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## HỘI NGHỊ ĐỐI THOẠI VỀ CHÍNH SÁCH, THỦ TỤC HÀNH CHÍNH THUẾ VÀ HẢI QUAN NĂM 2024

*Hà Nội, ngày 10 tháng 12 năm 2024*



**RESOLVING CHALLENGES FOR  
BUSINESSES IN TAX AND CUSTOMS**

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VCCI Intellectual Property Sole Member Company Limited (VCCI-IP CO., LTD.), belonging to Vietnam Chamber of Commerce and Industry, is specialized in Intellectual Property legal services. VCCI-IP was established in 1984 (right after the establishment of National Office of Intellectual Property of Vietnam (NOIP) in 1982), formerly as the Patent & Trademark Bureau of Vietnam Chamber of Commerce and Industry, to take the task authorized by the Government to exclusively represent for the registration and protection of intellectual property assets of foreign individuals/entities in Vietnam for years.

In the course of the economic renovation and global economic integration during nearly 40 years, VCCI - IP has been continuously developing and enhancing the professional manner with the firmly asserted position as one of the largest and most prestigious IP agencies in Vietnam. VCCI-IP has annually ranked among the Vietnam's best IP agencies by intellectual property magazines such as Managing IP Magazine and Asia IP Magazine.

At present, VCCI-IP has been cooperating with about 500 hundreds of international law firms, representing for more than 1000 domestic and foreign clients among which are leading industrial groups, multinational corporations such as Sony, Sharp, Panasonic, LG, Toshiba, GlaxoSmithKline, NTT Docomo, Sanyo, Hitachi, etc. VCCI - IP is also the membership of International Associations such as the International Association for the Protection of Intellectual Property (AIPPI), the International Trademark Association (INTA) and the Asian Patent Attorney Association (APAA), etc. With a strong team of more than 70 experienced and devoted lawyers, attorneys and technical experts in various fields, VCCI - IP always commits itself to bring the best services based on close and opportune coordination with clients in establishing and protecting effectively intellectual property rights in Vietnam and foreign countries.

#### VCCI-IP's areas of specialization include

- 1** Providing information of legal framework, economic and technical environment of Vietnam and foreign countries in relation to intellectual property for domestic and foreign individuals/enterprises;
- 2** Providing investigation and search services on prior art, freedom-to-operate, protection status, patentability and registrability of inventions, industrial designs, trademarks etc.,
- 3** Providing legal advices and representing for filing and prosecuting applications for inventions, industrial designs, trademarks, copyrights etc., of domestic and foreign individuals/enterprises;
- 4** Providing legal advices and representing for filing and prosecuting international application for inventions under PCT Treaty;
- 5** Providing legal advices and representing for filing and prosecuting international trademark applications under Madrid Protocol/Agreement and Community trademarks (CTM);
- 6** Providing legal advices and representing for settlement of appeals, disputes of IPRs;
- 7** Providing legal advices and representing for settlement of IPRs infringement and anti-counterfeits in Vietnam and foreign countries;
- 8** Providing legal services and representing for Recordal of license/assignment of IPRs and technology transfer;





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Hà Nội, ngày 10 tháng 12 năm 2024



Dialogue conference on tax and customs policies and administrative procedures for 2024 hosted by Ministry of Finance and VCCI

## RESOLVING CHALLENGES FOR BUSINESSES IN TAX AND CUSTOMS

Recently, in Hanoi, the Ministry of Finance, in collaboration with the Vietnam Chamber of Commerce and Industry (VCCI), hosted a dialogue conference on tax and customs policies and administrative procedures for 2024. The conference aimed to provide updates on new policies, address existing challenges, foster a business-friendly environment, and strengthen cooperation between businesses and tax and customs authorities.

### DUY ANH

#### **Tax support scale of VND191 trillion, addressing many issues**

At the 2024 dialogue conference on tax and customs policies and administrative procedures, Deputy Minister of Finance Cao Anh Tuan said that the Ministry of Finance has organized annual dialogue conferences with businesses to support the business community. These conferences have helped identify the concerns, difficulties, and challenges businesses face in implementing tax and customs policies and procedures, allowing for timely and swift resolutions.

"At the 2023 conference, the Ministry of Finance received and addressed 88 issues related to tax and 37 issues related to customs. The responses were publicly posted on the General Department of Taxation and General Department of Vietnam Customs' electronic portals for relevant organizations and individuals to access," said Cao Anh Tuan.

In the first 11 months of 2024, the domestic economy faced significant pressure from adverse foreign market factors. The Ministry of Finance proactively conducted research, proposed initiatives, and implemented measures within its authority to support businesses, citizens, and the broader economy. These efforts include tax, fee, and land rent exemptions, reductions, and extensions. Key measures include lowering the environmental protection tax on gasoline, oil, and lubricants; reducing the value-added tax (VAT) rate by 2% for specific goods and services currently subject to a 10% VAT rate; reducing various fees and charges; and extending payment deadlines for VAT, corporate income tax, personal income tax, and land rent. These actions aim to alleviate financial burdens and stimulate economic activity.

According to the Ministry of Finance, many tax, fee, and land rent support measures with significant value and wide-ranging support have been implemented in practice. These measures have received widespread approval and high praise from the business community and citizens.

#### **Regular activities to ensure legal benefits for businesses**

Speaking at the conference, VCCI President Pham Tan Cong said that since the 2023 conference, VCCI has





**Delegates at the conference**

actively collaborated with the Ministry of Finance to address over 450 business opinions and recommendations of varying scales. Several long-standing difficulties and issues have been discussed with relevant tax and customs departments, leading to resolutions that safeguard the legal rights and interests of businesses.

He added that nearly 100 opinions were submitted to VCCI through the 2024 Business Forum (VBF) and business information forms, focusing on issues such as tax refunds, tax calculation methods, consistency in applying tax incentive mechanisms, and challenges stemming from policy changes impacting businesses engaged in import-export activities. These opinions and recommendations have been submitted to the Ministry of Finance, the General Department of Taxation, and the General Department of Customs for review, response, and potential amendments to regulations and procedures governing businesses' tax and customs obligations.

According to VCCI statistics, Vietnam's economy experienced robust recovery and growth in 2024, with an estimated annual GDP growth rate of 6.8–7%, surpassing the National Assembly's target of 6–6.5%. Vietnam is among the countries with high growth rates in the region and the world, receiving high praise from major international organizations. In 2025, the enactment of several significant laws is expected to tackle economic challenges and resolve key bottlenecks, paving the way for sustainable growth and development. "Vietnam is projected to achieve an 8% growth rate in 2025, in line with the National Assembly's resolution, with the potential to reach double-digit growth in the near future. This marks an important step toward a new era of national development and prosperity," said VCCI President Pham Tan Cong.

At the 2024 conference, Ministry of Finance leaders provided specific responses and affirmed their commitment to continue researching, advising, reviewing, and amending tax laws in line with the Tax System Reform Strategy to 2030. This aims to complete a comprehensive tax policy system that meets international standards, ensuring sustainable tax structures and reasonable

resource mobilization for the state budget. Additionally, it aims to create a favorable, fair investment and business environment, encourage investment, promote competition, and regulate income reasonably, aligning with the process of integration and sustainable economic development.

Concluding the dialogue conference, Deputy Minister of Finance Cao Anh Tuan affirmed the commitment to continue reforms in all aspects, such as improving institutions, enhancing the effectiveness and efficiency of the apparatus, comprehensively and effectively reforming administrative procedures, and further modernizing various financial sector areas. This is particularly important in the tax and customs sectors, which are closely and

directly related to businesses and citizens, to facilitate and reduce costs for businesses and citizens, improve the business environment, and enhance national competitiveness. ■



*In the tax sector, as of mid-November*

*2024, the electronic tax declaration system covered all 63 provinces and cities, with 99.93% of businesses using online tax declaration services. Over 98% of businesses paid taxes and 97% of VAT refund applications were processed electronically. Similarly, the customs sector leveraged advanced information technology and modern management practices, enabling over 99% of procedures to be conducted through the Vietnam Automated Cargo and Port Consolidated System/Vietnam Customs Information System (VNACCS/VCIS).*



# VCCI Proposes Amendments to Joint Venture Partner Selection Regulations

**V**CCI recently provided feedback on the draft circular amending and supplementing certain provisions of Circular 144/2017/TT-BTC dated December 29, 2017, issued by the Ministry of Finance, which guides certain contents of Decree 151/2017/ND-CP dated December 26, 2017, of the Government detailing certain provisions of the Law on Management and Use of Public Assets.

Accordingly, Clause 2, Article 6a of the Draft stipulates that units with joint venture assets must notify about the selection of joint venture partners according to the provisions of Clause 3, Article 47 of Decree 151/2017/ND-CP, Clause 42, Article 1 of Decree 114/2024/ND-CP, at least three working days before the decision date.

According to Decree 151/2017/ND-CP and Decree 114/2024/ND-CP, the process for selecting joint venture partners includes: (1) publicly announcing the selection of partners on electronic media; (2) establishing an evaluation team to score; (3) deciding on the selection of partners.

VCCI noted that the Draft's provision of a three-working-day notification period before the decision date means the entire selection process could be completed in just three working days. "In other words, the entire joint venture selection process is only three working days. This period is too short to carry out the partner selection process, which may cause difficulties for partners in preparing the necessary documents and materials for participation," VCCI assessed.

Therefore, VCCI proposed that the drafting committee separate the steps for selecting joint venture partners and establish mandatory deadlines to ensure transparency and effectiveness in the partner selection process.

Regarding the selection of partners in cases where only one organization or individual registers, Clause 3, Article 6a stipulates, "If only one organization or individual registers by the deadline for submitting registration documents for joint ventures, the unit with the assets shall consider and decide to select that organization or individual if they meet the criteria specified in Clause 3, Article 47 of Decree 151/2017/ND-CP, Clause 42, Article 1 of Decree 114/2024/ND-CP, this

According to Vietnam Chamber of Commerce and Industry (VCCI), the Ministry of Finance's proposal to allow only three days for selecting joint venture partners when using public assets, as outlined in the draft circular detailing certain provisions of the Law on Management and Use of Public Assets, is too short.

BICH HANH

circular, and relevant laws."

VCCI said that this regulation needs clarification on the following points: (i) the minimum criteria to be met according to the scoring table in Appendix I of the Draft; (ii) whether the proposals of these organizations or individuals for business, joint venture, and partnership activities need to be compared with the previously approved business, joint venture, and partnership plans of public non-business units; and (iii) the need for criteria in the Appendix, without regard to the score.

Therefore, VCCI suggested that the drafting committee clearly define these issues to ensure transparency and ease of implementation.

Additionally, regarding the handling of assets after the expiration of joint ventures and partnerships as stipulated in Clause 6, Article 47 of Decree 151/2017/ND-CP, assets involved in joint ventures and partnerships of public non-business units, including land use rights, public works, and other assets attached to the land, will revert to the State after the expiration of the joint venture or partnership.

VCCI said that other assets after the expiration of the joint venture or partnership should be handled according to the following principles:

First, for joint ventures and partnerships that do not establish a new legal entity, the parties use their assets to carry out the joint venture or partnership, manage and use their assets independently, cover their operational costs, and share profits from the joint venture or partnership according to the contract. After the expiration of the joint venture or partnership, the unit continues to manage and use the assets or submits them to the competent authority for decision.

Second, for joint ventures and partnerships that do not establish a new legal entity, the parties contribute assets or capital to invest in the construction or purchase of assets for the joint venture or partnership. These assets are jointly controlled by the parties involved. After the expiration of the joint venture or partnership, the assets are divided among the parties based on their respective contributions. If the assets cannot be divided in kind, they are sold to the remaining parties in the joint venture at market value. If the parties do not purchase the assets, they are auctioned.

Third, for joint ventures and partnerships that



☞ establish a new legal entity, the parties contribute assets or capital to invest in the construction or purchase of assets for the joint venture or partnership. The new legal entity is responsible for managing and using the assets according to the law and the joint venture contract. After the expiration of the joint venture or partnership, the assets are divided among the parties based on their respective contributions. If the assets cannot be divided in kind, they are sold to the remaining parties in the joint venture at market value. If the parties do not purchase the assets, they are auctioned.

Fifth, if the parties in the joint venture or partnership voluntarily transfer their ownership rights to the State without compensation, the public non-business unit reports to the competent authority for the establishment of public ownership rights.

Thus, based on the above handling methods, the asset handling methods after the expiration of the joint venture or partnership will vary depending on the form of the joint venture or partnership. The Draft Appendix only identifies one criterion as "commitment to transfer assets formed through joint venture or partnership activities to public non-business units without compensation," with the maximum score for this item, which seems unreasonable as there may be other handling methods," VCCI assessed.

Therefore, VCCI recommended that the drafting committee base the asset handling methods after the expiration of the joint venture or partnership on Clause 6, Article 47 of Decree 151/2017/ND-CP. For example, in the case of forming a new legal entity, after the expiration of the joint venture, the commitment to repurchase the assets formed during the joint venture or partnership at market value would receive a lower score than the maximum score applied to the commitment to transfer assets formed through joint venture or partnership activities without compensation.

VCCI said that according to the law on the management and use of public assets, before implementing a joint venture or partnership, public non-business units must develop a proposal for approval by the competent state authority.

The proposal includes the financial plan for the business/rental/joint venture or partnership (estimated total revenue, total cost, revenue-cost difference); a preliminary assessment of the effectiveness of the business/rental/joint venture or partnership plan; and the asset handling plan after the joint venture or partnership period ends or the contract is terminated early.

Therefore, VCCI recommended that the drafting committee clarify whether the data and indicators in the financial plan for the joint venture or partnership in the proposal serve as a basis for scoring the selection of joint venture or partnership organizations or individuals. ■

# POSITIVE ECONOMIC OUTLOOK FOR VIETNAM

Driven by strong recent economic performance, many foreign agencies have upgraded Vietnam's growth forecasts for 2024 and 2025. The National Assembly set a GDP growth target of 6.5-7% for 2025, aiming for 7-7.5%, while the Prime Minister set a more ambitious 8% growth target.

## QUYNH ANH

According to the Asian Development Outlook (ADO) Report released by the Asian Development Bank (ADB) on December 11, ADB revised up Vietnam's growth forecast for 2024 to 6.4% from the previous forecast of 6% and for 2025 to 6.6% from 6.2%.

Stronger-than-expected trade performance, a resurgence in export-led manufacturing, and ongoing fiscal stimulus measures drove up Vietnam's economic growth.

According to ADB, given increasing external difficulties, accelerated public investment and accommodative fiscal and monetary policies are necessary measures to further stimulate domestic demand in Vietnam.

ADB believed that Vietnam's economic outlook is very positive. The country's economic development since the beginning of the year showed that the driving force for growth in the coming time is macroeconomic stability and domestic drivers, including domestic consumption and investment. Continued macroeconomic stability, stable inflation and exchange rate, and low public debt/GDP ratio expanded the fiscal space for the Government to continue its support





**Thanks to supportive government policies, Vietnam's import-export activities thrived in 2024, achieving strong growth and becoming a key economic highlight**

policies for better growth. However, government spending needs to be boosted more effectively given the rough export outlook.

Besides ADB, some other financial institutions are optimistic about Vietnam's economic prospects. In the economic update report on Vietnam released on December 12, Standard Chartered Bank forecast that Vietnam's GDP will grow strongly by 6.7% in 2025, with the first-half growth of 7.5% and the second-half growth of 6.1%.

This prospect is reinforced by exports which grew 14.9% year on year in the first 10 months of 2024 and imports which expanded by 16.8%. The electronics import and export industry continued to recover.

Standard Chartered assessed that the solid manufacturing growth and accommodative monetary policy also helped economic recovery from the beginning of the year. In addition, foreign investment continued to expand, evidenced by strong FDI inflows. Disbursed FDI grew by 8.8% year on year while pledged FDI fund inched up 1.9% year on year. Manufacturing accounted for 62.6% of total pledged FDI in the reporting period while real estate made up 19%, higher than a year earlier.

Despite Vietnam's optimistic economic outlook for 2025, Standard Chartered also noted that Vietnam needs to be prudent. Inflation may rise again starting in the second quarter of 2025; therefore, Standard Chartered expected interest rates to return to as-usual business in the second quarter.

Moreover, the Fed's moves will also be a key input for the State Bank of Vietnam's monetary policy decisions.

Lower USD interest rates is likely to help reduce capital outflows while a sustained trade surplus and strong foreign exchange earnings from tourism will support the Vietnamese dong; however, low import reserves remain a challenge for Vietnam.

Previously, according to HSBC's Report "Vietnam at a glance - A unique class", Vietnam returned to being the growth star of ASEAN after a rough time in 2023 and the first quarter of 2024. With better-than-expected growth in the third quarter of 2024, HSBC raised its forecast for Vietnam's GDP in 2024 to 7% (from 6.5% previously) and expected to recover more strongly and expand to more sectors in the coming quarters.

In November, the Vietnamese National Assembly officially passed the Resolution on Socioeconomic Development Plan for 2025. According to the resolution, the National Assembly announced 15 main targets, including a growth GDP rate of 6.5-7% and a more determined target of 7-7.5% and a per capita GDP of US\$4,900. The share of the processing and manufacturing industry to GDP is 24.1%. The consumer price index (CPI) is forecast at 4.5%.

Besides, the social labor productivity grows 5.3-5.4% on average. The share of agricultural labor to the total social labor force is 25-26%. Trained workers account for about 70%, with about 29-29.5% with professional degrees and certificates. The unemployment rate in urban areas is below 4%. 92% of industrial parks and export processing zones in operation have centralized wastewater treatment systems that meet environmental standards. ■

## WORLD-LEADING INVESTMENT FUND AIMS TO EXPAND OPERATIONS IN VIETNAM



Prime Minister Pham Minh Chinh (right) and David Petraeus, Partner at the Kohlberg Kravis Roberts (KKR) global investment firm and Chairman of the KKR Global Institute

With a total asset value of up to US\$528 billion, Kohlberg Kravis Roberts (KKR), a US global investment fund, assessed Vietnam as an attractive investment destination and affirmed that it would continue to expand its presence in the country.

### DUY ANH

After Vietnam and the United States became Comprehensive Strategic Partners, bilateral economic and trade relations continued to develop sustainably. Currently, over the past 20 years, the United States has been Vietnam's largest export market and Vietnam has become the 7th largest trading partner of the United States and the largest in the ASEAN region.

The US's direct investment in Vietnam was estimated at US\$11.94 billion with over 1,400 projects, ranking 11th among countries and territories investing in Vietnam.

Many companies and investment funds have invested in Vietnam, including KKR, one of the world's leading investment funds. It has a total asset value of up to US\$528 billion. It is one of the largest private equity funds in the world with 33 offices worldwide. It has completed more

than 280 equity deals in companies with a total value of US\$545 billion.

KKR has been popular in Vietnam since April 2011 when this fund management company made its first investment deal of US\$159 million in Masan Consumer. At that time, this was the largest private equity investment in Vietnam. In 2013, KKR invested an additional US\$200 million in Masan, setting a new investment record. After that, this investment fund continued to make new investments in Masan.

To date, KKR has invested more than US\$2 billion in Vietnam through equity deals in Vietnamese firms like Masan, Vinhomes, Equest, KiotViet, and most recently Medical Saigon Group (MSG). KKR's strategic investments have helped Vietnamese companies reach the global market such as Masan and EQuest Education Group.

During his second visit to Vietnam and meeting with the Prime Minister, Mr. David Petraeus, Partner at KKR, expressed his desire to strengthen cooperation between the two sides.

Mr. David Petraeus highly appreciated the factors that make Vietnam an "extremely attractive" investment place, such as political stability, good security and order, rapidly improved infrastructure, peaceful relations, friendship and cooperation with other countries, high regards for education and training, English teaching as a second language in addition to many advantages over neighboring countries. Many investors have recognized these factors and more US investors will come to Vietnam.

Understanding the potential for huge bilateral economic, trade and investment cooperation, especially Vietnam's fast room for US investment expansion, Prime Minister Pham Minh Chinh expected US investors to make more new investments and expand their investments in Vietnam.

He suggested that KKR continue investment expansion and cooperation with Vietnamese companies, especially in emerging industries like artificial intelligence, semiconductor, innovative startup ecosystem, digital transformation and renewable energy.

At the same time, Prime Minister Chinh suggested KKR connect Vietnam with its partners around the world to seek opportunities, expand cooperation and investment in Vietnam, and turn opportunities into specific projects; advise policies to help Vietnam take advantage of development opportunities, promote national strength, support Vietnam in building an independent and resilient economy associated with active, intensive, substantive and effective international integration.

Mr. David Petraeus said that KKR will expand its investments in Vietnam and affirmed his commitment to supporting cooperation, particularly on initiatives outlined by the Prime Minister. ■

# Four Key "Variables" and Investment Opportunities in 2025 Amid Market Recovery

**A**t the Conference on “Investing 2025: Decoding variables - Embracing opportunities,” Dr. Nguyen Tri Hieu, Director of the Institute for Research and Development of Global Financial and Real Estate Markets, said that 2024 is a challenging year for the Vietnamese economy because of global geopolitics and economic fluctuations.

“These challenges will continue into 2025 with new, more complex and unpredictable developments such as new policies from President-elect Donald Trump, increased geopolitical tensions and impacts on global asset and commodity markets such as gold, bitcoin and oil. Therefore, 2025 continues to be a challenging year for the Vietnamese economy,” he commented.

## Four variables affecting Vietnam’s economy

There are four main “variables” for the Vietnamese economy next year, namely exchange rates, foreign trade, geopolitical tensions and the economy’s internal issues.

Regarding exchange rates, as of December 9, the Dollar Index jumped high to 105.69. Accordingly, the USD/VND exchange rate went up to 24,265, up 4.34% from the beginning of the year. Given this momentum, VND is likely to depreciate 5% against USD in 2024. According to the expert, the VND/USD exchange rate will continue to be affected by the economic policies initiated by Mr. Donald Trump.

“In 2025, the United States may change its policy from the current loosening to tightening when inflation is at risk of rebound as the price of imported goods looks up on the back of higher import duty and bond coupons will be anchored high. Therefore, this will create pressure to push up USD against VND,” Hieu noted.

Regarding foreign trade, US President-elect Donald Trump may impose high import duty on countries with trade surplus with the US, including Vietnam - one of 10 countries with the largest trade surplus with the US. This poses a risk to Vietnam's exports to the US in the coming time if the Trump administration adopts a trade protection policy.

In addition, the US plans to deport millions of illegal immigrants out of this country. The move will create a shortage of US labor, push up wages, increase inflation and thereby reverse the Fed’s monetary policy.

In terms of geopolitics, tensions between Russia and Ukraine, in the Middle East and recently in the Korean Peninsula will give rise to unpredictable turmoil, which is

Exchange rates, foreign trade, geopolitical tensions, and internal issues remain key variables to watch in 2025.

However, experts believe significant investment opportunities exist as personal consumption rises, public investment increases, real estate recovers, and the stock market is poised for growth.

**BUI LIEN**

likely to hit the world economy and Vietnam. “Vietnam is a link in this development and therefore Vietnam’s policies must revolve around these changes. Vietnam, with its dependence on foreign trade with the US and up to 80-90% of foreign trade transactions settled in USD, will be affected by changes in the USD and the US’s economic and foreign policies,” Hieu said. Concerning the internal economy, although growth is forecast to be optimistic, many businesses, especially small and medium ones, are still facing numerous hardships and unable to access support from the Government. Without effective support, more companies in Vietnam will withdraw from the market in 2025, he added.

## What are investment opportunities in 2025?

Although the economy confronts many challenges, there are still attractive opportunities for businesses and investors, said Mr. Trinh Ha, Specialist Strategist at Exness Investment Bank. Contrary to the current view on “reversing” policy from loosening to tightening, she believed that loosening is still a general trend even though the pace of interest rate cuts will slow down. As a result, the VND/USD exchange rate will be less pressured, especially when inflationary pressure in the US in the next few months will be relieved by eliminating seasonal

*(continued on P.17)*



**Exchange rates are one of the four key variables for Vietnam's economy next year**

## IP INFRINGEMENT ON IMPORTS AND EXPORTS INCREASINGLY UNPREDICTABLE



**Customs authorities are ramping up inspections to combat smuggling, counterfeit goods, IP-infringing items, and products with fake origins**

Vietnam's trade flow is becoming vibrant and adding value to the country. However, this growth is accompanied by an increasingly unpredictable rise in smuggling counterfeit goods, intellectual property (IP)-infringing items and goods with fake origins.

### HIEN PHUC

**H**igh-risk items for counterfeit and intellectual property-infringing goods mainly include consumer goods such as fashion items, household goods, electronics, electronic components, functional foods, cosmetics, pharmaceuticals, cigarettes, new-generation tobacco products and various types of alcohol. These items commonly originate from South Korea, Cambodia, Thailand, China, Hong Kong and Taiwan (China). Notably, the sale of counterfeit goods, goods of unclear origin and intellectual property-infringing goods on e-commerce websites is increasing significantly.

In response to this situation, customs authorities have issued numerous directives guiding local customs offices to proactively inspect and detect intellectual property-infringing goods. The Anti-Smuggling and Investigation Department regularly develops plans to coordinate with relevant units both within and outside the

sector to combat smuggling and counterfeit goods and protect intellectual property rights. As a result, many large-scale cases have been detected, handled and seized, with the value of infringing goods reaching tens of billions of VND.

At the Saigon Port Customs Branch - Area 1, several cases were detected over the past year. One company imported nine items under the name SURMT. Upon inspection, the declaration matched the company's report regarding the name, quantity, type, origin, commodity code and tax rate. Another company imported a shipment of 21 items, including many heat-resistant clothing under the name LAKELAND. However, on the packaging, boxes and product surfaces of both companies, there was an additional "R" in a circle (Registered - trademark registered with the state agency), but they could not present a trademark registration certificate in Vietnam. Both companies were fined VND30 million and required to remove the violating elements from the goods.

Another case was detected by the Hai Phong Port Customs Branch - Area 2. The company imported goods under the brand name BLUMaxi. The actual inspection and assessment results showed that all the goods were BLUMaxi kitchen cabinet hinges, which infringed on the BLUM trademark – a trademark that is registered for protection in Vietnam.

In the fight against intellectual property rights infringement, law enforcement agencies, including customs authorities, face numerous challenges. According to the Anti-Smuggling and Investigation Department, the first obstacle is the rapid development of digital technology, which has led Vietnamese consumers to develop a habit of online shopping, resulting in the rapid growth of e-commerce.

Additionally, Vietnam's geographical location, with a 4,510 km land border adjacent to China, Laos and Cambodia, and a 3,260 km coastline from north to south, presents a lot of challenges. Common tactics include misdeclaring goods, failing to declare, mixing intellectual property-infringing goods with declared imports to conceal and evade detection during low-percentage inspections, or importing unbranded components and parts, then assembling and labeling them with counterfeit trademarks in Vietnam.

Even in developed countries with advanced machinery and equipment, controlling counterfeit and intellectual property-infringing goods on e-commerce platforms remains difficult. In Vietnam, despite state investment and attention, efforts have not yet met practical needs. Furthermore, legal regulations for managing e-commerce business are still being gradually improved, and information exchange between management agencies such as the Vietnam Directorate of Market Surveillance, General Department of Vietnam Customs, and General Department of Taxation is not timely in addressing violations. To enhance the effectiveness of these efforts, representatives from the General Department of Vietnam Customs suggest improving coordination and information exchange between customs authorities and stakeholders. Continuous sharing of information on genuine and counterfeit goods, new product information, and import-export business details is needed. When customs authorities request verification information, prompt and timely responses are necessary. ■

# CUSTOMS SECTOR WORKS TOGETHER TO SUPPORT BUSINESSES

The Ministry of Finance has held annual dialogue conferences with businesses to address tax and customs policies and procedures. These events have effectively identified challenges and concerns faced by businesses, enabling timely and efficient resolutions to support the business community.

LE HIEN



**Deputy Finance Minister Cao Anh Tuan addresses the dialogue conference on tax and customs policies and administrative procedures 2024**

**A**t the conference, Mr. Luu Manh Tuong, Deputy General Director of the General Department of Vietnam Customs, said: In the field of customs, administrative reforms continued to be promoted to facilitate import and export activities, aiming to build professional, transparent and efficient customs. The effective implementation of the Vietnam Automated System for Seaport Customs Management (VASSCM) contributed to simplifying procedures for moving goods out of warehouses, yards and ports, reducing contact between customs authorities and businesses, minimizing travel time for citizens, and addressing congestion at ports, warehouses, and yards. In 2024 alone, customs authorities at all levels have conducted over 154 dialogues, demonstrating the customs sector's willingness to engage with business activities.

Thanks to the increased application of information technology and the adoption of modern customs management methods, over 99% of customs procedures are now conducted electronically through the Vietnam Automated Cargo and Port Consolidated System/Vietnam Customs Information System (VNACCS/VCIS). Tuong also emphasized the sector's commitment to continuously simplifying procedures and resolving issues for businesses anytime, anywhere, to facilitate their operations.

During the business Q&A session, Intechco Vietnam

expressed concerns regarding the import procedures for processed plastic scrap. Luu Manh Tuong emphasized the necessity for businesses to adhere to environmental protection regulations and secure the appropriate environmental permits for importing scrap for production. He also directed businesses to comply with Decision 13/2023/QĐ-TTg, which outlines the standards and regulations for plastic scrap.

Additionally, a representative from Thai Binh Cotton Co.,Ltd raised issues regarding the import of cotton waste. Tuong explained the two types of cotton waste: carded and combed. He also mentioned that the Ministry of Finance is coordinating with the Ministry of Natural Resources and Environment to address this issue. Recently, Deputy Prime Minister Tran Hong Ha instructed the Ministry of Natural Resources and Environment to urgently amend Decree 08/2022/ND-CP for more specific guidance.

Furthermore, a representative from BH Flex Vina proposed addressing the issue of double VAT declaration for FDI enterprises outsourcing processing. In response, Deputy Director General Tuong provided information on Official Letter 5677, which offers specific guidance on invoices and VAT refunds, and mentioned that similar guidance will be issued for Bac Ninh province.

Deputy Finance Minister Cao Anh Tuan said that from 2021 to 2023, and up to the present time in 2024, the Ministry of Finance has proactively researched, proposed and submitted to competent authorities, as well as issued under its authority, solutions in the financial sector. These solutions particularly focus on tax, fee, charge and land rent exemptions, reductions and extensions to support businesses, citizens and the economy. The total support provided by these solutions amounts to approximately VND191 trillion. This includes around VND95 trillion in extended tax and land rent, and about VND96 trillion in reduced taxes, fees and charges.

In the coming time, the Ministry of Finance will focus on decisively and effectively implementing the tax, fee, charge and land rent solutions that have been or will be issued soon. Additionally, the ministry will implement the amended Value-Added Tax Law dated November 26, 2024, and the Law amending and supplementing several articles of nine laws including the Tax Administration Law and the Personal Income Tax Law which were recently passed by the National Assembly. ■

## VOLUNTARY CUSTOMS COMPLIANCE PROGRAM OFFICIALLY LAUNCHED



**Customs authorities assign officers and designated areas to assist businesses with customs procedures, document checks, and goods inspections**

After a two-year pilot phase, the customs sector officially launched the Program to Encourage Voluntary Compliance with Customs Laws on December 4, 2024. The program aims to enhance user satisfaction while supporting businesses in improving or sustaining high levels of compliance with customs regulations.

### HUONG HAU

Over the two-year pilot phase (under Decision 1399/QD-TCHQ), 295 businesses have participated in the program. In the first phase (2022), provincial and municipal customs departments signed Memorandums of Understanding (MoUs) with 213 member businesses. In the second phase (2023 to present), MoUs were signed with an additional 82 businesses. As a result, over 80% of participating businesses successfully improved or sustained their compliance levels.

On December 4, 2024, the General Department of Vietnam Customs issued Decision 2790/QD-TCHQ to officially launch the program, replacing Decision 1399/QD-TCHQ. The new decision sets the goal of having over 80% of participating businesses increase or maintain their compliance levels at Level 2 or Level 3, and over 80% of participants being satisfied with the support measures provided by customs authorities.

To support and facilitate member businesses, customs authorities will allocate specific areas and assign customs officers and experts at various levels to directly assist,

guide and address business concerns during customs procedures, document checks and physical inspections of import-export goods.

Customs authorities will also collaborate with port, warehouse and yard operators to facilitate the handling, loading, unloading and storage of goods. They will promptly address any issues arising during customs procedures and respond to member businesses' inquiries and operational questions.

Member businesses will receive risk warnings during customs procedures, including supply chain security risks, intellectual property infringement risks in import-export activities, and internal risks based on recommendations from competent authorities and responsible organizations domestically and internationally.

Customs authorities will consider facilitating inspections using scanning machines upon business requests, easing difficulties and reducing costs for import-export and transit procedures.

Specifically, they will change inspection locations for import-export goods to reduce transportation costs and resources. Member businesses can request customs authorities to scan their import-export goods. They will also provide information on compliance assessment results, reasons for compliance assessment outcomes and warnings about factors that may reduce compliance levels.

Member businesses will be prioritized for support and updates on procedural, policy and regulatory changes related to specialized management, administrative penalties, customs laws, tax laws and maintaining digital data of the customs sector. This aims to prevent risks in the import-export supply chain and ensure compliance levels are maintained or improved.

Customs authorities will coordinate with relevant agencies to support and guide member businesses in mitigating and addressing the consequences of errors and violations during customs procedures, ensuring compliance with legal regulations for specific cases as requested by member businesses. ■

## Customs Sector Prepares for Organizational Restructuring

On December 10, the General Department of Vietnam Customs (GDC) convened a conference to deliberate on the organizational structure of the customs agency.

During the conference, the General Department underscored the importance of implementing Resolution 18-NQ/TW, which outlines the plan and direction for organizational restructuring and streamlining.

The conference reviewed draft reports on the organizational restructuring of the GDC and related plans for amending the organizational structure, decentralizing personnel management, and the Party organization model. It also covered plans for amending, supplementing and replacing relevant legal documents, upgrading the information technology system, arranging infrastructure, managing assets and equipment, and financial management.

To prepare for the organizational restructuring, the GDC is amending and supplementing relevant legal documents and ensuring the necessary conditions for the information technology system. This will allow the new organizational structure to be implemented immediately without affecting the import-export activities of businesses.

GDC General Director Nguyen Van Tho urged all units to focus on completing key tasks and achieving assigned targets. He also emphasized maintaining and enhancing discipline and coordination with functional forces (such as the police and market management) to improve management efficiency.

The conference also stressed the importance of thoroughly communicating the contents of Resolution 18-NQ/TW to all officers and employees to ensure a correct and comprehensive understanding of the directives from higher authorities.

## Enhancing E-commerce Import Management

To enhance the management of imported goods transacted via e-commerce, the General Department of Vietnam Customs (GDC) recently issued comprehensive guidelines for provincial and municipal customs departments to ensure uniform implementation. On November 8, 2024, the GDC released Official Letter 5480/TCHQ-GSQL, detailing the measures to strengthen the oversight of these transactions.

During the implementation process, the GDC received feedback from several customs units and businesses. To ensure uniform implementation, the GDC stated that the directives in Official Letter 5480/TCHQ-GSQL apply only to imported goods transacted via e-commerce.

For other imported goods sent via express delivery services, the regulations outlined in Circular 191/2015/TT-BTC (dated November 24, 2015), Circular 56/2019/TT-BTC (dated August 23, 2019), and the relevant guidelines from the GDC apply.

During customs procedures and the supervision of goods from the import border gate to centralized inspection and supervision locations for postal and express delivery goods, if goods are found to have signs of legal violations (except in cases of suspected prohibited imports), the customs office at the import border gate will transfer information on the signs of violations to the customs office where the goods are transported for inspection,

identification of violations, and handling according to regulations.

Imported goods transacted via e-commerce are goods ordered by Vietnamese or foreign individuals in Vietnam through e-commerce service websites, e-commerce service applications, e-commerce sales websites, and sales applications to be brought into the territory of Vietnam.

Huong Hau

## Customs Strengthens Efforts to Combat Smuggling

Forecasting a complex situation of smuggling and trade fraud across various routes, sectors, locations and even online, due to the increased demand during the Lunar New Year, the General Department of Vietnam Customs issued a plan to intensify the fight against smuggling, trade fraud and counterfeit goods before, during and after the 2025 Tet holiday.

The plan calls for strict management of customs operations, ensuring security, social order, market price stability, consumer protection and prevention of state budget revenue losses. It emphasizes proactive control, timely detection and strict handling of smuggling, trade fraud, illegal cross-border shipments and counterfeit goods, including intellectual property violations. The goal is to prevent areas under management from becoming hotspots for illicit activities.

The implementation of the plan must adhere to legal regulations, ensuring smooth operations for businesses and normal trade and export-import activities without hindering lawful commerce.

To effectively monitor and prevent smuggling, trade fraud and counterfeit goods, the General Department of Vietnam Customs directed its subordinates to disseminate and strictly implement the guidance of higher authorities during the anti-smuggling campaign for the 2025 Tet Festival. This includes coordinated and efficient operational measures, enhanced patrolling, and focused customs inspections at key locations and for both imports and exports.

## Hai Phong Customs Fulfills Budget Collection Target Ahead of Schedule

As of November 21, Hai Phong Customs met its 2024 state budget target ahead of schedule, with a total of over VND67,700 billion collected, reaching 101.9% of the annual target and an increase of nearly VND 9,900 billion (or 17.1%) compared to the previous year. The Hai Phong region contributed over VND58,800 billion, meeting 100.1% of the target. The three neighboring provinces of Hai Duong, Hung Yen and Thai Binh collected nearly VND8,900 billion, surpassing their target by 115.7%.

Key customs departments such as the Hai Phong Port Customs Department (Zone 1) contributed over VND19,500 billion (28.8% of the total), Hai Phong Port Customs Department (Zone 3) with VND13,330 billion (19.7%), Dinh Vu Port Customs Department with VND9,800 billion (14.5%), and Investment-Processing Goods Customs Department with nearly VND8,000 billion (11.8%).

This achievement was made possible by proactive tax collection efforts throughout the year, in line with directives from the General Department of Vietnam Customs. All employees have shown dedication and determination in meeting the fiscal target, tailored to the specific needs of each unit.

Le Hien

# Dark Side of Southeast Asia's E-Commerce Boom

In the vibrant digital landscape of Southeast Asia, a silent threat is undermining the region's explosive e-commerce growth: cyber fraud.

NGUYEN MAI

**D**r. Joshua Dwight, an RMIT University lecturer and researcher specializing in digital fraud, warns that the same technological accessibility driving Southeast Asia's digital transformation is creating unprecedented opportunities for cyber criminals.

In Vietnam alone, where over half the population shops online, the e-commerce sector is expected to grow by 18% this year, reaching US\$22 billion in value. This is the third fastest growth rate behind the Philippines (23%) and Thailand (19%). However, with this rapid growth comes an equally rapid evolution of digital threats.

"E-commerce is highly targeted because it is very easy to access and hard to control," said Dr. Dwight, highlighting a critical vulnerability in the region's digital ecosystem.

Cyber criminals employ various tactics to exploit e-commerce platforms. "They might create a fake website that connects you to the real e-commerce website, with the same look and feel. While the fake site forwards your information to the actual platform to complete legitimate purchases, it simultaneously collects your data for future fraud," Dr. Dwight explained.

Beyond such deceptive interfaces, attackers can target e-commerce platforms directly. They can launch denial-of-service attacks to break down the website or attempt malicious code injection attacks to breach the platform's security.

The RMIT academic added that even the advertising systems can be compromised – platforms sometimes fall victim to "malvertising" where seemingly legitimate advertisements lead users to fraudulent sites. Many organizations, such as social media, do not conduct due diligence on the "marketers" to verify whether they are real companies or not. They usually just concentrate on the ad sales.

In Vietnam, the National Cyber Security Centre's weekly reports are alarming: the majority of the identified phishing websites in the reports are fake bank or e-commerce platforms. Dr. Dwight said that these might not be isolated incidents but part of a systematic, tech-enabled criminal infrastructure.

## Beyond phishing and direct attacks

Scam compounds are a related issue that Dr. Dwight is investigating in collaboration with a non-profit organization. This is a rising crime in Southeast Asia where criminals use job sites and social media to recruit people into fake jobs, human trafficking them into facilities in Myanmar and Cambodia to commit cybercrime. Such crimes include but are not limited to e-commerce fraud.

What makes these crimes particularly harmful is their escalating impact. As Dr. Dwight explained, there can be significant second-level harm. What starts as a seemingly simple online scam can rapidly transform into more severe crimes: human trafficking, forced labor, money laundering and even physical assault.

Deviant behaviors are also a common, yet often overlooked,

aspect of e-commerce fraud. These activities usually take advantage of business policies focused on providing a great customer experience such as free shipping and returns.

"You have people who buy a product and it gets shipped to them, but they falsely claim that they did not receive it. Most of the time the e-commerce sites will give a refund because they are trying to make the customer experience as nice as possible," Dr. Dwight said.

"Or somebody might open an online shop and get their friends to write hundreds of positive reviews. That is not necessarily illegal, but not exactly ethical either. Yet, such deviant behaviors can cost consumers and e-commerce sites a lot of money."

## The delicate balance: Convenience vs. security

For e-commerce platforms, preventing fraud is a complex challenge. "They have an ethical dilemma," Dr. Dwight explained.

"Do they accept potential losses from fraud, or do they risk losing customers by implementing stringent security measures? With rising competition among e-commerce sites, any extra friction in the customer's buying journey might deter them from completing a transaction."

Dr. Dwight advocates for a multi-stakeholder approach: Merchants need to strengthen their capabilities to identify and mitigate risks. The identity verification processes are particularly important, though this remains challenging in markets where digital adoption is rapidly outpacing security infrastructure.

"Some merchant sites allow a guest checkout; some require account creation. But even with account creation, someone can use a SIM card and stolen information to create a fake account that platforms do not or cannot properly verify with the account holder," he noted.

For users, Dr. Dwight emphasized the importance of vigilance, particularly in Southeast Asian markets where data privacy protections may be less robust. "Even just your address, full name and phone number would be enough to do quite a bit of harm. Try not to share your information unnecessarily, and always verify links before clicking," he warned.

Government regulators and law enforcement face their own challenges in the region. "It's very difficult for law enforcement in Southeast Asia to handle these types of crimes because many of them are small-scale and cross-border," said Dr. Dwight. This highlights the need for enhanced regional cooperation and standardized cybercrime response protocols. ■





# FOUR MAIN DRIVERS OF VIETNAMESE STOCK MARKET IN 2025

Positive prospects of a stable manufacturing in 2025 are supported by supply chain diversification benefits from the “China +1” strategy, and Vietnam will continue to attract FDI inflows in the coming time.

**BUI LIEN**



**Vietnam's stock market in 2025 holds growth potential**

**R**emarking on the market outlook for December, Mirae Asset Securities believed that the demand has strengthened for three consecutive weeks, combined with breakout trading sessions stimulated by bullish industries and soaring liquidity on December 5. These developments have opened up many optimistic prospects for the rest of December.

In particular, the VN-Index saw support around 1,250 points and continued to gain ground. The rally was expected to be extended, underpinned by bullish industries like financial services, retail, insurance and steel.

On the contrary, the banking sector is likely to underperform the market although it is likely to continue to attract cash flow and leading banks have traded at all-time high prices. Although valuations remain attractive, this somewhat affects the general trading sentiment and cash flow is expected to shift to industries that are more likely to gain value.

In December, Mirae Asset expected cash flow to broaden its influence and boost a broad-based rally to drive the VN-Index above the sentimental resistance of 1,300 points. However, at the same time, caution is needed when the gauge successfully goes past the 1,300-point threshold and profit-taking pressure may weigh up around 1,300 and last till 1,330.

In 2025, Mirae Asset believed that there will be four main drivers of the market. The first is manufacturing. With industrial and manufacturing sectors consuming more than 50% of Vietnam's electricity, the 11% growth in electricity output in the first 10 months of 2024, combined with the PMI Index staying above 50 points in eight out of 10 months (excluding January), domestic manufacturing has improved significantly compared to that in 2022-2023.

Although there are concerns about the risk of power shortages as some industrial zones used to suffer due to high temperatures and increased electricity demand, the revised Electricity Law, renewable energy initiatives and nuclear power development plans will ensure adequate power supply for consumption and production needs.

Positive prospects of a stable manufacturing in 2025 are supported by supply chain diversification benefits from the “China +1” strategy, and Vietnam will continue to attract FDI inflows in the coming time.

The second is domestic consumption. Although listed retailers show signs of recovery in 2024, growth in 2025 is likely to slow down as consumers remain cautious. Total profits of listed retailers strongly recovered in recent quarters but largely resulted from cost optimization and margin improvement rather than increased investment and expansion.

In fact, total revenue from giant retailers like MWG has modestly grown in recent years as revenue from discretionary goods at Thegoididong and Dien May Xanh has remained stable and seasonal while actual growth has been mainly driven by Bach Hoa Xanh.

In 2025, consumer spending is forecast to grow steadily but modestly due to asset depreciation from the uneven recovery of the real estate and stock markets.

The third is bad debt. Seeing the widening gap between credit growth and deposit mobilization, commercial banks have adopted a dual strategy: Gradually increasing deposit interest rates and actively issuing bonds to maintain credit growth momentum while minimizing the nonperforming loan (NPL) ratio, taking advantage of Circular 02/2023/TT-NHNN on no changes to the debt category of borrowers fraught with difficulties, particularly with the system-wide credit growth of 12.5% as of December 7, doubling the growth of M2 money supply. These developments show that NPL handling, debt manufacturing and debt extension are taking place.

Although asset quality improved slightly in the first three quarters of 2024, with the NPL ratio sliding to 2.47%, it was still 42 basis points higher than at the beginning of the year. With Circular 02/2023/TT-NHNN set to expire on December 31, 2024, commercial banks are likely to pursue a three-pronged strategy: Strengthening credit risk provisions, promoting bond issuance to support credit growth, and promoting corporate debt restructuring in the context of the business environment showing no clear signs of recovery.

The last is the corporate bond market. The grace period for bonds with rescheduled payment terms under Decree 08/2023/ND-CP will gradually expire, creating asset quality risks for banks and system liquidity challenges in the first half of 2025, especially when the real estate, construction and energy sectors are still facing difficulties in business operations as well as refinancing pressures. ■

# Market Trends and Green Transformation for Vietnamese Firms

Green manufacturing is now a necessity, as Vietnam's trade partners have imposed new requirements, requiring businesses to adopt green standards for exports.

ANH MAI

## Greening trends in many fields

Dr. Nguyen Minh Thao, Director of the Business Environment and Competitiveness Department, the Central Institute for Economic Management (CIEM) under the Ministry of Planning and Investment, said that green manufacturing is a global trend and a vital choice for businesses today, especially when Vietnam joined many free trade agreements (FTAs) which include requirements for the implementation of environmental commitments and sustainable development and create a new framework for environment to bind parties' obligations to environmental protection. Vietnam also entered the United Nations Framework Convention on Climate Change (COP26 and COP28), aiming to achieve net zero emissions by 2050.

Green manufacturing is now a requirement because Vietnam's trading partners recently introduced new requirements, typically the European Green Deal (EGD). This is a comprehensive and long-term program of the European Union (EU), aiming to respond to global climate emergencies until 2050.

EGD was adopted on January 15, 2020. However, from January 2020 to October 2023, the EU took 58 green policy

actions or expected to exert direct impacts on foreign goods imported into this region.

In addition, according to Thao, there are some green policies that affect merchandise exports of Vietnamese companies to the EU, including the Carbon Border Adjustment Mechanism (CBAM), the Farm to Fork Strategy, the Circular Economy Action Plan, and the EU Biodiversity Strategy for 2030.

## Strong impacts on Vietnamese businesses

All importers and manufacturers of imported products (under the scope of regulation) outside the EU are also affected by CBAM, especially those in construction, machinery, automobile, railway and equipment, chemical and agricultural sectors, he said.

Currently, Vietnamese exporters to the EU market are less affected by the products and the export value of products regulated by CBAM is insignificant. Nonetheless, the EU's application of CBAM will, in the short term, affect four exports of Vietnam to the EU, namely steel, aluminum, cement and fertilizer. According to statistics, from 2017 to 2021, Vietnam's total steel and aluminum exports to the EU market are valued at about US\$1.1 billion and US\$48 million a year. In 2022, the EU's steel imports from Vietnam reached US\$2.1 billion while its spending on Vietnamese aluminum was US\$65.18 million. Given the small number of items and low export value, the impact is not large, estimated to decrease by about US\$100 million.

Notably, the scope of CBAM can be expanded, including indirect carbon emission tax and many products that emit a lot of carbon into the environment such as organic chemicals and polymers (plastics) and finally all goods regulated by the EU Emissions Trading System (EU ETS). After the EU's



The green industry is seen as a key transformation to attract foreign investors

Carbon Border Adjustment Mechanism, the US, Japan, South Korea, China and other countries will also apply a similar mechanism to collect CO2 duty on imported goods. As these are major export markets of Vietnam, Vietnamese companies will certainly be affected in the coming time.

Vietnam is currently the 11th largest import partner of the EU. Therefore, many Vietnamese industries exported to the EU market will be hurt by green policies.

In particular, seven groups of Vietnamese exports are forecasted to be affected by EGD: Electrical, electronic, information technology, machinery, equipment and related components; agricultural products (especially coffee, cashew nuts, pepper, cocoa and meat), seafood, timber and wooden products; foods (especially organic food); textile-garment and leather-footwear; chemicals, fertilizers, batteries and accumulators; iron, steel, aluminum and cement; and packaging (especially food packaging and chemical packaging.)

Notably, agricultural products, foods, textiles and garments are potentially exported with high value to the EU and likely to have EU green policies imposed. The EU's green policies applied to these product categories are considered complicated and challenging because they cover all agricultural, food and apparel products (not some specific products in these categories). In addition, green policies are legislated in the form of mandatory minimum legal requirements (not recommended incentives for implementation). At the same time, these policies include standards, measures and regulations that affect many stages in the production chain (from design to input, from production and farming to transportation, from use to repair, from disposal to recycling, etc.) and not just applied to final products.

For the textile and garment sector, the EU has been a leading export market for Vietnam's textile and garment products which are attributed to be the biggest causes of environmental degradation and climate change. Therefore, this category is most targeted by the EU's green efforts. Accordingly, some green policies can be expanded to textile and garment products such as the Industrial Emissions Directive, the Textiles Ecosystem Transition Pathway, the Commitment to Sustainable Consumption and CBAM.

## Order of the market

The EU's green policies will create opportunities for businesses to use clean technology, expand the market and integrate clean technology. However, according to Dr. Thao, challenges for Vietnamese businesses are huge.

Green policies are numerous in quantity, complicated in nature, and continuously evolving over time. There is no common set of green standards, no unified green transition roadmap for all types of exports. It requires the capacity to transform technology, control the supply chain, labor skills, accountability, declaration and information storage, so Vietnamese businesses must raise awareness, invest money and have governance capacity.

Dr. Nguyen Minh Thao believed that, to meet the increasingly demanding requirements of import partners, the Government and state agencies need to provide and update information promptly and issue specific implementation guidelines for the business community. It is necessary to coordinate, negotiate and dialogue with trade partners to discuss implementation methods and perfect the policy framework on decarbonization such as phasing out coal power, promoting renewable energy and saving energy. At the same time, it is necessary to construct regulations on carbon pricing, perfect the legal basis for green taxonomy, develop a green financial system, design and implement policies to support enterprises in green manufacturing.

Enterprises need to actively learn about green agreements, regularly update green policies on exports, make early preparations and take quick actions. In particular, they need to enhance their capacity such as capital, technology, engineering, human resources and governance; control emissions across the entire production chain, reduce emissions in each production stage and limit the use of environmentally unfriendly products; optimize the use of equipment and products; and increase production efficiency, effectively use resources and materials."

The transition to green manufacturing is no longer a choice but a mandatory requirement, a market order," Thao affirmed. ■

factors and Mr. Donald Trump may consider loosening oil and gas production measures for businesses.

According to Mr. Barry Weisblatt David, Director of VNDIRECT Analysis Division, Vietnam's GDP growth may reach 6.9% in 2025. However, if public investment disbursement can amount to 100%, GDP growth may be higher at 8%, even 9%. "However, to achieve the above results, the Government needs to further accelerate measures to remove difficulties for the business sector," he recommended.

In particular, anticipating the likely upgrading of the stock market to an emerging market, he believed that there will be much more opportunities to welcome foreign investment funds into the Vietnamese market. Even if Vietnam can upgrade its national credit rating, its borrowing costs can decline by up to 2% and this is a positive factor for Vietnam to draw strong foreign capital flows for ambitious development plans.

"Catalyzed by GDP growth prospects, public investment and market upgrading, Vietnam's stock market will be likely to advance. Many bonds in the market are high quality and bullish," Barry said.

From the perspective of consumer behavior research, Ms. Dang Thuy Ha, Director of Customer Behavior Research, Northern Representative of NielsenIQ Vietnam, said that the business survey showed that 67% of Vietnamese people believed that financial health is getting better, significantly higher than last year's 50%. Besides, more people started to eat out while they remain cautious with spending. "This shows that the recovery of retail and consumer industries is quite positive in 2025, especially the F&B industry," she emphasized.

According to Dr. Nguyen Van Dinh, Chairman of the Vietnam Association of Real Estate Brokers (VARs), after a year of stronger transformation than in 2022 and 2023, the real estate market will enter 2025 with breakout development underpinned by preferential credit packages and a series of new laws. ■

## VIETNAM'S COCONUT INDUSTRY

# Great Opportunity to Affirm Global Position



The delegates conduct the opening ceremony of CocoNext 2024

CocoNext 2024, themed “Empowering Vietnamese Coconut Value Chain,” officially opened as part of the annual CocoNext International Coconut Conference, initiated by BetrimeX and co-hosted with the Vietnam Coconut Association. The event featured innovative ideas and offered experiences through BetrimeX’s creative exhibition spaces.

## MY CHAU

### **A promising new era**

With three main themes “Coconut industry - Strategy for sustainable development”, “Innovation and technology - Empowering the value chain” and “Coconut industry - Business launchpad in the new era”, CocoNext 2024 brought useful information and practical solutions to address current challenges of the coconut industry. Discussion sessions focused on exploring insightful policies on sustainable development, applying advanced technologies to production and value chain management, promoting export potential, and optimizing the value chain for the coconut industry. At the same time, innovative models from leading coconut countries were

also introduced, opening up many opportunities for deep and long-term international cooperation.

Especially at CocoNext 2024, enhancing technological application to create a breakthrough development for the coconut industry drew strong focus from experts because, after all, integrating advanced technologies into the coconut industry was not only a choice but also a prerequisite for sustainable growth and coconut value chain. In other words, technological advances promise to lead the coconut industry to new heights, from innovative packaging techniques and transformative approaches

to food processing, healthcare, sustainable energy and new product development.

At a macro level, CocoNext 2024 also emphasized the importance of shaping an overall strategy to turn coconut into one of Vietnam's spearhead economic sectors. Attracting the participation, sharing and information exchanging of more than 200 representatives from Vietnamese and international government agencies, business leaders and experts from the world's leading coconut countries, the conference not only affirmed Vietnam's position in the world coconut industry but also created a strong driving force to promote the growth of the coconut industry.

### **CocoNext joins forces to enhance the coconut value chain**

As the brainstormer and promoter of CocoNext event series, Ms. Dang Huynh Uc My, Chairwoman of the Board of Directors of BetrimeX, said that CocoNext is not only a place to share and exchange information between world-leading experts but also carries the mission of initiating breakthrough changes, reshaping the landscape and opening a new era for the coconut industry. This is also a common commitment of all stakeholders in the coconut value chain

In recent years, the Vietnamese coconut industry has made breakthrough growth steps. From US\$280 million in 2010, the coconut industry obtained the export value of up to US\$1.64 billion in 2023. With a total coconut growing area of over 200,000 ha, Vietnam is currently the

# German Businesses Optimistic on Vietnam Market

The global economy shows slow but stable growth, with ongoing challenges. Despite this, German businesses remain optimistic about Vietnam, with the AHK World Business Outlook Fall 2024 survey highlighting investor confidence in both business performance and Vietnam's strong macroeconomic growth.

THU HA

## Economic growth expectations

Among surveyed businesses, 81% are positive as well as satisfied with their current operations, 50% expect business growth, 35% plan to increase local investments, showing an increase compared to spring 2024 (24%), and 35% anticipate economic growth in Vietnam over the next 12 months, while 54% are confident about Vietnam's steady pace. Besides, 54% of respondents intend to maintain their workforce levels in the next 12 months while 35% plan to hire new employees.

In 2024, German investment in Vietnam reached new heights, reflecting a strong and growing partnership between the two countries. With over 530 German companies actively operating in Vietnam, the country remains a key market for Germany's global expansion strategies.

German enterprises have invested an impressive US\$3.6 billion, showcasing their confidence in Vietnam's economic potential. These investments span diverse sectors, including manufacturing, advanced technology, logistics, and the rapidly growing renewable energy industry, underscoring Vietnam's pivotal role in supporting sustainable and innovative growth.

## Challenges and opportunities

In Europe, the economic outlook is underwhelming. Although German companies operating internationally remain optimistic about the future, they still remain cautious due to these global economic fluctuations.

Businesses face key challenges in this volatile environment, including weak global demand (60%), economic policy uncertainty (30%), and infrastructure constraints (27%). Other issues impacting German enterprises, including those in Vietnam, are trade barriers (24%), rising labor costs (22%), legal uncertainties (22%), and supply chain disruptions (22%).

Additionally, German companies are defining factors influencing their competitiveness in the Vietnamese market. The highest influences include the rising cost of preliminary products (47%), intense local competition (33%), and competition from third-market players (26%). These factors further underscore the complex landscape that businesses must navigate to sustain growth and remain competitive globally.

Despite challenges, German businesses see significant growth potential in Vietnam's promising market. Over half (53%) of surveyed firms have noted a positive competitive position over the past five years. Vietnam's steady economic growth and strategic role as a manufacturing and export hub offer German companies a stable alternative amid global uncertainties, enabling supply chain diversification and risk mitigation.

The country's focus on renewable energy and sustainability aligns with Germany's strengths in green technologies, presenting vast opportunities for innovation and collaboration. A strong and growing German business community in Vietnam further underscores the potential for partnerships and joint ventures. By addressing challenges like infrastructure gaps and local competition, German firms can strengthen their presence in Vietnam and leverage their dynamic economic landscape to achieve sustainable growth. ■

4th largest exporter of coconut products in the Asia-Pacific region and holds the 4th position in terms of total value in the international market. With its strategic importance, coconut trees have been planned as one of six key industrial crops and the Ministry of Agriculture and Rural Development also launched the Coconut Development Project to 2030 with very clear and ambitious goals. "Accompanying the Government-initiated Coconut Development Project, CocoNext will become a bridge for stakeholders in the coconut value chain to promote the strength of cooperation and maximize the valuable natural potential of coconut trees. At the same time, CocoNext also creates innovative solutions and introduces advanced technologies to achieve sustainable growth goals and enhance the coconut

value chain," she emphasized.

According to My, to realize the above strategic vision, CocoNext will initiate and lead new steps and shape the future of the coconut industry by creating the Coconut Next Chapter, the Coconut Next Trend, and the Coconut Next Global Destination. CocoNext will also promote the positioning of Vietnam as a leading supplier and innovation center of the global coconut industry. "In that journey, Betrimex, as a leading coconut company in Vietnam and the 6th largest coconut producer in the world, we are committed to always taking the lead in expanding cooperation, accompanying stakeholders to deepen the coconut value chain, and making the Vietnamese coconut industry an Asian symbol and a typical industry of the century," My affirmed. ■

# KEY SOLUTIONS TO DRIVE GREEN GROWTH



Solar power greatly reduces CO2 emissions, supporting Vietnam's Net-Zero 2050 goal

The Prime Minister has issued Directive 44/CT-TTg, dated December 9, 2024, outlining key tasks and solutions to accelerate the implementation of the National Strategy on Green Growth for the 2021-2030 period, with a vision to 2050.

## BINH MINH

The Directive states that on October 1, 2024, the Prime Minister issued Decision 1658/QĐ-TTg, approving the National Strategy on Green Growth for the 2021-2030 period, with a vision to 2050 (Green Growth Strategy). To ensure the strategy's effective implementation and achievement of its goals, the Prime Minister has also issued the National Action Plan on Green Growth for 2021-2030, assigning specific tasks and solutions to each ministry, sector, and locality.

In the past time, despite facing multi-dimensional challenges, under the drastic direction and management of the Government and the Prime Minister, and the proactiveness of ministries, sectors and localities, Vietnam's green growth process has

achieved many important results, contributing positively to the overall growth of the economy. However, green growth has not really become a driving force for economic growth due to some limitations and challenges in the implementation process. Some goals, tasks, and solutions for green growth have not been adequately integrated into socio-economic development plans and public investment plans, resulting in a lack of synchronization and insufficient resources for implementation across ministries, sectors, and localities. Additionally, the institutional framework and policies for green growth investment remain fragmented, and green financial instruments are still underdeveloped. There is a lack of preferential policies and incentives for breakthrough investment in green growth, leading to a lack of a favorable environment for accessing, mobilizing, attracting and receiving resources for green growth.

Implementation capacity is still limited and the awareness of the role and benefits of green growth has not really penetrated the thinking of people and businesses.

## **Toward the goal of net zero by 2050**

To promote the implementation of green growth, towards the goal of net zero emissions by 2050, the Prime Minister requests Ministers, Heads of ministerial-level agencies, Government agencies, Chairpersons of People's Committees of provinces and centrally run cities to focus on directing and implementing assigned tasks in the Green Growth Strategy and Green Growth Action Plan.

In particular, Ministers, Heads of ministerial-level agencies, Government agencies, Chairpersons of People's Committees of provinces and centrally run cities promptly incorporate and integrate green growth goals and tasks into strategies, projects, planning, plans and legal documents that are expected to be issued in the coming time; review and assess the potential of new sectors and fields in green growth. There is a need to accelerate the implementation of programs, projects, and pilot initiatives for new models linked to green growth. Efforts should also focus on promoting communication, education, and raising awareness about the role, significance, and benefits of green growth for both the public and the business community. Furthermore, enhancing coordination and information sharing among ministries, sectors, and localities is essential to improve the effectiveness of green growth implementation.

## Realizing green growth in line with socio-economic development

The Ministry of Planning and Investment shall develop a mechanism to monitor, evaluate and report on the implementation of the Green Growth Strategy; develop a roadmap to realize green growth associated with socio-economic development with a long-term vision towards the goal of carbon neutrality.

It is necessary to institutionalize and supervise the adjustment and supplementation of new economic policies, models and tools to promote economic restructuring associated with innovation of the growth model towards greenness and sustainability, ensuring equality and competitiveness, and promoting the important role of the private sector in the green transformation process.

There is also a need to strengthen advocacy and mobilize resources for green growth, amend legal documents to prioritize state budget capital for green initiatives, develop investment incentives, and support green pilot projects. Additionally, a comprehensive list of green pilot projects and key tasks for each period should be compiled.

## Developing incentive policies to encourage investment in green projects

The Ministry of Finance is tasked with reviewing, amending and supplementing policies on state budget expenditures to promote green growth, developing financial incentives to encourage investment in green projects, and urgently completing the project to establish and develop a carbon market in Vietnam.

The State Bank shall review, adjust and perfect banking and credit institutions in line with green growth goals, especially green credit and green banking; develop solutions to concentrate resources for green credit, preferential credit policies for green projects; direct credit institutions to promote green credit, focus capital on green economic sectors, green projects, and environmentally friendly projects.

The Ministry of Industry and Trade is tasked with restructuring and upgrading industries through innovation and the application of science and technology, boosting investment in green industries such as renewable energy, hydrogen, electric vehicles, and charging infrastructure. It will also complete and implement the plan for transitioning from coal power to clean energy, commit to global renewable energy and energy efficiency targets, and promote research and solutions to adapt to the Carbon Border Adjustment Mechanism (CBAM).

The Ministry of Natural Resources and Environment shall strengthen resource management, environmental protection, nature conservation and biodiversity, adaptation to climate change, improve capacity for monitoring, forecasting and warning of natural disasters; prioritize resource allocation, accelerate implementation of key projects on climate change response, natural disaster prevention, especially drought, saltwater intrusion, subsidence, riverbank and coastal erosion, landslides, etc.

The Ministry of Natural Resources and Environment is tasked with refining mechanisms and policies for carbon credit exchange and offset, establishing environmental criteria and certifying projects for green credit, and issuing green bonds. It will also finalize the national green criteria set to classify economic activities and complete regulations,



**Vietnam promotes the development of green, circular, and high-tech agriculture**

policies, and technical standards to accelerate the implementation of a circular economy.

The Ministry of Construction is tasked with developing and refining institutions, policies and tools for monitoring and evaluating the development of green, smart, and climate-resilient urban areas, green construction, public infrastructure, and environmentally friendly transportation. It will also focus on producing and using low-carbon construction materials and adopting new and clean energy sources. The ministry is responsible for completing the National Technical Regulations on infrastructure works, emphasizing climate change response and emission reduction in areas such as water supply, drainage, solid waste treatment, lighting, and energy supply.

## Encouraging the development of green, organic, circular, high-tech agriculture

The Ministry of Agriculture and Rural Development is tasked with promoting the restructuring of the agricultural sector, encouraging the development of green, organic, circular, high-tech agriculture, environmental protection, emission reduction and climate change adaptation; perfecting agricultural and rural infrastructure to adapt to climate change, focusing on irrigation and clean water works to serve the restructuring of the agricultural sector and the construction of new rural areas; focusing on effectively implementing the project "Sustainable development of one million hectares of high-quality and low-emission rice cultivation associated with green transformation in the Mekong Delta by 2030".

The Ministry of Foreign Affairs shall advise on establishing cooperation frameworks on green economy, promoting "economic diplomacy", "technology diplomacy", "climate diplomacy", technological cooperation, mobilizing financial resources for green transformation, green transformation; proactively participates and makes positive contributions to international cooperation frameworks and initiatives on green growth and sustainable development to enhance Vietnam's international role and image, facilitate the mobilization of international resources, and creates conditions for Vietnamese enterprises to participate in global green supply chains.

## Driving digital transformation to support green growth

The Ministry of Information and Communications is to promote information, propaganda and mobilization of people, businesses, manufacturers, organizations and individuals in the whole society to change awareness, production, consumption and

👉 green lifestyles; promote digital transformation to serve green growth; integrate green growth into synchronous infrastructure investment programs and plans in digital transformation.

The Ministry of Education and Training is to integrate green growth into education and training at all levels, promotes and educates on soft skills, and forms a green and civilized lifestyle and awareness; promote training of high-quality human resources to serve sectors and fields related to green growth (new energy sector: hydrogen).

### Promoting green tourism service development

The Ministry of Culture, Sports and Tourism is to complete the legal framework and policy mechanism for green tourism development; handle violations of environmental and landscape encroachments, raises awareness of tourism environmental protection; develop and effectively implements the Tourism System Planning for the period 2021-2030, with a vision to 2045; develop a set of synchronous and effective green tourism development standards; develop green tourism products and services, promote the values of natural resources and national cultural heritage and promotes green tourism.

The Ministry of Labor, War Invalids and Social Affairs shall complete integrated policies to respond to climate change, promote green job creation, support job transition, create new jobs and ensures social security; issue policies to develop sustainable livelihoods for workers, especially vulnerable workers; effectively implement programs and projects to support labor market development and job creation in areas related to green growth; integrate new training sectors and occupations in green growth fields to vocational training and education programs; increase investment in facilities and training equipment for vocational education institutions toward a green vocational training environment, meeting national and international green standards and criteria.

The Ministry of Science and Technology shall complete a national list of clean technologies, advanced technologies, high technologies, low carbon emissions in manufacturing industries; prioritize the allocation of science and technology tasks for green growth. In addition, it will deploy research, development and application of new energy sources, especially technology for production, storage, distribution and use of hydrogen; carbon capture/utilization (CCS/CCUS); do research, testing, improvement, innovation of clean technologies in universities, research institutes, large private enterprises towards the transition to a low-carbon economy, reducing energy consumption and reducing greenhouse gas emissions.

### Refining policy mechanisms to promote green transport

The Ministry of Transport is tasked with refining policy mechanisms to encourage the use of green transport and green energy, including hydrogen fuel for vehicles, equipment and transport infrastructure. The business community, industry associations, research institutes and universities are also encouraged to collaborate with ministries and sectors, mobilizing contributions from domestic and international organizations and development partners to implement the National Strategy on Green Growth. Additionally, efforts will be made to strengthen awareness campaigns and promote green growth. ■

# Hanoi's 2050 Master Plan Approved

The Hanoi Capital Plan 2021-2030, with a vision to 2050, marks an important step in addressing the city's bottlenecks and difficulties.

NGUYEN MAI

**O**n December 12, Prime Minister Pham Minh Chinh signed Decision 1569/QĐ-TTg on ratification of the Hanoi Capital Plan for the period 2021-2030, with a vision to 2050. The total planned natural area is 3,359.84 square kilometers.

### Central metropolis with the Red River as a landscape axis

The Hanoi Capital Plan is built with a “new vision - new global thinking, Capital thinking and Hanoi action” to create “new opportunities - new values” to develop the “civilized - modern” Capital in the short and long terms and give a helping hand to lead the country into a new era, the era of rising Vietnamese people.

The core view of the plan is “people-centric development”, with the image of Hanoi shaped as “Cultured Capital - elegant and splendid global connection - harmonious development - peaceful prosperity - enabling government - devoted business - confident society - happy people”.

The planning sets out five general development views, in which the Capital development is consistent with the country’s socioeconomic development strategy, with the national master plan and the Red River Delta regional plan. The plan also arouses the aspiration of developing a “civilized - modern - civilized” green, smart Capital on par with the capitals of developed countries in the region and the world.

Spatially, Hanoi is arranged and distributed with an economic and social development space according to the center-line structure comprised of economic corridors, economic belts and development axes, along with a synchronous transport infrastructure system for socioeconomic development, regional, national and international connectivity, with the close linkage of industrialization and modernization with





**Hanoi aims to develop a "civilized, modern, and green" smart capital, on par with leading capitals worldwide**

urbanization, and with harmonious urban and rural development.

The Capital will effectively and harmoniously develop and exploit five spaces: Public space, overhead space, underground space, cultural - creative space, and digital space.

The Red River is the green axis and the central landscape axis of the Capital, a space of cultural heritage, tourism and services. It connects the Capital Region and the Red River Delta.

Urban space is developed according to the core-satellite model which embraces central urban areas and cities in the Capital, satellite cities and ecological towns. Hanoi will develop new urban models by specific functions like Transit-oriented urban development (TOD), science and technology urban areas, airport urban areas and tourism urban areas.

Rural area development is aligned with urbanization, economic development, cultural identity preservation, natural landscape protection and the environment. Modern living conditions are facilitated while typical traditional features are maintained, and natural landscape values and cultural and historical values are preserved and promoted.

The Hanoi Capital Plan sets out five key tasks: Environmental and landscape protection, urban and rural development, economic development, cultural-social development, and sci-tech development and innovation.

It also states four breakthrough stages: Institutions

and governance; synchronous, modern and connected infrastructure; Development of high-quality human resources, science and technology and humanistic resources; and urban, environment and landscape.

### **Five development spaces defined**

Socioeconomic activities in the Hanoi Capital Plan are organized by the following model: Five development spaces - five economic corridors and belts - five development driving axes - five economic and social regions - five urban regions

Five development spaces include overhead space, underground space, public space, creative cultural space, and digital space.

The economic corridors and belts are formed on the basis of economic corridors devised in the National Master Plan.

Five development driving axes include Red River axis, West Lake-Co Loa axis, Nhat Tan-Noi Bai axis, West Lake-Ba Vi axis, and the Southern axis.

Five socioeconomic regions are composed of the central region (including the historical quarters, the central urban area and the expanded central urban area in the south of the Red River), the eastern region, the southern region, the western region, and northern region.

Five developed urban areas include the central urban area, the western urban area, the northern urban area, the southern urban area, and the Son Tay-Ba Vi urban area.■

## Clear Legal Framework Needed to Unlock Digital Asset Potential



The past decade has seen remarkable advancements in technology worldwide, particularly in digital assets such as blockchain, cryptocurrencies, asset tokenization and decentralized finance (DeFi). Once unfamiliar, digital assets have now become integral to the global financial system. Leading nations in this field not only to drive innovation but also establish a strategic edge in the global economy.

### QUYNH ANH

#### **Much development potential**

Mr. Nguyen Duy Hung, Chairman of the Board of Directors of SSI Securities Corporation, said that amid the global trends in technology and the digital asset market, Vietnam is emerging as a notable player, driven by its young, dynamic workforce and strong enthusiasm for innovation. According to recent research by Forbes, Vietnam ranks second globally in digital asset ownership and interest. Additionally, data from the 10 largest global exchanges participating in the Vietnam Tech Impact Summit 2024 (VTIS 2024) reveals that Vietnam ranks among the top four markets worldwide by trading volume. Digital assets have transcended being mere technological solutions, becoming integral to the daily lives of families across the country.

According to Mr. Truong Gia Binh, Chairman of the Board of Directors of FPT Corporation, Vietnam has a lot of potential to develop in the field of information technology. Artificial intelligence (AI) is having a profound impact on the labor market, requiring people to adapt to this change by

learning and improving skills, mastering AI and technology in the working process. In particular, Vietnam has abundant human resources who are ready to learn new things.

He emphasized that the revolution called digital transformation marks the era of the country's rise, so that the Vietnamese people can stand on par with advanced nations in the world. Vietnam has expanded diplomacy and trade connections with many countries in the world. "Opportunities are open to us, the important thing is whether we can seize them or not. The most important of these is data, because all technologies develop around data. Data is a valuable resource for Vietnam and the whole world. Data is the fuel of the future. Whoever knows how to

exploit, process and use it can conquer new heights. A new world order is established when countries control data better," added Binh.

Mr. Truong Gia Binh emphasized that Vietnam holds a prominent position and is shining brightly on the global technology map. Vietnam ranks second after India in software exports and has a technology workforce that many countries do not have. Many businesses have chosen Vietnam as their second home and many companies from other countries have chosen Vietnam as their home.

#### **Transparency and clarity of legal framework - Key development**

Vietnam is a country with a young population that loves technology and is willing to experiment with new trends. This creates favorable conditions for Vietnam to become a center for digital asset development in the region. According to Mr. Nguyen Duy Hung, to maximize the potential of digital assets, a core factor is transparency and clarity in the legal framework. This is the fundamental factor that helps investors, businesses and the community to develop in a safe and sustainable environment.

However, the current reality shows that due to the lack of a clear legal framework, this field is still facing many challenges. Enterprises in the field of blockchain and digital assets in Vietnam still have to operate in a lack of direction, causing them to lose their competitive advantage compared to neighboring countries such as Singapore or Thailand. In addition, the lack of regulations leads to the inability to protect users from fraudulent or non-transparent activities. Not to mention while the opportunities are gradually disappearing, foreign investors and large technology corporations tend to choose other countries with more favorable legal environments.

Building a legal framework for digital assets in Vietnam is not only a need for businesses but also a necessary condition to promote the development of the technology industry in particular and the economy in general. Therefore, according

to Mr. Nguyen Duy Hung, SSI recommends that the Government soon issue a clear and transparent legal framework to regulate activities related to digital assets, creating trust for investors and market participants. Support innovative businesses in the field of blockchain and digital technology through investment incentives, research funding and international cooperation.

In addition, it is necessary to build flexible management mechanisms to both protect users and not lose creativity - the core of digital assets. At the same time, it is needed to strengthen international cooperation in the field of digital assets, take advantage of the experience of developed countries to build an effective legal framework, suitable for the characteristics of Vietnam.

If these bottlenecks can be resolved, according to Mr. Nguyen Duy Hung, with a strategic vision and support from the Government, Vietnam can completely become a center for innovation in digital assets in the region. This is not only an opportunity for Vietnam to catch up with global trends but also a way to raise the country's position on the world technology map.

The Government has reportedly submitted the Law on Digital Technology Industry to the National Assembly, including four articles that define the concept, determination criteria, management principles, and state management responsibilities for digital assets. In the review report, the Committee for Science, Technology and Environment said that the provisions on digital assets in the draft Law are necessary. However, digital asset management is a new and complicated issue, so it needs to be carefully considered. In particular, the Government needs to study the classification of digital assets and develop corresponding management regulations. ■

## TICCO COMMITTED TO BEST PRODUCTS AND SERVICES

Established on July 11, 1983, Tien Giang Investment and Construction Joint Stock Company (TICCO) has, over more than 40 years of development, firmly established its position and made contributions to the socio-economic progress of Tien Giang province and the Mekong Delta region.

### NGO SAN



**TICCO focuses on long-term investments in concrete production, industrial cluster development, and real estate**

**F**rom its inception, TICCO has pursued the goal of building technical infrastructure and fostering sustainable economic growth. Through relentless innovation and development, the company has become a leading enterprise in key areas, including ready-mixed concrete, hydraulic construction and infrastructure investment.

With a team of over 680 employees, TICCO has emerged as a key provider of high-quality concrete products while actively participating in major construction projects, not only in Tien Giang but also in neighboring provinces.

### **Improving employee welfare, sustaining corporate culture**

TICCO's success is deeply rooted in its dedication to the well-being of its employees. Recognizing labor as its most valuable asset, the company has cultivated a professional and supportive working environment where employees can grow and contribute to the company's development.

Annual improvements in working conditions and income levels, with an average income growth of 5–7% per year, reflect TICCO's dedication to its workforce. The company fully complies with labor laws, protects employees' rights and fosters workplace democracy. Regular incentives, awards and developmental opportunities ensure a motivated and cohesive team.

*(continued on P.31)*

# UNBLOCKING CAPITAL FLOWS FOR “RICE INDUSTRY REVOLUTION”



The project "Sustainable Development of One Million Hectares of High-Quality, Low-Emission Rice Farming Linked to Green Growth in the Mekong Delta by 2030" has received a positive response from the Can Tho Department of Agriculture, with 48,000 ha registered. Trung An Hi-Tech Farming Joint Stock Company has also registered with the Ministry of Agriculture and Rural Development to establish joint projects across Mekong Delta provinces and cities by 2030, covering 100,000 ha, including 15,000 ha in Can Tho city. Our reporter has an interview with Mr. Pham Thai Binh, Chairman of the Board of Directors of the Company, on this project.

NGO KHUYEN

## How will this project motivate the rice industry and rice companies today?

The Vietnamese rice industry, especially in the Mekong Delta region, has a lot of advantages bestowed by nature, so Vietnam's rice exports have quickly dominated many markets around the world. However, over the past many years, farmers have lacked production connection with businesses, so the rice industry has not developed sustainably. Farmers grow many different rice varieties which are purchased and processed by businesses into 5%, 10% and 15% broken and other grades and then sell them in the market.

In 2012, Trung An Company signed the first export contract of 2,000 tons of "single variety" rice at a price higher than US\$70 per ton from the source that the company cooperated with farmers to produce in large-scale fields. Since then, Vietnam's rice export market has formed a premium single-variety rice segment. Other businesses started to purchase and classify rice into individual varieties to sell at higher prices. Nonetheless, the supply could not meet the demand because uniform rice can only be obtained when businesses cooperate with farmers to produce rice according to the given criteria and cultivation process of the large-scale field model.

However, not all businesses can do this because "linking production with consumption" between them and farmers in rice cultivation requires money. From 2012 to 2015, many provinces and companies adopted the large-scale field model but "gradually shrank it" later. From 2019 to 2020, only a few companies (including Trung An) persisted in cooperating with farmers although they faced numerous difficulties but always hoped that the government would soon have a solution to provide capital for cooperation stages in the production chain.

We know that linking production is a prerequisite for sustainable paddy and rice development, so we try to maintain it. In this chain, our company is responsible for all stages such as providing early-season materials (including seeds, fertilizers, pesticides and agricultural services), providing interest-free loans for farmers for a 4-month period, settling payment for rice at the time of harvesting, installing rice dryers (farmers deliver fresh rice from the field), and installing silos to store dried rice. As they need huge fund but lack access to loans, most companies do not link up but choose to purchase the paddy.

The project demonstrates the great determination of the Government, the Ministry of Agriculture and Rural Development, provinces and cities. If the banking sector closely participates, it will remove credit bottlenecks. At that time, businesses will certainly actively participate and end the circumstance under which "Vietnamese rice is always discounted by Vietnamese businesses to sell."

Moreover, given the higher demand for quality of life and rice, applying science and technology, green transformation, digital transformation, and circular economy becomes urgent. Following that trend, rice products labeled "low carbon" and produced according to a low-emissions model will have a stable consumer market with much higher selling prices. However, this can only be achieved when many businesses join large-scale fields. Vietnam's agricultural sector cannot stay outside this trend.

## What sets the One Million Hectare Project apart from the large-scale field model?

The large-scale field is a rice production and consumption link between businesses and farmers, aiming to increase the value and sustainable development of the



**The large-scale model developed by Trung An Hi-Tech Farming Joint Stock Company**

rice industry! Launched in 2011, this model grew quite popular, but the extent was narrowed because businesses could not borrow capital to pay for the stages in the chain.

The Project is a higher development step of the large-scale field with more extensive and comprehensive regulations and criteria. Quantitatively speaking, the large-scale field has 70% content while the Project has 100%. The Project solves the bottlenecks that the large-scale field has not. In addition, the Project depicts many production processes and regulations in connection with the environment, greenhouse gas emission and green growth according to Vietnam's commitments at the 26th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP26).

### **How do businesses influence the Project's progress and performance?**

In rice production linkages and according to the Project criteria, the role of businesses (including cooperatives) is central in building raw material areas for farmers to participate in the Project.

Specifically, according to the Ministry of Agriculture and Rural Development (Decision 2178/QĐ-BNN-KTHT dated July 4, 2024), businesses need to establish rice-farming projects and plans and submit them to the Provincial/Municipal People's Committees for approval to have the basis for implementation. When these projects and plans are approved, banks will have a legal basis for considering loans for businesses.

To carry out the Project, businesses and cooperatives must borrow capital to establish linkage. However, to produce high-quality, high-value rice, this linkage must be operated synchronously and smoothly.

Solving investment bottlenecks mentioned in the Project and especially root matters - capital and resources, businesses can operate smoothly. Only then can businesses and farmers master production processes, take the initiative in production and sales, increase the selling price and the profit for businesses and the income of farmers as well as the common value for the rice industry.

### **Responding to this "great revolution", how has Trung An acted?**

Trung An has always been concerned, strongly responded and actively put forth many opinions and proposals to carry out the Project.

To date, Trung An Hi-Tech Farming Joint Stock Company has completed conditions documents for formation of a

100,000-ha plan. Specifically, at the Project Implementation Conference on January 5, 2024, under the witness of central authorities and the Kien Giang Provincial Party Committee, the Kien Giang Provincial People's Committee handed a permit to Trung An for carrying out 50,000 ha in the Long Xuyen Quadrangle. Besides Kien Giang, Trung An registered to implement 15,000 ha in Can Tho City,

15,000 ha in An Giang province, 10,000 ha in Dong Thap and 5,000 ha each in Soc Trang and Hau Giang provinces.

To have 15,000 ha in Can Tho City, from the existing 2,000 ha in Co Do and Vinh Thanh districts, Trung An is promoting the expansion of 5,000 ha in Thoi Lai district and other localities to have the targeted area and achieve the registered progress.

### **How will funding impact the Project's progress and performance?**

As mentioned above, our company established a feasible project to borrow money from banks. When we have money, the next steps will be implemented. Notably, when we have enough resources, we will be able to implement the most comprehensive and effective plans. For example, when we invest in a hectare of rice, warehouses will be used to store the paddy to meet customers' orders and market demand. We will have to treat rice husks, straws and bran after harvesting and processing the paddy. All must be calculated and implemented synchronously to bring high value, efficiency and sustainability. We see these values but cannot achieve them due to insufficient capital resources.

Overall, the Project needs US\$3-4 billion in the short term and in the long term. This value seems to be big, but it is, in reality, insignificant when the Project is implemented effectively. Vietnam will still only export 8 million tons of rice a year, but the value will be up to US\$7-8 billion, not US\$4.6 billion as it is now. We only give such basic figures to see huge economic benefits if the Project offers solutions for businesses to get loans.

The general challenge is completely clear. Central and local authorities and banks also clearly recognize this problem. The loan for the Project is completely within reach, but it is important that businesses can access it. To overcome this difficulty, on October 11, 2024, the State Bank of Vietnam issued three documents (8363, 9864 and 8365), clearly stipulating processes, procedures and incentives. That means that the banking sector is also very ready with this policy. What is needed now is businesses need to implement it soon and localities need to get involved in operating it soon. Last but not least, banks also need to change their mindset. Instead of providing short-term loans such as loans for export contracts, banks should prioritize providing loans for production chains to make the Project more effective.

**Thank you very much!**

# TCIT Sets Milestone of Welcoming 1 Millionth TEU

Recently, in Phu My town, Ba Ria-Vung Tau province, Tan Cang - Cai Mep Thi Vai International Terminal (TCIT) of Saigon Newport Corporation hosted a ceremony celebrating the milestone of handling the 1 millionth TEU at the port in 2024.

QUANG TIEN - CONG HOAN



Colonel Bui Van Quy, Deputy General Director of Saigon Newport Corporation, addresses the ceremony



Delegates conduct the ceremony to welcome the 1 millionth TEU through TCIT

The 1 millionth TEU was loaded onto the Cosco England, operating on the PVCS shipping route that directly connects Vietnam with the West Coast of the United States. This marks the first time TCIT has surpassed this important milestone and is a positive growth indicator for both the Saigon Newport system and Vietnam's seaport industry as a whole.

In the TCIT business results report, Lieutenant Colonel Vu Hong Hung, Director of Saigon Newport Corporation, affirmed that the company has implemented many initiatives for port development, digital transformation and IT application, including E-Port, EDO and modern port management software. It has also strengthened connections with units in the Saigon Newport system and ports in the Cai Mep area. By proactively and flexibly managing berth

In 2024, TCIT completed its production and business plan 106 days ahead of schedule, with an anticipated throughput of 1.09 million TEUs—an impressive 33% increase compared to the same period last year. TCIT has received 918 ships, of which 321 are motherships on international service routes connecting the key economic region of Southern Vietnam with major export markets such as the US and Europe without going through transit ports such as Singapore and Malaysia. With this result, TCIT has reduced logistics costs, enhanced competitiveness, shortened transportation times, and expedited market access for goods.



**Delegates pose for a group photo at the ceremony**

schedules, TCIT has enhanced loading efficiency and minimized conflicts caused by frequent changes in port arrival times. The company consistently innovates to maintain a professional and modern port, delivering on its commitment to ship clearance productivity. This approach ensures convenience, speed and simplicity, reducing time and costs for shipping lines while building trust and satisfaction in service quality. Therefore, TCIT has earned the support and loyalty of shipping lines and customers over time.

Speaking at the event, Colonel Bui Van Quy, Deputy General Director of Saigon Newport Corporation, emphasized: “The event of welcoming the 1 millionth TEU is an important milestone in the nearly 10-year development journey of TCIT Port, affirming the important role of the port in the national seaport planning strategy. Aligned with the Government’s orientation, TCIT will prioritize sustainable development,



**The 1 millionth TEU is loaded onto the Cosco England container ship**

enhance operational capacity and optimize logistics services, aiming to establish the Cai Mep - Thi Vai Port Cluster as the region’s premier transit hub.” ■

TIEN TIEN GARMENT JSC

# AFFIRMING POSITION AS LEADING EXPORTER

In the context of Vietnam's garment export industry facing many major challenges, Tien Tien Garment Joint Stock Company has affirmed its position as one of the leading enterprises in this field.

BINH MINH

Over the years, despite the general difficulties of the economy and global fluctuations, the company has maintained sustainable and stable development, even surpassing ambitious revenue targets. In 2024, Tien Tien Garment Joint Stock Company is expected to achieve revenue of VND1,300 billion, higher than the initial target of VND1,100 billion. This is the result of continuous efforts in strategic orientation, investment in technology and people, as well as flexibility in adapting to the market.

**Correct market orientation**

Recently, the garment export industry has faced fierce competition from other countries, along with major

fluctuations in the international market due to the impact of the Russia-Ukraine conflict, so correctly identifying the target market has become a vital factor for businesses. Tien Tien Garment Joint Stock Company has demonstrated its acumen and strategic vision by strongly shifting its export market to the US, a large and potential consumer market. Despite being affected by external factors, the company has maintained stability in its strategy.

The company not only focuses on increasing export volume but also seeks to optimize costs, ensuring high competitiveness. While many businesses face difficulties due to rising raw material costs, Tien Tien Garment Joint Stock Company has proactively linked production with partners in rural areas, where labor costs are lower. This is an effective strategy to help the company reduce production costs, thereby improving competitiveness while maintaining high product quality.

**Investing in tech, quality materials, and workforce development**

In order to maintain long-term competitiveness, Tien Tien Garment Joint Stock Company constantly invests in modern production technology. Over the years, the company has always been at the forefront of applying new technologies to the production process, from automating the production line to applying advanced management software to optimize the work process. In particular, the company also focuses on researching and using high-quality raw materials at competitive prices, helping to increase product value and optimize costs.

Pioneering investment in technology not only helps increase labor productivity but also improves product quality, meeting the increasingly stringent requirements of international customers, thereby further consolidating its position in the garment export industry.

In addition to investing in technology, Tien Tien Garment Joint Stock Company also pays special attention to developing human resources. The company always considers people as the key factor determining sustainable success. One of the outstanding strengths of Tien Tien Garment Joint Stock Company is its good treatment policy for employees. The company is committed to providing a professional and dynamic working environment, while creating conditions for employees to develop their careers, improve their skills and income.

Mr. Tran Van Dung, General Director



Tien Tien Garment always puts product quality and customer trust first



of Tien Tien Garment Joint Stock Company said: “Tien Tien is committed to boosting its competitiveness by leveraging its internal strengths, competing at the forefront of technology, and investing in human resources to enhance labor productivity. The company aims to provide high income for employees, fulfill its obligations to the state budget, and continuously improve the factory environment to ensure the best working conditions for its workforce.”

Thanks to the special attention to the lives and development of workers, Tien Tien Garment Joint Stock Company not only maintains a stable workforce but also creates a positive working environment, helping the company always achieve high productivity and efficiency.

### **Protecting reputation, upholding commitments, and sustainability**

One of the important factors that helps Tien Tien Garment Joint Stock Company overcome all challenges and maintain stable development is protecting reputation and keeping commitment to customers. Even in difficult circumstances, the company always puts product quality and customer trust first.

Accordingly, it is always proactive in working with partners, improving production processes and providing products that meet the highest standards, meeting the strict requirements of major markets such as the US, Korea, Japan, and the EU.

Especially during the COVID-19 pandemic, when many companies faced production disruptions and reduced orders, Tien Tien Garment Joint Stock Company still maintained production and orders and did not disrupt the supply chain. This perseverance has helped the company maintain customer trust, while further strengthening its position in the international market.

With a sustainable development strategy and the ability to quickly adapt to market fluctuations, Tien Tien Garment Joint Stock Company is on track to become one of the leading export enterprises in the Vietnamese garment industry. The company's goal is not only to increase revenue but also to develop sustainably, protect the rights of employees, and ensure a safe and quality working environment.

Tien Tien Garment Joint Stock Company is affirming that despite difficulties and challenges, with a clear strategic vision, strong investment in technology and people, they will continue to maintain and expand their position in the garment export industry.

Tien Tien Garment Joint Stock Company has proven its ability to overcome difficulties, face challenges and always find the right directions for sustainable development. Thanks to a suitable development strategy, effective investment in technology and human resources, the company is constantly affirming its position as one of the leading garment export enterprises in Vietnam. The success story of Tien Tien Garment Joint Stock Company is a clear demonstration of the resilience and flexible adaptability of a business in a volatile market context. ■

*(from P.25)*

TICCO has built a sustainable corporate culture centered on human values, ethical business practices and social responsibility. The company upholds principles of goodwill, cooperation, transparency and equality in all its activities.

To sustain long-term growth, TICCO prioritizes the development of a talented and ethical workforce. The company continually enhances management processes and optimizes human resource strategies to meet market demands while maintaining an effective and healthy workplace.

As a pioneer in sustainable development, TICCO adopts innovative, cost-effective measures, minimizes waste and integrates environmental protection into its operations. This approach not only drives revenue and profit growth but also reinforces the company's commitment to sustainability.

### **Key projects and sustainable development goals**

TICCO has identified core areas for investment, including technical infrastructure, residential and industrial clusters, ready-mixed concrete and hydraulic construction.

In real estate and industrial infrastructure, TICCO has delivered successful projects that contribute to Tien Giang's socio-economic development, such as the Gia Thuan 1 and 2 industrial clusters and model residential areas like My Thanh Hung, Trung An and Long Thanh Hung. These projects have contributed to industrialization, urbanization, attracting investment and enhancing social welfare in the province.

In the ready-mixed concrete sector, TICCO leads the regional market with state-of-the-art manufacturing facilities and a trusted brand. Its products serve a diverse clientele, from individual consumers to professional contractors, across Tien Giang and neighboring provinces like Ben Tre, Vinh Long and Long An. A third concrete plant is under construction, aiming to meet growing demand and expand TICCO's reach.

In hydraulic construction, TICCO maintains a leading position, particularly in projects related to soil improvement and water management infrastructure.

Building on its strong foundation and decades of experience, TICCO continues to focus on long-term investments in concrete production, industrial cluster development, and real estate. The company emphasizes modernizing management systems, enhancing human resources, and improving employee welfare while upholding social and environmental responsibilities.

In real estate, TICCO is committed to accelerating high-potential projects, ensuring efficient construction management, and expediting land clearance to deliver timely and effective outcomes.

Mr. Vu Huy Giap, TICCO's General Director, said: “The company will continue investing in real estate and industrial infrastructure projects, particularly the Gia Thuan 1 and 2 clusters, as well as real estate developments in the Go Cong area. Leveraging Tien Giang's strategic location, we aim to capture new waves of investment and propel TICCO's growth in the future.”

TICCO upholds quality, timeliness and customer satisfaction as its core principles for building and maintaining trust. Its ready-mixed concrete products have left a lasting impression on key projects, contributing to the industrialization and modernization of Tien Giang and the surrounding regions.

From hydraulic systems and industrial infrastructure to real estate projects, TICCO adheres strictly to technical and quality standards, delivering exceptional products and services that meet the highest expectations. ■



Delegates at the UN conference on rural tourism development

## RURAL TOURISM

# DRIVER FOR SUSTAINABLE RECOVERY

The UN Tourism Conference on Tourism for Rural Development was held on December 10 in Hoi An, Quang Nam, Vietnam, with over 350 delegates from 50 countries. The event highlighted rural tourism as a driver for sustainable global economic and social development.

### GIANG TU

#### **Foundation for sustainable development**

In his opening speech, Deputy Prime Minister Le Thanh Long emphasized that rural tourism is not only a new development trend but also a driving force for sustainable economic growth.

"Rural tourism helps bridge the gap between rural and urban areas, preserves cultural and natural values, and provides tangible benefits for local communities," Long said.

He also praised the program which supports both the protection of natural and cultural resources and community empowerment, creating jobs in line with the United Nations' Sustainable Development Goals. With over 70% of the population living in rural areas, Vietnam is well-positioned to develop unique agricultural and rural tourism models that attract both domestic and international visitors.

Minister of Culture, Sports, and Tourism Nguyen Van

Hung highlighted that the event in Quang Nam - a region rich in historical and cultural traditions - provides an opportunity for countries to share experiences and learn from one another about rural tourism development. He noted that strengthening international cooperation and connecting policymakers, businesses, financial organizations, and local communities is key to the sustainable development of this sector.

#### **Bright spot in rural tourism development**

Deputy Minister of Culture, Sports, and Tourism Ho An Phong affirmed that Vietnam's diverse resources and rich cultural heritage are making rural areas an attractive destination for innovative tourism models. He emphasized that rural tourism not only creates jobs but also contributes to transforming many rural areas into livable places. The values derived from tourism have supported the preservation of traditional occupations, increased local income, and boosted the consumption of local agricultural products.

According to the Deputy Minister, in the post-pandemic recovery phase, rural tourism is becoming an effective tool to address economic, social, and environmental challenges. By attracting tourists to peaceful and culturally rich villages, the tourism industry can alleviate pressure on major cities and ensure a more equitable distribution of economic benefits.

During the conference, delegates also discussed the role of technology in enhancing the management and development of rural tourism. The integration of technology and innovative business models has helped

many rural destinations in Vietnam attract a large number of international tourists while protecting their unique cultural and natural values.

### **Strengthening cooperation to promote rural tourism**

The conference was not only a platform to exchange experiences but also an opportunity to foster cooperation between countries and international organizations. Deputy Secretary-General Zoritsa Urosevic of the United Nations World Tourism Organization (UNWTO) emphasized that developing rural tourism is key to preserving heritage, creating jobs, and improving community welfare. She urged closer cooperation among member countries to establish rural tourism networks and develop policies supporting sustainable growth.

Vietnam, with its motto "one village, one product," and "every citizen is a tourism ambassador," has committed to continuing to implement new initiatives to elevate rural tourism. According to Deputy Prime Minister Le Thanh Long, the development of rural tourism is not only an opportunity to promote the country's image but also a way for Vietnam to contribute positively to global sustainable development efforts.

During the conference, delegates discussed successful models in developing the best rural tourism networks. Vietnam, with its many unique villages and potential, shared its experience in creating distinctive tourism products, connecting local communities, and collaborating with businesses to form a sustainable value chain.

The conference is a clear demonstration of the growing importance of tourism in promoting sustainable development. With the support of UNWTO and the collaboration of member countries, rural tourism is expected to become a cornerstone in building a more sustainable future for the global community. From the tranquil villages of Vietnam to other rural areas around the world, the tourism industry is helping narrow development gaps, preserve heritage values, and create new opportunities for local people. The conference reaffirmed that with global cooperation and the right policies, rural tourism will continue to play a dynamic role in the economic recovery journey post-pandemic. ■

### **Int'l Arrivals to Vietnam Surge in November**

International arrivals during November 2024 reached 1.7 million, a 38.8% increase compared to the same period last year. This record highlights the robust recovery and growing appeal of Vietnam as a premier global travel destination.

In the first 11 months of the year, Vietnam welcomed a total of 15.8 million international visitors, up 41% year-on-year. Revenue from travel and tourism services during this period reached VND57.5 trillion, a 17.3% increase, accounting for 1% of the country's total service revenue. Notable growth was reported in several key destinations, including Can Tho (up 31.2%), Ho Chi Minh City (up 17.7%) and Khanh Hoa (up 16.6%), as well as Hanoi and Binh Dinh (both up 12.6%).

Asia remains the dominant source of visitors, contributing nearly 80% of total international arrivals. South Korea led the way with 4.1 million visitors (26.1%), followed by China (3.3 million), Taiwan (1.1 million), the United States (706,000) and Japan (656,000). Other emerging markets include India, Malaysia, Australia, Cambodia and Thailand.

With this impressive momentum, Vietnam's tourism sector is poised to surpass its 2024 targets. International promotional campaigns, streamlined visa policies and the strong recovery of domestic tourism services continue to position Vietnam as one of the most attractive destinations in the region and the world.

**Giang Tu**

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