traders

Representation for traders is deemed the most common commercial intermediary activity in the world. According to Commercial Law (2005): "Representation of traders means an activity whereby a trader (referred to as the representative) is authorized by another trader (referred to as the nominator) to conduct commercial activities in the name and under the instructions of the latter for remuneration."

Characteristics:

- i. Subjects: The nominator and the representative.
- ii. Conditions: Both parties must be traders.
- iii. In a representative relation, the representative must transact with third parties in the name and under the instructions of the nominator.
- iv. Scope of representation: The parties may agree on the scope of representation, the representative may conduct part or all of commercial activities within the nominator's business scope..
- v. Legal form: Contracts for representation of traders. Such contracts must be made in writing or in other forms of equivalent legal validity.

2. Commercial brokerage

Based on the provisions of Commercial Law (2005): "Commercial brokerage means a commercial activity whereby a trader acts as an intermediary (referred to as the broker) between parties selling and purchasing goods or providing commercial services (referred to as the principals) in the course of negotiations and entering into contracts for sale and purchase of goods or provision of services and shall be entitled to a remuneration under a brokerage contract."

Characteristics:

- i. Subjects: The broker and the principal(s).
- ii. Conditions: In accordance with Commercial Law (2005), a commercial broker must be a trader and registered for business sector of commercial brokerage.
- iii. Scope of brokerage: The scope of commercial brokerage is quite large, including all goods and services permitted by law.
- iv. Legal form: Brokerage contracts.

3. Purchase and sale of goods by mandated dealers

Vietnamese Commercial Law (2005) stipulates: “Purchase and sale of goods entrustment is a commercial activity, whereby the mandatory conducts the purchase and sale of goods in his/her/its own name under the terms agreed upon with the mandator and is entitled to receive mandate commission.”

Characteristics:

- i. Subjects: The mandator and the mandatory.
- ii. Conditions: While the mandator may or may not be a trader, the mandatory is required to be one.

The mandatory uses his/her/its own name to purchase or sell goods on behalf of the mandator. In addition, the mandatory is not permitted to sub-mandate a third party to perform the signed mandate contract for purchase and sale of goods without a written approval from the mandator.

- iii. Scope of mandate: The mandatory conducts the purchase and sale of goods within the scope of mandate set by the mandator.
- iv. Legal form: Mandate contracts for purchase and sale of goods must be made in writing or in other forms of equivalent legal validity.

4. Commercial agency

According to Commercial Law (2005): “Commercial agency means a commercial activity whereby the principal and the agent agree that the agent, in its own name, sells or purchases goods for the principal or provides services of the principal to customers for remuneration.”

Characteristics:

- i. Subjects: The principal and the agent.
- ii. Conditions: Both parties must be traders.
- iii. In this commercial relation, the agent shall transact with customers in its own name.
- iv. Scope: Following the agreement, the agent shall make sales or purchase goods for the principal, or accept the principal’s authorization to provide services to clients.
- v. Legal form: Agency contracts must be made in writing or in other forms of equivalent legal validity.

Source: VNN

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FDI adds little to State budget

In your opinion, what are the main contributions made by FDI to Viet Nam's economy in the past 25 years?

FDI contributions to our national economy have increased year by year. In the first few years, they played an important part as at that time Viet Nam had a big shortage of capital resources. FDI enterprises provided jobs for many people and created an impetus for the application of advanced technology.

Overall, FDI's biggest contributions to the national economy has been in job creation and capital resources. Technology application is still limited and not up to expectations.

If we want rapid economic growth, we need more money, but our financial capacity is still weak. Our gross fixed investment accounts for about 40 percent of GDP, of which 10 per cent comes from FDI. This figure indicates the important contribution to our national economy made by FDI.

Without FDI, I don't think that we would have achieved the high growth rate as at present, nor a current per capita income of \$2,000. By the end of 2013, FDI enterprises will have provided jobs to more than 3.2 million people, an increase of eight times over the year 2000.

However, FDI contributions to the State budget rank third, after the State sector and private sector although they account for 25 per cent of grossed fixed investment and more than 60 per cent of total export turnover. This totally runs against our expectations, as business run by the FDI enterprises are more efficient than Vietnamese enterprises.

Yet reports on their losses are much higher than those of their Vietnamese peers. FDI enterprises have complained about their production losses while still expanding production. Have they applied a strategy of price transferring? This is still an open question.

Do you know why the FDI sector's contribution to our State budget is so small?

I think the contradiction here comes from inspections and tax surveillance of FDI enterprises that show signs of price transferring. Quite a few FDI enterprises, including Coca-Cola, Keangnam, Metro and others have been listed as possibly being involved in price transferring.

Meanwhile, the Government has not yet adopted effective measures to correct the situation. I'm pretty sure, if we can handle this issue properly, tax payments to the State budget from FDI enterprises will be improved.

The FDI sector has generated many jobs. Do the workers involved have technical skills or simply work in production lines?

Most of the workers are on production lines of low value-added FDI enterprises. That's why their skills are low. For example, for workers in Samsung, Toyota, Honda or Ford enterprises, simply work on assembly lines - the last stage of production.

However, those who work in supporting industries have a chance to improve their skills as they actually involved in producing spare parts.

I visited Keiki Precision company in a hi-tech Park in Da Nang. I was told many of the workers there were sent to a four months' training course in Japan. After returning, they became trainers for their co-workers.

As a result, the number of workers acquiring new working techniques has increased. Later on, some of the best workers who have high motivation and innovation often set up their own companies to manufacture supporting industrial products for Japanese companies.

FDI enterprises have a continual excess of imports over export. So their added value to our economy is very small. Do you agree?

Yes. The added value they give to our economy is the workers' salaries. That's why we want to develop our own support industry. In other words, our enterprises will become part of the production of FDI enterprises. This is a good way to add value to Vietnamese workers. Of course, a part of the added value is reflected through their salaries.

At present, the link between FDI enterprises and Vietnamese enterprises is still weak. According to a survey conducted by the UNIDO and Viet Nam Chamber of Commerce and Industry (VCCI), about 30 per cent of Vietnamese enterprises have become in-put supply enterprises to FDI enterprises. I think if a good linkage is created between Vietnamese and FDI enterprises, advanced technology will be transferred.

Many people worry that Viet Nam may become a venue for FDI to be used to hire low-cost workers. What's your position on this?

This is a big challenge for us. Only a few countries are able to turn their countries from assembling places to places of innovation. In Asia, only a few countries can do that, including South Korea, Taiwan and Thailand. Among countries caught in the middle- income trap, only South Korea and Singapore have so far been able to get out of the trap.

For Viet Nam, it will take time, as our human resources are of low quality. There is an urgent need to overcome this because Viet Nam needs to elevate its economic advantages in the region and internationally.

Source: GreetingVN

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NEWS IN BRIEF

MEDEF International - French business confederation visits Vietnam

The international section of the French business confederation, MEDEF International, is conducting its ninth business delegation to Vietnam, from December 2nd-4th, 2014. The French private sector, after welcoming the Vietnamese Prime minister and his business delegation in France last September 2013, at MEDEF, the “House of French companies”, is glad to pay back a visit to Vietnam. Led by Mr Frédéric Sanchez, President of the France-Vietnam business council of Medef International and Chairman of the French FIVES company, the French business delegation will visit both Hanoi and Ho Chi Minh city. The visit aims to promote business relations between the two countries, understand the business climate and further strengthen the partnerships with Vietnamese companies. Some of 20 French companies are part of the delegation, with large companies such as Alcatel, Alstom, BNP Paribas, GDF Suez, SNCF along with a number of leading SMEs. The delegation will meet with the members of the Vietnamese government in charge of the economic issues, as well as with the local private sector and the international financial institutions. They are expected to visit a few French companies settled in the industrial zones of Ho Chi Minh city, in order to understand concretely how to invest within the country. French companies are willing to share with the Vietnamese authorities and with their private counterparts, the technologies and solutions that they can bring, and are dedicated to work for the greater development of Vietnam, thanks to their international expertise and experience

Japanese-owned steel plant begins production in Binh Duong

The Japanese fully-invested Daiyu Steel Limited Co. opened a new steel factory in Di An town, the southern province of Binh Duong, on November 25. The factory, located on a 13,000m² land plot in the Tan Dong Hiep industrial zone, has a total investment of 10 million USD. It has a monthly production capacity of 1,350 tones of products. Hiroyuki Inoue, the company's General Director, said investing in Binh Duong is a sound decision given the locality's fast industrialization and urbanization. .

Vietnam, Azerbaijan boost energy cooperation

A Vietnam-Azerbaijan energy workshop was held in Hanoi on November 25 to promote connection between the two countries in the field. The event was jointly held by the Vietnam Chamber of Commerce and Industry (VCCI) and the Azerbaijani Embassy in Hanoi . VCCI Secretary General Pham Thi Thu Hang said that the workshop offers a good chance for Vietnamese businesses to access Azerbaijan 's advanced technologies, expand partnerships and seek new energy sources.

According to Azerbaijani Ambassador to Vietnam Anar Imanov, Azerbaijan is willing to cooperate with and assist Vietnam in developing its energy industry. It is high time for the two countries to set up new partnerships, speed up existing projects and discuss new ones, he said, calling upon businesses to catch this opportunity to join hands in developing the energy industry.

Deputy General Director of the Vietnam National Oil and Gas Group Nguyen Vu Truong Son said that Vietnam is waiting for Azerbaijan's collaboration in oil and gas exploration and exploitation, and Azerbaijani investment will help develop energy projects in Vietnam. According to VCCI, two-way trade between the two countries exceeded 325 million USD in 2013, a tenfold increase compared to the previous year. Vietnam mostly shipped mobile phones and spare parts, aquatic products, and grains to Azerbaijan while importing crude oil and gasoline from this market.

Ninh Thuan blows away delayed wind-power projects

Investment opportunities for renewable power projects in Ninh Thuan province are widening as the local authority announced it would reject three more long-delayed projects. The move is aimed at seeking new private investors with stronger financial capacity and expertise in terms of renewable power development. The projects facing the chop include a solar power project of local private Minh Loc Company, the Phuoc Dan wind power project of Thuong Tin Energy Company, and the Viet Hai wind power of Vietnam Sea-Transportation and Real Estate Company. The Ninh Thuan People's Committee explained that the investors had failed to both implement their commitments, and complete construction procedures for the projects. Thuong Tin Energy Company, for example, received its investment certificate for a 50-megawatt wind power project five years ago. According to the certificate, the company had to complete construction in 2012, but the company has not even started the project. "To guarantee more efficient use of our natural resources and better investment opportunities to financially capable and experienced investors," the provincial committee stated, "Ninh Thuan People's Committee ordered the Department of Planning and Investment to reject the delayed projects." Malaysia's Timar Wind Solar Energy Company recently received approval from the Ninh Thuan People's Committee to study wind power potential in this province as part of initial steps to build an \$800 million wind power farm in Vietnam. The Ninh Thuan People's Committee recently announced it had temporarily closed the door to new wind power investors, in order to focus on speeding up already approved and pending projects. The provincial committee recently urged Belgium's Enfinity Corp to begin deployment of a \$251 million wind power project after it failed to put the project into operation as scheduled.

German businesses expect to expand operation in VN

A number of German enterprises look forward to expanding their operations in Viet Nam. The Viet Nam-Germany Economic Dialogue, themed "Industrial development in Viet Nam, supply of skilled labor and other challenges", was held in Ha Noi on November 19. At the event, Minister of Planning and Investment Bui Quang Vinh said that Viet Nam appreciates German investments into high, modern and environmental-friendly technology. Viet Nam is the springboard for Germany to strengthen cooperation with other nations in ASEAN, confirmed German Deputy PM Sigmar Gabriel. Mercedes-Benz Viet Nam General Director & CEO Michael Bahrens asserted that after 19 years of operation, Viet Nam is the country's fastest growing market in Asia. Other German investors are increasing investment and expanding their operations in Viet Nam. Bosch has increased its investment from €50 million to €282 million within five years while the Braun Corporation is planning to pour US\$270 million in the next seven to nine years. Over the past 10 months of 2014, German businesses invested in 21 projects with a total investment of US\$142 million, bringing the total number of projects to 239 with a combined registered capital of US\$1.336 billion, ranking 22nd among nations and territories investing in Viet Nam. Currently, as many as 300 German businesses are operating in Viet Nam in fields of high technology, information technology, construction, education, finance, green technology and renewable technology. Germany is the largest trade partner of Viet Nam in the EU with two-way trade turnover reaching nearly US\$8 billion, accounting for 20% of the total export turnover between Viet Nam and the EU.

Dong Nai sees 9.8 pct rise in November industrial production

The southern province of Dong Nai posted a month on-month increase of 0.6 percent and a year-on-year rise of 9.8 percent in November's industrial production index (IPI), according to Nguyen Van Quan, Vice Director of the provincial Department of Industry and Trade. The aggregate figure for the January-November period showed a 7.9 percent expansion compared to the same period last year, with the processing industry climbing 7.7 percent, he said. Quan attributed the results to the enhanced production capacity of local enterprises, along with stable orders and decreased material prices, particularly fuel prices.

In particular, many foreign invested projects became operational this year, contributing to raising the province's industrial production capacity, he said. However, some sectors suffered from unfair competition by smuggled goods, leading to sharp decreases, including tobacco and tobacco products production, 13 percent, textile, 2.9 percent, and paper, 23 percent, the official

noted. According to the department's forecast, the local IPI will increase by 8.3 percent for the whole 2014, higher than that of 2013 at 7.6 percent. Increase is also predicted for 13 out of 16 industries, including leather production (15.3 percent), apparel (13.6 percent), engined vehicle manufacturing (30.5 percent), and electronics (21.85 percent).

Hanesbrands Vietnam opens third factory

Hanesbrands Vietnam, a subsidiary of the global leading apparel marketer Hanesbrands, opened its third factory in the northern province of Hung Yen last week. The company's expansion is partly motivated by the benefit it hopes to enjoy after Vietnam joins the Trans-Pacific Partnership next year. The new \$15 million plant, which is situated in Kim Dong district, 10 kilometers from its Khoai Chau factory, covers an area of nearly 85,000 square metres. The plant has recruited 2,000 employees, and the local workforce is expected to expand to 5,500 to 6,000 once the factory becomes fully operational. With the annual capacity of over 67 million units, the new manufacturing facility specializes in bras and woven boxers – two categories that are new to Hanesbrands' operations in Vietnam. Hanesbrands is a socially-responsible leading marketer of everyday basic apparel under some of the world's strongest apparel brands in the Americas, Asia and Europe, including Hanes, Champion, Playtex, DIM, Bali, Maidenform and Flexees. The company sells T-shirts, bras, panties, shape wear, men's and children's underwear, socks, hosiery, and active wear produced in the company's low-cost global supply chain.

300 firms participate in Vietbuild Hanoi 2014

The 2014 edition of Vietbuild Hanoi taking place on November 19-23 kicked off in Hanoi at the Vietnam Exhibition and Fair Centre in grand style with more than 300 local and international participating enterprises. Speaking at the event, Minister of Construction Nguyen Tran Nam said the national economy has shown positive signs of recovery in all sectors, with GDP on the rise and inflation effectively constrained. This year's fair, which focuses on real estate, interior decoration, construction and construction materials gave businesses a chance to network, share experiences and fine tune their business strategies, Nam said. During the event, a business forum is planned to help businesses learn about consumer tastes and devise proper orientations for their business plans as well as several industry related seminars.

Binh Duong expects trade surplus of 4 billion USD

The southern province of Binh Duong is expected to gain a trade surplus of 4 billion USD by the end of 2014, according to the provincial People's committee. This year, provincial export turnover is predicted to hit 17.741 billion USD, up by 17.5 percent compared to last year, with the foreign-invested sector making up 82 percent of the total export value. Exports of footwear, textiles, garments, and wood products are forecast to reach more than a billion USD. Meanwhile, Binh Duong's imports are estimated at 13.732 billion USD, a year-on-year increase of 17.7 percent, of which the foreign-invested sector accounts for 78 percent. The locality's biggest imports are raw material, machinery and equipment. Vo Van Cu, Director of the municipal Department of Industry and Trade said the export market is stable and continues to grow, especially in target markets, such as the ASEAN region, the US and the EU. The trade surplus could still exceed estimations, added Cu. Binh Duong, together with Dong Nai, Tay Ninh, Ba Ria-Vung Tau, Binh Phuoc, Long An and Tien Giang provinces and Ho Chi Minh City, form Vietnam's southern key economic region.

Vietnamese enterprises join The Rice Trader 2014

An 80-member strong delegation from Vietnam is taking part in the World Rice Conference launched in Phnom Penh on November 19. The two-day event, the sixth of its kind, attracted 500 representatives of rice processing and exporting enterprises and associations from 40 countries and territories. During the opening ceremony, Cambodia's Minister of Commerce Sun Chanthol stressed that rice played an important role in global food security. He asked exporting businesses to develop rice trade strategies with a view to ensuring food stability, which helps harmonize consumers, businesses and farmers' interests. A number of activities are planned as part of the conference, such as trade promotion events and workshops on increasing rice production and export effectiveness, measures to tackle the difficulties in rice exports, and trends and challenges in 2015. In addition, the World's Best Rice Award, with Cambodia currently as reigning winner, will be decided as part of the event. General Secretary of the Vietnam Food Association Huynh Minh Hue said the conference served as a forum for Vietnamese enterprises to promote their brands and connect with other rice exporting businesses. He added that Vietnam was focusing on improving rice quality, adding value to products, and increasing profit for producers, which all help boost the global image of Vietnamese rice. Southeast Asia is one of the most important rice producing areas in the world. In recent years, Vietnam became the world's second largest rice exporter, with the main markets including China and ASEAN member states. The country aims to export 6.5-7 million tonnes of rice in 2014.

US experts share experience in fair competition

A seminar on fair competition in the US, supply chains and cyber security was organized on November 19 by the US General Consulate and the American Chamber of Commerce (AmCham) in Ho Chi Minh City. Regional Intellectual Property Attaché for Southeast Asia Peter N. Fowler emphasized that US importers attach great importance to fair business practices, including the use of licensed software and the respect for IP rights. According to Fowler, in addition to its key strength in agricultural products, Vietnam is currently experiencing a surge in information technology exports to the US. Local suppliers should pay attention to these issues, as well as cyber security, with a view to reducing risks and creating long-term relations with US partners. Experts from the US shared information with Vietnamese business representatives on legal issues involved in exporting goods to the US market, as well as experience in limiting risks when joining international supply chains. Michael Mudd, Secretary General for the Asia-Pacific of the Open Computing Alliance introduced the Unfair Competition Act (UCA) as well as supply chains and cyber security issues to the participants.

DPM Phuc receives Korean businessman

Deputy PM Nguyen Xuan Phuc on November 18 in Ha Noi hosted a reception for Kumho Asiana Group Chairman Park Sam Koo who is on a working visit to Viet Nam. Deputy PM Phuc praised the contributions of Chairman Park Sam Koo for the growing ties between Viet Nam and the Republic of Korea (RoK) in the areas of trade, culture and education. Especially, the Kumho Asiana Group made positive social contributions by granting scholarships for Vietnamese students and sponsoring effective cultural and educational activities in Viet Nam, said the host leader. The Vietnamese Government, said Mr. Phuc, always creates favorable ways for foreign investors including Korean players and the Kumho Asiana Group to do long-term business here. He also promised that Viet Nam would continue to improve the investment and business environment to lure more foreign investors. For his part, Chairman Park Sam Koo hoped that Viet Nam would facilitate the operations of businesses of Korean investors in order to spur the bilateral ties.

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COMING EVENTS

HVACR Vietnam Ho Chi Minh City

Venue: [Tan Binh Exhibition & Convention Centre \(TBECC\)](#)

Country: [Ho Chi Minh City, Vietnam](#)

Start Date: **18.03.2015**

End date: **20.03.2015**

Event Description

International Exhibition on Heating, Ventilation, Air-Conditioning, Air Filtration & Purification and Refrigeration Systems
HVACR Vietnam is the country's leading exhibition on Heating, Ventilation, Air-Conditioning, Refrigeration, Air-Filtration & Purification Systems. HVACR Vietnam is co-located with the following established events: Pumps & Systems, Valves, Piping & Fittings Thailand, Compressors & Fluid Power. This 4-in-1 platform will provide the most ideal marketplace for international manufacturers and suppliers to launch new products, reach out to buyers, appoint agents & distributors, build brand awareness and establish business networks. *Please kindly refer to www.hvacrseries.com*

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INMEX Vietnam Ho Chi Minh City

Venue: [Tan Binh Exhibition & Convention Centre \(TBECC\)](#)

Country: [Ho Chi Minh City, Vietnam](#)

Start Date: **18.03.2015**

End date: **20.03.2015**

Event Description

International exhibition for the maritime industry

The INMEX Vietnam belongs to the most important business events of the maritime sector. All key industries will take an active part in it as exhibitors or in presentations and discussions within the forum. Thousands of professional visitors will be expected from public and private organisations from Vietnam and abroad, promising lucrative new business relations and partnerships.

The INMEX Vietnam will take place on 3 days from Wednesday, 18. March to Friday, 20. March 2015 in Ho Chi Minh City.

Please kindly refer to maritimeshows.com

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ProPak Vietnam Ho Chi Minh City

Venue: [Saigon Exhibition & Convention Center \(SECC - Nguyen Van Linh Parkway\)](#)

Country: [Ho Chi Minh City, Vietnam](#)

Start Date: **31.03.2015**

End date: **02.04.2015**

Event Description

Trade fair for processing, filling and packaging technology

ProPak Vietnam is an international processing, filling and packaging exhibition and conference for Vietnam's rapidly expanding manufacturing sectors for food, pharmaceutical, beverage, cosmetic, industrial and general consumer products. In highest attendance are locally based manufacturers and distributors from Vietnam, then from other countries around the world. ProPak Vietnam is co-located with [Plastics & Rubber Vietnam](#) (plastics and rubber technologies and materials exhibition) and [PIA Vietnam](#) (plant and process engineering exhibiton).

The ProPak Vietnam will take place on 3 days from Tuesday, 31. March to Thursday, 02. April 2015 in Ho Chi Minh City.

Please kindly refer to www.propakvietnam.com

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